

City of Milwaukee

Outstanding Receivables Report



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Comptroller

December 2023

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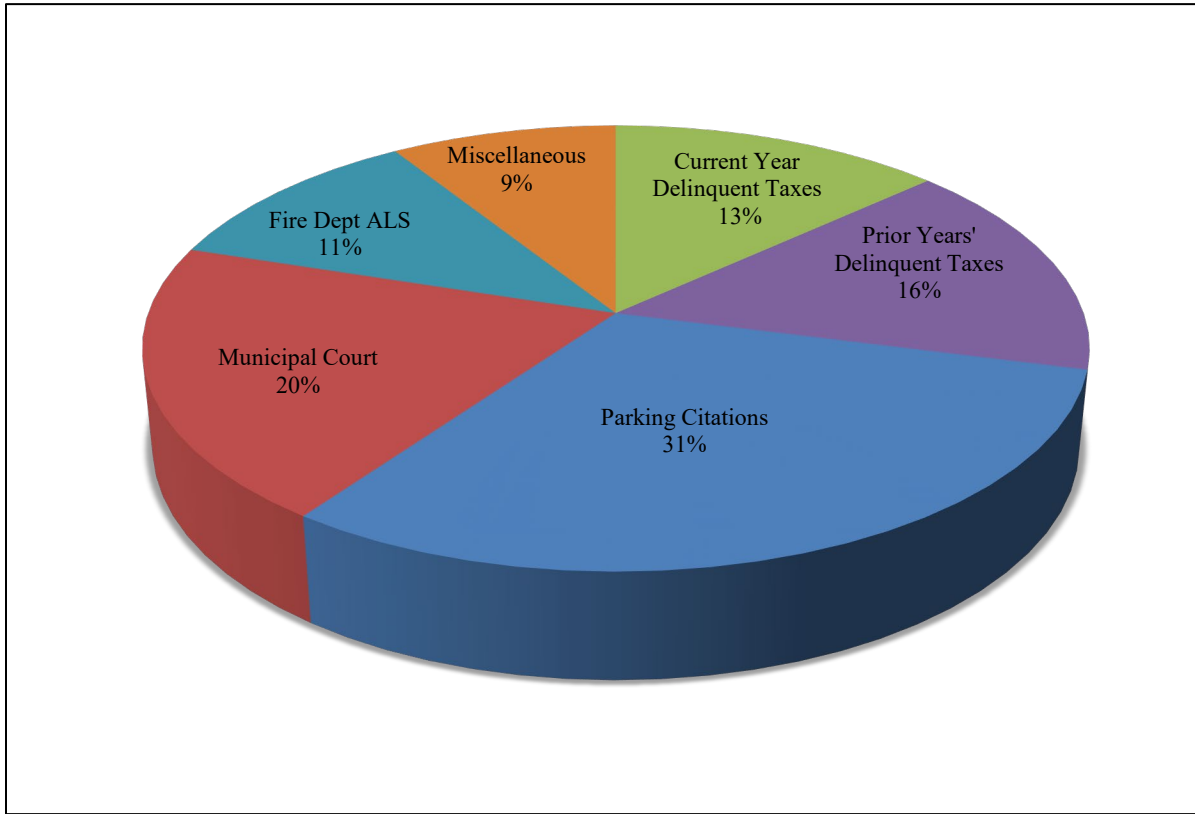
Introduction

The Comptroller's 2023 Report on Outstanding Receivables as of December 31, 2022, (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 2022.

