

City of Milwaukee
Outstanding Receivables Report



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Comptroller

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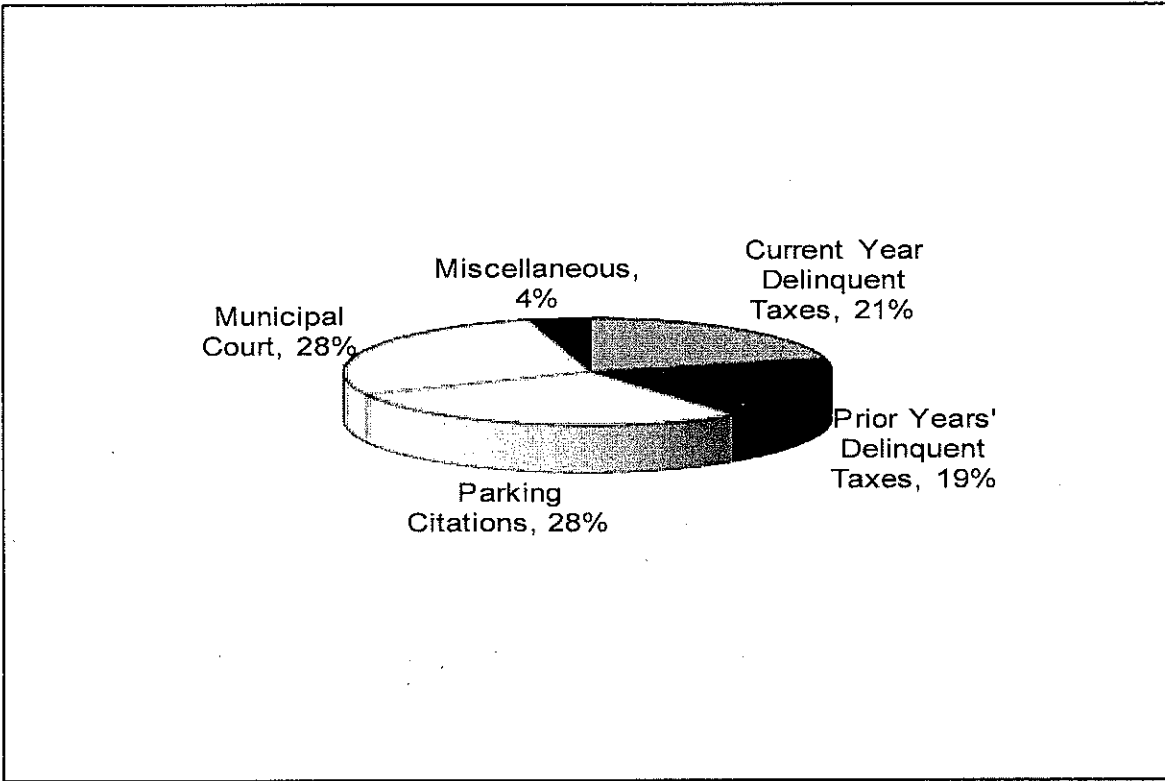
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Introduction

The Comptroller's 2014 Report on Outstanding Receivables as of December 31, 2013, (unaudited) is being issued as required by Ordinance 304-1-5. The report provides summary information on City outstanding receivables including Delinquent Taxes, Parking Fund Citations, Municipal Court Judgments, and Miscellaneous Accounts Receivable.

