

# CITY AUDITOR'S REPORT

## MONDAY, NOVEMBER 28, 2011

### 2011 ADMISSION FEE/TAX

THE SOVEREIGN CENTER & PERFORMING ARTS CENTER EVENT FEES TOTALLED \$16,879.69 FOR OCTOBER SALES. EVENTS INCLUDED IN THESE RECEIPTS ARE FROM PERFORMANCES BY DIANA ROSS, JACKSON BROWNE, CYNDI LAUPER AND BRIAN REGAN, JUST TO NAME A FEW. ALSO THIS MONTH, WE RECEIVED \$4,906.45 FROM THE READING ROYALS HOCKEY CLUB FOR OCTOBER'S SALES.

THE 2011 BUDGET LISTS \$480,000 AS EXPECTED REVENUE AND THE PROPOSED 2012 BUDGET LIST \$504,000 AS EXPECTED REVENUE.

THE FOLLOWING CHARTS LIST ANNUALLY (2007-2011) THE ADMISSION FEES BY SPORT/VENUE:

ADMISSION FEE/TAX	2007	2008	2009	2010	OCT. 2011
READING PHILS -1 <sup>ST</sup> ENERGY STADIUM	\$97,078.39	\$85,828.62	\$94,788.30	\$98,219.57	\$95,654.69
READING ROYALS - SOVEREIGN CENTER	\$91,274.98	\$100,129.25	\$55,054.89	\$61,494.30	\$51,957.34
OTHER- SOVEREIGN CENTER	\$213,868.85	\$236,337.38	\$232,589.23	\$252,268.74	\$80,419.32
PERFORMING ARTS CENTER	\$133,717.69	\$132,528.70	\$99,602.64	\$100,701.62	\$109,848.06
<b>TOTAL REVENUE</b>	<b>\$535,939.91</b>	<b>\$554,823.95</b>	<b>\$482,035.06</b>	<b>\$512,684.23</b>	<b>\$337,879.41</b>
BUDGETED REVENUE	\$600,000.00	\$550,000.00	\$600,000.00	\$450,000.00	\$480,000.00
<b>OVER/UNDER BUDGET</b>	<b>-\$64,060.09</b>	<b>\$4,823.95</b>	<b>-\$117,964.94</b>	<b>\$62,684.23</b>	

**REAL ESTATE TRANSFER TAX – 1/1/2007 TO 10/31/2011**

THIS IS AN UPDATE ON THE REAL ESTATE TRANSFER TAX RECEIPTS SINCE I LAST REPORTED IN MY OCTOBER 24, 2011 REPORT. THIS TAX WAS 1% ('02), 1.5% ('03), 2% ('04-'05), AND 3.5% FOR ('06-'11).

THE FOLLOWING CHART ILLUSTRATES ACTUAL DATA FROM 01/2007 - 10/2011. IN OCTOBER 2011 THERE WERE 181 REAL ESTATE TRANSFER TRANSACTIONS, OF WHICH 129 WERE TAXABLE TRANSACTIONS. THE CITY'S PROCEEDS IN OCTOBER TOTALLED \$255,432.51. THE 2011 BUDGET PROJECTS REVENUE FROM THIS SOURCE AS \$2,750,000 AND THE PROPOSED 2012 BUDGET LIST \$2,000,000 AS EXPECTED REVENUE.

