

# CITY AUDITOR'S REPORT

## MONDAY, JUNE 8, 2015

### 2015 CABLE FRANCHISE FEES

ON 05/11/15, THE CITY POSTED \$209,183.11 FROM COMCAST CABLE FOR THE FRANCHISE FEES FOR THE 1<sup>ST</sup> QUARTER OF 2015. THE 2015 BUDGET LISTS \$750,000 AS EXPECTED ANNUAL CABLE FRANCHISE FEES REVENUE.

THE FOLLOWING CHART LISTS CABLE FRANCHISE FEES FROM 1997 – 2015-1<sup>ST</sup> Q:

YEAR	BUDGET	ACTUAL	VARIANCE
1997	\$564,000	\$586,350.73	\$22,350.73
1998	\$615,000	\$772,978.02	<b>\$157,978.02</b>
1999	\$645,000	\$670,813.60	\$25,813.60
2000	\$680,000	\$701,370.94	\$21,370.94
2001	\$700,000	\$667,645.58	<\$32,354.42>
2002	\$700,000	\$724,969.36	\$24,969.36
2003	\$720,000	\$739,601.21	\$19,601.21
2004	\$750,000	\$732,936.04	<\$17,063.96>
2005	\$750,000	\$659,329.68	<\$90,670.32>
2006	\$770,000	\$684,295.97	<\$85,704.03>
2007	\$700,000	\$673,827.84	<\$26,172.16>
2008	\$700,000	\$670,281.50	<\$29,718.50>
2009	\$700,000	\$716,971.61	\$16,971.61
2010	\$700,000	\$704,278.99	\$4,278.99
2011	\$705,000	\$704,540.44	<\$459.56>
2012	\$705,000	\$720,253.68	\$15,253.68
2013	\$725,000	\$745,544.47	\$20,544.47
2014	\$725,000	\$795,878.58	\$70,878.58
2015	\$750,000	\$209,183.11	

**NOTE:** 1998 INCLUDES FIVE (5) QUARTERS OF REVENUE FROM AUDITOR'S ADJUSTMENT

## **2014 CITY AUDIT UPDATE**

THE 2014 CITY AUDIT, BY HERBEIN & COMPANY, IS NEARING COMPLETION. WE DO NOT YET HAVE A "DRAFT" COPY OF THE AUDIT. AS SOON AS WE RECEIVE AND REVIEW THE "DRAFT" AUDIT AND THE ADMINISTRATION RESPONDS TO FINDINGS, COMPLETES MANAGEMENT'S DISCUSSION AND ANALYSIS (M.D. & A.) AND PREPARES A CORRECTIVE ACTION PLAN, WE WILL MEET WITH COUNCIL AND THE AUDIT COMMITTEE TO REVIEW THE AUDIT. ONCE THE AUDIT IS FINALIZED, WE WILL SHARE THE RESULTS WITH THE MAYOR, COUNCIL AND THE GENERAL PUBLIC DURING A REGULARLY SCHEDULED COUNCIL MEETING.

QUOTING FROM SECTION 914 OF READING'S CITY CHARTER, THE ANNUAL CITYWIDE AUDIT IS "...TO BE COMPLETED AND SUBMITTED TO THE MAYOR WITHIN ONE HUNDRED EIGHTY (180) DAYS OF THE CLOSE OF THE FISCAL YEAR." ANOTHER PART STATES "WITHIN THIRTY (30) DAYS OF COMPLETION, THE MAYOR SHALL PRESENT TO THE COUNCIL THE RESULTS OF THE ANNUAL AUDIT".