



CITY OF READING, PENNSYLVANIA

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CITY AUDITOR'S REPORT
Monday, July 27, 2020

BUSINESS PRIVILEGE TAX REVENUE -AS OF 6/30/2020

For the current fiscal year, the City budgeted \$1,877,750.00 for Business Privilege Tax and as of 6/30/2020, the City has collected \$1,225,518.42 or 65 percent of total revenue budgeted. However in 2019, the City had received \$1,529,412.80 or 83% of total revenue budgeted which is \$303,894.38 more of the amount that that has been collected this year for the same period of time.

For Business Privilege Tax-Prior Year line item, this year the City budgeted \$213,150.00 and \$32,911.33 has been received which is \$23,344.03 less of what the City had received last year for the same period of time. Due to the extension to match the federal tax deadline which allows tax payers to pay the Business Privilege Tax by 7/15/2020, we could see more of this revenue coming in the 3rd quarter of this year.

Table with 5 columns: Item, 2020 Budget, YTD 6/30/2020, 2019 Budget, YTD 6/30/2019. Rows include Business Privilege Tax and Business Privilege Tax-Prior Yr.

Fire Escrow Audit

An audit from January 1, 2011 through December 31, 2019, for the Fire Escrow Account has been completed by the office of the City Auditor. On July 22, 2020, the City Auditor met with the Finance Director, Jamar Kelly, Fred Lachat from the Legal Department, Trenton Holston, City Treasurer Manager and Jay Montgomery from Building and Trades. The purpose of this meeting was to discuss the liability that the City currently has for the Fire Escrow account and how to put a plan in place that will help to minimize this liability.

A report of this audit will be provided to Council and members of the Administration at the next Council meeting.

I will continue monitoring the General Fund revenues. As I stated at previous Council meetings due to COVID-19, the City General Fund largest sources of revenues are going to face some challenges this year and coming years. I will continue observing the General fund revenues and more details will be provided at future meetings.

