

Rancho Adobe Fire Protection District

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**MINUTES OF THE FINANCE COMMITTEE MEETING
AUGUST 15, 2024 — 8:30 A.M.
PENNGROVE FIRE STATION - 11000 MAIN STREET
PENNGROVE, CALIFORNIA**

I. CALL TO ORDER / ROLL CALL / PLEDGE OF ALLEGIANCE

Committee Chairman, Mark Hemmendinger, called the Finance Meeting to order at 8:30 a.m. The agenda for this meeting was posted on August 8, 2024.

Directors Present: Mark Hemmendinger, Bob Moretti, Ray Peterson

Staff Present: Chief Veliquette, Herb Wandel, Tim Caldwell, Jennifer Bechtold, Eric Gromala

Minutes Conducted by: Jennifer Bechtold

II. ORAL AND WRITTEN COMMUNICATIONS

A. Citizen Business/Public Comments on Items not appearing on Agenda

There was no public comment.

III. FINANCIAL OFFICERS REPORT

A. Presentation from Cameron Weist on Infrastructure Funding Options

Cameron Weist presented options to the Finance Committee for consideration of funding needs on infrastructure. Two methods of incurring debt include private and public placement. Private placement means we have just one lender, versus public placement means the bond transaction is offered to anyone to bid on. Our current covenants in place cover the parity debt we have now have.

B. Discussion on Section 115 Trust for CalPERS UAL

Mr. Weist suggested the District consider opening a 115 Trust for future pension obligations. This trust allows the District to invest money outside of government codes that can be used only for pension purposes. We can also use these funds to pay normal pension costs if the account were to exceed needed funding levels. The 115 Trust ceiling is 105-108% funded. Mr. Weist will suggest several options for 115 Trust management.

C. Discussion on Annual Pension Policy Compliance

Mr. Weist will review the current District pension policy and make some suggested edits. One edit will include reducing our funding goal from 95% to 85%, which will help with the investment swings CalPERS experiences year to year. Having a funding goal at 95% is risky and decreases our resiliency to these swings.

D. Discussion and Review of FY 24/25 Final Operating and Capital Budgets

Chief Veliquette reviewed the final budget with the committee and allowed for comment and questions. The final budget was agreed upon and will be presented to the full Board as a first reading at the August meeting.

E. Discussion on Allocations of FY 23/24 Carryover Funds

Chief Veliquette shared the rollover balance of \$674,719.50 and made suggestions on how the District can utilize these funds in coming years.

F. Discussion on Purchasing Policy Revision

Item will be discussed at a future meeting.

G. Discussion on First Responder BLS Agreement with SCFD

Chief Veliquette reviewed the proposed BLS agreement with SCFD that will be presented at the August Board meeting. Annual revenues from this contract will generate \$125,000.00.

III. ADJOURNMENT

With no further business to discuss, the finance committee meeting was adjourned at 11:35 a.m.

Motion moved by Mr. Hemmendinger and seconded by Mr. Moretti.