



FINANCE COMMITTEE AGENDA PACKAGE

December 11, 2025

9:00a.m.

Dial-in Info: 1-321-299-0575

Meeting ID: 215 406 912 317#

Committee Members

Jim Williams, Leesburg – Chair
Javier Cisneros, Fort Pierce
Barbara Quiñones, Homestead
Karen Nelson, Jacksonville Beach
Jesse Perloff, Key West
Kevin Crawford, Kissimmee
Steve Langley, Mount Dora
Dallas Lee, Newberry
Efren Chavez, New Smyrna Beach
Marie Brooks, Ocala
James Braddock, Wauchula

Meeting Location

**Florida Municipal Power Agency
8553 Commodity Circle
Orlando, FL 32819
(407) 355-7767**

MEMORANDUM

TO: FMPA Finance Committee

FROM: Rich Popp

DATE: **Wednesday, December 03, 2025**

SUBJECT: FMPA Finance Committee Meeting Wednesday, December 10, 2025 at 9:00am

PLACE: Florida Municipal Power Agency Board Room
8553 Commodity Circle,
Orlando, FL 32819
Fredrick M. Bryant Board Room

DIAL-IN: **321-299-0575, Meeting 215 406 912 317#**

LINK: [Join the meeting now](#)

(If you have trouble connecting via phone or internet, please call 407-355-7767)

Chairperson Jim Williams, Presiding

AGENDA

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RP/lj

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 10, 2025**

**AGENDA ITEM 2 – RECOGNITION OF
GUESTS**

**Finance Committee Meeting
December 10, 2025**

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

**Finance Committee Meeting
December 10, 2025**

**AGENDA ITEM 4 – SET AGENDA (By
Vote)**

**Finance Committee Meeting
December 10, 2025**

**AGENDA ITEM 5 – CONSENT
AGENDA**

**a. Approval of Minutes – Finance
Committee Meeting Held August 20,
2025**

**Finance Committee Meeting
December 10, 2025**

CLERKS DULY NOTIFIEDAUGUST 13, 2025
AGENDA PACKAGE SENT TO MEMBERS.....AUGUST 13, 2025

**MINUTES
FINANCE COMMITTEE MEETING
WEDNESDAY, AUGUST 20, 2025
FLORIDA MUNICIPAL POWER AGENCY
8553 COMMODITY CIRCLE
ORLANDO, FL**

**PARTICIPANTS
PRESENT**

Javier Cisneros, Fort Pierce (virtual)
Barbara Quiñones, Homestead (virtual)
Karen Nelson, Jacksonville Beach (virtual)
Jesse Perloff, Key West (virtual)
Kevin Crawford, Kissimmee
Jim Williams, Leesburg
Steve Langley, Mount Dora* (virtual)
Efren Chavez, New Smyrna Beach (virtual)
Marie Brooks, Ocala (virtual)

**OTHERS
PRESENT
ONLINE**

Michele Harris, Fort Pierce
Earl Tessy, Key West
Dan Goetz, Kissimmee
Jason Terry, Kissimmee
Justin Buckman, Kissimmee
Kevin Prophet Kissimmee
Matt Dorage, Leesburg
Matthew Ganoe, Purvis Grey
Tim Westgate, Purvis Grey

STAFF PRESENT

Jacob Williams, General Manager and CEO
Rich Popp, Chief Financial Officer
Jody Finklea, General Counsel and Chief Legal Officer
Sharon Adams, Chief People and Member Services Officer
Ken Rutter, Chief Operating Officer
Sue Utley, Executive Assist to CEO/Ass Sec to Board of Directors
Lindsay Jack, Executive Assistant Support Coordinator
Jason Wolfe, Financial Planning, Rates, and Budget Director
Mary Kathryn Patterson, Senior Public Relations Specialist
Emily Maag, Public Relations Specialist
Danyel Sullivan-Marrero, Controller
Sena Mitchell, Treasurer Manager
John Bradley, Energy Business Strategist

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

Finance Committee Chair Jim Williams, Leesburg, called the FMPA Finance Committee Meeting to order at 2:00 p.m. on Wednesday, August 20, 2025. A video and audio connection for public attendance and participation was broadcast in the Frederick M. Bryant Board

Room, FMPA, 8553 Commodity Circle, Orlando, Florida. The roll was taken, and a quorum was declared, with 8 of 11 members present. After roll call, Steve Langly, Mount Dora, joined bringing the quorum count to 9 members out of 11 present for the meeting.

ITEM 2 – RECOGNITION OF GUESTS

Tim Westgate introduced himself and Matthew Ganoe with Purvis Gray.

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

None.

ITEM 4 – SET AGENDA (BY VOTE)

MOTION: Javier Cisneros, Fort Pierce, moved approval to set the agenda as presented. Barbara Quiñones, Homestead, seconded the motion. Motion carried 9-0.

ITEM 5 –CONSENT AGENDA

- a. Approval of Meeting Minutes, Meeting held June 25, 2025

MOTION: Kevin Crawford, Kissimmee, moved approval of the Consent Agenda. Barbara Quiñones, Homestead, seconded the motion. Motion carried 9-0.

ITEM 6 – CHAIRPERSONS REMARKS

None.

ITEM 7 – CFO REPORT

- Rich Popp reported on the following
 - Item 9d FY25 Capital Reallocation. Explained that when the initial report came out the Purchase Orders for next year were included for this year.
 - Sales for resale are higher than budget, and we may come back next month due to increased gas costs to serve the energy sales. Next month, a possible spending authority item, to increase ARP's budget spending authority. Bond transaction officially closed last week.

ITEM 8 – ACTION ITEMS

- a. **Proposed Revisions to Fuel Portfolio Management Policy**

John Bradley presented the revision to the Fuel Portfolio Management Policy.

MOTION: Javier Cisneros, Fort Pierce, moved approval of the Revisions to Fuel Portfolio Management Policy. Kevin Crawford, Kissimmee, seconded the motion. Motion carried 9-0.

ITEM 9 – INFORMATION ITEMS

a. Natural Gas Price Stability Program Quarterly Update

John Bradley presented the Natural Gas Price Stability Program quarterly update.

b. Interim Audit Update *Item moved to the end of meeting.

Danyel Sullivan-Marrero introduced Tim Westgate, Purvis Gray, who presented the Interim Audit update.

Members did not have an objection to FMPA staff staying in the meeting for this information item with Purvis Gray.

c. Results of ARP Series 2025A Bonds

Sena Mitchell presented the results of the ARP Series 2025A Bonds.

Kevin Crawford, Kissimmee, congratulated Sena Mitchell, Rich Popp and the team on a great job.

d.FY25 Capital Reallocation

Ken Rutter presented the FY25 Capital Reallocation ITEM WAS PULLED

ITEM 10 – REPORTS

- a. Review Form Appendix A FUEL PORTFOLIO MANAGEMENT POLICY 2025
- b. Review Form Appendix B DEBT POLICY
- c. Review Form Appendix C INVESTMENT POLICY
- d. Review Form Appendix E CREDIT POLICY
- e. Review Form Appendix H POWER SUPPLY AND RESOURCE PLANNING
- f. Review Form Appendix N HUMAN RESOURCES POLICY

ITEM 11 – COMMENTS

No comments.

ITEM 12 – ADJOURNMENT

There being no further business, the meeting was adjourned at 2:33p.m.

Approved Date_____

JW/lj

**AGENDA ITEM 6 – CHAIRPERSON'S
REMARKS**

**Finance Committee Meeting
December 10, 2025**

AGENDA ITEM 7 – CFO REPORT

**Finance Committee Meeting
December 10, 2025**

AGENDA ITEM 8 – ACTION ITEMS

a. Approval of 2026 Meeting Schedule

**Finance Committee Meeting
December 10, 2025**



FC 8a – Approval of Proposed Meeting Dates for 2026

Finance Committee

December 10, 2025

Proposed Meeting Dates for 2025

Finance Committee

Meeting Dates
January 14
April 15 (Agency Budget)
May 20 (Agency Budget)
June 04 (All Other Budgets)
June 17 (Tentative, only if changes are requested at June 4 meeting)
August 19

Meeting Dates
September 16
December 09

Recommended Motion

- Move approval of the recommended meeting schedule for calendar year 2026.

AGENDA ITEM 8 – ACTION ITEM

**b. Approval of PFM Contract
Extension**

**Finance Committee Meeting
December 10, 2025**



FC 8b – Approval of PFM Contract Extension

Finance Committee

December 10, 2025

PFM Engagement Overview

Background and Contract Structure

- PFM began serving as co-financial advisor in April 2023, sharing the role with a Dunlap & Associates
 - Served as sole managing financial advisor since April 2025
- Current agreement with PFM expires in April 2026
- We have a contractual option to extend the agreement for an additional two years

PFM's Contributions to FMMPA

Performance and Value

- Supported our recent financing activities, with meaningful impact to FMMPA
 - Establishment of new Pooled Loan Credit Provider
 - Negotiate terms of \$100M Line of Credit
 - Secured Underwriting team – increase efficiency across transactions
 - Closing on ARP Series 2025A Bonds
 - Working with Fuel's Team for Price Risk Management ISDA agreements.
- Provided dependable analysis, market insight, and transaction support
- Built institutional knowledge and continuity within a short time as sole FA
- Positioned FMMPA well for upcoming planned financings in 2026 and 2028

Recommended Extension

Rationale for Two-Year Contract Extension

- Proposed Contract Terms:
 - Annual fee increase: \$10,000 per year
 - Travel fees: No change
 - Consistent with prior year adjustments and represents a modest increase relative to current scope
- Maintains continuity with an advisor who has demonstrated value
- Avoids transition risk ahead of upcoming debt financings
- Seeking to extend PFM's contract for two additional years, effective April 2026

Recommended Motion

- Move Approval of a two-year extension for PFM Financial Advisory Services and recommend to the Board and Executive Committee.

**AGENDA ITEM 9 – INFORMATION
ITEMS**

**a. Unaudited Annual Debt Report as
of September 30, 2025**

**Finance Committee Meeting
December 10, 2025**



9a – Unaudited Annual Debt Report as of Sept. 30, 2025

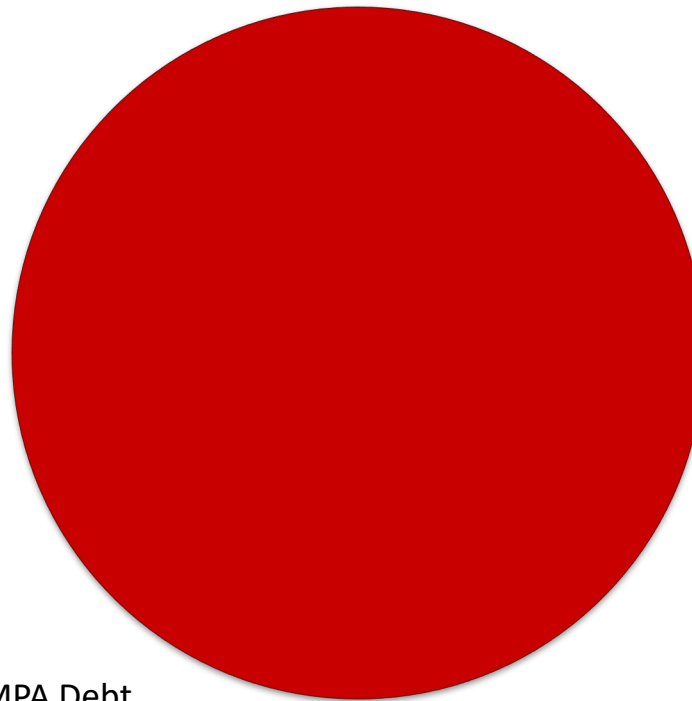
Finance Committee

December 10, 2025

100% of Project Debt is Fixed

Closed on the ARP 2025A \$208.830 million Fixed Rate bond issue 8/13/25

Total Fixed Rate Debt:
\$817,830,199
100%



Includes All of FMPA Debt

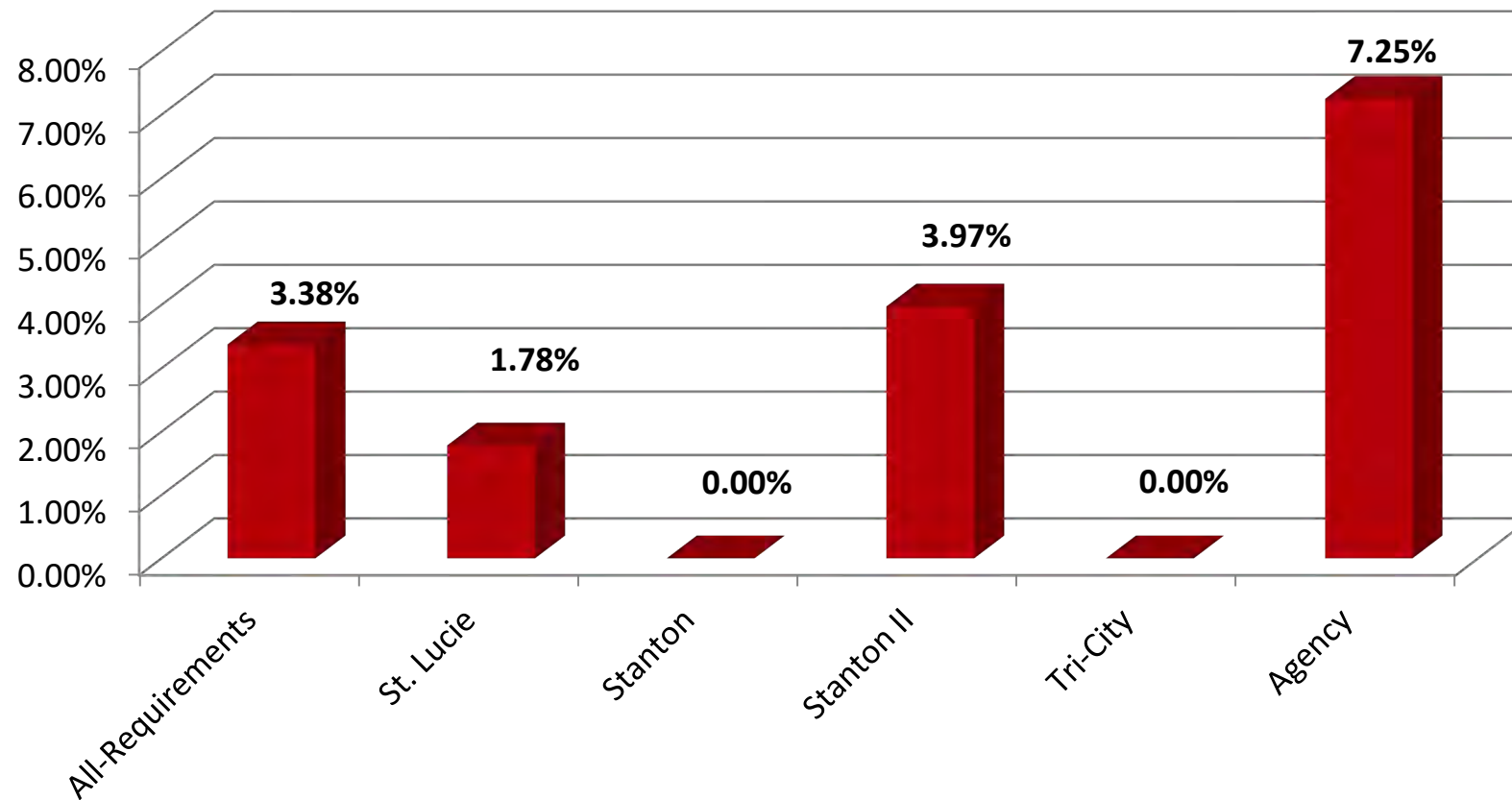
FMPA's Total Debt Decreased By \$27.8M in 2025

ARP 2025A Bond Issuance – \$64M Refunding, \$111M Tender, and \$50M New Money

Project	9/30/25 \$'s in 000's	9/30/24 \$'s in 000's	Debt Reduction \$'s in 000's
All-Requirements	719,485	732,410	(12,925)
St Lucie	47,810	50,600	(2,790)
Stanton II	49,645	61,639	(11,994)
Agency	890	1,000	(110)
Total	\$817,830	\$845,649	(\$27,819)

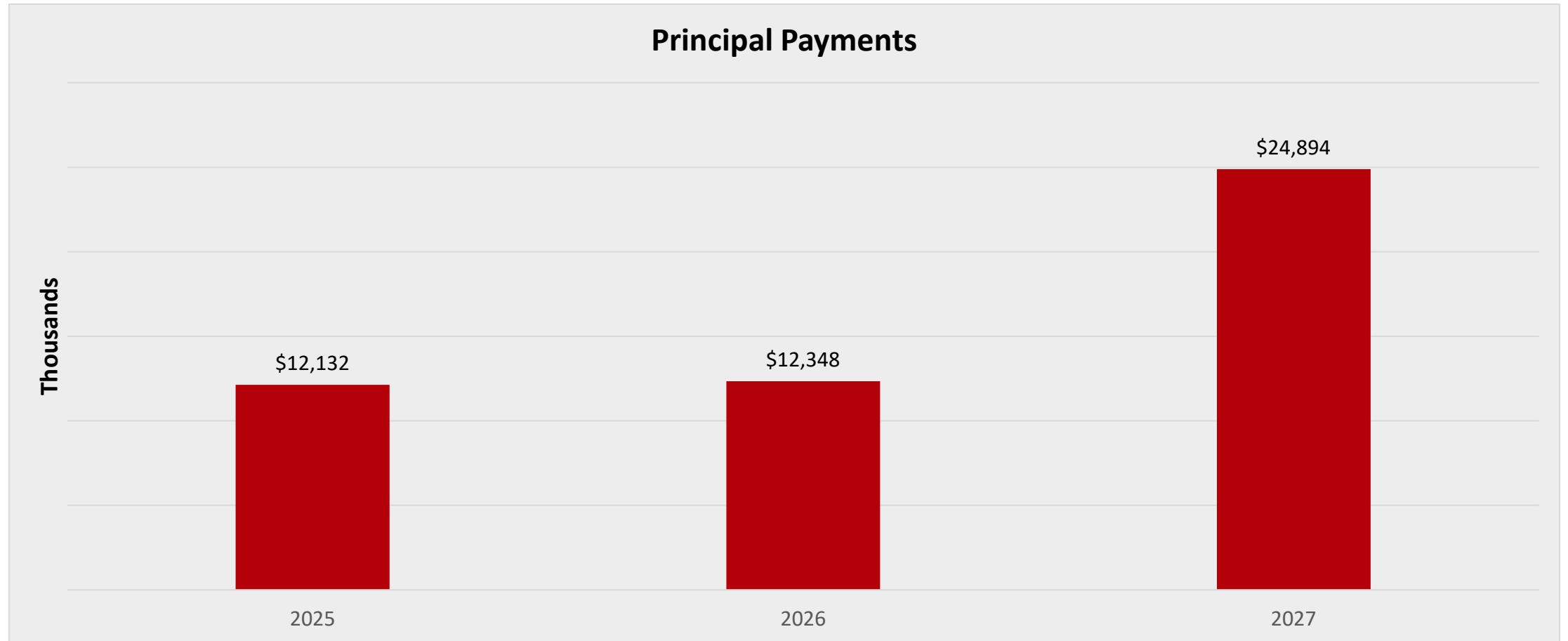
True Interest Cost of Debt by Project

The Agency Pooled Loan issued at prevailing interest rate of 7.25%



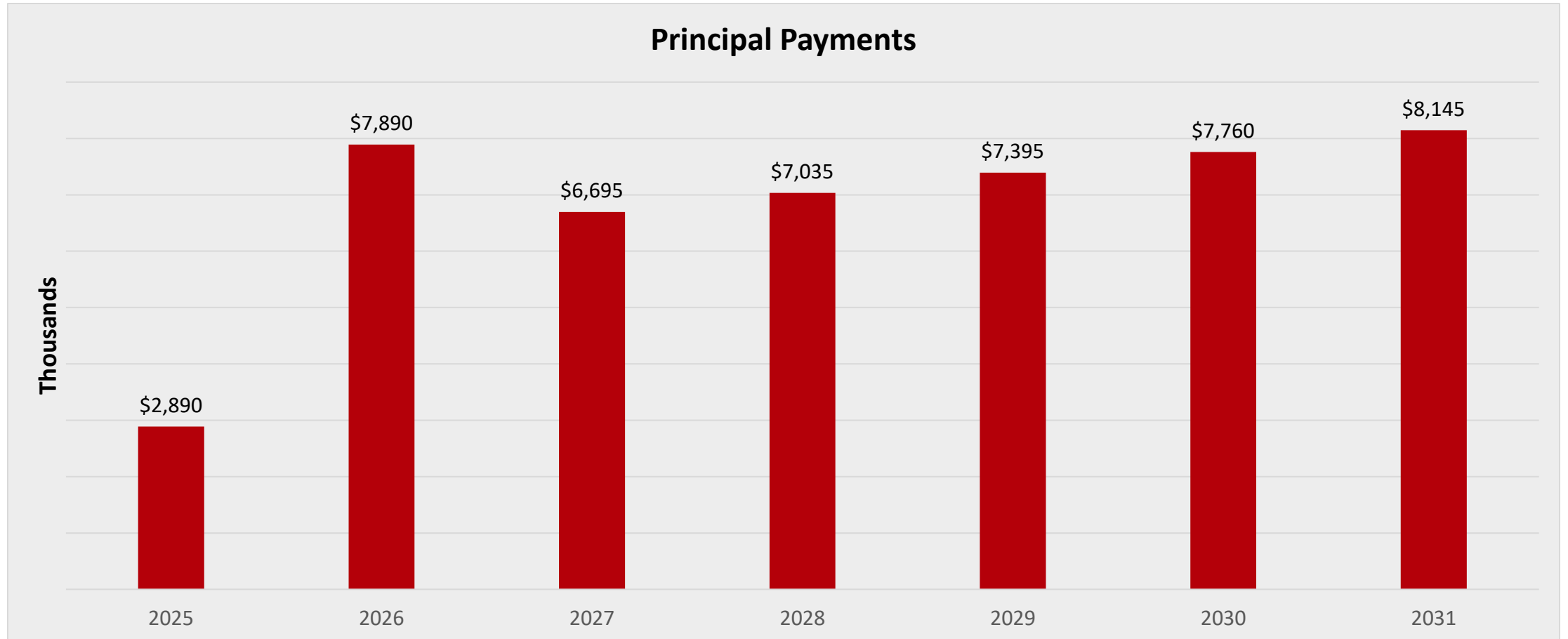
Stanton II General Reserve Will Fund Final Payment

No Additional Rate Impact In 2027 For Balloon Payment



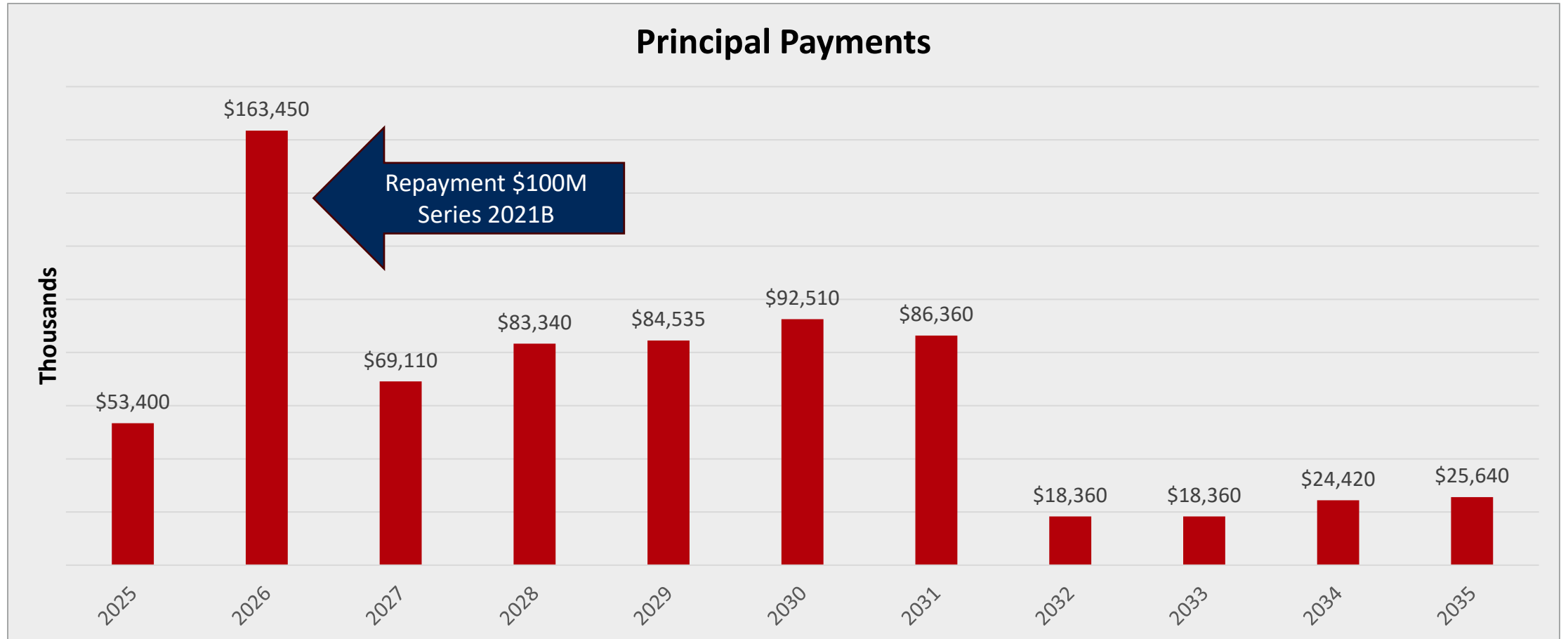
St. Lucie's 2021B Transaction Amortizes Balloon Payment

2021B Closed in July 2022, Principal Payments 2026 to 2031



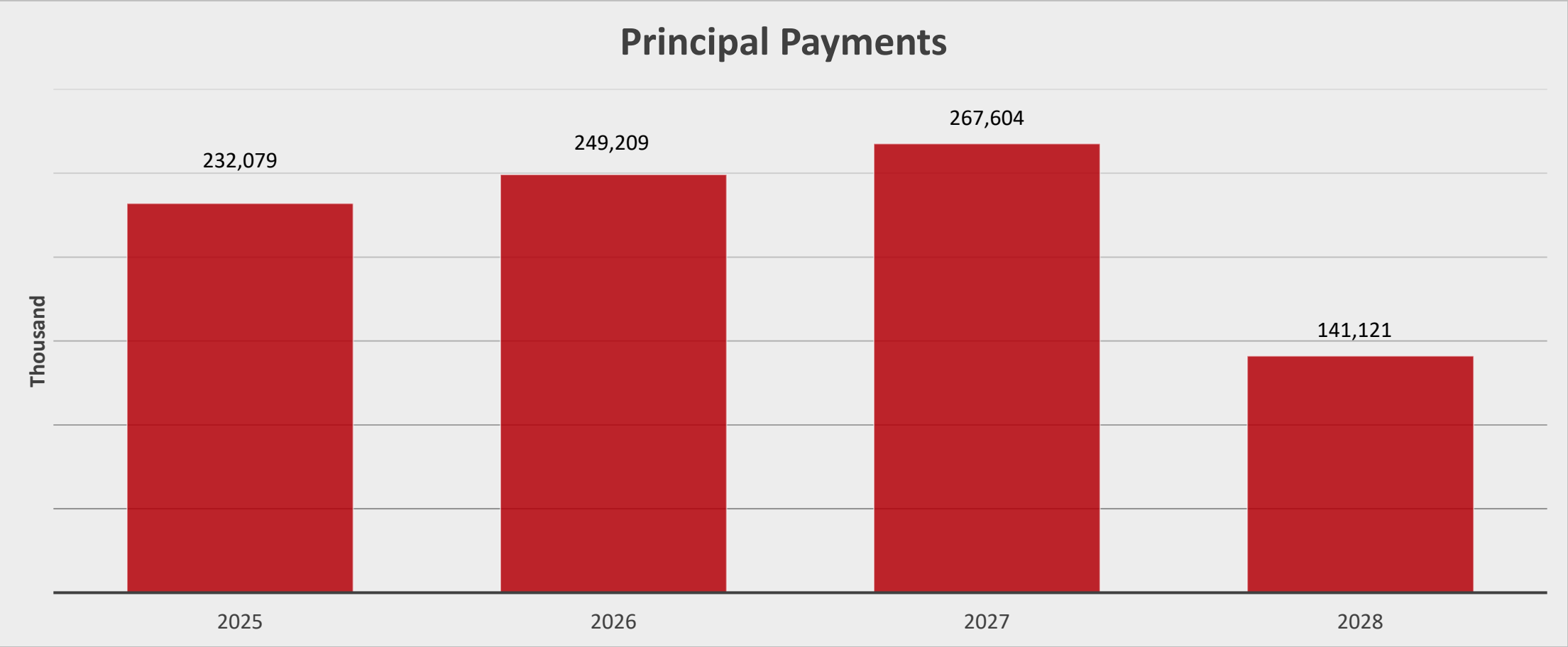
ARP Principal Structure by Maturity

\$50 million new money proceeds placed in 2034 and 2035 maturities



Agency Pooled Loan

5 years term with 4-year amortization





QUESTIONS

ARP Bonds Purpose of Bonds Summary

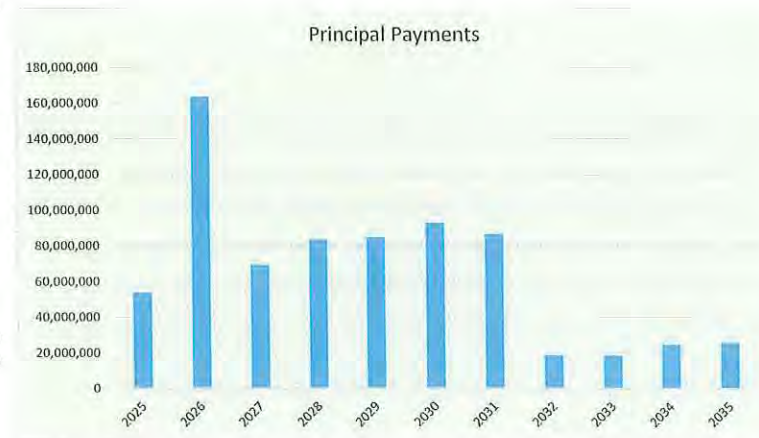
	Total Amount Issued (millions)	Purpose	Amount Outstanding as of 9/30/2025
ARP 2016A	\$424,120,000	Refunded portion of 2008A and 2009A bonds	\$149,940,000
ARP 2017A	\$69,625,000	Refund 2011A-1, 2011B and interest rate swaps associated with the bonds	\$69,625,000
ARP 2017B	\$52,925,000	Refund 2011A-2 and interest rate swap associated with the bond	\$20,865,000
ARP 2018A	\$57,790,000	Refund all outstanding 2008A Bonds maturing on and after October 1, 2020	\$57,790,000
ARP 2019A	\$75,220,000	Refund 2008C and interest rate swaps associated with the bonds	\$75,220,000
ARP 2021A	\$36,720,000	To fund a portion of the ARP Project capital program for the next 3 years	\$36,720,000
ARP 2021B	\$100,495,000	To provide liquidity to FMPA to replace the liquidity provided from existing lines of credit	\$100,495,000
ARP 2025A	<u>\$208,830,000</u>	To finance a portion of the cost of acquisition and construction of the system, refund 2015B bonds and pay the purchase price on a portion of the 2016A bonds tender offer	<u>\$208,830,000</u>
Total	<u>\$1,025,725,000</u>		<u>\$719,485,000</u>

Non-ARP Bonds Purpose of Bonds Summary

Series	Total Amount Issued (millions)	Purpose	Amount Outstanding as of 9/30/2025
St Lucie 2013A	\$24,305,000	Finance capital improvements	\$2,970,000
St Lucie 2021A	\$14,775,000	Refund 2011B bonds	\$10,920,000
St Lucie 2021B	<u>\$33,920,000</u>	Refund 2012A bonds	<u>\$33,920,000</u>
Total	<u>\$73,000,000</u>		<u>\$47,810,000</u>
Stanton II 2017A	\$21,888,000	Refund 2000 auction rate securities and interest rate swaps	\$19,179,000
Stanton II 2017B	\$50,019,000	Refund 2004 auction rate securities and interest rate swaps	\$15,318,000
Stanton II 2020-1	\$3,921,350	Pooled Loan refunded 2009A bonds	\$1,393,186
Stanton II 2022A	<u>\$25,510,000</u>	Refund 2012A bonds	<u>\$13,755,000</u>
Total	<u>\$101,338,350</u>		<u>\$49,645,186</u>
Agency 2023-1	<u>\$1,000,000</u>	Software subscription	<u>\$890,013</u>
	<u>\$1,000,000</u>		<u>\$890,013</u>

ARP - CALCULATION BASED ON AVERAGE FY26 BILLING DEMAND

	Average Monthly Billing Demand (MW) FY 2026	% of Total	Bonds, Notes and Loans Outstanding as of 9/30/2025 ¹
Bushnell	12.607	1.0%	6,876
Clewiston	21.373	1.6%	11,658
Fort Meade	9.768	0.7%	5,328
Fort Pierce	114.833	8.7%	62,636
Green Cove Springs	24.616	1.9%	13,427
Havana	4.922	0.4%	2,685
Jacksonville Beach	159.390	12.1%	86,939
KUA	387.206	29.4%	211,202
Key West	138.477	10.5%	75,532
Lake Worth	0.000	0.0%	0
Leesburg	115.419	8.8%	62,955
Newberry	11.002	0.8%	6,001
Ocala	305.005	23.1%	166,365
Starke	14.448	1.1%	7,881
Total	1,319.066	100.0%	719,485

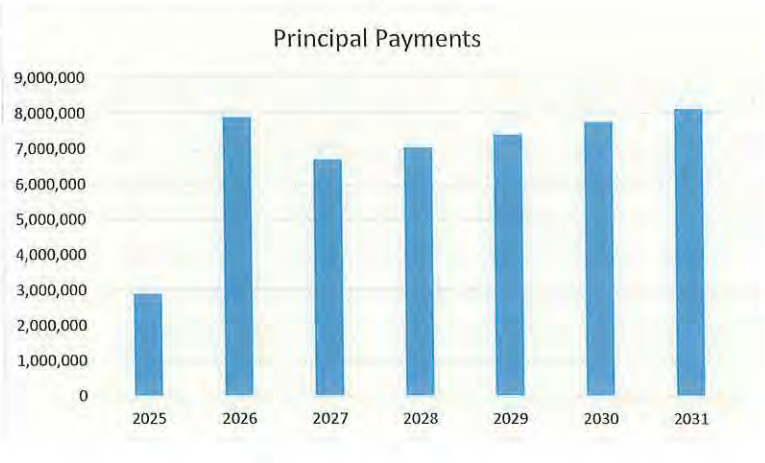


Payment October 1	Principal Payment
2025	53,400,000
2026	163,450,000
2027	69,110,000
2028	83,340,000
2029	84,535,000
2030	92,510,000
2031	86,360,000
2032	18,360,000
2033	18,360,000
2034	24,420,000
2035	25,640,000
	<u>719,485,000</u>

Footnote: ARP Participants' percent of share of ARP debt payments are not fixed and will vary according to the process set forth in the then-current Rate Schedule B-1. Under the current rate mechanism approved by the Executive Committee, annual debt service payments are recovered as part of the ARP demand charge and are allocated to Participants based on the average of their respective monthly peak demands (less Excluded Resource capacity, if any) during the hour of the ARP system peak for the months of June through September over the previous three fiscal years. This allocation methodology is designed to stabilize the ARP demand charge during the year and limit the impact of isolated weather events, varying levels of load growth, and other factors. Amounts shown are for illustrative purposes only and are based on each Participants' average monthly ARP billing demand during Fiscal Year 2025. It is important to note that this calculation is not the same as the calculation of outstanding ARP debt that each Participant would be required to pay in the event it exercised its right to withdraw from the ARP pursuant to Section 29 of the ARP Contract.

