

## **NOTE 4. RECEIVABLES**

Taxes receivable represent the amount of personal, business, and other taxes determined to be measurable and available as of June 30, 2002. Taxes receivable which will not be available within 60 days of year end are recorded as deferred revenue. All taxes receivable are recorded net of an allowance for doubtful accounts. Uncollectability primarily results from identified assessment problems, inability to locate taxpayers, and accounts of decedents.

The State of Delaware levies taxes on real property through its school districts. Each of the three counties of the State establishes the assessed values of real estate and bills and collects its own property taxes. Local school property taxes are levied by local school districts based on the assessed value of real estate, as determined by county taxation formulas. Taxes are levied on July 1 and are payable on or before September 30. Taxes paid after the payable date are assessed a 6% penalty for nonpayment and 1% interest per month thereafter. Taxes are billed and collected by

the Counties with funds remitted to the local school district to be used for the local share of school operating costs and debt service on general obligation bonds issued for capital improvements.

Receivables as of year-end for the State's individual major funds, including the applicable allowances for uncollectible accounts, are as follows:

	<u>General</u>	<u>Federal Funds</u>	<u>Local School District Funds</u>	<u>Unemployment</u>	<u>Lottery</u>	<u>DelDOT</u>	<u>Total Receivables</u>
	(Expressed in Thousands)						
Receivables:							
Taxes	\$ 215,946		\$ 7,254	\$ 14,246			\$ 237,446
Interest		\$ 1,519				\$ 1,017	2,536
Accounts	106,089		690	4,847	\$ 13,523	3,393	128,542
Loans and Notes	66,074						66,074
Intergovernmental		67,985				8,129	76,114
Total receivables	<u>388,109</u>	<u>69,504</u>	<u>7,944</u>	<u>19,093</u>	<u>13,523</u>	<u>12,539</u>	<u>510,712</u>
Allowance for doubtful accounts	<u>(195,120)</u>		<u>(18)</u>		<u>(656)</u>	<u>(151)</u>	<u>(195,945)</u>
Total receivable (net)	<u>\$ 192,989</u>	<u>\$ 69,504</u>	<u>\$ 7,926</u>	<u>\$ 19,093</u>	<u>\$ 12,867</u>	<u>\$ 12,388</u>	<u>\$ 314,767</u>
Amounts not scheduled for collection during the subsequent year	<u>\$ 101,181</u>	<u>\$ 9,629</u>	<u>\$ 6,732</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$ 117,542</u>

Receivables as of year-end for the State's component Units, including the applicable allowances for uncollectible accounts, are shown below.

	<b>COMPONENT UNITS</b>				
	<u>Delaware State Housing Authority</u>	<u>Diamond State Port Corporation</u>	<u>Riverfront Development Corporation</u>	<u>Delaware State University</u>	<u>Total Receivables</u>
	(Expressed in Thousands)				
Receivables:					
Interest	\$ 1,782		\$ 925		\$ 2,707
Accounts	68,455	\$ 3,172	243	\$ 16,798	88,668
Loans and Notes	380,573		7,385	443	388,401
Intergovernmental	751				751
Total receivables	<u>451,561</u>	<u>3,172</u>	<u>8,553</u>	<u>17,241</u>	<u>480,527</u>
Less: Allowance for doubtful accounts	<u>(1,284)</u>	<u>(291)</u>	<u>(1,908)</u>	<u>(1,394)</u>	<u>(4,877)</u>
Total receivables (net)	<u>\$ 450,277</u>	<u>\$ 2,881</u>	<u>\$ 6,645</u>	<u>\$ 15,847</u>	<u>\$ 475,650</u>
Amounts not scheduled for collection during the subsequent year	<u>\$ 608</u>	<u>\$ 141</u>	<u>\$ 170</u>	<u>\$ 214</u>	<u>\$ 1,133</u>

Governmental funds report deferred revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with

resources that have been received, but not yet earned. Amounts considered unearned federal grant drawdowns are reported as intergovernmental payables.

At year end, the various components of deferred revenue and unearned revenue reported in the governmental funds were as follows:

	<b>Unavailable</b>	<b>Unearned</b>
	(Expressed in Thousands)	
Taxes Receivable	\$ 74,248	
Non-tax Receivables	73,390	
Intergovernmental Receivables	9,497	
Intergovernmental Payables		\$ 5,658
<b>Total</b>	<u>\$ 157,135</u>	<u>\$ 5,658</u>