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CHUGACH ELECTRIC ASSOCIATION, INC.
Anchorage, Alaska

FINANCE COMMITTEE MEETING MINUTES

November 1, 2006

Committee Members in Attendance: David Cottrell, Chair
Jim Nordlund (arrived at 4:13 p.m.)
Elizabeth Vazquez (participated telephonically)
Uwe Kalenka

Committee Member(s) Absent: Bruce Davison

Other Directors Present: Jeff Lipscomb

Guests in Attendance: Kim Floyd (MEA)
Jim Patras (HEA)
Jill Sheley (Semeron)

Staff in Attendance:

Bill Stewart	Lee Thibert	Mike Cunningham	Brad Evans
Connie Owens	Mary Tesch	Jody Wolfe	Dave Smith
Rick Freymiller	Ron Vecera	Ed Jenkin	John Cooley
Bill Bernier	Mark Fouts	Patti Bogan	Brian Hickey
Sherri McKay – Highers	Tom Schulman	Kathy Harris	Gina Armstrong

Recording Secretary: Jennifer McDonald, Legal Secretary

I. Call to Order

Chair Cottrell called the Finance Committee to order at 4:05 p.m. in the boardroom of Chugach Electric Association, Inc., 5601 Electron Drive, Anchorage, Alaska. Director Kalenka moved and Director Vazquez seconded the motion to adjourn the Finance Committee meeting from October 31, 2006.

Chair Cottrell called the Finance Committee to order at 4:09 p.m. in the boardroom of Chugach Electric Association, Inc., 5601 Electron Drive, Anchorage, Alaska.

II. Approval of Agenda

Director Kalenka moved and Director Vazquez seconded the motion to approve the agenda. Director Lipscomb suggested that Agenda Item X., Executive Session be moved before Agenda Item VIII., 2007 Operating Budget & 2007-2011 Capital Improvement Program Recommendation, to allow discussion prior to recommendation of approval of the budgets. Directors Kalenka and Vazquez agreed with the suggestion. The motion to approve the agenda, as amended, passed unanimously.

III. Approval of Minutes (*none*)

IV. Customer Comments

- a. Wholesale Customer Comments – None.
- b. Retail Customer Comments – None

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V. 2007 Operating Budget – Additional Information

Mike Cunningham, Chief Financial Officer, went over the additional information requested by the Committee over the past two days and answered questions from the Committee. Chair Cottrell requested information on unbundled equity for 2005 and 2008.

VI. 2007 Operating Budget Discussion

There was no additional discussion from the Committee.

VII. 2007-2011 Capital Improvement Program Discussion

There was no additional discussion from the Committee.

VIII. Executive Session

At 4:22 p.m. Director Kalenka moved and Director Nordlund seconded the motion that pursuant to Alaska Statute 10.25.175(c) (1) and (3), the Board go into executive session to discuss (1) matters the immediate knowledge of which would clearly have an adverse effect on the finances of the cooperative and (2) matters with its attorneys, the immediate knowledge of which could have an adverse effect on the legal position of the cooperative. The topics to be discussed in this executive session are: (1) Details of the Professional Services Budgets. Director Vazquez requested that another topic be added for discussion – impact of current labor negotiations and possible labor contracts on this budget. Director Kalenka accepted the amendment. The motion passed unanimously.

The Committee reconvened from executive session at 4:38 p.m.

IX. 2007 Operating Budget & 2007-2011 Capital Improvement Program Recommendation

Director Kalenka moved and Director Vazquez seconded the motion to table Agenda Item IX. 2007 Operating Budget & 2007-2011 Capital Improvement Program Recommendation to the November 29, 2006 Finance Committee meeting. Chair Cottrell stated that the Committee needed more time to review the 2007 Operating Budget and the 2007-2011 Capital Improvement Program before approving them. The motion to table passed unanimously.

X. Director's Comments

Director Lipscomb: None.

Director Kalenka: None.

Director Nordlund: None.

Director Vazquez: None.

Chair Cottrell: None.

XI. Adjourn

Director Kalenka moved and Director Vazquez seconded the motion to adjourn. The meeting adjourned at 4:40 p.m.