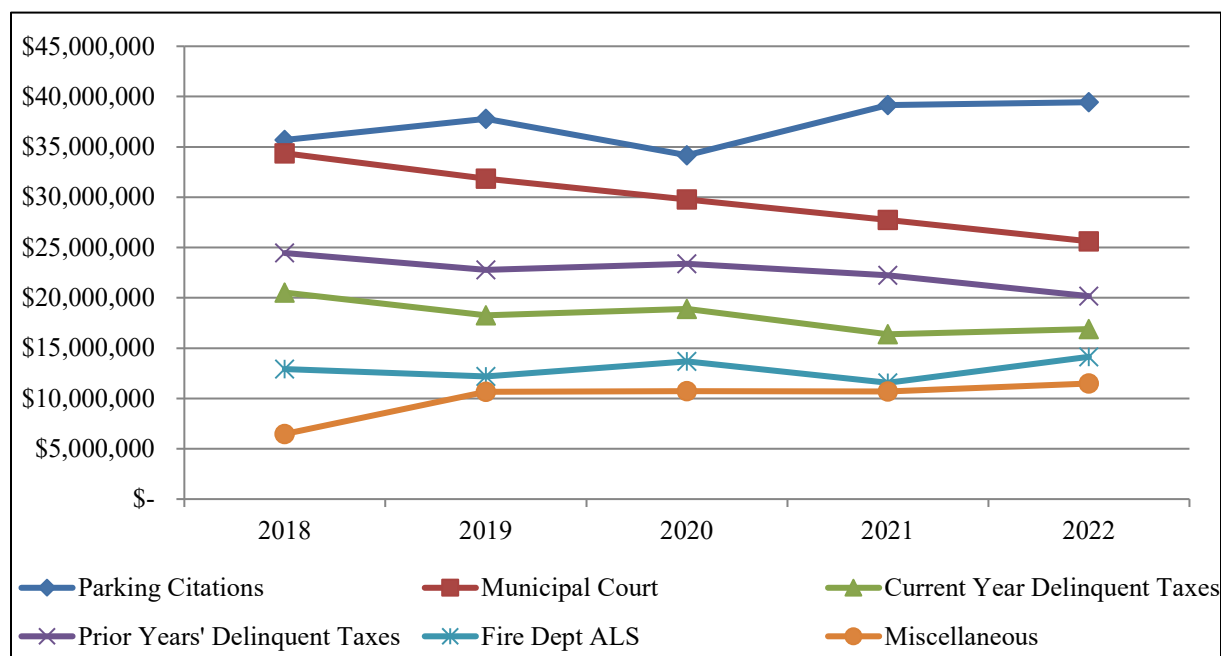
Resolution 160845 directs City departments to provide annual collection rate data to be included as an appendix to the Comptroller's annual Outstanding Receivables report. Section VII of this report presents collection rate data provided by City departments for 2022. Section VIII, the Appendix, provides additional reports in support of the summary in Section VII.

Outstanding Receivables as of December 31, 2022



Outstanding receivables for the City of Milwaukee as of December 31, 2022, total \$127.8 million. The largest category of outstanding receivables is Parking Citations, totaling 31%. Municipal Court outstanding judgements is the next largest category with a total of 20%. Current Year Delinquent Taxes (2021 taxes for 2022 purposes) account for 13% of this total, while Prior Years' Delinquent Taxes (2020 taxes and prior) total 16%. Fire Department Advanced Life Support (ALS) billings total 11% while Miscellaneous Accounts Receivable is the smallest category totaling 9%.

Outstanding Receivables at Year End 2018 – 2022



	2018	2019	2020	2021	2022
Parking Citations	\$ 35,694,000	\$ 37,775,000	\$ 34,172,000	\$ 39,165,000	\$ 39,439,000
Municipal Court	34,367,000	31,847,000	29,789,000	27,751,000	25,619,000
Current Year Delinquent Taxes	20,523,000	18,259,000	18,897,000	16,379,000	16,905,000
Prior Years' Delinquent Taxes	24,453,000	22,767,000	23,386,000	22,246,000	20,168,000
Fire Department ALS Billings*	12,932,000	12,201,000	13,695,000	11,560,000	14,141,000
Miscellaneous	6,472,000	10,678,000	10,723,000	10,680,000	11,485,000
Total	\$ 134,441,000	\$ 133,527,000	\$ 130,662,000	\$ 127,781,000	\$ 127,757,000

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

Outstanding receivables, by category from 2018 through 2022, are shown in the chart and table above. Total 2022 receivables remained constant at \$127.8 million compared to 2021.

Current year delinquent taxes increased \$526 thousand from 2021 to 2022, while prior years' delinquent taxes decreased \$2.1 million.

Municipal Court receivables decreased \$2.1 million from 2021 to 2022. Municipal Court has experienced a decline since 2018.

