

## SPECIAL REVENUE FUND: COMMUNITY PRESERVATION ACT FUND

The Community Preservation Act (CPA) Fund was established after the voters of Somerville adopted the CPA (M.G.L. Ch. 44b) by an astounding margin of 76% in November 2012. The CPA creates a new funding source for the City to invest in historic preservation, affordable housing, and open space and recreation projects. Key annual revenue sources for the Fund include a 1.5% surcharge on net property taxes, discretionary appropriations into the Fund by the City, and matching funds from the state. State matching funds are distributed in November of each year and match total local funding (surcharge revenue and City appropriation) for the previous fiscal year. Somerville will receive its first distribution in FY15, which will match FY14 local revenue. The Board of Aldermen's approval of an appropriation of \$1,355,671 into the CPA Fund from free cash will maximize the matching funds the City receives from the state.

The Community Preservation Committee is responsible for implementing the CPA in Somerville, by working with the community to establish priorities for how CPA funding should be spent and making recommendations to the Board of Aldermen for specific projects to receive funding. The Committee also submits an annual budget to the Board of Aldermen which is determined in large part by the enabling state CPA legislation. In particular, the legislation requires the City to spend or reserve at least 10% of estimated annual CPA revenue for each of open space and recreation, historic resources, and community (affordable) housing. It also allows the City to devote up to 5% of estimated annual CPA revenue to the administrative and operating expenses of the Committee (the majority of which is accounted for by the salary of the Community Preservation Act Manager, who carries out all work related to the Act and the Committee), and it allows the City to place the remaining estimated revenue in a budgeted reserve, which allows the City to spend the funding after the tax recap.

Community preservation projects, which must receive approval from the Board of Aldermen upon recommendation from the Community Preservation Committee, will be funded out of the four reserve accounts and the Fund's balance of unspent FY14 revenue.

### FUND REVENUE:

COMMUNITY PRESERVATION ACT FUND	FY2014 BUDGET	FY2014 ACTUAL THRU MAY 29	FY2015 ESTIMATED	% CHANGE
SURCHARGE REVENUE	1,150,000	1,316,187	1,316,187	14.5%
CITY APPROPRIATION	0	1,355,671 (approved June 5)	0	0%
ESTIMATED STATE MATCH OF PREVIOUS YEAR'S SURCHARGE REVENUE & CITY APPROPRIATION	0	0	662,621	N/A
<b>TOTAL</b>	<b>1,150,000</b>	<b>2,671,858</b>	<b>1,978,808</b>	<b>72%</b>

# SPECIAL REVENUE FUND: COMMUNITY PRESERVATION ACT FUND

## FY2015 BUDGET:

COMMUNITY PRESERVATION ACT FUND	FY2014 BUDGET*	FY2014 ACTUAL THRU MAY 29*	FY2015 PROPOSED	% CHANGE
OPEN SPACE AND RECREATION RESERVE (10% OF ESTIMATED ANNUAL REVENUE)	115,000	267,186	197,881	72%
HISTORIC RESOURCES RESERVE (10% OF ESTIMATED ANNUAL REVENUE)	115,000	267,186	197,881	72%
COMMUNITY HOUSING RESERVE (10% OF ESTIMATED ANNUAL REVENUE)	115,000	267,186	197,881	72%
ADMIN AND OPERATING EXPENSES (5% OF ESTIMATED ANNUAL REVENUE)	57,500	54,231	98,940	72%
FY15 BUDGETED RESERVE/FY14 FUND BALANCE (UNDESIGNATED PROJECT FUNDING)	747,500	1,812,801	1,286,225	72%
<b>TOTAL</b>	<b>1,150,000</b>	<b>2,671,858</b>	<b>1,978,808</b>	<b>72%</b>

\*The CPA legislation does not require a budget in the first year of program operation (FY14). The City Auditor will make the required 10% reservations from final FY14 CPA revenue to comply with the legislation. The remaining revenue will become fund balance.

## TOTAL CPA FUNDING:

	FY2014 ESTIMATED	FY2015 ESTIMATED	FY14 & FY15 CUMULATIVE
<b>REVENUE</b>	<b>2,671,858</b>	<b>1,978,808</b>	<b>4,650,666</b>
SURCHARGE REVENUE	1,316,187	1,316,187	2,632,374
CITY APPROPRIATION	1,355,671	0	1,355,671
ESTIMATED STATE MATCH OF PREVIOUS YEAR'S SURCHARGE REVENUE & CITY APPROPRIATION	0	662,621	662,621
<b>EXPENDITURES</b>	<b>-57,500</b>	<b>-98,940</b>	<b>-156,440</b>
ADMIN AND OPERATING EXPENSES (5% OF ESTIMATED REVENUE)	-57,500	-98,940	-156,440
PROJECT FUNDING TO DATE	0	0	0
<b>FUNDING AVAILABLE FOR CPA PROJECTS</b>	<b>2,614,358</b>	<b>1,879,868</b>	<b>4,494,226</b>
OPEN SPACE AND RECREATION RESERVE	267,186	197,881	465,067
HISTORIC RESOURCES RESERVE	267,186	197,881	465,067
COMMUNITY HOUSING RESERVE	267,186	197,881	465,067
UNDESIGNATED PROJECT FUNDING	1,812,801	1,286,225	3,099,026

## PERSONNEL LIST:

POSITION	NAME	CURRENT BASE	FISCAL YEAR BASE	TOTAL
COMMUNITY PRESERVATION ACT MANAGER	MONEA, EMILY	1,471.16	76,794.35	61,435.48