



# 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, October 12, 2020

### Real Estate Transfer Tax Revenue - Update as of 9/30/2020

For this fiscal year, the City budgeted \$4,200,000.00 in revenue for Real Estate Transfer Tax and as of September 30, 2020, the City has collected a total of \$4,593,538.50 of total revenue budgeted. Most of the time, the revenue collected for the current month is received the first week of the following month, and on October 6, 2020, \$501,228.42 was received for the month of September. Due to the increased amount of revenue received as of September 30, 2020 for this line item, the City has already exceeded its budget expectations by \$393,538.50.

As shown in the chart below, since 2016, the revenue received has been higher than budgeted due to conservative budgets. This year, PFM is projecting \$5,455,064 in revenue for this line item.

### The chart below demonstrates YTD revenue collected for the Real Estate Transfer from 2016-2020

	9/30/2020	2019	2018	2017	2016
January	323,123.52	223,920.68	293,105.03	276,076.87	192,536.00
February	511,220.85	615,116.21	204,053.26	210,173.34	170,629.07
March	601,103.82	266,411.11	348,937.95	297,329.36	220,051.13
April	235,765.07	548,506.44	347,097.22	581,143.64	279,084.30
May	157,245.87	441,084.11	322,871.76	313,275.46	777,337.35
June	1,464,932.00	363,997.72	350,369.72	528,760.06	268,082.88
July	437,026.44	359,547.89	350,708.33	374,898.32	207,575.28
August	361,892.51	353,006.61	514,841.63	264,020.74	426,785.52
September	501,228.42	350,731.42	324,492.29	291,320.27	411,260.51
October		340,908.53	389,823.15	238,576.24	236,985.93
November		330,855.79	267,444.32	309,954.88	210,393.54
December		457,238.03	576,429.44	336,617.89	271,891.35
<b>Total Revenue</b>	<b>4,593,538.50</b>	<b>4,651,324.54</b>	<b>4,290,174.10</b>	<b>4,022,147.07</b>	<b>3,672,612.86</b>
<b>Total Budgeted</b>	<b>4,200,000.00</b>	<b>3,800,000.00</b>	<b>3,350,000.00</b>	<b>2,750,000.00</b>	<b>2,200,000.00</b>
<b>Over/(Under) Budget</b>	<b>\$393,538.50</b>	<b>\$851,324.54</b>	<b>\$940,174.10</b>	<b>\$1,272,147.07</b>	<b>\$1,472,612.86</b>



## **2020-PENSION-STATE AID**

On 9/29/2020, we received \$3,771,656.28 from the Commonwealth of Pennsylvania for Municipal Pension Obligation. For 2020, the City budgeted \$4,050,314.00 for this line item as revenue, therefore \$278,657.72 less has been funded. It is not known how much the City can expect to receive for 2021.

The City has been making monthly transfers into the pension funds and as of September 30, 2020, the City has contributed \$14,077,555.00 toward the total of the MMOs. The 2020 MMO amounts must be contributed to each pension fund by 12/31/2020.

## **ELECTRICITY BILLS**

I want to acknowledge, Mr. Kevin Lugo, Solid Waste Manager for taking the initiative to work diligently with Met-Ed on the City electricity accounts. In the last 18 months, Mr. Lugo has been able to bring these accounts in good standing and has extended the payment terms from 15 days to 30 days. By the end of 2020, the City should be refunded by Met-Ed a total of \$77,000.00. These refunds are going to be processed as credits on each account.