



CITY OF READING, PENNSYLVANIA

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CITY AUDITOR'S REPORT Monday, October 11, 2021

Property Tax Revenue – Update as of September 30, 2021

For the current year, the City budgeted \$24,649,055.00 for Property Taxes which includes Property Tax Current, Property Tax Prior, Penalty & Interest, and Discount & Allowance. And as of September 30, 2021, the City has recorded \$23,733,865.20 or 96.3% of total amount budgeted.

For the same period of 2020, the City recorded \$21,609,595.81 or 87% which is \$2,124,269.39 less than the revenue recorded this year. However \$178,945.00 less was budgeted for this revenue line item in 2021.

The following charts explains Property Taxes Budget to Actual Comparison.

Property Taxes	2021 Budget	YTD 9/30/2021	Variance	2020 Budget	YTD 9/30/2020	Variance
Discount & Allowance	(367,000.00)	(393,782.51)	(26,782.51)	(367,000.00)	(333,132.74)	(33,867.26)
Property Tax Current	22,691,955.00	21,986,347.72	(705,607.28)	22,141,000.00	20,055,232.12	(2,085,767.88)
Property Tax Prior	1,720,100.00	1,786,739.91	66,639.91	2,450,000.00	1,621,053.20	(828,946.80)
Penalty & Interest	604,000.00	354,560.08	(249,439.92)	604,000.00	266,443.23	(337,556.77)
TOTALS	24,649,055.00	23,733,865.20	(915,189.80)	24,828,000.00	21,609,595.81	(3,286,138.71)



User Fees Revenue – Update as of 8/31/2021

For the current year, the City budgeted \$3,028,500.00 for the User Fees Revenue line item and as of August 31, 2021, the City recorded in revenue \$2,169,568.05 or 72% of total amount budgeted. In 2020, due to the pandemic and the transition of a new company collecting the revenue for the the User Fees; the City had a decrease in revenue of \$790,857.47 for this line item.

The Chart below explains the revenue collected YTD for the fiscal years of 2017 through 2021

	YTD 8/31/2021	12/31/2020	12/31/2019	12/31/2018	12/31/2017
USER FEES-EMS	2,169,568.06	2,405,142.53	3,333,157.10	2,808,204.15	2,912,755.52
BUDGET	3,028,500.00	3,196,000.00	3,095,000.00	2,900,000.00	2,900,000.00
OVER/UNDER BUDGET	(858,931.94)	(790,857.47)	238,157.10	(91,795.85)	12,755.52

2021- Pension State Contributions

For the Pension State Contributions revenue line item, the City budgeted \$3,771,656.00, and on September 28, 2021, the City received \$3,674,718.47 from the State.

2020 Audit – Update

On October 1, 2021, a draft of the 2020 audited financial statements for the City of Reading was received from Chris Turtell of Herbein & Company. The draft is showing that the General Fund ended with a surplus of \$2.4 million. Part of this surplus was due to a big increase of revenue collected for Real Estate Transfer Tax transactions. Also, due to the pandemic, there were some projects that were not completed or delayed, under the Public Works and this contributed to some of the cost savings. Police Patrol Personnel, also had a big cost saving. There is only one finding in the 2020 audit. In the 2019 audit, there were 5 findings. At the moment, the City Auditor and the City Controller are reviewing the 2020 draft audit.