

CITY OF READING, PENNSYLVANIA

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CITY AUDITOR'S REPORT Monday April 25, 2022

Real Estate Transfer Tax - Update from 1/1/2018 to 3/31/2022

The City receives a tax levy of 3.5% on the value of the Real Estate Transfer Tax for properties sold. During March of 2022, \$954,153.08 in revenue was recorded; this amount included a total of 291 Real Estate Transfer transactions of which 250 were taxable and 41 were non-taxable. For the current year, \$5.5 million was budgeted for this line item, and about \$2.1 has already been recorded during the 1st quarter.

The chart below illustrates actual Real Estate Transfer Tax data from 2018 to 03/31/2022:

	3/31/2022	12/31/2021	12/31/2020	12/31/2019	12/31/2018
January	702,030.86	535,849.04	323,123.52	223,920.68	293,105.03
February	512,582.49	523,300.89	511,220.85	615,116.21	204,053.26
March	954,153.08	1,178,885.61	601,103.82	266,411.11	348,937.95
April		717,308.73	235,765.07	548,506.44	347,097.22
May		447,710.27	157,245.87	441,084.11	322,871.76
June		719,042.39	1,464,932.00	363,997.72	350,369.72
July		752,234.50	437,026.44	359,547.89	350,708.33
August		1,078,840.76	361,892.51	353,006.61	514,841.63
September		678,323.20	501,228.42	350,731.42	324,492.29
October		480,665.62	493,787.54	340,908.53	389,823.15
November		844,193.89	510,649.58	330,855.79	267,444.32
December		837,430.85	993,086.79	457,238.03	576,429.44
Total Revenue	2,168,766.43	8,793,785.75	6,591,062.41	4,651,324.54	4,290,174.10
Total Budgeted	5,500,000.00	4,700,000.00	4,200,000.00	3,800,000.00	3,350,000.00
Over/(Under) Budget		4,093,785.75	2,391,062.41	851,324.54	940,174.10



The chart below illustrates 2022 Real Estate Transfer Transactions through

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3/31/22:

	Taxable	Non-Taxable	Total Transactions
January	216	33	249
February	135	37	172
March	250	41	291

User Fees Revenue – Update as of 2/28/2021

For the fiscal year of 2022, the City budgeted \$3,000,000 for User Fees, which is the revenue collected for the EMS services that the City provides. During the first two months of the current year, the City recorded \$496,082.90. And if the revenue received in the upcoming months continues with this same trend, the User Fees Revenue line item should meet its budget target by 12/31/2022.

The chart below illustrates User Fees Revenue from 2018 to 2/28/2022:

	2/28/2022	12/31/2021	12/31/2020	12/31/2019	12/31/2018
User Fees-EMS	496,082.90	3,287,855.40	2,405,142.53	3,333,157.10	2,808,204.15
Total Budgeted	3,000,000.00	3,033,500.00	3,196,000.00	3,095,000.00	2,900,000.00
Over/(Under) Budget		254,355.40	(790,857.47)	238,157.10	(91,795.85)

Admission Fee Tax – Update as of 03/31/2022

The majority of the revenue collected for Admission Fee Tax comes from events/concerts that take place at the Santander Arena, the Performing Arts Center, the Reading Royals, and the Reading Phils. In 2022, \$200,000 was budgeted for this line item. As of March 31, 2022, a total of \$202,938.67 has been collected, and the revenue for Admission Fee Tax has already exceeded its budget target by \$2,938.67. (See the chart below for details.)

The chart below illustrates 2022 Admission Fee Tax Revenue collected through 3/31/22:

	Reading Phils	Reading Royals	Santander Arena-Other	Performing Arts Center	Total Collected
January	2,686.19	8,618.11	5,013.05	4,687.02	21,004.37
February	2,797.68	9,277.90	44,010.19	25,533.63	81,619.40
March	4,312.12	18,087.30	54,424.75	23,490.73	100,314.90
Total Revenue - 3/31/22	9,795.99	35,983.31	103,447.99	53,711.38	202,938.67
Total Budgeted - 2022					200,000.00
Over/(Under) Budget					2,938.67