

# CITY AUDITOR'S REPORT

## MONDAY, JANUARY 28, 2019

### 2018 ADMISSION FEE/TAX

WE RECEIVED CHECKS IN THE AMOUNT OF \$3,107.61 FROM THE READING FIGHTIN' PHILS FOR DECEMBER'S ADMISSION FEES/TAXES. THE SANTANDER ARENA AND THE PERFORMING ARTS CENTER ADMISSION FEES TOTALLED \$43,869.29 FOR DECEMBER EVENTS. THOSE EVENTS INCLUDED IN THE RECEIPTS ARE FROM PERFORMANCES BY KING & COUNTRY, ANUEL AA, AMERICA, CIRQUE HOLIDAZE AND THE READING SYMPHONY ORCHESTRA, JUST TO NAME A FEW. WE HAVE NOT YET RECEIVED FROM READING ROYALS HOCKEY FOR DECEMBER'S SALES. THE TOTAL RECEIPTS FOR DECEMBER WERE \$46,976.90. THE 2019 BUDGET LISTS \$500,000 AS EXPECTED REVENUE.

THE FOLLOWING CHARTS LIST ANNUALLY (2014-2018) THE ADMISSION FEES BY SPORT/VENUE:

ADMISSION FEE/TAX thru 12/31	2014	2015	2016	2017	2018
READING PHILS -1 <sup>ST</sup> ENERGY STADIUM	\$83,965.24	\$90,207.37	\$95,598.47	\$95,363.15	\$86,721.83
READING ROYALS - SANTANDER ARENA	\$68,419.39	\$70,252.03	\$65,871.08	\$66,342.32	\$7,244.06
OTHER-SANTANDER ARENA	\$78,803.12	\$154,506.05	\$210,977.77	\$271,977.75	\$269,125.05
PERFORMING ARTS CENTER	\$105,199.93	\$130,830.17	\$123,691.40	\$150,534.25	\$164,948.64
<b>TOTAL REV. 12/31</b>	<b>\$336,387.68</b>	<b>\$445,795.62</b>	<b>\$496,138.72</b>	<b>\$577,007.11</b>	<b>528,039.58</b>
BUDGETED REVENUE	\$425,000.00	\$325,000.00	\$375,000.00	\$425,000.00	\$460,000.00
<b>OVER/UNDER BUDGET</b>	<b>-\$88,612.32</b>	<b>\$120,795.62</b>	<b>\$121,138.72</b>	<b>\$152,007.11</b>	<b>\$68,039.58</b>

## **2018 REAL ESTATE TRANSFER TAX – 1/1/2014 TO 12/31/2018**

THIS IS AN UPDATE ON THE REAL ESTATE TRANSFER TAX RECEIPTS SINCE I LAST REPORTED IN MY JANUARY 14, 2019 REPORT. THIS TAX WAS 1% ('02), 1.5% ('03), 2% ('04-'05), AND 3.5% FOR ('06-'19).

THE FOLLOWING CHART ILLUSTRATES ACTUAL DATA FROM 01/2014 - 12/2018. IN DECEMBER 2018 THERE WERE 217 REAL ESTATE TRANSFER TRANSACTIONS, OF WHICH 178 WERE TAXABLE TRANSACTIONS. THE CITY'S PROCEEDS IN DECEMBER TOTALLED \$576,429.44 AND THE YEAR TO DATE TOTAL IS \$4,290,174.10. THE 2019 BUDGETED REVENUE IS \$3,800,000.

	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>
January	293,105.03	276,076.87	192,536.00	447,472.25	184,364.62
February	204,053.26	210,173.34	170,629.07	136,325.79	79,506.95
March	348,937.95	297,329.36	220,051.13	212,213.45	209,536.33
April	347,097.22	581,143.64	279,084.30	234,429.18	174,960.06
May	322,871.76	313,275.46	777,337.35	279,602.00	229,074.13
June	350,369.72	528,760.06	268,082.88	179,077.99	184,215.78
July	350,708.33	374,898.32	207,575.28	430,575.93	179,401.65
August	514,841.63	264,020.74	426,785.52	337,420.45	212,909.86
September	324,492.29	291,320.27	411,260.51	240,753.37	258,305.78
October	389,823.15	238,576.24	236,985.93	256,548.97	271,499.71
November	267,444.32	309,954.88	210,393.54	181,978.31	272,836.24
December	576,429.44	336,617.89	271,891.35	271,629.17	253,304.41
<b>Entire Year</b>	<b>4,290,174.10</b>	<b>4,022,147.07</b>	<b>3,672,612.86</b>	<b>3,208,026.86</b>	<b>2,509,915.52</b>
Budget	3,350,000.00	2,750,000.00	2,200,000.00	1,900,000.00	1,982,975.00
Over Budget	940,174.10	1,272,147.07	1,472,612.86	1,308,026.86	526,940.52

## **REAL ESTATE TRANSFER TAX – 1/1/2014 TO 12/31/2018**

THE FOLLOWING CHARTS LISTS THE TOTAL NUMBER OF MONTHLY REAL ESTATE TRANSFER TRANSACTION MINUS NON-TAXABLE TRANSACTIONS TO ARRIVE AT TAXABLE TRANSACTIONS. FOR EXAMPLE, IN JANUARY 2018 THERE WERE 162 TRANSACTIONS MINUS 32 NON-TAXABLE TRANSACTIONS, WHICH LEAVES 130 TAXABLE TRANSACTIONS.

