

MINUTES
FINANCE COMMITTEE MEETING
JUNE 14, 2023 (VIRTUAL)

Attendants: Messrs. Cherico, DiSantis, S. Garner, Kern, Knapp, Monaghan, Moss, Mullen, Nagle, Willert, and Mesdames Amadio, and B. Garner.

There were no members of the public present.

1. ROLL CALL: Six 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 May Interim Statements and highlighted items contained in the written report. Regarding Revenue and Expenses, Mr. Cherico reported that not a lot has changed since last month and that we are still on pace to generate \$13 million to be used for replacing capital assets, funding current capital assets, funding the Capital Plan and future Long Term Control Plan expenses. There were a few variances in the revenue budget. Mr. Cherico stated that we continue to have favorable variances in tapping fees as well as Interest Income. There is still an unfavorable variance in chemicals due to price increases in chemicals, solids disposal, and repairs and maintenance. There is also a favorable variance regarding employee benefits and debt service because we are not borrowing as much as we anticipated. Mr. Cherico had no additional comments on the written report.

Mr. Knapp asked if the increase in chemicals was due to cost and not usage. Mr. DiSantis answered that yes, chemicals have been higher since the Pandemic.

Regarding Residential Accounts Receivables, Mr. Shep Garner, Accounting & Customer Service Manager, reported that about \$1,481,000 was collected in May 2023 compared to about \$1,565,000 collected in May 2022 indicating an unfavorable difference of approximately \$83,000; however, Mr. Garner stated that we are nearly \$1,000,000 higher in 2023 compared to 2022. He also reported that 10-day notices were sent out on May 31st. Water shut-offs were sent out and are planned to begin June 21st. Mr. Garner had no additional comments on the written report.

Mr. Knapp asked if customers are asked to pay their balance in full. Mr. Garner replied that during the 10-day notice process we are asking customers for half of the balance for a two-week extension of the remaining balance. Once the shut off process begins, customers are required to pay the past due balance in full to restore their services.

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4. ADJOURNMENT: It was moved by Mr. Knapp, seconded by Mr. Nagle, and unanimously carried to adjourn the regular meeting at 3:35 p.m.