

MINUTES
FINANCE COMMITTEE MEETING
JANUARY 13, 2021 (VIRTUAL)

Attendants: Messrs. Cherico, Garner, Hurst, Kern, Knapp, Lucas, Monaghan, Mullen, Nagle, Pisani, Pileggi, Willert, Mesdames Amadio, Bonnett, Caulk, Nichols, and Sage.

There were no members of the public present.

1. ROLL CALL: Nine members of the DELCORA Board of Directors were present constituting a quorum.
2. PLEDGE OF ALLEGIANCE: The Pledge of Allegiance was recited by all parties present.
3. MONTHLY FINANCIAL REVIEW: Mr. Pileggi, Chief Financial Officer, provided the Board with a written summary report of the December Interim Statements. Under Revenue and Expenses, he noted that the report indicates tentatively meeting budget, however, this is based upon unaudited numbers. We are awaiting a large bill from the Philadelphia Water Department at the end of January after which true-ups, accruals, etc. can be finalized. Mr. Pileggi had no additional comments to the written report. The Committee had no questions on the written report.
4. RESOLUTION NO. 2021-01 – DISCUSSION AND RECOMMENDATION FOR APPROVAL OF ACCOUNTS RECEIVABLES FACTORING: Mr. Pileggi stated that this resolution authorizes DELCORA to seek a purchaser of its accounts receivables. This does not include DELCORA's physical assets being transferred to Aqua at closing. All collections would then be done by the successful bidder. In response to several questions, Mr. Pileggi stated that the bidding process should be completed within six months; under Item 1.d in the resolution, this will be reworded to clarify that the Board will have final approval of the successful bidder; and the proceeds from the sale of the accounts receivable will be deposited into the Rate Stabilization Fund Trust and may provide an extension to the length of the Trust by one or two months.

Following discussion, it was the consensus of the Committee to recommend approval of Resolution No. 2021-01. This item will be placed on the agenda for the January 19th Board meeting.

5. RESOLUTION NO. 2021-02 – DISCUSSION AND RECOMMENDATION FOR APPROVAL OF RECOVERY OF ATTORNEY FEES & COSTS RE: DELINQUENT CLAIMS. Mr. Pileggi stated that the original version of this resolution had a dollar amount for Attorney Fees but it was changed to a percentage of the collection fee. This Attorney Fee applies only if the delinquent account chooses not to pay and proceeds with legal action.

Following discussion, it was the consensus of the Committee to recommend approval of Resolution No. 2021-02. This item will be placed on the agenda for the January 19th Board meeting.

6. UPDATE ON CUSTOMER ASSISTANCE PROGRAM: Mr. Garner stated that there are currently two programs: one is the Customer Assistance Program (CAP) and the other is the Pandemic Program. In 2019, DELCORA partnered with the Community Action Agency (CAA). Applications are received and reviewed by CAA. The program is open to all residents but does have income guidelines based upon a percentage of the Federal Poverty Guidelines. Currently, there are about 40 customers in the program and approximately \$12,000 has been spent to date. The Pandemic Program was started in the second quarter of 2020 and offers a flat \$250 grant. The applicant must provide proof of residency and financial hardship, such as a receipt of unemployment or a letter from a former employer stating that they could not go to work due to the virus restrictions. There are currently about 20 customers in this program and approximately \$5,000 has been spent to date.

Prior to adjournment, Mr. Hurst noted that the award of the Primary Clarifier Spare Parts contract that was postponed last month will be on the January 19th Board agenda with a recommendation for approval.

ADJOURNMENT: It was moved by Mr. Lucas, seconded by Mr. Mullen, and unanimously carried to adjourn the regular meeting at 3:50 p.m.