

From: Klajbor, Jim

Sent: Tuesday, December 10, 2013 3:18 PM

To: Murphy, Michael (Alderman); Kovac, Nik; Coggs, Milele; Dudzik, Joseph; Hamilton, Ashanti

Cc: Witkowski, Terry; Davis Sr., Joe; Puente, Robert; Donovan, Robert; Lee, Chris; Polanco, Joanna; Matson, Martin

Subject: Delinquent Tax Receivables

At Monday's Judiciary and Legislation Committee hearing, members expressed a desire for additional information on the status of receivables collections.

Please find attached the following:

1. A comparison of outstanding delinquent real estate taxes at the close of the November collection cycle.
2. A recapitulation of delinquent tax collection efforts.
3. A chart of City Tax Levy Collection Rates.
4. A chart of the Kohn Law Firm's Liquidation Rates for delinquent real estate taxes.

Despite experiencing the worst financial crisis since the Great Depression, this office continues to collect near 99% of every City tax dollar levied.

The number of delinquent real estate accounts, as well as the amount of delinquent real estate taxes is down from last year at this point in time.

The Kohn Law Firm also continues to maintain satisfactory liquidation rates, as relates to delinquent real estate tax collections.

Respectfully submitted,

Jim Klajbor

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**City of Milwaukee
Comparison of Delinquent Real Estate Taxes
At the Close of the November Collections**

2011 Tax Levy as of 11/29/2012			2012 Tax Levy as of 12/02/2013							
<u>All Delinquent Real Estate Tax Accounts</u>			<u>All Delinquent Real Estate Tax Accounts</u>				<u>\$ Change</u>	<u>% Change</u>	<u># Change</u>	<u>% Change</u>
City Real Estate	\$ 32,560,818.95	12,825	City Real Estate	\$ 28,968,552.50	11,712	\$	(3,592,266.45)	-11.0325%	(1,113)	-8.6784%
County Real Estate	\$ 4,393,805.29	9,139	County Real Estate	\$ 3,541,964.40	8,620	\$	(851,840.89)	-19.3873%	(519)	-5.6790%
TOTAL	\$ 36,954,624.24	12,825	TOTAL	\$ 32,510,516.90	11,712	\$	(4,444,107.34)	-12.0258%	(1,113)	-8.6784%
All Outstanding Levies as of 11/29/2012			All Outstanding Levies as of 12/02/2013							
<u>All Delinquent Real Estate Tax Accounts</u>			<u>All Delinquent Real Estate Tax Accounts</u>				<u>\$ Change</u>	<u>% Change</u>	<u># Change</u>	<u>% Change</u>
City Real Estate	\$ 53,624,879.66	21,226	City Real Estate	\$ 52,891,924.35	20,963	\$	(732,955.31)	-1.3668%	(263)	-1.2390%
County Real Estate	\$ 6,902,883.10	14,918	County Real Estate	\$ 6,227,954.89	14,976	\$	(674,928.21)	-9.7775%	58	0.3888%
TOTAL	\$ 60,527,762.76	21,226	TOTAL	\$ 59,119,879.24	20,963	\$	(1,407,883.52)	-2.3260%	(263)	-1.2390%

Recapitulation of Delinquent Tax Collection Efforts

Data as of 12/2/13

Collection Cycle	Delinquencies at Close of Current Collection	Installment Delinquencies	Status Changes	Total Delinquencies	Accounts Redeemed	Accounts Written Off	Ending Balance	City Interest	County Interest	City / County Penalty
2001 Combined Total City Tax Delinquencies Inception to Date	\$29,486,124.79	\$6,229,286.27	(\$472,079.11)	\$35,243,331.95	\$33,125,100.96 93.99%	\$2,085,328.98 5.92%	\$32,902.01 0.09%	\$3,098,832.92	\$582,907.68	\$378,998.16

Original 2001 City Net Tax Levy	Percentage of Original City Net Tax Levy:	Amount of 2001 City Net Tax Levy
\$408,978,155.30		Written Off: 0.51% Still Outstanding: 0.01% Collected to Date: 99.48%