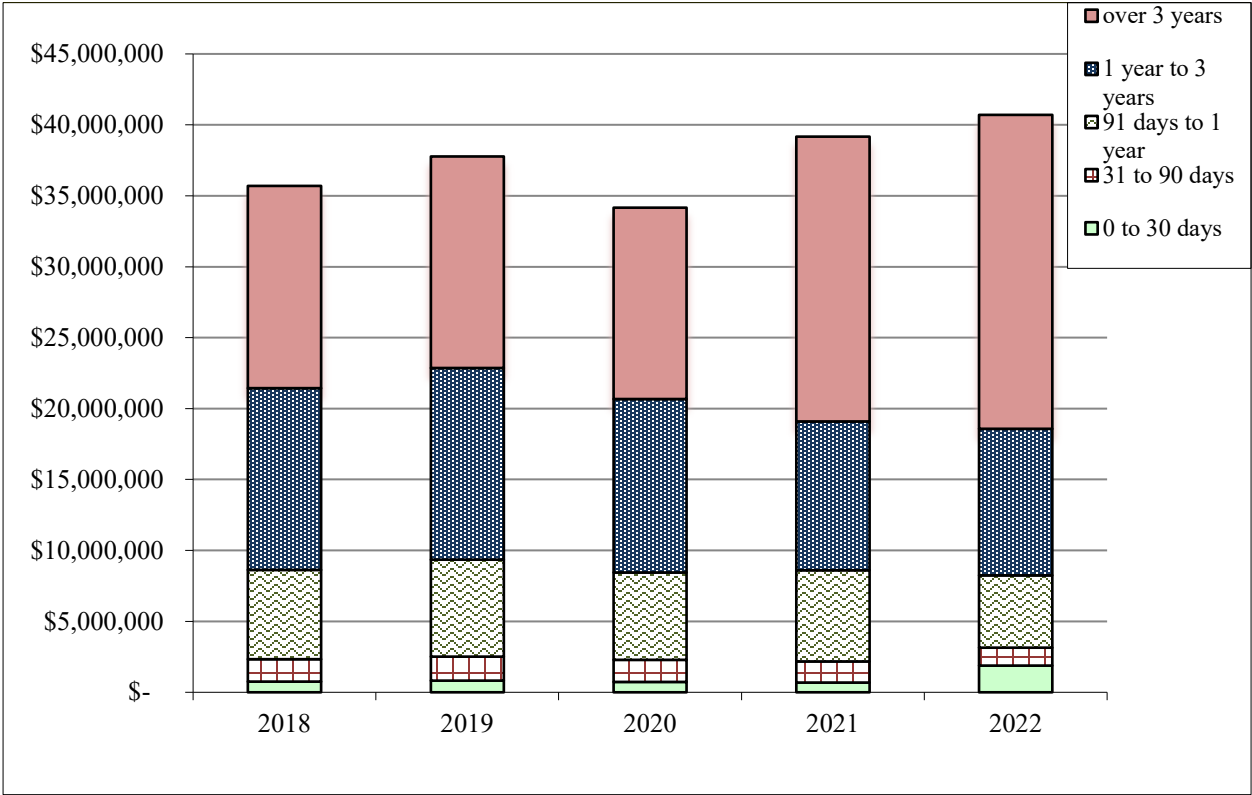
Parking citations increased \$274 thousand when compared to 2021.

The balance of Fire Department ALS billings increased \$2.6 million between 2021 and 2022.

Miscellaneous accounts receivable, which includes billings from various general city departments, increased \$800 thousand in 2022.

