

# Rancho Adobe Fire Protection District

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**MINUTES OF THE FINANCE COMMITTEE MEETING  
DECEMBER 27, 2022 — 10:00 A.M.  
COTATI FIRE STATION - #1 EAST COTATI AVE.  
COTATI, CALIFORNIA**

**This Finance Committee meeting was held via teleconference.**

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

Finance Committee Chairman, Mark Hemmendinger, called the meeting to order at 10:00 a.m. The agenda for this meeting was posted on December 22, 2022.

Directors and Staff Present: Mark Hemmendinger, Ray Peterson, Bob Moretti, Jeff Veliquette, Eric Gromala, Herb Wandel, Daniel Ikalani, 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 comment from the public.

**III. FINANCIAL OFFICERS REPORT**

A. Discussion on Disbursement of December 2022 Property Taxes and Cash Investment Options

Mr. Hemmendinger commented that we would be reviewing the request to fund \$3 million into a six-month CD at Summit State Bank from the end of December through June 2023.

Chief Veliquette stated the District received our December property tax revenues last week totaling \$3,783,129, which is a little over 50% of taxes projected. Summit State Bank is offering six-month CD rates at 4.4%, so after reviewing our financials for the coming six months, we will be able to invest \$3 million. Before tax deposits this month, our cash balance was \$2,284,882. Adding property taxes, strike team revenues and the final BLS payment brought our cash just shy of \$4 million. Reviewing expenditures through April 30 of \$1,945,930, and prior to the next tax deposit, our cash balance will drop to around \$973,956. Following the April tax deposits, we predict cash to come up to \$4,108,822. May and June expenditures of \$1,125,000 will leave the District approximately \$2,985,823. Once the CDs mature early July, along with interest earned of \$65,000, we anticipate the cash balance at that time to reach \$6,050,822.

Captain Gromala clarified our lowest cash balance in April and asked how the station 2 remodel project would affect our cash. Chief Veliquette has spoken with Director Proteau about this and he felt the money would not be due for five to six

months after signing the contract (hopefully in March or April). If we had to apply a 25% project payment up front, we would still have enough cash on hand to do so.

Director Hemmendinger mentioned that by policy, we need to have half of our operating budget in reserves come July, so we may look to fund another CD at the end of June.

Director Peterson asked if we have any upcoming truck or apparatus purchases and Chief Veliquette said no, we have no intention of purchasing anything during the next six months. Mr. Peterson also asked what we could anticipate with any incidentals and should something occur, we would have to front the \$25K deductible and the rest would be covered.

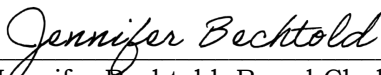
All Directors were in favor of funding a six-month CD for \$3 million effective today.

The committee also discussed the auditor's poor handling of the pension obligation bonds in the FY 21/22 audit. Mr. Peterson asked if we have any paperwork from CalPERS showing they received the \$5.6 million payment in October 2021. Mrs. Bechtold said she would pull this paperwork. Chief Veliquette thought we should have a teleconference meeting next week with John Blomberg to discuss our audit concerns prior to the January Board meeting. Mrs. Bechtold will contact Mr. Blomberg with a date and time for this meeting.

### **III. ADJOURNMENT**

With no further business to discuss, the Finance Committee meeting was adjourned at 10:36 a.m.

Respectfully submitted,

  
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Jennifer Bechtold, Board Clerk