



CITY OF READING, PENNSYLVANIA

OFFICE OF THE CITY AUDITOR
ROOM 2-36
815 WASHINGTON STREET
READING, PA 19601-3690
(610) 655-6123

MARIA M. RODRIGUEZ
CITY AUDITOR

CITY AUDITOR'S REPORT Monday, January 27, 2020

2019 CABLE FRANCHISE FEES – 4th QUARTER

For the 2019 fiscal year, the City budgeted \$875,000.00 in revenue for the Cable Franchise Fees and for the four quarters, the City has received a total of \$823,620.71 or 94% of total revenue estimated. I mentioned at the October 28th meeting that in 2019, the City was going to be slightly under budget for this particular line item and it has ended with a negative variance of \$51,379.29.

The chart below illustrates that the revenue received in 2019, has been the lowest compared to the revenue that has been received in the previous four years.

REVENUE RECEIVED FROM COMCAST CABLE FRANCHISE FEES FROM 2015-2019

	12/31/2019	2018	2017	2016	2015
1ST QUARTER	209,042.39	212,684.39	229,932.97	220,552.22	209,183.11
2ND QUARTER	210,579.70	214,578.59	236,184.17	225,348.66	221,455.71
3RD QUARTER	199,517.55	208,734.78	224,527.59	213,597.58	204,862.83
4TH QUARTER	204,481.07	214,925.66	223,161.86	222,328.15	203,288.83
TOTAL REVENUE	823,620.71	850,923.42	913,806.59	881,826.61	838,790.48
Total Budgeted	875,000.00	930,000.00	875,000.00	825,000.00	750,000.00
OVER/UNDER BUDGET	-51,379.29	-79,076.58	38,806.59	56,826.61	88,790.48



2019 UNEMPLOYMENT COMPENSATION AS OF DECEMBER 31, 2019

For the fiscal year of 2019, the City allocated \$80,000.00 for the expense of unemployment compensation. During the month of June, the administration transferred \$8,400.00 out this line item to cover other expenses. Although this transfer was done, there was enough money left in the account to cover the total costs of \$25,152.40 that happened in 2019 associated with this line item.

For the current fiscal year, there is \$71,600.00 allocated to cover the expense for Unemployment Compensation.

THE FOLLOWING CHART ILLUSTRATES THE UNEMPLOYMENT COSTS OF THE CITY FOR THE LAST 10 YEARS

YEAR	BUDGET	ACTUAL EXPENSE	VARIANCE
2010	755,000.00	465,816.47	289,183.53
2011	475,000.00	227,164.19	247,835.81
2012	275,000.00	133,050.01	141,949.99
2013	150,000.00	37,836.85	112,163.15
2014	100,000.00	55,150.86	44,849.14
2015	100,000.00	75,408.74	24,591.26
2016	100,000.00	116,761.38	(16,761.38)
2017	100,000.00	81,852.56	18,147.44
2018	100,000.00	43,271.49	56,728.51
2019	71,600.00	25,152.40	46,447.60

UPDATE-2018 AUDIT

On Wednesday, January 22, 2020, the audit committee had its first meeting of the year and Mr. Chris Turtell from Herbein & Company provided an overview of the details of the 2018 audit.

Mr. Turtell said that the plan is to present the draft audit to Council at the COW meeting on February 18th and the final audit at the regular Council meeting on February 24th, 2020.