2002 Combined Total City Tax Delinquencies Inception to Date	\$30,440,972.14	\$7,521,424.79	(\$651,874.07)	\$37,310,522.86	\$35,731,670.31 95.77%	\$1,534,401.03 4.11%	\$44,451.52 0.12%	\$3,446,347.70	\$589,726.57	\$697,720.81
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Original 2002 City Net Tax Levy	Percentage of Original City Net Tax Levy:	Amount of 2002 City Net Tax Levy
\$428,096,562.58		Written Off: 0.36% Still Outstanding: 0.01% Collected to Date: 99.63%

2003 Combined Total City Tax Delinquencies Inception to Date	\$33,410,981.62	\$7,442,214.87	(\$1,472,572.22)	\$39,380,624.27	\$37,630,484.43 95.55%	\$1,676,826.44 4.26%	\$73,313.40 0.19%	\$3,356,745.51	\$585,920.67	\$2,021,268.35
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Original 2003 City Net Tax Levy	Percentage of Original City Net Tax Levy:	Amount of 2003 City Net Tax Levy
\$438,248,177.25		Written Off: 0.38% Still Outstanding: 0.02% Collected to Date: 99.60%

2004 Combined Total City Tax Delinquencies Inception to Date	\$32,948,980.19	\$7,965,642.43	(\$614,828.77)	\$40,299,793.85	\$38,506,957.10 95.56%	\$1,678,476.01 4.16%	\$114,360.74 0.28%	\$3,388,610.78	\$594,131.13	\$2,035,242.99
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PROOF: 100%

Original 2004 City Net Tax Levy	Percentage of Original City Net Tax Levy:	Amount of 2004 City Net Tax Levy
\$471,424,190.99		Written Off: 0.36% Still Outstanding: 0.02% Collected to Date: 99.62%

2005 Combined Total City Tax Delinquencies Inception to Date	\$34,389,124.41	\$9,696,453.94	(\$876,071.01)	\$43,209,507.34	\$41,533,462.59 96.12%	\$1,524,893.59 3.53%	\$151,151.16 0.35%	\$3,689,744.80	\$653,377.23	\$2,154,309.32
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PROOF: 100%

Original 2005 City Net Tax Levy	Percentage of Original City Net Tax Levy:	Amount of 2005 City Net Tax Levy
\$496,982,787.55		Written Off: 0.31% Still Outstanding: 0.03% Collected to Date: 99.66%

Recapitulation of Delinquent Tax Collection Efforts

Data as of 12/2/13

Collection Cycle	Delinquencies at Close of Current Collection	Installment Delinquencies	Status Changes	Total Delinquencies	Accounts Redeemed	Accounts Written Off	Ending Balance	City Interest	County Interest	City / County Penalty
2006 Combined Total City Tax Delinquencies Inception to Date	\$41,560,417.01	\$10,685,873.41	(\$2,654,768.16)	\$49,591,522.26	\$47,223,974.09 95.23%	\$2,108,479.46 4.25%	\$259,068.71 0.52%	\$4,391,174.45	\$842,047.23	\$2,625,280.29

PROOF: 100%

Original 2006 City Net Tax Levy	Percentage of Original City Net Tax Levy:	Amount of 2006 City Net Tax Levy		
		Written Off	Still Outstanding	Collected to Date
\$499,735,509.38		0.42%	0.05%	99.53%

2007 Combined Total City Tax Delinquencies Inception to Date	\$52,439,628.50	\$11,159,981.72	(\$6,053,480.23)	\$57,546,129.99	\$54,171,615.96 94.14%	\$2,626,699.21 4.56%	\$747,814.82 1.30%	\$5,311,042.93	\$930,667.48	\$3,104,309.64
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PROOF: 100%

Original 2007 City Net Tax Levy	Percentage of Original City Net Tax Levy:	Amount of 2007 City Net Tax Levy		
		Written Off	Still Outstanding	Collected to Date
\$548,248,471.64		0.48%	0.14%	99.38%

2008 Combined Total City Tax Delinquencies Inception to Date	\$49,841,254.06	\$11,472,963.05	(\$624,306.17)	\$60,689,910.94	\$55,697,106.87 91.77%	\$3,859,117.62 6.36%	\$1,133,686.45 1.87%	\$5,808,037.45	\$990,107.00	\$3,370,406.63
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PROOF: 100%

Original 2008 City Net Tax Levy	Percentage of Original City Net Tax Levy:	Amount of 2008 City Net Tax Levy		
		Written Off	Still Outstanding	Collected to Date
\$595,512,335.68		0.65%	0.19%	99.16%

