

City of Milwaukee
Outstanding Receivables Report



Bill Christianson
Comptroller

Fiscal Year 2023

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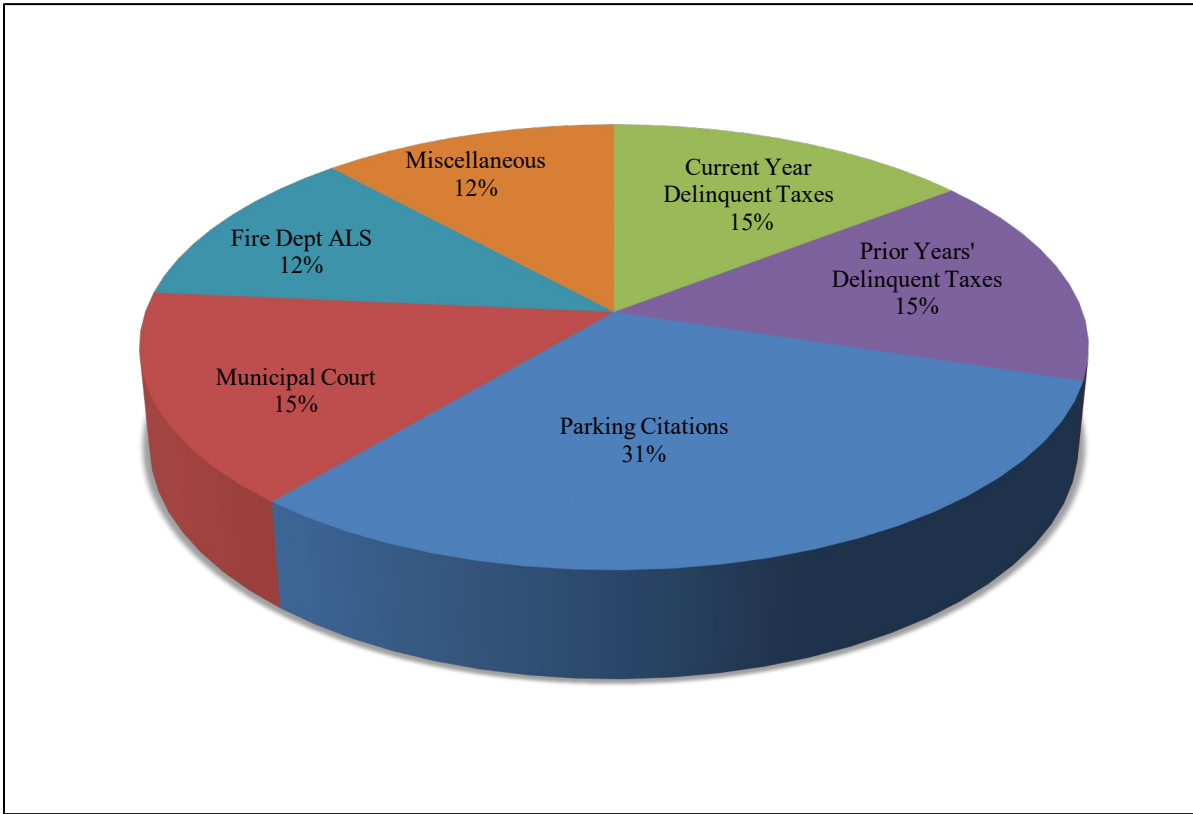
Introduction

The Comptroller's annual Report on Outstanding Receivables as of December 31, 2023, (unaudited) is being issued as required by Ordinances 304-3-3 and 304-1-5. Ordinance 304-1-5 requires the Comptroller to submit an annual report analyzing delinquent outstanding debt. Sections II through V of this report provide summary information on City outstanding receivables including Delinquent Taxes, Parking Fund Citations, Municipal Court Judgments, Miscellaneous Accounts Receivable, and the Fire Department Advanced Life Support (ALS) Billings.