ST. LUCIE - Entitlement share by participant

	Bonds, Notes and Loans Outstanding as of 9/30/2025 ¹		FY2025 Debt Service Related Budget ^{2,3,4}
	Entitlement Share %	(\$000)	(\$000)
ALACHUA	0.431%	206	22
CLEWISTON	2.202%	1,053	115
FORT MEADE	0.336%	161	18
FORT PIERCE	15.206%	7,270	793
GREEN COVE SPRINGS	1.757%	840	92
HOMESTEAD	8.269%	3,953	431
JAX BEACH	7.329%	3,504	382
KISSIMMEE	9.405%	4,497	490
LEESBURG	2.326%	1,112	121
LAKE WORTH	24.870%	11,890	1,296
MOORE HAVEN	0.384%	184	20
NEWBERRY	0.184%	88	10
NEW SMYRNA BEACH	9.884%	4,726	515
STARKE	2.215%	1,059	115
ARP	15.202%	7,268	792
	100.000%	47,810	5,213



Payment October 1	Principal Pymt
2025	2,890,000
2026	7,890,000
2027	6,695,000
2028	7,035,000
2029	7,395,000
2030	7,760,000
2031	8,145,000
	<u>47,810,000</u>

¹ Makes no assumption about any new debt needs.

² Annual debt-service-related budget amounts may vary by year.

³ Use of monies on hand may reduce total debt service budget amounts collected from rates. As of 9/30/2025, \$46,783,716 (par amt) of investments in the General Reserve, and Contingency related accounts.

⁴ Final debt service payment is October 1, 2031. Plant licensed by NRC to operate until 2043.

Indicates the partial assignment taken from the City of Vero Beach

STANTON II - Entitlement share by participant

	Entitlement	Bonds, Notes and Loans Outstanding as of 9/30/2025 ¹	FY2025 Debt Service Related Budget ^{2,3,4}
	Share %	(\$000)	(\$000)
ARP	16.489%	8,142	2,084
FORT PIERCE	16.489%	8,142	2,084
HOMESTEAD ^A	8.244%	4,071	1,042
KUA ^A	32.977%	16,283	4,169
ST. CLOUD	14.671%	7,244	1,855
KEY WEST	9.893%	4,885	1,251
STARKE	1.237%	611	156
	100.000%	49,376	12,641

^A Reflects impact of 100% and 50% Entitlement Share assignments respectively from Lake Worth and Homestead to KUA.

¹ Makes no assumption about any new debt needs.

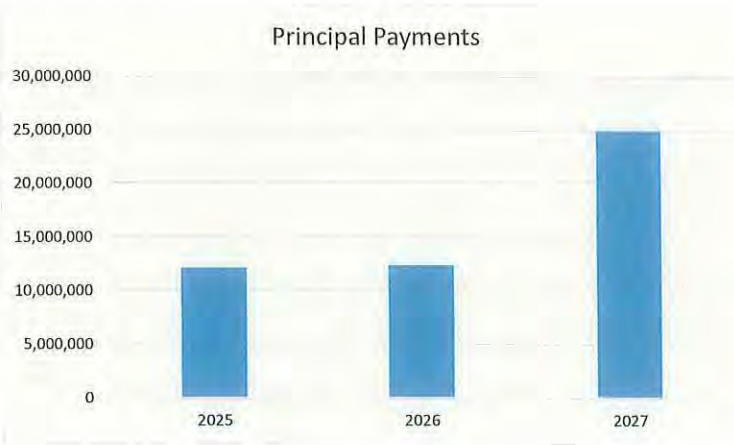
² Annual debt-service-related budget amounts may vary by year.

³ Use of monies on hand may reduce total debt service budget amounts collected from rates. As of 9/30/2025, \$32,642,741 (par amt) of investments in the General Reserve, and Contingency related accounts.

⁴ Final debt service payment is October 1, 2027.

⁵ Funds on hand in 2027 will be used to reduce payment amount to typical amount level. See note ³ above.

Indicates amounts paid by ARP due to Participant being in the ARP
Indicates the partial assignment taken from the City of Vero Beach



Payment October 1	Principal Pymt
2025	12,132,920
2026	12,348,697
2027	24,894,000
	49,375,617

5

**AGENDA ITEM 9 – INFORMATION
ITEMS**

**b. Preliminary Financial Results for
Fiscal Year 2025**

**Finance Committee Meeting
December 10, 2025**



9b - Preliminary Financial Results for Fiscal Year 2025

Finance Committee

December 10, 2025

Purvis Gray & Company

Verbal Presentation to Follow



Financial Statements

For The Fiscal Year Ended September 30, 2025



Member Cities

- Alachua
- Bartow
- Blountstown
- Bushnell
- Chattahoochee
- Clewiston
- Fort Meade
- Fort Pierce
- Gainesville
- Green Cove Springs
- Havana
- Homestead
- Jacksonville
- 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



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MANAGEMENT'S DISCUSSION & ANALYSIS

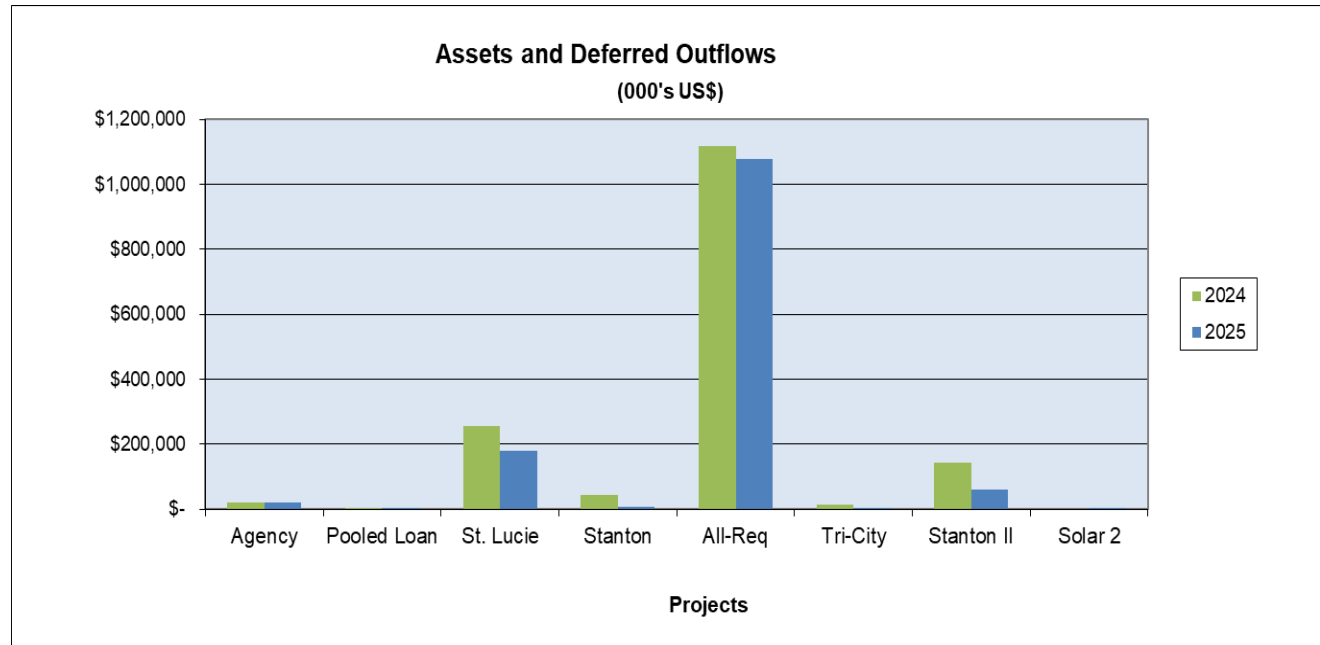
For Fiscal Year Ended September 30, 2025

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, 2025, of FMPA's Agency Fund and other projects decreased \$26.3 million from the prior year



Assets and Deferred Outflows (000's US\$)									
Year	Agency	Pooled Loan	St. Lucie	Stanton	All-Req	Tri-City	Stanton II	Solar II	Total
2024	\$ 20,737	\$ 3,764	\$ 254,392	\$ 43,805	\$ 1,117,988	\$ 13,739	\$ 144,030	\$ -	\$ 1,598,455
2025	\$ 21,713	\$ 3,294	\$ 276,927	\$ 35,708	\$ 1,076,504	\$ 12,702	\$ 145,025	\$ 277	\$ 1,572,150
Variance	\$ 976	\$ (470)	\$ 22,535	\$ (8,097)	\$ (41,484)	\$ (1,037)	\$ 995	\$ 277	\$ (26,305)

MANAGEMENT'S DISCUSSION & ANALYSIS

For Fiscal Year Ended September 30, 2025

FINANCIAL HIGHLIGHTS (CONTINUED)

Total Liabilities and Deferred Inflows at September 30, 2025, for FMPA's Agency Fund and other projects decreased by \$26.5 million during the current fiscal year.

Long-Term Liability balance outstanding at September 30, 2025, for FMPA's Agency Fund and Projects was \$1.1 billion, which is about the same as last fiscal year.

Long-Term Bonds balance, less current portion, was \$898 million, including All-Requirements balance of \$812 million.

Total Revenue for Agency and all projects increased by \$95 million for the current fiscal year, primarily due to increased billings related to natural gas prices.

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



MANAGEMENT'S DISCUSSION & ANALYSIS

For Fiscal Year Ended September 30, 2025

FINANCIAL HIGHLIGHTS (CONTINUED)

Statement of Net Position

Proprietary funds
September 30, 2025
(000's US\$)

2025	Business-Type Activities- Proprietary Funds								Totals
	Agency Fund	Pooled Loan Fund	St. Lucie Project	Stanton Project	All-Requirements Project	Tri-City Project	Stanton II Project	Solar II Project	
Assets:									
Capital Assets, Net	\$ 2,673	\$ -	\$ 60,075	\$ 8,717	\$ 592,584	\$ 3,273	\$ 70,599	\$ -	\$ 737,921
Current Unrestricted Assets	18,004	844	69,489	20,296	338,307	6,233	62,930	239	516,342
Non-Current Restricted Assets	308	2,433	147,061	5,282	89,011	2,826	7,974	-	254,895
Other Non Current Assets	728	17	-	411	48,508	11	937	38	50,650
Deferred Outflows of Resources	-	-	302	1,002	8,094	359	2,585	-	12,342
Total Assets & Deferred Outflows	\$ 21,713	\$ 3,294	\$ 276,927	\$ 35,708	\$ 1,076,504	\$ 12,702	\$ 145,025	\$ 277	\$ 1,572,150
Liabilities:									
Long-Term Liabilities	\$ 5,342	\$ 1,501	\$ 172,079	\$ 5,449	\$ 837,427	\$ 1,951	\$ 45,811	\$ 125	\$ 1,069,685
Current Liabilities	4,037	1,793	6,992	1,880	197,435	700	15,806	152	228,795
Deferred Inflows of Resources	-	-	97,856	28,379	41,642	10,051	83,408	-	261,336
Total Liabilities & Deferred Inflows	\$ 9,379	\$ 3,294	\$ 276,927	\$ 35,708	\$ 1,076,504	\$ 12,702	\$ 145,025	\$ 277	\$ 1,559,816
Net Position:									
Investment in capital assets	\$ 2,906	\$ -	\$ 7,997	\$ 8,717	\$ (231,213)	\$ 3,273	\$ 22,240	\$ -	\$ (186,080)
Restricted	540	1,211	27,362	5,282	96,068	2,826	20,107	-	153,396
Unrestricted	8,888	(1,211)	(35,359)	(13,999)	135,145	(6,099)	(42,347)	-	45,018
Total Net Position	\$ 12,334	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 12,334

Statement of Net Position

Proprietary funds
September 30, 2024
(000's US\$)

2024	Business-Type Activities- Proprietary Funds								Totals
	Agency Fund	Pooled Loan Fund	St. Lucie Project	Stanton Project	All-Requirements Project	Tri-City Project	Stanton II Project		
Assets:									
Capital Assets, Net	\$ 3,351	\$ -	\$ 53,249	\$ 13,434	\$ 595,254	\$ 5,088	\$ 73,905	\$	744,281
Current Unrestricted Assets	17,001	718	60,603	22,230	273,313	5,427	57,458		436,750
Non-Current Restricted Assets	-	3,046	140,080	7,139	120,340	2,865	9,379		282,849
Other Non Current Assets	385	-	-	-	103,860	-	-		104,245
Deferred Outflows of Resources	-	-	460	1,002	25,221	359	3,288		30,330
Total Assets & Deferred Outflows	\$ 20,737	\$ 3,764	\$ 254,392	\$ 43,805	\$ 1,117,988	\$ 13,739	\$ 144,030		\$ 1,598,455
Liabilities:									
Long-Term Liabilities	\$ 5,841	\$ 2,274	\$ 171,036	\$ 5,059	\$ 871,987	\$ 1,811	\$ 57,314	\$	1,115,322
Current Liabilities	2,838	1,490	5,417	1,894	196,970	735	15,554		224,898
Deferred Inflows of Resources	-	-	77,939	36,852	49,031	11,193	71,162		246,177
Total Liabilities & Deferred Inflows	\$ 8,679	\$ 3,764	\$ 254,392	\$ 43,805	\$ 1,117,988	\$ 13,739	\$ 144,030		\$ 1,586,397
Net Position:									
Investment in capital assets	\$ 3,351	\$ -	\$ (3,103)	\$ 13,434	\$ (216,752)	\$ 5,088	\$ 13,992	\$	(183,990)
Restricted	100	-	25,856	7,139	102,963	2,865	21,624		160,547
Unrestricted	8,607	-	(22,753)	(20,573)	113,789	(7,953)	(35,616)		35,501
Total Net Position	\$ 12,058	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ 12,058

MANAGEMENT'S DISCUSSION & ANALYSIS

For Fiscal Year Ended September 30, 2025

FINANCIAL HIGHLIGHTS (CONTINUED)

Statements of Revenues, Expenses and Changes in Fund Net Position Proprietary Funds For Fiscal Year Ended September 30, 2025

2025	Business-Type Activities- Proprietary Funds								
	Agency Fund	Pooled Loan Fund	St. Lucie Project	Stanton Project	All-Requirements Project	Tri-City Project	Stanton II Project	Solar II Project	Totals
Revenues:									
Billings to participants	\$ 18,746	\$ 42	\$ 38,906	\$ 17,400	\$ 501,125	\$ 8,838	\$ 53,377	\$ 1,557	\$ 639,991
Sales to others	85	-	2,704	132	141,422	47	207	-	144,597
Amounts to be recovered from (refunded to) participants	-	40	(2,590)	411	(15,514)	11	937	38	(16,667)
Investment Income (loss)	577	52	9,211	1,028	10,069	299	2,376	-	23,612
Total Revenue	\$ 19,408	\$ 134	\$ 48,231	\$ 18,971	\$ 637,102	\$ 9,195	\$ 56,897	\$ 1,595	\$ 791,533
Expenses:									
Operation & Maintenance	\$ -	\$ -	\$ 8,557	\$ 4,417	\$ 87,127	\$ 1,581	\$ 8,020	\$ -	\$ 109,702
Nuclear Fuel Amortization	-	-	4,489	-	-	-	-	-	4,489
Purchased power, Transmission & Fuel Costs	-	-	3,622	14,067	384,656	5,099	24,730	1,595	433,769
Administrative & General	17,056	38	2,766	2,114	31,806	1,079	3,044	-	57,903
Depreciation & Decommissioning	818	-	8,042	6,846	48,658	2,577	7,061	-	74,002
Interest & Amortization	164	96	838	-	29,395	-	1,796	-	32,289
Environmental remediation costs - net of Insurance	-	-	-	-	-	-	-	-	-
Restatement	1094	-	-	-	-	-	-	-	1,094
Total Expense	\$ 19,132	\$ 134	\$ 28,314	\$ 27,444	\$ 581,642	\$ 10,336	\$ 44,651	\$ -	\$ 713,248
Change in net position before regulatory asset adjustment	\$ 276	\$ -	\$ 19,917	\$ (8,473)	\$ 55,460	\$ (1,141)	\$ 12,246	\$ -	\$ 78,285
Net cost recoverable (refundable)/future Participant billings	-	-	(19,917)	8,473	(55,460)	1,141	(12,246)	-	(78,009)
Change in Net Positon After Regulatory Adj	\$ 276	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 276
Net position at beginning of year	12,058	-	-	-	-	-	-	-	12,058
Net position at end of year	\$ 12,334	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 12,334

Statements of Revenues, Expenses and Changes in Fund Net Position Proprietary Funds For Fiscal Year Ended September 30, 2024 (000's US\$)

2024	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	\$ 17,627	\$ 42	\$ 36,319	\$ 18,608	\$ 464,065	\$ 6,349	\$ 45,518	\$	588,528
Sales to others	-	-	2,089	449	101,824	161	704		105,227
Amounts to be recovered from (refunded to) participants	-	(1)	(1,230)	(942)	(25,825)	(371)	(1,121)		(29,490)
Investment Income (loss)	732	1,093	11,524	1,416	14,272	392	3,163		32,592
Total Revenue	\$ 18,359	\$ 1,134	\$ 48,702	\$ 19,531	\$ 554,336	\$ 6,531	\$ 48,264	\$	696,857
Expenses:									
Operation & Maintenance	\$ -	\$ -	\$ 10,618	\$ 4,968	\$ 76,968	\$ 1,777	\$ 8,091	\$	102,422
Nuclear Fuel Amortization	-	-	4,283	\$ -	\$ -	\$ -	\$ -		4,283
Purchased power, Transmission & Fuel Costs	-	-	3,752	10,551	349,415	3,805	22,790		390,313
Administrative & General	16,453	44	3,968	1,850	28,784	965	2,653		54,717
Depreciation & Decommissioning	968	-	6,737	4,542	43,542	1,723	6,770		64,282
Interest & Amortization	30	1,090	892	-	31,869	-	2,092		35,973
Environmental Remediation Costs	-	-	-	-	-	-	-		-
Total Expense	\$ 17,451	\$ 1,134	\$ 30,250	\$ 21,911	\$ 530,578	\$ 8,270	\$ 42,396	\$	549,568
Change in net position before regulatory asset adjustment	\$ 908	\$ -	\$ 18,452	\$ (2,380)	\$ 23,758	\$ (1,739)	\$ 5,868	\$	44,867
Net cost recoverable (refundable)/future Participant billings	-	-	(18,452)	2,380	(23,758)	1,739	(5,868)		(43,959)
Change in Net Positon After Regulatory Adj	\$ 908	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$	908
Net position at beginning of year	11,150	-	-	-	-	-	-		11,150
Net position at end of year	\$ 12,058	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$	12,058

MANAGEMENT'S DISCUSSION & ANALYSIS

For Fiscal Year Ended September 30, 2025

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, deferred inflows and outflows with the difference 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, 2025. 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 an enterprise type, or fiduciary type as compared to governmental activities. FMPA has no component units to report. The Financial Statements can be found on [pages 15 through 19](#) 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 two types of Funds, the Enterprise Fund type, and the Fiduciary 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 2025 and 2024 is shown on [pages 9 and 10](#). A more detailed version of the major fund proprietary financial statements can be found on [pages 15 through 19](#) of this report. The Fiduciary Fund statements provide information about the financial relationships in which the Agency acts solely as a trustee or agent for the benefit of other governments. The Fiduciary Fund financial statements can be found [on pages 20 and 21 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 19 through 65 of this report.

MANAGEMENT'S DISCUSSION & ANALYSIS

For Fiscal Year Ended September 30, 2025

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 carefully study the financial statements of each fund and project. For example, total revenues increased \$95 million primarily due to increased billings due to 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 \$0.6 million from fiscal year 2024 to fiscal year 2025.

The **Pooled Loan Fund** was re-established during the 2019 fiscal year and has made loans to four members. As required by the Governmental Accounting Standards Board Statement 91 they are recognized as conduit debt and the corresponding receivable and payable are not included on the statement of Net Position. The Pooled loan fund made three loans to FMPA Projects; the Stanton II Project, the All-Requirements Project, and the Agency Fund which are included on the Statement of Net Position. The All-Requirements Project loan was paid off during fiscal year 2024.

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 an initial 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. FPL has applied for a subsequent 20-year extension of the operating licenses.

The Project billed 715,652 Megawatt-hours (MWh) in fiscal year 2025. The average all-inclusive billing rate, which includes budgeted Demand, Energy and Transmission expenses, decreased (1.4)% to \$54.36 in fiscal year 2025.

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 219,909 MWh in fiscal year 2025. The average all-inclusive billing rate, which includes budgeted Demand, Energy and Transmission expenses decreased (29)% to \$79.12 per MWh in fiscal year 2025 due to lower coal and natural gas utilized by the plant and an increase of MWhs sold.

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 increased 6.0% to \$80.40 per MWh in fiscal year 2025, which is all-inclusive of Energy, Demand and Transmission expenses. The billed Megawatt hours for fiscal year 2025 were 6,232,822.

The All-Requirements participant net cost of power increased to \$77.91 per MWh in fiscal year 2025, a 8.8% increase from fiscal year 2024. This increase was primarily due to higher natural gas expenses. The fuel supply mix was 82.7% for natural gas, 10.1% for coal, .1% for oil 2.9% for purchases 1.3% nuclear and 2.9% for renewables.

MANAGEMENT'S DISCUSSION & ANALYSIS

For Fiscal Year Ended September 30, 2025

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 2025. The All-Requirements project adjusts the 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 79,859 MWh in fiscal year 2025. The average all-inclusive billing rate, which includes budgeted Demand, Energy and Transmission expenses, increased 7.8% to \$110.67 per MWh during fiscal year 2025 primarily due to higher coal and natural gas prices utilized by the plant.

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 427,198 MWh in fiscal year 2025. The average all-inclusive billing rate, which includes budgeted Demand, Energy, and Transmission expenses, increased by 9.5% to \$124.95 per MWh in fiscal year 2025 primarily due to higher coal and natural gas prices utilized by the plant.

The **Solar II Project** consists of a 20-year power purchase agreement for a total of 53.55 MW-AC of solar energy, divided equally between two 74.9 MW-AC solar facilities, Rice Creek and Whistling Duck. Whistling Duck is expected to be operational in December of 2025 and Rice Creek became operational in December of 2024. Revenues for fiscal year 2025 were \$1.6 million.

BUDGETARY HIGHLIGHTS

The FMPA Board of Directors approves the budgets for projects, other than the All-Requirements Project, and the Executive Committee approves the Agency and All-Requirements Project budgets, establishing legal boundaries for expenditures. Due to higher than budgeted sales to others, budget amendments for the Stanton I project for an increase of \$4.3 million, Tri-City project for an increase of \$1.8 million, and Stanton II project for an increase of \$7.9 million were approved in June 2025.

CAPITAL ASSETS AND LONG-TERM DEBT

FMPA's investment in Capital Assets, as of September 30, 2025, was \$738 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 2025 decreased by 1.13% or \$6.4 million, primarily due to asset depreciation outpacing capital investments. Depreciation was originally computed using the straight-line method over the expected useful life of the plant assets, which was originally computed to be 40 years. In fiscal year 2025, management shortened the useful life to 38.5 years for the Stanton I and Tri-City projects due to the decision to exit these projects on December 31, 2025.

At September 30, 2025, FMPA had Long-term debt of \$0.9 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	\$ 658
Pooled Loan Fund	1,501
St. Lucie Project	49,490
All-Requirements Project	812,166
Stanton II Project	37,239
Total	<u>\$ 901,054</u>

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

MANAGEMENT'S DISCUSSION & ANALYSIS

For Fiscal Year Ended September 30, 2025

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

Multi-year operational and financial modeling was conducted to arrive at the fiscal year 2025 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.

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, 2025
(000's US\$)

	Business-Type Activities				
	Agency Fund	Pooled Loan Fund	St. Lucie Project	Stanton Project	All-Requirements Project
ASSETS & DEFERRED OUTFLOWS					
Current Assets:					
Cash and cash equivalents	\$ 6,276	\$ 5	\$ 13,506	\$ 6,545	\$ 109,918
Investments	8,455	-	48,716	9,468	53,022
Participant accounts receivable	1,879	-	2,355	1,566	41,648
Fuel stock and material inventory	-	-	-	2,693	55,577
Other current assets	1,129	-	860	24	13,556
Restricted assets available for current liabilities	264	839	4,052	-	64,586
Total Current Assets	18,003	844	69,489	20,296	338,307
Non-Current Assets:					
Restricted Assets:					
Cash and cash equivalents	572	1,263	22,853	1,985	123,634
Investments	-	-	127,090	3,297	29,882
Accrued interest	-	-	1,170	-	81
Loans to Project	-	2,009	-	-	-
Less: Portion Classified as Current	(264)	(839)	(4,052)	-	(64,586)
Total Restricted Assets	308	2,433	147,061	5,282	89,011
Utility Plant:					
Electric plant	-	-	343,872	100,614	1,505,151
General plant	12,903	-	52,577	21	13,144
Less accumulated depreciation and amortization	(10,229)	-	(337,583)	(91,918)	(929,268)
Net utility plant	2,674	-	58,866	8,717	589,027
Construction work in progress	-	-	1,209	-	3,557
Total Utility Plant, net	2,674	-	60,075	8,717	592,584
Other Assets:					
Net costs recoverable/future participant billings	-	17	-	411	47,853
Other	728	-	-	-	655
Total Other Assets	728	17	-	411	48,508
Total Assets	21,713	3,294	276,625	34,706	1,068,410
Deferred Outflows of Resources					
Deferred Outflows from Asset Retirement Obligations	-	-	-	1,002	1,116
Deferred Outflows Natural Gas Hedges	-	-	-	-	506
Unamortized Loss on Advanced Refunding	-	-	302	-	6,472
Total Deferred Outflows	-	-	302	1,002	8,094
Total Assets & Deferred Outflows	21,713	3,294	276,927	35,708	1,076,504
LIABILITIES, DEFERRED INFLOWS & NET POSITION					
Current Liabilities:					
Payable from unrestricted assets:					
Accounts payable & Accrued Liabilities	3,773	954	350	1,880	44,214
Due to Participants	-	-	2,590	-	76,112
Current Portion of Lease	-	-	-	-	12,523
Total Current Liabilities Payable from Unrestricted Assets	3,773	954	2,940	1,880	132,849
Payable from Restricted Assets:					
Current portion of long-term debt	232	782	2,890	-	53,400
Accrued interest on long-term debt	32	57	1,162	-	11,186
Total Liabilities Payable from Restricted Assets	264	839	4,052	-	64,586
Total Current Liabilities	4,037	1,793	6,992	1,880	197,435
Long-Term Liabilities Payable from Restricted Assets:					
Accrued Decommissioning Liability	-	-	122,589	-	-
Total Liabilities Payable from Restricted Assets	-	-	122,589	-	-
Long-Term Liabilities Less Current Portion:					
Long-term debt	-	-	49,490	-	812,166
Pooled Loan Fund Non-Conduit Debt	658	1,501	-	-	-
Other Post-employment Benefits	4,684	-	-	-	-
Landfill Closure & Asset Retirement Obligations	-	-	-	5,449	6,067
FMV Derivative Instruments	-	-	-	-	506
Advances from Participants	-	-	-	-	18,688
Total Long-Term Liabilities	5,342	1,501	49,490	5,449	837,427
Deferred Inflows of Resources					
Net cost refundable/future participant billings	-	-	97,856	28,379	-
Acquisition Adjustment - Vero Beach Entitlements	-	-	-	-	41,642
Total Deferred Inflows of Resources	-	-	97,856	28,379	41,642
Total Long-Term Liabilities & Deferred Inflows	5,342	1,501	269,935	33,828	879,069
Total Liabilities and Deferred Inflows	9,379	3,294	276,927	35,708	1,076,504
Net Position:					
Net Investment in Capital Assets	2,906	-	7,997	8,717	(231,213)
Restricted	540	1,211	27,362	5,282	96,068
Unrestricted	8,888	(1,211)	(35,359)	(13,999)	135,145
Total Net Position	12,334	-	-	-	-
Total Liabilities and Net Position	\$ 21,713	\$ 3,294	\$ 276,927	\$ 35,708	\$ 1,076,504

The accompanying notes are an integral part of these financial statements

FLORIDA MUNICIPAL POWER AGENCY
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
September 30, 2025
(000's US\$)

	Business-Type Activities			
	Tri-City Project	Stanton II Project	Solar II Project	Totals
ASSETS & DEFERRED OUTFLOWS				
Current Assets:				
Cash and cash equivalents	\$ 2,156	\$ 8,484	\$ 98	\$ 146,988
Investments	2,296	33,012	-	154,969
Participant accounts receivable	804	4,524	-	52,776
Fuel stock and material inventory	963	4,131	-	63,364
Other current assets	14	119	141	15,843
Restricted assets available for current liabilities	-	12,660	-	82,401
Total Current Assets	6,233	62,930	239	516,341
Non-Current Assets:				
Restricted Assets:				
Cash and cash equivalents	577	14,146	-	165,030
Investments	2,244	6,477	-	168,990
Accrued interest	5	11	-	1,267
Loans to Project	-	-	-	2,009
Less: Portion Classified as Current	-	(12,660)	-	(82,401)
Total Restricted Assets	2,826	7,974	-	254,895
Utility Plant:				
Electric plant	39,772	219,726	-	2,209,135
General plant	36	91	-	78,772
Less accumulated depreciation and amortization	(36,535)	(149,218)	-	(1,554,751)
Net utility plant	3,273	70,599	-	733,156
Construction work in progress	-	-	-	4,766
Total Utility Plant, net	3,273	70,599	-	737,922
Other Assets:				
Net costs recoverable/future participant billings	11	937	38	49,267
Other	-	-	-	1,383
Total Other Assets	11	937	38	50,650
Total Assets	12,343	142,440	277	1,559,808
Deferred Outflows of Resources				
Deferred Outflows from Asset Retirement Obligations	359	1,572	-	4,049
Deferred Outflows Natural Gas Hedges	-	-	-	506
Unamortized Loss on Advanced Refunding	-	1,013	-	7,787
Total Deferred Outflows	359	2,585	-	12,342
Total Assets & Deferred Outflows	12,702	145,025	277	1,572,150
LIABILITIES, DEFERRED INFLOWS & NET POSITION				
Current Liabilities:				
Payable from unrestricted assets:				
Accounts payable & Accrued Liabilities	700	3,146	152	55,169
Due to Participants	-	-	-	78,702
Current Portion of Lease	-	-	-	12,523
Total Current Liabilities Payable from Unrestricted Assets	700	3,146	152	146,394
Payable from Restricted Assets:				
Current portion of long-term debt	-	12,133	-	69,437
Accrued interest on long-term debt	-	527	-	12,964
Total Liabilities Payable from Restricted Assets	-	12,660	-	82,401
Total Current Liabilities	700	15,806	152	228,795
Long-Term Liabilities Payable from Restricted Assets:				
Accrued Decommissioning Liability	-	-	-	122,589
Total Liabilities Payable from Restricted Assets	-	-	-	122,589
Long-Term Liabilities Less Current Portion:				
Long-term debt	-	36,117	-	897,773
Pooled Loan Fund Non-Conduit Debt	-	1,122	-	3,281
Other Post-employment Benefits	-	-	-	4,684
Landfill Closure & Asset Retirement Obligations	1,951	8,572	-	22,039
FMV Derivative Instruments	-	-	-	506
Advances from Participants	-	-	125	18,813
Total Long-Term Liabilities	1,951	45,811	125	947,096
Deferred Inflows of Resources				
Net cost refundable/future participant billings	10,051	83,408	-	219,694
Acquisition Adjustment - Vero Beach Entitlements	-	-	-	41,642
Total Deferred Inflows of Resources	10,051	83,408	-	261,336
Total Long-Term Liabilities & Deferred Inflows	12,002	129,219	125	1,331,021
Total Liabilities and Deferred Inflows	12,702	145,025	277	1,559,816
Net Position:				
Net Investment in Capital Assets	3,273	22,240	-	(186,080)
Restricted	2,826	20,107	-	153,396
Unrestricted	(6,099)	(42,347)	-	45,018
Total Net Position	-	-	-	12,334
Total Liabilities and Net Position	\$ 12,702	\$ 145,025	\$ 277	\$ 1,572,150

