

**MINUTES**  
**FINANCE COMMITTEE MEETING**  
**MAY 11, 2022 (VIRTUAL)**

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Attendants: Messrs. Cherico, Garner, Hurst, Kern, Knapp, Monaghan, Moss, Rice, Willert, Mesdames Billings, Bonnett, Caulk, Cummings, Nichols, and Sage.

There were no members of the public present.

1. ROLL CALL: Seven 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. Mike Cherico, 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 and Expenses, Mr. Cherico stated that we are still expecting to generate about \$19.5 million to be used for the current capital plan and the Long Term Control Plan expenses. There were a few variances from budget. There are some positive variances in tapping fees, interest income, and employee benefits. These are offset by some negative variances in utilities and chemicals that net to a projected zero for the year. He also stated that about \$21 million in cash is projected to be generated year-over-year, as has been mentioned previously. Mr. Cherico had no additional comments to the written report. The Committee had no questions on the written report.

Regarding Residential Accounts Receivables, Mr. Shep Garner, Accounting & Customer Service Manager, reported that about \$455,000 was collected in April 2022 compared to about \$691,000 collected in April 2021 indicating an unfavorable difference of approximately \$235,000; however, year-to-date collections are still above 2021 by about \$327,000. He also stated that \$28,000 was received from the Commonwealth's LIHWAP program (Low Income Housing Water Assistance Program) which is a low income funding program created by the state. Mr. Garner had no additional comments to the written report. The Committee had no questions on the written report.

4. REVIEW OF THE 2021 AUDITED FINANCIAL STATEMENTS: Mr. Cherico provided a draft copy of the 2021 Audit to all Board members for their review and comment. He stated that the auditors had no adjustments to the internally produced financial statements and found no issues with our internal controls or accounting procedures. He attributed these findings to the very good job done by the employees in the Accounting, Customer Service, Human Resources, and Procurement Departments. Mr. Cherico had no additional comments on the draft audit. The Committee had no questions on the draft audit.

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Following discussion, it was the consensus of the Committee to recommend Board approval of the 2021 Audit. This item will be placed on the agenda for approval at the May 18<sup>th</sup> Board meeting.

Prior to adjournment, Mr. Knapp stated that there would be an Executive Session following the meeting.

ADJOURNMENT: It was moved by Ms. Nichols, seconded by Ms. Sage, and unanimously carried to adjourn the regular meeting at 3:40 p.m.