Ordinance 304-3-3 requires the Comptroller to submit an annual report listing all cancellations and adjustments of City claims. Section VI of this report presents account cancellations and adjustments for 2023.

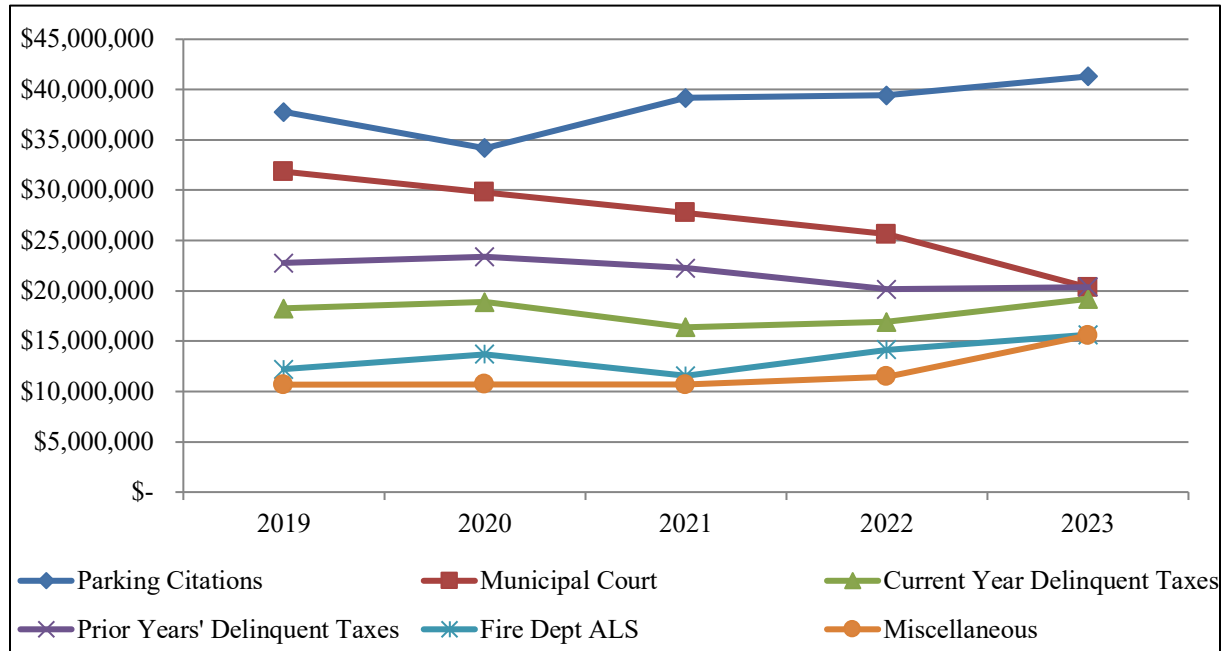
Resolution 160845 directs City departments to provide annual collection rate data to be included as an appendix to the Comptroller's annual Outstanding Receivables report. Section VII of this report presents collection rate data provided by City departments for 2023. Section VIII, the Appendix, provides additional reports in support of the summary in Section VII.

Outstanding Receivables as of December 31, 2023



Outstanding receivables for the City of Milwaukee as of December 31, 2023, total \$132.5 million. The largest category of outstanding receivables is Parking Citations, totaling 31%. Municipal Court outstanding judgements, Current Year Delinquent Taxes (2022 taxes for 2023 purposes) and Prior Years' Delinquent Taxes are the next largest categories at 15% each. Fire Department Advanced Life Support (ALS) billings and Miscellaneous Accounts Receivable both total 12%.