2009 Combined Total City Tax Delinquencies Inception to Date	\$49,895,554.73	\$11,051,030.39	(\$936,710.50)	\$60,009,874.62	\$52,421,289.98 87.35%	\$4,876,454.80 8.13%	\$2,712,129.84 4.52%	\$4,369,636.87	\$904,557.60	\$3,270,946.10
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PROOF: 100%

Original 2009 City Net Tax Levy	Percentage of Original City Net Tax Levy:	Amount of 2009 City Net Tax Levy		
		Written Off	Still Outstanding	Collected to Date
\$617,424,632.64		0.79%	0.44%	98.77%

2010 Combined Total City Tax Delinquencies Inception to Date	\$51,283,688.87	\$9,015,295.89	(\$705,394.61)	\$59,593,590.15	\$49,803,593.28 83.57%	\$3,815,299.88 6.40%	\$5,974,696.99 10.03%	\$5,170,355.86	\$839,699.58	\$2,995,528.15
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PROOF: 100%

Original 2010 City Net Tax Levy	Percentage of Original City Net Tax Levy:	Amount of 2010 City Net Tax Levy		
		Written Off	Still Outstanding	Collected to Date
\$611,705,510.49		0.62%	0.98%	98.40%

Recapitulation of Delinquent Tax Collection Efforts

Data as of 12/2/13

Collection Cycle	Delinquencies at Close of Current Collection	Installment Delinquencies	Status Changes	Total Delinquencies	Accounts Redeemed	Accounts Written Off	Ending Balance	City Interest	County Interest	City / County Penalty
2011 Combined Total City Tax Delinquencies Inception to Date	\$51,356,991.41	\$8,319,528.06	(\$344,669.59)	\$59,331,849.88	\$41,243,770.02 69.51%	\$3,534,775.97 5.96%	\$14,553,303.89 24.53%	\$3,676,546.37	\$612,165.52	\$2,141,173.40

PROOF: 100%

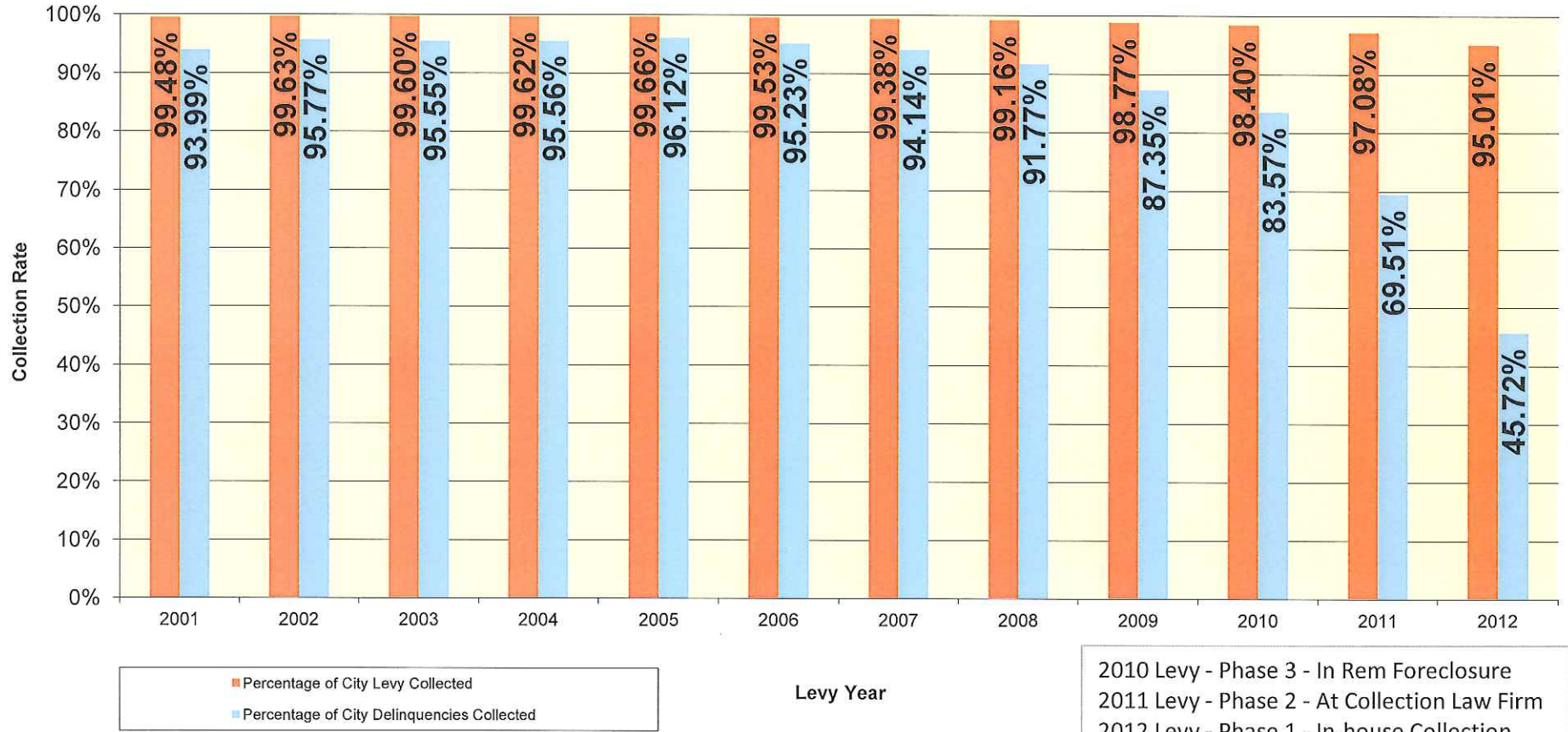
Original 2011 City Net Tax Levy	Percentage of Original City Net Tax Levy:	Amount of 2011 City Net Tax Levy
\$619,869,586.22		Written Off Still Outstanding Collected to Date
		0.57% 2.35% 97.08%

