

CHUGACH ELECTRIC ASSOCIATION, INC.
Anchorage, Alaska

BOARD MEETING
AGENDA ITEM SUMMARY

July 17, 2002

ACTION REQUIRED

AGENDA ITEM NO. III

- Information Only
 Motion
 Resolution
 Executive Session
 Other
-

TOPIC

Proposed Write-off of Uncollectible Electric Accounts for the period ending April 30, 2002.

DISCUSSION

This agenda item and the accompanying resolution propose write-offs of uncollectible electric accounts totaling \$114,007.17 for the period November 1, 2001 to April 30, 2002. 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 14210000002101 until approved for write-off to account 14410000002101. 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 2002 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, 2002, in the amount of \$114,007.17 from Account 14210000002101, Accounts Receivable - Consumer Electric, to Account 14410000002101, 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.