

CITY AUDITOR'S REPORT

MONDAY, AUGUST 24, 2015

2015 ADMISSION FEE/TAX

WE RECEIVED CHECKS IN THE AMOUNT OF \$6,844.51 FROM THE READING FIGHTIN' PHILS FOR JULY'S ADMISSION FEES/TAXES. THE SANTANDER ARENA AND THE PERFORMING ARTS CENTER BOTH HAD NO TICKETED EVENTS IN JULY. ALSO THIS MONTH, WE RECEIVED \$4,152.00 FROM READING ROYALS HOCKEY FOR JULY'S SALES.

THE 2015 BUDGET LIST \$325,000 AS EXPECTED REVENUE.

THE FOLLOWING CHARTS LIST ANNUALLY (2011-JULY 2015) THE ADMISSION FEES BY SPORT/VENUE:

| ADMISSION FEE/TAX | 2011 | 2012 | 2013 | 2014 | JULY 2015 |
|---|---------------------|---------------------|---------------------|---------------------|---------------------|
| READING PHILS -1 ST ENERGY STADIUM | \$104,498.69 | \$96,043.94 | \$93,720.02 | \$83,965.24 | \$47,641.80 |
| READING ROYALS - SANTANDER ARENA | \$60,719.57 | \$58,030.32 | \$79,569.86 | \$68,419.39 | \$46,052.91 |
| OTHER- SANTANDER ARENA | \$117,376.12 | \$175,637.30 | \$163,778.03 | \$78,803.12 | \$98,447.26 |
| PERFORMING ARTS CENTER | \$140,860.56 | \$95,120.89 | \$102,545.31 | \$105,199.93 | \$69,633.92 |
| TOTAL REVENUE | \$423,454.94 | \$424,832.45 | \$439,613.22 | \$336,387.68 | \$261,775.89 |
| BUDGETED REVENUE | \$480,000.00 | \$504,000.00 | \$510,000.00 | \$425,000.00 | \$325,000.00 |
| OVER/UNDER BUDGET | -\$56,545.06 | -\$79,167.55 | -\$70,386.78 | -\$88,612.32 | |

REAL ESTATE TRANSFER TAX – 1/1/2011 TO 07/31/2015

THIS IS AN UPDATE ON THE REAL ESTATE TRANSFER TAX RECEIPTS SINCE I LAST REPORTED IN MY JULY 13, 2015 REPORT. THIS TAX WAS 1% ('02), 1.5% ('03), 2% ('04-'05), AND 3.5% FOR ('06-'15).

THE FOLLOWING CHART ILLUSTRATES ACTUAL DATA FROM 01/2011 - 07/2015. IN JULY 2015 THERE WERE 175 REAL ESTATE TRANSFER TRANSACTIONS, OF WHICH 123 WERE TAXABLE TRANSACTIONS. THE CITY'S PROCEEDS IN JULY TOTALLED \$430,575.93. THE YEAR TO DATE TOTAL, THROUGH 7/31/15, IS \$1,919,696.59 OR \$19,696.59 MORE THAN BUDGET WITH FIVE (5) MORE MONTHLY RECEIPTS TO FOLLOW. THE 2015 BUDGET LISTS \$1,900,000 AS EXPECTED REVENUE.

| | 2015 | 2014 | 2013 | 2012 | 2011 |
|--------------------|--------------|---------------------|---------------------|---------------------|---------------------|
| January | 447,472.25 | 184,364.62 | 268,600.36 | 88,765.23 | 90,044.35 |
| February | 136,325.79 | 79,506.95 | 96,300.63 | 260,520.16 | 135,391.03 |
| March | 212,213.45 | 209,536.33 | 190,399.70 | 151,719.15 | 214,724.17 |
| April | 234,429.18 | 174,960.06 | 323,534.14 | 142,353.83 | 156,823.78 |
| May | 279,602.00 | 229,074.13 | 182,633.51 | 178,896.46 | 174,829.49 |
| June | 179,077.99 | 184,215.78 | 235,519.00 | 191,760.76 | 221,457.20 |
| July | 430,575.93 | 179,401.65 | 360,628.81 | 155,694.65 | 121,372.42 |
| August | | 212,909.86 | 238,208.80 | 126,717.87 | 179,026.81 |
| September | | 258,305.78 | 640,159.72 | 120,767.46 | 187,496.67 |
| October | | 271,499.71 | 167,947.97 | 241,408.93 | 255,432.51 |
| November | | 272,836.24 | 123,391.91 | 177,323.40 | 287,145.90 |
| December | | 253,304.41 | 151,516.19 | 137,293.31 | 208,991.89 |
| JAN.-JULY | 1,919,696.59 | 1,241,059.52 | 1,657,616.15 | 1,169,710.24 | 1,114,642.44 |
| Entire Year | | 2,509,915.52 | 2,978,840.74 | 1,973,221.21 | 2,232,736.22 |
| Budget | 1,900,000.00 | 1,982,975.00 | 1,900,000.00 | 2,000,000.00 | 2,750,000.00 |
| Over Budget | | 526,940.52 | 1,078,840.74 | <26,778.79> | <517,263.78> |

