



Collections

Administration

Fund Purpose

The Collections Division (1) operates as an Internal Service fund by providing financially responsible centralized collection services to all agencies of the County and participating external Waukesha County municipalities; (2) generates savings to taxpayers by maximizing the collection of dollars owed to the County in the most consistent, timely, efficient, and cost effective manner possible in compliance with all laws, rules, and regulations; (3) strives toward a fair and equitable balance between clients who receive goods and services from the County and taxpayers who bear the cost of unpaid goods and services.

Financial Summary	2009 Actual	2010		2011 Budget	Change From 2010 Adopted Budget	
		Adopted Budget	2010 Estimate		\$	%
General Government	\$0	\$0	\$0	\$0	\$0	N/A
Fine/Licenses	\$0	\$0	\$0	\$0	\$0	N/A
Charges for Services	\$160,777	\$111,400	\$174,400	\$174,400	\$63,000	56.6%
Interdepartmental	\$458,090	\$408,190	\$420,000	\$418,486	\$10,296	2.5%
Other Revenue	\$143,289	\$160,550	\$137,000	\$139,000	(\$21,550)	-13.4%
Appr. Fund Balance (a)(b)	\$110,908	\$126,517	\$128,626	\$140,621	\$14,104	11.1%
County Tax Levy (c)	(\$95,000)	(\$95,000)	(\$95,000)	(\$120,000)	(\$25,000)	26.3%
Total Revenue Sources	\$778,064	\$711,657	\$765,026	\$752,507	\$40,850	5.7%
Personnel Costs	\$481,047	\$524,669	\$480,212	\$554,627	\$29,958	5.7%
Operating Expenses	\$70,878	\$115,664	\$87,402	\$138,133	\$22,469	19.4%
Interdept. Charges	\$167,560	\$166,324	\$175,624	\$179,747	\$13,423	8.1%
Fixed Assets	\$0	\$0	\$0	\$0	\$0	N/A
Total Expenditures	\$719,485	\$806,657	\$743,238	\$872,507	\$65,850	8.2%
Operating Inc./Loss (b)	\$58,579	(\$95,000)	\$21,788	(\$120,000)	(25,000)	N/A

Position Summary (FTE)

Regular Positions	5.75	5.75	4.75	5.75	0.00
Extra Help	1.38	1.38	2.17	2.13	0.75
Overtime	0.00	0.00	0.00	0.00	0.00
Total	7.13	7.13	6.92	7.88	0.75

- (a) A Collections Fund Balance appropriation in 2009 of \$24,972 is for depreciation expense and \$85,644 to decrease Collections internal cost to departments for total of \$110,616 in the 2009 Budget. A Collections Fund Balance appropriation in 2010 of \$14,972 is for depreciation expense and \$111,545 to maintain Collections internal cost to departments for total of \$126,517 in the 2010 Budget. A Collections Fund Balance appropriation in 2011 of \$13,120 is for depreciation expense and \$127,501 to maintain Collections internal cost to departments for total of \$140,621 in the 2011 Budget.
- (b) The 2009 net operating income differs from the amount shown in the Comprehensive Annual Financial Report by the Fund Balance amount shown.
- (c) A Fund Balance appropriation is used to repay the General Fund for start-up funds and deferred indirect costs provided in prior years, which reduces the overall general County Tax Levy. From 2000 to 2011, the overall amount of this general tax levy reduction totals \$940,000.

Current & Proposed Capital Projects

Proj#	Project Name	Expected Completion Year	Total Project Costs	Estimated % Complete End of '09	Estimated Operating Impact	A = Annual T = One- Time
200710	Collection System Interface(s) (a)	2011	\$100,000	60%	\$15,000	A

- (a) Coordinated project with Department of Administration – Information Technology, Health & Human Services and Courts.

Major Departmental Strategic Outcomes and Objectives for 2011

County-Wide Key Strategic Outcome: Cost effective services delivered with competence and skill

Objective 1: Work cooperatively with Clerk of Courts, Health & Human Services (HHS), Department of Administration-Information Technology (DOA-IT) and applicable software vendors to identify the best alternative for automating the referral process between HHS, Clerk of Courts and Collections. The desired result is a considerable reduction of time for staff to process referrals and to allow for more timely referral and collection of accounts.

Key Outcome Indicator: Based on 2008, achieve greater than 75% reduction in the amount of time staff spends on HHS referral processing by 2010.

Performance Measure:	2009 Actual	2010 Target	2010 Estimate	2011 Target
Reduced total staff time per referral	N/A	75%	75%	75%

As more difficult collection cases are referred, maintain desired County Efficiency Ratio. This is the ratio of dollars collected versus dollars expensed or return on investment for each dollar spent (includes depreciation).

