

MINUTES
FINANCE COMMITTEE MEETING
DECEMBER 13, 2023 (VIRTUAL)

Attendants: Messrs. Cherico, DiSantis, S. Garner, Hurst, Kern, Knapp, Monaghan, Mullen, Nagle, Willert, and Mesdames Amadio, Billings, Caulk, B. Garner, Nichols, and Sage.

There were no members of the public present.

1. ROLL CALL: Eight 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 November Interim Statements and highlighted items contained in the written report. Regarding Revenue and Expenses, Mr. Cherico stated that we are still on track to hit the \$13 million budgeted for the reserve for replacing capital assets and we are about \$740,000 ahead of that. He noted that there were similar variances to last month. There was a negative revenue variance in wholesale customer revenue due to lower flow but there were some positive revenue variances in hauled waste and tapping fees. He also mentioned that in addition to tapping fees from Edgmont, we received about \$156,000 from other new developments in Delaware County. Additionally, because of the lower flow, we have a favorable variance in the Philadelphia treatment costs. As in the past months, chemicals, repairs and maintenance, and utilities are negative variances, so a total revenue variance of \$890,000 offset a total expense variance of about (\$150,000) gives us a net positive variance overall about \$740,000 ahead of budget. Mr. Cherico also reported that about \$22 million of cash was generated from operations, and \$15 million of that was used for capital projects. The overall cash balance was \$8.3 million higher than it was twelve months ago. Mr. Cherico had no additional comments to his written report. The Committee had no other questions on the written report.

Regarding Residential Accounts Receivables, Mr. Shep Garner, Accounting & Customer Service Manager, reported that about \$1,495,396 was collected in November 2023 compared to about \$1,587,978 in November 2022, indicating an unfavorable difference of approximately \$92,582. Year-to-date collections are doing very well at about \$2.5 million higher than 2022. Mr. Garner had no additional comments to his written report. The Committee had no questions on the written report.

4. RATE RESOLUTIONS – ADOPTION OF RATE RESOLUTIONS FOR ESTABLISHING SEWER SERVICE FOR THE YEAR 2024

- Rate Resolution 2023-12 - For Chester City Users
- Rate Resolution 2023-13 - For Upland Borough Users
- Rate Resolution 2023-14 - For Parkside Borough Users
- Rate Resolution 2023-15 - For Chester Township Users
- Rate Resolution 2023-16 - For Trainer Borough Users
- Rate Resolution 2023-17 - For Marcus Hook Borough Users
- Rate Resolution 2023-18 - For Western Wholesale Users
- Rate Resolution 2023-19 - For EDU Wholesale Users
- Rate Resolution 2023-20 - For Retail Industrial Users
- Rate Resolution 2023-21 - For Wholesale Industrial Users
- Rate Resolution 2023-22 - For Eastern Wholesale Users
- Rate Resolution 2023-23 - For Pocopson-Riverside-Chadds Ford Users
- Rate Resolution 2023-24 - For Pocopson-Preserve-Chadds Ford Users
- Rate Resolution 2023-25 - For Rose Valley Borough Users
- Rate Resolution 2023-26 - For Edgmont Township Users
- Rate Resolution 2023-27 - For SWDCMA Users
- Rate Resolution 2023-28 - For Middletown Twp. Sewer Authority Users
- Rate Resolution 2023-29 - For Springhill Farms WWTF Users

A copy of the rate resolutions was provided to all Board members for their review.

It was the consensus of the Committee to recommend Board approval of all the above rate resolutions for 2024. These items will be placed on the agenda for the December 19th Board meeting.

5. ADJOURNMENT: It was moved by Ms. Nichols, seconded by Mr. Mullen, and unanimously carried to adjourn the regular meeting at 3:36 p.m.