



CITY OF READING, PENNSYLVANIA

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This report summarizes the City's financial performance results of the General Fund (GF) largest revenue line items based on the financial data recorded YTD as of December 31, 2024. Based on this data, the City received \$113.6 million in revenue and spent \$115.3 million, and there was an overspend of about \$1.7 million when compared to the revenue collected. However, since 2024 revenue has not been fully recorded the \$1.7 million shortfall will decrease.

Please note that all numbers shown for 2024 are unaudited and could be subject to change.

	2024 Adopted Budget	Budget Amendments	2024 Amended Budget	YTD 2024 total of Revenue/Exp
Revenues	106,156,874	1,554,000	107,710,874	113,598,988
Expenditures	111,498,483	3,643,855	115,142,338	115,292,060
Transfer from Fund Bal	5,341,609	2,089,855	7,431,464	(1,693,072)

- **Real Estate Transfer Tax** – The city levies a 3.5 percent on the value of all taxable Real Estate Transfer transactions. In 2024, \$7,892,449.32 (table 1) was recorded for this revenue line item and it exceeded the 2024 budget target by approximately \$1.7 million. Although in the last couple of years, the City has consistently recorded more revenue than budgeted, the revenue collected in 2024 was consistent compared to the revenue collected in 2023. In 2024, 3,313 transactions were completed of which 2,772 were taxable transactions and 541 were non-taxable transactions (table 2). Also, twenty-three properties were sold for half a million-dollar threshold and generated \$983,307.99 out of the \$7,884,562.46 collected (table 3). Although this revenue line item ended strong; this might not be the case in the coming years.

Table 1

REAL ESTATE TRANSFER TAX	YTD 2024	YTD 2023	YTD 2022	YTD 2021
Revenue Recorded	7,892,449.32	7,884,562.46	8,917,892.20	8,793,785.75
Budget	6,200,000.00	6,000,000.00	5,500,000.00	4,700,000.00
Over/(Under) Budget	1,692,449.32	1,884,562.46	3,417,892.20	4,093,785.75



- **Admission Fees Tax Revenue** - Most of the revenue collected for the Admissions Fee Tax comes from the Reading Royals, the Reading Phils, and other events/concerts held at the Santander Arena and the Performing Arts Center. Due to the revenue recorded in 2023, \$800,000 was budgeted in 2024. As of December 31, 2024, \$1,332,619.40 was collected. and this revenue line item has exceeded its budget target by \$532,619.40. This has been the greatest revenue collected in years.

ADMISSION FEE TAX	YTD 2024	YTD 2023	YTD 2022	YTD 2021
Revenue Recorded	1,332,619.40	1,163,066.24	831,648.00	293,471.00
Budget	800,000.00	650,000.00	200,500.00	200,500.00
Over/Under Budget	532,619.40	513,066.24	631,148.00	92,971.00

- **Property Tax Revenue** – In 2024, within the General Fund, the City budgeted \$25,242,386.00 for Property Tax, which includes Property Tax Current, Property Tax Prior Year, Penalty and interest, and Discount and Allowance, and as of December 31, 2024, about \$25.7 million was recorded. In previous years, Property Tax revenue was the largest source of income within the General Fund, but for the last two consecutive years, the EIT revenue has exceeded the property tax revenue. However, the property Tax revenue exceeded the budget target by \$451,566.63 in 2024.

Property Taxes	2024 Budget	YTD 12/31/2024	2023 Budget	YTD 12/31/2023
Discount and Allowance	(384,597.00)	(376,223.61)	(384,031.00)	(390,084.04)
Property Tax Current	23,177,728.00	23,348,150.79	23,041,829.00	23,625,821.95
Property Tax Prior	1,724,892.00	1,917,086.33	2,379,966.00	2,030,509.40
Penalty and Interest	724,363.00	804,939.33	734,687.00	765,943.30
Total Property Taxes	25,242,386.00	25,693,952.63	25,772,451.00	26,032,190.61

- **Business Privilege Tax/Business Privilege Tax Prior Year:** In 2024, General Fund's Revenue for Business Privilege Tax and Business Privilege Tax Prior Year recorded \$2,343,200.43. This revenue line item exceeded its budget target by \$182,200.43, and compared to the revenue collected in 2023, \$80,544.50 more was collected in 2024.

	2024 Budget	YTD 12/31/2024	2023 Budget	YTD 12/31/2023
Business Privilege Tax	2,100,000.00	2,195,704.13	1,790,000.00	2,183,194.42
Bus Priv Tax - Prior Year	61,000.00	151,496.30	80,000.00	79,461.51
Total	2,161,000.00	2,343,200.43	1,870,000.00	2,262,655.93

- **Earned Income Tax (EIT)/Earned Income Tax Prior Year** - As of December 31, 2024, the revenue line items of EIT and EIT Prior Year recorded about \$30 million, and this revenue ended the year with a surplus of approximately \$4 million. Since most of the revenue recorded for the EIT Prior Year occurs during the first quarter of the year, this revenue line item sustained a revenue surplus early in the year. When compared to the 2023 budget. About \$2.6 million more was budgeted in 2024, and about \$ 1.6 more in revenue was also collected.

Earned Income Tax	2024 Budget	YTD 2024	2023 Budget	YTD 2023
Earned Income Tax	18,578,300.00	22,033,760.61	16,452,000.00	20,671,408.35
EIT Prior Year	7,486,600.00	8,022,130.94	6,971,000.00	7,793,205.35
Total EIT	26,064,900.00	30,055,891.55	23,424,000.00	28,464,613.70

- **Comcast Cable Franchise Fees** – Due to the loss of revenue for the last few years, less revenue had been budgeted for this revenue line item. In 2024 \$580,000 was budgeted and \$526,860.76 was collected. And the Cable Franchise Fees revenue ended the year with a shortfall of \$53,139.24.

FRANCHISE FEES	YTD 2024	YTD 2023	YTD 2022	YTD 2021
1st Quarter	139,023.78	164,548.04	191,352.32	205,330.02
2nd Quarter	134,887.96	159,376.87	185,733.50	204,350.84
3rd Quarter	129,803.37	148,053.07	179,400.71	197,767.57
4th Quarter	123,145.65	143,087.13	171,724.51	193,477.54
Total Revenue	526,860.76	615,065.11	728,211.04	800,925.97
Total Budgeted	580,000.00	720,000.00	825,000.00	825,000.00
Over/Under Budget	(53,139.24)	(104,934.89)	(96,788.96)	(24,074.03)

- **Occupational Tax** – In 2024, \$1,191,000 was budgeted for this revenue line item, and as of December 31, 2024, \$1,065,090.69 was recorded.

	2024 Budget	YTD 12/31/2024	2023 Budget	YTD 2023
Occupational Tax	1,171,000.00	1,031,546.64	1,087,500.00	1,163,116.70
Occupational Tax Prior	20,000.00	33,544.05	87,500.00	3,385.40
Total	1,191,000.00	1,065,090.69	1,175,000.00	1,166,502.10

- **Interest Revenue** – the interest revenue is received from the operating and security bank accounts. Due to a high interest rate in 2024, \$1,693,902.65 was recorded for this revenue line item. The year 2023 also recorded about \$1.6 million. If the interest rate is not lowered by a significant percentage, this year might be another excellent one for investments.

Interest Revenue	2024 Budget	YTD 12/31/2024	Variance	2023 Budget	YTD 12/31/2023
Total	996,500.00	1,693,902.65	697,402.65	140,000.00	1,645,489.11