



Office of the Comptroller

August 25, 2009

W. Martin Morics, C.P.A.  
Comptroller

Michael J. Daun  
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Special Deputy Comptroller

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Alderman Terry L. Witkowski  
200 East Wells Street, Room 205  
Milwaukee, WI 53202

Members of the Finance  
& Personnel Committee  
200 East Wells Street, Room 205  
Milwaukee, WI 53202

RE: 2009 Outstanding Receivables Report

Dear Alderman and Committee Members:

Attached you will find the Comptroller's 2009 report on outstanding receivables as of December 31, 2008. This report is being issued as required by Ordinance 304-1-5. The report provides summary information on City outstanding receivables. These receivables include:

- General Fund – Current year delinquent tax receivables (2007 taxes for 2008 purposes);
- Delinquent Tax Fund – Prior years' delinquent tax receivables (2006 and prior years);
- Parking Fund - Parking violation outstanding receivables;
- Municipal Court - Municipal Court outstanding judgments;
- Miscellaneous – Non-property tax outstanding receivables.

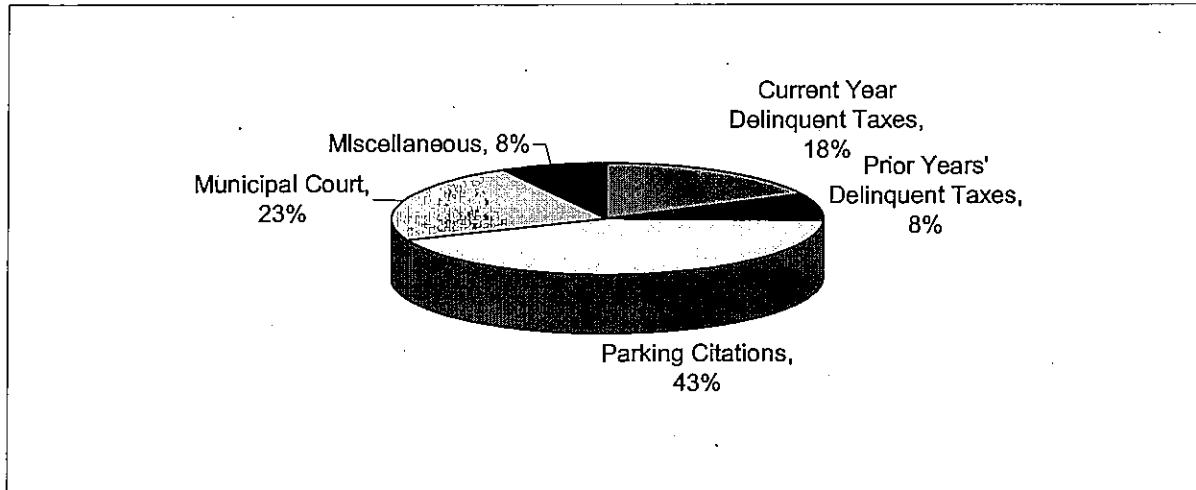
Should you have any questions or need further information, please feel free to contact Craig Kammholz of my staff at extension 2304.