2012 Combined Total City Tax Delinquencies Inception to Date	\$51,974,572.09	\$7,020,358.85	(\$1,445,209.53)	\$57,549,721.41	\$26,314,672.77 45.72%	\$1,948,116.00 3.39%	\$29,286,932.64 50.89%	\$1,252,792.76	\$214,720.33	\$733,970.40
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PROOF: 100%

Original 2012 City Net Tax Levy	Percentage of Original City Net Tax Levy:	Amount of 2012 City Net Tax Levy
\$625,693,633.10		Written Off Still Outstanding Collected to Date
		0.31% 4.68% 95.01%

Office of the City Treasurer - Milwaukee, Wisconsin
2001 - 2012 City Tax Levy Collection Rates
as of December 2, 2013



Kohn Law Firm Liquidation Rates for City of Milwaukee Real Estate Taxes

Year	2005	2006	2007	2008	2009	2010	2011	2012	2013A	2013B
# Placed	3,463	3,238	3,818	4,692	5,946	5,480	5,643	5,726	5,990	8,399
\$\$\$ Placed	\$ 7,772,034	\$ 7,739,758	\$ 9,594,802	\$ 12,529,687	\$ 16,654,460	\$ 18,515,159	\$ 20,747,448	\$ 20,371,337	\$ 20,946,097	\$ 25,311,159
Gross Collections To Date	\$ 5,705,451	\$ 6,553,675	\$ 6,855,965	\$ 9,414,426	\$ 11,583,910	\$ 13,933,562	\$ 14,567,870	\$ 14,395,241	\$ 10,190,381	\$ 912,708
Liquidation Rate To Date	73.4%	84.7%	71.5%	75.1%	69.6%	75.3%	70.2%	70.7%	48.7%	3.6%

