

**MINUTES**  
**FINANCE COMMITTEE MEETING**  
**MAY 12, 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 April Interim Statements and highlighted items contained in the written report. Regarding Revenue, Mr. Pileggi stated that revenue improved in April 2021 compared to April 2020, basically because the office was open. In April 2020, the office was closed due to the COVID-19 virus restrictions. Regarding Collections, he reported that an extra \$330,000 was received this year compared to this time last year. Referencing the Profit and Loss Statement, he stated that he is expecting to be at budget by the end of the year with little variance. Mr. Pileggi had no additional comments to the written report. The Committee had no questions on the written report.
4. AUTHORIZATION FOR PROFESSIONAL SERVICES:
  - A. MINGIS, GUTOWSKI & COMPANY, LLP (JOHN R. HANNA, CPA) – PROPOSAL DATED MAY 7, 2021 – FOR PROFESSIONAL SERVICES TO PROVIDE ACCOUNTING AND CONSULTING SERVICES IN SUPPORT OF THE AQUA/DELCORA CUSTOMER TRUST FUND AND DELCORA ACCOUNTS RECEIVABLE BALANCES AT CLOSING WITH AQUA – AMOUNT BASED ON A PER HOUR FEE OF \$180.00 PLUS MISC. OUT-OF-POCKET EXPENSES (OPERATING FUNDS)

Mr. Pileggi stated that in anticipation of the closing day with Aqua, the financial activity of the Customer Trust Fund and Accounts Receivables need to be reported to Aqua. Mr. Hanna will serve as a Financial Officer/Consultant and will be responsible for providing that financial information to Aqua. Mr. Hanna is a Board member of the Middletown Township Sewer Authority, which is a customer of DELCORA's. He has come in to the office annually over the last several years to discuss the true-up of their account, so he is very familiar and knowledgeable with our billing procedures and how DELCORA operates. Therefore, Mr. Pileggi believes Mr. Hanna is a valuable person to select for this task. He also stated that there is no 'not-to-exceed' amount yet as we don't know how many hours are needed to conduct this effort. Mr. Hanna's hourly fee is

\$180.00 and he would provide an itemized bill on time expended. Mr. Willert requested that Mr. Pileggi provide comparable hourly rates of other CPA firms to the Board at the meeting on May 19<sup>th</sup>. Also, Mr. Pileggi suggested that the Board could place a 'not-to-exceed' amount on this proposal at closing. He also stated that this proposal is similar to legal firms that charge an hourly rate since the amount of effort is typically an unknown.

Following discussion, it was the consensus of the Committee to recommend Board approval of the above proposal. This item will be placed on the agenda for the May 19<sup>th</sup> Board meeting.

5. AUTHORIZATION TO PURCHASE:

- STEERABLE PIPE RANGER FOR VIDEO CAMERA SYSTEM THROUGH THE PA CO-STARS CONTRACT FOR A TOTAL AMOUNT NOT TO EXCEED \$17,990.00 (CAPITAL FUNDS)

Mr. DiSantis explained that this is a piece of equipment that a video camera is mounted on so it can navigate through sewer lines to video them. DELCORA's new permit requires that 150,000 feet of sewer lines be cleaned and televised per year, and right now, there is only one Ranger available to perform this duty. He also stated that this purchase will be made through the PA CO-STARS contract and, because of the price, we are not required to get three quotes or put this out for bid.

Following discussion, it was the consensus of the Committee to recommend Board approval of the above purchase. This item will be placed on the agenda for the May 19<sup>th</sup> Board meeting.

ADJOURNMENT: It was moved by Mr. Lucas, seconded by Mr. Monaghan, and unanimously carried to adjourn the regular meeting at 3:40 p.m.