Sincerely,

W. Martin Morics  
Comptroller

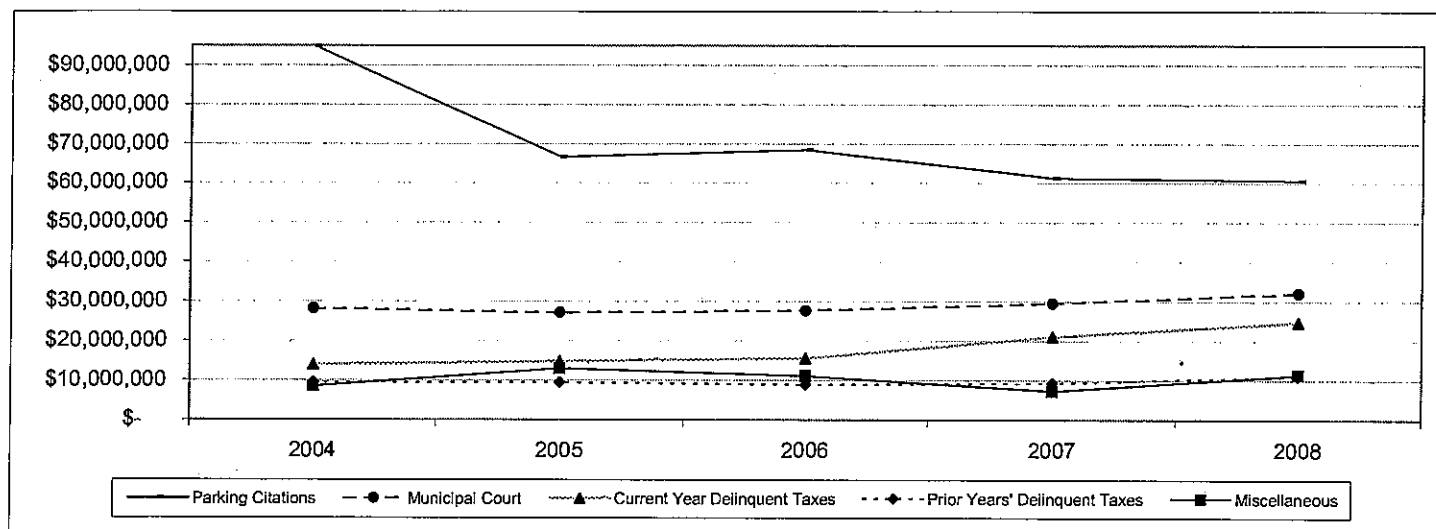


**Outstanding Receivables  
as of 12/31/2008**



Total outstanding receivables as of December 31, 2008 were \$139.7 million. The largest category of outstanding receivables is Parking Citations at 43%, followed by Delinquent Taxes totaling 26%. Of this amount, 18% is related to Current Year Delinquent Taxes (2007 taxes for 2008 purposes) and 8% to Prior Years' Delinquent Taxes (2006 taxes and prior). Municipal Court outstanding judgments make up 23% of total outstanding receivables. Miscellaneous Accounts Receivable is the smallest category totaling 8%.

### Outstanding Receivables 2004 to 2008



	2004	2005	2006	2007	2008
Parking Citations	\$ 94,844,000	\$ 66,645,000	\$ 68,400,000	\$ 61,212,000	\$ 60,606,000
Municipal Court	28,107,000	27,059,000	27,650,000	29,494,000	32,076,000
Current Year Delinquent Taxes	13,961,000	14,741,000	15,615,000	21,079,000	24,675,000
Prior Years' Delinquent Taxes	9,495,000	9,463,000	8,929,000	9,297,000	11,004,000
Miscellaneous	8,500,000	13,005,000	11,096,000	7,238,000	11,322,000
<b>TOTAL</b>	<b>\$ 154,907,000</b>	<b>\$ 130,913,000</b>	<b>\$ 131,690,000</b>	<b>\$ 128,320,000</b>	<b>\$ 139,683,000</b>