The accompanying notes are an integral part of these financial statements

FLORIDA MUNICIPAL POWER AGENCY
STATEMENT OF REVENUE, EXPENSES, AND CHANGE IN FUND NET POSITION
PROPRIETARY FUNDS
For the fiscal year ended September 30, 2025
(000's US\$)

	Business-Type Activities				All-Requirements Project
	Agency Fund	Pooled Loan Fund	St. Lucie Project	Stanton Project	
Operating Revenue:					
Billings to participants	\$ 18,746	\$ 42	\$ 38,906	\$ 17,400	\$ 501,125
Interchange Sales	-	-	-	-	30,394
Sales to others	85	-	2,704	132	103,638
Amortization of Vero Beach Acquisition Adj. Amounts to be recovered from (refunded to) participants	-	-	-	-	7,390
	-	40	(2,590)	411	(15,514)
Total Operating Revenue	<u>18,831</u>	<u>82</u>	<u>39,020</u>	<u>17,943</u>	<u>627,033</u>
Operating Expenses:					
Operation and maintenance	-	-	8,557	4,417	87,127
Fuel expense	-	-	-	12,391	296,456
Nuclear fuel amortization	-	-	4,489	-	-
Purchased power	-	-	3,408	-	36,132
Transmission services	-	-	214	1,676	52,068
General and administrative	17,056	38	2,766	2,114	31,806
Depreciation and amortization	818	-	2,467	6,846	48,658
Decommissioning	-	-	5,575	-	-
	17,874	38	27,476	27,444	552,247
Total Operating Expense	<u>17,874</u>	<u>38</u>	<u>27,476</u>	<u>27,444</u>	<u>552,247</u>
Total Operating Income	<u>957</u>	<u>44</u>	<u>11,544</u>	<u>(9,501)</u>	<u>74,786</u>
Non-Operating Income (Expense):					
Interest expense	(164)	(96)	(680)	-	(24,396)
Debt issuance costs	-	-	-	-	(1,481)
Investment earnings (losses)	577	52	9,211	1,028	10,069
Amortization of Loss on Advanced Refunding	-	-	(158)	-	(3,518)
	413	(44)	8,373	1,028	(19,326)
Total Non-Operating Income (Expenses)	<u>413</u>	<u>(44)</u>	<u>8,373</u>	<u>1,028</u>	<u>(19,326)</u>
Change in net assets before regulatory asset adjustment	1,370	-	19,917	(8,473)	55,460
Net cost recoverable (refundable)/future participant billings	-	-	(19,917)	8,473	(55,460)
Change in Net Position After Regulatory Adj	<u>1,370</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Position at beginning of year, as previously presented	<u>12,058</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Restatements	<u>(1,094)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Position at beginning of year, as restated	<u>10,964</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Position at end of year	<u>\$ 12,334</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

FLORIDA MUNICIPAL POWER AGENCY
STATEMENT OF REVENUE, EXPENSES, AND CHANGE IN FUND NET POSITION
PROPRIETARY FUNDS
For the fiscal year ended September 30, 2025
(000's US\$)

	Business-Type Activities			
	Tri-City Project	Stanton II Project	Solar II Project	Totals
Operating Revenue:				
Billings to participants	\$ 8,838	\$ 53,377	\$ 1,557	\$ 639,991
Interchange Sales	-	-	-	30,394
Sales to others	47	207	-	106,813
Amortization of Vero Beach Acquisition Adj.	-	-	-	7,390
Amounts to be recovered from (refunded to) participants	11	937	38	(16,667)
Total Operating Revenue	<u>8,896</u>	<u>54,521</u>	<u>1,595</u>	<u>767,921</u>
Operating Expenses:				
Operation and maintenance	1,581	8,020	-	109,702
Fuel expense	4,499	22,004	-	335,350
Nuclear fuel amortization	-	-	-	4,489
Purchased power	-	-	1,595	41,135
Transmission services	600	2,726	-	57,284
General and administrative	1,079	3,044	-	57,903
Depreciation and amortization	2,577	7,061	-	68,427
Decommissioning	-	-	-	5,575
Total Operating Expense	<u>10,336</u>	<u>42,855</u>	<u>1,595</u>	<u>679,865</u>
Total Operating Income	<u>(1,440)</u>	<u>11,666</u>	<u>-</u>	<u>88,056</u>
Non-Operating Income (Expense):				
Interest expense	-	(1,093)	-	(26,429)
Debt issuance costs	-	-	-	(1,481)
Investment earnings (losses)	299	2,376	-	23,612
Amortization of Loss on Advanced Refunding	-	(703)	-	(4,379)
Total Non-Operating Income (Expenses)	<u>299</u>	<u>580</u>	<u>-</u>	<u>(8,677)</u>
Change in net assets before regulatory asset adjustment	(1,141)	12,246	-	79,379
Net cost recoverable (refundable)/future participant billings	1,141	(12,246)	-	(78,009)
Change in Net Position After Regulatory Adj	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,370</u>
Net Position at beginning of year, as previously presented	<u>-</u>	<u>-</u>	<u>-</u>	<u>12,058</u>
Restatements	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,094)</u>
Net Position at beginning of year, as restated	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,964</u>
Net Position at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 12,334</u>

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, 2025
(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	Solar 2 Project	Totals
Cash Flows From Operating Activities:									
Cash Received From Customers	\$ 18,435	\$ 39	\$ 40,212	\$ 17,081	\$ 620,608	\$ 8,300	\$ 52,541	\$ 1,682	\$ 757,216
Cash Paid to Suppliers	(6,063)	164	(15,225)	(19,632)	(495,866)	(7,423)	(34,303)	(1,584)	(578,348)
Cash Paid to Employees	(10,585)	-	-	-	(5,069)	-	-	-	(15,654)
Net Cash Provided by (Used in) Operating Activities	\$ 1,787	\$ 203	\$ 24,987	\$ (2,551)	\$ 119,673	\$ 877	\$ 18,238	\$ 98	\$ 163,214
Cash Flows From Investing Activities:									
Proceeds From Sales and Maturities Of Investments	\$ 13,071	\$ 656	\$ 126,332	\$ 48,927	\$ 314,453	\$ 5,824	\$ 48,167	\$ -	\$ 557,430
Purchases of Investments	(12,613)	-	(132,290)	(46,660)	(274,651)	(6,491)	(52,289)	-	(524,994)
Income received on Investments - Less Losses	597	52	9,228	1,141	8,809	328	2,377	-	22,532
Net Cash Provided by (Used in) Investment Activities	\$ 1,055	\$ 708	\$ 3,270	\$ 3,408	\$ 48,611	\$ (339)	\$ (1,745)	\$ -	\$ 54,968
Cash Flows From Capital & Related Financing Activities:									
Proceeds from Issuance of Bonds, Loans & Leases	\$ -	\$ 6,500	\$ -	\$ -	\$ 229,443	\$ -	\$ -	\$ -	\$ 235,943
Debt Issuance Costs	-	-	-	-	(1,481)	-	-	-	(1,481)
Capital Expenditures - Utility Plant	(141)	-	(13,782)	(2,129)	(45,988)	(762)	(3,755)	-	(66,557)
Principal Payments - Long Term Debt	(110)	(7,151)	(2,789)	-	(243,027)	-	(11,997)	-	(265,074)
Interest paid on Debt	(132)	(91)	(2,376)	-	(30,769)	-	(1,197)	-	(34,565)
Development Project (Charges) Refunds	(343)	-	-	-	(108)	-	-	-	(451)
Net Cash Provided (Used in) Capital & Related Financing Activities	\$ (726)	\$ (742)	\$ (18,947)	\$ (2,129)	\$ (91,930)	\$ (762)	\$ (16,949)	\$ -	\$ (132,185)
Net Increase (Decrease) in Cash and Cash Equivalents	\$ 2,116	\$ 169	\$ 9,310	\$ (1,272)	\$ 76,354	\$ (224)	\$ (455)	\$ 98	\$ 85,998
Cash and Cash Equivalents - Beginning	4,732	1,099	27,049	9,802	157,198	2,957	23,085		225,922
Cash and Cash Equivalents - Ending	\$ 6,848	\$ 1,268	\$ 36,359	\$ 8,530	\$ 233,552	\$ 2,733	\$ 22,630	\$ 98	\$ 311,920
Consisting of:									
Unrestricted	\$ 6,276	\$ 5	\$ 13,506	\$ 6,545	\$ 109,918	\$ 2,156	\$ 8,484	\$ 98	\$ 146,890
Restricted	572	1,263	22,853	1,985	123,634	577	14,146	-	165,030
Total	\$ 6,848	\$ 1,268	\$ 36,359	\$ 8,530	\$ 233,552	\$ 2,733	\$ 22,630	\$ 98	\$ 311,920
Reconciliation of Operating Income to Net Cash Provided by (Used in) Operating Activities:									
Operating Income (Loss)	\$ 957	\$ 44	\$ 11,544	\$ (9,501)	\$ 74,786	\$ (1,440)	\$ 11,666	\$ -	\$ 88,056
Adjustment to Reconcile Net Operating Income to Net Cash Provided by (Used In) Operating Activities:									
Depreciation	818	-	2,467	6,846	48,658	2,577	7,061	-	68,427
Decommissioning	-	-	5,575	-	-	-	-	-	5,575
Amortization of Nuclear Fuel	-	-	4,489	-	-	-	-	-	4,489
Amortization of Vero Exit Payment	-	-	-	-	(7,390)	-	-	-	(7,390)
Changes in Assets and Liabilities Which Provided (Used) Cash:									
Inventory	-	-	-	(364)	(1,822)	(130)	(586)	-	(2,902)
Receivables From (Payable to) Participants	(396)	(43)	1,192	(862)	965	(596)	(1,979)	87	(1,719)
Prepays	724	-	(448)	13	4,108	(10)	105	(141)	4,492
Accounts Payable and Accrued Expense	(316)	202	168	1,317	368	476	1,971	152	4,186
Net Cash Provided By (Used In) Operating Activities	\$ 1,787	\$ 203	\$ 24,987	\$ (2,551)	\$ 119,673	\$ 877	\$ 18,238	\$ 98	\$ 163,214
Noncash Investing, capital and financing activities:									
Increase (Decrease) in mark to market values Investments	\$ (20)	\$ -	\$ 156	\$ (59)	\$ 1,594	\$ (16)	\$ 37	\$ -	\$ 1,692

The accompanying notes are an integral part of these financial statements

FLORIDA MUNICIPAL POWER AGENCY
STATEMENT OF FIDUCIARY NET POSITION
September 30, 2025
(000's US\$)

	Custodial Funds
ASSETS	
Current Assets:	
Cash and cash equivalents	\$ 21,813
Investments	3,193
Due from participants	43
Total Assets	<u>25,049</u>
LIABILITIES	
Accrued Arbitrage Rebate Liability	\$ 252
Total liabilities	<u>252</u>
Net Position	
Restricted for other governments	<u>\$ 24,797</u>

FLORIDA MUNICIPAL POWER AGENCY
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
For the Year Ended September 30, 2025
(000's US\$)

Additions

Contributions	
Received from other governments - Loan Proceeds and issue costs	\$ 6,500
Received from other governments - Rate Stabilization	10,000
Investment Income	1,017
Total additions	\$ 17,517

Deductions

Paid to other governments - Investment Returned	14,972
Paid to other governments - Rate Stabilization	10,000
Bank Charges	48
Total deductions	\$ 25,020

Change in net position	\$ (7,503)
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Net position, beginning of year	32,300
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Net position, end of year	\$ 24,797
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The accompanying notes are an integral part of these financial statements

NOTES TO FINANCIAL STATEMENTS

For the Year Ended September 30, 2025

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, 2025, FMPA has 33 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 director representing 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 structures. 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.

NOTES TO FINANCIAL STATEMENTS

For the Year Ended September 30, 2025

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. In FY2024, FMPA purchased the Orlando Co-Gen power plant in Orlando, renamed the Sand Lake Energy Center and the Polk Power Partners power plant in Bartow, renamed the Mulberry Energy Center. 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.
- The Solar Project which comprises two twenty year power purchase agreements for the purchase of solar energy from the Whistling Duck facility in Levy county and the Rice Creek facility in Putnam county, Florida.
- The Fiduciary Fund accounts for assets held by the Agency as a trustee for other governmental units.

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 15 years to 40 years.

NOTES TO FINANCIAL STATEMENTS

For the Year Ended September 30, 2025

I. Summary of Significant Accounting Policies (continued)

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

2. Capital Assets

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 Local Government Investment Pools, U.S. Treasury Obligations, 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, Florida law also allows FMPA to adopt its own investment policy, subject to certain restrictions. FMPA's policy authorizes the investment in certain corporate and municipal bonds, bankers' acceptances, prime commercial paper, 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 All-Requirements Project, and the Stanton II Project.

7. Compensated Absences

Effective October 1, 2024, the Agency implemented GASB Statement No. 101. Compensated Absences. GASB 101 establishes a revised recognition and measurement model that requires governments to record a liability for leave when it is attributable to services already rendered, accumulates, and can be used for time off or otherwise paid or settled. The liability for compensated absences includes amounts expected to be paid as either paid time off or cash payments to employees. The liability is measured using current pay rates and includes applicable salary related payments.

Application of GASB 101 resulted in a material increase to the compensated absences liability for the Agency fund, requiring a restatement of beginning net position. The All-Requirements fund was not materially affected and did not require restatement.

NOTES TO FINANCIAL STATEMENTS

For the Year Ended September 30, 2025

I. Summary of Significant Accounting Policies (continued)

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

7. Compensated Absences (continued)

Prior Period Adjustment for the Agency Fund:

Net Position - Beginning, as Previously Reported	\$12,058,335
Increase in compensated absences liability under GASB 101	(\$1,094,235)
Net Position - Beginning, as Restated	\$10,964,100

As of September 30, 2025, the compensated absences liability totaled \$2,697,034 for the Agency fund & \$855,849 for the All Requirements fund.

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. Through September 30, 2025, the 60-day cash target was based on the projected cash need for the current 60-day horizon. To reduce seasonal fluctuations in cash holdings and to provide for additional working capital to support the ARP's peak cash needs, effective October 1, 2025, the Executive Committee voted to modify the cash target to be based on the highest projected 60-day cash need over a rolling 12-month forecast.

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.

NOTES TO FINANCIAL STATEMENTS

For the Year Ended September 30, 2025

I. Summary of Significant Accounting Policies (continued)

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

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, and use of estimates when computing the OPEB liability, asset retirement obligations, landfill closure costs, derivative financial instruments, and pollution remediation obligations. Actual results could differ from those estimates.

12. Derivative Financial Instruments

FMPA used commodity futures contracts to hedge the effects of fluctuations in the price of natural gas storage. Additionally, FMPA utilizes derivative instruments - fair value hedges to hedge financial exposure and mitigate risk related to daily price changes in the natural gas supply market, as further disclosed in Note VI.

NOTES TO FINANCIAL STATEMENTS

For the Year Ended September 30, 2025

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 three items that qualify for reporting in this category, the deferred portion of Asset Retirement Obligations, the Unamortized Loss on Refunding, and hedging derivative instruments. 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. For effective hedging derivative instruments, the changes in fair values are reported as deferred inflows and outflows. The amount is deferred until the gain or loss is realized.

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 disclosed 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.

NOTES TO FINANCIAL STATEMENTS

For the Year Ended September 30, 2025

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 FMFA 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 V.
- **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.



NOTES TO FINANCIAL STATEMENTS

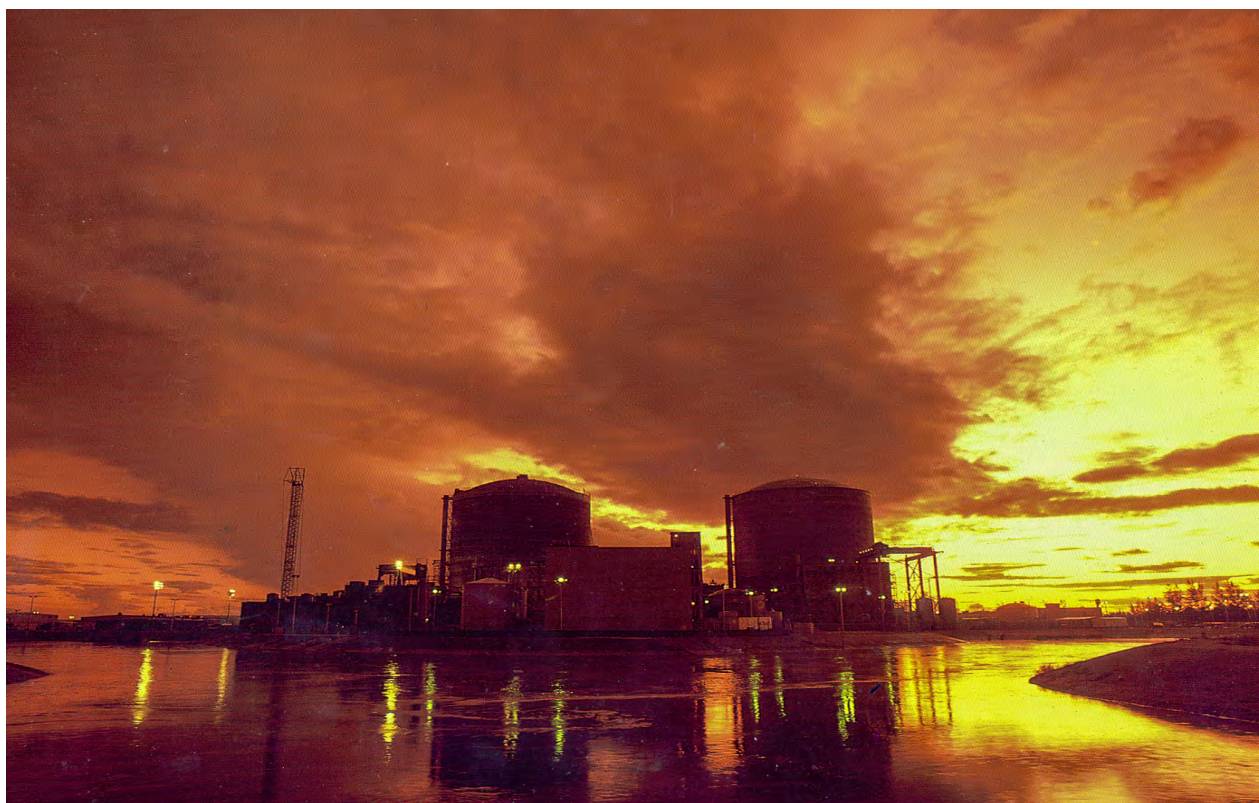
For the Year Ended September 30, 2025

II. 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 (\$125 million) and Accrued Decommissioning Liability (\$123 million) at September 30, 2025. 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 2020, Unit 2's future net decommissioning costs are estimated to be \$1.7 billion or \$674 million in 2020 dollars, and FMPA's share of the future net decommissioning costs is estimated to be \$146 million or \$59 million in 2020 dollars. A new study will be completed and made available in December 2025. 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.



NOTES TO FINANCIAL STATEMENTS

For the Year Ended September 30, 2025

III. 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 of the Stanton Energy Center Units 1 & 2, including the proportionate closure and post closure maintenance costs of \$17.99 million as of September 30, 2025, 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 \$8.52 million over the remaining useful life of the landfill. As of September 30, 2024, and 2025, 85.9% and 90.9%, respective, of the total landfill capacity has been used. As of 2025, it is estimated that two years remain on the landfill life based on annual usage of the landfill. Discussion of the Stanton Energy Center 1 & 2 ownership termination is contained in the Subsequent Events portion of the Notes.

An update for 2023 was received which recognized more stringent requirements for the landfill, resulting in a significant increase of approximately \$18 million in estimated closure and post closure costs across the FMPA Projects in fiscal year 2023. This increase also encompassed heightened requirements for previously closed landfill cells. The landfill operator has put aside the necessary funds to meet the requirements of the State of Florida. In 2025, an updated cost estimate was received, increasing the estimated closure and post closure costs by \$2.3 million.

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 practicable 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, 2025 is:

	Stanton Project	All-Req Project	Tri-City Project	Stanton II Project	Total
Landfill Closure Costs					
Total Exposure	\$ 4,893	\$ 5,447	\$ 1,750	\$ 7,700	\$ 19,790
Remaining Liability	(446)	(496)	(158)	(700)	(1,800)
Total Liability at September 30	<u>\$ 4,447</u>	<u>\$ 4,951</u>	<u>\$ 1,592</u>	<u>\$ 7,000</u>	<u>\$ 17,990</u>
Closure Liability	\$ 2,105	\$ 2,344	\$ 753	\$ 3,314	\$ 8,516
Post Closure Liability	2,342	2,607	839	3,686	9,474
Asset Retirement Obligation	<u>1,002</u>	<u>1,116</u>	<u>359</u>	<u>1,572</u>	<u>4,049</u>
Total Landfill Closure and Asset Retirement Obligation	<u><u>\$ 5,449</u></u>	<u><u>\$ 6,067</u></u>	<u><u>\$ 1,951</u></u>	<u><u>\$ 8,572</u></u>	<u><u>\$ 22,039</u></u>

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NOTES TO FINANCIAL STATEMENTS

For the Year Ended September 30, 2025

IV. Capital Assets

A description and summary as of September 30, 2025, 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:

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

New capital undertakings are accounted for in the Construction Work in Process account and included in the Utility Plant 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, 2025 was as follows:

	Beginning Balance	September 30, 2025		Ending Balance
		Increases*	Decreases*	
		(000's US\$)		
Land	\$ 653	\$ -	\$ -	\$ 653
General Plant	11,550	78	-	11,628
Subscription Based IT Agreements	559	63	-	622
General Plant in Service	<u>\$ 12,762</u>	<u>\$ 141</u>	<u>\$ -</u>	<u>\$ 12,903</u>
Less Accumulated Depreciation	(8,951)	(725)	-	(9,676)
Less Accumulated Amortization on SBITA	<u>\$ (460)</u>	<u>\$ (93)</u>		<u>(553)</u>
Total Accumulated Deprn and Amort	<u>\$ (9,411)</u>	<u>\$ (818)</u>	<u>\$ -</u>	<u>\$ (10,229)</u>
General Plant in Service, Net	<u>\$ 3,351</u>	<u>\$ (677)</u>	<u>\$ -</u>	<u>\$ 2,674</u>

* Includes Retirements Less Salvage

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NOTES TO FINANCIAL STATEMENTS

For the Year Ended September 30, 2025

IV. Capital Assets (continued)

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 2021, management extended the useful life to 60 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, 2025, was as follows:

	Beginning Balance	September 30, 2025		Ending Balance
		Increases	Decreases*	
		(000's US\$)		
Land	\$ 75	\$ -	\$ -	\$ 75
Electric Plant	335,513	8,284	-	343,797
General Plant	1,208	-	-	1,208
Nuclear Fuel	45,339	6,030	-	51,369
Construction work in process	2,699	(1,490)	-	1,209
Electric Utility Plant in Service	\$ 384,834	\$ 12,824	\$ -	\$ 397,658
Less Accumulated Depreciation	(330,756)	(6,956)	129	(337,583)
Utility Plant in Service, Net	\$ 54,078	\$ 5,868	\$ 129	\$ 60,075

* Includes Retirements Less Salvage

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

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 was originally computed using the straight-line method over the expected useful life of the plant assets, which was originally computed to be 40 years. In FYE 2025, management shortened the useful life to 38.5 years due to the decision to exit the project on December 31, 2025. Expected useful lives of the assets are as follows:

- Electric Plant 38.5 years
- Computer Equipment 9 years

Stanton Unit 1 plant asset activity for the year ended September 30, 2025, was as follows:

	Beginning Balance	September 30, 2025		Ending Balance
		Increases	Decreases*	
		(000's US\$)		
Land	\$ 125	\$ -	\$ -	\$ 125
Electric Plant	98,360	2,129	-	100,489
General Plant	21	-	-	21
Electric Utility Plant in Service	\$ 98,506	\$ 2,129	\$ -	\$ 100,635
Less Accumulated Depreciation	(85,072)	(6,846)	-	(91,918)
Utility Plant in Service, Net	\$ 13,434	\$ (4,717)	\$ -	\$ 8,717

* Includes Retirements Less Salvage

NOTES TO FINANCIAL STATEMENTS

For the Year Ended September 30, 2025

IV. Capital Assets (continued)

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 or ownership cost responsibility (for jointly owned and participant owned units) in the Treasure Coast Energy Center, Mulberry Energy Center, Sand Lake 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 KUA – TARP Lease Obligation. See footnote IX.A.5 for more detail on the KUA – TARP Lease Obligation.

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

Depreciation of plant assets and amortization of 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 Unit 2	40 years
• Stanton Energy Center Unit 1	38.5 years
• Stanton Energy Center Unit A	35 years
• Treasure Coast Energy Center	35 years
• Cane Island Unit 1	25 years
• Cane Island Units 2, 3	30 years
• Cane Island Unit 4	35 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 *
• Mulberry Energy Center	15 years
• Sand Lake Energy Center	15 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.*

***The useful life of the Stanton Energy Center Unit 1 was shortened to 38.5 years. Management has decided to exit the project on December 31, 2025.*

All-Requirements plant asset activity for the year ended September 30, 2025, was as follows:

	Beginning Balance	September 30, 2025		Ending Balance
		Increases	Decreases*	
		(000's US\$)		
Land	\$ 29,179	\$ -	\$ -	\$ 29,179
Electric Plant	1,461,865	14,107	-	1,475,972
General Plant	13,019	66	(6)	13,079
Subscription Based IT Agreements	57	8	-	65
Construction Work in Process	7,601	(4,044)	-	3,557
Electric Utility Plant in Service	<u>\$ 1,511,721</u>	<u>\$ 10,137</u>	<u>\$ (6)</u>	<u>\$ 1,521,852</u>
Less Accumulated Depreciation	\$ (880,553)	\$ (48,656)	\$ -	\$ (929,209)
Less Accumulated Amortization SBITA	\$ (57)	(2)	\$ -	(59)
Total Accumulated Depn and Amort	<u>\$ (880,610)</u>	<u>\$ (48,658)</u>	<u>\$ -</u>	<u>\$ (929,268)</u>
Utility Plant in Service, Net	<u>\$ 631,111</u>	<u>\$ (38,521)</u>	<u>\$ (6)</u>	<u>\$ 592,584</u>

*Includes Retirements Less Salvage

NOTES TO FINANCIAL STATEMENTS

For the Year Ended September 30, 2025

IV. Capital Assets (continued)

A. 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 was computed using the straight-line method over the expected useful life of the assets, which was originally computed to be 40 years. In FYE 2025, management shortened the useful life to 38.5 years due to the decision to exit the project on December 31, 2025. Expected useful lives of the assets are as follows:

- Electric Plant 38.5 years
- Computer Equipment 9 years

Tri-City Project plant asset activity for the year ended September 30, 2025, was as follows:

	Beginning Balance	September 30, 2025		Ending Balance
		Increases	Decreases*	
		(000's US\$)		
Land	\$ 48	\$ -	\$ -	\$ 48
Electric Plant	39,717	24	(17)	39,724
General Plant	36	-	-	36
Electric Utility Plant in Service	\$ 39,801	\$ 24	\$ (17)	\$ 39,808
Less Accumulated Depreciation	(33,958)	(2,577)	-	(36,535)
Utility Plant in Service, Net	<u>\$ 5,843</u>	<u>\$ (2,553)</u>	<u>\$ (17)</u>	<u>\$ 3,273</u>

B. 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 39 years

Stanton Unit 2 plant asset activity for the year ended September 30, 2025, was as follows:

	Beginning Balance	September 30, 2025		Ending Balance
		Increases	Decreases*	
		(000's US\$)		
Land	\$ 217	\$ -	\$ -	\$ 217
Electric Plant	219,402	107	-	219,509
General Plant	91	-	-	91
Electric Utility Plant in Service	\$ 219,710	\$ 107	\$ -	\$ 219,817
Less Accumulated Depreciation	(142,157)	(7,061)	-	(149,218)
Utility Plant in Service, Net	<u>\$ 77,553</u>	<u>\$ (6,954)</u>	<u>\$ -</u>	<u>\$ 70,599</u>

* Includes Retirements Less Salvage

NOTES TO FINANCIAL STATEMENTS

For the Year Ended September 30, 2025

V. Cash, Cash Equivalents, and Investment

A. Cash and Cash Equivalents

At September 30, 2025, FMPA's Cash and Cash Equivalents consisted of demand deposit accounts, money market accounts, and funds that are held with a fiscal agent. Demand deposit and money market accounts are authorized under FMPA bond resolutions. These funds are held at five financial institutions. All of FMPA's demand deposits at September 30, 2025, were insured by Federal Depositary Insurance Corporation (FDIC) or collateralized pursuant to the Public Depositary 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, 2025 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.

Credit Risk

FMPA's investment policy sets minimum credit rating standards for rated fixed income securities. Corporate notes must have minimum credit rating of A, irrespective of any gradation within that rating. Municipal bonds and commercial paper must be rated within the two highest rating categories, while money market funds are required to be rated in the highest rating category. US Treasuries and Agency investments, recognized as some of the safest fixed income securities, presently carry Aa1 ratings from Moody's and AA+ ratings from Standard & Poor's, and AA+ by Fitch. Moreover, FMPA imposes diversification limits to mitigate the risk of excessive credit exposure in any singular investment or asset category.

Custodial Credit Risk

All investment security transactions, including collateral for repurchase agreements, entered into by FMPA are settled on a delivery versus payment (DVP) basis. Securities are held by a third party Custodian or Trustee and evidenced by trade confirmations and bank statements. All securities purchased by FMPA are properly designated as an asset of the Agency or its Projects and held by a third party Custodial or Trustee institution.

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 assess credit and interest rate risks. FMPA's investment policy imposes specific limits on the types and concentrations of investments. Commercial paper and municipal bonds cannot exceed 50% of any project's investments. Investments in corporate notes, money markets and other investment funds are also restricted to 30% of a project's assets. Exposure to any single issuer is limited to 25% for money markets and agencies, 20% for municipal bonds, and 10% for commercial paper, corporate notes, and CDs. As of September 30, 2025, the All-Requirements Project temporarily exceeded its money market concentration limit by 5% due to upcoming cash needs for the October 1st debt service needs. The exception lasted six days and remained fully within the policy's 30-day grace period, returning to

NOTES TO FINANCIAL STATEMENTS

For the Year Ended September 30, 2025

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

B. Investments (continued)

compliance on October 1 once all payments were made. No other project exceeded concentration limits by investment type or issuer as of September 30, 2025.

