

March 22, 2005

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 December 31, 2004.

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

- The Aviation Department receivables show a substantial percentage increase (1237 %) in the 61 – 90 day category. However, \$78,330 of the \$81,139 balance has been paid in the beginning of 2005 and will be reflected in the 1<sup>st</sup> quarter Accounts Receivable Aging
- The Health Department shows a 993% increase in the 61-90 day category.
- Willow Point Nursing Home shows a 564% increase in the 61-90 day category. As a result of problems with the Medicaid system, the receipt of payments for September and October 2004 billings (\$2,218,016) were delayed until January 5<sup>th</sup>, 2005. These payments will be reflected in the 1<sup>st</sup> quarter 2005 Aging report.

Attached are schedules summarizing the status of significant receivables as of December 31, 2004. The criteria that we established for monitoring was to track balances that were in excess of \$100,000 as of December 31, 2004 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. Augustini, Clerk of the Legislature  
Carl G. Olson, Commissioner, Aviation  
Henry D. Weissmann, Commissioner, Public Works  
Claudia A. Edwards, Acting Director, Health Department  
John F. Demske, Administrator, Willow Point Nursing Home

**Accounts Receivable Aging Summary**  
**4th Quarter 2004**

<b>Department</b>	<b>Component Age of Receivables (In Days)</b>				<b>Total</b>
	<b>1-30</b>	<b>31-60</b>	<b>61-90</b>	<b>Over 90</b>	
Aviation	48,684.23	4,348.74	81,139.22	45,514.91	179,687.10
% Change From Prior Qtr	-55.2%	-71.0%	1237.1%	-37.9%	-11.4%
Health - Early Intervention	237,565.00	9,929.00	37,975.00	20,244.00	305,713.00
% Change From Prior Qtr	5.3%	-82.0%	993.4%	-55.0%	-7.1%
Solid Waste Division	478,898.03	70,807.08	1,098.98	1,944.48	552,748.57
% Change From Prior Qtr	-21.5%	-35.6%	-63.9%	-45.8%	-24.0%
Willow Point	1,676,319.95	1,453,383.33	1,227,830.26	2,332,733.46	6,690,267.00
% Change From Prior Qtr	7.3%	-1.1%	564.1%	60.9%	43.4%