	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>
J	162-32=130	152-41=111	153-38=115	120-32=88	152-64=88
F	136-33=103	156-41=115	146-44=102	143-56=87	100-41=59
M	190-27=163	226-46=180	185-43=142	193-48=145	170-39=131
A	207-43=164	179-56=123	176-38=138	174-49=125	157-32=125
M	193-43=150	186-45=141	194-53=141	218-65=153	212-51=161
J	211-42=169	201-40=161	182-46=136	172-56=116	159-50=109
J	196-33=163	206-41=165	154-40=114	175-52=123	149-43=106
A	225-33=192	193-55=138	181-44=137	180-44=136	150-41=109
S	221-41=180	240-41=199	244-39=205	211-48=163	202-49=153
O	220-24=196	173-33=140	157-29=128	201-66=135	223-71=152
N	145-27=118	179-38=141	157-51=106	139-38=101	162-49=113
D	217-39=178	204-31=173	176-34=142	166-43=123	196-68=128
T	2323-417=1906	2295-508=1787	2105-499=1606	2092-597=1495	2032-598=1434

## **REAL ESTATE TRANSFER TAX -\$1 MILLION + PROPERTIES 2018**

THERE WERE THREE (3) MILLION + PROPERTIES SOLD IN READING IN DECEMBER. THAT BRINGS THE TOTAL TO SIX (6) FOR 2018. ALL WERE COMMERCIAL PROPERTIES, NOT RESIDENTIAL PROPERTIES.

<b>DATE</b>	<b>PROPERTY ADDRESS</b>	<b>SALE PRICE</b>	<b>RATE 3.5%</b>	<b>TAX AMOUNT</b>
02/27/18	1640 Perkiomen Ave.	\$1,357,000	3.5%	\$47,495
03/28/18	413 Lancaster Ave.	\$1,855,000	3.5%	\$64,925
08/29/18	1640 Perkiomen Ave.	\$2,557,356	3.5%	\$89,507
12/11/18	364 Blair Ave.	\$1,500,000	3.5%	\$52,500
12/13/18	1801 N. 12 <sup>th</sup> Street	\$2,130,670	3.5%	\$74,573
12/20/18	2225 Hampden Blvd.	\$1,854,200	3.5%	\$64,897
total		\$11,254,226	3.5%	\$393,897

- IN 2017, THERE WERE NINE (9) PROPERTIES SOLD IN EXCESS OF \$1 MILLION
- IN 2016, THERE WERE FIVE (5) PROPERTIES SOLD IN EXCESS OF \$1 MILLION
- IN 2015, THERE WERE NINE (9) PROPERTIES SOLD IN EXCESS OF \$1 MILLION
- IN 2014, THERE WERE TWO (2) PROPERTIES SOLD IN EXCESS OF \$1 MILLION
- IN 2013, THERE WERE TEN (10) PROPERTIES SOLD IN EXCESS OF \$1 MILLION(w/CNA)
- IN 2012, THERE WERE TWO (2) PROPERTIES SOLD IN EXCESS OF \$1 MILLION
- IN 2011, THERE WERE FIVE (5) PROPERTIES SOLD IN EXCESS OF \$1 MILLION
- IN 2010, THERE WERE SIX (6) PROPERTIES SOLD IN EXCESS OF \$1 MILLION
- IN 2009, THERE WERE ZERO (0) PROPERTIES SOLD IN EXCESS OF \$1 MILLION
- IN 2008, THERE WERE FOUR (4) PROPERTIES SOLD IN EXCESS OF \$1 MILLION
- IN 2007, THERE WERE TWELVE (12) PROPERTIES SOLD IN EXCESS OF \$1 MILLION

## 2018 UNEMPLOYMENT COMPENSATION-4<sup>th</sup> QUARTER

THE UNEMPLOYMENT COMPENSATION EXPENSES FOR THE 4<sup>th</sup> QUARTER OF 2018 WERE \$10,674.34. **THE YEAR TO DATE EXPENSES ARE \$43,271.49 OR \$56,728.51 BELOW BUDGET.** THE 2019 BUDGET ALLOCATES \$80,000 FOR UNEMPLOYMENT COMPENSATIONS COSTS.

THE FOLLOWING CHART ILLUSTRATES THE UNEMPLOYMENT COSTS OF THE CITY FOR YEARS 2000- 2018:

YEAR	BUDGET	ACTUAL EXPENSE	VARIANCE
2000	\$55,000.00	\$123,742.39	<b>-\$68,742.39</b>
2001	\$55,000.00	\$42,710.14	\$12,289.86
2002	\$55,000.00	\$33,494.50	\$21,505.50
2003	\$12,000.00	\$60,765.63	<b>-\$48,765.63</b>
2004	\$100,000.00	\$166,192.84	<b>-\$66,192.84</b>
2005	\$100,000.00	\$72,140.44	\$27,859.56
2006	\$100,000.00	\$52,913.27	\$47,086.73
2007	\$100,000.00	\$62,466.08	\$37,533.92
2008	\$80,000.00	\$58,968.37	\$21,031.63
2009	\$100,000.00	\$133,061.92	<b>-\$33,061.92</b>
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	<b>-\$16,761.18</b>
2017	\$100,000.00	\$81,852.56	\$18,147.44
2018	\$100,000.00	\$43,271.49	\$56,728.51

**BOLD INDICATES DEFICIT.**