

**DELAWARE MUNICIPAL ELECTRIC CORPORATION**  
**Regular Audit Committee Meeting**  
August 20, 2019  
Smyrna, Delaware

A meeting of the Audit Committee of the Board of Directors of the Delaware Municipal Electric Corporation was held on August 20, 2019 at the DEMEC offices, Smyrna, Delaware.

The meeting was called to order at 9:01 a.m.

The following roll call was presented:

Committee Present:

Pamela Patone, Chair  
MSC of New Castle, General Manager/Secretary  
Tyler Reynolds  
Town of Middletown, Finance Manager  
David Del Grande  
City of Newark, Finance Director

DEMEC Staff Present:

Stephanie Dove, Manager of Accounting and Settlements

Special Guests: None.

APPROVAL OF MINUTES – June 17, 2019

Upon motion by Mr. Reynolds and second by Mr. DelGrande, the June 17, 2019 meeting minutes were approved by the Committee.

FOLLOW UP ON ACTION ITEMS

None.

AUDIT

None.

AUDIT COMMITTEE LEADERSHIP

This topic was added to the agenda by Ms. Patone during the meeting. Discussion was had on the rotation of the Audit Committee chairperson. Mr. DelGrande was concerned that if the Audit Committee chairperson was an alternate director, they may not be privy to all DEMEC board meeting conversations and this could inhibit the knowledge needed for the position. Ms. Dove noted that in the past the Audit Committee did have a chairperson that was an alternate director in the position. Staff will review the committee charter and advise the committee of the committee member terms/rotations. The Committee will re-visit this conversation after the August DEMEC Board meeting.

The Audit Committee is an advisory-only committee of the DEMEC Board of Directors and has no power to finally approve or order any action. The power to act rests exclusively with the DEMEC Board of Directors.

Audit Committee Meeting (continued)  
August 20, 2019

### ACCOUNTING POLICIES & PROCEDURES

None.

### BUSINESS FROM THE FLOOR

None.

### EXECUTIVE SESSION

Motion was made by Mr. Reynolds and seconded by Mr. Del Grande to go into Executive Session at 9:10 am to discuss strategic business planning. The Audit Committee ended the executive session at 9:49 am.

No recommendations for board approval were proposed in executive session.

### NEXT MEETING DATES

The chair will distribute calendar invites to the committee members for the upcoming meetings set for:

- a. Tuesday, November 19, 2019 at 9:00am (Tentative)
- b. Tuesday, February 18, 2020 at 9:00am
- c. Tuesday, May 19, 2020 at 9:00am

### ADJOURNMENT

The Audit Committee adjourned at 9:55 am.