



**The Longmont
Housing Authority**

DATE: December 20, 2021

TO: LHA Board of Commissioners

FROM: Kyndra Daniels, LHA Accounting Supervisor

Subject: Write off of bad debt owed to various LHA properties

RECOMMENDATION

Adopt a Resolution approving the write-off of debt owed to various properties of the Longmont Housing Authority.

FISCAL IMPACTS OF RECOMMENDATION

While this will remove debt owed from property records, it is considered uncollectable and so approving the Resolution allows the agency to reconcile and strengthen its financial records and address, proactively, potential audit concerns.

CURRENT SITUATION AND ITS EFFECTS

Financial and Property Management staff of LHA have spent many hours trying to find supporting documentation of these debts showing as owed in the software system. These are all for past tenants who have outstanding balances. These balances include missed payments in 2018, 2019 and 2020 - many of which we have no back-up documentation to support, along with some tenants who incurred additional costs due to damages to the unit. The bad debt policy the Housing Authority had in place was not followed and due diligence was not done to document or collect these funds; therefore, we need to write these balances off. Current tenants are still being reviewed for issues during this time period and additional write-offs may be required.

Attachments:
Resolution No. LHA-2021-12.