Grey County Logo Committee Report

| To: | Warden Hicks and Members of Grey County Council |
| --- | --- |
| Committee Date: | January 14, 2021 |
| Subject / Report No: | FR-CW-04-21 |
| Title: | 2020 Housing Write Off of Uncollectible Accounts |
| Prepared by: | Joanna Alpajaro, Deputy Treasurer |
| Reviewed by: |  |
| Lower Tier(s) Affected: | Not applicable |
| Status: | Recommendation adopted by Committee as presented per Resolution CW12-21; Endorsed by County Council January 28, 2021 per Resolution CC11-21; |

## Recommendation

1. That Report FR-CW-04-21 titled 2020 Housing Write Off of Uncollectible Accounts be received; and
2. That the recommended write offs in the amount of $43,716 as outlined in the report be approved.

## Executive Summary

Balances owing from former tenants with no repayment activity are written off at year-end for accounting purposes and staff continue to work on collections. Staff recommends that $43,716 in arrears be written off, slightly more than the budgeted amount of $40,700.

## Background and Discussion

Staff in the Housing department review accounts receivable balances monthly and attempt to work with residents when arrears exist in order to minimize the potential for write offs. Most of the Housing accounts receivable balances that staff recommends be written off relate to former housing tenants with charges originating between July 1, 2019 and June 30, 2020 with no repayment activity. Although the amounts are written off for accounting purposes, attempts continue to be made to collect the receivable.

Previous tenants with balances owing are not eligible for subsidized housing with Grey County or other housing providers in the province until such time as payment is made or a repayment schedule is in place.

A total of $43,716 meets the criteria outlined above as compared to the budgeted amount of $40,700. The write off is comprised mostly of rental arrears with small amounts for maintenance charges and utility charges. This total write-off amount is 1.04% of the budgeted rental revenue of $4,222,700. The following chart provides comparative information for the proposed 2020 write off and the previous five years.

Summary of Housing Accounts Receivable Write Off and Bad Debt Recovery

| Year | Amount of Write Off | Number of Accounts Written Off | Amount of Bad Debt Recovery |
| --- | --- | --- | --- |
| 2020 | $43,716 | 27 | $3,325 |
| 2019 | $50,074 | 21 | $3,263 |
| 2018 | $21,471 | 19 | $8,133 |
| 2017 | $63,137 | 38 | $2,694 |
| 2016 | $40,900 | 30 | $2,829 |
| 2015 | $16,225 | 14 | $4,265 |

## Legal and Legislated Requirements

None

## Financial and Resource Implications

The uncollectible amount eligible for write off totals $43,716 as compared to the budgeted amount of $40,700.

## Relevant Consultation

Internal – Anne Marie Shaw, Director of Housing

External (list)

### Appendices and Attachments

None