

**CHUGACH ELECTRIC ASSOCIATION, INC.**  
**Anchorage, Alaska**

**BOARD MEETING**  
**AGENDA ITEM SUMMARY**

**July 16, 2003**

**ACTION REQUIRED**

**AGENDA ITEM NO. IID**

Information Only  
 Motion  
 Resolution  
 Executive Session  
 Other

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**TOPIC**

Proposed Write-off of Uncollectible Electric Accounts for the period ending April 30, 2003.

**DISCUSSION**

This agenda item and the accompanying resolution propose write-offs of uncollectible electric accounts totaling \$109,074.63 for the period November 1, 2002 to April 30, 2003. Also provided is a listing of the accounts to be written off and a comparison to previous years' write-offs.

**OPTIONS**

1. No Action, Table – These items would remain on the books under Accounts Receivable, Electric, Account 1421000002101 until approved for write-off to account 1441000002101. Bad debt expense is recorded monthly based on prior years' experience. If no action is taken, the Association's financial statements will be misstated.
2. Delay – A delay may cause the transaction to be recorded in the incorrect accounting year and potentially overstate 2003 margins.
3. Disapprove – Accounts that are considered uncollectible would remain on the Association's books and would not be written off.
4. Approve – The write-off would be completed in a timely manner insuring correct financial statements presentation and continued collection efforts by the collection agency.

5. Modify – N/A Accounts included in this write-off are considered uncollectible and should be turned over to a collection agency.

**GENERAL MANAGER'S RECOMMENDATION**

Motion 1: Move that the Board of Directors adopt the resolution referring to write-offs of accounts receivable – consumer electric.

WRITE-OFF OF ACCOUNTS RECEIVABLE - ELECTRIC

RESOLVED, that the General Manager be, and hereby is, authorized and directed to transfer balances as of April 30, 2003, in the amount of \$109,074.63 from Account 1421000002101, Accounts Receivable - Consumer Electric, to Account 1441000002101, Accumulated Provision for Uncollectible Accounts - Consumer Electric.

BE IT FURTHER RESOLVED, that the General Manager be directed to continue aggressive collection efforts on these accounts.

### WRITE-OFF COMPARISON - ELECTRIC

WRITE-OFF DATE	NUMBER OF ACCOUNTS	RETAIL REVENUE	WRITE-OFF AMOUNT	WRITE-OFF AS A PERCENT OF REVENUE	COLLECTIONS	COLLECTIONS AS A PERCENT OF REVENUE	NET WRITE-OFF	NET WRITE-OFF AS A PERCENT OF REVENUE
April 30, 1999	1043	\$50,844,347.00	\$214,143.45	0.42%				
October 31, 1999	842	\$42,386,951.00	\$169,192.29	0.39%				
Total 1999	1885	\$93,231,298.00	\$383,335.74	0.41%	\$240,688.79	0.26%	\$142,646.95	0.15%
April 30, 2000	1047	\$51,399,276.00	\$166,254.95	0.32%				
October 31, 2000	729	\$45,808,011.00	\$149,295.98	0.33%				
Total 2000	1776	\$97,207,287.00	\$315,550.93	0.32%	\$224,808.15	0.23%	\$90,742.78	0.09%
April 30, 2001	876	\$56,856,450.00	\$121,514.45	0.21%				
October 31, 2001	671	\$51,291,560.00	\$85,380.61	0.17%				
Total 2001	1547	\$108,148,010.00	\$206,895.06	0.19%	\$204,153.34	0.19%	\$2,741.72	0.00%