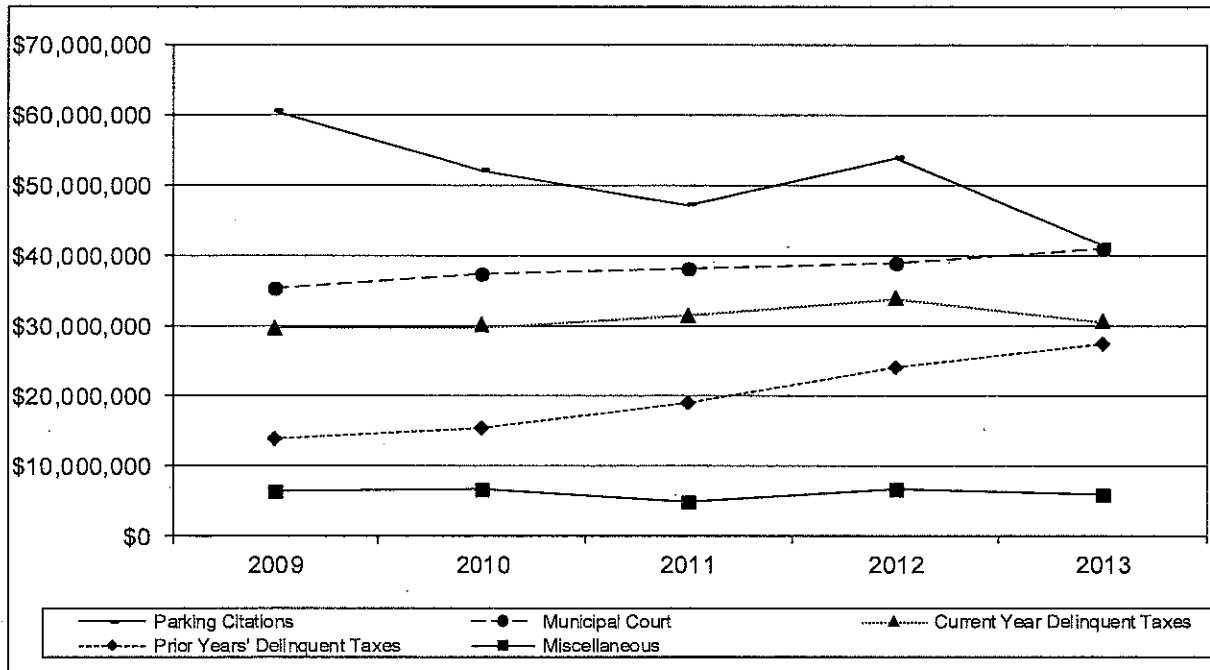
The miscellaneous accounts receivable category includes various billings by general city departments with the exception of Fire Department advanced life support (ALS) billings. ALS billings, which were handled by Milwaukee County prior to 2007, are handled by an outside vendor under contract with the City. ALS receivables are not currently accounted for as City receivables.

Outstanding Receivables as of December 31, 2013



Outstanding receivables for the City of Milwaukee as of December 31, 2013, total \$147 million. The largest category of outstanding receivables is Delinquent Taxes, totaling 40%. Current Year Delinquent Taxes (2012 taxes for 2013 purposes) account for 21% of this total, while Prior Years' Delinquent Taxes (2011 taxes and prior) total 19%. Parking Citations and Municipal Court outstanding judgments are the next largest categories, each totaling 28%. Miscellaneous Accounts Receivable is the smallest category totaling 4%.

