

CITY AUDITOR'S REPORT

MONDAY, OCTOBER 26, 2015

2015 ADMISSION FEE/TAX

WE RECEIVED CHECKS IN THE AMOUNT OF \$25,236.28 FROM THE READING FIGHTIN' PHILS FOR SEPTEMBER'S ADMISSION FEES/TAXES. THE SANTANDER ARENA AND THE PERFORMING ARTS CENTER ADMISSION FEES TOTALLED \$17,213.50 FOR SEPTEMBER EVENTS. THOSE EVENTS INCLUDED IN THE RECEIPTS ARE FROM PERFORMANCES BY TSUNAMI FEST, WING FLING, DWIGHT YOAKAM, MARTINA MCBRIDE, JACKSON BROWNE, AND MICHAEL W. SMITH, JUST TO NAME A FEW. ALSO THIS MONTH, WE RECEIVED \$2,445.96 FROM READING ROYALS HOCKEY FOR SEPTEMBER'S SALES.

THE 2015 BUDGET LIST \$325,000 AS EXPECTED REVENUE.

THE FOLLOWING CHARTS LIST ANNUALLY (2011-SEPT. 2015) THE ADMISSION FEES BY SPORT/VENUE:

ADMISSION FEE/TAX	2011	2012	2013	2014	SEPT. 2015
READING PHILS -1 ST ENERGY STADIUM	\$104,498.69	\$96,043.94	\$93,720.02	\$83,965.24	\$82,740.60
READING ROYALS - SANTANDER ARENA	\$60,719.57	\$58,030.32	\$79,569.86	\$68,419.39	\$50,868.41
OTHER- SANTANDER ARENA	\$117,376.12	\$175,637.30	\$163,778.03	\$78,803.12	\$101,920.33
PERFORMING ARTS CENTER	\$140,860.56	\$95,120.89	\$102,545.31	\$105,199.93	\$87,358.79
TOTAL REVENUE	\$423,454.94	\$424,832.45	\$439,613.22	\$336,387.68	\$322,888.13
BUDGETED REVENUE	\$480,000.00	\$504,000.00	\$510,000.00	\$425,000.00	\$325,000.00
OVER/UNDER	-\$56,545.06	-\$79,167.55	-\$70,386.78	-\$88,612.32	

BUDGET					
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REAL ESTATE TRANSFER TAX – 1/1/2011 TO 09/30/2015

THIS IS AN UPDATE ON THE REAL ESTATE TRANSFER TAX RECEIPTS SINCE I LAST REPORTED IN MY SEPTEMBER 14, 2015 REPORT. THIS TAX WAS 1% ('02), 1.5% ('03), 2% ('04-'05), AND 3.5% FOR ('06-'15).

THE FOLLOWING CHART ILLUSTRATES ACTUAL DATA FROM 01/2011 - 09/2015. IN SEPTEMBER 2015 THERE WERE 211 REAL ESTATE TRANSFER TRANSACTIONS, OF WHICH 163 WERE TAXABLE TRANSACTIONS. THE CITY'S PROCEEDS IN SEPTEMBER TOTALLED \$240,753.37. THE YEAR TO DATE TOTAL, THROUGH 9/30/15, IS \$2,497,870.41 OR \$597,870.41 MORE THAN BUDGET WITH THREE (3) MORE MONTHLY RECEIPTS TO FOLLOW. THE 2015 BUDGET LISTS \$1,900,000 AS EXPECTED REVENUE.

	2015	2014	2013	2012	2011
January	447,472.25	184,364.62	268,600.36	88,765.23	90,044.35
February	136,325.79	79,506.95	96,300.63	260,520.16	135,391.03
March	212,213.45	209,536.33	190,399.70	151,719.15	214,724.17
April	234,429.18	174,960.06	323,534.14	142,353.83	156,823.78
May	279,602.00	229,074.13	182,633.51	178,896.46	174,829.49
June	179,077.99	184,215.78	235,519.00	191,760.76	221,457.20
July	430,575.93	179,401.65	360,628.81	155,694.65	121,372.42
August	337,420.45	212,909.86	238,208.80	126,717.87	179,026.81
September	240,753.37	258,305.78	640,159.72	120,767.46	187,496.67
October		271,499.71	167,947.97	241,408.93	255,432.51
November		272,836.24	123,391.91	177,323.40	287,145.90
December		253,304.41	151,516.19	137,293.31	208,991.89
JAN.-SEPT.	2,497,870.41	1,725,469.09	2,535,984.67	1,417,195.57	1,481,165.92
Entire Year		2,509,915.52	2,978,840.74	1,973,221.21	2,232,736.22
Budget	1,900,000.00	1,982,975.00	1,900,000.00	2,000,000.00	2,750,000.00
Over Budget		526,940.52	1,078,840.74	<26,778.79>	<517,263.78>