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, 2025, are as follows:

	September 30, 2025 (000's US\$)	Weighted Average Maturity (Days)	Credit Rating *
Restricted			
Cash and Cash Equivalents	\$ 572		
Unrestricted			
Cash and Cash Equivalents	\$ 6,276		
US Gov't/Agency Securities*	5,505	458	Aa1/AA+/AA+
Commercial Paper	994	133	P-1/A-1/F1
Corporate Notes	1,956	478	Aa1 to Aa3/AA+/AA+
Total Unrestricted	\$ 14,731		
Total	\$ 15,303		

* Moody's/S&P/Fitch

Investments measured at Fair Value for the Agency at September 30, 2025, are as follows:

	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\$)
Investment Assets by Fair Value Level			
Agency Obligations	\$ -	\$ 2,006	\$ -
US Treasury Obligations	3,499	-	-
Corporate Notes	-	1,956	-
Total By Level	\$ 3,499	\$ 3,962	\$ -
Money Market and Mutual Fund Instruments Not Subject to Fair Value Disclosure			
Cash Equivalents	\$ 6,848		
Commercial Paper	994		
Accrued Interest	26		
Total Money Market and Mutual Fund Instruments	\$ 7,868		
Total Market Value of Assets	\$ 15,329		
Accrued Interest (including portion within other current assets of Unrestricted Assets)	(26)		
Market value (less) Accrued Interest	\$ 15,303		

NOTES TO FINANCIAL STATEMENTS

For the Year Ended September 30, 2025

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

B. Investments (continued)

2. Pooled Loan Fund

Cash, cash equivalents and investments on deposit for Pooled Loans at September 30, 2025, are as follows:

	September 30, 2025 <i>(000's US\$)</i>	Weighted Average Maturity (Days)	Credit Rating
Restricted			
Cash and Cash Equivalents	\$ 1,263		
Total Restricted	<u>\$ 1,263</u>		
Unrestricted			
Cash and Cash Equivalents	\$ 5		
Total Unrestricted	<u>\$ 5</u>		
Total	<u><u>\$ 1,268</u></u>		

Money Market and Mutual Fund Instruments Not Subject to Fair Value Disclosure

Cash Equivalents	\$ 1,268
Total Money Market and Mutual Fund Instruments	<u>\$ 1,268</u>
Total Market Value of Assets	\$ 1,268
Accrued Interest (including portion within other current assets of Unrestricted Assets)	
Market value (less) Accrued Interest	<u><u>\$ 1,268</u></u>

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NOTES TO FINANCIAL STATEMENTS

For the Year Ended September 30, 2025

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. Cash, cash equivalents and investments for the St. Lucie Project at September 30, 2025, are as follows:

	September 30, 2025 (000's US\$)	Weighted Average Maturity (Days)	Credit Rating *
Restricted			
Cash and Cash Equivalents	\$ 22,853		
US Gov't/Agency Securities	33,099	805	Aa1/AA+/AA+
Municipal Bonds	8,489	816	Aa2 to Aa3/AA+ to AA/AA+ to AA
Commercial Paper	9,781	23	P-1/A-1/F1
Corporate Notes	75,721	895	Aa3 to A3/AA- to A-/AA to A-
Total Restricted	<u>\$ 149,943</u>		
Unrestricted			
Cash and Cash Equivalents	\$ 13,506		
US Gov't/Agency Securities*	17,567	730	Aa1/AA+/AA+
Municipal Bonds	3,488	963	Aa1 to Aa2/AAA to AA/AAA to AA
Commercial Paper	8,962	71	P-1/A-1+ to A-1/F1
Corporate Notes	18,699	460	Aaa to A1/AA+ to A-/AAA to A+
Total Unrestricted	<u>\$ 62,222</u>		
Total	<u><u>\$ 212,165</u></u>		

* Moody's/S&P/Fitch

Investments measured at Fair Value for the St. Lucie Project at September 30, 2025, are as follows:

	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\$)
Investment Assets by Fair Value Level			
Agency Obligations	\$ -	\$ 16,150	\$ -
US Treasury Obligations	34,516	-	-
Municipal Bonds	-	11,977	-
Corporate Notes	-	94,420	-
Total By Level	<u>\$ 34,516</u>	<u>\$ 122,547</u>	<u>\$ -</u>
Money Market and Mutual Fund Instruments Not Subject to Fair Value Disclosure			
Cash Equivalents	\$ 36,359		
Commercial Paper	18,743		
Accrued Interest	1,572		
Total Money Market and Mutual Fund Instruments	<u>\$ 56,674</u>		
Total Market Value of Assets	\$ 213,737		
Accrued Interest (including portion within other current assets of Unrestricted Assets)	(1,572)		
Market value (less) Accrued Interest	<u><u>\$ 212,165</u></u>		

NOTES TO FINANCIAL STATEMENTS

For the Year Ended September 30, 2025

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, 2025, are as follows:

	September 30, 2025 (000's US\$)	Weighted Average Maturity (Days)	Credit Rating *
Restricted			
Cash and Cash Equivalents	\$ 1,985		
US Gov't/Agency Securities	1,798	5	Aa1/AA+/AA+
Commercial Paper	1,499	6	P1/A-1/F1
Total Restricted	<u>\$ 5,282</u>		
Unrestricted			
Cash and Cash Equivalents	\$ 6,545		
US Gov't/Agency Securities*	6,482	88	Aa1/AA+/AA+
Commercial Paper	2,986	54	P-1/A-1/F1
Total Unrestricted	<u>\$ 16,013</u>		
Total	<u><u>\$ 21,295</u></u>		

* Moody's/S&P/Fitch

Investments measured at Fair Value for the Stanton Project at September 30, 2025, are as follows:

	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\$)
Investment Assets by Fair Value Level			
Agency Obligations	\$ -	\$ 1,492	\$ -
US Treasury Obligations	6,788	-	-
Total By Level	<u>\$ 6,788</u>	<u>\$ 1,492</u>	<u>\$ -</u>
Money Market and Mutual Fund Instruments Not Subject to Fair Value Disclosure			
Cash Equivalents	\$ 8,530		
Commercial Paper	4,485		
Accrued Interest	24		
Total Money Market and Mutual Fund Instruments	<u>\$ 13,039</u>		
Total Market Value of Assets	\$ 21,319		
Accrued Interest (including portion within other current assets of Unrestricted Assets)	(24)		
Market value (less) Accrued Interest	<u><u>\$ 21,295</u></u>		

NOTES TO FINANCIAL STATEMENTS

For the Year Ended September 30, 2025

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

B. Investments (continued)

5. All-Requirements Project

Cash, cash equivalents and investments for the All-Requirements Project at September 30, 2025, are as follows:

	September 30, 2025 (000's US\$)	Weighted Average Maturity (Days)	Credit Rating *
Restricted			
Cash and Cash Equivalents	\$ 123,634		
US Gov't/Agency Securities	11,502	492	Aa1/AA+/AA+
Municipal Bonds	1,448	32	Aa1/AAA /AAA
Commercial Paper	14,926	71	P-1/A-1+ to A-1/F1
Corporate Notes	2,006	192	Aa3/AA+/AA+
Total Restricted	<u>\$ 153,516</u>		
Unrestricted			
Cash and Cash Equivalents	\$ 109,918		
US Gov't/Agency Securities*	20,582	853	Aa1/AA+/AA+
Municipal Bonds	979	639	Aa2/AA/AA
Commercial Paper	20,936	36	P-1/A-1/F1
Corporate Notes	10,525	213	AAA to A3/AA+ to A-/AA+ to AA-
Total Unrestricted	<u>\$ 162,940</u>		
Total	<u><u>\$ 316,456</u></u>		

* Moody's/S&P/Fitch

Investments measured at Fair Value for the All-Requirements Project at September 30, 2025, 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	\$ -	\$ 8,502	\$ -
US Treasury Obligations	23,582	-	-
Municipal Bonds	-	2,427	-
Corporate Notes	-	12,531	-
Total By Level	<u>\$ 23,582</u>	<u>\$ 23,460</u>	<u>\$ -</u>
Money Market and Mutual Fund Instruments Not Subject to Fair Value Disclosure			
Cash Equivalents	\$ 233,552		
Commercial Paper	35,862		
Accrued Interest	441		
Total Money Market and Mutual Fund Instruments	<u>\$ 269,855</u>		
Total Market Value of Assets	\$ 316,897		
Accrued Interest (including portion within other current assets of Unrestricted Assets)	(441)		
Market value (less) Accrued Interest	<u><u>\$ 316,456</u></u>		

NOTES TO FINANCIAL STATEMENTS

For the Year Ended September 30, 2025

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, 2025, are as follows:

	September 30, 2025 (000's US\$)	Weighted Average Maturity (Days)	Credit Rating *
Restricted			
Cash and Cash Equivalents	\$ 577		
US Gov't/Agency Securities	799	243	Aa1/AA+/AA+
Commercial Paper	1,445	172	P-1/A-1/F1+ to F1
Total Restricted	<u>\$ 2,821</u>		
Unrestricted			
Cash and Cash Equivalents	\$ 2,156		
US Gov't/Agency Securities	2,296	235	Aa1/AA+/AA+
Total Unrestricted	<u>\$ 4,452</u>		
Total	<u><u>\$ 7,273</u></u>		

* Moody's/S&P/Fitch

Investments measured at Fair Value for the Tri-City Project at September 30, 2025, are as follows:

	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\$)
Investment Assets by Fair Value Level			
Agency Obligations	\$ -	\$ 249	\$ -
US Treasury Obligations	2,846	-	-
Total By Level	<u>\$ 2,846</u>	<u>\$ 249</u>	<u>\$ -</u>
Money Market and Mutual Fund Instruments Not Subject to Fair Value Disclosure			
Cash Equivalents	\$ 2,733		
Commercial Paper	1,445		
Accrued Interest	20		
Total Money Market and Mutual Fund Instruments	<u>\$ 4,198</u>		
Total Market Value of Assets	\$ 7,293		
Accrued Interest (including portion within other current assets of Unrestricted Assets)	(20)		
Market value (less) Accrued Interest	<u><u>\$ 7,273</u></u>		

NOTES TO FINANCIAL STATEMENTS

For the Year Ended September 30, 2025

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, 2025, are as follows:

	September 30, 2025 (000's US\$)	Weighted Average Maturity (Days)	Credit Rating *
Restricted			
Cash and Cash Equivalents	\$ 14,146		
US Gov't/Agency Securities	2,989	89	Aa1/AA+/AA+
Commercial Paper	2,485	69	P-1/A-1/F1
Corporate Notes	1,003	101	A3/A-/NA
Total Restricted	<u>\$ 20,623</u>		
Unrestricted			
Cash and Cash Equivalents	\$ 8,484		
US Gov't/Agency Securities	15,545	85	Aa1/AA+/AA+
Commercial Paper	9,464	66	P-1/A-1+ to A-1/F1
Corporate Notes	8,003	255	Aaa to A3/AA+ to A-/A+
Total Unrestricted	<u>\$ 41,496</u>		
Total	<u><u>\$ 62,119</u></u>		

* Moody's/S&P/Fitch

Investments measured at Fair Value for the Stanton II Project at September 30, 2025, are as follows:

	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\$)
Investment Assets by Fair Value Level			
Agency Obligations	\$ -	\$ 5,059	\$ -
US Treasury Obligations	13,475	-	-
Corporate Notes	-	9,006	-
Total By Level	<u>\$ 13,475</u>	<u>\$ 14,065</u>	<u>\$ -</u>
Money Market and Mutual Fund Instruments Not Subject to Fair Value Disclosure			
Cash Equivalents	\$ 22,630		
Commercial Paper	11,949		
Accrued Interest	125		
Total Money Market and Mutual Fund Instruments	<u>\$ 34,704</u>		
Total Market Value of Assets	\$ 62,244		
Accrued Interest (including portion within other current assets of Unrestricted Assets)	(125)		
Market value (less) Accrued Interest	<u><u>\$ 62,119</u></u>		

NOTES TO FINANCIAL STATEMENTS

For the Year Ended September 30, 2025

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

B. Investments (continued)

5. Solar II Project

Cash, cash equivalents and investments for the Solar II Project at September 30, 2025, are as follows:

	September 30, 2025 (000's US\$)	Weighted Average Maturity (Days)	Credit Rating *
Un Restricted			
Cash and Cash Equivalents	\$ 98		
Total Un Restricted	\$ 98		

* Moody's/S&P/Fitch

Investments measured at Fair Value for the Solar II Project at September 30, 2025, are as follows:

	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\$)
Investment Assets by Fair Value Level			
Agency Obligations	\$ -	\$ -	\$ -
US Treasury Obligations	-	-	-
Corporate Notes	-	-	-
Total By Level	\$ -	\$ -	\$ -
Money Market and Mutual Fund Instruments Not Subject to Fair Value Disclosure			
Cash Equivalents	\$ 98		
Commercial Paper	-		
Accrued Interest	-		
Total Money Market and Mutual Fund Instruments	\$ 98		
Total Market Value of Assets	\$ 98		
Accrued Interest (including portion within other current assets of Unrestricted Assets)	-		
Market value (less) Accrued Interest	\$ 98		

NOTES TO FINANCIAL STATEMENTS

For the Year Ended September 30, 2025

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

B. Investments (continued)

6. Fiduciary Activities

Cash, cash equivalents and investments for Fiduciary Activities at September 30, 2025, are as follows:

	September 30, 2025 (000's US\$)	Weighted Average Maturity (Days)	Credit Rating *
Restricted			
Cash and Cash Equivalents	\$ 21,813		
Commercial Paper	3,193	27	P-1/A-1+/NA
Total Restricted	<u>\$ 25,006</u>		

* Moody's/S&P/Fitch

Investments measured at Fair Value for Fiduciary Activities at September 30, 2025, are as follows:

	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\$)
Investment Assets by Fair Value Level			
Agency Obligations	\$ -	\$ -	\$ -
US Treasury Obligations	-	-	-
Total By Level	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Money Market and Mutual Fund Instruments Not Subject to Fair Value Disclosure			
Cash Equivalents	\$ 21,813		
Commercial Paper	3,193		
Accrued Interest	-		
Total Money Market and Mutual Fund Instruments	<u>\$ 25,006</u>		
Total Market Value of Assets	\$ 25,006		
Accrued Interest (including portion within other current assets of Unrestricted Assets)	-		
Market value (less) Accrued Interest	<u>\$ 25,006</u>		

NOTES TO FINANCIAL STATEMENTS

For the Year Ended September 30, 2025

VI. Derivative Financial Instruments

Natural Gas Futures Contracts

FMPA's approach to long-term natural gas procurement is to balance the need for price stability with the flexibility to capitalize on market opportunities. Through a structured, tiered strategy that sets out specific hedging ranges for each year, allowing for adjustments based on market conditions and the FMPA's rate expectations.

In FYE 2024 the Executive Committee established pricing thresholds for natural gas, instructing staff to secure future contracts based on market conditions. For the next twelve months, the direction is to secure a substantial portion of the anticipated All Requirements Project natural gas consumption if thresholds are met. In months thirteen through twenty four, the target range decreases to a moderate portion, and in months twenty five through thirty six, contracts may cover only a small fraction of expected usage. This phased strategy ensures a balanced approach.

FMPA also used a single fixed-price firm physical purchases of natural gas as a tool to establish the cost of natural gas at Zone 3 delivered. At September 30, 2024 the Project held a single fixed price contract for future purchases of natural gas. The contract was for 15,000 MMBtu's of gas per day through April 30, 2025, at a price of \$6.30 per MMBtu.

FMPA also uses New York Mercantile Exchange (NYMEX) natural gas futures contracts as a tool to establish the cost on natural gas that will be needed by the All-Requirements Project in the future (next month or several years from now). NYMEX contracts can be used to obtain physical gas supplies, however, all futures contracts that FMPA enters into will be financially settled before physical settlement is required by the Exchange. Any gain or loss of value in these futures contracts are ultimately rolled into the price of the natural gas burned in the Project's electric generators.

Risks Associated with Derivative Instruments:

- Basis Risk is the financial risk taken when a position is hedged by entering into a contrary position in a derivative. The risk arises in the case of an imperfect hedge when the hedge cannot offset losses in an investment. The NYMEX-based commodity hedging transactions are subject to locational basis risk. NYMEX-based derivative instruments are based on pricing at the Henry Hub delivery point.
- Rollover Risk is the risk on hedging derivative instruments that mature or may be terminated. When these derivative instruments terminate, FMPA will be re-exposed to the risks being hedged by the derivative instrument.
- Custodial Credit Risk is the risk of the failure of the counterparty. In the event of a failure of a counterparty, FMPA will not be able to recover the value of deposits that are in possession of an outside party. These funds are uninsured and unregistered securities held on behalf of FMPA.

NOTES TO FINANCIAL STATEMENTS

For the Year Ended September 30, 2025

VI. Derivative Financial Instruments (continued)

Natural Gas Futures Contracts(continued)

All transactions are entered into as hedges against the volatility of natural gas prices. The All-Requirements Project as of September 30, 2025, had futures contracts outstanding in the following amounts, covering the fiscal years 2026 through 2028. These hedges have been tested and deemed effective using the quantitative regression analysis method under GASB 53 comparing the Henry Hub pricing to each FGT Zone where the All-Requirements Project purchases natural gas. The related unrealized gains or losses for effective hedges are deferred. As of September 30, 2025, unrealized losses are approximately \$506 thousand. Realized gains and losses on these transactions are recognized as the instruments are settled.

Fiscal Year Ending	Thousands of MMBtu's	Fair Market Value \$(000's) at 9/30/2025
2026	18,982	(1,292)
2027	5,075	642
2028	975	144
Total	25,032	\$ (506)

In order to move the futures contracts into an account controlled by FMPA, in FY 2023 a prepayment of \$70 million was made to close out the positions in the Florida Gas Utility hedging account and FMPA immediately repurchased the positions at the current market price preserving the hedging effect of the positions. \$3.7 million was amortized to expense over the first 7 months of FY 2025.



NOTES TO FINANCIAL STATEMENTS

For the Year Ended September 30, 2025

VII. Regulatory Operations (Net Costs Recoverable (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 an asset 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.



NOTES TO FINANCIAL STATEMENTS

For the Year Ended September 30, 2025

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, 2025, all FMPA projects were in compliance with requirements of the bond resolution.

Segregated restricted net position at September 30, 2025, 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	\$ 405	\$ 1,268	\$ 4,052	\$ -	\$ 64,656	\$ -	\$ 12,112	\$ 82,493
Reserve & Contingency Funds	167	-	22,171	5,282	37,543	2,826	8,522	76,511
Posted for Margin - Hedging					5,055			5,055
Decommissioning Fund	-	-	124,890	-	-	-	-	124,890
Accrued Interest on Long-Term Debt	(32)	(57)	(1,162)	-	(11,186)	-	(527)	(12,964)
Accrued Decommissioning Expenses			(122,589)					(122,589)
Total Restricted Net Assets	<u>\$ 540</u>	<u>\$ 1,211</u>	<u>\$ 27,362</u>	<u>\$ 5,282</u>	<u>\$ 96,068</u>	<u>\$ 2,826</u>	<u>\$ 20,107</u>	<u>\$ 153,396</u>

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.
- 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 acquisitions and construction, as specified by the participants.
- Revenue Funds are restricted under the terms of outstanding resolutions.

NOTES TO FINANCIAL STATEMENTS

For the Year Ended September 30, 2025

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, 2025, is as follows:

1. Agency Fund

Business-Type Activities	2025				
	(000's US\$)				
	Beginning Balance	Increases	Decreases	Ending Balance	Amounts Due Within One Year
Direct Placement Debt					
Pooled Loan	\$ 1,000	\$ -	\$ 110	\$ 890	\$ 232

The Agency Fund borrowed \$1.0 Million from the Pooled Loan Fund to fund Information Technology upgrades in FY2024. The loan is at 7.25% for 5 years.

2. Pooled Loan Fund

Business-Type Activities	2025				
	(000's US\$)				
	Beginning Balance	Increases	Decreases	Ending Balance	Amounts Due Within One Year
Direct Placement Debt					
Total Horizon Loans	\$ 24,252	-	\$ (2,064)	\$ 22,188	\$ 2,368
Total Truist Loans	-	\$ 6,500	-	6,500	128
Less Conduit Loan - Bushnell	(6,265)	-	353	(5,912)	(363)
Less Conduit Loan - Homestead	(7,700)	-	362	(7,338)	(369)
Less Conduit Loan - Homestead #2	(6,203)	-	615	(5,588)	(643)
Less Conduit Loan - Clewiston	(1,150)	-	83	(1,067)	(84)
Less Conduit Loan - Bartow	\$ -	\$ (6,500)	\$ -	(6,500)	\$ (255)
Non-Conduit Pooled Loans	\$ 2,934	\$ -	\$ (651)	\$ 2,283	\$ 782

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. The maximum capacity was increased from \$25 million to \$50 million in 2022. In September 2019 the City of Bushnell drew \$7.9 million at 2.56% for 10 years, in June 2021 the City of Homestead drew \$8.6 million at 1.95% for 10 years and in September 2021 the City of Clewiston drew \$1.4 million at 1.77% for 10 years. In November 2022, Homestead drew \$6.5 million at a fixed rate of 4.6% 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. In October 2024 the Agency Fund drew \$1.0 million at 7.25%.

In September 2024, The Board of Directors approved Truist Bank as a new credit provider for the Pooled Loan Program. Truist Bank offers an uncommitted line of credit up to \$50 million, with terms extending up to 20 years, available for FMPA members or projects. In May 2025, Bartow drew \$6.5 million at 4.5% for 15 years.

NOTES TO FINANCIAL STATEMENTS

For the Year Ended September 30, 2025

IX. Long-Term Debt (continued)

A. Debt (continued)

3. St. Lucie Project

Business-Type Activities	2025 (000's US\$)				Amounts Due Within One Year
	Beginning Balance	Increases	Decreases	Ending Balance	
Revenue Bonds					
Bonds 2021A	\$ 12,280	\$ -	\$ (1,360)	\$ 10,920	\$ 1,425
Direct Placement Debt					
Bonds 2013A	4,400	-	(1,430)	2,970	1,465
Bonds 2021B	33,920	-	-	33,920	\$ -
Total Principal	<u>\$ 50,600</u>	<u>\$ -</u>	<u>\$ (2,790)</u>	<u>\$ 47,810</u>	<u>\$ 2,890</u>
Deferred Premiums And Discounts	6,212	-	(1,642)	4,570	-
Total Revenue Bonds	<u>\$ 56,812</u>	<u>\$ -</u>	<u>\$ (4,432)</u>	<u>\$ 52,380</u>	<u>\$ 2,890</u>
Unamortized loss on advanced refunding	<u>\$ (460)</u>	<u>\$ -</u>	<u>\$ 158</u>	<u>\$ (302)</u>	<u>\$ -</u>

The 2013A bonds have a fixed interest rate of 2.73%, and mature in 2026.

The 2021A Bonds were issued with a fixed interest rate of 5% and mature in 2031. The 2021A bonds are not subject to redemption prior to maturity.

The 2021B bonds were issued with a fixed interest rate of 5% with a maturity date of 2030. At the election of FMFA, on or after October 1, 2028, bonds may be redeemed at a call rate of 100%.

4. Stanton Project

The Stanton Project paid off all long-term debt during the fiscal year ended September 30, 2020.

NOTES TO FINANCIAL STATEMENTS

For the Year Ended September 30, 2025

IX. Long-Term Debt (continued)

A. Debt (continued)

5. All-Requirements Project

Business-Type Activities	2025 (000's US\$)				Amounts Due Within One Year
	Beginning Balance	Increases	Decreases	Ending Balance	
Revenue Bonds					
Bonds 2015B	\$ 71,950	\$ -	\$ (71,950)	\$ -	-
Bonds 2016A	290,680	-	(140,740)	149,940	-
Bonds 2017A	69,625	-	-	69,625	22,785
Bonds 2017B	29,930	-	(9,065)	20,865	20,865
Bonds 2018A	57,790	-	-	57,790	-
Bonds 2019A	75,220	-	-	75,220	8,600
Bonds 2021A	36,720	-	-	36,720	-
Bonds 2021B	100,495	-	-	100,495	-
Bonds 2025A	-	208,830	-	208,830	1,150
Direct Placement Debt					
Total Principal	<u>\$ 732,410</u>	<u>\$ 208,830</u>	<u>\$ (221,755)</u>	<u>\$ 719,485</u>	<u>\$ 53,400</u>
Leases and Other Debt					
KUA - TARP	\$ 122,140	\$ 4,939	\$ (13,752)	\$ 113,327	\$ 11,850
Gas Storage Lease	3,832	-	(656)	3,176	673
St. Lucie County	71	-	(71)	-	-
Total Other Liabilities	<u>\$ 126,043</u>	<u>\$ 4,939</u>	<u>\$ (14,479)</u>	<u>\$ 116,503</u>	<u>\$ 12,523</u>
Total Bonds, Leases and Other Debt	<u>\$ 858,453</u>	<u>\$ 213,769</u>	<u>\$ (236,234)</u>	<u>\$ 835,988</u>	<u>\$ 65,923</u>
Deferred Premiums And Discounts	<u>\$ 43,639</u>	<u>\$ 20,613</u>	<u>\$ (22,151)</u>	<u>\$ 42,101</u>	<u>\$ -</u>
Total Revenue Bonds & Leases and other debt	<u>\$ 902,092</u>	<u>\$ 234,382</u>	<u>\$ (258,385)</u>	<u>\$ 878,089</u>	<u>\$ 65,923</u>
Unamortized loss on advanced refunding	\$ (18,066)	\$ -	\$ 11,594	\$ (6,472)	\$ -

The 2015B bonds were used to pay the Taylor Swap termination fees. They were issued with interest rates varying from 3% to 5% and, at the election of FMFA, on or after October 1, 2025, bonds may be redeemed at a call rate of 100%. These bonds were defeased in August 2025 for redemption on October 1, 2025.

The 2016A bonds refunded 2008A and 2009A bonds. They were issued with interest rates varying from 3% to 5% and are callable, at the option of FMFA, on or after October 1, 2026, at a redemption price of 100%. In August 2025, FMFA conducted a tender offer for a portion of the outstanding bonds. This achieved a high level of bondholder participation at 78%, resulting in a reduction of bond liability of approximately \$111 million.

The 2017A Bonds were used to refund the 2011A-1 and 2011B bonds and associated swaps. They were issued with an interest rate of 5% and, are not subject to redemption prior to maturity.

The 2017B Bonds were use to refund the 2011A-2 bonds and associated swaps. They were issued with interest rates varying from 2.197% to 3.059% and, at the election of FMFA, the bonds may be redeemed at the greater of a call rate of 100% or the present value of the bonds using a discount rate of the Treasury Rate plus 15 basis points.

The 2018A Bonds were used to refund all outstanding 2008A bonds maturing on and after October 1, 2020. They were issued with interest rates varying from 3% to 4% and, at the election of FMFA, on or after October 1, 2027, bonds may be redeemed at a call rate of 100%.

NOTES TO FINANCIAL STATEMENTS

For the Year Ended September 30, 2025

IX. Long-Term Debt (continued)

A. Debt (continued)

5. All-Requirements Project

The 2019B Bonds were used to refund the 2013A bonds. They were issued with interest rates varying from 1.966% to 2.178% and, are not subject to redemption prior to maturity.

The 2021A Bonds were issued to provide for 3 years of capital projects. They were issued with an interest rate of 3% and, at the election of FMPA, on or after October 1, 2028, bonds may be redeemed at a call rate of 100%.

The 2021B Bonds were issued to provide liquidity previously provided by lines of credit. They were issued with an interest rate of 1.425%. At the election of FMPA, the bonds may be redeemed at the present value of the bonds using a discount rate of the Treasury Rate plus 10 basis points if called before October 1, 2025, or 100% of the principal amount after October 1, 2025.

The 2025 Bonds were issued in August 2025 and used to defease and refund the 2015A bonds, to refund a portion of the 2016A bonds, and to provide funding for capital improvements at various power plants. These refundings resulted in a present value savings of \$11.4 million. A loss of \$525 thousand was recognized for the partial refunding of the 2016A bonds and a gain of \$3 million was recognized for the refunding of the 2015A bonds. The 2025 bonds were issued with an interest rate of 5%, with a final maturity date of October 1, 2035, and with a call option on or after October 1, 2033.

KUA – TARP Financed purchase 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. During fiscal year ended September 30, 2023 the Contract was again amended to provide additional payments with a present value of \$73.2 million. Under the revised and amended contract, KUA receives agreed upon-fixed payments over preset periods. In 2025, a third amendment was approved to address the retirement of Stanton Unit 1 and to provide additional payments with a present value of \$5 million through fiscal year 2033, reflecting increased capacity market prices.

Payments remaining under the agreement at September 30, 2025, amount to \$139.3 million and the present value of these payments is \$113.3 million.

SG Resources Lease Obligation

Effective April 1, 2024, the project entered into a contract with SG Resources Mississippi LLC, for 250,000 MMBtu of natural gas storage capacity. Payments remaining under the agreement at September 30, 2025 amount to \$3.4 million and the present value of these payments, discounted at 3.35% is \$3.2 million. The capital asset at September 30, 2025 is a storage asset of \$4.2 million less accumulated amortization of \$1.04 million resulting in a net book value of \$3.12 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. The final payment was made September 2025.

NOTES TO FINANCIAL STATEMENTS

For the Year Ended September 30, 2025

IX. Long-Term Debt (continued)

A. Debt (continued)

6. Tri-City Project

The Tri-City Project paid off all long-term debt during the fiscal year ended September 30, 2020.

7. Stanton II Project

Business-Type Activities	2025				Amounts Due Within One Year
	(000's US\$)				
	Beginning Balance	Increases	Decreases	Ending Balance	
Direct Placement Debt					
Refunding 2017A	\$ 19,566	\$ -	\$ (387)	\$ 19,179	\$ 387
Refunding 2017B	20,469		(5,151)	15,318	5,226
Refunding 2022A	19,670		(5,915)	13,755	5,970
Pooled Loan	1,664		(544)	1,120	550
Total Principal	<u>\$ 61,369</u>	<u>\$ -</u>	<u>\$ (11,997)</u>	<u>\$ 49,372</u>	<u>\$ 12,133</u>
Deferred Premiums And Discounts	(9)	-	9	-	-
Total Bonds and Loans	<u>\$ 61,360</u>	<u>\$ -</u>	<u>\$ (11,988)</u>	<u>\$ 49,372</u>	<u>\$ 12,133</u>
Unamortized loss on advanced refunding	<u>\$ (1,716)</u>	<u>\$ -</u>	<u>\$ 703</u>	<u>\$ (1,013)</u>	<u>\$ -</u>

The 2017A and 2017B revenue bonds are fixed, and have a maturity date of 2027. The rate for the 2017A bonds is 2.53% and the 2017B bonds is 2.32%. The Series 2017A and 2017B are subject to redemption in whole or part prior to maturity at the call rate of 100%. The pooled loan has a fixed rate of 1.77% and a final maturity of 2027. The 2022A bonds were issued at par in July 2022 with a fixed rate of 1.58%. The bonds are callable on or after October 1, 2024 with final maturity of October 2027.

NOTES TO FINANCIAL STATEMENTS

For the Year Ended September 30, 2025

IX. Long-Term Debt (continued)

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.

NOTES TO FINANCIAL STATEMENTS

For the Year Ended September 30, 2025

IX. Long-Term Debt (continued)

C. Annual Requirements

The annual cash flow debt service requirements to amortize the long-term **bonded** and **direct placement** debt outstanding as of September 30, 2025, are as follows:

Fiscal Year Ending September	Agency Fund		St. Lucie Project		All-Req Project		Stanton II Project		Totals
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	
Revenue Bonds									
2026			1,425	2,206	53,400	25,065			82,096
2027			6,385	2,011	163,450	23,494			195,340
2028			6,695	1,684	69,110	21,498			98,987
2029			7,035	1,340	83,340	17,780			109,495
2030			7,395	980	84,535	13,869			106,779
2031-2036			15,905	805	265,650	23,940			306,300
Total Revenue Bonds	\$ -	\$ -	\$ 44,840	\$ 9,026	\$ 719,485	\$ 125,646	\$ -	\$ -	\$ 898,997
Direct Placement Debt									
2026	232	60	1,465	61			12,133	968	14,919
2027	249	43	1,505	20			12,349	730	14,896
2028	268	25					24,890	304	25,487
2029	141	5							146
Total Direct Placement Debt	\$ 890	\$ 133	\$ 2,970	\$ 81	\$ -	\$ -	\$ 49,372	\$ 2,002	\$ 55,448
Total Principal & Interest	\$ 890	\$ 133	\$ 47,810	\$ 9,107	\$ 719,485	\$ 125,646	\$ 49,372	\$ 2,002	\$ 954,445
Less:									
Interest		(133)		(9,107)		(125,646)		(2,002)	(136,888)
Unamortized loss on refunding			(302)		(6,472)		(1,013)		(7,787)
Add:									
Unamortized Premium (Discount), net			4,570		42,101				46,671
Total Net Debt Service Requirement at September 30, 2025	\$ 890	\$ -	\$ 52,078	\$ -	\$ 755,114	\$ -	\$ 48,359	\$ -	\$ 856,441

The annual cash flow debt service requirements to amortize **all** long-term debt and leases outstanding as of September 30, 2025, are as follows:

Fiscal Year Ending September	Agency Fund		St. Lucie Project		All-Req Project		Stanton II Project		Totals
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	
2026	232	60	2,890	2,267	65,923	30,863	12,133	968	115,336
2027	249	43	7,890	2,031	176,087	30,643	12,349	730	230,022
2028	268	25	6,695	1,684	82,831	25,983	24,890	304	142,680
2029	141	5	7,035	1,341	97,799	21,526			127,847
2030			7,395	980	99,384	16,851			124,610
2031 - 2036			15,905	805	313,964	27,993			358,667
Total Principal & Interest	\$ 890	\$ 133	\$ 47,810	\$ 9,108	\$ 835,988	\$ 153,859	\$ 49,372	\$ 2,002	\$ 1,099,162

NOTES TO FINANCIAL STATEMENTS

For the Year Ended September 30, 2025

X. Commitments and Contingencies

A. Participation Agreements

FMPA has entered into participation agreements, and acquired through 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	Stanton Clean Energy LLC	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, however FMPA is negotiating agreements to exit the participation agreement for Unit 1 effective December 31, 2025.

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, 2029. Through participation with OUC, FMPA's estimated cost share of the existing purchases by project for the next five fiscal years is summarized below.

Project	000's US\$				
	2026	2027	2028	2029	2030
All-Requirements Project	4,725	4,392	1,616	1,109	-
Stanton II Project	21,225	19,732	7,262	4,983	-

In August 2025, FMPA and OUC entered into a conceptual agreement that covers FMPA's full interest in the Stanton Unit 1 (direct ownership, Vero Beach entitlement through the All-Requirements Project, the Stanton Project, and the Tri-City Project). Under the terms, the current ownership and capacity/energy obligations would be retired via conveyance of FMPA's ownership interest back to OUC, elimination of future capacity and energy obligations, and establishment of an interim cost-sharing arrangement in the event definitive amendments to the participation agreements are not executed by March 31, 2026. FMPA also revised the useful life of Stanton Unit 1 accordingly, with depreciation ending December 31, 2025. As of fiscal year end, the definitive amendments remain in development and no accounting recognition of the transfer has been recorded.

NOTES TO FINANCIAL STATEMENTS

For the Year Ended September 30, 2025

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.

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.

FMPA's share of the total investment costs amounts to approximately \$105 million for PGP Pool #1, and \$29 million for PGP Pool #2 as of September 30, 2025. During FYE 2020 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, an activity that is still in progress. Accordingly, the project was written down to zero as of September 30, 2021. Any future net revenue from the Pools will be shown as an offset or addition to fuel expense. Pool 1 currently anticipates final the sales process will be completed if FYE 2026, and the final sale of Pool 2 assets was completed effective October 1, 2025.

