



Midpeninsula Regional  
Open Space District

R-25-83  
Meeting 25-18  
June 25, 2025

## AGENDA ITEM 4

### AGENDA ITEM

Authorization to Transfer \$1.5 Million from Fiscal Year 2024-2025 Budget Savings to the Committed for Infrastructure Reserve

### GENERAL MANAGER'S RECOMMENDATION

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By affirmative vote of 2/3 of the Board of Directors, adopt a Resolution authorizing the General Manager to transfer \$1.5 Million into the Committed for Infrastructure Reserve to pre-fund upcoming large-scale infrastructure projects.

### SUMMARY

At the approach of the fiscal year-end, staff evaluates and forecasts salaries and benefits savings, comparing the adopted budget amounts with the actual and anticipated expenditures for the fiscal year. The available savings are considered for determining a prudent amount that can be allocated toward reducing the unfunded pension liability or for making additional contribution to a reserve(s). Based on the most current review of Fiscal Year 2024-25 (FY25) salary savings, the General Manager recommends transferring \$1.5 million into the Committed for Infrastructure Reserve to pre-fund upcoming long-scale infrastructure projects like the Coastal Area Office and the Skyline Field Office Rebuild. The District Controller agrees with the proposed transfer.

### DISCUSSION

To mitigate the future effects of increases to pension costs due to volatile investment returns and/or changes in actuarial parameters, the District has used salary savings to pay down its unfunded pension liability. Since establishing a Section 115 Trust administered by PARS in 2018, the District has used budget savings to make additional contributions totaling \$9.6 million. As of June 30, 2023, the funded ratio for the District's pension plan is 77.9%. With inclusion of the \$9.6 million in additional contributions and interest earned, the funded ratio increases to 90%. This compares favorably to the overall CalPERS funded ratio of 72% as of June 30, 2023.

Given the adequate funded ratio for the pension plan, the recommendation for FY25 is to instead transfer \$1.5 million in salary savings to the Committed for Infrastructure Reserve in preparation for upcoming large-scale infrastructure projects. The balance of the Committed for Infrastructure Reserve is \$35.2 million (net of the \$5.5 million appropriated from the Infrastructure Reserve for purchasing a commercial property for the new Coastal Area Office and the \$5.4 million transfer approved on June 11, 2025). With the additional \$1.5 million contribution, the balance will increase to \$36.7 million.

The purpose of this reserve is to expand field and office facilities. Two major facility projects are in progress, the Coastal Area Office and the Skyline Field Office Rebuild. The combined estimated cost for both facilities is \$57.1 million. Currently, the source of funding for these two projects is the Infrastructure Reserve, with an existing \$14.9 million funding gap. The District has historically and successfully set aside funds to finance future facility needs. Most recently, the purchase and renovation of the Administrative Office and the South Area Office were funded using the Committed for Infrastructure Reserve, avoiding the issuance of new debt and saving the District millions of dollars.

Board Policy 3.07, Fund Balance Policy, provides that the amount reserved in Committed Funds (including the Committee for Infrastructure Fund) will be reviewed annually, and any changes to such Fund Balances require approval of two thirds of the Board.

### **PRIOR BOARD AND COMMITTEE REVIEW**

This item was not previously reviewed by the Board or Committee.

### **FISCAL IMPACT**

The proposed transfer will augment the Committed for Infrastructure Reserve to fund the District's facility expansion. This transfer is offset by projected savings in salaries and benefits budgeted in FY25.

### **PUBLIC NOTICE**

Public notice was provided pursuant to the Brown Act. No additional notice is required.

### **CEQA COMPLIANCE**

The recommended action is not a project for purposes of the California Environmental Quality Act.

### **NEXT STEPS**

Upon approval, staff will transfer \$1.5 Million to the Committed for Infrastructure Reserve prior to the end of FY25.

#### **Attachments:**

1. Resolution authorizing the transfer of \$1.5 million into the Committed for Infrastructure Reserve Fund

Responsible Department Manager:  
Stefan Jaskulak, Chief Financial Officer

Prepared by/Contact person:  
Rafaela Ocegüera, Budget & Finance Manager

RESOLUTION NO. 25-\_\_

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE  
MIDPENINSULA REGIONAL OPEN SPACE DISTRICT AUTHORIZING  
THE TRANSFER OF \$1.5 MILLION INTO THE COMMITTED FOR  
INFRASTRUCTURE RESERVE FUND**

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**WHEREAS**, at the end Fiscal Year 2024-25, budget savings from salaries and benefits were estimated to be approximately \$1.5 million; and

**WHEREAS**, the balance of the Committed for Infrastructure Reserve is \$35.2 million; and

**WHEREAS**, additional funds are needed for upcoming large-scale infrastructure projects; and

**WHEREAS**, the General Manager recommends increasing the Committed for Infrastructure Reserve Fund to pre-fund upcoming large-scale infrastructure projects.

**NOW, THEREFORE**, the Board of Directors of the Midpeninsula Regional Open Space District does resolve as follows:

**SECTION ONE.** Approve the transfer of \$1,500,000 from the General Fund’s Budget Savings to the Committed for Infrastructure Reserve Fund.

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PASSED AND ADOPTED by the Board of Directors of the Midpeninsula Regional Open Space District on June 25, 2025, at a regular meeting thereof, by the following vote:

**AYES:**  
**NOES:**  
**ABSTAIN:**  
**ABSENT:**

**ATTEST:**

**APPROVED:**

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Zoe Kersteen-Tucker, Secretary  
Board of Directors

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Jed Cyr, President  
Board of Directors

**APPROVED AS TO FORM:**

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Hilary Stevenson, General Counsel

I, the District Clerk of the Midpeninsula Regional Open Space District, hereby certify that the above is a true and correct copy of a resolution duly adopted by the Board of Directors of the Midpeninsula Regional Open Space District by the above vote at a meeting thereof duly held and called on the above day.

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Maria Soria, District Clerk