	<b>2011</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>
January	90,044.35	159,017.30	148,961.51	652,118.37	571,588.55
February	135,391.03	106,687.67	142,169.66	228,471.03	490,135.40
March	214,724.17	229,645.70	185,351.64	249,460.68	436,044.99
April	156,823.78	393,268.60	258,946.66	546,640.28	535,330.62
May	174,829.49	384,978.30	242,328.73	392,206.10	855,745.40
June	221,457.20	349,449.25	204,198.52	352,496.09	641,669.28
July	121,372.42	222,286.60	182,852.57	267,767.04	663,865.08
August	179,026.81	185,037.44	189,488.42	371,358.83	808,641.08
September	187,496.67	128,921.23	301,455.52	279,643.32	399,709.39
October	255,432.51	204,050.03	273,838.88	236,179.13	484,759.56
November	??????????	240,401.03	214,016.65	268,455.35	539,733.18
December	??????????	209,455.28	232,908.94	158,499.81	288,401.49
<b>JAN-OCT.</b>	<b>1,736,598.43</b>	<b>2,363,342.12</b>	<b>2,129,592.11</b>	<b>3,576,340.87</b>	<b>5,887,489.35</b>
<b>Entire Year</b>	<b>??????????</b>	<b>2,813,198.43</b>	<b>2,576,517.70</b>	<b>4,003,296.03</b>	<b>6,715,624.02</b>
Budget	2,750,000.00	2,500,000.00	5,000,000.00	7,215,868.00	7,215,868.00
Over Budget	??????????	313,198.43	<2,423,482.30>	<3,212,571.97>	<500,243.98>

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 2011 THERE WERE 101 TRANSACTIONS MINUS 44 NON-TAXABLE TRANSACTIONS, WHICH LEAVES 57 TAXABLE TRANSACTIONS.

		<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>
J	101-44=57	145-54=91	123-55=68	213-67=146	318-59=259
F	126-49=77	103-37=66	137-44=93	190-51=139	242-50=192
M	144-43=101	212-67=145	167-47=120	174-47=127	285-56=229
A	121-31=90	193-59=134	163-54=109	282-62=220	340-68=272
M	168-52=116	208-73=135	169-40=129	225-46=179	282-50=232
J	175-39=136	185-51=134	171-60=111	213-56=157	307-52=255
J	127-48=79	149-44=105	161-62=99	201-48=153	273-70=203
A	153-39=114	161-55=106	141-48=93	195-53=142	277-62=215
S	141-40=101	114-31=83	137-39=98	183-50=133	247-45=202
O	181-52=129	201-72=129	219-67=152	184-64=120	268-46=222
N		120-33=87	175-65=110	156-55=101	211-45=166
D		153-45=108	163-44=119	134-39=95	213-51=162
T		1944-621=1323	1926-625=1301	2350-638=1712	3263-654=2609

## **REAL ESTATE TRANSFER TAX -\$1 MILLION + PROPERTIES 2011**

THERE WERE TWO (2) PROPERTIES THAT SOLD FOR AT LEAST \$1,000,000 IN OCTOBER 2011. THE TOTAL NUMBER OF \$1 MILLION + PROPERTIES SOLD IN 2011 NOW STANDS AT THREE (3). ALL OF THOSE ARE COMMERCIAL PROPERTIES AS OPPOSED TO RESIDENTIAL PROPERTIES. IN 2010, SIX (6) PROPERTIES WERE SOLD FOR MORE THAN \$1 MILLION EACH, WITH THEIR TOTAL SALES PRICE OF \$15,220,260 WHICH BROUGHT THE CITY \$532,709 IN REAL ESTATE TRANSFER TAXES. SO FAR THIS YEAR, THE THREE (3) PROPERTIES TOTAL SALES PRICE WAS \$3,875,000, THUS RETURNING \$135,625 IN REAL ESTATE TRANSFER TAXES.

<b>DATE</b>	<b>PROPERTY ADDRESS</b>	<b>SALE PRICE</b>	<b>RATE 3.5%</b>	<b>TAX AMOUNT</b>
03/28/11	413-425 Lancaster Ave.	\$1,775,000	3.5%	\$62,125
10/13/11	229 Lancaster Ave.	\$1,100,000	3.5%	\$38,500
10/28/11	801-847 N. 9 <sup>TH</sup> St.	\$1,000,000	3.5%	\$35,000
subtotal		\$3,875,000	3.5%	\$135,625

- 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.

## **2012 PROPOSED BUDGET COMMENTS**

I HAVE PROVIDED, IN A SEPARATE REPORT, COMMENTS REGARDING THE MAYOR'S PROPOSED 2012 BUDGET AS DEFINED IN **ARTICLE V SECTION 503(b)** OF THE HOME RULE CHARTER OF THE CITY OF READING.