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 2015 THERE WERE 120 TRANSACTIONS MINUS 32 NON-TAXABLE TRANSACTIONS, WHICH LEAVES 88 TAXABLE TRANSACTIONS.

	2015	2014	2013	2012	2011
J	120-32=88	152-64=88	134-44=90	108-36=72	101-44=57
F	143-56=87	100-41=59	132-55=77	103-36=67	126-49=77
M	193-48=145	170-39=131	183-55=128	179-56=123	144-43=101
A	174-49=125	157-32=125	180-55=125	159-41=118	121-31=90
M	218-65=153	212-51=161	168-53=115	160-35=125	168-52=116
J	172-56=116	159-50=109	150-53=97	150-57=93	175-39=136
J	175-52=123	149-43=106	146-30=116	148-52=96	127-48=79
A	180-44=136	150-41=109	177-71=106	118-39=79	153-39=114
S	211-48=163	202-49=153	224-50=174	112-39=73	141-40=101
O		223-71=152	170-56=114	225-53=172	181-52=129

N		162-49=113	134-35=99	145-42=103	149-31=118
D		196-68=128	138-53=85	138-50=88	172-61=111
T		2032- 598=1434	1936- 610=1326	1745- 536=1209	1758- 529=1229

REAL ESTATE TRANSFER TAX -\$1 MILLION + PROPERTIES 2015

THE SEVENTH \$1 MILLION + PROPERTY WAS SOLD IN READING IN AUGUST. ALL PROPERTIES ARE COMMERCIAL PROPERTIES AS OPPOSED TO A RESIDENTIAL PROPERTIES.

DATE	PROPERTY ADDRESS	SALE PRICE	RATE 3.5%	TAX AMOUNT
01/14/15	825 Morgantown Rd.	\$6,000,000	3.5%	\$210,000
01/16/15	600 Morgantown Rd.	\$2,700,000	3.5%	\$94,500
05/29/15	645 Penn Street	\$1,700,000	3.5%	\$59,500
7/1/15	825 East Wyomissing Blvd.	\$2,500,000	3.5%	\$87,500
7/14/15	100 South 3 rd Street	\$1,175,000	3.5%	\$41,125
7/21/15	600 South 6 th Street	\$2,100,000	3.5%	\$73,500
8/20/15	958 East Wyomissing Blvd.	\$3,653,760	3.5%	\$127,882
total		\$19,828,760	3.5%	\$694,007

- 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.

PUBLIC UTILITY REALTY TAX 1997-2015

ON 10/05/15, WE RECEIVED \$54,079.37 FOR THE STATE PUBLIC UTILITY REALTY TAX FROM THE COMMONWEALTH OF PA. STARTING IN 1999, THERE WAS A CHANGE IN THE FORMULA TO CALCULATE THE AMOUNTS PAYABLE TO MUNICIPALITIES FOR THE STATE PUBLIC UTILITY REALTY TAX. AS THE FOLLOWING CHART REVEALS, WE HAVE EXPERIENCED A MAJOR REDUCTION IN THIS REVENUE SOURCE SINCE 1999. THE ESTIMATED REVENUE FROM THIS SOURCE IN 2016 IS EXPECTED TO BE \$55,000.00.

PUBLIC UTILITY TAX	BUDGET	ACTUAL
1997	291,000	277,867
1998	291,000	267,198
1999	290,000	205,284
2000	170,000	80,921
2001	60,000	41,693
2002	80,000	35,924
2003	42,000	39,294
2004	36,000	29,027
2005	40,000	42,151
2006	40,000	51,455
2007	51,000	48,885
2008	51,000	45,976
2009	46,000	43,342

2010	46,000	40,781
2011	45,000	45,721
2012	45,000	49,068
2013	49,000	50,473
2014	49,000	58,179
2015	49,000	54,079