

**NOTE 3. RECEIVABLES**

Taxes receivable represent the amount of personal, business, and other taxes determined to be measurable and available as of June 30, 2003. 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	\$ 209,254		\$ 16,256	\$ 23,069			\$ 248,579
Interest		\$ 47,496	7			\$ 1,201	1,208
Accounts	590,238		191	7,249	\$ 14,317	4,133	663,624
Loans and Notes	64,587	6,079				27,500	98,166
Intergovernmental		67,862		486		4,435	72,783
Total receivables	<u>864,079</u>	<u>121,437</u>	<u>16,454</u>	<u>30,804</u>	<u>14,317</u>	<u>37,269</u>	<u>1,084,360</u>
Allowance for doubtful accounts	<u>(667,781)</u>	<u>(43,369)</u>	<u>(229)</u>	<u>(8,908)</u>	<u>(679)</u>		<u>(720,966)</u>
Total receivable (net)	<u>\$ 196,298</u>	<u>\$ 78,068</u>	<u>\$ 16,225</u>	<u>\$ 21,896</u>	<u>\$ 13,638</u>	<u>\$ 37,269</u>	<u>\$ 363,394</u>
Amounts not scheduled for collection during the subsequent year	<u>\$ 14,661</u>	<u>\$ 6,636</u>	<u>\$ 12,570</u>	<u>\$</u>	<u>\$</u>	<u>\$ 27,500</u>	<u>\$ 61,367</u>

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

	<b>State Housing Authority</b>	<b>State Port Corporation</b>	<b>Riverfront Development Corporation</b>	<b>Delaware State University</b>	<b>Delaware Charter Schools</b>	<b>Total Receivables</b>
	(Expressed in Thousands)					
Receivables:						
Interest	\$ 2,290					\$ 2,290
Accounts	17,798	\$ 3,083	\$ 175	\$ 14,940	\$ 1,474	37,470
Loans and Notes	448,266		3,375	510		452,151
Intergovernmental	322					322
Total receivables	<u>468,676</u>	<u>3,083</u>	<u>3,550</u>	<u>15,450</u>	<u>1,474</u>	<u>492,233</u>
Less: Allowance for doubtful accounts	<u>(1,540)</u>	<u>(118)</u>	<u>(1,931)</u>	<u>(1,842)</u>		<u>(5,431)</u>
Total receivables (net)	<u>\$ 467,136</u>	<u>\$ 2,965</u>	<u>\$ 1,619</u>	<u>\$ 13,608</u>	<u>\$ 1,474</u>	<u>\$ 486,802</u>
Amounts not scheduled for collection during the subsequent year	<u>\$ 387,132</u>	<u>\$</u>	<u>\$ 1,444</u>	<u>\$ 510</u>	<u>\$</u>	<u>\$ 389,086</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 deferred revenue.

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

	(Expressed in Thousands)
<b>Unavailable</b>	
Taxes Receivable	\$ 76,434
Non-tax Receivables	101,715
Intergovernmental Receivables	627
<b>Subtotal Unavailable</b>	<u>178,776</u>
<b>Unearned</b>	
Advance Park Reservation Fees	732
Federal Grant Advance Drawdowns	7,795
<b>Total Deferred Revenue</b>	<u>\$ 187,303</u>