

CITY OF SHEBOYGAN

REQUEST FOR FINANCE AND PERSONNEL COMMITTEE CONSIDERATION

ITEM DESCRIPTION: Res. No. 95-22-23 by Alderpersons Mitchell and Filicky-Peneski authorizing the appropriate officials to remove certain uncollected delinquent personal property taxes and uncollected accounts receivable from the City of Sheboygan's general ledger.

REPORT PREPARED BY: Finance Director Kaitlyn Krueger

REPORT DATE: December 8, 2022

MEETING DATE: December 12, 2022

FISCAL SUMMARY:

Budget Line Item: N/A
Budget Summary: N/A
Budgeted Expenditure: N/A

STATUTORY REFERENCE:

Wisconsin Statutes: N/A
Municipal Code: N/A

BACKGROUND / ANALYSIS:

Financial reporting best practice is to remove bad debts from the general ledger in order to ensure an accurate accounts receivable balance. Upon review, it was identified that it is appropriate to remove \$6,245.17 in uncollected delinquent personal property tax and \$115,967.88 of uncollected accounts receivable from the City of Sheboygan's general ledger.

STAFF COMMENTS:

The uncollected delinquent personal property tax is associated with businesses that are closed, or otherwise inactive. The \$115,967.88 in uncollected accounts receivable consists of \$23,656.00 in parking tickets and \$92,311.88 in general billing. The parking tickets were issued in 2016 and prior, and have been deemed uncollectible. The general billing is for DPW-related services and cemetery costs. Most invoices were issued in 2016 and prior. Staff has made attempts to collect delinquent debts. These are expensed every year through the bad debt expense account and will not have an overall effect on the budget or fund balance.

ACTION REQUESTED:

Motion to recommend the Common Council adopt Res. No. 95-22-23 by Alderperson Mitchell and Filicky-Peneski.

ATTACHMENTS:

- I. Res. No. 95-22-23