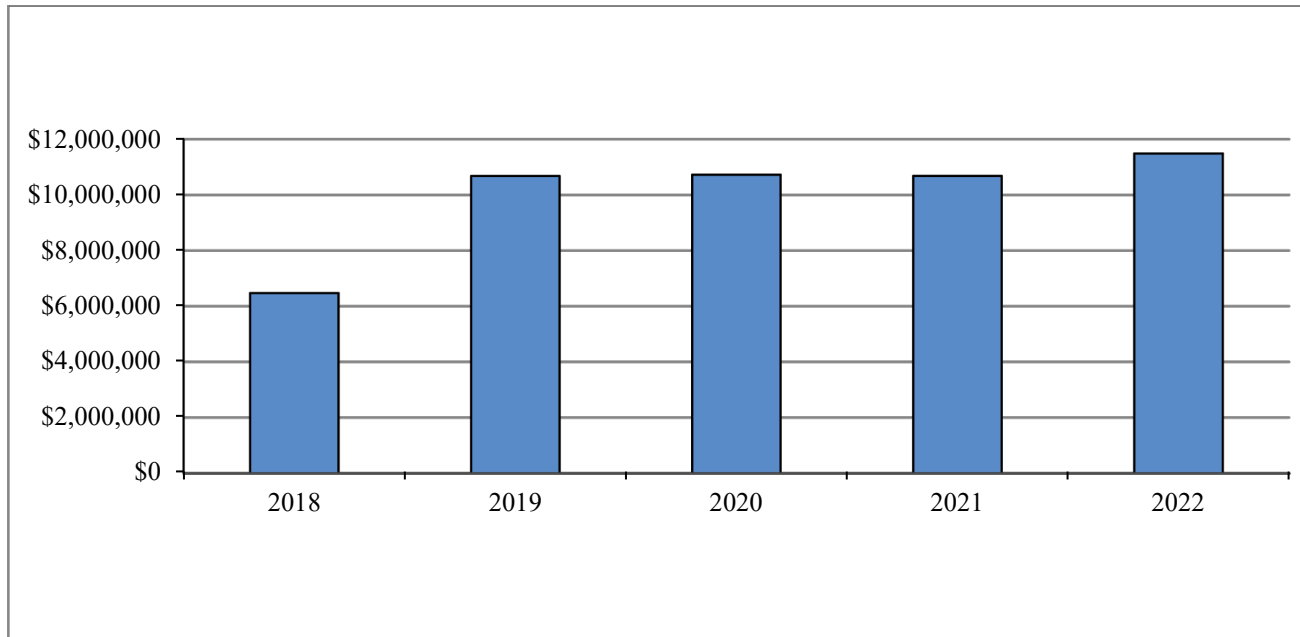
The Parking Fund writes off delinquencies that are seven years or older. Miscellaneous receivables and tax delinquencies of \$5,000 or more may be cancelled or adjusted through Common Council action. An interdepartmental process is followed for delinquencies less than \$5,000. Municipal Court judgments 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 2018 to 2022. Of the current outstanding balance, \$32.5 million or 82%, has been outstanding for one year or longer.

Outstanding Miscellaneous Accounts Receivable (MAR)



	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
City Clerk	\$ 95,000	\$ 57,000	\$ 139,000	\$ 113,000	\$ 78,000
City Attorney	206,000	88,000	124,000	238,000	66,000
Comptroller	3,000	3,000	11,000	19,000	30,000
Employee Relations	383,000	277,000	838,000	290,000	478,000
Dept of Administration	105,000	63,000	174,000	179,000	169,000
Fire Department	183,000	109,000	109,000	73,000	66,000
Health Department	28,000	47,000	66,000	51,000	58,000
Port of Milwaukee	1,518,000	1,873,000	2,245,000	1,156,000	1,339,000
Public Works (Admin)	3,466,000	7,658,000	6,721,000	8,176,000	8,593,000
Public Works (Parking)*	485,000	503,000	296,000	385,000	608,000
Treasurer	-	-	-	-	-
TOTAL	\$ 6,472,000	\$ 10,678,000	\$ 10,723,000	\$ 10,680,000	\$ 11,485,000

*Non-Parking Citation Invoices

The above chart and table show outstanding Miscellaneous Accounts Receivable (MAR) by year for various City departments. MAR 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 MAR increased \$800 thousand from 2018 to 2022.

