

Lee, Chris

From: Schroeder, David
Sent: Wednesday, October 5, 2022 10:38 AM
To: Dimitrijevic, Marina; Norfolk, Tea; Lee, Chris; Osterman, Jeffrey
Cc: Prioletta, Maria; Crump, Lafayette; Leichtling, Samuel; Amy Turim (amyeturim@gmail.com); Koster, Vanessa; Piedt, David; Misky, David
Subject: RE: Rental fees

Ald. Dimitrijevic,

I apologize for the delayed response.

The Department of City Development has two sources of funds to maintain the in rem properties, the Land Management Special Purpose Account (S209) and the rent collections from occupied in rem properties.

The 2023 Proposed Budget S209 account includes \$676,000 of tax levy funds for the property maintenance. Typical expenses for vacant and occupied in rem properties include property clean outs, board ups, locksmith, eviction expenses (serving, movers), water bills, special assessments, pest extermination, condo association fees, and electrical/plumbing/hvac/carpentry repairs.

The S209 account typically runs out of funds by the fall season. At that point the department switches its funding source to the RACM in rem rent collection account (we call it the RMR account for the cost center used in the RACM accounting system).

RACM collects and accounts for these rents separately from all other RACM accounts to ensure the funds are not comingled with other RACM revenues and expenses. For 2023 we estimate that RACM will collect \$400,000 in rent that will be available to supplement the department's S209 account. The rent collections show up in the annual RACM budget under RACM General Revenues – Dwelling Rent and the expenditures show up under Operating Expenditures – Property Services.

RACM annually reconciles the account after the first quarter of the following year and will send a communication to the Comptroller to inform them if there is a positive or negative balance from the previous year. If there is a negative balance RACM will carry that forward to the next year and if there is a positive balance it is determined by the Comptroller whether to carry that balance forward or to have RACM make a payment of the balance to the City of that amount.

If you have any additional questions please feel free to contact us at your convenience.

Thank you.
David



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From: Dimitrijevic, Marina <Marina@milwaukee.gov>

Sent: Wednesday, October 5, 2022 9:53 AM

To: Prioletta, Maria <Maria.Prioletta@milwaukee.gov>; Leichtling, Samuel <Samuel.Leichtling@milwaukee.gov>; Norfolk, Tea <Tea.Norfolk@milwaukee.gov>; Crump, Lafayette <Lafayette.Crump@milwaukee.gov>; Lee, Chris <cle@milwaukee.gov>

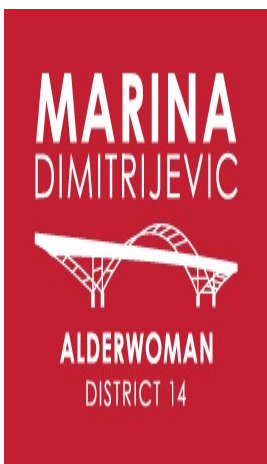
Subject: Re: Rental fees

Checking back here.

~Marina

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Marina Dimitrijevic
Alderwoman | 14th District

She/Her/Hers/Ella

Hablo Español

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On Oct 3, 2022, at 2:42 PM, Dimitrijevic, Marina <Marina@milwaukee.gov> wrote:

Commissioner and team-

In preparation for your budget presentation can you provide the specific details of the nearly 200 city owned properties we collect “rent” on and how much revenue is budgeted for in 2023.

~Marina

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