

CITY AUDITOR'S REPORT

MONDAY, NOVEMBER 22, 2010

2010 ADMISSION FEE/TAX

THE SOVEREIGN CENTER & PERFORMING ARTS CENTER EVENT FEES TOTALLED \$23,248.93 FOR OCTOBER SALES. EVENTS INCLUDED IN THESE RECEIPTS ARE FROM PERFORMANCES BY STRAIGHT NO CHASER, CELTIC THUNDER, CRAIG FERGUSON, JOAN BAEZ, AND A CHORUS LINE, JUST TO NAME A FEW. ALSO THIS MONTH, WE RECEIVED \$4,828.73 FROM THE READING ROYALS HOCKEY CLUB FOR OCTOBER'S SALES.

THE 2010 BUDGETED REVENUE IS \$450,000. THE YEAR TO DATE REVENUE THROUGH OCTOBER IS \$425,660.07. THE MAYOR'S PROPOSED 2011 BUDGET LISTS \$480,000 AS EXPECTED REVENUE.

THE FOLLOWING CHARTS LIST ANNUALLY (2006-2010) THE ADMISSION FEES BY SPORT/VENUE:

ADMISSION FEE/TAX	2006	2007	2008	2009	OCT. 2010
READING PHILS -1 ST ENERGY STADIUM	\$103,055.23	\$97,078.39	\$85,828.62	\$94,788.30	\$89,370.30
READING ROYALS - SOVEREIGN CENTER	\$141,145.36	\$91,274.98	\$100,129.25	\$55,054.89	\$56,056.52
OTHER- SOVEREIGN CENTER	\$190,392.71	\$213,868.85	\$236,337.38	\$232,589.23	\$197,131.19
PERFORMING ARTS CENTER	\$147,755.40	\$133,717.69	\$132,528.70	\$99,602.64	\$83,102.06
TOTAL REVENUE	\$582,348.70	\$535,939.91	\$554,823.95	\$482,035.06	\$425,660.07
BUDGETED REVENUE	\$625,000.00	\$600,000.00	\$550,000.00	\$600,000.00	\$450,000.00
OVER/UNDER BUDGET	-\$42,651.30	-\$64,060.09	\$4,823.95	-\$117,964.94	

REAL ESTATE TRANSFER TAX – 1/1/2006 TO 10/31/2010

THIS IS AN UPDATE ON THE REAL ESTATE TRANSFER TAX RECEIPTS SINCE I LAST REPORTED IN MY OCTOBER 25, 2010 REPORT. THIS TAX WAS 1% ('02), 1.5% ('03), 2% ('04-'05), AND 3.5% FOR ('06-'10).

THE FOLLOWING CHART ILLUSTRATES ACTUAL DATA FROM 01/2006 - 10/2010. IN OCTOBER 2010 THERE WERE 201 REAL ESTATE TRANSFER TRANSACTIONS, OF WHICH 129 WERE TAXABLE TRANSACTIONS. THE CITY'S PROCEEDS IN OCTOBER TOTALLED \$204,050.03. THE 2010 BUDGET PROJECTS REVENUE FROM THIS SOURCE AS \$2,500,000.

	2010	2009	2008	2007	2006
January	159,017.30	148,961.51	652,118.37	571,588.55	565,766.25
February	106,687.67	142,169.66	228,471.03	490,135.40	495,734.21
March	229,645.70	185,351.64	249,460.68	436,044.99	655,032.94
April	393,268.60	258,946.66	546,640.28	535,330.62	650,388.98
May	384,978.30	242,328.73	392,206.10	855,745.40	684,972.83
June	349,449.25	204,198.52	352,496.09	641,669.28	530,414.38
July	222,286.60	182,852.57	267,767.04	663,865.08	578,620.09
August	185,037.44	189,488.42	371,358.83	808,641.08	726,966.54
September	128,921.23	301,455.52	279,643.32	399,709.39	717,483.85
October	204,050.03	273,838.88	236,179.13	484,759.56	690,448.00
November	????????	214,016.65	268,455.35	539,733.18	542,137.78
December	????????	232,908.94	158,499.81	288,401.49	610,938.94
JAN.-OCT.	2,363,342.12	2,159,592.11	3,576,340.87	5,887,489.35	6,295,828.07
Entire Year	????????	2,576,517.70	4,003,296.03	6,715,624.02	7,448,904.79
Budget	2,500,000.00	5,000,000.00	7,215,868.00	7,215,868.00	4,760,000.00
Over Budget	????????	<2,423,482.30 >	<3,212,571.97 >	<500,243.98>	2,688,904.79

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 2010 THERE WERE 145 TRANSACTIONS MINUS 54 NON-TAXABLE TRANSACTIONS, WHICH LEAVES 91 TAXABLE TRANSACTIONS.