Miscellaneous Accounts Receivable Aging

	<u>0 to 30 Days</u>	<u>31 to 90 Days</u>	<u>91 Days to 1 Year</u>	<u>1 Year to 3 Years</u>	<u>Over 3 Years</u>	<u>Total</u>
City Clerk	\$78,000	-	-	-	-	\$78,000
City Attorney	\$16,000	-	\$1,000	\$16,000	\$33,000	\$66,000
Comptroller	\$3,000	\$2,000	\$8,000	\$14,000	\$3,000	\$30,000
Employee Relations	\$301,000	\$177,000	-	-	-	\$478,000
Dept of Administration	\$108,000	-	\$26,000	\$29,000	\$6,000	\$169,000
Fire Department	-	-	-	\$3,000	\$63,000	\$66,000
Health Department	\$29,000	\$10,000	\$9,000	\$7,000	\$3,000	\$58,000
Port of Milwaukee	\$657,000	\$293,000	\$241,000	\$104,000	\$44,000	\$1,339,000
DPW- Admin	\$616,000	\$86,000	\$1,096,000	\$2,636,000	\$4,159,000	\$8,593,000
DPW- Parking*	\$194,000	\$30,000	\$37,000	\$156,000	\$191,000	\$608,000
Total	\$2,002,000	\$598,000	\$1,418,000	\$2,965,000	\$4,502,000	\$11,485,000

* Non-Parking Citation Invoices

The table above shows the MAR aging schedule of outstanding balances as of December 31, 2022. Of the current outstanding balance, \$7.5 million or 65%, has been outstanding for a year or longer.

MAR Departmental Changes for 2022

	2021		Late			2022
	<u>Ending Bal.</u>	<u>Billed</u>	<u>Fee</u>	<u>Paid</u>	<u>Write-Off</u>	<u>Ending Bal.</u>
City Clerk	\$ 113,000	\$ 277,000	\$ -	\$ 308,000	\$ 4,000	\$ 78,000
City Attorney	238,000	241,000	4,000	307,000	110,000	\$ 66,000
Comptroller	19,000	699,000	3,000	691,000	-	\$ 30,000
Employee Relations	290,000	3,530,000	-	3,342,000	-	\$ 478,000
Dept of Administration	179,000	222,000	4,000	176,000	60,000	\$ 169,000
Fire Department	73,000	7,000	-	7,000	7,000	\$ 66,000
Health Department	51,000	245,000	2,000	229,000	11,000	\$ 58,000
Port of Milwaukee	1,156,000	9,529,000	37,000	9,183,000	200,000	\$ 1,339,000
Public Works (Admin)	8,176,000	4,155,000	234,000	3,386,000	586,000	\$ 8,593,000
Public Works (Parking)*	385,000	1,729,000	6,000	1,506,000	6,000	\$ 608,000
Treasurer	-	7,000	-	7,000	-	\$ -
TOTAL	\$ 10,680,000	\$ 20,641,000	\$ 290,000	\$ 19,142,000	\$ 984,000	\$ 11,485,000

* Non-Parking Citation Invoices

The table above shows the 2022 year end balance and the current year changes to the MAR by City departments. City departments billed \$20.9 million in year-end 2022 balances, including late fees, and received payments of \$19.1 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 2022

<u>Department</u>	<u>Amount Invoiced in 2022</u>	<u>Payments Received in 2022 for 2022 Invoices</u>	<u>Collection Percentage</u>
Parking Citations	12,418,728	6,953,566	55.99%
Municipal Court*	6,631,131	1,027,953	15.50%
Tax Levy Collections	943,860,747	926,701,006	98.18%
Fire Department ALS	10,084,967	6,246,179	61.94%
<u>Miscellaneous</u>			
City Clerk	335,672	335,041	99.81%
City Attorney	245,337	244,046	99.47%
Comptroller	701,839	688,758	98.14%
Employee Relations	3,529,845	3,052,157	86.47%
Dept of Administration	261,646	235,834	90.13%
Fire Department	7,029	7,029	100.00%
Health Department	250,465	221,594	88.47%
Port of Milwaukee	9,459,609	6,982,803	73.82%
Public Works (Admin)	4,009,972	2,579,413	64.32%
Public Works (Parking)**	1,723,277	1,474,750	85.58%
Treasurer	6,678	6,678	100.00%

*This represents one discrete year of collection activity for overdue judgments that were placed with Harris & Harris during 2022.

