

Subject: Approval of Collection Loss Write-Offs.

Background Information:

The process of writing off bad debts takes place quarterly. The bad debts primarily consist of tenants that have moved out of the Housing Authority of the County of San Joaquin's (Authority) properties without rendering payment on their final closing bills.

Tenant balances are typically not written off until a minimum of 90 days after the tenant has vacated the property. Even after the balance is written off, the tenant's Yardi file is flagged with the balance owing and all public housing tenants are entered into the Department of Housing and Urban Development's (HUD) Enterprise Income Verification's (EIV) Bad Debt module. This will ensure that the tenant must pay the balance owing before being allowed admittance to this Authority's or any other Authority's public housing or Housing Choice Voucher programs.

The total write-offs for the quarter ending December 31, 2018 are \$16,620. This represents tenant balances for tenants moving out on or before September 30, 2018. The table below documents the write-offs by property and compares the amount of the write-offs to the tenant rent and charges.

Project	Tenant Rent & Charges Collected	Repayment Agreements /Unreported Income	Rent and Late Fees	Court Costs	Work Orders and Damages	Unpaid Utilities	Security Deposits	Total Write-Offs	Percentage		
									Current	Previous	Change
Sierra Vista	\$250,161	\$5,244	\$3,780	\$208	\$8,264	\$0	(\$4,050)	\$13,445	5.37%	5.75%	-0.38%
Tracy	\$176,791	\$0	\$1,864	\$208	\$306	\$0	(\$500)	\$1,878	1.06%	0.00%	1.06%
Mokelumne	\$46,140	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0.00%	0.43%	-0.43%
Conway	\$332,519	\$0	\$733	\$0	\$2,064	\$0	(\$1,500)	\$1,297	0.39%	6.22%	-5.83%
Pilot Units	\$4,686	\$0		\$0		\$0	\$0	\$0	0.00%	0.00%	0.00%
Sartini	\$45,132	\$0		\$0		\$0	\$0	\$0	0.00%	0.00%	0.00%
Eighth Street	\$4,200	\$0		\$0		\$0	\$0	\$0	0.00%	0.00%	0.00%
Mourfield	\$9,120	\$0		\$0		\$0	\$0	\$0	0.00%	0.00%	0.00%
Park St	\$19,329	\$0		\$0		\$0	\$0	\$0	0.00%	0.00%	0.00%
American St	\$6,861	\$0		\$0		\$0	\$0	\$0	0.00%	0.00%	0.00%
Washington St.	\$19,868	\$0		\$0		\$0	\$0	\$0	0.00%	0.00%	0.00%
Central Ave	\$6,762	\$0		\$0		\$0	\$0	\$0	0.00%	0.00%	0.00%
Total	\$921,570	\$5,244	\$6,377	\$415	\$10,634	\$0	(\$6,050)	\$16,620	1.80%	3.68%	-1.88%
Percentage of Total Write-Offs		31.55%	38.37%	2.50%	63.98%	0.00%					

Recommended Action: Approve the write-offs as presented.

Option 1: Approve a portion of the write-offs.

Option 2: Do not approve the write-offs as presented.

Prepared by: Melinda G. Hazard, Director of Finance

Fiscal Impact: The fiscal impact for Public Housing is \$16,620. The write-offs for public housing affect the Authority's PHAs score.

Funding Certification:



Melinda G. Hazard, Director of Finance

Approval:



Peter W. Ragsdale, Executive Director

**RESOLUTION DIRECTING AND AUTHORIZING
APPROVAL OF THE WRITE-OFF
UPON THE BOOKS OF CERTAIN UNCOLLECTIBLE
ACCOUNTS RECEIVABLE
OF THE HOUSING AUTHORITY OF THE COUNTY
OF SAN JOAQUIN NON-SUBSIDIZED AND PUBLIC HOUSING**

WHEREAS, bad debts primarily consist of tenants that have moved out of the Housing Authority of the County of San Joaquin's properties without rendering payment of the Rental Closing Statement; and

WHEREAS, tenant balances are not written off until a minimum of 90 days after the tenant has vacated the property; and

WHEREAS, tenant's unpaid balances are entered into the U.S. Department of Housing and Urban Development (HUD) Enterprise Income Verification (EIV) Bad Debt module; and

WHEREAS, this process ensures that tenants must pay an outstanding balance prior to being allowed admittance to the Housing Authority's or any other Authority's Public Housing or Housing Choice Voucher programs; and

WHEREAS, there have accumulated upon the books and records of the Housing Authority, in connection with the operation of Non-Subsidized and Public Housing, certain accounts receivable which the Commissioners have deemed are uncollectable;

NOW, THEREFORE, BE IT RESOLVED AND ORDERED by the Commissioners of the Housing Authority of the County of San Joaquin meeting in a Special Meeting this 31st day of January, 2019 that the Accounts Receivable for the quarter ending December 31, 2018, standing upon Non-Subsidized and Public Housing of the Housing Authority, in the sum of SIXTEEN THOUSAND SIX HUNDRED TWENTY (\$16,620) DOLLARS, be written off effective December 31, 2018.