

CITY AUDITOR'S REPORT MONDAY, OCTOBER 10, 2011

Happy Columbus Day

MUNICIPAL SEWAGE RATE CALCULATIONS 4/1/12 – 3/31/13

THE NEW MUNICIPAL SEWAGE RATE CALCULATIONS AND NOTIFICATIONS WERE COMPLETED ON SEPTEMBER 29, 2011. THE NEW RATE, WHICH GOES INTO EFFECT ON 4/1/11 - 3/31/12, IS **0.53% LOWER** THAN THE CURRENT RATE.

THE TREATMENT RATE INCREASED SLIGHTLY AND THE TRANSPORTATION RATE DECREASED COMPARED TO LAST YEAR.

THIS CHART LISTS THE MUNICIPAL SEWAGE RATES FROM 4/1/99-3/31/13:

YEAR	TREATMENT	TRANSPORTATION	TOTAL	% CHANGE
4/1/12-3/31/13	255.55	33.60	289.15	-0.53%
4/1/11-3/31/12	252.00	38.70	290.70	+16.41%
4/1/10-3/31/11	220.17	29.56	249.73	+7.92%
4/1/09-3/31/10	205.02	26.39	231.41	-3.35%
4/1/08-3/31/09	210.69	28.75	239.44	+16.00%
4/1/07-3/31/08	179.04	27.38	206.42	+20.33
4/1/06-3/31/07	151.06	20.19	171.55	-0.64%
4/1/05-3/31/06	154.62	18.03	172.65	+21.70%
4/1/04-3/31/05	125.05	16.81	141.86	+4.16%
4/1/03-3/31/04	122.07	14.13	136.20	+ 1.09%
4/1/02-3/31/03	120.23	14.51	134.74	- 11.04%
4/1/01-3/31/02	134.18	17.27	151.45	+ 5.20%
4/1/00-3/31/01	130.62	13.34	143.96	+ 5.99%
4/1/99-3/31/00	123.45	12.37	135.82	

TAX EXEMPT PROPERTIES – 2011

THE FOLLOWING CHART ILLUSTRATES THE # OF PARCELS, ASSESSED VALUE AND %'S BY CLASSIFICATION FOR TAX EXEMPT PROPERTIES IN READING FOR THE YEAR 2011.

THE CLASSIFICATION – **GOVERNMENTAL** ACCOUNTS FOR THE LARGEST PERCENTAGE AT MORE THAN 45.8% OF THE TOTAL, WITH **AUTHORITIES** NEXT AT 18.2%, **MISCELLANEOUS** THIRD AT 11.0% AND **CHURCHES** FOURTH AT 10.5%.

<u>TAX EXEMPT 2010</u>	<u># OF PARCELS</u>	<u>ASSESSED VALUE</u>	<u>SUB TOTAL</u>	<u>PERCENTAGE</u>
<u>AUTHORITIES</u>				
BARTA	4	12,878,000		
BERKS CO. CONVENTION CTR. AUTH.	4	22,510,100		
READING HOUSING AUTHORITY	34	41,663,000		
READING PARKING AUTHORITY	17	34,777,800		
READING PUBLIC LIBRARY FOUND.	3	107,500		
READING REDEVELOPMENT AUTH.	69	9,265,300		
BERKS COUNTY REDEVELOP. AUTH.	<u>19</u>	112,100		
	150		121,313,800	18.2%
<u>CHURCHES</u>				
VARIOUS	<u>254</u>	69,659,700		
	254		69,659,700	10.5%
<u>COLLEGES</u>				
ALBRIGHT	22	18,462,000		
ALVERNIA	8	14,280,000		
R.A.C.C.	<u>10</u>	30,421,000		
	40		63,163,000	9.5%
<u>GOVERNMENTAL</u>				
BERKS COUNTY	13	62,329,600		
CITY OF READING	150	108,609,600		
COMMONWEALTH OF PA	4	6,767,400		
READING SCHOOL DISTRICT	47	121,600,800		
U.S. GOVERNMENT	<u>3</u>	4,930,500		
	217		304,237,900	45.8%
<u>HOSPITALS</u>				
CHI-COMMUNITY GENERAL-ST JOE'S	3	14,921,000		
READING HOSPITAL	<u>5</u>	9,548,000		
	8		24,469,000	3.7%
<u>MISCELLANEOUS</u>				
BERKS COUNTY CONSERVANCY	29	354,100		
CEMETARIES	9	5,941,800		
FIRE COMPANY(OAKBROOK)	1	153,600		
OLIVETS/PAL	28	3,919,600		
OPPORTUNITY HOUSE	64	2,693,500		
OTHER	<u>90</u>	59,902,900		
	221		72,965,500	11.0%
<u>UTILITIES</u>				
NORFOLK SOUTHERN	44	2,596,600		
OTHER	<u>26</u>	5,904,100		
	70		8,500,700	1.3%
GRAND TOTAL	960		664,309,600	100%