** Non-Parking Citation Invoices

As determined by the Outstanding Debt Work Group and approved via resolution #160845, the table above provides the 2022 departmental collection rates for the City of Milwaukee and MAR.

APPENDIX

*Amounts included in the following data reflect payments received as of December 31, 2022.
Additional payments for 2022 billings received in 2023 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 2022 Billings	Date Paid
2022	Parking Violators	Multiple	Parking Citations	\$12,418,728	\$6,953,566	\$865,128	\$7,818,694	2022

Collection Percentage	55.99%
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Office of the City Treasurer

2021 Property Tax Levy Collection Summary as of December 31, 2022

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

Total Levy:	Collected Y-T-D through 12/31/2022:	Collection Rate as of 12/31/2022:
\$943,860,746.88	\$926,701,005.98	98.18%

City of Milwaukee, WI - Municipal Court Collections - 2022

Parking - History Report

Month / Year	Assignments		Collections To Date	Net Liq. %	Cancelled		Open Accounts	
	#	Net Placement Amount			#	Amount	#	Amount
2022	314	\$ 62,648	\$ 15,584	24.9%	8	\$ 1,609	203	\$ 45,455

Traffic - History Report

Month / Year	Assignments		Collections To Date	Net Liq. %	Cancelled		Open Accounts	
	#	Net Placement Amount			#	Amount	#	Amount
2022	30,662	\$ 4,121,219	\$ 530,701	13%	415	\$ 53,019	26,331	\$ 3,537,499

Municipal - History Report

Month / Year	Assignments		Collections To Date	Net Liq. %	Cancelled		Open Accounts	
	#	Net Placement Amount			#	Amount	#	Amount
2022	4,967	\$ 1,516,907	\$ 66,217	4%	158	\$ 52,166	4,403	\$ 1,398,524

Summons - History Report

Month / Year	Assignments		Collections To Date	Net Liq. %	Cancelled		Open Accounts	
	#	Net Placement Amount			#	Amount	#	Amount
2022	649	\$ 930,357	\$ 173,976	19%	57	\$ 134,681	471	\$ 621,700

Combined - All Debt Types - History Report

Month / Year	Assignments		Collections To Date	Net Liq. %	Cancelled		Open Accounts	
	#	Net Placement Amount			#	Amount	#	Amount
Total	36,592	\$ 6,631,131	\$ 786,478	12%	638	\$ 241,475	31,408	\$ 5,603,178

