

CITY AUDITOR'S REPORT

MONDAY, MAY 10, 2010

2010 UNEMPLOYMENT COMPENSATION

THE UNEMPLOYMENT COMPENSATION EXPENSES FOR THE 1st QUARTER OF 2010 WERE \$211,050.35. THE 2010 BUDGET ALLOCATES \$755,000 FOR UNEMPLOYMENT COMPENSATIONS COSTS.

THE FOLLOWING CHART ILLUSTRATES THE UNEMPLOYMENT COSTS OF THE CITY FOR YEARS 1996- 2010 1ST Q.:

YEAR	BUDGET	ACTUAL EXPENSE	VARIANCE
1996	\$44,856.00	\$40,732.38	\$4,123.62
1997	\$55,000.00	\$94,088.09	-\$39,088.09
1998	\$55,000.00	\$25,086.87	\$29,913.13
1999	\$55,000.00	\$26,085.08	\$28,914.92
2000	\$55,000.00	\$123,742.39	-\$68,742.39
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	-\$48,765.63
2004	\$100,000.00	\$166,192.84	-\$66,192.84
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	-\$33,061.92
2010	\$755,000.00	\$211,050.35	

BOLD INDICATES DEFICIT.

ALSO NOTE THAT IN 1997, 2000 AND 2004 RE-ORGANIZATIONS OCCURRED.

READING PARKING AUTHORITY AUDIT FROM 12/31/2009

IN LATE APRIL 2010, THE AUDITOR'S OFFICE RECEIVED A COPY OF AN AUDIT FROM THE READING PARKING AUTHORITY. THIS AUDIT, PREPARED BY HERBEIN & COMPANY, PRESENTS THE FINANCIALS OF THE PARKING AUTHORITY AS OF 12/31/09.

SOME BRIEF COMMENTARY AND OBSERVATIONS ARE AS FOLLOWS:

- THE CITY LENT THE PARKING AUTHORITY \$830,000 (1999), \$675,000 (2000) AND \$550,000 (2001) FOR BOND DEBT TOTTALLING \$2,055,000.
- THE PARKING AUTHORITY HAS NOT NEEDED ANY CITY SUBSIDIES SINCE 2001.
- BY 2009, THE PARKING AUTHORITY HAD **REPAID IN FULL** ALL AMOUNTS DUE TO THE CITY **PLUS TRANSFERRED AN ADDITIONAL \$1.279 MILLION** TO THE CITY.
- OPERATING REVENUES HAVE INCREASED FROM \$5,981,501 (2004) TO \$8,064,729 (2009).
- OPERATING INCOME HAS GROWN FROM \$2,665,121 (2004) TO \$4,108,900 (2009).

	2004	2005	2006
OPERATING REVENUES	5,981,501	6,368,348	7,273,723
OPERATING ADMIN. EXP.	-3,316,380	-3,344,517	-3,477,976
OPERATING INCOME	2,665,121	3,203,831	3,795,747
OTHER REV (EXP)	-1,315,369	-1,082,761	-1,560,507
NET INCOME (LOSS)	1,349,752	1,941,070	2,235,240
NET ASSETS 1/1	717,658	2,067,410	4,008,480
NET ASSETS 12/31	2,067,410	4,008,480	6,243,720
	2007	2008	2009
OPERATING REVENUES	7,769,974	7,923,473	8,064,729
OPERATING ADMIN. EXP.	-3,692,158	-4,069,877	-3,955,829
OPERATING INCOME	4,077,816	3,853,596	4,108,900
OTHER REV (EXP)	-1,403,348	-1,546,037	-3,511,423
NET INCOME (LOSS)	2,674,468	2,307,559	597,477
NET ASSETS 1/1	6,243,720	8,918,188	11,225,747
NET ASSETS 12/31	8,918,188	11,225,747	11,823,224

READING PARKING AUTHORITY AUDIT FROM 12/31/2009(CONT.)

ON BEHALF OF THE CITY OF READING , I WOULD LIKE TO THANK LAWRENCE LEE; EXECUTIVE DIRECTOR OF THE RPA AUTHORITY, GEORGE COOK; CHAIRMAN OF THE RPA BOARD, AND ALL THE OTHER BOARD MEMBERS AND EMPLOYEES FOR THEIR HARD WORK, DEDICATION AND CONTINUING IMPROVEMENTS IN READING.

ACT 47 RECOVERY PLAN REPORT

ON THURSDAY, 5/6/10, I ATTENDED, ALONG WITH SEVERAL OTHER CITY OFFICIALS, EMPLOYEES AND CITIZENS, THE RELEASE OF THE ACT 47 RECOVERY PLAN REPORT FROM THE PFM GROUP.

DEAN KAPLAN, OUR ACT 47 COORDINATOR FROM PFM, GAVE A BRIEF OVERVIEW OF THE 300+ PAGE REPORT AND ANSWERED QUESTIONS FROM THOSE IN ATTENDANCE.

THE AUDITOR'S OFFICE IS IN THE PROCESS OF READING THE ENTIRE REPORT AND WILL HAVE COMMENTS AND QUESTIONS FOR THE NEXT SCHEDULED PUBLIC HEARING. THAT MEETING IS SCHEDULED TO BE HELD ON WEDNESDAY MAY 19TH AT 6:30PM AT READING AREA COMMUNITY COLLEGE.