NOTES TO FINANCIAL STATEMENTS

For the Year Ended September 30, 2025

X. Commitments and Contingencies (continued)

C. Contractual Service Agreements

The All-Requirements Project has signed, or accepted assignment of, Contractual Service Agreements (CSAs) with GE Vernova International, LLC 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 did not have a factored starts or hours based payment, and maintenance is paid for at the time it's incurred at pre-negotiated discounts. This agreement terminated in November of 2024.

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	7/19/2022		7/19/2022	7/19/2022
Cumulative Factor Fired Hours	139,190	121,057	162,749	109,761
Estimated Hours at Performance End Date	207,000		236,000	175,000
Current Termination Amount (000's USD)	\$ 2,339		\$ 2,559	\$ 2,275
Specified Contract End Date	11/21/2037		11/21/2037	11/21/2037
Estimated Performance End Date	FYE 2034		FYE 2036	FYE 2034

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.

NOTES TO FINANCIAL STATEMENTS

For the Year Ended September 30, 2025

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. In 2017, the Parties mutually agreed to extend the expiration date to October 1, 2022. On October 1, 2022 the agreement was again extended until the retirement of the units, however either party may terminate the agreement with 60 days written notice. 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.
- 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.

NOTES TO FINANCIAL STATEMENTS

For the Year Ended September 30, 2025

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\$)
Oleander Power Project LP, LLC - Unit 5 PPA	12/16/2027	\$ 19,272
Power Holding LLC - Oleander Unit 1 PPA 1/1/2024	12/31/2029	8,943
Total Minimum Liability		<u>\$ 28,215</u>

- 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
FI Gas Transmission FTS-1	21,984	\$ 4,304	Various	Cane Island Treasure Coast
FI Gas Transmission FTS-2	61,488	15,104	Various	Cane Island Treasure Coast
FI 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	0	750	12/31/2033	Treasure Coast
TECO-Peoples Gas	0	750	12/31/2033	Cane Island/Oleander
		<u>\$ 26,142</u>		

NOTES TO FINANCIAL STATEMENTS

For the Year Ended September 30, 2025

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.
- FMPP has entered into the Florida Municipal Power Pool (FMPP) Agreement, as amended, with the FMPP members. Pursuant to Amendment 7, 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) 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 these transactions is \$0.32 per MMBtu on 10,000 MMBtu per day.
- In 2020, FGU also entered into thirty year agreements on behalf for the ARP with the Municipal Gas Authority of Georgia (MGAG) for the purchase of specified amounts of natural gas. The ARP's weighted average discount from these transactions is \$0.32 per MMBtu on 13,250 MMBtu per Day. In 2022, additional thirty-year agreements were executed for an average of 7,279 MMBtu per day with an average discount of .32 per MMBtu.
- In 2022, FGU entered into agreements, with various counter parties on behalf of the ARP, for the purchase of additional specified amounts of natural gas at discounted prices. An agreement with Peak/BP Energy was executed for a four year discount of .08 per MMBtu on 3,000 MMBtu per day. An agreement with Tennessee Energy/Goldman Sachs is a thirty-year contract with a discount of .34 per MMBtu on 5,000 MMBtu per day. The agreement with BBE/Goldman Sachs is a thirty-year contract with a discount of .35 per MMBtu for an average of 2,721 MMBtu per day. The agreement with Minnesota Gas Agency/RBC is a thirty-year contract with a discount of .30 per MMBtu on 15,000 MMBtu per day, during the summer months.
- In 2024, FGU entered into three agreements, with various counter parties on behalf of the ARP, for the purchase of additional specified amounts of natural gas at discounted prices. An agreement with MGAG/Citibank is a contract for an average of 6,917 MMBTU per month with a discount of \$.63 per MMBtu. An agreement with BBE/Goldman Sachs for 11,000 MMBtu per month with discount of \$.55 per MMBtu. An agreement with MGAG/Citibank for 5,000 MMBtu per month with a discount of \$.57 per MMBtu. Each of these agreements are for thirty years.
- In 2025, FMPP entered into an agreement with FGU, with Mainstreet being the counterparty, to secure 2,500 MMBtu summer natural gas transactions with a \$.60 discount per MMBtu. The term of the agreement is 30 years, with deliveries scheduled to commence in April 2026.

NOTES TO FINANCIAL STATEMENTS

For the Year Ended September 30, 2025

X. Commitments and Contingencies (continued)

D. Other Agreements (continued)

2. All Requirements (continued)

- 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.
- 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 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 2021, FMPA and Fort Meade entered into a Supplemental Power and Ancillary Services Agreement (Fort Meade Supplemental Agreement). Effective September 1, 2020, 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 Supplemental Agreement is set to expire on September 30, 2027 with automatic five-year renewals until the termination of their All-Requirements contract in 2041.
- 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.

NOTES TO FINANCIAL STATEMENTS

For the Year Ended September 30, 2025

X. Commitments and Contingencies (continued)

D. Other Agreements (continued)

2. All Requirements (continued)

- Green Cove Springs notified FMPA of its election to limit its All-Requirements Service, as permitted in 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, effective January 1, 2020, 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 Alachua, partial requirements of approximately 10 MW from April 2022 through December 2027.
 - City of Winter Park, partial requirements of about 70MW from 2020 through 2027.
 - City of Homestead, partial requirements of 15MW from 2020 through 2026.
 - City of Williston, full power supply requirements of 8MW from 2021 through 2026.
 - The Central Florida Tourism Oversight District has a variable, partial requirement for 2024-2029.
 - 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 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. The agreement was again amended in FYE 2023 extending the payments over a longer estimated life of the units. A third amendment was approved in FYE 2025 to address the retirement of Stanton Unit 1 to eliminate payments to KUA that were required through FY2027. Due to increased capacity market prices, the All Requirements Project has agreed to pay an increased NPV of \$5 million through FY2033. Any asset retirement and replacement at Cane Island Power Park that is implemented prior to the end of FY2033, will be mutually determined by KUA & FMPA. Any retirement and replacement at Cane Island Power Park that is implemented after 2033, will be at FMPA's sole discretion.
- 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 paid to Key West fixed annual payments of \$670,000 each January 1 from 2011 through 2021. 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.

NOTES TO FINANCIAL STATEMENTS

For the Year Ended September 30, 2025

X. Commitments and Contingencies (continued)

D. Other Agreements (continued)

2. All Requirements (continued)

- 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 is either not substantiated or will not have a material impact on FMPA's financial statements.

E. Solar Projects

The FMPA Board of Directors has approved the establishment of additional power supply projects in which FMPA members have participated to purchase solar power as group to achieve economies of scale. The ARP also purchases power from some of the same solar facilities on behalf of specific ARP Participants, enabling further economies of scale, however the ARP solar power purchases are under separate agreements from the solar power supply project purchases. The ARP has authorized the creation of the ARP Solar Project Advisory Committee, which includes one representative from each ARP Participant who has committed to pay for the costs of the ARP solar power purchases. The committee serves in an advisory capacity to the Executive Committee to address matters involving ARP solar power purchases.

The Solar II Project, established by the FMPA Board of Directors in December 2019, is the only solar power supply project currently active. It was contracted as a 20-year Power Purchase Agreements (PPA) for a total of 53.55 MW-AC of solar energy divided equally between two 74.9 MW-AC solar facilities, Rice Creek and Whistling Duck, originally expected to be operational by the end of 2023. The projects experienced interconnection delays necessitating Amendment No. 1 to the PPAs to extend the expected commercial operation dates and increase the contract price. In September of 2024, the FMPA Board of Directors approved Amendment No. 2 to the Solar II PPA for the Whistling Duck facility. This amendment increased the Solar II Project's Whistling Duck allocation from 26.775 MW-AC to 47.9 MW-AC and again increased the contract price for the Whistling Duck PPA. The Solar II Project, as amended, is contracted as two 20-year PPAs for a total of 74.675 MW-AC, distributed between Rice Creek (26.775 MW-AC) and Whistling Duck (47.9 MW-AC). Rice Creek became operational in December 2024 while Whistling Duck is expected to be operational in December 2025.

The Solar Project, that was approved by the FMPA Board of Directors in March 2019 to provide 57 MW-AC of solar energy from one facility to its participants, was terminated in FY2023 due to unfavorable site conditions and development cost pressures.

The Solar III Project, that was approved by the FMPA Board of Directors in May 2023 to provide 203.15 MW-AC of solar energy from three facilities to its participants, was terminated in FY2025 due to construction delays and development cost pressures.

F. Commitment to Purchase Power Plants

FMPA continuously evaluates opportunities for low-cost resources to ensure reliable sources of long-term power supply for the All-Requirements project. With the anticipated retirement of Stanton I, FMPA entered into purchase agreements for three resources connected to the Duke Energy Florida transmission system. FMPA acquired two sites in fiscal year 2024 and the remaining site is anticipated to be acquired in fiscal year 2026. The natural gas units are located in Orlando and Bartow, Florida, with estimated total capacity of 340 net MWs.

NOTES TO FINANCIAL STATEMENTS

For the Year Ended September 30, 2025

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 12 MWs and 76 MWs (based on the designation of the participant) for a maximum of ten months. The agreement term automatically renewed on October 1, 2022 for an additional five years. The next automatic renewal will occur on October 1, 2027, 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 its participation.



NOTES TO FINANCIAL STATEMENTS

For the Year Ended September 30, 2025

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 Directors 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, except for the General Counselor whose contribution is governed by his employment agreement with FMPA. Total payroll for the year ended September 30, 2025, was \$14.56 million, which approximates covered payroll. The 401(a) defined contribution plan has 105 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 Mission Square Retirement; the Plan Administrator and Trustee.

Agency contributions to the Defined Contribution Plan resulted in expenses for the fiscal year 2025 of \$1.45 million. 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.

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, 2024, the plan membership consisted of the following participants:

	9/30/2024
Inactive Plan Members or Beneficiaries Currently Receiving Benefits	19
Inactive Plan Members Entitled to But Not Yet Receiving Benefits	0
Active Plan Members	10
	<u>29</u>

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. No assets are accumulated in a trust to cover these benefits.

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, 2025. The measurement period for the OPEB expense was October 1, 2024 to September 30, 2025. The reporting period is October 1, 2024 through September 30, 2025. The Sponsor's Total OPEB Liability was measured as of September 30, 2025 using a discount rate of 4.50%.

NOTES TO FINANCIAL STATEMENTS

For the Year Ended September 30, 2025

XII. Employment Benefits (continued)

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

Actuarial Assumptions:

Total OPEB Liability for The Agency's ledger adjustment was measured as of September 30, 2025 using a discount rate of 4.50%.

The Total OPEB Liability was determined by an actuarial valuation as of September 30, 2025 (measurement date) using the following actuarial assumptions:

Inflation	2.50%
Salary Increases	2.50%
Discount Rate	4.50%
Initial Trend Rate	6.75%
Ultimate Trend Rate	4.00%
Years to Ultimate	50

For all lives, mortality rates were Pub G-2010 Mortality Tables projected to the valuation date using Projection Scale MP-2019.

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 4.50%. The high-quality municipal bond rate was based on 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, 2025, the Agency will recognize OPEB Expense/(Revenue) of (\$16,025).

NOTES TO FINANCIAL STATEMENTS

For the Year Ended September 30, 2025

XII. Employment Benefits

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

Total OPEB Liability as of the Measurement Date is:

Description	(000's US\$) Amount
Reporting Period Ending September 30, 2024	\$ 4,951
Service Cost	21
Interest	197
Differences between Expected and Actual Experience	-
Changes in Assumptions	(235)
Benefits Payments	(250)
Reporting Period Ending September 30, 2025	<u>\$ 4,684</u>

Changes of assumptions reflect a change in the discount rate from 4.06% for the reporting period ended September 30, 2024, to 4.50% for the reporting period ended September 30, 2025. Also reflected as assumption changes are updated mortality rates, updated health care costs and premiums, and updated health care cost trend rates.

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
	3.50%	4.50%	5.50%
Total OPEB Liability (000's US\$)	\$ 5,246	\$ 4,684	\$ 4,209

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% - 5.75%	4.00% - 6.75%	5.00% - 7.75%
Total OPEB Liability (000's US\$)	\$ 4,337	\$ 4,684	\$ 5,091

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, 2025, the most recent valuation date, the Total OPEB Plan Liability was \$4.68 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 \$1.9 million, and the ratio of the Total OPEB Plan Liability to the covered payroll was 252 percent.

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

NOTES TO FINANCIAL STATEMENTS

For the Year Ended September 30, 2025

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) composed of representatives from FMPA's Board of Directors and Executive Committee. Corporate risk management is assigned to the Chief Financial Officer (CFO), who oversees the Risk Management area and reports directly to the Chief Executive Officer (CEO). The primary objective of the Agency's Enterprise Risk Management (ERM) program is to identify, measure, monitor, and report risks to mitigate unfavorable financial and strategic impacts.

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



NOTES TO FINANCIAL STATEMENTS

For the Year Ended September 30, 2025

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. Total membership of the Agency is 33. 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 active members of the All-Requirements Project. The Executive Committee elects a Chairperson and Vice-Chairperson. 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, Tri-City, and Solar Project 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 FMPA Board of Directors, except for the All-Requirements Project, in which all decisions are made by the Executive Committee.

The Executive Committee has authorized the creation of Phase I, II, and III ARP Solar Participant Advisory Committees, which are Executive Committee subcommittees that will address related matters involving ARP participants. The Solar III project was terminated in 2025.

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 All-Requirements member cities have representatives on the FGU Board of Directors: Ft. Pierce, KUA, Leesburg Jacksonville Beach and Starke.

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NOTES TO FINANCIAL STATEMENTS

For the Year Ended September 30, 2025

XV. Subsequent Events

On October 30, 2025, Energy Southeast closed on its Energy Supply Revenue Bonds 2025 Series A, a prepaid transaction with Goldman Sachs as the funding provider. The prepay agreements provide for the delivery of specified quantities of energy to Energy Southeast at designated delivery points for sale to the Project Participants. The All-Requirements Project is one of three project participants in this transaction. ARP has committed to nominating its solar purchase power agreements with Origis Energy's Whistling Duck and Rice Creek facilities. ARP has also committed to taking delivery of natural gas with a daily average monthly volume of 4,200 MMBtus. The obligation will start in March 2026.



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	9/30/2025	9/30/2024	9/30/2023	9/30/2022	9/30/2021	9/30/2020	9/30/2019	9/30/2018
Measurement Date	9/30/2025	9/30/2024	9/30/2023	9/30/2022	9/30/2021	9/30/2020	9/30/2019	9/30/2018
Total OPEB Liability								
Service Cost	\$ 21	\$ 23	\$ 22	\$ 59	\$ 63	\$ 56	\$ 47	\$ 53
Interest	197	230	228	145	133	201	215	201
Differences Between Expected and Actual Experience	-	(285)		221	-	-	-	-
Changes in Assumptions	(235)	418	(56)	(1,305)	(235)	674	410	(374)
Benefit Payments	(250)	(268)	(249)	(241)	(225)	(326)	(233)	(214)
Net Change in Total OPEB Liability	\$ (267)	\$ 118	\$ (55)	\$ (1,121)	\$ (264)	\$ 605	\$ 439	\$ (334)
Total OPEB Liability - Beginning of Year	4,951	4,833	4,888	6,009	6,273	5,668	5,229	5,563
Total OPEB Liability - End of Year	\$ 4,684	\$ 4,951	\$ 4,833	\$ 4,888	\$ 6,009	\$ 6,273	\$ 5,668	\$ 5,229
Trust Fiduciary Net Position as a % of Total OPEB Liability								
	0%	0%	0%	0%	0%	0%	0%	0%
Covered Employee Payroll	1,856	1,772	1,665	1,734	2,190	2,126	2,321	2,167
Agency's Net OPEB Liability as a % of Covered Employee Payroll	252%	279%	290%	282%	274%	295%	244%	241%
* GASB Statement 75 was implemented as of September 30, 2018. Information from 2015 - 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, 2025:	4.50%
Fiscal Year Ending September 30, 2024:	4.06%
Fiscal Year Ending September 30, 2023:	4.87%
Fiscal Year Ending September 30, 2022:	4.77%
Fiscal Year Ending September 30, 2021:	2.43%
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.



Other Information (unaudited)

SCHEDULE OF
AMOUNTS DUE TO (FROM) PARTICIPANTS
RESULTING FROM BUDGET/ACTUAL VARIANCES
YEAR ENDED SEPTEMBER 30, 2025
(000's US\$)

	Amended Budget	Actual	Variance Over / (Under) Budget
Agency Fund			
Received from projects	\$ 19,145	\$ 18,728	\$ (417)
Received from member assessments	114	18	(96)
Interest income	547	597	50
Other income	-	85	85
	<u>\$ 19,806</u>	<u>\$ 19,428</u>	<u>\$ (378)</u>
General and administrative	\$ 18,323	\$ 17,064	\$ (1,259)
Invested in Capital Assets	137	81	(56)
Pooled Loan Principal (Advance) Payment	-	475	475
Pooled Loan Interest	69	164	95
Other Adjustments	800	633	(167)
	<u>\$ 19,329</u>	<u>\$ 18,417</u>	<u>\$ (912)</u>
Net Revenue	<u>\$ 477</u>	<u>\$ 1,011</u>	<u>\$ 534</u>
St. Lucie Project			
Participant billing	\$ 37,503	\$ 37,503	-
Reliability exchange contract sales	3,720	4,108	388
Interest income	374	695	321
	<u>\$ 41,597</u>	<u>\$ 42,306</u>	<u>\$ 709</u>
Operation and maintenance	\$ 9,987	\$ 8,819	\$ (1,168)
Fuel Acquisition	-	337	337
Purchased power	3,747	3,408	(339)
Transmission service	381	214	(167)
General and administrative	2,971	2,504	(467)
Deposit to renewal and replacement fund	10,000	10,000	-
Deposit to general reserve fund & FSA	-	-	-
Deposit to Nuclear Fuel Fund	4,000	4,000	-
Deposit to debt service fund	5,213	5,136	(77)
	<u>\$ 36,299</u>	<u>\$ 34,418</u>	<u>\$ (1,881)</u>
Net Due to (from) Participants Resulting from Budget/Actual Variances	<u>\$ 5,298</u>	<u>\$ 7,888</u>	<u>\$ 2,590</u>

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, 2025
(000's US\$)

	Amended Budget	Actual	Variance Over/ (Under) Budget
Stanton Project			
Participant billing & sales to others	\$ 17,871	\$ 17,532	\$ (339)
Interest income	337	274	(63)
Other income	-	-	-
	<u>\$ 18,208</u>	<u>\$ 17,806</u>	<u>\$ (402)</u>
Operation and maintenance, fuel	\$ 16,646	\$ 16,418	\$ (228)
Transmission service	1,686	1,676	(10)
General and administrative	1,860	2,110	250
Deposits to debt service and other funds	17	14	(3)
	<u>\$ 20,209</u>	<u>\$ 20,218</u>	<u>\$ 9</u>
Net Due to (from) Participants Resulting from Budget/Actual Variances	<u>\$ (2,001)</u>	<u>\$ (2,412)</u>	<u>\$ (411)</u>
All-Requirements Project			
Participant billing & sales to others	\$ 621,016	\$ 635,157	\$ 14,141
Transfer from Rate Protection	-	-	-
Interest Income	8,984	7,183	(1,801)
	<u>\$ 630,000</u>	<u>\$ 642,340</u>	<u>\$ 12,340</u>
Member Capacity	\$ 35,665	\$ 33,655	\$ (2,010)
Contract Capacity	18,123	22,077	3,954
ARP Owned Capacity	58,808	57,173	(1,635)
Debt & Leases	129,066	127,487	(1,579)
Direct Charges & Other	32,023	29,137	(2,886)
Gas Transportation	24,477	28,723	4,246
Fuels	271,748	262,483	(9,265)
Purchased Power	8,428	13,170	4,742
Transmission	51,662	52,921	1,259
	<u>\$ 630,000</u>	<u>\$ 626,826</u>	<u>\$ (3,174)</u>
Net Due to (from) Participants Resulting from Budget/Actual Variances	<u>\$ -</u>	<u>\$ 15,514</u>	<u>\$ 15,514</u>

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, 2025
(000's US\$)

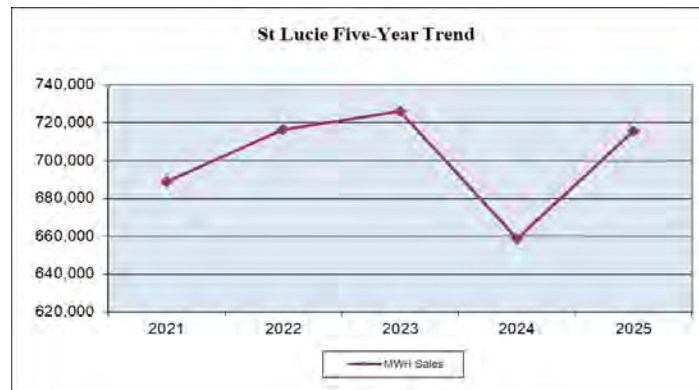
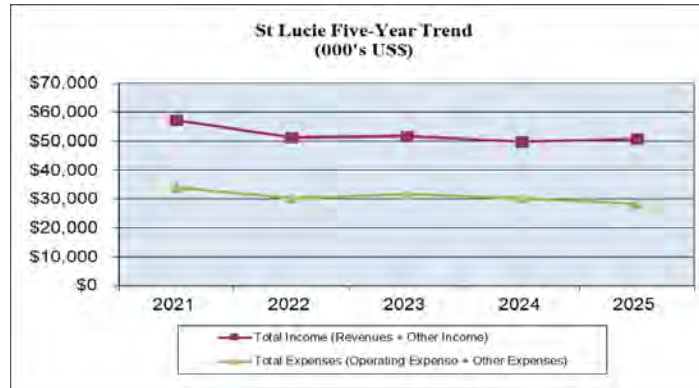
	Amended Budget	Actual	Variance Over/ (Under) Budget
Tri-City Project			
Participant billing & sales to others	\$ 9,182	\$ 8,886	\$ (296)
Interest income	3	108	105
	<u>\$ 9,185</u>	<u>\$ 8,994</u>	<u>\$ (191)</u>
Operation and maintenance, fuel	\$ 6,193	\$ 5,941	\$ (252)
Transmission service	604	600	(4)
General and administrative	983	1,069	86
Deposits to debt service and other funds	919	909	(10)
	<u>\$ 8,699</u>	<u>\$ 8,519</u>	<u>\$ (180)</u>
Net Due to (from) Participants Resulting from Budget/Actual Variances	<u>\$ 486</u>	<u>\$ 475</u>	<u>\$ (11)</u>
Stanton II Project			
Participant billing & sales to others	\$ 56,411	\$ 53,584	\$ (2,827)
Interest Income	468	648	180
Other Income	-	-	-
	<u>\$ 56,879</u>	<u>\$ 54,232</u>	<u>\$ (2,647)</u>
Operation and maintenance, fuel	\$ 31,124	\$ 29,409	\$ (1,715)
Transmission service	2,743	2,726	(17)
General and administrative	2,635	3,013	378
Deposits to debt service and other funds	16,299	15,943	(356)
	<u>\$ 52,801</u>	<u>\$ 51,091</u>	<u>\$ (1,710)</u>
Net Due to (from) Participants Resulting from Budget/Actual Variances	<u>\$ 4,078</u>	<u>\$ 3,141</u>	<u>\$ (937)</u>
Solar II Project			
Participant billing & sales to others	\$ 2,084	\$ 1,557	\$ (527)
Interest Income	-	-	-
Other Income	-	-	-
	<u>\$ 2,084</u>	<u>\$ 1,557</u>	<u>\$ (527)</u>
Purchased Power	\$ 1,902	\$ 1,595	\$ (307)
General and administrative	99	-	(99)
Deposits to other funds	83	-	(83)
	<u>\$ 2,084</u>	<u>\$ 1,595</u>	<u>\$ (489)</u>
Net Due to (from) Participants Resulting from Budget/Actual Variances	<u>\$ -</u>	<u>\$ (38)</u>	<u>\$ (38)</u>

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

	2021	2022	2023	2024	2025
(000's US\$ except for MWH Sales and Average \$/MWH)					
St. Lucie Project					
Capital Assets	\$ 34,977	\$ 41,172	\$ 50,072	\$ 53,249	\$ 60,075
Total Assets & Deferred Outflows	\$ 216,817	\$ 215,870	\$ 234,727	\$ 254,392	\$ 276,927
Long-Term Liabilities	\$ 87,714	\$ 58,941	\$ 58,506	\$ 54,022	\$ 49,490
Total Liabilities & Deferred Inflows	\$ 216,817	\$ 177,611	\$ 234,727	\$ 254,392	\$ 276,927
Billings to Participants	\$ 46,920	\$ 44,663	\$ 39,270	\$ 36,319	\$ 38,906
Sales to Others	3,860	2,077	3,806	2,089	2,704
Total Operating Revenues	\$ 50,780	\$ 46,740	\$ 43,076	\$ 38,408	\$ 41,610
Purchased Power	\$ 3,435	\$ 3,242	\$ 3,267	\$ 3,261	\$ 3,408
Production-Nuclear O&M	11,131	8,523	11,249	10,618	8,557
Nuclear Fuel Amortization	4,046	4,225	4,391	4,283	4,489
Transmission	429	490	466	491	214
General & Administrative	3,501	2,872	3,351	3,968	2,766
Depreciation & Decommissioning	6,839	7,937	7,909	6,737	8,042
Total Operating Expenses	\$ 29,381	\$ 27,289	\$ 30,633	\$ 29,358	\$ 27,476
Net Operating Revenues	\$ 21,399	\$ 19,451	\$ 12,443	\$ 9,050	\$ 14,134
Investment Income	\$ 6,463	\$ 4,472	\$ 8,648	\$ 11,524	\$ 9,211
Total Other Income	\$ 6,463	\$ 4,472	\$ 8,648	\$ 11,524	\$ 9,211
Interest Expense	\$ 3,507	\$ 2,091	\$ 791	\$ 736	\$ 680
Amortization & Other Expense	1,150	885	155	156	158
Total Other Expenses	\$ 4,657	\$ 2,976	\$ 946	\$ 892	\$ 838
Net Income (Loss)	\$ 23,205	\$ 20,947	\$ 20,145	\$ 19,682	\$ 22,507
Net Cost Recovered (Credited) in the Future	(23,277)	(17,212)	(19,789)	(18,452)	(19,917)
Due from (to) Participants	72	(3,735)	(356)	(1,230)	(2,590)
Total Income	\$ -	\$ -	\$ -	\$ -	\$ -
MWH Sales	688,960	716,436	726,227	658,607	715,652
Average \$/MWH Billed	\$ 68.10	\$ 62.34	\$ 54.07	\$ 55.15	\$ 54.36
Cost \$/MWH	68.21	57.13	53.58	53.28	50.75

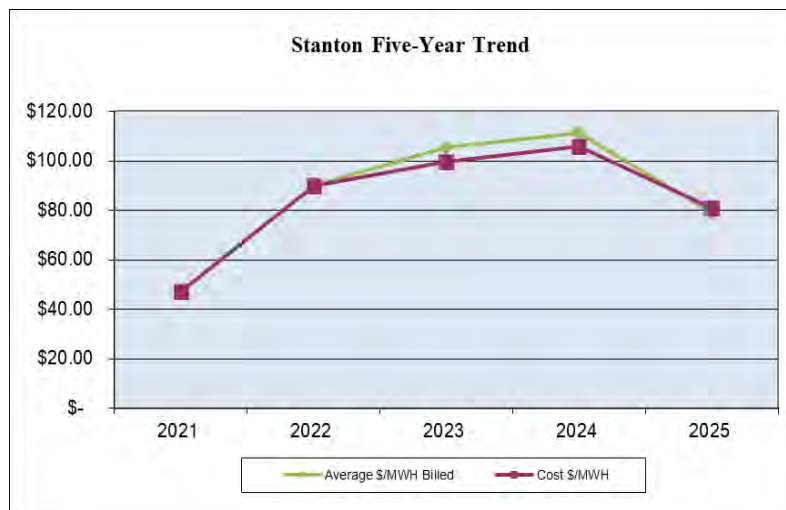
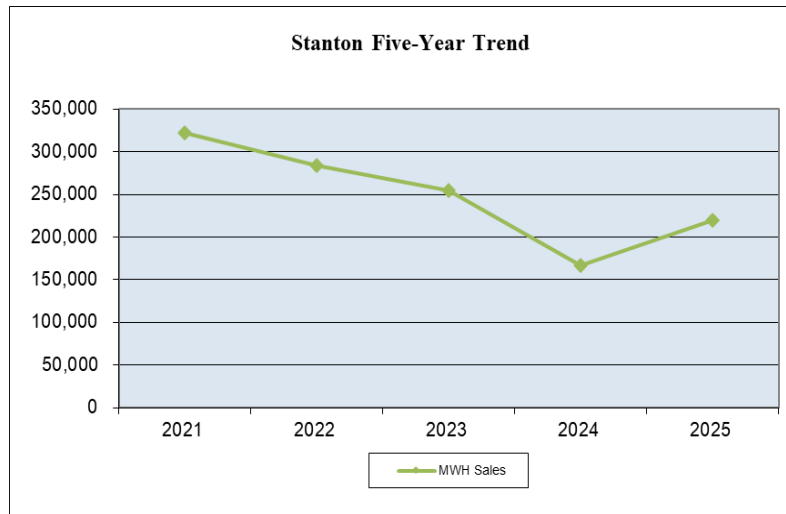
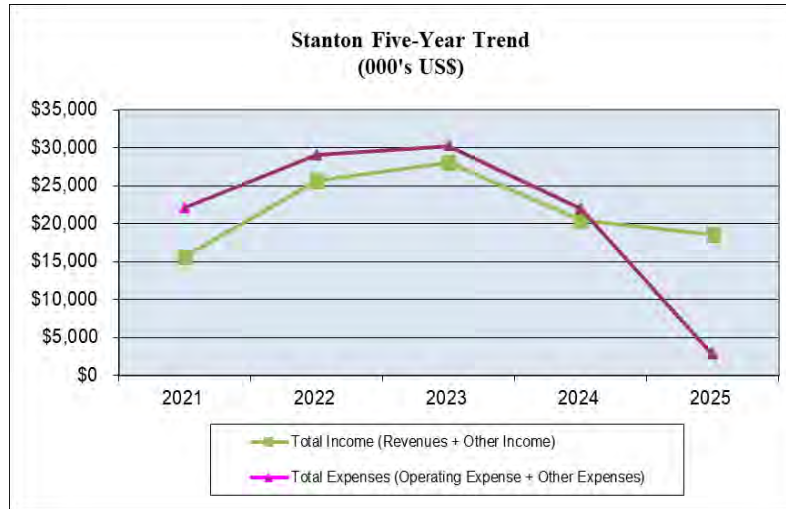
FIVE-YEAR TREND ANALYSIS



FIVE-YEAR TREND ANALYSIS

	2021	2022	2023	2024	2025
(000's US\$ except for MWH Sales and Average \$/MWH)					
Stanton Project					
Capital Assets	\$ 24,138	\$ 20,855	\$ 16,916	\$ 13,434	\$ 8,717
Total Assets & Deferred Outflows	\$ 49,790	\$ 47,139	\$ 7,343	\$ 43,805	\$ 35,708
Long-Term Debt	\$ 1,203	\$ 1,371	\$ 4,823	\$ 5,059	\$ 5,449
Total Liabilities & Deferred Inflows	\$ 49,790	\$ 47,139	\$ 7,343	\$ 43,805	\$ 35,708
Billings to Participants	\$ 15,237	\$ 25,577	\$ 26,819	\$ 18,608	\$ 17,400
Sales to Others	384	369	432	449	132
Total Operating Revenues	\$ 15,621	\$ 25,946	\$ 27,251	\$ 19,057	\$ 17,532
Production-Steam O&M	\$ 3,933	\$ 4,800	\$ 8,383	\$ 4,968	\$ 4,417
Fuel Expense	11,366	16,534	14,450	8,977	12,391
Transmission	1,417	1,518	1,574	1,574	1,676
General & Administrative	1,344	1,945	1,460	1,850	2,114
Depreciation & Decommissioning	4,052	4,234	4,349	4,542	6,846
Total Operating Expenses	\$ 22,112	\$ 29,031	\$ 30,216	\$ 21,911	\$ 27,444
Net Operating Revenues	\$ (6,491)	\$ (3,085)	\$ (2,965)	\$ (2,854)	\$ (9,912)
Investment Income	\$ 70	\$ (309)	\$ 766	\$ 1,416	\$ 1,028
Total Other Income	\$ 70	\$ (309)	\$ 766	\$ 1,416	\$ 1,028
Interest Expense	\$ -	\$ -	\$ -	\$ -	\$ -
Amortization & Other Expense	-	-	-	-	-
Total Other Expenses	\$ -	\$ -	\$ -	\$ -	\$ -
Net Income (Loss)	\$ (6,421)	\$ (3,394)	\$ (2,199)	\$ (1,438)	\$ (8,884)
Net Cost Recovered (Credited) in the Future	6,504	3,424	3,670	2,380	8,473
Due from (to) Participants	(83)	(30)	(1,471)	(942)	411
Total Income	\$ -	\$ -	\$ -	\$ -	\$ -
MWH Sales	321,529	284,082	254,654	167,002	219,909
Average \$/MWH Billed	\$ 47.39	\$ 90.03	\$ 105.32	\$ 111.42	\$ 79.12
Cost \$/MWH	\$ 47.13	\$ 89.93	\$ 99.54	\$ 105.78	\$ 80.99

