



CITY OF READING, PENNSYLVANIA

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CITY AUDITOR

CITY AUDITOR'S REPORT Monday, June 28, 2021

Real Estate Transfer Tax Revenue - Update as of May 31, 2021

For the month of May of the current year, the City collected \$447,710.27 in revenue for Real Estate Transfer Tax, and as of May 31, 2021, a total of \$3,403,054.54 has already been received which is 72% of total amount budgeted. During the first five months of the current year, a total of 1037 transactions for Real Estate Transfer Tax has been completed, of which 879 transactions were taxable and 158 were not taxable transactions.

The following chart illustrates YTD revenue collected for Real Estate Transfer from 2017-2021

	2021	12/31/2020	12/31/2019	12/31/2018	12/31/2017
January	535,849.04	323,123.52	223,920.68	293,105.03	276,076.87
February	523,300.89	511,220.85	615,116.21	204,053.26	210,173.34
March	1,178,885.61	601,103.82	266,411.11	348,937.95	297,329.36
April	717,308.73	235,765.07	548,506.44	347,097.22	581,143.64
May	447,710.27	157,245.87	441,084.11	322,871.76	313,275.46
Total Revenue	3,403,054.54	1,828,459.13	2,095,038.55	1,516,065.22	1,677,998.67
Total Budgeted	4,700,000.00	4,200,000.00	3,800,000.00	3,350,000.00	2,750,000.00
Total % Collected	0.72	0.44	0.55	0.45	0.61



The following chart demonstrates total transactions for Real Estate Transfer Tax as of 5/31/2021

Month	Total Transactions	Taxable	Non-Taxable
January	168	149	19
February	157	135	22
March	294	239	55
April	232	198	34
May	186	158	28
Total	1037	879	158

Earned Income Tax and Earned Income Tax Prior – Update as of May 31, 2021

For the current fiscal year, the City budgeted \$20,242,120.00 for Earned Income Tax & Earned Income Tax Prior, and as of May 31, 2021, the City has collected \$8,907,034.91 of total amount budgeted. The table below illustrates that the revenue collected for Earned Income Tax this year is less by (\$528,122.62) compared to the revenue collected for the same period of time in 2020.

Earned Income Tax revenue YTD comparison between 2021 vs 2020

	2021 Budget	YTD 5/31/2021	2020 Budget	YTD 5/31/2020	Variance
Earned Income Tax	15,512,120.00	3,574,391.00	16,861,000.00	3,822,282.77	(247,891.77)
Earned Income Tax Prior	4,730,000.00	5,332,643.91	5,500,000.00	5,612,874.76	(280,230.85)
TOTAL EIT	20,242,120.00	8,907,034.91	22,361,000.00	9,435,157.53	(528,122.62)

User Fees Revenue – Update as of 5/31/2021

User Fees is the revenue collected for the EMS service that the City provides to the community. For the current fiscal year the City budgeted \$3,009,500.00, and as of 5/31/2021, the City has collected \$1,409,768.92. At the Council meeting on 3/31/2021, I stated that if the revenue for the User Fees continue this trend for the remaining of this year, there is a probability that this line item could exceed its budget target in 2021.

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

	5/31/2021	12/31/2020	12/31/2019	12/31/2018	12/31/2017
USER FEES-EMS	1,409,768.92	2,405,142.53	3,333,157.10	2,808,204.15	2,912,755.52
BUDGET	3,009,500.00	3,196,000.00	3,095,000.00	2,900,000.00	2,900,000.00
OVER/UNDER BUDGET		(790,857.47)	238,157.10	(91,795.85)	12,755.52