



Broome County

## Department of Audit and Control

Edwin L. Crawford County Office Building / P.O. Box 1766 / Binghamton, New York 13902 / (607) 778-2227

DANIEL A. SCHOFIELD  
Chairman of the Legislature

ALEX J. McLAUGHLIN  
Comptroller

April 21, 2003

Jeffrey P. Kraham, County Executive:

The Department of Audit and Control has compiled a summary of the status of accounts receivable balances in various County departments as of December 31, 2002.

Our analysis of the data provided has revealed the following critical issues:

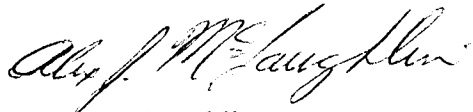
- For the 4th quarter of 2002, The Aviation Department's over 90 day category was \$113,541.43 (a 7% decrease from the previous quarter). Of this amount, the Aviation Department forecasts that \$25,916.91 will be uncollectable.
- Effective this quarter, a different reference date is being used to measure the age of the Health Department's Early Intervention Program receivables. The new date tracks from when the Health Department billed for the service rather than from when the service was provided. (Regardless of when services were provided by various contractors, the Health Department can not bill for them until the provider bills the Health Department).
- The Mental Health Department still does not have a functioning system in place for billing and/or receivable management. We believe that significant risk for revenue loss is being created due to the situation.
- The Department of Solid Waste Management's accounts receivable over 90 days category includes \$11,781.01 which is attributable to Philip's Foundry, which filed for bankruptcy in July of 2002.

Attached are schedules summarizing the status of significant receivables as of December 31, 2002. The criteria that we established for monitoring was to track balances that were

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in excess of \$100,000 as of December 31, 2002 and generate from fee for service transactions. If you are aware of other receivable categories that are at risk of becoming uncollectable, please advise.

Sincerely,



Alex J. McLaughlin  
Comptroller

cc: Daniel A. Schofield, Chairman of the Legislature  
Members of the Legislature  
Louis P. Augostini, Clerk of the Legislature  
Arthur R. Johnson, Commissioner, Mental Health Department  
Carl G. Olson, Commissioner, Aviation  
Kevin Roche, Director, Solid Waste Division  
Claudia A. Edwards, Director, Health Department  
John F. Demske, Administrator, Willow Point Nursing Home

**Accounts Receivable Aging Summary  
4th Quarter 2002**

Department	Component Age of Receivables (In Days)				Total
	1-30	31-60	61-90	Over 90	
Aviation	71,756.03	2,392.26	140.00	113,541.43	187,829.72
% Change From Prior Qtr	50.9%	-97.1%	n/a	-7.0%	-24.5%
Health - Early Intervention	140,018.72	6,844.00	20,854.00	73,857.25	241,573.97
% Change From Prior Qtr	n/a	n/a	n/a	n/a	-33.6%
Mental Health	30,552.00	29,602.00	37,495.00	356,011.00	453,660.00
% Change From Prior Qtr	-84.2%	-80.2%	-66.3%	92.0%	-29.1%
Solid Waste Division	361,256.66	188,448.41	1,497.11	13,139.04	564,341.22
% Change From Prior Qtr	-15.6%	23.9%	-73.4%	-36.6%	-7.0%
Willow Point (1)	1,452,504.10	1,371,596.30	265,177.47	2,216,238.88	5,305,516.75
% Change From Prior Qtr	-2.1%	26.8%	-4.1%	-28.1%	-10.4%