

**DELAWARE MUNICIPAL ELECTRIC CORPORATION**  
**Regular Finance Committee Meeting**  
May 18, 2021  
Smyrna, Delaware

A meeting of the Finance Committee of the Board of Directors of the Delaware Municipal Electric Corporation was held on May 18, 2021 via Zoom.

The meeting was called to order at 9:03 a.m.

The following roll call was presented:

Committee Present:

Tyler Reynolds  
Town of Middletown, Finance Director  
David Del Grande  
City of Newark, Finance Director

DEMEC Staff Present:

Patrick McCullar, President & CEO  
Stephanie Dove, Director of Accounting and Settlements  
Charles Santo, Accounting Analyst

Special Guests: None.

APPROVAL OF MINUTES – February 16, 2021, March 12, 2021, March 16, 2021, & March 31, 2021

Upon motion by Mr. Reynolds and second by Mr. DelGrande, the February 16, 2021 Regular Finance Committee Meeting and the March 12, 16, and 31, 2021 Special Meeting minutes were approved by the Committee.

FOLLOW UP ON ACTION ITEMS

DEMEC Rate Study

Mr. McCullar gave an overview of the two proposals received and recommended that UFS be chosen to perform the DEMEC rate study based on price and knowledge of DEMEC and its members. Mr. DelGrande agreed with this choice and Mr. Reynolds noted that he thinks it is a positive for UFS that they are frequent APPA trainers. Upon motion by Mr. Reynolds and second by Mr. DelGrande, the Committee recommends UFS for the DEMEC Rate Study.

Investment Services RFP

None.

The Finance 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

None.

FINANCE COMMITTEE LEADERSHIP

Mr. McCullar and the Committee agreed that this will be discussed with the full board for their decision.

TREASURER'S REPORT

None.

ACCOUNTING POLICIES & PROCEDURES

Purchasing Policy

No update.

Accounting Policies & Procedures

Ms. Dove noted that this was an addition to the Agenda as the policy needs to be updated due to the addition of new staff.

REVIEW OF FINANCIAL REPORTS

1Q 2021

Ms. Dove provided an overview of the 1<sup>st</sup> quarter financial statements for the Committee noting that DEMEC Demand is up over the 1<sup>st</sup> quarter 2020 and the RSR charges have been less than the 1<sup>st</sup> quarter 2020 charges. Ms. Dove said the RSR account is consistent with what we see annually in the first quarter of the year.

Ms. Dove said that DEMEC staff has spoken with PNC Capital Advisors regarding the new Investment Policy and it was agreed that the portfolio will adhere to the new policy by 12/31/2021 so the assets that do not adhere can mature and DEMEC does not incur losses for early sales.

BUSINESS FROM THE FLOOR

Mr. DelGrande suggested an RFP for a Financial Advisor. DEMEC staff agreed and will add to the agenda.

EXECUTIVE SESSION

None.

Finance Committee Meeting (continued)  
May 18, 2021

### NEXT MEETING DATES

DEMEC staff will distribute calendar invites to the committee members for the upcoming meetings set for:

- a. Tuesday, August 17, 2021 at 9:00am
- b. Tuesday, November 16, 2021 at 9:00am
- c. Tuesday, February 15, 2022 at 9:00am

### ADJOURMENT

The Finance Committee adjourned at 9:38 am.