THE FOLLOWING CHARTS LISTS THE TOTAL NUMBER OF MONTHLY REAL ESTATE TRANSFER TRANSACTION MINUS NON-TAXABLE TRANSACTIONS TO ARRIVE AT TAXABLE TRANSACTIONS. FOR EXAMPLE, IN JANUARY 2015 THERE WERE 120 TRANSACTIONS MINUS 32 NON-TAXABLE TRANSACTIONS, WHICH LEAVES 88 TAXABLE TRANSACTIONS.

| | 2015 | 2014 | 2013 | 2012 | 2011 |
|---|-------------|-------------|-------------|-------------|-------------|
| J | 120-32=88 | 152-64=88 | 134-44=90 | 108-36=72 | 101-44=57 |
| F | 143-56=87 | 100-41=59 | 132-55=77 | 103-36=67 | 126-49=77 |
| M | 193-48=145 | 170-39=131 | 183-55=128 | 179-56=123 | 144-43=101 |
| A | 174-49=125 | 157-32=125 | 180-55=125 | 159-41=118 | 121-31=90 |
| M | 218-65=153 | 212-51=161 | 168-53=115 | 160-35=125 | 168-52=116 |
| J | 172-56=116 | 159-50=109 | 150-53=97 | 150-57=93 | 175-39=136 |
| J | 175-52=123 | 149-43=106 | 146-30=116 | 148-52=96 | 127-48=79 |
| A | | 150-41=109 | 177-71=106 | 118-39=79 | 153-39=114 |
| S | | 202-49=153 | 224-50=174 | 112-39=73 | 141-40=101 |
| O | | 223-71=152 | 170-56=114 | 225-53=172 | 181-52=129 |

| | | | | | |
|---|--|-------------------|-------------------|-------------------|-------------------|
| N | | 162-49=113 | 134-35=99 | 145-42=103 | 149-31=118 |
| D | | 196-68=128 | 138-53=85 | 138-50=88 | 172-61=111 |
| T | | 2032- 598=1434 | 1936- 610=1326 | 1745- 536=1209 | 1758- 529=1229 |

REAL ESTATE TRANSFER TAX -\$1 MILLION + PROPERTIES 2015

THE FOURTH, FIFTH & SIXTH \$1 MILLION + PROPERTIES SOLD IN READING LAST MONTH. ALL ARE COMMERCIAL PROPERTIES AS OPPOSED TO A RESIDENTIAL PROPERTIES.

| DATE | PROPERTY ADDRESS | SALE PRICE | RATE 3.5% | TAX AMOUNT |
|-------------|----------------------------------|-------------------|----------------------|-------------------|
| 01/14/15 | 825 Morgantown Rd. | \$6,000,000 | 3.5% | \$210,000 |
| 01/16/15 | 600 Morgantown Rd. | \$2,700,000 | 3.5% | \$94,500 |
| 05/29/15 | 645 Penn Street | \$1,700,000 | 3.5% | \$59,500 |
| 7/1/15 | 825 East Wyomissing Blvd. | \$2,500,000 | 3.5% | \$87,500 |
| 7/14/15 | 100 South 3 rd Street | \$1,175,000 | 3.5% | \$41,125 |
| 7/21/15 | 600 South 6 th Street | \$2,100,000 | 3.5% | \$73,500 |
| total | | \$16,175,000 | 3.5% | \$566,125 |

- IN 2014, THERE WERE TWO (2) PROPERTIES SOLD IN EXCESS OF \$1 MILLION
- IN 2013, THERE WERE TEN (10) PROPERTIES SOLD IN EXCESS OF \$1 MILLION(w/CNA)
- IN 2012, THERE WERE TWO (2) PROPERTIES SOLD IN EXCESS OF \$1 MILLION
- IN 2011, THERE WERE FIVE (5) PROPERTIES SOLD IN EXCESS OF \$1 MILLION
- IN 2010, THERE WERE SIX (6) PROPERTIES SOLD IN EXCESS OF \$1 MILLION.
- IN 2009, THERE WERE ZERO (0) PROPERTIES SOLD IN EXCESS OF \$1 MILLION.
- IN 2008, THERE WERE FOUR (4) PROPERTIES SOLD IN EXCESS OF \$1 MILLION.
- IN 2007, THERE WERE TWELVE (12) PROPERTIES SOLD IN EXCESS OF \$1 MILLION.

