

CITY AUDITOR'S REPORT

MONDAY, JULY 25, 2016

2016 ADMISSION FEE/TAX

WE RECEIVED CHECKS IN THE AMOUNT OF \$8,846.48 FROM THE READING FIGHTIN' PHILS FOR JUNE'S ADMISSION FEES/TAXES. THE SANTANDER ARENA AND THE PERFORMING ARTS CENTER ADMISSION FEES TOTALLED \$31,673.46 FOR JUNE EVENTS. THOSE EVENTS INCLUDED IN THE RECEIPTS ARE FROM PERFORMANCES BY LOUIS CK, RINGO STARR, BLUE MAN GROUP AND CELTIC WOMEN, JUST TO NAME A FEW. ALSO THIS MONTH, WE RECEIVED \$4,493.87 FROM READING ROYALS HOCKEY FOR JUNE'S SALES. THE 2016 BUDGET LIST \$375,000 AS EXPECTED REVENUE.

THE FOLLOWING CHARTS LIST ANNUALLY (2012-JUNE 2016) THE ADMISSION FEES BY SPORT/VENUE:

| ADMISSION FEE/TAX | 2012 | 2013 | 2014 | 2015 | JUNE 2016 |
|-----------------------------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| READING PHILS -1 ST ENERGY STADIUM | \$96,043.94 | \$93,720.02 | \$83,965.24 | \$90,207.37 | \$41,303.19 |
| READING ROYALS - SANTANDER ARENA | \$58,030.32 | \$79,569.86 | \$68,419.39 | \$70,252.03 | \$40,379.44 |
| OTHER- SANTANDER ARENA | \$175,637.30 | \$163,778.03 | \$78,803.12 | \$154,506.05 | \$117,218.22 |
| PERFORMING ARTS CENTER | \$95,120.89 | \$102,545.31 | \$105,199.93 | \$130,830.17 | \$90,847.18 |
| TOTAL REVENUE | \$424,832.45 | \$439,613.22 | \$336,387.68 | \$445,795.62 | \$289,748.03 |
| BUDGETED REVENUE | \$504,000.00 | \$510,000.00 | \$425,000.00 | \$325,000.00 | \$375,000.00 |
| OVER/UNDER BUDGET | -\$79,167.55 | -\$70,386.78 | -\$88,612.32 | \$120,795.62 | |

REAL ESTATE TRANSFER TAX – 1/1/2012 TO 6/30/2016

THIS IS AN UPDATE ON THE REAL ESTATE TRANSFER TAX RECEIPTS SINCE I LAST REPORTED IN MY JUNE 13, 2016 REPORT. THIS TAX WAS 1% ('02), 1.5% ('03), 2% ('04-'05), AND 3.5% FOR ('06-'16).

THE FOLLOWING CHART ILLUSTRATES ACTUAL DATA FROM 01/2012 - 06/2016. IN JUNE 2016 THERE WERE 182 REAL ESTATE TRANSFER TRANSACTIONS, OF WHICH 136 WERE TAXABLE TRANSACTIONS. THE CITY'S PROCEEDS IN JUNE TOTALLED \$268,082.88. THE 2016 BUDGET LISTS \$2,200,000 AS EXPECTED REVENUE.

| | 2016 | 2015 | 2014 | 2013 | 2012 |
|--------------------|--------------|---------------------|---------------------|---------------------|---------------------|
| January | 192,536.00 | 447,472.25 | 184,364.62 | 268,600.36 | 88,765.23 |
| February | 170,629.07 | 136,325.79 | 79,506.95 | 96,300.63 | 260,520.16 |
| March | 220,051.13 | 212,213.45 | 209,536.33 | 190,399.70 | 151,719.15 |
| April | 279,084.30 | 234,429.18 | 174,960.06 | 323,534.14 | 142,353.83 |
| May | 777,337.35 | 279,602.00 | 229,074.13 | 182,633.51 | 178,896.46 |
| June | 268,082.88 | 179,077.99 | 184,215.78 | 235,519.00 | 191,760.76 |
| July | | 430,575.93 | 179,401.65 | 360,628.81 | 155,694.65 |
| August | | 337,420.45 | 212,909.86 | 238,208.80 | 126,717.87 |
| September | | 240,753.37 | 258,305.78 | 640,159.72 | 120,767.46 |
| October | | 256,548.97 | 271,499.71 | 167,947.97 | 241,408.93 |
| November | | 181,978.31 | 272,836.24 | 123,391.91 | 177,323.40 |
| December | | 271,629.17 | 253,304.41 | 151,516.19 | 137,293.31 |
| JAN-JUNE | 1,907,720.73 | 1,489,120.66 | 1,061,657.87 | 1,296,987.34 | 1,014,015.59 |
| Entire Year | | 3,208,026.86 | 2,509,915.52 | 2,978,840.74 | 1,973,221.21 |
| Budget | 2,200,000.00 | 1,900,000.00 | 1,982,975.00 | 1,900,000.00 | 2,000,000.00 |
| Over Budget | | 1,308,026.86 | 526,940.52 | 1,078,840.74 | <26,778.79> |

