



MEMORANDUM – NEIGHBORHOOD RESOURCES- PHAC MEMO NO. HD14-05

DATE: MAY 12, 2014

TO: PUBLIC HOUSING AUTHORITY COMMISSION

THRU: RICH DLUGAS, CITY MANAGER *RD*
JEFF CLARK, FIRE CHIEF *JC*
JENNIFER MORRISON, NEIGHBORHOOD RESOURCES DIRECTOR *JM*

FROM: KURT KNUTSON, HOUSING AND REDEVELOPMENT MANAGER *KK*

SUBJECT: RESOLUTION NO. H0111 AUTHORIZING THE APPROVAL OF THE WRITE OFF OF \$10,544.75 IN PUBLIC HOUSING TENANT ACCOUNTS RECEIVABLE AS UNCOLLECTIBLE

RECOMMENDATION: Staff and the Housing and Human Services Commission recommend to the Public Housing Authority Commission the approval of Resolution No. H0111 authorizing the write off of \$10,544.75 in Public Housing Tenant Accounts Receivable as uncollectible.

SUMMARY: The Department of Housing and Urban Development (HUD) requires Public Housing Authorities to write off as uncollectible, former public housing tenant’s outstanding debt that has not been collected within a reasonable time. The writing off of uncollectable tenant accounts receivables is a recommended accounting process.

BACKGROUND: As Resolution No. H0111 indicates, the Housing and Redevelopment Division is requesting the write off of 24 tenant accounts. These tenants have left the public housing program owing the City of Chandler varying amounts for back rent, maintenance, and miscellaneous charges. All of the accounts have had no activity for approximately six months after having been forwarded to a collection agency in hopes that the debts could be collected. To date, no payments have been received through the collection agency on these accounts. At this time, we are requesting that the accounts be written off as uncollectible.

The attachment indicates the balances that are designated for write off. Some families were evicted for negative behavior including criminal activity. Some families vacated their housing units with substantial damage to the dwelling. In some cases, the level of labor and materials required to repair the units led to a number of high maintenance charges.

Out of the \$10,544.75 staff is requesting in write-offs, the amount breakdowns as follows: \$804.00 for rent, \$9,712.75 for maintenance charges with the majority of those costs attributed to move out charges and \$28 for late and miscellaneous charges. Please note that in the case of each of these accounts, the debt information has been entered into a nationwide HUD Housing Authority network. Each housing agency in the country belongs to this network and checks all new applicants requesting housing assistance as a component of the program screening process. Should any of the parties on the list attempt to be housed on any federally subsidized housing program in the nation, their name and information will appear flagged and they should not be housed until the full debt is repaid to the housing agency who is owed the funds.

FINANCIAL IMPLICATIONS: The total amount of uncollectible accounts for this write off is \$10,544.75. The current Public Housing budget includes a line item for the write off of uncollectible accounts. The amount of this year's write off is \$7,643.80 less than the amount written off in 2013 and includes 24 accounts, the same number that were written off in the previous year. Over the past ten years, the annual amount written off has ranged from \$6,000 to \$32,000. All costs associated with the write off of uncollectible tenant debt are funded by HUD.

PROPOSED MOTION: Move to approve Resolution No. H0111 to the Public Housing Authority Commission authorizing the approval of the write off of \$10,544.75 in Public Housing tenant accounts receivable as uncollectible.

RESOLUTION NO. H0111

A RESOLUTION OF THE CHANDLER PUBLIC HOUSING AUTHORITY
COMMISSION OF THE CITY OF CHANDLER, ARIZONA, AUTHORIZING THE
APPROVAL OF THE WRITE OFF OF \$10,544.75 IN PUBLIC HOUSING TENANT
ACCOUNTS RECEIVABLE AS UNCOLLECTIBLE

WHEREAS, the Low Rent Accounting Handbook 7510.1, Chapter 3, Section 13 provides
for write off of collections for tenant accounts receivables deemed uncollectible and;

WHEREAS, the accounts listed below are considered to be uncollectible;

NOW, THEREFORE, BE IT RESOLVED by the Chandler Public Housing Authority
Commission of the City of Chandler, Arizona, as follows:

Section 1. That the following accounts be charged to collection losses:

Accounts Receivable Write Off – March 2014

Customer Number	Address	Outstanding Amount
81038	130 N. Hamilton, Unit # 3	630.81
81466	130 N. Hamilton, Unit # 46	77.00
81480	130 N. Hamilton, Unit # 48	143.42
81489	130 N. Hamilton, Unit # 48	386.71
81549	130 N. Hamilton, Unit # 54	662.14
82059	210 N. McQueen, Unit # 5	313.77
82087	210 N. McQueen, Unit # 8	365.71
82107	210 N. McQueen, Unit # 10	44.21
82138	210 N. McQueen, Unit # 13	673.64
82184	210 N. McQueen, Unit # 18	138.96
82290	210 N. McQueen, Unit # 29	584.64
83315	73 S. Hamilton, Unit # 31	191.14
83343	73 S. Hamilton, Unit # 34	57.14
84017	660 S. Palm Lane, Unit # 1	250.50
84031	660 S. Palm Lane, Unit # 3	175.71
84058	660 S. Palm Lane, Unit # 5	1,882.71
84100	660 S. Palm Lane, Unit # 10	367.64
84199	660 S. Palm Lane, Unit # 19	309.00
86195	1199 W. Palomino Drive	393.86
86323	840 W. Shannon Street	480.69
86623	319 W. Nopal Place	247.14
86804	760 W. Gary Street	1,833.21
86844	725 W. Gail Drive	273.00
87117	130 S. Dakota Street	62.00
	Grand Total	\$10,544.75

ADOPTED by the Chandler Public Housing Authority Commission of the City of Chandler, Arizona, this ____ day of _____, 2014.

ATTEST:

CITY CLERK

JAY TIBSHRAENY, CHAIRMAN

CERTIFICATION

I HEREBY CERTIFY that the above and foregoing Resolution No. H0111 was duly passed and adopted by the Chandler Public Housing Authority Commission, Chandler, Arizona, at a regular meeting held on the _____ day of _____, 20 __, and that a quorum was present thereat.

CITY CLERK

APPROVED AS TO FORM:

CITY ATTORNEY *KB*