Outstanding Receivables at Year End 2009 – 2013



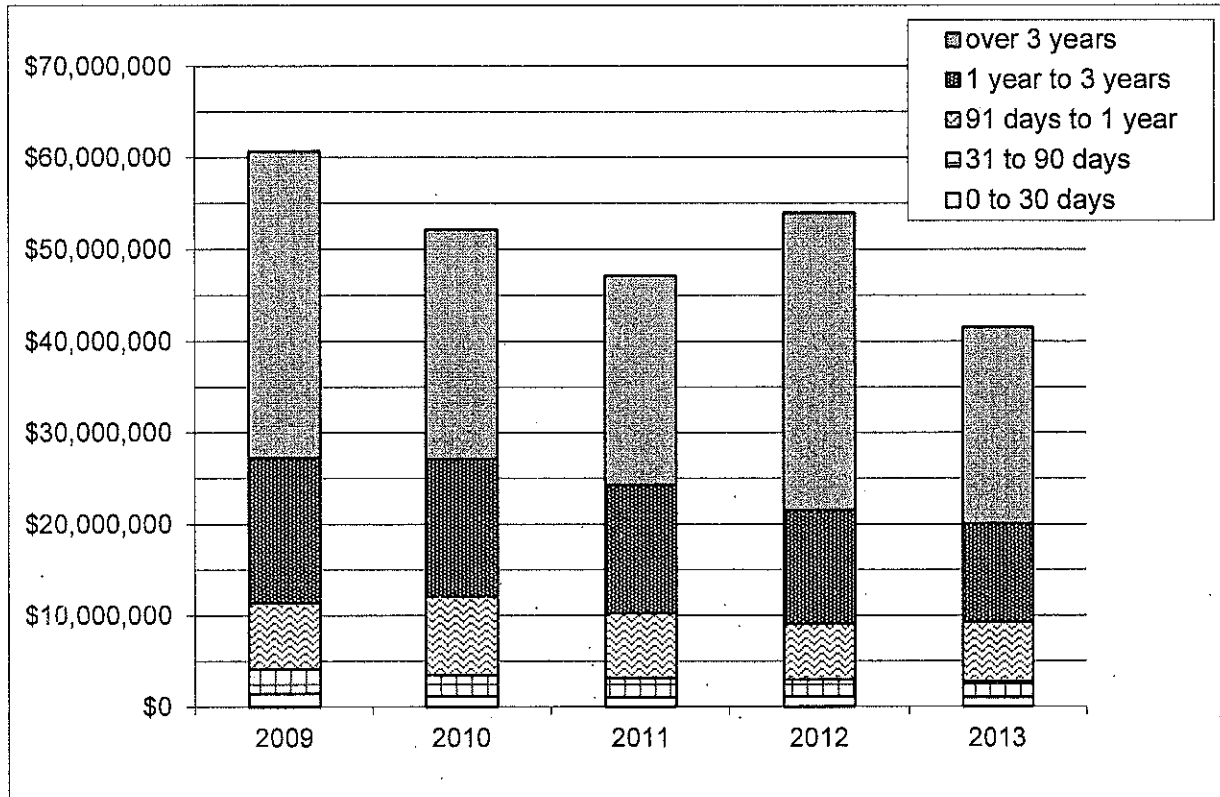
	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Parking Citations	\$ 60,679,000	\$ 52,158,000	\$ 47,150,000	\$ 53,965,000	\$ 41,537,000
Municipal Court	35,487,000	37,479,000	38,319,000	39,101,000	41,186,000
Current Year Delinquent Taxes	29,872,000	30,237,000	31,590,000	34,146,000	30,717,000
Prior Years' Delinquent Taxes	13,940,000	15,465,000	19,080,000	24,081,000	27,489,000
Miscellaneous	6,439,000	6,734,000	4,878,000	6,622,000	6,058,000
TOTAL	\$146,417,000	\$142,073,000	\$141,017,000	\$157,915,000	\$146,987,000

The chart and table above show outstanding receivables by category from 2009 through 2013. Prior years' delinquent tax receivables increased at the greatest rate over time going from \$13.9 million in 2009 to \$27.5 million in 2013. Current year delinquent tax receivables also increased between 2009 and 2013, going from \$29.9 million to \$30.7 million. Municipal Court judgments including fees, fines and forfeitures increased from \$35.5 million in 2009 to \$41.2 million in 2013.

Miscellaneous accounts receivable, which includes billings by various general city departments, decreased from \$6.4 million in 2009 to \$6 million in 2013. Parking citation receivables decreased from \$60.7 million to \$41.5 million during this time period.

The Parking Fund writes off delinquencies that are six years old and older, due to the statute of limitations rendering these uncollectible. 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 either through cash fines, jail time or community service. Judgments that are at least seven years old, and meet City Attorney criteria, may be written off pursuant to Common Council resolution authorizing such write-offs.

