

READING PARKING AUTHORITY STATEMENT
Re: FORENSIC INVESTIGATION INTERIM STATUS REPORT

James T. O'Brien, formally associated with Baker Tilly, and now with Management Planning, Inc., began a forensic investigation of the Reading Parking Authority in 2016 at the behest of Mayor Wally Scott. Mr. O'Brien has completed an Interim Status Report in regard to his investigation. The Reading Parking Authority welcomes this report in conjunction with its goal to benefit the citizens of Reading with better service, increased efficiency and fiscal responsibility.

First and foremost, the Reading Parking Authority wishes to emphasize that several changes have already occurred at the Authority, even before this report was received. Proper accounting procedures have been put in place. Leadership has changed with individuals that place the needs of the Authority over their own and the needs of the citizens and users of the Authority's parking facilities as the main emphasis of all of its actions. The Authority was formed to benefit you.

The forensic report cites a troublesome past of the Authority where certain individuals or entities may have received beneficial treatment. This is no longer tolerated. The Authority is conducting a careful review of all of its parking contracts and it is taking steps to reverse those that are unfair to the Authority. Any contract that is unfair to the Authority is ultimately unfair to the citizens of Reading. Those who use the Authority's facilities at an unfair advantage harm everyone. Maintenance is never cheap and capital improvements are expensive. Insufficient funds to cover those costs create increased fees and failing facilities. The Authority will no longer tolerate contracts and relationships that are advantageous to some to the detriment of everyone.

The report also cites certain internal weaknesses that were previously brought to the attention of the Authority. The Authority has already taken several steps to rectify these matters.

Although the Authority had previously been without a financial director, it has now has a director in place. Proper review of revenue and expenses along with the creation of proper financial reports is a priority. Proper accounting of collected monies and the strict review of any used funds has been put in place. The Authority has been and continues to take steps to ensure all revenues are accounted for and that no one can take advantage of the Authority's funds. The Authority has also emphasized the collection of outstanding monies owed, including the collection of unpaid fines and past due balances of those that use the Authority's parking facilities.

The Authority is working very hard to change past practices and to create a new future for the Authority. As the forensic report notes, although capital improvements had been recommended in the past, little was done. This will no longer be true. The Authority is creating long terms goals to make all necessary capital improvements. Further, the Authority is also taking steps to address its current debt obligations to ensure that these improvements can occur unfettered and to ensure the long term sustainability of the Authority.

Please be assured that the Authority is working hard for you.