

CHUGACH ELECTRIC ASSOCIATION, INC.
Anchorage, Alaska

BOARD MEETING
AGENDA ITEM SUMMARY

December 18, 2002

ACTION REQUIRED

AGENDA ITEM NO. III

Information Only
 Motion
 Resolution
 Executive Session
 Other

TOPIC

Proposed Write-off of Uncollectible Accounts Receivable – Other for the period ending October 31, 2002.

DISCUSSION

This agenda item and the accompanying resolution propose write-offs of uncollectible accounts receivable - other totaling \$24,909.46 for the period ending October 31, 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, Other, Account 14300000002101 until approved for write-off to account 14440000002101. 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 statement 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 – other.

WRITE-OFF OF ACCOUNTS RECEIVABLE - OTHER

RESOLVED, that the General Manager be, and hereby is, authorized and directed to transfer balances as of October 31, 2002, in the amount of \$24,909.46 from Account 14300000002101, Accounts Receivable - Other to Account 14440000002101, Accumulated Provision for Uncollectible Accounts - Other.

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

ACCOUNT 1430000002101 - ACCOUNTS RECEIVABLE - OTHER
WRITE-OFF COMPARISON

		<u>Year Total</u>
April 1997	7,605.25	
October 1997	<u>31,293.21</u>	\$38,898.46
April 1998	6,680.41	
October 1998	<u>6,267.06</u>	\$12,947.47
April 1999	3,519.32	
October 1999	<u>3,724.51</u>	\$7,243.83
April 2000	0.00	
October 2000	<u>5,404.86</u>	\$5,404.86
April 2001	3,955.79	
October 2001	<u>29,206.25</u>	\$33,162.04
April 2002	0.00	
October 2002	<u>24,909.46</u>	\$24,909.46