



TACOMA HOUSING AUTHORITY

RESOLUTION 2019-12-11 (3)

Date: December 11, 2019
To: THA Board of Commissioners
From: Michael Mirra
Executive Director
Re: Approval of Account Receivable Write Offs

This resolution will authorize Tacoma Housing Authority (THA) to write off bad debts associated with tenant or landlord accounts in the amount of \$67,763.70.

Background

THA has established a process of writing off tenant accounts receivable bad debt. THA incurs this bad debt when a program participant leaves the public housing or Housing Choice Voucher program owing a balance. The debt may arise from excessive damage to a unit, unpaid rent, or tenant fraud/unreported income. There are also instances where a property owner is overpaid rental assistance payments and the owner has not repaid THA for this amount.

Until we write off tenant accounts receivable balances as a bad debt, these balances stay on the active tenant ledger in our accounting system and General Ledger (GL). The receivable balance also remains as part of our tenant receivables that we report to HUD in our year-end financials. Once we write off the debt, we can remove from THA's receivable balance and assign it to the collection agency for collection purposes. THA receives 50% of any proceeds that the collection agency recovers.

THA has notified each individual of his or her debt included in this write off. THA mailed two notices to the last known address of the individual. These notices provide the opportunity for the individual to pay the debt or enter into a repayment agreement with THA. Sending these debts to collections is the last resort.

THA will not send some of these accounts to collections because the tenants have passed away or the old balance is immaterial (under \$50). Those accounts show below with an asterisk (*). THA also will not send Leasehold Excise Tax balances for the MLK New Look commercial tenants as these are not legally enforceable. Those accounts show below with two asterisks (**).

Recommendation

Approve Resolution 2019-12-11 (3) authorizing THA to write off tenant accounts totaling \$67,763.70.



TACOMA HOUSING AUTHORITY

RESOLUTION 2019-12-11 (3) (Approval of Accounts Receivable Write Offs)

WHEREAS, Tacoma Housing Authority (THA) provided housing services to Public Housing and Housing Choice Voucher participants who discontinued housing assistance with debt owing to THA.

WHEREAS, Tacoma Housing Authority (THA) provided housing assistance payments to property owners in excess to the amount the owner is entitled to receive and the owner has not repaid this amount to THA.

WHEREAS, each individual included in this tenant account write off has been notified of their debt and given the opportunity to pay prior to this resolution.

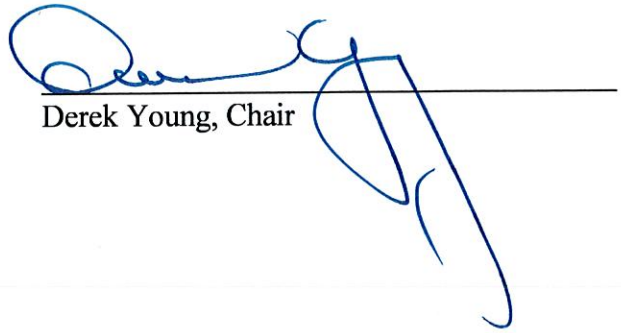
Resolved by the Board of Commissioners of the Housing Authority of the City of Tacoma, Washington, that:

Authorizes THA staff to “write off” the following accounts and send these debts to an external collection agency to pursue collection action:

THA Projects Write offs and to Collections		
THA - Salishan VII	Client #	Balance
	LD-2017-029913 (S.T.)	\$ 4,304.03
	LD-2017-029944 (G.J.)	\$ 596.00
	LD-2017-029991 (N.M.)	\$ 1,328.50
	LD-2017-030016 (D.E.)	\$ 32,195.89
		<u>\$38,424.42</u>
Section 8	Client #	Balance
	LD-2017-034092 (D.T.)	\$425.00 *
	LD-2017-031200 (C.G.)	\$28.00 *
	LD-2017-019248 (W.H.)	\$125.00
		<u>\$578.00</u>
THA - Old Salishan	LD-2017-042258 (A.L.)	<u>\$550.57</u>
THA - North G	LD-2018-040989 (C.Y.)	<u>\$21,952.19</u>
MLK New Look	Spaceworks Company	\$2,308.12 **
	Sam & Terry’s Barbershop	\$1,232.64 **
	Subway Restaurant	\$1,176.96 **
	Youth for Christ Tacoma	\$1,540.80 **
		<u>\$6,258.52</u>

Total THA for Write Off:	<u>\$67,763.70</u>
Total THA to Collections:	<u>\$61,052.18</u>

Approved: December 11, 2019



Derek Young, Chair