	2010	2009	2008	2007	2006
J	145-54=91	123-55=68	213-67=146	318-59=259	397-48=349
F	103-37=66	137-44=93	190-51=139	242-50=192	457-79=378
M	212-67=145	167-47=120	174-47=127	285-56=229	445-78=367
A	193-59=134	163-54=109	282-62=220	340-68=272	367-66=301
M	208-73=135	169-40=129	225-46=179	282-50=232	421-81=340
J	185-51=134	171-60=111	213-56=157	307-52=255	371-66=305
J	149-44=105	161-62=99	201-48=153	273-70=203	318-57=261
A	161-55=106	141-48=93	195-53=142	277-62=215	319-79=240
S	114-31=83	137-39=98	183-50=133	247-45=202	259-59=200
O	201-72=129	219-67=152	184-64=120	268-46=222	336-58=278
N		175-65=110	156-55=101	211-45=166	326-65=261
D		163-44=119	134-39=95	213-51=162	276-55=221
T		1926-625=1301	2350-638=1712	3263-654=2609	4292-791=3501

REAL ESTATE TRANSFER TAX -\$1 MILLION + PROPERTIES 2010

THE BELOW MENTIONED PROPERTIES WERE SOLD DURING JANUARY-OCTOBER 2010. EACH OF THESE PROPERTIES WAS SOLD FOR IN EXCESS OF \$1,000,000. ALL OF THESE PROPERTIES ARE APARTMENTS/COMMERCIAL/INDUSTRIAL PROPERTIES AS OPPOSED TO RESIDENTIAL PROPERTIES. THESE FIVE (5) LISTED PROPERTIES WERE SOLD FOR \$13,470,260 WHICH BROUGHT THE CITY \$471,459 IN REAL ESTATE TRANSFER TAXES.

DATE	PROPERTY ADDRESS	SALE PRICE	RATE 3.5%	TAX AMOUNT
04/01/10	300 S 2 ND St.	\$1,100,000	3.5%	\$38,500
04/21/10	777 Court St.	\$3,650,000	3.5%	\$127,750
05/27/10	216 Poplar	\$4,000,000	3.5%	\$140,000
06/10/10	1156 Clarion	\$3,440,260	3.5%	\$120,409
08/05/10	930 Lancaster Ave	\$1,280,000	3.5%	\$44,800
	Sub-total	\$13,470,260	3.5%	\$471,459

2010 UNEMPLOYMENT COMPENSATION

THE UNEMPLOYMENT COMPENSATION EXPENSES FOR THE 3RD QUARTER OF 2010 WERE \$65,514.57. THE YEAR TO DATE TOTAL, THROUGH 9/30/10, IS \$428,590.44. THE 2010 BUDGET ALLOCATES \$755,000 FOR UNEMPLOYMENT COMPENSATIONS COSTS. THE MAYOR'S PROPOSED 2011 BUDGET ALLOCATES \$475,000 FOR UNEMPLOYMENT EXPENSES.

THE FOLLOWING CHART ILLUSTRATES THE UNEMPLOYMENT COSTS OF THE CITY FOR YEARS 1996- 2010 3RD 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
2010-3 RD Q	\$755,000.00	\$428,590.44	

BOLD INDICATES DEFICIT.

ALSO NOTE THAT IN 1997, 2000, 2004 & 2010 RE-ORGANIZATIONS OCCURRED.

2011 PROPOSED BUDGET COMMENTS

I HAVE PROVIDED, IN A SEPARATE REPORT, COMMENTS REGARDING THE MAYOR'S PROPOSED 2011 BUDGET AS DEFINED IN **ARTICLE V SECTION 503(b)** OF THE HOME RULE CHARTER OF THE CITY OF READING.