Outstanding Receivables at Year End 2019 – 2023



	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Parking Citations	\$ 37,775,000	\$ 34,172,000	\$ 39,165,000	\$ 39,439,000	\$ 41,304,000
Municipal Court	31,847,000	29,789,000	27,751,000	25,619,000	20,350,000
Current Year Delinquent Taxes	18,259,000	18,897,000	16,379,000	16,905,000	19,206,000
Prior Years' Delinquent Taxes	22,767,000	23,386,000	22,246,000	20,168,000	20,388,000
Fire Department ALS Billings*	12,201,000	13,695,000	11,560,000	14,141,000	15,639,000
Miscellaneous	10,678,000	10,723,000	10,680,000	11,485,000	15,567,000
Total	<u>\$133,527,000</u>	<u>\$130,662,000</u>	<u>\$127,781,000</u>	<u>\$127,757,000</u>	<u>\$132,454,000</u>

*Fire Department ALS Billings totals include Digitech and Kohn Law Firm reporting.

Outstanding receivables, by category from 2019 through 2023, are shown in the chart and table above. Total 2023 receivables increased \$4.7 million when compared to 2022.

Current year delinquent taxes increased \$2.3 million from 2022 to 2023, while prior years' delinquent taxes increased \$200 thousand.

Municipal Court receivables decreased \$5.3 million from 2022 to 2023. Municipal Court has experienced a decline since 2019.

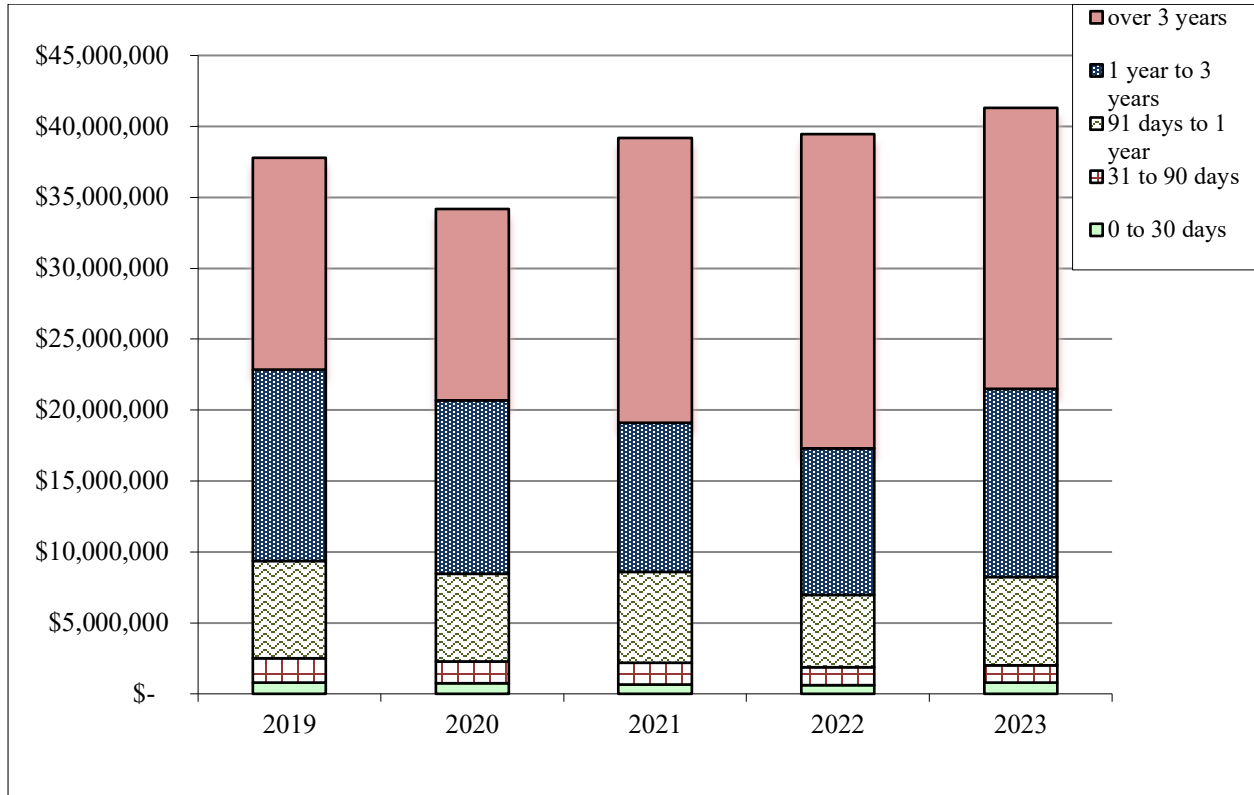
Parking citations increased \$1.9 million when compared to 2022.