TRAFFIC FINES MOTOR CODES 2004-2015-2ND QUARTER

THE FOLLOWING CHART ILLUSTRATES THE TRAFFIC FINES-MOTOR CODES COLLECTED THROUGH THE READING PARKING AUTHORITY FOR THE YEARS 2004-2015-2ND QUARTER. THESE FINES ARE FROM READING POLICE DEPARTMENT ISSUED CITATIONS PAID AT THE READING PARKING AUTHORITY. IN THE SECOND QUARTER OF 2015, WE RECEIVED \$106,450 AND THE YEAR TO DATE TOTAL IS NOW \$235,325. THE 2015 BUDGET LISTS \$340,000 AS EXPECTED REVENUE.

| YEAR | BUDGET | ACTUAL | VARIANCE |
|------|-----------|-----------|-------------|
| 2004 | \$325,000 | \$303,045 | <\$21,955> |
| 2005 | \$325,000 | \$404,938 | \$79,938 |
| 2006 | \$360,000 | \$492,120 | \$132,120 |
| 2007 | \$470,000 | \$361,841 | <\$108,159> |
| 2008 | \$470,000 | \$487,805 | \$17,805 |
| 2009 | \$490,000 | \$294,010 | <195,990> |
| 2010 | \$350,000 | \$366,027 | \$16,027 |
| 2011 | \$315,000 | \$337,182 | \$22,182 |

| | | | |
|-------------------------|-----------|-----------|-----------|
| 2012 | \$315,000 | \$343,502 | \$28,502 |
| 2013 | \$325,000 | \$417,486 | \$92,486 |
| 2014 | \$325,000 | \$473,335 | \$148,335 |
| 2015-2 ND Q. | \$340,000 | \$235,325 | |

2015 UNEMPLOYMENT COMPENSATION-2ND QUARTER

THE UNEMPLOYMENT COMPENSATION EXPENSES FOR THE 2ND QUARTER OF 2015 WERE \$21,785.71. THE YEAR TO DATE EXPENSES TOTAL \$42,496.09. THE 2015 BUDGET ALLOCATES \$100,000 FOR UNEMPLOYMENT COMPENSATIONS COSTS.

THE FOLLOWING CHART ILLUSTRATES THE UNEMPLOYMENT COSTS OF THE CITY FOR YEARS 1996- 2015-2ND Q.:

| YEAR | BUDGET | ACTUAL EXPENSE | VARIANCE |
|-------------------------|--------------|----------------|---------------------|
| 1996 | \$44,856.00 | \$40,732.38 | \$4,123.62 |
| 1997 | \$55,000.00 | \$94,088.09 | -\$39,088.09 |
| 1998 | \$55,000.00 | \$25,086.87 | \$29,913.13 |
| 1999 | \$55,000.00 | \$26,085.08 | \$28,914.92 |
| 2000 | \$55,000.00 | \$123,742.39 | -\$68,742.39 |
| 2001 | \$55,000.00 | \$42,710.14 | \$12,289.86 |
| 2002 | \$55,000.00 | \$33,494.50 | \$21,505.50 |
| 2003 | \$12,000.00 | \$60,765.63 | -\$48,765.63 |
| 2004 | \$100,000.00 | \$166,192.84 | -\$66,192.84 |
| 2005 | \$100,000.00 | \$72,140.44 | \$27,859.56 |
| 2006 | \$100,000.00 | \$52,913.27 | \$47,086.73 |
| 2007 | \$100,000.00 | \$62,466.08 | \$37,533.92 |
| 2008 | \$80,000.00 | \$58,968.37 | \$21,031.63 |
| 2009 | \$100,000.00 | \$133,061.92 | -\$33,061.92 |
| 2010 | \$755,000.00 | \$465,816.47 | \$289,183.53 |
| 2011 | \$475,000.00 | \$227,164.19 | \$247,835.81 |
| 2012 | \$275,000.00 | \$133,050.01 | \$141,949.99 |
| 2013 | \$150,000.00 | \$37,836.85 | \$112,163.15 |
| 2014 | \$100,000.00 | \$55,150.86 | \$44,849.14 |
| 2015-2 ND Q. | \$100,000.00 | \$42,496.09 | |

BOLD INDICATES DEFICIT.

READING PARKING AUTHORITY SUPPLEMENT

ON 8/13/15, THE CITY OF READING DEPOSITED A CHECK FROM THE READING PARKING AUTHORITY IN THE AMOUNT OF \$2,045,704. THAT REPRESENTS THE PROMISED ADDITIONAL FUNDING FROM THE READING PARKING AUTHORITY FOR THE PERIOD OF 1/1/15-8/31/15. THE REMAINING BALANCE OF \$1,022,854 IS EXPECTED IN FOUR (4) MONTHLY PAYMENTS OF \$255,714. THE TOTAL SUPPLEMENT WILL REACH \$3,068,558 BY THE END OF 2015.

OUR THANKS TO THE READING PARKING AUTHORITY BOARD MEMBERS AND EXECUTIVE DIRECTOR PATRICK MULLIGAN FOR THEIR CONTINUED FISCAL SUPPORT OF THE CITY OF READING.