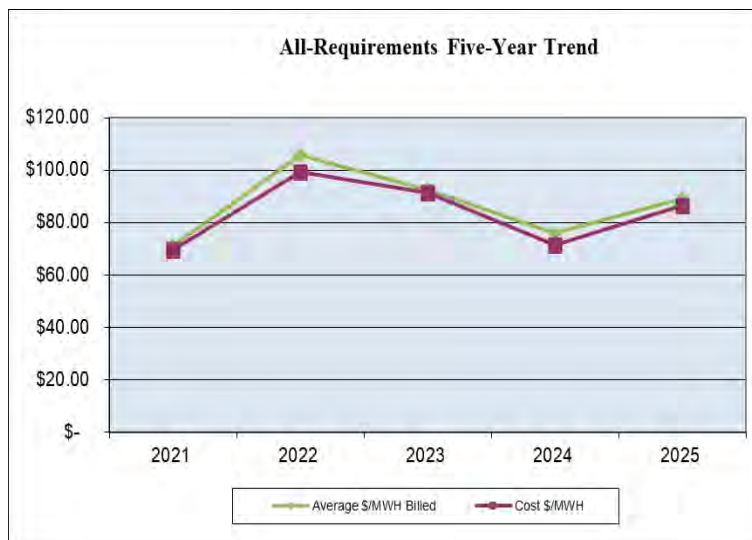
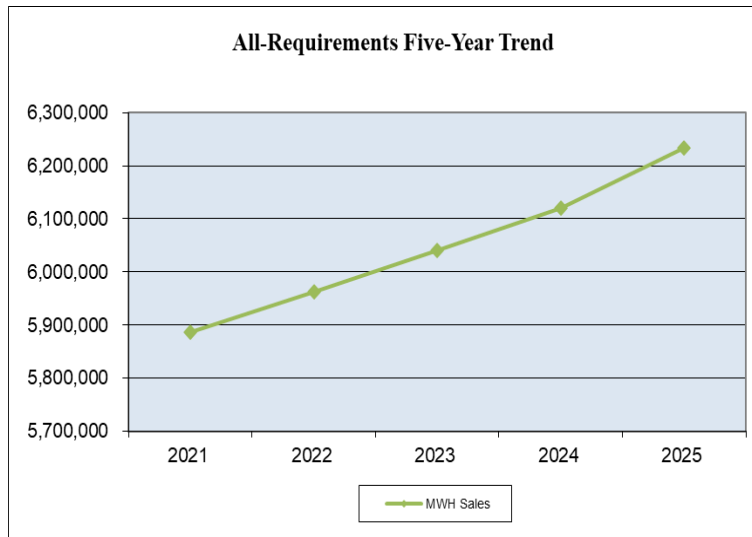
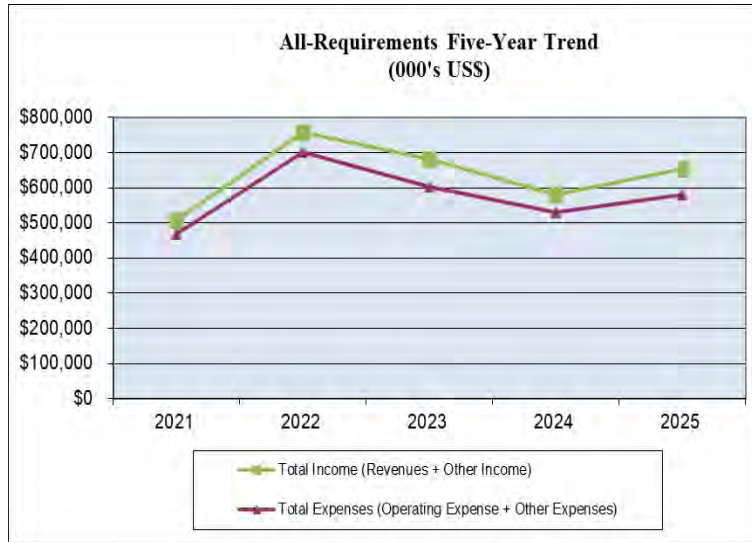
FIVE-YEAR TREND ANALYSIS



FIVE-YEAR TREND ANALYSIS

	2021	2022	2023	2024	2025
(000's US\$ except for MWH Sales and Average \$/MWH)					
All-Requirements Project					
Capital Assets	\$ 558,414	\$ 532,828	\$ 591,939	\$ 595,254	\$ 592,584
Total Assets & Deferred Outflows	\$ 1,242,104	\$ 1,242,647	\$ 1,197,745	\$ 1,117,988	\$ 1,076,504
Long-Term Liabilities	\$ 993,268	\$ 960,361	\$ 951,823	\$ 871,987	\$ 837,427
Total Liabilities & Deferred Inflows	\$ 1,242,104	\$ 1,242,647	\$ 1,197,745	\$ 1,117,988	\$ 1,076,504
Billings to Participants **	\$ 419,512	\$ 629,759	\$ 558,208	\$ 464,065	\$ 501,125
Sales to Others	85,989	137,442	113,787	101,824	141,422
Total Operating Revenues	\$ 505,501	\$ 767,201	\$ 671,995	\$ 565,889	\$ 642,547
Purchased Power	\$ 37,314	\$ 49,849	\$ 37,987	\$ 28,796	\$ 36,132
O&M Production-Steam	64,733	75,310	87,715	76,968	87,127
Fuel Expense	229,393	426,331	337,413	272,264	296,456
Transmission	35,394	43,434	45,301	48,355	52,068
General & Administrative	23,837	26,019	26,133	28,784	31,806
Depreciation & Decommissioning	38,808	46,867	39,723	43,542	48,658
Total Operating Expenses	\$ 429,479	\$ 667,810	\$ 574,272	\$ 498,709	\$ 552,247
Net Operating Revenues	\$ 76,022	\$ 99,391	\$ 97,723	\$ 67,180	\$ 90,300
Investment Income	\$ 2,671	\$ (9,781)	\$ 9,333	\$ 14,272	\$ 10,069
Total Other Income	\$ 2,671	\$ (9,781)	\$ 9,333	\$ 14,272	\$ 10,069
Interest Expense	\$ 27,425	\$ 26,362	\$ 25,162	\$ 27,229	\$ 24,396
Amortization & Other Expense	10,258	7,570	3,999	4,640	4,999
Total Other Expenses	\$ 37,683	\$ 33,932	\$ 29,161	\$ 31,869	\$ 29,395
Net Income (Loss)	\$ 41,010	\$ 55,678	\$ 77,895	\$ 49,583	\$ 70,974
Net Cost Recovered (Credited) in the Future	(31,320)	(19,125)	(71,358)	(23,758)	(55,460)
Due from (to) Participants	(9,690)	(36,553)	(6,537)	(25,825)	(15,514)
Total Income	\$ -	\$ -	\$ -	\$ -	\$ -
MWH Sales	5,885,763	5,963,224	6,040,569	6,119,617	6,232,822
Average \$/MWH Billed	\$ 71.28	\$ 105.61	\$ 92.41	\$ 75.83	\$ 80.40
Cost \$/MWH	\$ 69.63	\$ 99.48	\$ 91.33	\$ 71.61	\$ 77.91

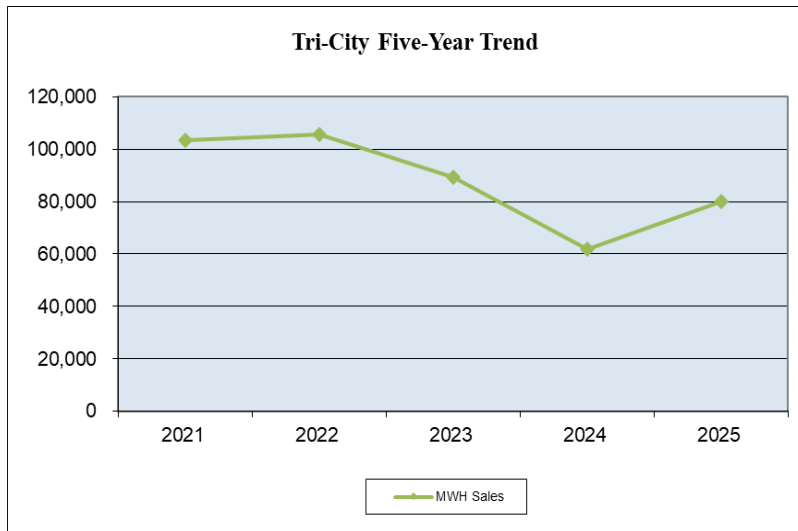
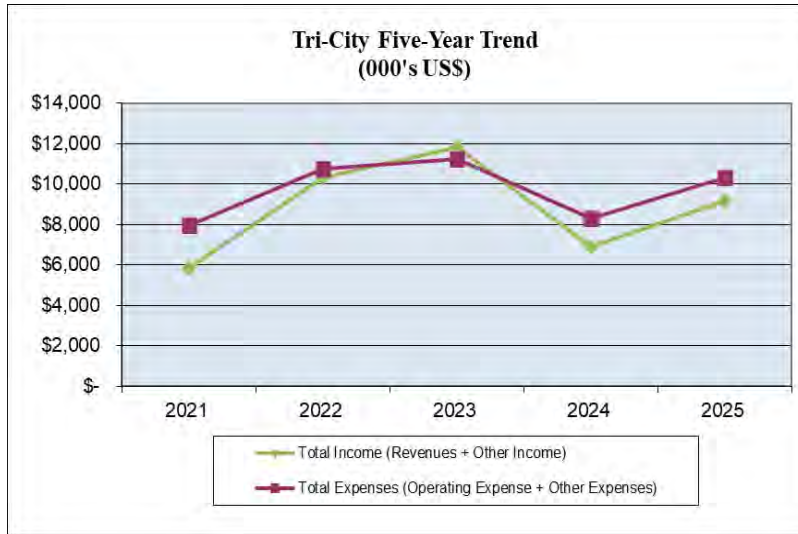
FIVE-YEAR TREND ANALYSIS



FIVE-YEAR TREND ANALYSIS

	2021	2022	2023	2024	2025
(000's US\$ except for MWH Sales and Average \$/MWH)					
Tri-City Project					
Capital Assets	\$ 9,212	\$ 7,939	\$ 6,433	\$ 5,088	\$ 3,273
Total Assets & Deferred Outflows	\$ 14,767	\$ 14,392	\$ 15,576	\$ 13,739	\$ 12,691
Long-Term Debt	\$ 432	\$ 492	\$ 1,727	\$ 1,811	\$ 1,951
Total Liabilities & Deferred Inflows	\$ 14,767	\$ 14,392	\$ 2,645	\$ 13,739	\$ 12,702
Billings to Participants	\$ 5,657	\$ 10,255	\$ 11,442	\$ 6,349	\$ 8,838
Sales to Others	137	131	155	161	47
Total Operating Revenues	\$ 5,794	\$ 10,386	\$ 11,597	\$ 6,510	\$ 8,885
Production-Steam O&M	\$ 1,396	\$ 1,717	\$ 2,999	\$ 1,777	\$ 1,581
Fuel Expense	3,751	5,904	5,189	3,241	4,499
Transmission	505	544	564	564	600
General & Administrative	738	976	808	965	1,079
Depreciation & Decommissioning	1,548	1,613	1,654	1,723	2,577
Total Operating Expenses	\$ 7,938	\$ 10,754	\$ 11,214	\$ 8,270	\$ 10,336
Net Operating Revenues	\$ (2,144)	\$ (368)	\$ 383	\$ (1,760)	\$ (1,451)
Investment Income	\$ 28	\$ (53)	\$ 204	\$ 392	\$ 299
Total Other Income	\$ 28	\$ (53)	\$ 204	\$ 392	\$ 299
Interest Expense	\$ -	\$ -	\$ -	\$ -	\$ -
Amortization & Other Expense	-	-	-	-	-
Total Other Expenses	\$ -	\$ -	\$ -	\$ -	\$ -
Net Income (Loss)	\$ (2,116)	\$ (421)	\$ 587	\$ (1,368)	\$ (1,152)
Net Cost Recovered (Credited) in the Future	2,410	378	1,943	1,739	1,141
Due from (to) Participants	(294)	43	(2,530)	(371)	11
Total Income	\$ -	\$ -	\$ -	\$ -	\$ -
MWH Sales	103,371	105,451	89,186	61,829	79,859
Average \$/MWH Billed	\$ 54.73	\$ 97.25	\$ 128.29	\$ 102.69	\$ 110.67
Cost \$/MWH	\$ 51.88	\$ 97.66	\$ 99.93	\$ 96.69	\$ 110.81

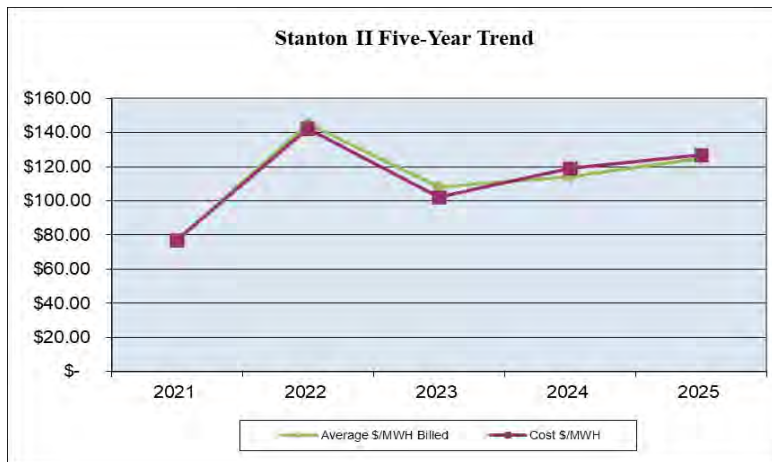
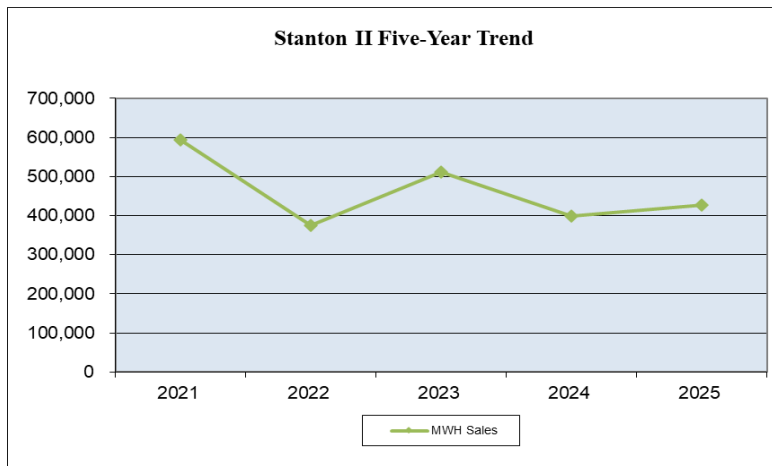
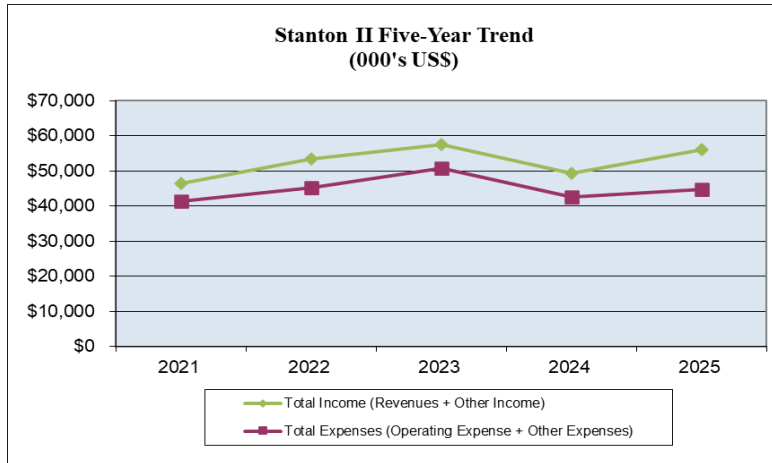
FIVE-YEAR TREND ANALYSIS



FIVE-YEAR TREND ANALYSIS

	2021	2022	2023	2024	2025
(000's US\$ except for MWH Sales and Average \$/MWH)					
Stanton II Project					
Capital Assets	\$ 88,917	\$ 84,226	\$ 78,446	\$ 73,905	\$ 70,599
Total Assets & Deferred Outflows	\$ 163,836	\$ 149,239	\$ 151,119	\$ 144,030	\$ 144,088
Long-Term Debt	\$ 91,564	\$ 73,422	\$ 68,936	\$ 47,702	\$ 45,811
Total Liabilities & Deferred Inflows	\$ 163,836	\$ 149,239	\$ 85,824	\$ 144,030	\$ 145,025
Billings to Participants	\$ 45,316	\$ 54,597	\$ 55,198	\$ 45,518	\$ 53,377
Sales to Others	602	580	678	704	207
Total Operating Revenues	\$ 45,918	\$ 55,177	\$ 55,876	\$ 46,222	\$ 53,584
Production-Steam O&M	\$ 6,671	\$ 7,000	\$ 11,685	\$ 8,091	\$ 8,020
Fuel Expense	19,524	22,660	25,342	20,229	22,004
Transmission	2,297	2,469	2,561	2,561	2,726
General & Administrative	2,057	3,012	2,075	2,653	3,044
Depreciation & Decommissioning	6,369	6,507	6,628	6,770	7,061
Total Operating Expenses	\$ 36,918	\$ 41,648	\$ 48,291	\$ 40,304	\$ 42,855
Net Operating Revenues	\$ 9,000	\$ 13,529	\$ 7,585	\$ 5,918	\$ 10,729
Investment Income	\$ 379	\$ (1,841)	\$ 1,718	\$ 3,163	\$ 2,376
Total Other Income	\$ 379	\$ (1,841)	\$ 1,718	\$ 3,163	\$ 2,376
Interest Expense	\$ 2,600	\$ 2,143	\$ 1,566	\$ 1,331	\$ 1,093
Amortization & Other Expense	1,737	1,341	817	761	703
Total Other Expenses	\$ 4,337	\$ 3,566	\$ 2,383	\$ 2,092	\$ 1,796
Net Income (Loss)	\$ 5,042	\$ 8,122	\$ 6,920	\$ 6,989	\$ 11,309
Net Cost Recovered (Credited) in the Future	(5,321)	(6,938)	(3,961)	(5,868)	(12,246)
Due from (to) Participants	279	(1,184)	(2,959)	(1,121)	937
Total Income	\$ -	\$ -	\$ -	\$ -	\$ -
MWH Sales	593,865	375,451	510,563	398,871	427,198
Average \$/MWH Billed	\$ 76.31	\$ 145.42	\$ 108.11	\$ 114.12	\$ 124.95
Cost \$/MWH	\$ 76.78	\$ 142.26	\$ 102.32	\$ 111.31	\$ 127.14

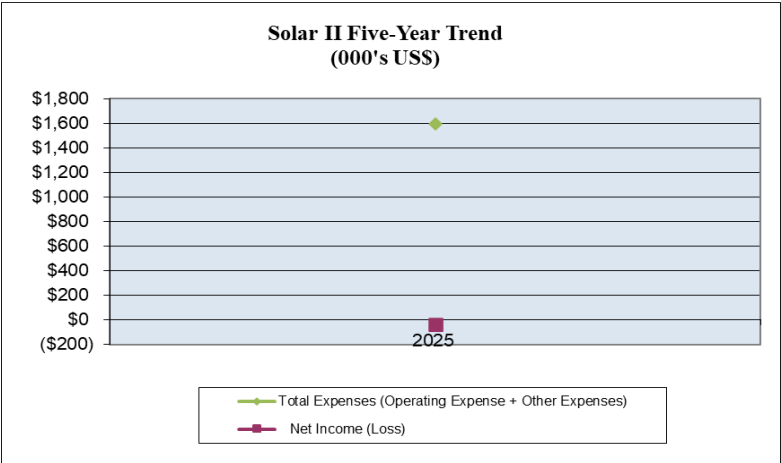
FIVE-YEAR TREND ANALYSIS



FIVE-YEAR TREND ANALYSIS

	2025
(000's US\$)	
Solar II Project	
Capital Assets	\$ -
Total Assets & Deferred Outflows	\$ 239
Long-Term Debt	\$ 125
Total Liabilities & Deferred Inflows	\$ 277
Billings to Participants	\$ 1,557
Sales to Others	-
Total Operating Revenues	<u>\$ 1,557</u>
Purchased Power	\$ 1,595
Transmission	-
General & Administrative	-
Depreciation & Decommissioning	-
Total Operating Expenses	<u>\$ 1,595</u>
Net Operating Revenues	<u>\$ (38)</u>
Investment Income	\$ -
Total Other Income	<u>\$ -</u>
Interest Expense	\$ -
Amortization & Other Expense	-
Total Other Expenses	<u>\$ -</u>
Net Income (Loss)	\$ (38)
Net Cost Recovered (Credited) in the Future	-
Due from (to) Participants	<u>38</u>
Total Income	<u>\$ -</u>

FIVE-YEAR TREND ANALYSIS





Compliance Report

**AGENDA ITEM 9 – INFORMATION
ITEMS**

**c. Preliminary Final Fiscal Year 2025
Budget Status**

**Finance Committee Meeting
December 10, 2025**



9c - Preliminary Final Fiscal Year 2025 Budget Status

Finance Committee
December 10, 2025

Summary of Preliminary Final FY 2025 Budget Status

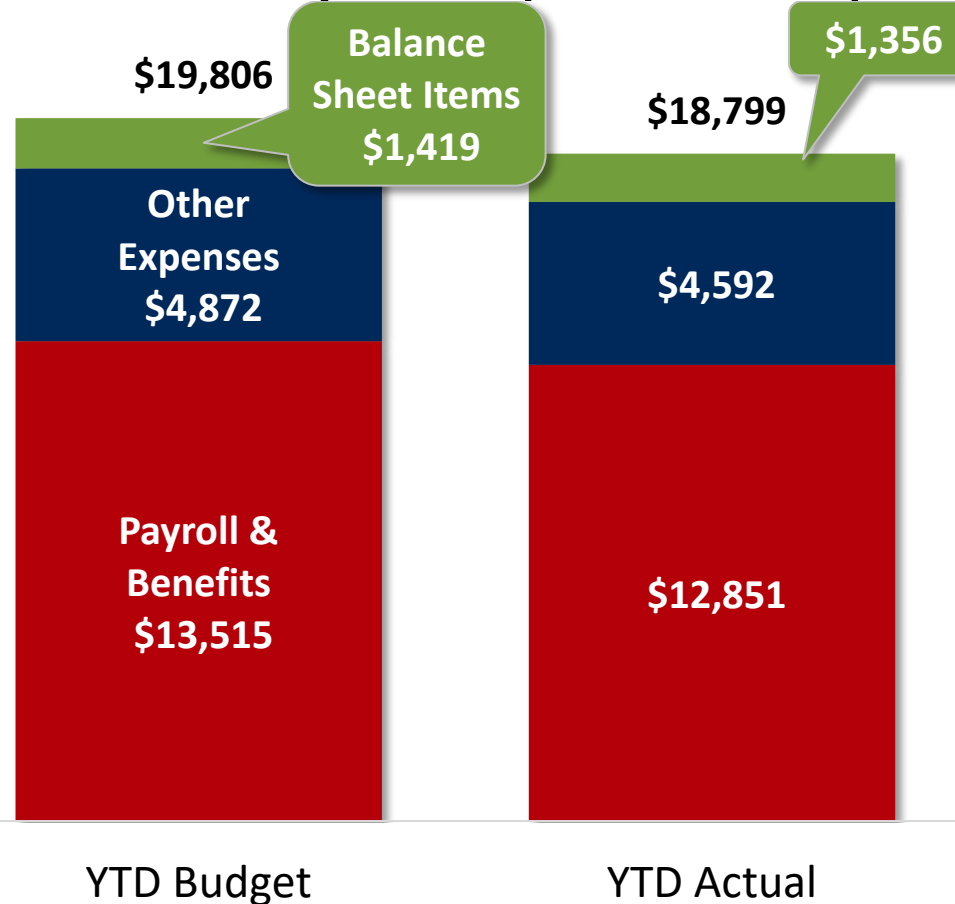
ARP & Coal Projects Required Budget Amendments

- Agency expenses ~\$1M (5%) < budget, driven by payroll & benefits
- ARP expenses \$3.2 M (0.5%) < amended spending authority
 - ~\$78/MWh Participant costs finish ~\$3.50 below budget
- All coal projects finish 4-7% < amended spending authority
 - Higher fuel expenses due to higher generation led to need for budget amendments
 - \$/MWh costs finish > \$90/MWh but below budget due to fixed costs spread over higher MWh generation
- St. Lucie expenses are \$1.9M (~5%) < budget due to lower FPL O&M and A&G costs, while generation ~2% < budget.

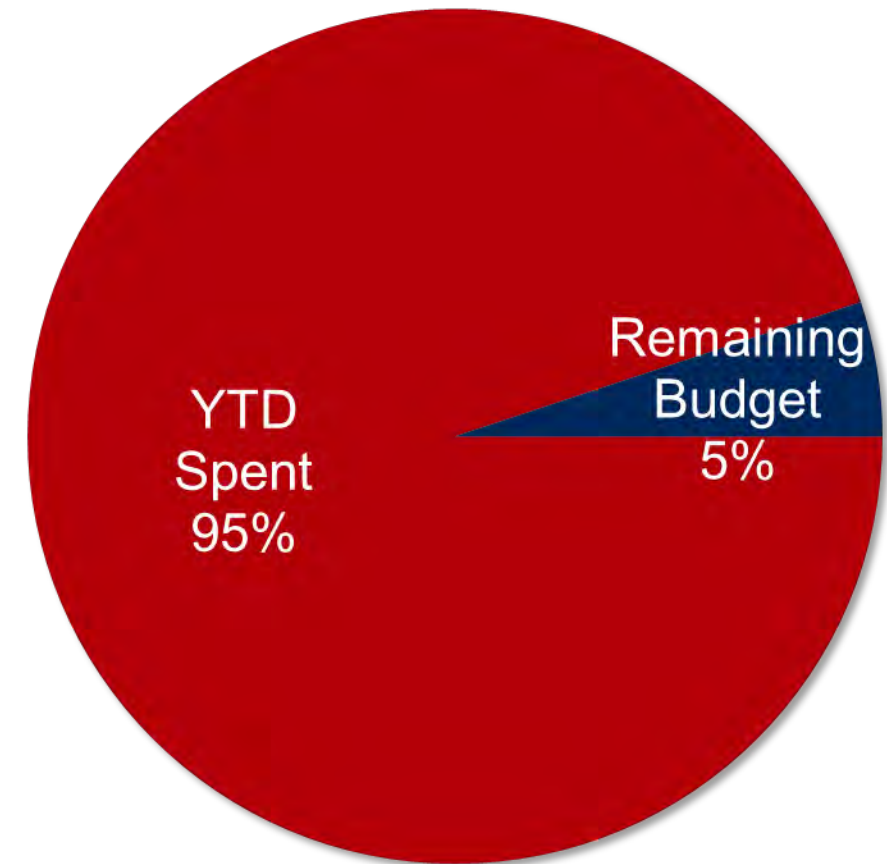
FY25 Agency Costs ~\$1M, ~5% < Budget

Payroll & Benefits Drives Lower Spending

FY 2025 Expenses (\$Thousands)



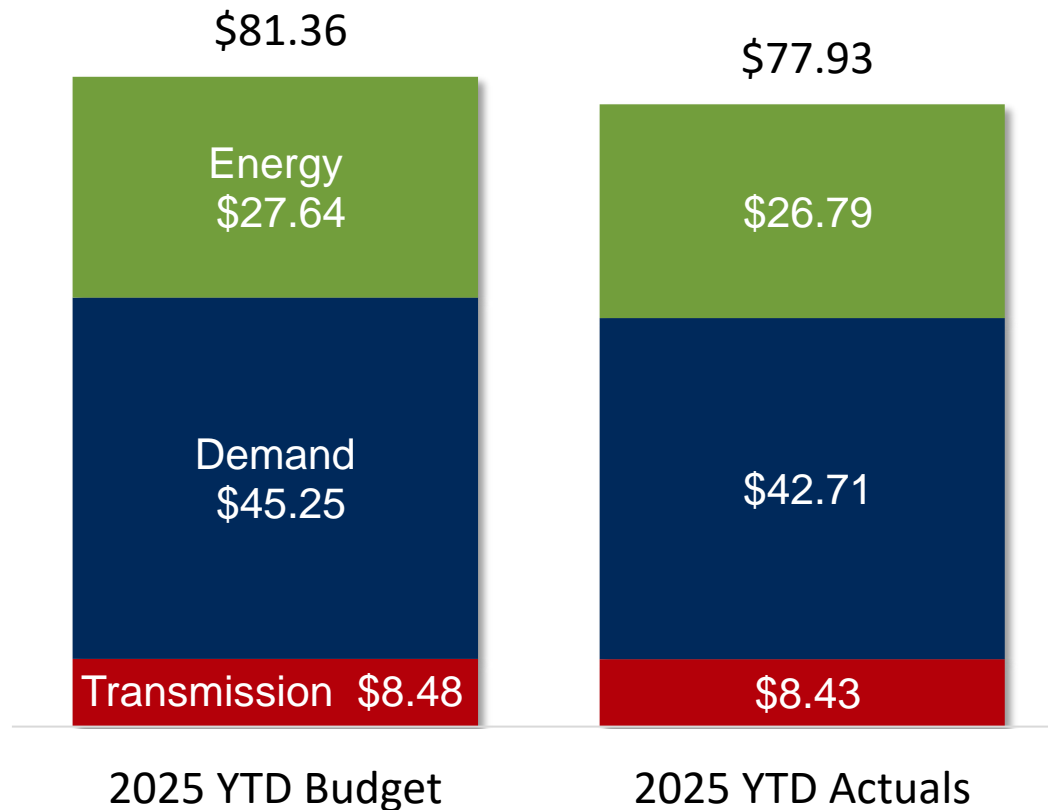
FY 2025 Spending vs. Budget *



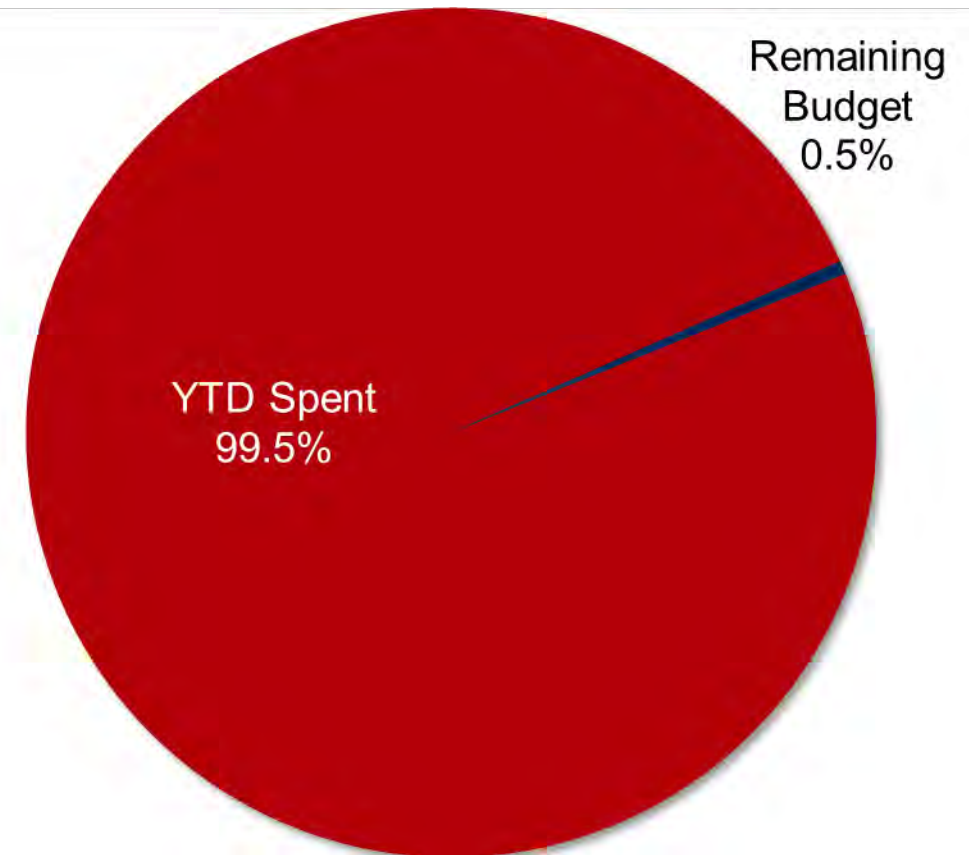
ARP Spending ~0.5% < Amended Budget*

Higher Gas & Energy Sales Bring \$/MWh Savings to Participants

FY 2025 Participant Costs (\$/MWh)