The balance of Fire Department ALS billings increased \$1.5 million between 2022 and 2023.

Miscellaneous accounts receivable, which includes billings from various general city departments, increased \$4 million in 2023.

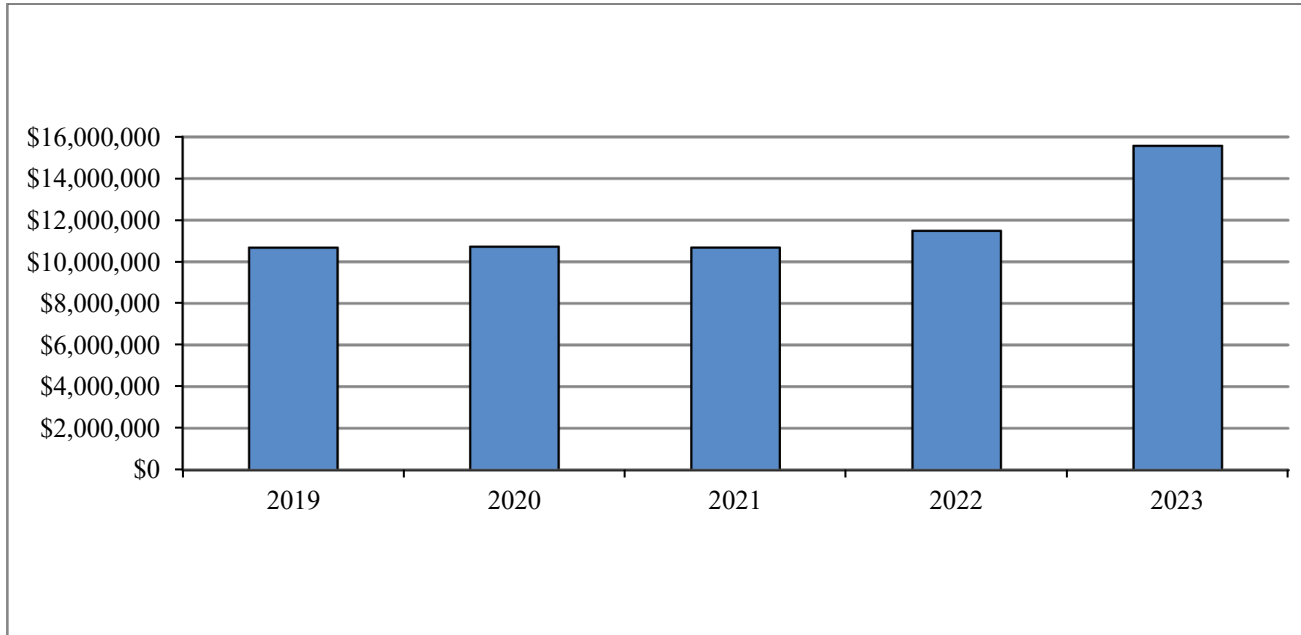
The Parking Fund writes off delinquencies that are seven years or older. Miscellaneous receivables and tax delinquencies of \$5,000 or more may be cancelled or adjusted through Common Council action. An interdepartmental process is followed for delinquencies less than \$5,000. Municipal Court judgments are settled through payment, jail time (credit for time served is applied to outstanding judgements, which occurs most often because a defendant has been incarcerated on a State charge) or community service. Judgments that are at least seven years old may be written off pursuant to Common Council resolution authorizing such write-offs.

Parking Citation Receivables Aging



The chart above shows the aging of parking citation outstanding receivables from 2019 to 2023. Of the current outstanding balance, \$33 million or 80%, has been outstanding for one year or longer.