Performance Measure:	2009 Actual	2010 Target	2010 Estimate	2011 Target
Ratio – All Collected Funds*	3.86	3.27	3.90	3.37

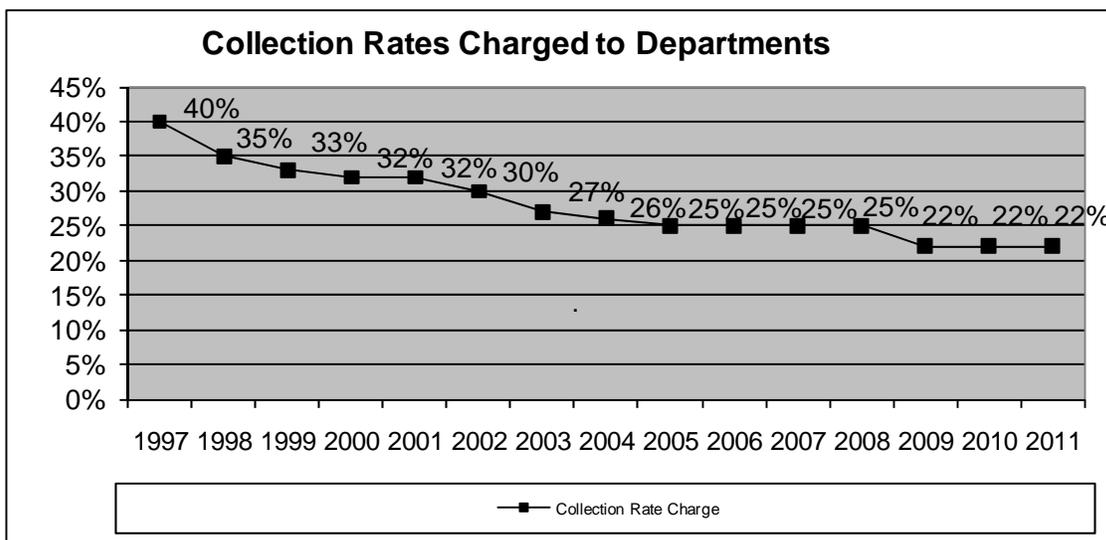
Maintain a recovery % greater than collection agency industry average specific to governmental accounts.

Waukesha County Recovery %**	30.7%	30.0%	31.0%	31.0%
Collection Agencies Rec. %***	11.27%	11.27%	11.27%	11.27%

*Calculated as total dollars collected divided by expenditures; desired goal ratio greater than or equal to 2.5 to 1.

**The overall recovery percent is being impacted by increasing referrals from Health & Human Services. These accounts are increasingly more difficult to collect given the nature of the debt, the financial status of the parties being collected from and the State's ability to pay provisions.

***Source: American Collectors' Association (Top Annual Collection Markets Survey).



Objective 2: Implement an integrated County-wide cashiering system in order to reduce the cost of delivering services and to reduce the cost and support necessary for maintaining duplicative systems at the County.

Key Outcome Indicator: Reduction of independent departmental stand-alone cashiering systems. Replace ten with single solution by 2010.

Performance Measure:	2009 Actual	2010 Target	2010 Estimate	2011 Target
Reduction of stand-alone cashier systems	3 (6 total)	4 (10 Total)	3 (9 total)	4 (13 total)
# of areas implemented on shared system	4 (9 total)	5-6	3 (12 total)	5 (17 total)



Program Highlights

Charges for Services revenues increase \$63,000 due to additional municipal collection contracts and increased collections. Interdepartmental revenues increase \$10,296 due to increased collections. Other revenues decrease \$21,550 mainly due to decreased interest on judgments, of which is a net of \$49,100 shared with the District Attorney. Collection Fund Balance appropriation of \$140,621 is for general depreciation expense, expenses relating to the collections interface capital project and to maintain a low Collection fee to internal customers.

Personnel costs increase by \$29,958 mainly due to cost to continue existing staff and increased extra temporary help. Operating expenses increase \$22,469 mainly due to increased third party temporary help and increased software maintenance for efficiency and green initiatives to allow external customers to view accounts on-line and to create internal reports electronically. These increases are partially offset by decreased garnishment fees, printing costs and depreciation expense. Interdepartmental charges increase \$13,423 mainly due to increased postage, legal charges and End User Technology Fund (EUTF) charges.

In summary, 16% of the total costs incurred by this program are for County-wide and departmental indirect costs, depreciation expense, legal support from Corporation Counsel offices, additional support from Department of Administration and end user computer support total cost of personal computer ownership.



Activity

	2009 Actual	2010 Budget	2010 Estimate	2011 Budget	Budget Change
\$ Coll. for Wauk. Cty. Customers	\$1,327,985	\$1,201,650	\$1,192,100	\$1,210,900	\$9,250
\$ Coll. & Shared with State	\$881,996	\$1,040,000	\$970,000	\$905,000	(\$135,000)
\$ Coll. for Municipal Customers	\$563,842	\$400,000	\$625,000	\$625,000	\$225,000
Total \$ Collected	\$2,773,823	\$2,641,650	\$2,887,100	\$2,740,900	\$99,250
Total \$ Retained by County	\$1,919,683	\$1,723,650	\$1,784,750	\$1,808,650	\$85,000
Accts Referred to Collection Div.	15,569	12,000	12,000	12,000	0
\$ Referred to Collection Division *	\$7,986,021	\$6,000,000	\$7,000,000	\$7,500,000	\$1,500,000
# of External Intergovernmental Customers	24	27	35	37	10

*84.66% of the 2009 County revenue referrals are for bail forfeitures and Health and Human Services private pay billings. Given the nature of the parties the Division is attempting to collect from, and the State's provision for clients' ability to pay, recovery in these areas is anticipated at less than 15% of the amount referred.