

CITY AUDITOR'S REPORT

MONDAY, MAY 9, 2011

2011 STATE LIQUID FUELS RECEIPTS

ON 4/29/11, THE CITY RECEIVED **\$1,329,673** FROM THE STATE (PENNDOT) FOR THE CITY'S LIQUID FUELS (MOTOR LICENSE) FUND. THIS MONEY CAN ONLY BE USED FOR COSTS ASSOCIATED WITH CONSTRUCTION/RECONSTRUCTION (INCLUDING CAPITAL EQUIPMENT) AND MAINTENANCE (INCLUDING PERSONNEL) FOR LOCALLY OWNED ROADS, STREETS AND BRIDGES.

THE FOLLOWING CHART LISTS THE BUDGETED AND ACTUAL AMOUNTS RECEIVED FROM THE STATE, SINCE 1996, FOR OUR ANNUAL ALLOCATION:

YEAR	BUDGETED	ACTUAL RECEIPTS
2011	\$1,295,000	\$1,329,673
2010	\$1,183,000	\$1,299,357
2009	\$1,183,000	\$1,350,613
2008	\$1,266,279	\$1,402,640
2007	\$1,266,279	\$1,272,396
2006	\$1,218,984	\$1,226,188
2005	\$1,111,000	\$1,143,838
2004	\$1,110,973	\$1,113,289
2003	\$1,070,000	\$1,091,162
2002	\$1,067,667	\$1,069,918
2001	\$1,043,000	\$1,044,957
2000	\$1,055,000	\$1,030,310
1999	\$1,030,000	\$1,052,925
1998	\$950,162	\$1,030,791
1997	\$900,000	\$913,618
1996	\$854,934	\$892,078

2011 UNEMPLOYMENT COMPENSATION

THE UNEMPLOYMENT COMPENSATION EXPENSES FOR THE 1ST QUARTER OF 2011 WERE \$71,074.92. THE 2011 BUDGET ALLOCATES \$475,000 FOR UNEMPLOYMENT COMPENSATIONS COSTS.

THE FOLLOWING CHART ILLUSTRATES THE UNEMPLOYMENT COSTS OF THE CITY FOR YEARS 1996- 2011 1ST 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
2010 1 ST Q.	\$475,000.00	\$71,074.92	

BOLD INDICATES DEFICIT.

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

READING PARKING AUTHORITY AUDIT FROM 12/31/2010

ON 4/28/11, THE AUDITOR'S OFFICE RECEIVED A COPY OF AN AUDIT FROM THE READING PARKING AUTHORITY. THIS AUDIT, PREPARED BY HERBEIN & COMPANY, PRESENTS THE FINANCIALS OF THE PARKING AUTHORITY AS OF 12/31/10.

SOME BRIEF COMMENTARY AND OBSERVATIONS ARE AS FOLLOWS:

- THE CITY LENT THE PARKING AUTHORITY \$830,000 (1999), \$675,000 (2000) AND \$550,000 (2001) FOR BOND DEBT TALLING \$2,055,000.
- THE PARKING AUTHORITY HAS NOT NEEDED ANY CITY SUBSIDIES SINCE 2001.
- BY 2009, THE PARKING AUTHORITY HAD **REPAID IN FULL** ALL AMOUNTS DUE TO THE CITY **PLUS TRANSFERRED AN ADDITIONAL \$1.279 MILLION** TO THE CITY.
- OPERATING REVENUES HAVE INCREASED FROM \$6,368,348 (2005) TO \$8,097,941 (2010).

- OPERATING INCOME HAS GROWN FROM \$3,203,831 (2005) TO \$3,992,873 (2010).
- THE READING PARKING AUTHORITY RECEIVED A REDEVELOPMENT ASSISTANCE GRANT OF \$ 5,755,390 IN 2010.
- THE READING PARKING AUTHORITY IS COMMITTED TOWARDS THE PFM ACT 47 PLAN, WITH INCREASED CONTRIBUTIONS TO THE CITY THROUGH 2015.

	2005	2006	2007
OPERATING REVENUES	6,368,348	7,273,723	7,769,974
OPERATING ADMIN. EXP.	-3,344,517	-3,477,976	-3,692,158
OPERATING INCOME	3,203,831	3,795,747	4,077,816
OTHER REV (EXP)	-1,082,761	-1,560,507	-1,403,348
NET INCOME (LOSS)	1,941,070	2,235,240	2,674,468
NET ASSETS 1/1	2,067,410	4,008,480	6,243,720
NET ASSETS 12/31	4,008,480	6,243,720	8,918,188
	2008	2009	2010
OPERATING REVENUES	7,923,473	8,064,729	8,097,941
OPERATING ADMIN. EXP.	-4,069,877	-3,955,829	-4,105,068
OPERATING INCOME	3,853,596	4,108,900	3,992,873
OTHER REV (EXP)	-1,546,037	-3,511,423	3,719,256
NET INCOME (LOSS)	2,307,559	597,477	7,712,129
NET ASSETS 1/1	8,918,188	11,225,747	11,823,224
NET ASSETS 12/31	11,225,747	11,823,224	19,535,353

ON BEHALF OF THE CITY OF READING , I WOULD LIKE TO THANK LAWRENCE LEE; EXECUTIVE DIRECTOR OF THE RPA AUTHORITY, GEORGE COOK; CHAIRMAN OF THE RPA BOARD, AND ALL THE OTHER BOARD MEMBERS AND EMPLOYEES FOR THEIR HARD WORK, DEDICATION AND CONTINUING IMPROVEMENTS IN READING.