REAL ESTATE TRANSFER TAX – 1/1/2012 TO 6/30/2016

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 2016 THERE WERE 153 TRANSACTIONS MINUS 38 NON-TAXABLE TRANSACTIONS, WHICH LEAVES 115 TAXABLE TRANSACTIONS.

| | 2016 | 2015 | 2014 | 2013 | 2012 |
|---|-------------|-------------|-------------|-------------|-------------|
| J | 153-38=115 | 120-32=88 | 152-64=88 | 134-44=90 | 108-36=72 |
| F | 146-44=102 | 143-56=87 | 100-41=59 | 132-55=77 | 103-36=67 |
| M | 185-43=142 | 193-48=145 | 170-39=131 | 183-55=128 | 179-56=123 |
| A | 176-38=138 | 174-49=125 | 157-32=125 | 180-55=125 | 159-41=118 |
| M | 194-53=141 | 218-65=153 | 212-51=161 | 168-53=115 | 160-35=125 |
| J | 182-46=136 | 172-56=116 | 159-50=109 | 150-53=97 | 150-57=93 |
| J | | 175-52=123 | 149-43=106 | 146-30=116 | 148-52=96 |
| A | | 180-44=136 | 150-41=109 | 177-71=106 | 118-39=79 |
| S | | 211-48=163 | 202-49=153 | 224-50=174 | 112-39=73 |
| O | | 201-66=135 | 223-71=152 | 170-56=114 | 225-53=172 |

| | | | | | |
|---|--|-------------------|-------------------|-------------------|-------------------|
| N | | 139-38=101 | 162-49=113 | 134-35=99 | 145-42=103 |
| D | | 166-43=123 | 196-68=128 | 138-53=85 | 138-50=88 |
| T | | 2092- 597=1495 | 2032- 598=1434 | 1936- 610=1326 | 1745- 536=1209 |

2016 CABLE FRANCHISE FEES

ON 7/25/16, THE CITY POSTED \$225,348.66 FROM COMCAST CABLE FOR THE FRANCHISE FEES FOR THE 2ND QUARTER OF 2016. THE YEAR TO DATE REVENUE IS \$445,900.88. THE 2016 BUDGET LISTS \$825,000 AS ANNUAL CABLE FRANCHISE FEES REVENUE.

THE FOLLOWING CHART LISTS CABLE FRANCHISE FEES FROM 1997 – 2016 2ND Q.:

| YEAR | BUDGET | ACTUAL | VARIANCE |
|----------------------------|-----------|--------------|---------------------|
| 1997 | \$564,000 | \$586,350.73 | \$22,350.73 |
| 1998 | \$615,000 | \$772,978.02 | \$157,978.02 |
| 1999 | \$645,000 | \$670,813.60 | \$25,813.60 |
| 2000 | \$680,000 | \$701,370.94 | \$21,370.94 |
| 2001 | \$700,000 | \$667,645.58 | <\$32,354.42> |
| 2002 | \$700,000 | \$724,969.36 | \$24,969.36 |
| 2003 | \$720,000 | \$739,601.21 | \$19,601.21 |
| 2004 | \$750,000 | \$732,936.04 | <\$17,063.96> |
| 2005 | \$750,000 | \$659,329.68 | <\$90,670.32> |
| 2006 | \$770,000 | \$684,295.97 | <\$85,704.03> |
| 2007 | \$700,000 | \$673,827.84 | <\$26,172.16> |
| 2008 | \$700,000 | \$670,281.50 | <\$29,718.50> |
| 2009 | \$700,000 | \$716,971.61 | \$16,971.61 |
| 2010 | \$700,000 | \$704,278.99 | \$4,278.99 |
| 2011 | \$705,000 | \$704,540.44 | <\$459.56> |
| 2012 | \$705,000 | \$720,253.68 | \$15,253.68 |
| 2013 | \$725,000 | \$745,544.47 | \$20,544.47 |
| 2014 | \$725,000 | \$795,878.58 | \$70,878.58 |
| 2015 | \$750,000 | \$838,790.48 | \$88,790.48 |
| 2016-2 ND Q. | \$825,000 | \$445,900.88 | |

NOTE: 1998 INCLUDES FIVE (5) QUARTERS OF REVENUE FROM AUDITOR'S ADJUSTMENT