

CHUGACH ELECTRIC ASSOCIATION, INC.
Anchorage, Alaska

FINANCE COMMITTEE MEETING
AGENDA ITEM SUMMARY

July 25, 2007

ACTION REQUIRED

AGENDA ITEM NO. X.

Information Only
 Motion
 Resolution
 Executive Session
 Other

TOPIC

Credit Card Payments

DISCUSSION

Currently one-third of Chugach members use a credit card to pay their bill. Chugach's 2007 budget for credit card commission expense is \$720,000.

Accepting credit cards for member payments is a convenience, ensures timely processing of auto pay accounts, mitigates payment processing/late fee issues and reduces bad debt expense. While it is convenient for some members to pay by credit card, all members bear the costs.

MOTION

Move that the Finance Committee **recommend to the Board of Directors that it** direct the CEO to implement a credit card payment system whereby members who use a credit card pay a fee to the credit card processor and Chugach no longer absorbs the cost of accepting credit cards.