

# Rancho Adobe Fire Protection District

---

11000 Main Street  
P. O. Box 1029  
Penngrove, California 94951

Telephone: (707) 795-6011  
Fax: (707) 795-5177  
www.rafd.org

**MINUTES OF THE FINANCE COMMITTEE MEETING  
OCTOBER 3, 2024 — 9:00 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 9:00 a.m. The agenda for this meeting was posted on September 27, 2024.

Directors Present: Mark Hemmendinger, Bob Moretti, Ray Peterson

Staff Present: Chief Veliquette, Herb Wandel, Tim Caldwell, James Deurloo, Jennifer Bechtold

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 or citizen business.

**III. FINANCIAL OFFICERS REPORT**

A. Discussion on Section 115 Trust for CalPERS UAL

Cameron Weist from Weist Law conducted an overview of how a Section 115 Trust works. The committee was given information on two Section 115 Trust vendors, CalPERS and PARS. CalPERS is non-profit; therefore the target is low risk and returns are around 5 ½%. PARS is a for-profit company with much higher return rates, though our money would be exposed to more risk. The fee structure is also higher than PERS. Either trust can be set up without charge, and fees only begin once the account is funded. Chief Veliquette commented that he spoke with a District in Marin County who has a 115 Trust with PARS, and over the past ten year, even with many up and downward swings, they have always netted positive return rates. The committee feels our money would be better managed with PARS in the future, especially with various choices for how aggressive we want to invest our funds.

The committee will make a recommendation of starting a Section 115 Trust with PARS and utilizing the funds allocated in our UAL reserve account.

B. Discussion Changes to Policy 7030: Unfunded Accrued Liability Policy

Mr. Weist reviewed the suggested edits to the UAL policy which is mostly guidance and brings the Section 115 Trust information to the policy. The only other significant change will be reducing the funding ratio of our pension plans from 95% to 85%. This will help keep our plans from being superfunded and our money will also be safeguarded through establishing the 115 Trust.

C. Discussion on Procurement Policies

Chief Veliquette introduced a set of procurement policies which the District does not have in place at this time. All policies have been vetted through our counsel and suggested changes have been made. The committee reviewed each policy and made further recommendations. More collaborative work will be done with District personnel and policies will be brought to the full Board in November.

**III. ADJOURNMENT**

With no further business to discuss, the finance committee meeting was adjourned at 11:30 a.m.

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

Respectfully submitted,

  
\_\_\_\_\_  
Jennifer Bechtold, Board Clerk