Outstanding Miscellaneous Accounts Receivable



	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
City Clerk	\$ 57,000	\$ 139,000	\$ 113,000	\$ 78,000	\$ 87,000
City Attorney	88,000	124,000	238,000	66,000	74,000
Comptroller	3,000	11,000	19,000	30,000	31,000
Employee Relations	277,000	838,000	290,000	478,000	394,000
Dept of Administration	63,000	174,000	179,000	169,000	302,000
Fire Department	109,000	109,000	73,000	66,000	81,000
Health Department	47,000	66,000	51,000	58,000	55,000
Police Department	-	-	-	-	527,000
Port of Milwaukee	1,873,000	2,245,000	1,156,000	1,339,000	1,608,000
Public Works (Admin)	7,658,000	6,721,000	8,176,000	8,593,000	11,531,000
Public Works (Parking)*	503,000	296,000	385,000	608,000	877,000
Treasurer	-	-	-	-	-
TOTAL	\$ 10,678,000	\$ 10,723,000	\$ 10,680,000	\$ 11,485,000	\$ 15,567,000

*Non-Parking Citation Invoices

The above chart and table show outstanding Miscellaneous Accounts Receivable by year for various City departments. Miscellaneous Accounts Receivable includes a variety of billings, such as damages to City property, leasing of City property, and employee health care costs to non-city agencies. In total, the year-end balance for outstanding Miscellaneous Accounts Receivable increased \$4.1 million from 2019 to 2023.

Miscellaneous Accounts Receivable Aging

	<u>0 to 30</u> <u>Days</u>	<u>31 to 90</u> <u>Days</u>	<u>91 Days to</u> <u>1 Year</u>	<u>1 Year to 3</u> <u>Years</u>	<u>Over 3</u> <u>Years</u>	<u>Total</u>
City Clerk	\$87,000	-	-	-	-	\$87,000
City Attorney	\$24,000	-	-	\$2,000	\$48,000	\$74,000
Comptroller	\$2,000	-	\$7,000	\$10,000	\$12,000	\$31,000
Employee Relations	\$257,000	\$137,000	-	-	-	\$394,000
Dept of Administration	\$128,000	-	\$51,000	\$86,000	\$37,000	\$302,000
Fire Department	\$1,000	\$25,000	-	\$2,000	\$53,000	\$81,000
Health Department	\$11,000	\$11,000	\$12,000	\$11,000	\$10,000	\$55,000
Police Department	\$390,000	\$133,000	\$4,000	-	-	\$527,000
Port of Milwaukee	\$1,158,000	\$232,000	\$34,000	\$133,000	\$51,000	\$1,608,000
DPW- Admin	\$804,000	\$715,000	\$2,078,000	\$2,753,000	\$5,181,000	\$11,531,000
DPW- Parking*	\$231,000	\$184,000	\$48,000	\$173,000	\$241,000	\$877,000
Total	\$3,093,000	\$1,437,000	\$2,234,000	\$3,170,000	\$5,633,000	\$15,567,000

* Non-Parking Citation Invoices

The table above shows the Miscellaneous Accounts Receivable aging schedule of outstanding balances as of December 31, 2023. Of the current outstanding balance, \$8.8 million or 57%, has been outstanding for a year or longer.

