

**MINUTES**  
**FINANCE COMMITTEE MEETING**  
**FEBRUARY 15, 2023 (VIRTUAL)**

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

The following was present: Mike Ewall. There were no other 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. CHIEF FINANCIAL OFFICER REPORT: Mr. Cherico provided the Board with a written summary report of the January Interim Statements and highlighted items contained in the written report. Regarding Revenue and Expenses, Mr. Cherico stated that about \$13,000,000.00 was budgeted for 2023 for the revenue for replacing Capital Assets. Mr. Cherico stated it is expected that we will be in budget by the end of the year. Mr. Cherico stated that over the prior 12 months cash balance went down over 14.5 million dollars we spent 37.1 million towards capital projects, therefore cash generated from operations was around 22.5 million dollars over the last 12 months. Mr. Cherico had no additional comments to the written report. The Committee had no questions on the written report.

Regarding Residential Accounts Receivables, Mr. Garner reported that about \$313,000 was collected in January 2023 compared to about \$384,000 in January 2022, indicating an unfavorable difference of approximately \$70,663. Mr. Garner stated that the reason for the unfavorable difference is due to the billing cycle going out in the later part of the month of January. Mr. Garner did report that they will be applying penalties and interest, along with sending out delinquencies to the customers for the first time since 2020. Mr. Knapp asked if these are all residential users or are there businesses included as well. Mr. Garner stated that they are all residential however there are some businesses included in that group that qualify as residential. Mr. Willert asked if there has been any increase in customers signing up for the assistance programs. Mr. Garner stated that no they have not had any new interest in these programs. Mr. Nagle asked what the receivables at the end of the year was, Mr. Cherico responded that it was a little over 2 million. Mr. Cherico stated that there has been an uptick since covid due to DELCORA not being able to shut off water when they did not pay their bill, therefore there has been a higher amount in accounts receivable. Mr. Cherico reported that the total billing within a year is a little over 80 million dollars, he stated that the retail is a little over 8 million, therefore the residential is 10% of our total revenue. Mr. Kern stated that we borrowed 30 million and wanted to confirm that all those funds are used. They responded it is all used with the tunnel, the ups building at the WRTP, and closing costs. Ms. Nichols asked with the new rates for Philadelphia will we be under budget,

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Mr. Cherico stated that they don't get kicked in until the 4<sup>th</sup> quarter. Ms. Nichols asked when we are aware of what our obligations are regarding Philadelphia could the Board receive an updated 5-year projection. Mr. Willert stated that they can get the Board that information after they talk to Philadelphia. Mr. Garner had no additional comments to the written report. The Committee had no additional questions on the written report.

ADJOURNMENT: It was moved by Mr. Nagle, seconded by Ms. Billings, and unanimously carried to adjourn the regular meeting at 3:48 p.m.