

**BROOME COUNTY
DEPARTMENT OF
AUDIT AND CONTROL**

Quarterly Accounts Receivable Analysis

DECEMBER 2007

Alex J. McLaughlin, Comptroller

Broome County Department of Audit and Control

Alex J. McLaughlin, Comptroller . Mark R. Whalen, Chairman of the Legislature



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December 3, 2007

Barbara J. Fiala, 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 June 30, 2007.

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

- For the Aviation Department, \$45,625 of the \$51,035 balance over 90 days is owed by Comair. Comair is a subsidiary of Delta Airlines, which recently emerged from bankruptcy. The Department of Aviation anticipates payment of 30% to 50% of the balance due this month (December). Mesaba Aviation, which owes \$5,210 of the over 90 day balance, paid \$3,647 in July which will be reflected in the 2007 third quarter report.
- The Health Department's over 90 day category has increased from \$15,210 to \$50,268 (230.5%). Health Department management noted that the 90 day category for the next quarter (3rd quarter) decreases to an outstanding balance of \$28,873. Additionally, the Health Department noted that the over 90 day category includes amounts due from 3rd party insurance companies. The insurance companies often require rebilling and/or additional documentation before they will either pay or deny a claim. As a result, there can be a significant delay in the collection process. In our opinion, while there is an increase in the 90 day category, Health Department management is effectively monitoring outstanding accounts receivable.

Attached are schedules summarizing the status of significant receivables as of June 30, 2007. The criteria that we established for monitoring , was to track balances that we consider significant as of June 30, 2007 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,

A handwritten signature in cursive script, appearing to read "Alex J. McLaughlin".

Alex J. McLaughlin
Comptroller

cc: Mark R. Whalen, Chairman of the Legislature
Members of the Legislature
Eric Denk, Clerk of the Legislature
Christopher H. Marion, Legislative Assistant
Carl Beardsley, Commissioner, Aviation
Henry D. Weissmann, Commissioner, Public Works
Claudia A. Edwards, Director, Health Department
Steven P. Reagen, Administrator, Willow Point Nursing Home

**Accounts Receivable Aging Summary
Second Quarter 2007**

Component Age of Receivables (In Days)

Department	1-30	31-60	61-90	Over 90	Total
Aviation	19,792	25	550	51,035	71,402
% Change From Prior Qtr	-30.6%	-97.2%	-87.3%	-16.5%	-24.7%
Health - Early Intervention	87,293	71,752	11,454	50,269	220,768
% Change From Prior Qtr	69.6%	70.9%	-84.2%	230.5%	21.8%
Solid Waste Division	653,534	794	330	(109)	654,548
% Change From Prior Qtr	41.6%	-2083.8%	87.3%	9.1%	41.8%
Willow Point	1,800,298	1,634,393	516,857	3,662,619	7,614,167
% Change From Prior Qtr	-0.2%	11.3%	-9.8%	15.2%	8.4%