Miscellaneous Accounts Receivable Departmental Changes for 2023

	2022		Late			2023
	<u>Ending Bal.</u>	<u>Billed</u>	<u>Fee</u>	<u>Paid</u>	<u>Write-Off</u>	<u>Ending Bal.</u>
City Clerk	\$ 78,000	\$ 284,000	\$ 1,000	\$ 275,000	\$ 1,000	\$ 87,000
City Attorney	66,000	120,000	1,000	112,000	1,000	\$ 74,000
Comptroller	30,000	675,000	5,000	678,000	1,000	\$ 31,000
Employee Relations	478,000	3,653,000	-	3,737,000	-	\$ 394,000
Dept of Administration	169,000	238,000	16,000	121,000		\$ 302,000
Fire Department	66,000	26,000	1,000	1,000	11,000	\$ 81,000
Health Department	58,000	172,000	3,000	175,000	3,000	\$ 55,000
Police Department	-	4,851,000	22,000	4,214,000	132,000	\$ 527,000
Port of Milwaukee	1,339,000	7,426,000	36,000	6,980,000	213,000	\$ 1,608,000
Public Works (Admin)	8,593,000	5,583,000	275,000	2,773,000	147,000	\$ 11,531,000
Public Works (Parking)*	608,000	1,891,000	18,000	1,614,000	26,000	\$ 877,000
Treasurer	-	5,000	-	5,000	-	\$ -
TOTAL	\$ 11,485,000	\$ 24,924,000	\$ 378,000	\$ 20,685,000	\$ 535,000	\$ 15,567,000

* Non-Parking Citation Invoices

The table above shows the 2023 year end balance and the current year changes to the Miscellaneous Accounts Receivable by City departments. City departments billed \$25.3 million in year-end 2023 balances, including late fees, and received payments of \$20.7 million.

Write offs can be grouped into three categories; uncollectible, billing errors and rebilled. Accounts deemed uncollectible are due to bankruptcy, the cost of litigation exceeding the balance, attainment of a judgment, settlements, and the account being over 7 years old. Billing errors include wrong amount billed, incorrect responsible party and payment made in full prior to issuance of invoice.

City of Milwaukee Collection Rates for 2023

<u>Department</u>	<u>Amount Invoiced in 2023</u>	<u>Payments Received in 2023 for 2023 Invoices</u>	<u>Collection Percentage</u>
Parking Citations	12,182,446	7,087,365	58.18%
Municipal Court*	5,665,576	2,587,822	45.68%
Tax Levy Collections	988,610,015	968,887,199	98.00%
Fire Department ALS	9,805,736	5,944,540	60.62%
<u>Miscellaneous</u>			
City Clerk	276,105	275,648	99.83%
City Attorney	112,554	112,410	99.87%
Comptroller	680,036	670,682	98.62%
Employee Relations	3,652,828	3,259,237	89.23%
Dept of Administration	228,206	121,083	53.06%
Fire Department	26,976	1,261	4.67%
Health Department	193,719	157,883	81.50%
Police Department	4,825,818	4,501,668	93.28%
Port of Milwaukee	7,702,375	6,505,494	84.46%
Public Works (Admin)	5,327,276	2,489,347	46.73%
Public Works (Parking)**	1,710,414	1,452,806	84.94%
Treasurer	4,874	4,874	100.00%

*This represents one discrete year of collection activity for overdue judgments that were placed with Harris & Harris during 2023.

As determined by the Outstanding Debt Work Group and approved via resolution #160845, the table above provides the 2023 departmental collection rates for the City of Milwaukee and Miscellaneous Accounts Receivable.

APPENDIX

*Amounts included in the following data reflect payments received as of December 31, 2023.
Additional payments for 2023 billings received in 2024 are not reflected.

City of Milwaukee

Parking Citation Payments

Fine Amount Issued and the fine and late fee amount paid in the year of issue

Date Invoiced (Issued)	Billed To	Invoice (Citation) Number	Item	Fine Amount Invoiced (Issued)	Fine Amount Paid	Late Fee Amount Paid	Total Paid Against 2023 Billings	Date Paid
2023	Parking Violators	Multiple	Parking Citations	\$12,182,446	\$7,087,365	\$1,269,741	\$8,357,106	2023

Collection Percentage	58.18%
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City of Milwaukee, WI - Municipal Court Collections - 2023

Parking - History Report

Month / Year	Assignments		Collections To Date	Net Liq. %	Cancelled		Open Accounts	
	#	Net Placement Amount			#	Amount	#	Amount
2023	199	\$ 40,153	\$ 30,043	74.8%	11	\$ 3,453	84	\$ 19,443