FY 2025 Spending vs. Budget *



Stanton Expenses 4% < Amended Budget*

Non-Fuel \$/MWh Costs < Budget w/ 46% Higher MWh Sales

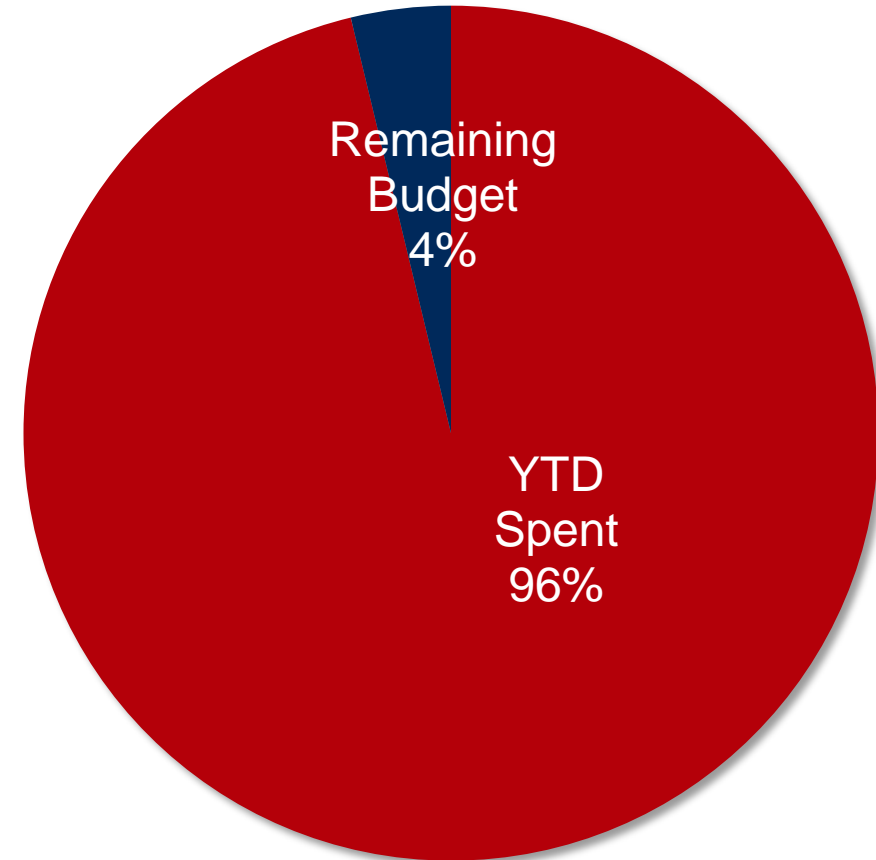
FY 2025 Participant Costs (\$/MWh)



2025 YTD Budget

2025 YTD Actuals

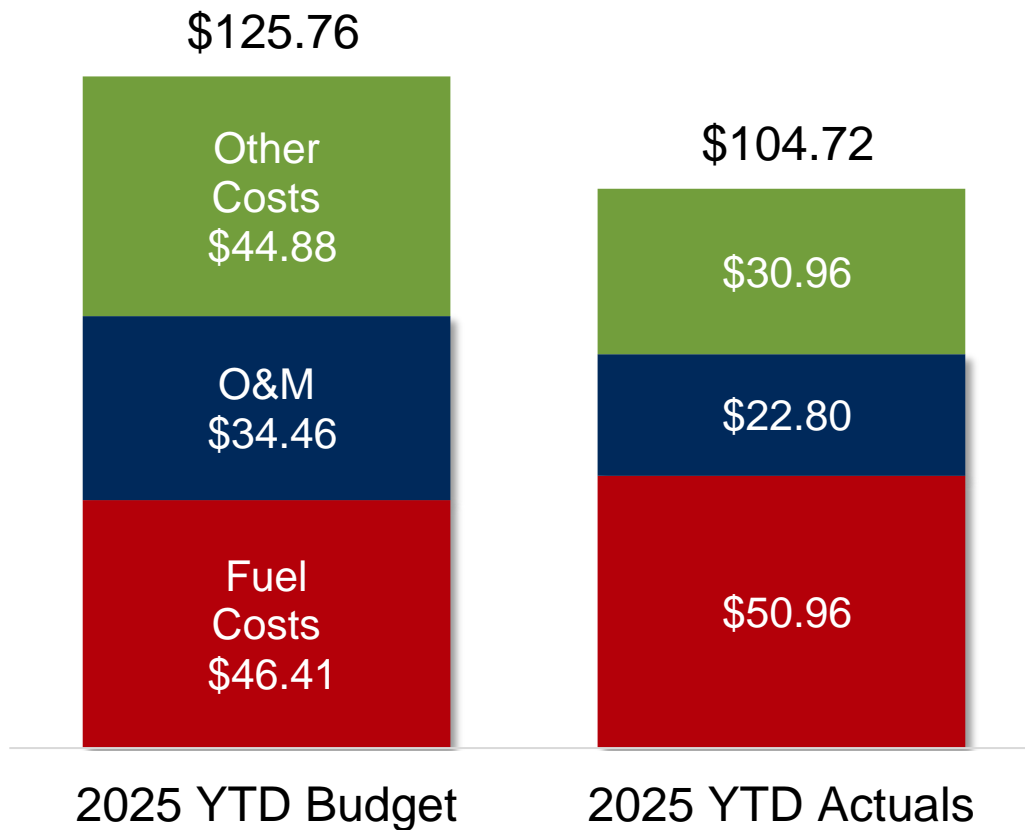
FY 2025 Spending vs. Budget *



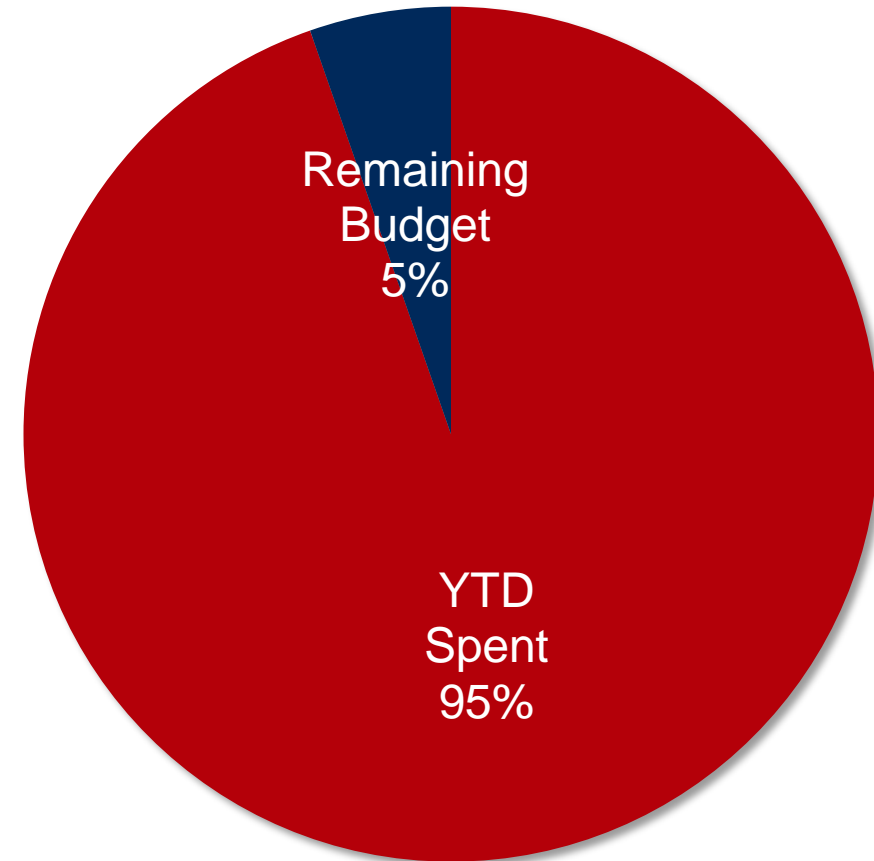
Tri-City Expenses 5% < Amended Budget*

Non-Fuel \$/MWh Costs < Budget w/ 48% Higher MWh Sales

FY 2025 Participant Costs (\$/MWh)



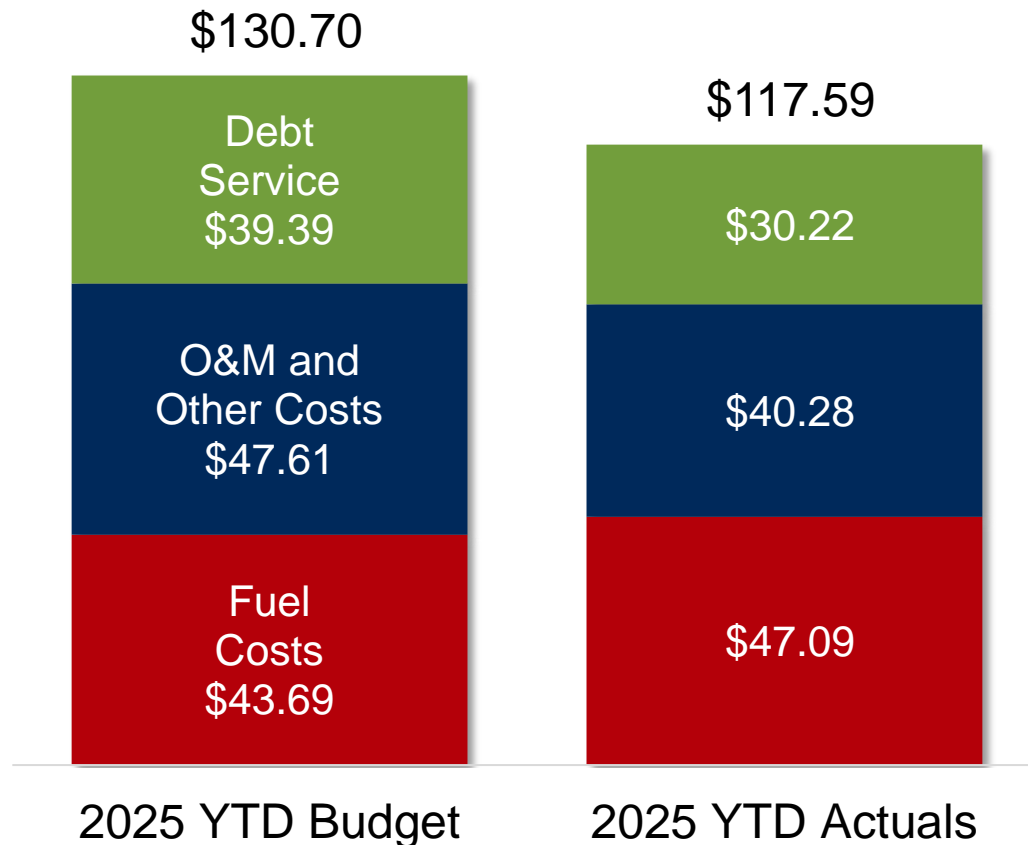
FY 2025 Spending vs. Budget *



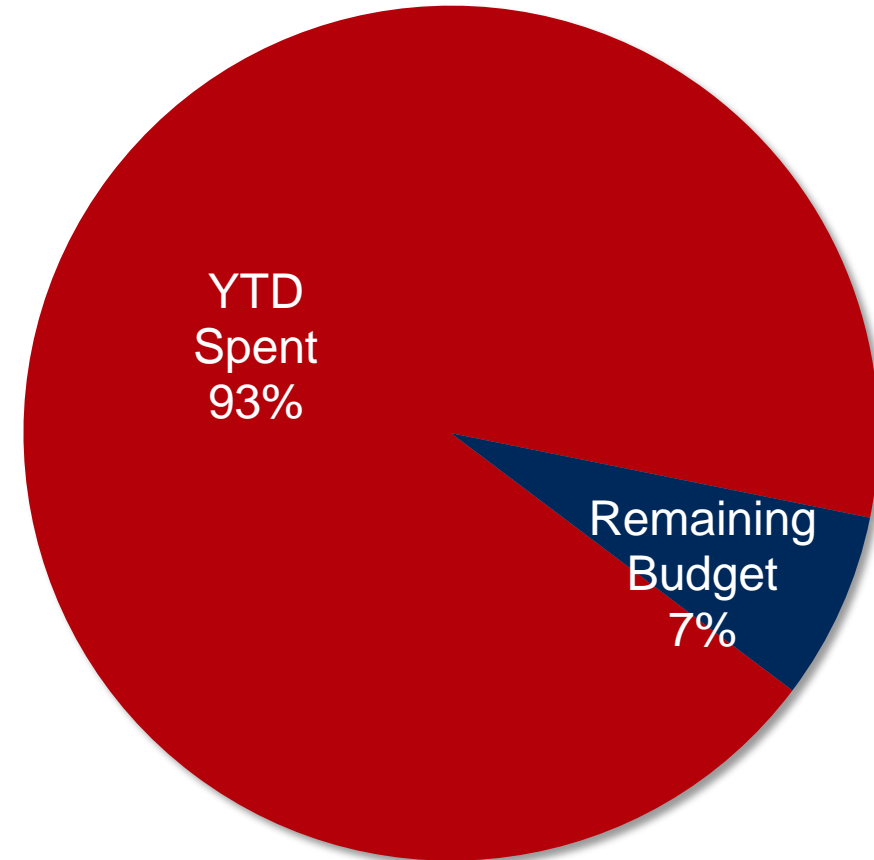
Stanton II YTD Expenses 7% < Amended Budget

Non-Fuel \$/MWh Costs < Budget w/ 27% Higher MWh Sales

FY 2025 Participant Costs (\$/MWh)



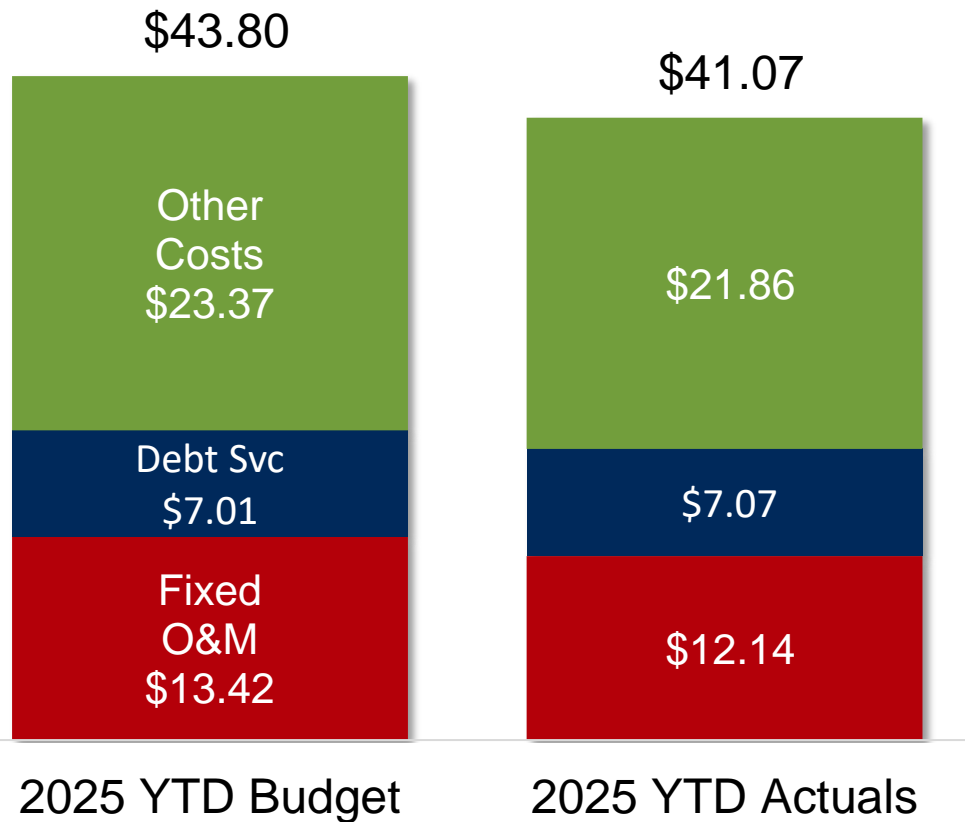
FY 2025 Spending vs. Budget *



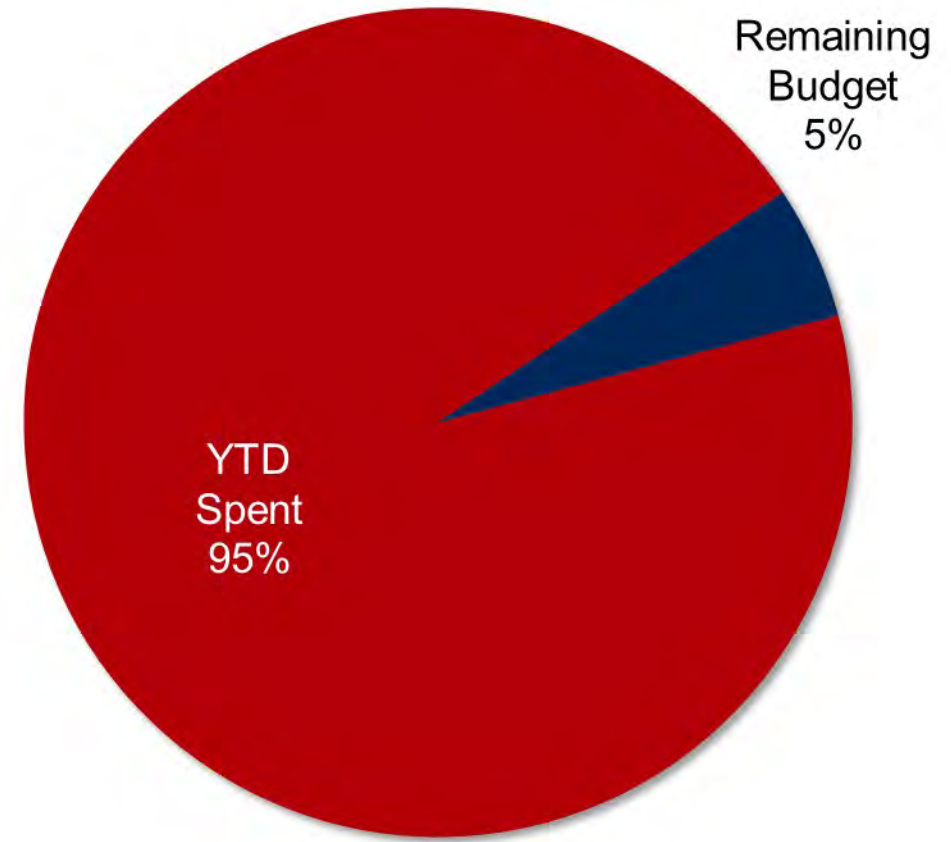
St. Lucie Expenses 5% < Budget w/ Lower FPL Costs

\$/MWh Costs 6% < Budget, Generation ~2% < Budget

FY 2025 Participant Costs (\$/MWh)



FY 2025 Spending vs. Budget *



**AGENDA ITEM 9 – INFORMATION
ITEMS**

**d. Operational Audit Report for
Fiscal Year 2025**

**Finance Committee Meeting
December 10, 2025**



9d – Operational Audit Reports for Fiscal Year 2025

Finance Committee

December 10, 2025

Operational Audits Completed



- Accounts Payable Audit
 - Credit Card Audit
 - Procurement Audit

Audit Objective

- Ensure adequate Policies and procedures in place for proper internal controls

Audit Methodology

- Review policies and procedures
- Document understanding
- Obtain sample transactions
- Perform analytical audit procedures
- Testing selected samples

Audit Finding Summary

- No Finding for Accounts Payable Audit
- No Finding for Procurement Audit
- Four Findings for Credit Card Audit:
 - Three Late Receipt Submission
 - One Hotel Invoice Unmatched with Employee Name used spouse's reward account

Audit Recommendations

- At monthly staff meeting, a reminder on timely receipt submission
- Communicate that hotel reward points can only be used when registered under the employee's own name, and include this in the employee manual

Management Responses

- Management will remind employees at a monthly staff meeting to submit receipts on time and explore automated system reminders to improve compliance.
- Management will remind staff during a monthly staff meeting that hotel points must be used under their own name and will update the travel policy accordingly.



Questions?



Operational Audit

Accounts Payable Review FY 2025

Audit Performed By:

Veda Sharma, CGAP, MSA
Victor Gaines, PHD, CGAP, CIA
Liyuan Woerner, CPA, MBA

October 16, 2025

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EXECUTIVE SUMMARY

The purpose of the Accounts Payable (A/P) review was to determine whether there were adequate internal controls in place to ensure that the A/P process works effectively. We reviewed information for fiscal year 2025, for the period October 2024 through September 2025.

Based on our audit procedures, we noted a great improvement in the AP process and controls from the previous audit. Based on our testing, IAD (Internal Audit Department) identified no issues that need to be improved upon.

IAD (Internal Audit Department) would like to express our sincere gratitude to Management and staff for their assistance throughout the audit process.

BACKGROUND INFORMATION

The FMPSA Accounting Department has direct responsibility over the Accounts Payable (A/P) function. The A/P responsibilities are currently shared among the A/P Coordinator, Accountant III, and the Controller. However, most of the A/P functions are performed by the A/P coordinator including inputting and processing invoices, coding invoices, invoice retention, invoice routing for approval and release to the Treasury Department for payment. The Accountant III is responsible for creating vendors within ERP and performing monthly account reconciliations. The Controller has overall oversight and review responsibilities over the A/P function. The Accounting department utilizes the Acumatica accounting system (for invoice retention, approval and routing) for payment approval electronically. The Treasury department processes the approved invoices and releases the funds for payments.

AUDIT OBJECTIVE AND SCOPE

The objective of the Accounts Payable (A/P) review was to determine the following:

1. Comprehensive written policies and procedures governing all department activities have been established.
2. Transactions are processed in a timely manner and in accordance with Agency's policies and procedures.
3. Appropriate documentation is in place to support transactions.
4. Adequate internal controls have been implemented to limit exposure to unauthorized or inappropriate transactions.
5. Initiative has been implemented to provide services in the most cost-effective and efficient manner.
6. The Department explores continual improvement opportunities and strives for quality services to internal/external clients.

The scope of this audit is limited to FMPA A/P transactions from October 1, 2024, to July 31, 2025.

AUDIT METHODOLOGY

We utilized a risk-based approach from planning to testing in the A/P review. To obtain a thorough understanding of the A/P process, we compiled information through walkthroughs, research, interviews, observations, and analytical data reviews.

The following steps were taken to accomplish the audit objective:

- Obtained and reviewed applicable FMPA policies, procedures, and any other supporting documents related to the A/P process
- Interviewed personnel related to the A/P function to document our understanding of the A/P process, including any internal controls or weaknesses.
- Determined whether there was adequate segregation of duties in the process and adequate Management oversight for overall review controls.
- Obtained and reviewed a sample of A/P reconciliations to ensure that monthly account balances were reconciled and were properly reviewed by Management.
- Performed analytical reviews of the A/P transaction detail to determine whether there were any duplicate payments, credits or other unusual items.
- Performed testing on a sample of A/P transactions to determine whether payments were supported by adequate documentation, processed timely with the necessary approvals and within policy guidelines.

AUDIT FINDINGS AND RECOMMENDATIONS

Based on our audit procedures, we have identified no audit findings.



Operational Audit

Credit Card Review Report FY 2025

Audit Performed By:
Veda Sharma, CGAP, MSA
Victor Gaines, PHD, CGAP, CIA
Liyuan Woerner, CPA, MBA

October 16, 2025

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EXECUTIVE SUMMARY

The purpose of the credit card review was to determine whether management internal controls were effective. We reviewed information for fiscal year 2025, for the period October 2024 through September 2025.

We have audited procedures related to FMPA credit cards under the following agreements:

- Treasure Coast Energy Center Operation and Maintenance Agreement between Florida Municipal Power Agency (All-Requirements Power Supply Project) and Fort Pierce Utilities Authority, as amended
- Consolidated Operating and Maintenance Contract for the Stock Island Generating Facility between Florida Municipal Power Agency (All-Requirements Power Supply Project) and the Utility Board of the City of Key West, Florida, Doing Business as KEYS Energy Services, as amended
- Consolidated Operating and Joint Ownership Contract for the Cane Island Facilities between Florida Municipal Power Agency (All-Requirements Power Supply Project) and Kissimmee Utility Authority
- FMPA Credit Card Policy & Procedures
- FMPA Credit Card User Agreement

Based on our audit procedures, we determined that the agency generally complied with the requirements of the FMPA Credit Card Policy and related agreements. However, improvements are recommended to strengthen internal controls and ensure that management can properly assess credit card risk in their everyday operation; written procedures are continually reviewed and communicated to employees.

BACKGROUND INFORMATION

Issuing an FMPA Credit Card

In accordance with the approved Credit Card policy, FMPA staff members or FMPA member city employees working at power generation facilities (i.e. Sand Lake Energy Center, Mulberry Energy Center, Cane Island Power Park, Stock Island Generating Facility, and Treasure Coast Energy Center) may be issued an FMPA credit card with a spending limit on an as-needed basis upon signing an FMPA Credit Card Use Agreement and approved by the CEO or General Counsel. A credit card will not be issued until the Agreement is signed by user.

Monitoring an FMPA Credit Card

FMPA employees must go into Certify to process their credit card expenses. Employees are to upload their receipts and/or other documentation to Certify to support their credit card charges within fifteen (15) business days of the incurred charge, but no later than seven (7) business days following the end of the month that the expense was incurred. Certify has internal control measures to create travel expenses and training request forms as necessary. Once the employee acknowledges the charge and provides details, Certify will forward the expense to the appropriate managers for approval.

For non-FMPA users/those not in Certify, the FMPA Accounting Department will send a list of monthly credit card transactions to the authorized user (if there was activity on their card). The non-FMPA employee/those not on Certify will sign-off on the transactions and provide corresponding receipts and/or other documentation for all line items. These items are then uploaded to Maximo for approval. Once in Maximo, the monthly credit card transaction list goes through a regular purchase request workflow, which requires the following dollar amount approvals:

- Under \$2,000 is approved by the Plant Manager
- Between \$2,000 to \$20,000 is approved by the FMPA Generation Fleet Director
- Over \$20,000 requires approval from the FMPA Chief Operating Officer (COO)

On an annual basis, the Credit Card Administrator (CCA) reviews and documents the credit limit for each user for reasonableness of the limits based on actual activity usage.

Terminating an FMPA Credit Card

According to the policy, “When an employee separates employment with FMPA, the employee’s manager is responsible for collecting all FMPA property, including the employee’s FMPA credit card. The credit card must be collected from the employee no later than the employee’s last day of employment.” For non-FMPA users who separate employment within their organization, the member city’s human resources department must destroy the credit card and/or return it to FMPA within three days and the card is immediately cancelled by the CCA.

AUDIT OBJECTIVE AND SCOPE

The primary objective of this audit is to verify that FMPA managers have assessed credit card risk in their everyday operations. We reviewed information for FY2025, September 2024–August 2025.

The scope of this audit consisted of the following:

- 1) Reviewed credit card user agreements to ensure all users have an up-to-date signed user agreement on file.
- 2) Obtained a list from SunTrust and Wells Fargo of all authorized credit card users, monitored the monthly credit limit changes performed by the CCA, and reconciled credit card activity using Certify.
- 3) Examined existing credit card procedures for implementation and accuracy.
- 4) Tested procedures for credit card processing.
- 5) Review of receipt submittals for timeliness.

AUDIT METHODOLOGY

The internal audit team utilized a risk-based approach from planning to testing when performing the credit card review. To obtain a thorough understanding of the credit card process, the auditors compiled information through walkthroughs, research, interviews, observations, sample testing, and analytical data reviews.

The following steps were taken to accomplish the audit objective:

- Identified applicable FMPA policies, procedures, and contractual agreements
- Verified the existence of signed credit card user agreements for all authorized credit card users
- Interviewed responsible agency management and staff
- Reviewed agency documentation
- Verified that management conducted a review of user credit limits and changes to credit limits had appropriate documentation.
- Selected audit samples to verify the credit card transactions.
- Reviewed credit card transactions for evidence that controls, policies, and procedures are being adhered to.

AUDIT FINDINGS AND RECOMMENDATIONS

Receipt Submittal:

1. Three exceptions were identified where receipts were submitted past the allotted amount of time stated in the policy.

We recommend that there is a reminder for submitting receipts within a timely manner during monthly staff meetings.

Management Response:

Management concurs with the findings. We will remind employees during monthly staff meetings of the importance of submitting receipts within the required timeframe as stated in the policy. Additionally, management will explore implementing automated reminders through the expense reporting system to help ensure timely submission moving forward.

Receipt:

2. One exception was identified where a hotel charge under an employee's name did not match the name on the receipt in Certify. This was due to the employee using hotel honor points of another individual therefore, the receipt did not have the employee's name.

We recommend that there be a notice for employees during a staff meeting or in the policy that employees are only allowed to use hotel honor points once it is in their name.

Management Response:

Management agrees with the recommendation. A reminder will be communicated to all staff during the next staff meeting emphasizing that hotel honor points must only be used when registered under the employee's own name. We will also update the travel and expense policy to clearly state this requirement to ensure future compliance.



Operational Audit

Procurement Audit Report FY 2025

Audit Performed By:

Veda Sharma, CGAP, MSA
Victor Gaines, PHD, CGAP, CIA
Liyuan Woerner, CPA, MBA

October 16, 2025

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EXECUTIVE SUMMARY

We have audited the procedures related to the Policy in the following four sites:

- Treasure Coast Energy Center (TCEC)
- Stock Island Generating Facility (KEYS)
- Cane Island Power Plant (CANE)
- FMPA Agency Project

Based on our audit procedures, there were no exceptions noted.

BACKGROUND INFORMATION

Policy

In accordance with the Board of Directors April 2017 approved Procurement Policy within the FMPA Policy and Employee Manual (“Policy”), FMPA is required to purchase goods on a competitively selected basis, unless these goods are \$5,000 or less, or are an exception within the Policy.

Purchasing Thresholds

Unless the purchased goods are \$5,000 or less, or are an exception within the Policy, the goods are required to be purchased under a competitive process using the following thresholds:

Threshold Amount	Competitive Requirement
\$ 5,001 - \$10,000	3 Request for Quotes
\$10,001 - \$50,000	3 Written Quotes
> \$50,001	3 Formal Bids/Proposals

Sole Source Criteria

Under the Policy guidelines, goods and services may be purchased without a competitive process, if at least one of the following criteria is met:

- The provider is the original manufacturer (OEM) of the item,
- The requested good is not interchangeable with those from another manufacturer,
- No other goods are available to meet FMPA’s specialized needs or intended functions,
- Detailed justification establishing that provider is the only source that is practically available to provide the goods, or
- The good must be purchased on an expedited or emergency basis per the Sr. Manager.

Authorization

Purchase requisitions (PR) are authorized in Maximo by utilizing the workflow function. Authorization requirements are as follows:

Position	Current Policy
GM/CEO	Up to \$200,000*
COO	Up to \$100,000
Power Gen. Fleet Manager	Up to \$50,000
Plant Manager	Up to \$5,000

**All expenditures over \$200,000 must be reported to BOD/EC*

AUDIT OBJECTIVE AND SCOPE

The scope of this audit consisted of the following:

- 1) Obtained a list of purchase requisitions and made sample selections by location.
- 2) Tested selections by determining:
 - a. If sole sourced items comply with sole source criteria per Policy.
 - b. If non-sole sourced items are purchased under a competitive process based on threshold amount.
 - c. If the selected items have been properly approved.
- 3) Followed up with site locations and obtained additional explanations and/or documentations for any discrepancies

The primary objective of this audit is to verify that FMPA Management has assessed the procurement risks in their everyday operations by ensuring its compliance with Agency Policy.

AUDIT METHODOLOGY

The Internal audit team utilized a risk-based approach from planning to testing in the Procurement Policy Compliance review. To obtain a thorough understanding of the Procurement process, the auditors compiled information through walkthroughs, research, interviews, observations, and analytical data reviews.

The following steps were taken to accomplish the audit objective:

- Identified applicable FMPA policies, procedures, and other supporting documents related to the Procurement process
- Interviewed responsible agency management and staff
- Reviewed agency documentation of competitive bids solicited from outside vendors
- Verified that management conducted a review of purchase requisitions had appropriate documentation.
- Reviewed Maximo database for evidence that controls, policies, and procedures are being followed.

AUDIT FINDINGS AND RECOMMENDATIONS

Based on our audit procedures, there were no exceptions noted in the management of FMPA's Procurement policy.

AGENDA ITEM 10 – REPORTS

- a. Review Form Appendix I_ASSET
MANAGEMENT AND OPERATIONS
POLICY 2025**

**Finance Committee Meeting
December 10, 2025**

Asset Management and Operations Policy (Appendix I)

This Policy compliance review is conducted by the Internal Audit Department (IAD) to assess the status of risk management practices for the time period noted below. The Internal Audit Department completes this form and submits to responsible manager(s) for additional information and comment. Documentation or attestation of compliance may be required during this review. The final form is submitted to the appropriate Chief Officer and the CEO prior to being presented to the Finance Committee (FC) as an information item.

Review period: October, 2024 to September, 2025

Responsible Manager(s): David Schumann, Power Generation Fleet Engineering Director

Policy Compliance: Indicate whether the following items required in the Asset Management and Operations Policy were completed during the review period.

REQUIREMENT	YES	NO	EXPLANATION
The Chief Operating Officer (COO) caused processes to be documented, as deemed appropriate, that identify risks in the areas noted below and provide ways to measure, control and mitigate FMPA's exposure to those risks. (Section 3.0)	X		
Annual heat rate and capacity testing was conducted for each ARP non-peaking generation unit during the summer months to document each unit's operating efficiency. (Section 4.1.1)	X		Trended and monitored real-time, published monthly
Heat rate and capacity testing was conducted at least once every two years for each ARP peaking generation unit to document each unit's operating efficiency and generating capabilities. (Section 4.1.2)	X		Ongoing heat rate and capacity testing.
All ARP dual fuel capable units were tested to operate on fuel oil at least once per year and were reported to the CFO and System Operations. (Section 4.1.3)	X		Cane Island 1 is complete. TCEC was tested on October 2025.
Original Equipment Manufacturer (OEM) maintenance specifications were followed for all non-peaking ARP units. (Section 4.2)	X		Intermediate/Base units at Cane Island and TCEC follow OEM requirements during scheduled outages.
The COO prudently determined whether OEM specifications were economically justified for non-peaking units nearing the end of their economic life. (Section 4.2)	N/A		None during period.
The Power Generation Fleet Engineering Director coordinated decisions to delay or defer significant maintenance with System Operations and the Financial Planning Rates, Budget and Fuels Director. (Section 4.2.1)	N/A		None during period.
The Power Generation Fleet Engineering Director notified the CFO of pending maintenance deferrals along with	N/A		None during period.

