

## COLLECTION POLICY

### *I. RENT*

Rent is due and payable in advance on the 1<sup>st</sup> day of each month. Rent payments must be made at the Housing Authority of Beaver Dam's office. If rent is not paid by the fifth day of the month, a "Friendly Reminder" is issued to the tenant. Rent shall be considered delinquent after the 10<sup>th</sup> calendar day of the month. A late fee of \$10 will be charged for rent not paid by 3 p.m. on the 10<sup>th</sup> calendar day of the month. Should the 10<sup>th</sup> fall on a Saturday or Sunday or Holiday, then rent must be paid by 3 p.m. on the next scheduled working day of the month or the late fee will be charged.

Rent can be paid by personal check, money order, or cash in the exact amount owing. If rent is paid by a personal check and the check is returned for insufficient funds, this shall be considered a non-payment of rent and will incur the late charge plus an additional charge of \$25 for processing costs.

If rent has not been paid by the 15<sup>th</sup> day of the month, the Housing Authority of Beaver Dam will initiate eviction procedures. The eviction notice (**Notice of Proposed Termination of Lease and Proposed Eviction**) will be issued on the 16<sup>th</sup> day of the month and will be for a fourteen (14) day period.

If the resident requests a hearing under the Housing Authority of Beaver Dam's Grievance Procedure, the stated time period (14 days) will continue to run during the hearing process. However, the Housing Authority of Beaver Dam **may not** take any action to evict until the Hearing Officer has presented its written decision.

The decision of the Hearing Officer shall be binding on the Housing Authority of Beaver Dam who shall take all actions, or refrain from any actions, necessary to carry out the decision **unless** the Housing Authority of Beaver Dam's Board of Commissioners determines within reasonable time, and promptly notifies the complainant of its determination, that:

- A. the grievance does not concern Housing Authority action or failure to act in accordance with or involving the resident's lease or Authority regulations, which adversely affect the resident's rights, duties, welfare or status;
- B. the decision of the Hearing Officer is contrary to applicable Federal, State, or local law, Authority regulations, or requirements of the Annual Contributions contract between the Housing Authority of Beaver Dam and the U.S. Department of Housing and Urban Development.

If the resident does not request a hearing under the Housing Authority of Beaver Dam's Grievance Procedure, the Housing Authority will proceed, after the expiration of the stated fourteen (14) day notice period, to obtain a court hearing under the state's forcible detainer law. A forcible detainer will be filed by the attorney for the Housing Authority of Beaver Dam and resident may be required to pay the costs of court fees and Housing Authority attorney fees.

## ***II. MAINTENANCE CHARGES***

Maintenance charges are due and collectible two weeks after the Housing Authority of Beaver Dam gives written notice of the charges. The amounts of the maintenance charges are separate and distinct from rental amounts. Therefore, the procedure for the collection of these charges differs somewhat. **If payment of maintenance charges is not made by two weeks after the Housing Authority of Beaver Dam's written notice of the charges, the Authority will issue a thirty (30) day eviction notice.** (Notice of Proposed Termination of Lease and Proposed Eviction)

If the resident requests a hearing under the Housing Authority of Beaver Dam's Grievance Procedure, the stated time period (30 days) will continue to run during the hearing process. However, the Housing Authority of Beaver Dam **may not** take any action to evict until the Hearing Officer has presented its written decision. The decision of the Hearing Officer will be binding **except** under the circumstances listed under Section I. Rent, subparagraph A. and B. above.

If the resident does not request a hearing under the Housing Authority of Beaver Dam's Grievance Procedure, the Housing Authority will proceed, after the expiration of the stated thirty (30) day Notice period, to obtain a court hearing under the state's forcible detainer law. A forcible detainer will be filed by the attorney for the Housing Authority of Beaver Dam and resident may be required to pay the costs of court fees and Housing Authority attorney fees.

## ***III. VACATED (RESIDENT) ACCOUNTS***

The Housing Authority of Beaver Dam will forward a letter to the last known address of the vacated resident requesting immediate payment of all delinquent amounts. This letter will include an itemized statement of the resident's account and will specify the amount of back rent, damages, court costs, and the actual balance after the application of the security deposit. If the account is not paid in full or an acceptable repayment agreement is not executed, the Housing Authority of Beaver Dam may institute legal action to recover any substantial amount.

When a vacated resident's address is unknown, the Housing Authority of Beaver Dam will make a concerted effort to obtain their current address. Possible sources through which this information may be obtained include: former neighbors, last known employer, directory assistance, personal references, utility companies, public schools, and phone number and addresses as shown on the resident's application.

## ***IV. GARNISHMENTS***

The Housing Authority of Beaver Dam may use the judicial system to garnish a working person's wages for amounts owed on rent and maintenance charges (damage charges). The Housing Authority of Beaver Dam's garnishment procedure will be consistent with State law, Kentucky Revised Statute (KRS) 427.140. The Housing Authority of Beaver Dam will consult its attorney for guidance before initiating this action.

**V. COLLECTION LOSS**

The Housing Authority of Beaver Dam will make reasonable efforts to collect the accounts of all vacated residents. After a period of two months has elapsed, and no collection has been made or repayment plan established, the Housing Authority Board of Commissioners will charge off the account as a collection loss. Collection losses will be charged off prior to the end of the Housing Authority's fiscal year. The amount charged off as a collection loss is still owed to the Housing Authority, and efforts to collect this amount will continue, as appropriate, despite the write-off action. **NO APPLICANT WILL BE HOUSED WHO IS RESPONSIBLE FOR PAYING AN OUTSTANDING BALANCE FROM A PREVIOUS RESIDENCE (This includes a balance owed to another governmental housing agency, i.e. Section 8, Housing Authority etc.)**