Municipal Court Collection Percentage

15.50%

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)
2022-01	1502	\$1,962,877.38	\$1,065,076.67	\$897,800.71	\$345,538.24	\$533,199.52	\$19,062.96	2022-01	\$340,002.21	(3,213.98)	\$336,788.23	547	\$523,879.74
2022-02	1013	\$1,377,456.37	\$773,231.34	\$604,225.03	\$203,017.98	\$378,522.06	\$22,684.99	2022-02	\$650,423.24	(6,901.06)	\$643,522.18	623	\$552,257.57
2022-03	1061	\$1,462,714.81	\$788,053.92	\$674,660.89	\$244,976.68	\$406,859.20	\$22,825.01	2022-03	\$615,228.44	(8,200.63)	\$607,027.81	494	\$438,712.68
2022-04	1057	\$1,461,952.93	\$773,613.45	\$688,339.48	\$207,776.38	\$414,354.00	\$66,209.10	2022-04	\$417,336.85	(4,171.47)	\$413,165.38	310	\$264,799.72
2022-05	1143	\$1,572,368.25	\$812,562.05	\$759,806.20	\$232,183.19	\$452,328.57	\$75,294.44	2022-05	\$387,358.53	(4,169.41)	\$383,189.12	453	\$449,219.85
2022-06	1188	\$1,608,132.09	\$780,660.28	\$827,471.81	\$270,171.97	\$452,348.52	\$104,951.32	2022-06	\$391,849.72	(4,211.70)	\$387,638.02	374	\$361,671.45
2022-07	1265	\$1,657,212.14	\$834,892.66	\$822,319.48	\$95,584.97	\$467,426.89	\$259,307.62	2022-07	\$490,364.52	(3,776.01)	\$486,588.51	299	\$259,466.37
2022-08	1197	\$1,576,309.77	\$699,517.90	\$876,791.87	\$1,374.50	\$431,764.13	\$443,653.24	2022-08	\$512,867.66	(2,266.90)	\$510,600.76	273	\$255,202.40
2022-09	1087	\$1,422,524.40	\$646,090.54	\$776,433.86	\$1,325.04	\$383,305.27	\$411,803.55	2022-09	\$480,722.02	(2,073.36)	\$478,648.66	210	\$199,850.03
2022-10	1206	\$1,587,577.61	\$700,059.85	\$887,517.76	\$2.41	\$380,650.28	\$506,865.07	2022-10	\$545,554.26	(5,992.41)	\$539,561.85	192	\$195,031.09
2022-11	1283	\$1,662,725.33	\$638,492.71	\$1,024,232.62	\$2,084.05	\$347,616.38	\$674,532.19	2022-11	\$471,983.30	(4,705.18)	\$467,278.12	306	\$300,158.24
2022-12	1193	\$1,534,698.51	\$289,331.44	\$1,245,367.07	\$0.00	\$186,676.17	\$1,088,690.90	2022-12	\$489,233.55	(4,507.13)	\$484,726.42	198	\$196,432.67
Total 2022	14195	\$18,886,549.59	\$8,801,582.81	\$10,084,966.78	\$1,604,035.41	\$4,785,050.99	\$3,695,880.38	Total 2022	\$5,792,924.30	(\$4,189.24)	\$5,738,735.06	4279	\$3,996,681.81
Cumulative	240,868	230,767,754	122,818,393	107,949,361	38,697,043	65,393,318	3,859,000	TOTAL TO DATE	\$62,335,852.30	(\$568,286.65)	\$32,124,251.16	47786	\$32,219,953.63



Year of Transaction	Month of Transaction	Count of Accounts Received	Gross Collectables	Accounts to Trip	Amounts to Trip	Trip Payments Received	Amount of Trip Payments	Agency Collections	Gross Collections	SOL Write Off	Increased Write Off	Other Write Offs	Accounts Closed	Current Balance Due
2022	January			1	\$746.52	4	\$1,983.08	\$1,688.00	\$3,671.08					
2022	February	2,549	\$2,404,407.58	2	\$1,914.64	161	\$70,810.02	\$1,250.53	\$72,060.55		\$0.00	\$0.00	1	\$1,999,518.43
2022	March			13	\$13,371.42	218	\$81,237.99	\$19,316.63	\$100,554.62			\$0.00	2	
2022	April	1,112	\$986,961.57	604	\$466,079.27	204	\$75,105.23	\$23,084.55	\$98,189.78	\$385,641.85	\$51,125.90	\$35,459.47	957	\$841,990.96
2022	May			28	\$25,615.52	148	\$53,410.42	\$7,398.63	\$60,809.05					
2022	June	763	\$714,019.57	13	\$12,727.09	65	\$22,689.54	\$3,439.18	\$26,128.72					\$620,248.03
2022	July			1	\$254.35	36	\$13,111.32	\$7,348.40	\$20,459.72			\$416.75	1	
2022	August	945	\$875,588.41	12	\$7,705.95	22	\$7,591.83	\$17,667.19	\$25,259.02	\$358,674.26	\$61,292.97	\$52,577.20	1,000	\$755,629.21
2022	September			451	\$308,070.68	19	\$8,970.84	\$8,594.02	\$17,564.86					
2022	October			6	\$6,044.44	13	\$3,837.53	\$4,880.49	\$8,718.02					
2022	November			5	\$2,680.61	22	\$7,868.39	\$4,230.83	\$12,099.22					
2022	December			4	\$4,424.54	8	\$3,014.83	\$4,725.06	\$7,739.89	\$457,578.50	\$96,553.60	\$57,954.62	992	
2022	TOTAL	5,369	\$4,980,977.13	1,140	\$849,635.03	920	\$349,631.02	\$103,623.51	\$453,254.53	\$1,201,894.61	\$208,972.47	\$146,408.04	2,953	\$4,217,386.63

Fire ALS 2022 Collection Percentage: 61.94%