Traffic - History Report

Month / Year	Assignments		Collections To Date	Net Liq. %	Cancelled		Open Accounts	
	#	Net Placement Amount			#	Amount	#	Amount
2023	23,710	\$ 3,265,403	\$ 1,319,127	40%	466	\$ 61,026	17,533	\$ 2,389,724

Municipal - History Report

Month / Year	Assignments		Collections To Date	Net Liq. %	Cancelled		Open Accounts	
	#	Net Placement Amount			#	Amount	#	Amount
2023	4,398	\$ 1,304,392	\$ 349,423	27%	175	\$ 68,844	3,640	\$ 1,064,843

Summons - History Report

Month / Year	Assignments		Collections To Date	Net Liq. %	Cancelled		Open Accounts	
	#	Net Placement Amount			#	Amount	#	Amount
2023	754	\$ 1,055,628	\$ 436,753	41%	73	\$ 319,153	470	\$ 519,716

Combined - All Debt Types - History Report

Month / Year	Assignments		Collections To Date	Net Liq. %	Cancelled		Open Accounts	
	#	Net Placement Amount			#	Amount	#	Amount
Total	29,061	\$ 5,665,576	\$ 2,135,346	38%	725	\$ 452,476	21,727	\$ 3,993,726

Municipal Court Collection Percentage	45.68%
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Office of the City Treasurer

2022 Property Tax Levy Collection Summary as of December 31, 2023

(After just the first phase of tax enforcement, in-house collection)

Total Levy:
\$988,610,015.91

Collected Y-T-D through 12/31/2023:
\$968,887,199.36

Collection Rate as of 12/31/2023:
98.00%

Milwaukee Fire EMS Charge Payment Analysis



Year-Month of Service	Count of Accounts (DOS)	Gross Billable (DOS)	Adjustments (DOS)	Net Billable (DOS)	Write Offs (DOS)	Receipt of Accounts with Dates of Service in this Month	Balance Due	Year-Month of Close	Receipt of Accounts Collected in this Month (DOT)	Refunds Processed for the Month *2016 Forward	Net Revenue *2016 Forward	Accounts to Collection Count (DOT)	Accounts to Collection Amount (DOT)
2023-01	1094	\$1,414,773.89	\$683,786.09	\$730,987.80	\$277,926.61	\$429,781.15	\$23,280.04	2023-01	\$380,770.65	(2,084.38)	\$378,686.27	419	\$422,325.24
2023-02	1005	\$1,288,336.46	\$608,030.70	\$680,305.76	\$233,912.26	\$409,780.44	\$36,613.06	2023-02	\$425,482.01	(3,383.31)	\$422,098.70	235	\$256,726.56
2023-03	1065	\$1,387,459.42	\$648,372.81	\$739,086.61	\$277,601.32	\$432,420.17	\$29,065.12	2023-03	\$492,332.88	(8,051.15)	\$484,281.73	234	\$245,691.65
2023-04	1128	\$1,543,236.17	\$737,671.53	\$805,564.64	\$286,101.27	\$477,155.06	\$42,308.31	2023-04	\$461,439.05	(3,421.23)	\$458,017.82	361	\$374,530.64
2023-05	1225	\$1,696,046.84	\$827,998.32	\$868,048.52	\$291,119.71	\$530,455.23	\$46,473.58	2023-05	\$452,945.63	(5,574.35)	\$447,371.28	278	\$280,328.44
2023-06	1103	\$1,532,803.29	\$711,149.47	\$821,653.82	\$328,375.07	\$438,969.32	\$54,309.43	2023-06	\$568,525.18	(4,784.23)	\$563,740.95	302	\$297,606.10
2023-07	1210	\$1,645,580.56	\$723,769.95	\$921,810.61	\$93,623.85	\$456,710.60	\$371,476.16	2023-07	\$464,987.05	(4,197.26)	\$460,789.79	261	\$241,063.17
2023-08	1175	\$1,647,284.82	\$666,506.45	\$980,778.37	\$5,801.09	\$410,863.89	\$564,113.39	2023-08	\$393,598.69	(3,083.62)	\$390,515.07	263	\$243,509.20
2023-09	1103	\$1,496,792.14	\$605,997.00	\$890,795.14	\$4.13	\$376,548.95	\$514,242.06	2023-09	\$482,726.51	(2,548.21)	\$480,178.30	323	\$297,806.00
2023-10	1044	\$1,404,497.08	\$539,943.28	\$864,553.80	\$0.00	\$320,564.93	\$543,988.87	2023-10	\$498,354.35	(5,613.59)	\$492,740.76	196	\$191,236.23
2023-11	1086	\$1,478,427.48	\$574,618.42	\$903,809.06	\$4.95	\$324,555.45	\$579,248.66	2023-11	\$474,756.88	(3,228.53)	\$471,528.35	285	\$288,717.76
2023-12	600	\$673,172.75	\$74,831.04	\$598,341.71	\$0.00	\$44,210.14	\$554,131.57	2023-12	\$372,948.56	(1,102.63)	\$371,845.93	239	\$250,810.83
Total 2023	12838	\$17,208,410.90	\$7,402,675.06	\$9,805,735.84	\$1,794,470.26	\$4,652,015.33	\$3,359,250.25	Total 2023	\$5,468,867.44	-\$47,072.49	\$5,421,794.95	\$3,396.00	\$3,390,351.82
TOTAL TO DATE	253,720	247,994,547	131,420,089	116,574,458	42,284,854	70,726,462	3,563,142	TOTAL TO DATE	\$67,804,719.74	(\$568,286.65)	\$32,124,251.16	47786	\$32,219,953.63



