City of Stoughton
Municipal Court Receivables 100-00000-13400
December 31, 2022

Row Labels	Sum of Balance Due		
1 - Less than 1 month	$	2,915.00	0.7%
2 - 1 month to 2 months	$	2,337.00	0.6%
3 - 2 months to 3 months	$	8,084.00	2.0%
4 - 4 months to 12 months	$	24,459.07	5.9%
5 - One to two years	$	44,952.75	10.9%
6 - Two to three years	$	33,319.15	8.0%
7 - Three to eight years	$	144,317.24	34.9%
8 - over eight years	$	153,552.32	37.1%
Grand Total	**$**	**413,936.53**	100.0%

Row Labels	Count of Balance Due			Average
1 - Less than 1 month	69.00	1.0%	$	42.25
2 - 1 month to 2 months	42.00	0.6%	$	55.64
3 - 2 months to 3 months	160.00	2.3%	$	50.53
4 - 4 months to 12 months	485.00	6.9%	$	50.43
5 - One to two years	720.00	10.2%	$	62.43
6 - Two to three years	569.00	8.1%	$	58.56
7 - Three to eight years	2,448.00	34.8%	$	58.95
8 - over eight years	2,544.00	36.2%	$	60.36
Grand Total	**7,037.00**	100.0%	$	58.82

Row Labels	Sum of Balance Due		
Over $50 threshold	$	294,661.33	71.2%
Under $50 threshold	$	119,275.20	28.8%
Grand Total	**$**	**413,936.53**	100.0%

Row Labels	Count of Balance Due	
Over $50 threshold	2,824.00	40.1%
Under $50 threshold	4,213.00	59.9%
Grand Total	**7,037.00**	100.0%

Row Labels	Sum of Balance Due		
1 - Less than 1 month	$	2,915.00	20.0%
2 - 1 month to 2 months	$	2,337.00	30.0%
3 - 2 months to 3 months	$	8,084.00	40.0%
4 - 4 months to 12 months	$	24,459.07	50.0%
5 - One to two years	$	44,952.75	50.0%
6 - Two to three years	$	33,319.15	70.0%
7 - Three to eight years	$	144,317.24	90.0%
8 - over eight years	$	153,552.32	100.0%
Grand Total	**$**	**413,936.53**	

Total allowance	County Allowance	State Allow	City Allow
583.00	54.80	149.42	378.78
701.10	65.90	179.69	455.51
3,233.60	303.94	828.74	2,100.92
12,229.54	1,149.52	3,134.32	7,945.70
22,476.38	2,112.68	5,760.50	14,603.20
23,323.41	2,192.30	5,977.59	15,153.52
129,885.52	12,208.68	33,288.53	84,388.31
153,645.32	14,442.00	39,377.96	99,825.36
346,077.87	32,529.82	88,696.75	224,851.30

Total receivable by category			
Blood Draw - OWI	$	371.08	Split
Court Cost Muni	$	102,186.65	Split
Forfeitures	$	311,303.94	Split
Non sufficient funds	$	10.00	City
Other fees	$	157.86	City
Total	$	414,029.53	

		Gross Receivable		Net Receivable
County	$	38,916.99	9.4%	6,387.17
State	$	106,112.17	25.6%	17,415.42
City (remainder)	$	269,000.37	65.0%	44,149.07
Total	$	414,029.53	100.0%	67,951.66

The journal entry is to record municipal court receivables in the general ledger for the first time in BS&A. With no history on collections available, the allowance methodology used by the City of Fitchburg (another Baker Tilly client) was used. There is a $93 variance between the pivot tables and the actual receivable value, so to be conservative the variance was put into the allowance for bad debts. The allocation of Blood Draws, Court Cost Muni and Forfeitures is based upon the 12 Municipal Court Monthly Financial Reports for calendar year 2022.

12/31/2022 journal entry		Debit	Credit
Municipal Court Receivable	100-00000-13400	414,029.53	
Allowance for bad debt	100-00000-13051		(346,077.87)
Court fines - accrued	100-00000-22220		(6,387.17)
Court fines - accrued	100-00000-22220		(17,415.42)
Deferred inflow municipal court	100-00000-26420		(44,149.07)
Deferred inflow municipal court	910-00000-26420	44,149.07	
Court penalties/costs	910-91051-45100		(44,149.07)
Establish courts receivable 12-31-2022			

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Pivot updated

Dave Ehlinger

From: Dave Ehlinger
Sent: Monday, February 6, 2023 8:27 PM
To: Matthew Roethe; Mary Giemza
Cc: Tim Swadley; Amy Jo Gillingham
Subject: 100-00000-13400 Municipal Court Receivable 12-31-2022.pdf
Attachments: 100-00000-13400 Municipal Court Receivable 12-31-2022

Matt and Mary,

Please see the attached for an analysis of the outstanding court receivable.

Given that about 60% of the outstanding items are below the $50 threshold that the State Debt Collection establishes, it appears that using that collection agency is not the best collection tool for a large percentage of our receivable. Granted, we have some repeat customers who, when their individual claims are aggregated may now exceed the $50 threshold, but I don't think there will be a material change in allowed submissions to the Wisconsin Department of Revenue.

I am proposing that we bring in a temporary employee to work on collections. I would anticipate they would update the detailed accounts receivable spreadsheet that Mary provided with debtor name, mailing address, and social security number (if available). That person could then do a mail merge into Microsoft Word so that we could send out our own collection letters. We can the assess whether we want to utilize a second collection agency in addition to the State Debt Collection with the Wisconsin Department of Revenue.

If we do go with another collection firm, I think we should use some simplified Request for Bid so see what fees they assess. I would be sure to include the collection agency that was used at both Milwaukee and Brown County circuit courts.

Please let me know your thoughts.

Thanks,

Dave