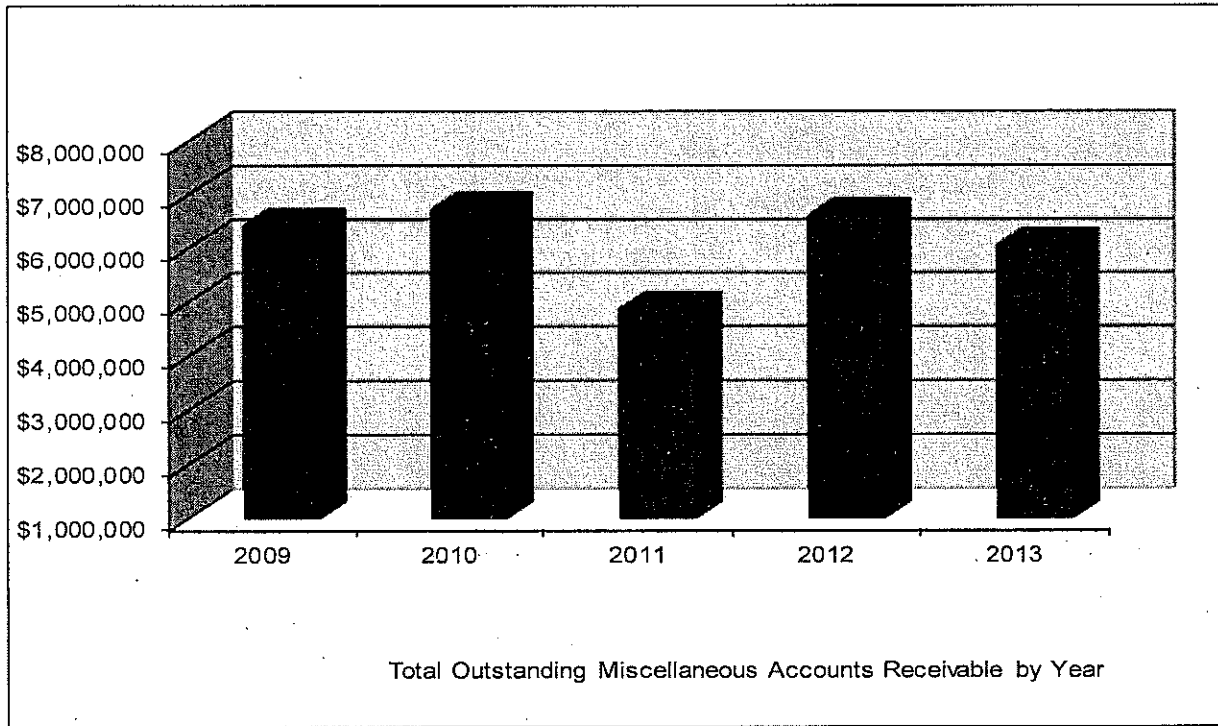
Parking Fund Receivables Aging



The chart above shows the aging of parking citation outstanding receivables from 2009 to 2013. More than half of the current outstanding balance for parking citation receivables is considered unlikely to be collected due to lack of registered owner information, citations issued to out of state vehicles, and the age of outstanding citations.

There was a substantial decrease in receivables during 2013 due to a one-time write-off of citations more than six years old that had been associated with the State of Wisconsin Tax Intercept Program. Parking citations that have exceeded the statute of limitations will continue to be written-off on a quarterly basis in 2014.

Outstanding Miscellaneous Accounts Receivable



	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
City Clerk	\$ -	\$ 1,000	\$ 1,000	\$ 28,000	\$ 66,000
City Attorney	38,000	83,000	-	-	137,000
City Development	297,000	297,000	297,000	297,000	29,000
Comptroller	193,000	222,000	255,000	268,000	311,000
Employee Relations	920,000	1,269,000	443,000	1,835,000	565,000
Dept of Administration	94,000	22,000	23,000	23,000	218,000
Fire Department	92,000	60,000	48,000	112,000	73,000
Health Department	101,000	101,000	89,000	60,000	45,000
Police Department	1,640,000	1,640,000	1,641,000	1,641,000	1,641,000
Port of Milwaukee	994,000	957,000	929,000	838,000	800,000
Public Works	2,055,000	2,066,000	1,152,000	1,508,000	2,166,000
Treasurer	15,000	16,000	-	12,000	7,000
TOTAL	\$ 6,439,000	\$ 6,734,000	\$ 4,878,000	\$ 6,622,000	\$ 6,058,000

The above chart and table show the change in 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 such as HACM and RACM. In total, the year-end balance for outstanding miscellaneous receivables decreased by nearly 6% from 2009 to 2013.