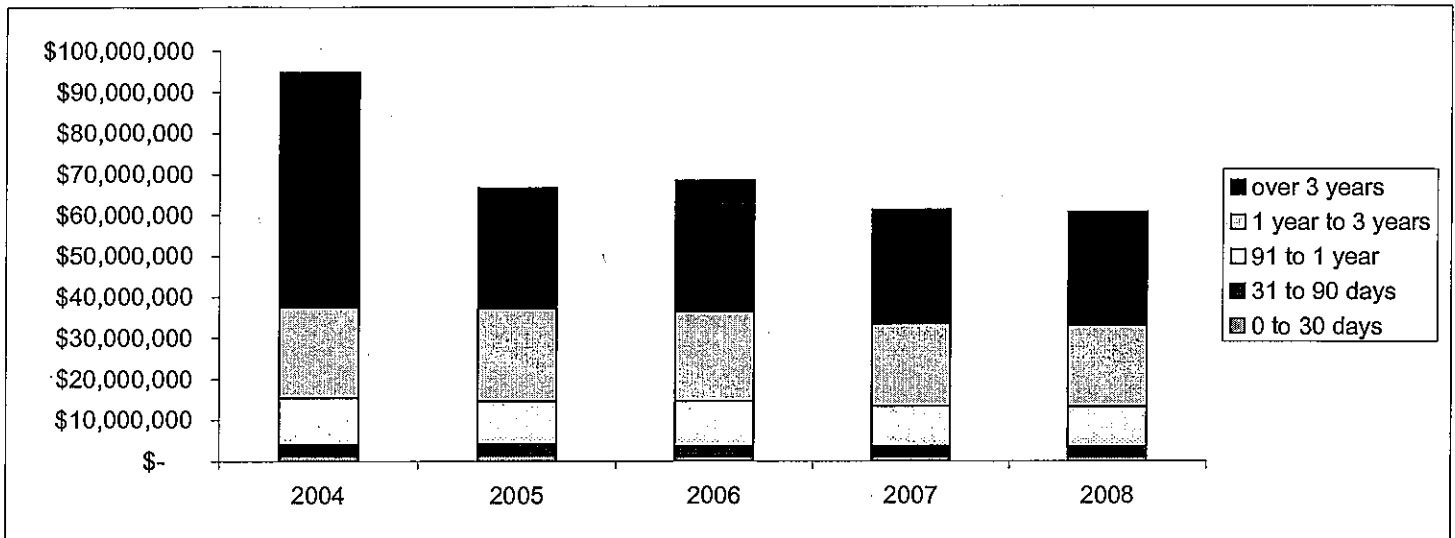
The chart and table above show outstanding receivables by category from 2004 through 2008. Outstanding receivables have increased for all major categories except parking citations, which decreased considerably due to the write off of \$30 million of delinquent receivables in 2005.

Current year delinquent tax receivables have increased at the greatest rate over time, going from nearly \$14 million in 2004 to \$24.6 million in 2008. Prior years' delinquent taxes have also increased over time, but at a slower rate, going from \$9.5 million in 2004 to \$11 million in 2008. Miscellaneous receivables, which include various billings by general city departments, have increased from \$8.5 million in 2004 to \$11.3 million in 2008.

Outstanding Municipal Court judgments, including fees, fines and forfeitures increased from \$28.1 million in 2004 to \$32.1 million in 2008. As noted previously, parking citation outstanding receivables decreased from \$94.8 million in 2004 to \$60.6 million in 2008 primarily due to the write off of delinquencies more than six years in age.

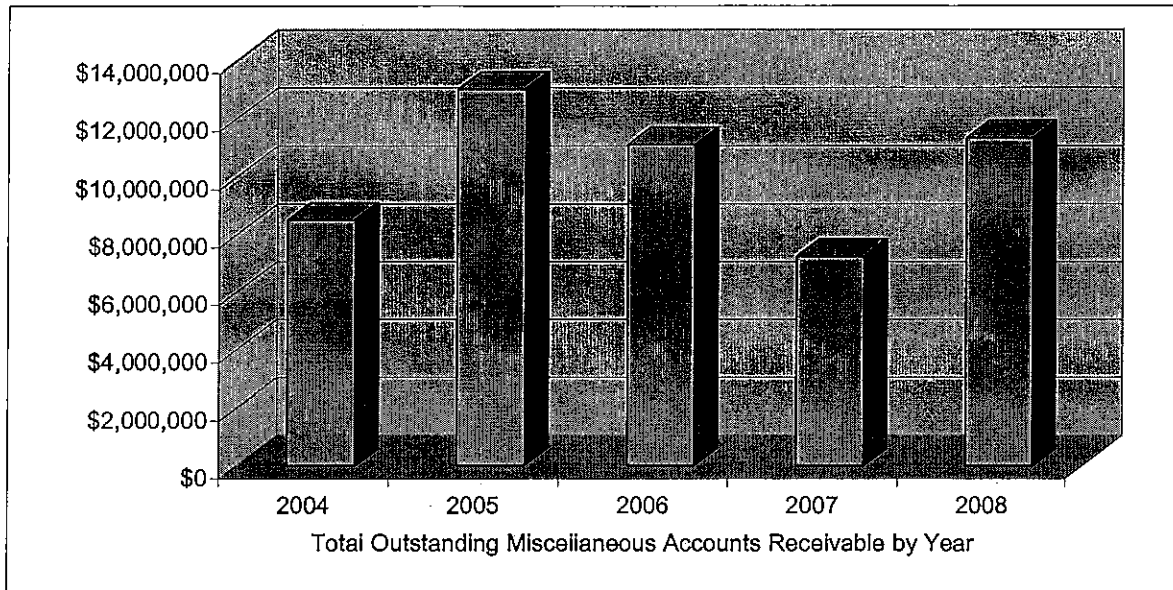
The Parking Fund continues to write off delinquencies that are six years old or older, due to the statute of limitations rendering these uncollectible. Miscellaneous receivable and tax delinquencies of \$5,000 or more may be cancelled or adjusted through Common Council action. An interdepartmental process 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.

