

MINUTES
FINANCE COMMITTEE MEETING
JANUARY 15, 2025 (VIRTUAL)

Attendants: Messrs. Cartafalsa, Cherico, S. Garner, Hurst, Kern, Martin, Moss, Nagle, Schuster, Willert, Mesdames Amadio, Billings, Bonnett, Caulk, B. Garner, Keffer, and Nichols.

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. CHIEF FINANCIAL OFFICER REPORT: Mrs. Amadio, Controller, provided the Board with a written summary report of the December Interim Statements and highlighted items contained in the written report. Regarding Revenue and Expenses, Mrs. Amadio stated that about \$13,600,000 of revenue above expenses is expected to be generated to use for capital expenditures. She also noted several favorable and unfavorable revenue variances. Mr. Kern asked about the Eastern Authorities' unfavorable revenue variance. This was due to lower than budgeted flow for the year. Mr. Cherico stated that this is offset by other favorable variances noting that the Philadelphia's Expense will be under budget but by less than the amount of the unfavorable revenue variance from Eastern authorities. However, favorable revenue variances in hauled waste and interest income will more than offset the unfavorable revenue variance from the Eastern Authorities. Continuing, Mrs. Amadio stated that the expense variances are similar to last month's, noting that Residual Waste was higher and Overtime was higher mainly due to the Route 420 force main break. She also reviewed the Solicitor, Consulting, and Engineering expenses with a Total Expense Variance of about \$4.3 million. Mrs. Amadio added that we had contingencies of about \$3 million in the budget as potential settlements with the City of Chester. This money was set aside in case it was needed but these settlements did not happen in 2024. Mrs. Amadio had no additional comments to the written report. The Committee had no other questions on the written report.

Regarding Residential Accounts Receivables, Mr. Garner reported that about \$432,000 was collected in December 2024 compared to about \$866,000 in December 2023, indicating an unfavorable balance of approximately \$433,000. Year-to-date collections were lower in 2024 than in 2023 by about \$1 million. He stated that in 2023, we started collecting all of the delinquencies after a three year period so that is the reason for the large variance between 2024 and 2023. Going forward, we expect the variance to be much different when comparing 2025 to 2024. Mr. Garner had no additional comments to the written report. The Committee had no questions on the written report.

4. APPOINTMENTS OF ADVISORS FOR 2025:

- PENSION ADVISORS:
 - > CBIZ INVESTMENT ADVISORY SERVICES, LLC CONTINUES AS INVESTMENT ADVISOR [CBIZ FEE AS FIDUCIARY INVESTMENT MANAGER FOR THE DEFINED BENEFIT PENSION PLAN IS .30% OF ASSETS]
 - > CBIZ BENEFITS & INSURANCE SERVICES CONTINUES TO PROVIDE ACTUARIAL SERVICES [2025 FEE; \$27,500 FOR RECURRING SERVICES BILLABLE QUARTERLY PLUS \$450 FOR PENSION BENEFIT CALCULATIONS]
- FINANCIAL ADVISOR (PUBLIC FINANCIAL MANAGEMENT, INC. [FEE: 35,000-\$45,000 FOR EACH BOND ISSUE]
- SOLICITOR (JOHN RICE OF GRIM, BIEHN & THATCHER [FEE: PARTNERS \$230/HR; ASSOCIATE ATTORNEYS \$210/HR])

Following discussion, it was the consensus of the Committee to recommend that the Board accept the above Advisor Appointments. These items will be placed on the agenda for the January 21st Board Meeting.

ADJOURNMENT: It was moved by Mr. Martin, seconded by Ms. Keffer, and unanimously carried to adjourn the regular meeting at 3:46 p.m.