Year of Transaction	Month of Transaction	Accounts Received	Loss Collectables	Accounts to Trip	Amounts to Trip	Payments Received	Net of Trip Payments	Agency Collections	Gross Collections	SOL Write Off	Increased Write Off	Other Write Offs	Accounts Closed	Current Balance Due
2021	TOTAL													#REF!
2023	January	1580	\$1,542,014.98	415	\$330,332.94	18	\$13,155.14	\$7,731.97	\$20,887.11					\$1,243,588.73
2023	February	234	\$255,692.05	220	\$189,763.36	155	\$57,947.36	\$12,591.29	\$70,538.65			\$872.06	1	\$195,561.69
2023	March			402	\$319,302.27	218	\$72,668.36	\$23,851.69	\$96,520.05	\$3,321.57			3	
2023	April	593	\$617,516.41	74	\$56,296.37	177	\$61,415.27	\$10,127.60	\$71,542.87		\$1,430.67	\$0.00	2	\$491,825.91
2023	May	278	\$280,224.03	298	\$196,311.83	140	\$52,911.50	\$8,534.09	\$61,445.59	\$462,102.14	\$197,975.57	\$90,744.38	1286	\$188,663.65
2023	June			74	\$46,678.12	59	\$24,202.73	\$3,402.47	\$27,605.20					
2023	July	297	\$291,132.45	239	\$216,393.01	33	\$15,398.74	\$9,032.07	\$24,430.81					\$222,801.22
2023	August	519	\$477,509.10	226	\$204,412.79	32	\$11,707.70	\$12,259.38	\$23,967.08					\$418,121.63
2023	September			291	\$259,212.81	25	\$14,360.38	\$7,643.33	\$22,003.71					
2023	October	518	\$487,640.12	6	\$3,247.80	33	\$17,360.43	\$8,185.42	\$25,545.85	\$529,361.76	\$237,080.36	\$148,451.81	1488	\$450,297.26
2023	November	285	\$288,717.76	106	\$62,124.45	23	\$13,389.73	\$5,772.88	\$19,162.61					\$270,801.62
2023	December			3	\$699.77	1	\$250.00	\$11,773.16	\$12,023.16					
2023 TOTAL		4304	\$4,240,446.90	2354	\$1,884,775.52	914	\$354,767.34	\$120,905.35	\$475,672.69	\$994,785.47	\$436,486.60	\$240,068.25	2780	\$3,481,661.71

Fire ALS 2023 Collection Percentage: 60.62%