### Parking Fund Receivables Aging 2004 through 2008



The chart above shows the aging of parking citation outstanding receivables from 2004 to 2008. It should be noted that more than half of the current outstanding balance for parking citation receivables is considered uncollectible due to lack of registered owner information, citations issued to out of state vehicles, and the age of outstanding citations.

### Outstanding Miscellaneous Accounts Receivable 2004 to 2008



	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>Change</u> <u>2004-2008</u>
City Clerk	\$ 66,000	\$ 71,000	\$ -	\$ 151,000	\$ 60,000	\$ (8,000)
City Attorney	121,000	66,000	128,000	78,000	-	(121,000)
City Development	439,000	298,000	299,000	297,000	297,000	(142,000)
Comptroller	698,000	4,323,000	3,362,000	258,000	195,000	(503,000)
Employee Relations	740,000	572,000	1,342,000	899,000	4,424,000	3,684,000
Dept of Administration	14,000	3,000	29,000	21,000	23,000	9,000
Fire Department	827,000	677,000	97,000	88,000	137,000	(690,000)
Health Department	816,000	781,000	857,000	193,000	92,000	(724,000)
Police Department	1,749,000	1,643,000	1,645,000	1,645,000	1,652,000	(97,000)
Port of Milwaukee	315,000	641,000	919,000	1,602,000	2,234,000	1,919,000
Public Works	2,705,000	3,922,000	2,409,000	1,998,000	2,198,000	(507,000)
Treasurer	9,000	8,000	9,000	8,000	10,000	1,000
<b>TOTAL</b>	<b>\$ 8,499,000</b>	<b>\$ 13,005,000</b>	<b>\$ 11,096,000</b>	<b>\$ 7,238,000</b>	<b>\$ 11,322,000</b>	<b>\$ 2,823,000</b>

The above table shows the change in outstanding miscellaneous accounts receivable by department and year. Overall, outstanding miscellaneous receivables increased by \$2.8 million, or 33.2%, with sizeable increases in two departments, the Department of Employee Relations and the Port of Milwaukee. All other departments experienced modest increases or decreases. The chart above shows the changes in total outstanding miscellaneous accounts receivable between 2004 and 2008.

The increase in Port outstanding miscellaneous receivables is primarily due to capital grant projects billed to the State, but not yet reimbursed as of December 31, 2008. As of March 2009, the Port had received payments from the State for these grant projects totaling approximately \$1.6 million.

The significant increase in DER miscellaneous receivables in 2008 is primarily due to approximately \$4 million in outstanding workers' compensation billings to Milwaukee Public Schools. As of August 2009, the remaining outstanding balance for 2008 MPS worker's compensation billings is \$1.3 million.