

**MINUTES**  
**FINANCE COMMITTEE MEETING**  
**MARCH 10, 2021 (VIRTUAL)**

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Attendants: Messrs. DiSantis, Hurst, Kern, Knapp, Lucas, Monaghan, Mullen, Nagle, Pileggi, Pisani, 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. John Pileggi, Chief Financial Officer, provided the Board with a written summary report of the February Interim Statements and highlighted items contained in the written report. Regarding Revenue and Expenses, Mr. Pileggi stated that there was little to report since we are only two months into 2021 and there were no variances between budget and actual. Mr. Pileggi stated that the Auditor delivered a draft of the 2020 financial information and that he is now working on the Management and Discussion report which will provide a summary of how the year went. Also, he noted that no corrections were presented by the auditors.

Regarding Residential Accounts Receivables, Mr. Pileggi reported that there was a shortfall of approximately \$825,000 between January and February 2021 collections versus the same time period in 2020. Mr. Willert requested Mr. Pileggi to explain the collection process for the new Board members. Mr. Pileggi provided a detailed explanation of the previous process for recovering delinquent accounts per state regulations (i.e. 30-day notice sent first, then 10-day notice posted to front door of impending water-off, then water shut-off notice sent to Chester Water Authority to shut off the water; processing liens, staking out illegal water turn-ons) prior to the COVID-19 virus restrictions and the moratorium on water shut-offs. He also stated that DELCORA can still pursue legal action via the lien process to collect on delinquent accounts. The Chester Water Authority is still not willing to shut off water for any delinquent accounts for the next two to three months. Mr. Pileggi stated that in December 2020, DELCORA increased grant monies to be available to anyone who applied and qualified for assistance in paying their bill but, ultimately, a minimal amount of requests were received.

Continuing, Mr. Pileggi summarized the sale of DELCORA's accounts receivables upon the closing with Aqua PA and the firm of GRB Law was engaged to provide legal services to seek a third party to purchase the accounts. However, any company buying the accounts needs a firm closing date and we don't have that right now. He suggested that GRB Law be hired as a collection agency and stated that he will provide more information on that next month in the form of a proposal from GRB Law. He noted that GRB Law performs collections for the City of Philadelphia for their taxes. In response to

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a question from Ms. Nichols, Mr. Pileggi stated that the proceeds of the sale of receivables would go into the Trust. Mr. Knapp noted that there is federal money available for businesses and residents to help pay for their utilities. Mr. Pileggi explained that the receivables would not be purchased at face value but would be purchased at a discounted rate depending upon the proposals received from the purchasers. GRB Law could also be used to serve certificates on new owners of properties sold that have old liens placed against them. In response to a suggestion from Mr. Nagle, Mr. Pileggi agreed to ask the solicitor if DELCORA could send delinquency letters to protect DELCORA's right to collect in order to prevent the account from being considered as bad debt and not collectible. Mr. Pileggi had no additional comments to the written report. The Committee had no other questions on the written report.

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