Month	2005	2006	2007	2008	2009	2010	2011	2012	2013A	2013B
Month 0	2.9%	2.2%	0.6%	3.5%	3.3%	3.6%	3.3%	2.9%	3.3%	3.6%
Month 1	15.5%	17.9%	12.1%	15.4%	10.2%	10.3%	8.9%	9.9%	9.1%	
Month 2	24.2%	28.2%	21.3%	22.8%	17.6%	18.1%	18.4%	15.6%	15.5%	
Month 3	35.1%	37.2%	30.9%	32.3%	25.2%	24.2%	25.7%	22.2%	21.2%	
Month 4	41.5%	44.9%	38.6%	37.9%	31.2%	32.3%	31.2%	29.4%	27.8%	
Month 5	46.7%	50.6%	46.1%	44.9%	40.3%	38.5%	36.9%	35.6%	36.1%	
Month 6	52.6%	60.1%	53.1%	51.3%	46.7%	46.0%	42.7%	45.5%	43.8%	
Month 7	57.1%	66.8%	59.7%	59.8%	52.0%	53.3%	48.2%	50.9%	48.7%	
Month 8	60.5%	70.2%	62.6%	64.3%	55.8%	59.4%	52.8%	54.4%		
Month 9	62.8%	72.8%	64.9%	66.7%	58.7%	62.9%	55.4%	58.6%		
Month 10	65.9%	76.2%	66.8%	68.7%	61.2%	65.6%	59.0%	61.0%		
Month 11	66.8%	78.2%	68.0%	70.1%	63.4%	67.5%	61.3%	62.8%		
Month 12	67.8%	79.4%	68.9%	71.1%	64.4%	68.9%	62.9%	64.1%		
Month 13	68.7%	80.1%	69.6%	71.7%	65.3%	70.0%	64.6%	65.1%		
Month 14	69.8%	80.4%	70.0%	72.4%	66.1%	71.6%	65.5%	66.1%		
Month 15	70.3%	81.1%	70.3%	73.4%	67.1%	72.4%	66.7%	66.8%		
Month 16	71.2%	81.6%	70.9%	73.9%	67.6%	73.0%	67.7%	67.5%		
Month 17	71.5%	83.6%	71.1%	74.2%	68.1%	73.4%	68.2%	69.3%		
Month 18	71.8%	83.8%	71.2%	74.6%	68.4%	74.3%	69.3%	69.9%		
Month 19	72.1%	84.0%	71.3%	74.6%	68.7%	74.8%	69.7%	70.6%		
Month 20	72.3%	84.1%	71.3%	74.7%	69.0%	75.0%	69.8%			
Month 21	72.5%	84.3%	71.3%	74.7%	69.1%	75.1%	69.9%			
Month 22	72.7%	84.4%	71.4%	74.8%	69.4%	75.1%	70.0%			
Month 23	72.9%	84.4%	71.4%	74.8%	69.4%	75.1%	70.1%			
Month 24	72.9%	84.5%	71.4%	74.8%	69.4%	75.1%	70.2%			
Month 25	73.0%	84.5%	71.4%	74.9%	69.4%	75.1%	70.2%			
Month 26	73.0%	84.5%	71.4%	74.9%	69.5%	75.1%	70.2%			
Month 27	73.0%	84.5%	71.4%	74.9%	69.5%	75.1%	70.2%			
Month 28	73.0%	84.5%	71.4%	74.9%	69.5%	75.2%	70.2%			
Month 29	73.0%	84.5%	71.4%	74.9%	69.5%	75.2%	70.2%			
Month 30	73.1%	84.6%	71.4%	75.0%	69.5%	75.2%	70.2%			
Month 31	73.2%	84.6%	71.4%	75.0%	69.5%	75.2%	70.2%			
Month 32	73.2%	84.6%	71.4%	75.0%	69.5%	75.2%				
Month 33	73.4%	84.6%	71.4%	75.0%	69.5%	75.2%				
Month 34	73.4%	84.6%	71.4%	75.0%	69.5%	75.2%				
Month 35	73.4%	84.6%	71.5%	75.0%	69.5%	75.2%				
Month 36	73.4%	84.6%	71.5%	75.0%	69.5%	75.2%				
Month 37	73.4%	84.6%	71.5%	75.0%	69.5%	75.2%				
Month 38	73.4%	84.6%	71.5%	75.0%	69.5%	75.2%				
Month 39	73.4%	84.6%	71.5%	75.0%	69.5%	75.2%				
Month 40	73.4%	84.6%	71.5%	75.1%	69.5%	75.2%				
Month 41	73.4%	84.6%	71.5%	75.1%	69.5%	75.2%				
Month 42	73.4%	84.6%	71.5%	75.1%	69.5%	75.2%				
Month 43	73.4%	84.6%	71.5%	75.1%	69.5%	75.2%				
Month 44	73.4%	84.6%	71.5%	75.1%	69.5%	75.2%				
Month 45	73.4%	84.6%	71.5%	75.1%	69.5%	75.2%				
Month 46	73.4%	84.7%	71.5%	75.1%	69.6%					
Month 48	73.4%	84.7%	71.5%	75.1%	69.6%					