TAX EXEMPT PROPERTIES CHANGES 2007– 2011

THE FOLLOWING CHART ILLUSTRATES CHANGES IN THE NUMBER OF TAX EXEMPT PROPERTIES BY CATEGORY FROM 2007-2011. IN 2007 THERE WERE 947 TAX EXEMPT PROPERTIES AND IN 2011 THERE ARE NOW 960 TAX EXEMPT PROPERTIES.

TAX EXEMPT PROPERTIES	2011	2010	2009	2008	2007	DIFFERENC E
AUTHORITIES	150	142	161	135	140	10
CHURCHES	254	252	245	241	231	23
COLLEGES	40	40	40	37	35	5
GOVERNMENT	217	243	216	209	236	<19>
HOSPITALS	8	8	9	9	16	<8>
MISC.	221	230	221	233	220	1
UTILITIES	70	69	69	69	69	1
TOTAL	960	984	961	933	947	13

THE FOLLOWING CHART ILLUSTRATES CHANGES IN THE ASSESSED VALUE OF TAX EXEMPT PROPERTIES BY CATEGORY FROM 2007-2011. IN 2007 THE ASSESSED VALUE OF TAX EXEMPT PROPERTIES WAS \$625,862,200 AND IN 2011 IT NOW STANDS AT \$664,309,600. THAT REPRESENTS AN INCREASE OF MORE THAN \$38,400,000 IN THE PAST FIVE (5) YEARS.

TAX EX. PROP.	2011	2010	2009	2008	2007	DIFF.
AUTH.	121,313,800	114,023,900	114,270,400	109,431,400	109,282,200	12,031,600
CHUR.	69,659,700	69,669,900	69,709,100	68,712,900	68,025,000	1,634,700
COLL.	63,163,000	63,163,000	63,154,000	62,968,800	49,215,500	13,947,500
GOV.	304,237,900	298,259,330	300,387,300	303,112,800	283,287,900	20,950,000
HOSP.	24,469,000	24,469,000	24,519,600	16,912,000	34,567,500	<10,098,500>
MISC.	72,965,500	72,686,870	70,368,100	72,735,500	72,221,500	744,000
UTIL.	8,500,700	9,262,600	9,262,600	9,262,600	9,262,600	<761,900>
TOTAL	664,309,600	651,534,600	651,671,100	643,136,000	625,862,200	38,447,400

2009 & 2010 FIRE ESCROW AUDITS

I HAVE PROVIDED COPIES OF THE 2009 & 2010 FIRE ESCROW AUDITS TO CITY COUNCIL AND KEY MEMBERS OF THE ADMINISTRATION. THE AUDITS WERE FOR THE YEARS ENDING 12/31/09 AND 12/31/2010. THE AUDIT ENCOMPASSES THE YEARS FROM 1994-2010.

AS NOTED IN THE AUDIT, DISCREPANCIES WERE DISCOVERED IN THE AGGREGATE OF \$5,728.80. THAT AMOUNT (\$5,728.80) WAS FROM 2009 AND CARRIED FORWARD INTO 2010. THE AUDITOR'S OFFICE IS PROVIDING DETAILED ANALYSIS AND RECOMMENDED CORRECTIVE ACTIONS TO PROPERLY RECORD THE ESCROW BALANCE.

I WOULD LIKE TO THANK THE EMPLOYEES OF THE ADMINISTRATIVE SERVICES DEPARTMENT FOR THEIR COOPERATION AND ASSISTANCE THROUGHOUT THIS AUDIT.