Asset Management and Operations Policy (Appendix I)

supporting documentation. (Section 4.2.1)			
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Policy Compliance (continued):

REQUIREMENT	YES	NO	EXPLANATION
COO reviewed and approved any decision to defer and/or not perform staff identified or OEM recommended maintenance. (Section 4.2.1)	N/A		No events during this period.
Reliability Centered Maintenance (“RCM”) established safe minimum levels of maintenance, changes to operating procedures and strategies, and the establishment of capital maintenance regimes and plans based on historic operational data and maintenance history. (Section 4.2.2)	X		
All capital/maintenance items costing in excess of \$1 million that are being considered for inclusion during the annual budgeting process were presented to the Power Generation Fleet Engineering Director, Financial Planning Rates, Budget and Fuels Director, CFO and Chief Operating Officer, for an economic review prior to submission for EC budget approval. (Section 4.2.3)	X		Some marginal projects below \$1 million has also been reviewed.
Staff budgeted all necessary maintenance to ensure that reliability goals were appropriately established and achieved. (Section 4.2.4)	X		
Each ARP Generation facility provided a quarterly statistical report of all OSHA reportable lost time accidents and incidents of property damage to the Risk Management Department. (Section 4.4.3)	X		Monthly plant reports provided.
The COO ensured that all relevant NERC and CIP guidelines were followed and appropriate documentation exists to ensure compliance with any regulatory audits. (Section 4.5)	X		
The Power Generation Fleet Engineering Director ensured that all filings are complete, accurate and timely, and reported any “Notice of Violation” to the CFO prior to reporting to the FC. “Self-report” submittals were discussed with the Generation Fleet Director and FMPA General Council prior to submittal and reported to the EC. (Section 5.1)	X		
An annual evaluation of expected emission allowance needs were reviewed jointly by the Generation Fleet Engineering Director and CFO. (Section 5.2)	X		
As part of the monthly scorecard to the BOD and EC, the CEO or COO reported the monthly review of the ARP Generation for the prior month (Section 7.1)	X		Reported to Board and EC as part of the scorecard.
The Power Generation Fleet Engineering Director annually reported to the FC on the ARP’s environmental compliance for the prior year. (Section 7.2)	X		Included in BOD Agenda Package in May 2025.

Asset Management and Operations Policy (Appendix I)

Internal Control Assessment: Evaluate the effectiveness of the current process in achieving the following control objectives. Use a scale of 1 to 4 as defined on attached page.

OBJECTIVE	1	2	3	4	EXPLANATION
Controls are in place to identify and assess risks related to the operation and maintenance of generating assets.			X		CSA agreement with GE, FM Global review.
All applicable laws and regulations concerning the operation and maintenance of generating units are followed.			X		
Generation assets maintain a heat rate inline with industry standard.			X		Heat rates continually monitored and comparisons to Industry generally accepted method.
EAF goal was achieved across the ARP Generation fleet.			X		Policy Target Goals set higher than industry average.
Long-lead critical items for base and intermediate load units are available within a six month time frame.		X			Above average economic supply chain delays.
Goal of zero environmental Notice of Violation issued or related fines is achieved.			X		No NOVs issued. Annual training sessions held.
Plant site O&M agents utilize the most current APPA Safety Manual and comply with OSHA/City defined rules.			X		Employee represented safety committee has been added where all sites have members on the committee.
Goal of zero OSHA reportable lost time accidents and reporting of incidents of property damage is achieved.			X		Zero lost time accidents and zero reportables.
Appropriate staff maintains current knowledge regarding operation and maintenance of generating units.			X		The diversity of skill set has expanded with respect to electrical, mechanical and thermal specialties.

Are there any concerns related to asset management and operations risk management which should be brought to the attention of the General Manager as part of this review?

Yes ☐ No ☒ If yes, describe below.

Asset Management and Operations Policy (Appendix I)

Are there internal control concerns related to asset management and operations risk management which require immediate attention?

Yes ☐ No ☒ If yes, describe below including any change to risk inventory controls score.

Rate the overall functioning of asset management and operations risk management practices using a scale of 1 to 4 as defined on attached page.

1	2	3	4	EXPLANATION
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Performing within all policies.

Additional comments from responsible Manager(s):

Are there any emerging risks or environmental changes which impact asset management and operations risk management?

Yes ☐ No ☒ If yes, describe below including any proposed changes to risk inventory.

Other comments: Not applicable.

Rating scale for Policy compliance reviews:

1 = Risk management practices not in place.

2 = Risk management practices in place are not effective in meeting Policy requirements.

3 = Risk management practices in place meet Policy requirements.

4 = Risk management practices in place exceed Policy requirements.

Standard of compliance:

Completion of this review indicates that the Risk Management Reviewer has verified existence of applicable procedures or process documentation and believes them to be reasonably sufficient and up-to-date.

Liyuan Woerner

44E87DB4176AB1D6637A461E1078F68E ready**sign**

12/01/2025

Internal Audit Manager Signature

Date

David Schumann

D283445921BB43E2570B12BA52040C2B ready**sign**

12/01/2025

Responsible Director Signature

Date

Ken Rutter

6ADE9A4F7D3E3EAB477DD0D27733F949 ready**sign**

12/01/2025

Responsible Executive Officer Signature

Date

AGENDA ITEM 10 – REPORTS

- b. Review Form Appendix
J_ACCOUNTING AND
INTERNAL CONTROLS
POLICY 2025**

**Finance Committee Meeting
December 10, 2025**

FMPA Risk Management Department
Policy Compliance Review
Accounting & Internal Controls Policy (Appendix J)

This Policy compliance review is conducted by the Internal Audit Department to assess the status of risk management practices for the time period noted below. The Internal Audit Department completes this form and submits to responsible manager(s) for additional information and comment. Documentation or attestation of compliance may be required during this review. The final form is submitted to the appropriate Executive Officer and the CEO prior to being presented to the Finance Committee as an information item.

Review period: August 2024 to July, 2025

Responsible Manager(s): Danyel Sullivan-Marrero, Controller

<i>Policy Compliance:</i> Indicate whether the following items required in the Accounting & Internal Controls Risk Management Policy were completed during the review period.			
REQUIREMENT	YES	NO	EXPLANATION
The CFO caused procedures to be written that identify risks in the areas of administrative risk and reputational risk and provide ways to measure, control and mitigate FMPA's exposure to those risks. (Section 3.0)	X		
The Controller presented all current and any new proposed GASB 62 transactions for approval by the FC prior to the end of each fiscal year. (Section 4.1)	X		Included monthly in financial statement package that is approved on the BOD consent agenda.
Accounting staff completed month end closing no later than 30 days after the last day of the previous month. (Section 4.2)	X		
The Internal Audit Manager caused a physical count of inventory to be conducted at least every other year at ARP generation facilities under FMPA control. (Section 4.3)	X		Sand Lake and Mulberry inventory count was performed during February and August 2024. Cane Island test counts was performed by PG&C August 2024.
The Generation Support Supervisor maintained procedures which detailed the following for material assets: setting of minimum and maximum inventory levels and appropriate turnover ratios, and controls over changing such levels (Section 4.3)	X		Confirmed with Jamie
Invoices showing a credit only were approved by the appropriate manager. (Section 4.4)	X		When credit invoices are periodically received, each one is routed for approval by the applicable manager.
Monthly financial statements presented to any governing body included a list showing any outstanding invoices greater than 60 days past receipt of invoice in A/P system including a brief description of the cause for any invoices greater than 90 days past receipt of invoice. (Section 4.4)	X		Controller sends monthly a late payment report to CFO. Verified with Controller. Audit also performed AP audit to verify.

FMPA Risk Management Department
Policy Compliance Review
Accounting & Internal Controls Policy (Appendix J)

The Controller issued Project Participant invoices by the 10th calendar day of each month, using estimates if necessary, to ensure adherence to the respective Bond Resolution requirements of receiving payment by the 25th day of the billing month. (Section 4.5)	X		
Monthly financial statements were presented to any governing body to include a list showing any outstanding accounts receivable greater than 60 days past due and also include a brief description of the cause for any accounts receivable greater than 90 days due. (Section 4.5)	X		Included monthly in financial statement package that is approved on the BOD consent agenda.

<i>Policy Compliance continued:</i>			
REQUIREMENT	YES	NO	EXPLANATION
Accounts receivable greater than 12 months old at year-end were evaluated for potential write-off. (Section 4.5)	X		
All write-offs were approved by the General Manager and CEO. Write-offs above the General Manager's spending authority level were approved by the appropriate governing body prior to write-off. (Section 4.5)	N/A		No write-offs this year
Independent audit of books and accounts was conducted once per year by qualified CPA firm within the State of Florida. (Section 5.0)	X		Purvis Gray & Company
The selected firm provided services for no more than one five-year base term. The selected firm provided services beyond the base term for no more than two individual one-year extensions. (Section 5.2)	X		An RFP was performed in 2025. Board approved Purvis Gray & Company for five years with two one year extensions.
External auditor conducted entrance conference prior to commencing the fiscal year-end audit and exit conferences with the FC to provide results of the year-end audit prior to presenting results to the governing bodies. (Section 5.3)	X		The entrance meeting with the auditors was on Thurs, July 31 st and the exit meeting was August 18 th .
The CFO caused a system of documented internal controls to safeguard assets, assure reliability of financial reporting, and assure compliance with applicable accounting laws and regulations to be established, consistent with this Policy and associated Procedures, and in accordance with all policies and procedural guidelines established in the FMPA Risk Management Policy. (Section 6.0)	X		
Controller and other appropriate staff completed at least 8 hours of continuing education annually (each fiscal year) or more as required by State Regulations, in subject courses of study related to accounting, auditing and/or finance. (Section 6.4)	X		Controller and staff have taken CPA review, attended seminars and in- house training which exceeds the CPE minimum.

FMPS Risk Management Department
Policy Compliance Review
Accounting & Internal Controls Policy (Appendix J)

			Details provided to contract audit.
The Controller reported to the FC during December of each year the amount of interest paid for late fees during the preceding fiscal year, if any. (Section 7.1)	X		Late fees for 2024 were reported to the BOD on Dec 12, 2024 , thru the Consent Agenda
The CFO caused to be provided to the EC and BOD, at regular meetings or other times as directed, a statement of the financial condition of the Agency and a report of the financial transactions of the Agency. (Section 7.2)	X		At each meeting held, a financial statement agenda item is included in the meeting packet.
The CFO caused financial statements and accompanying notes to be presented for approval no later than the January EC and BOD meetings. (Section 7.2)	X		Annual Report/Audited FS presented at the January 16, 2025 meeting.
The CFO caused an annual report to be filed within 180 days after the close of the fiscal year to applicable bond trustees. (Section 7.2)	X		Annual Report/Audited FS filed with all applicable trustees after January 16, 2025 meeting.
<i>Policy Compliance continued:</i>			
REQUIREMENT	YES	NO	EXPLANATION
The CFO caused the status of management's response to any Management Letter Comments provided by the external auditor in the prior fiscal year's annual audit report to be reported to the FC no later than August 31st of each year. (Section 7.3)			N/A

<i>Internal Control Assessment:</i> Evaluate the effectiveness of the current process in achieving the following control objectives. Use a scale of 1 to 4 as defined on attached page.					
OBJECTIVE	1	2	3	4	EXPLANATION
Controls are in place to identify and assess risks related to accounting processes and asset control.			X		
All transactions are recorded in accordance with GAAP, GASB pronouncements, and prudent utility practice.			X		
Access/authorization controls are in place to maintain the integrity of the chart of accounts.			X		
Access to accounting computer systems and spreadsheets is limited to the appropriate individuals.			X		
Duties are appropriately segregated in the closing process.			X		
All invoices are paid by due date and routed through the electronic accounts payable system.			X		

FMPS Risk Management Department
Policy Compliance Review
Accounting & Internal Controls Policy (Appendix J)

Are there any concerns related to accounting and internal controls risk management which should be brought to the attention of the CEO as part of this review? Yes ☐ No ☒ If yes, describe below.

Are there internal control concerns related to accounting and internal controls risk management which require immediate attention? Yes ☐ No ☒ If yes, describe below including any change to risk inventory controls score.

Rate the overall functioning of accounting and internal controls risk management practices using a scale of 1 to 4 as defined on attached page.

1	2	3	4	EXPLANATION
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	

Additional comments from responsible Manager(s):

Are there any emerging risks or environmental changes which impact accounting and internal controls risk management?

Yes ☐ No ☒ If yes, describe below including any proposed changes to risk inventory.

Other comments: In July 2025, management successfully deployed a new module within Maximo called ScanNMax. This module is designed to capture the invoices sent in through email and accelerate the process of invoice entry through OCR and AI technologies. The internal audit dept is scheduled to review this new process to assess its effectiveness, compliance, and alignment with organizational goals.

FMPA Risk Management Department
Policy Compliance Review
Accounting & Internal Controls Policy (Appendix J)

Rating scale for Policy compliance reviews:

- 1 = Risk management practices not in place.
- 2 = Risk management practices in place are not effective in meeting Policy requirements.
- 3 = Risk management practices in place meet Policy requirements.
- 4 = Risk management practices in place exceed Policy requirements.

Standard of compliance:

Completion of this review indicates that the Risk Management Reviewer has verified existence of applicable procedures or process documentation and believes them to be reasonably sufficient and up-to-date.

Liyuan Woerner

44E87DB4176AB1D6637A461E1079F68E ready to sign
Internal Audit Manager Signature

08/26/2025

Date

Danyel Sullivan Marrero

EAF1209E311B97304AF070A9DBEE900F3 ready to sign
Responsible Manager Signature

08/26/2025

Date

Richard M. Popp

8F9020F5CA44CE9B619D6640B0D5585E8 ready to sign
CFO Signature

08/26/2025

Date

AGENDA ITEM 10 – REPORTS

- c. Review Form Appendix
K_ORIGINATION
TRANSACTION POLICY 2025**

**Finance Committee Meeting
December 10, 2025**

FMPA Risk Management Department
Policy Compliance Review
Origination Transaction Policy (Appendix K)

This Policy compliance review is conducted by the Internal Audit Department (IAD) to assess the status of risk management practices for the time period noted below. The Internal Audit Department completes this form and submits to responsible manager(s) for additional information and comment. Documentation or attestation of compliance may be required during this review. The final form is submitted to the appropriate Executive and the CEO prior to being presented to the Finance Committee (FC) as an information item.

Review period: April, 2024 to March, 2025

Responsible Manager(s): Rich Popp, Chief Financial Officer, and Chris Gowder, Chief System Operations and Technology Officer

Policy Compliance: Indicate whether the following items required in the Origination Policy were completed during the review period.

REQUIREMENT	YES	N O	EXPLANATION
Chief Financial Officer (CFO) and Chief System Operations and Technology Officer caused processes to be documented, as deemed appropriate, that identify risks and ways to measure, control and mitigate FMPA's exposure to these risks. (Section 3.0)	X		
The designated Manager authorized to approve trading transactions with a term of no more than three months in duration with a notional value not to exceed \$5 million. (Section 4.1)	X		No transaction within approval threshold exceeded \$5 million.
The COO authorized to approve trading/origination transactions less than or equal to three years in duration and a notional value not to exceed \$25 million. (Section 4.1)			N/A
The CEO is authorized to approve trading/origination commodity transactions for less seven years in duration with a notional value not to exceed \$50 million. (Section 4.1)	X		Transactions approved by CEO within authorized thresholds.
All trading/origination commodity transactions equal to or greater than seven years in duration or with a notional value in excess \$50 million were approved by the EC. (Section 4.1)			N/A
All commodity transactions exceeding three (3) months in duration or \$5 Million of		X	The revised policy will terminate GR&A

FMPA Risk Management Department
Policy Compliance Review
Origination Transaction Policy (Appendix K)

notional value were presented to the Generation Review & Assessment ("GR&A"). (Section 4.2)			due to leadership team and EC oversight.
FMPA did not commit to any firm electric commodity trading transaction which would result in its monthly peak capacity reserve levels falling below 10% of projected capacity requirements, exclusive of planned outages, at the time of commitment. (Section 4.3.1)	X		In the EC packages for each month - item 7D.
When initiating electric origination transactions, FMPA strived to maintain annual peak planning capacity reserve levels above 15%. (Section 4.3.2)	X		
If any month's capacity reserve position fell below 10% due to a planned generation outage, staff purchased a capacity or firm energy transaction to cover the shortfall within 30 days prior to the start of the relevant month. (Section 4.3.4)	X		We remedied any shortfalls resulting from planned outages within the appropriate timeframe.
FMPA internally maintained the official book of record for trading/origination transactions greater than thirty-one days in duration if such is not maintained by the applicable Agent. (Section 4.4)	X		FMPA staff, FGU, TEA, and FMPP maintain records separately.
The Chief System Operations and Technology Officer confirmed transactions with the counterparty and the responsible manager of each respective transaction forwarded all invoice information to the Accounting Department. (Section 4.5)	X		
The Senior leaders maintained evidence of a system of internal controls necessary to ensure origination transactions adhere to and are consistent with this Policy and applicable Origination Procedures. (Section 5.0)	X		
The CFO/ Chief System Operations and Technology Officer assigned designee entered origination transactions and reported all such transactions to the individual(s) responsible for maintaining the official book of record. The individual that entered into the origination transactions did not have the ability to directly change the book of record or resulting reports. (Section 5.2)		X	Leadership believes other controls were present to understand the portfolio.
Each Manager with responsibilities related to trading/origination activity ensured that	X		Staff giving directions to agents (FGU, TEA,

FMPA Risk Management Department
Policy Compliance Review
Origination Transaction Policy (Appendix K)

appropriate staff developed and maintained an applicable level of knowledge regarding the trading/origination of commodity transactions. (Section 5.3)			FMPP) carrying out trading activities have received training.
The Chief System Operations and Technology Officer presented the forward twelve months reserve levels to be reported monthly to the EC in the consent agenda. (Section 6.1.1)	X		Reserves reported to EC each month - item 7D
Upon request, the Agency Risk Director/CFO coordinated an FC report of all FMPP staff committed trading/origination transactions, if any, in the prior year that had a term greater than three (3) months. (Section 6.1.2)	X		See attached directive.
An annual report on the operation and effectiveness of this Policy was presented to the FC as described in Section 7.0 of the FMPP Risk Management Policy. (Section 6.2)	X		June 2024
The Agency Risk Director/CFO caused any material deviations from this Policy to be reported according to the guidelines set forth in the FMPP Risk Management Policy, Section 4.1. (Section 7.0)	X		

Internal Control Assessment: Evaluate the effectiveness of the current process in achieving the following control objectives. Use a scale of 1 to 4 as defined on attached page.

OBJECTIVE	1	2	3	4	EXPLANATION
Controls are in place to identify and assess risks related to commodity transaction origination activities.			X		Segregation of duties
Applicable laws concerning negotiation and origination of commodity transactions are followed.			X		
Operations and planning staff coordinate to fulfill mid-term resource needs.			X		
Origination of commodity transactions follows other Risk Management Policy guidelines.			X		
Origination of commodity transactions complies with Code of Ethics of the Electric Power Supply Association.			X		

FMPA Risk Management Department
Policy Compliance Review
Origination Transaction Policy (Appendix K)

Are there any concerns related to origination transaction risk management which should be brought to the attention of the General Manager as part of this review?
Yes ☐ No ☒ If yes, describe below.

Are there internal control concerns related to origination transaction risk management which require immediate attention?
Yes ☐ No ☒ If yes, describe below including any change to risk inventory controls score.

Rate the overall functioning of origination transaction risk management practices using a scale of 1 to 4 as defined on attached page.

1	2	3	4	EXPLANATION
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	

Additional comments from responsible Manager(s):

Are there any emerging risks or environmental changes which impact origination transaction risk management?

Yes ☐ No ☒ If yes, describe below including any proposed changes to risk inventory.

Other comments:

FMPA Risk Management Department
Policy Compliance Review
Origination Transaction Policy (Appendix K)

Liyuan Woerner

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Internal Audit Manager

08/25/2025

Date

Richard M. Popp

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Risk Manager Signature

08/25/2025

Date

Richard M. Popp

8F3C20F5CA44E0B613D0640B6D5585E8

Responsible Manager Signature

08/25/2025

Date

[Signature]

C72A0C2AD8BA3E254E62F2A4EBC81075

Responsible Manager Signature

08/25/2025

Date

FMPA Risk Management Department
Policy Compliance Review
Origination Transaction Policy (Appendix K)

Rich, Ken, Chris and Liyuan

Rating scale for Policy compliance reviews:

- 1 = Risk management practices not in place.
- 2 = Risk management practices in place are not effective in meeting Policy requirements.
- 3 = Risk management practices in place meet Policy requirements.
- 4 = Risk management practices in place exceed Policy requirements.

Standard of compliance:

Completion of this review indicates that the Risk Management Reviewer has verified existence of applicable procedures or process documentation and believes them to be reasonably sufficient and up-to-date.

AGENDA ITEM 10 – REPORTS

- d. Review Form Appendix
O_INFORMATION
TECHNOLOGY POLICY 2025**

**Finance Committee Meeting
December 10, 2025**

FMPA Risk Management Department
Policy Compliance Review
Information Technology Risk Management Policy (Appendix O)

This Policy compliance review is conducted by the Internal Audit Department (IAD) to assess the status of risk management practices for the time period noted below. The Internal Audit Department completes this form and submits to responsible manager(s) for additional information and comment. Documentation or attestation of compliance may be required during this review. The final form is submitted to the appropriate Executives and the CEO prior to being presented to the Finance Committee (FC) as an information item.

Review period: November, 2024 to October, 2025

Responsible Manager(s): Jeff Hanson, IT/OT Manager and Chris Gowder, Chief System Operations and Technology Officer

Policy Compliance: Indicate whether the following items required in the Information Technology Risk Management Policy were completed during the review period.

REQUIREMENT	YES	NO	EXPLANATION
Chief System Operations and Technology Officer caused procedures to be created that identify risk and provide ways to measure, control, and mitigate FMPA's exposure to those risks. (Section 3.0)	X		All procedures are on IT SharePoint site.
Chief System Operations and Technology Officer maintained a list of the current applications and system owners, in accordance with procedures established as prescribed in Section 4.1. (Section 4.1)	X		On SharePoint
FMPA maintained an incident response plan (IRP). The IRP was tested and updated annually.(Section 4.1.2)	X		IRP is tested August 2025; NUARI and GridEX as well as, hosted FMPA staff IRP plan.
Chief System Operations and Technology Officer caused an internal annual self-assessment to check for vulnerabilities. (Section 4.1.4)	X		Conducted on a quarterly basis by CISA and third-party software scanning done monthly by FMPA staff.
Chief System Operations and Technology Officer shall also seek an external party security assessment review every three years. (Section 4.1.4)	X		Reviewed in April 2024 with CISA.
The Internal Audit Manager caused compliance with this Policy and associated procedures to be monitored on an annual basis. (Section 5.0)	X		
Chief System Operations and Technology Officer developed an ongoing cybersecurity awareness program to address common security topics. (Section 5.2)	X		Monthly meetings, phishing password, access, etc.
Appropriate IT Department staff completed a minimum of 8 hours of continuing education pertaining to job	X		

FMPA Risk Management Department
Policy Compliance Review
Information Technology Risk Management Policy (Appendix O)

duties. (Section 5.3)			
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<i>Policy Compliance continued:</i>			
REQUIREMENT	YES	NO	EXPLANATION
Chief System Operations and Technology Officer reported on the current risk environment to the CFO as needed and engaged any necessary discussion before recommending action to the appropriate governing body. (Section 6.1)	X		
Chief System Operations and Technology Officer presented annual report to the FC or appropriate higher governing body on the activities of the previous year. (Section 6.1)	X		This item was presented in the January 2025 FC agenda.

<i>Internal Control Assessment:</i> Evaluate the effectiveness of the current process in achieving the following control objectives. Use a scale of 1 to 4 as defined on attached page.					
OBJECTIVE	1	2	3	4	EXPLANATION
Internal controls in place to secure IT assets from theft, fraud, damage, or breach of integrity.			X		
Custodians are responsible for IT assets under their control.			X		
Security breaches are reported to Risk Manager.			X		Any security breach would be immediately reported to the leadership team.
All staff comply with copyright laws, contracts, and software licenses.			X		
Appropriate segregation of duties is maintained within the IT Department.			X		

FMPA Risk Management Department
Policy Compliance Review
Information Technology Risk Management Policy (Appendix O)

Are there any concerns related to information technology risk management which should be brought to the attention of the CEO as part of this review? Yes ☐ No ☒ If yes, describe below.

Are there internal control concerns related to information technology risk management which require immediate attention? Yes ☐ No ☒ If yes, describe below including any change to risk inventory controls score.

FMPA Risk Management Department
Policy Compliance Review
Information Technology Risk Management Policy (Appendix O)

Rate the overall functioning of information technology risk management practices using a scale of 1 to 4 as defined on attached page.

1	2	3	4	EXPLANATION
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Regular communication with staff, budget requests met, and trainings provided.

Additional comments from responsible Manager(s):

Are there any emerging risks or environmental changes which impact information technology risk management?

Yes ☐ No ☒ If yes, describe below including any proposed changes to risk inventory.

Other comments:

Rating scale for Policy compliance reviews:

- 1 = Risk management practices not in place.
- 2 = Risk management practices in place are not effective in meeting Policy requirements.
- 3 = Risk management practices in place meet Policy requirements.
- 4 = Risk management practices in place exceed Policy requirements.

FMPA Risk Management Department
Policy Compliance Review
Information Technology Risk Management Policy (Appendix O)

Standard of compliance:

Completion of this review indicates that the Risk Management Reviewer has verified existence of applicable procedures or process documentation and believes them to be reasonably sufficient and up-to-date.

Liquan Woerner

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ready**sign**

12/01/2025

Internal Audit Manager Signature

Date

Jeff Hanson

D39F024962043DCFFCFC40988A6C7E96

ready**sign**

12/01/2025

Responsible Manager Signature

Date

[Signature]

C72A002AD8BA3E254E62F2A4EBC81075

ready**sign**

12/01/2025

Responsible Executive Officer Signature

Date

AGENDA ITEM 10 – REPORTS

- e. Review Form Appendix
M_CONTINGENCY PLANNING
POLICY 2025**

**Finance Committee Meeting
December 10, 2025**

FMPA Risk Management Department
Policy Compliance Review
Contingency Planning Policy (Appendix M)

This Policy compliance review is conducted by the Internal Audit Department (IAD) to assess the status of risk management practices for the time period noted below. The Internal Audit Department completes this form and submits to responsible manager(s) for additional information and comment. Documentation or attestation of compliance may be required during this review. The final form is submitted to the appropriate Executive and the CEO prior to being presented to the Finance Committee (FC) as an information item.

Review period: February 2024 to January 2025

Responsible Manager(s): Ken Rutter, Chief Operating Officer; Sharon Adams, Chief People & Member Services Officer, Chris Gowder, Vice President IT/OT and System Operations

<i>Policy Compliance:</i> Indicate whether the following items required in the Contingency Planning Policy were completed during the review period.			
REQUIREMENT	YES	NO	EXPLANATION
The CPO caused the Business Continuity and Disaster Response Plan to be updated at least once each year prior to the beginning of hurricane season which starts annually in June. (Section 4.0)	X		Posted to FMPA intranet updated in May 2024.
Each department with responsibilities assigned in the Disaster Response Manual established procedures to complete the assigned duties during and after an Event. (Section 4.0)	X		Procedures established in Business Continuity & Disaster Response Plan.
The COO coordinated with the leadership team and responsible managers to conduct tests of Event scenarios at least once every two years. (Section 4.0)	X		Conducted in June 13, 2024.
If a significant and/or catastrophic Event occurred, employees were paid their pre-Event pay rate in accordance with the Policy and FMPA maintained documentation showing time worked, nature of work, and supervisor approval. (Section 4.1.1)	X		No catastrophic event occurred but managed certain instances when employees were impacted during hurricane season between February 2024 through January 2025.
If a significant and/or catastrophic Event occurred, employees were allowed to work from home for no more than one week, after which time the exception either was extended one week by the appropriate senior leadership team member and CEO or return to the office. (Section 4.1.2)	X		No catastrophic event occurred but managed certain instances when employees were impacted during hurricane season between February 2024 through January 2025.

FMPA Risk Management Department
Policy Compliance Review
Contingency Planning Policy (Appendix M)

Public Relations & External Affairs Manager coordinated all public communications following a significant and/or catastrophic Event. (Section 4.2)	X		No catastrophic event occurred but managed certain instances when employees were impacted during hurricane season between February 2024 through January 2025.
The CPO, and the building administrative staff followed the procedures as outlined in the Business Continuity and Disaster Recovery Plan. FMPA staff in the Orlando and Tallahassee offices will not be on premises during a storm. As described in Section 1.1 of the Business Continuity and Disaster Recovery Plan, the generator fuel tank will be filled; however, it will not be operational until after an Event due to potential electrical risk. (Section 4.3)	X		No catastrophic event occurred but managed certain instances when employees were impacted during hurricane season between February 2024 through January 2025.
The COO ensured that the Power Plants had staff available 24/7 during the Event. (Section 4.4)	X		Plants staffed appropriately during hurricane risk events between February 2024 through January 2025.
The VP IT/OT & System Operations is responsible for establishing and supporting remote access for all essential systems which includes VPN, communications (corporate and plant support), cameras, finance, and treasury systems, etc. (Section 4.5)	X		Remote access is available for all systems and also verified via multi-factor authentication through Microsoft authenticator.
The CEO requested authorization for further emergency spending as needed. (Section 4.6)	N/A		N/A, no catastrophic event occurred between February 2024 through January 2025.
The CPO and the COO caused to be established a system of written internal controls to safeguard assets during and after an Event. (Section 5.0)	X		See Business Continuity & Disaster Response Plan and Hurricane Preparation & Restoration Procedures for list of controls established in the event of an emergency.
FMPA used a cost-benefits analysis when making decisions regarding the implementation of internal controls. (Section 5.0)	X		
The Deputy General Counsel and Manager of Regulatory Compliance ensured that appropriate staff maintains current knowledge of FEMA Public Assistance Program guidance and regulations regarding FEMA	X		Kept generally informed of FEMA requirements and reviews solicitation and contact documents and reviews business continuity

FMPA Risk Management Department
Policy Compliance Review
Contingency Planning Policy (Appendix M)

reimbursement of disaster recovery funds. The Office of the General Counsel also drafts and disseminates to FMPA members template mutual aid agreements for disaster recovery efforts. (Section 5.2)			plan annually. (Verify with Dan)
The Internal Audit Manager caused compliance with this Policy and associated Procedures to be monitored on an ongoing basis. (Section 5.3)	X		IA reviews the policy on an annual basis and reports any exceptions to the FC.
If an Event occurred, the Board of Directors and Executive Committee were notified within 5 days of the following information by the CEO or designee: (1) the extent of the damage to the building; and (2) an estimate of the time when full operations of the Agency will be restored. (Section 6.0)	X		No catastrophic event that halted generation operations between February 2024 through January 2025.

Internal Control Assessment: Evaluate the effectiveness of the current process in achieving the following control objectives. Use a scale of 1 to 4 as defined on attached page.

OBJECTIVE	1	2	3	4	EXPLANATION
Controls are in place to address the requirements of various positions for preparation and response to an Event.			X		See Business Continuity & Disaster Response Plan and Hurricane Preparation & Restoration procedures. Additional planning has been completed to address the Agency's response to potential events in the field.
Appropriate staff maintain current knowledge of disaster recovery and contingency planning including FEMA regulations, mutual aid agreements and insurance requirements.			X		
The Disaster Response Plan adequately addresses FMPA's ability to prepare for and respond to an Event.			X		

Are there any concerns related to contingency planning risk management which should be brought to the attention of the General Manager as part of this review?

Yes ☐ No ☒ If yes, describe below.

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FMPA Risk Management Department
Policy Compliance Review
Contingency Planning Policy (Appendix M)

Are there internal control concerns related to contingency planning risk management which require immediate attention?

Yes ☐ No ☒ If yes, describe below including any change to risk inventory controls score.

Rate the overall functioning of contingency planning risk management practices using a scale of 1 to 4 as defined on attached page.

1	2	3	4	EXPLANATION
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	

Additional comments from responsible Manager(s):

Are there any emerging risks or environmental changes which impact contingency planning risk management?

Yes ☐ No ☒ If yes, describe below including any proposed changes to risk inventory.

Other comments:

FMPA Risk Management Department
Policy Compliance Review
Contingency Planning Policy (Appendix M)

Liyuan Woerner

44E87DB4176AB1D6637A461E1078F68E

ready*sign*

Internal Audit Manager

12/01/2025

Date

Sharon Adams

833E3FDA1A8879386675C4C27844DA03

ready*sign*

Responsible Executive Officer Signature

12/03/2025

Date

Ken Rutter

6ADE9A4F7D3E3EAB477DD0D27733F949

ready*sign*

Responsible Executive Officer Signature

12/03/2025

Date

[Signature]

C72A0C2AD8BA3E254E62F2A4EBC81075

ready*sign*

Responsible Executive Officer Signature

12/03/2025

Date

FMPA Risk Management Department
Policy Compliance Review
Contingency Planning Policy (Appendix M)

Rating scale for Policy compliance reviews:

- 1 = Risk management practices not in place.
- 2 = Risk management practices in place are not effective in meeting Policy requirements.
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- 4 = Risk management practices in place exceed Policy requirements.

AGENDA ITEM 11 – COMMENTS

**Finance Committee Meeting
December 10, 2025**

AGENDA ITEM 12 – ADJOURNMENT

**Finance Committee Meeting
December 10, 2025**