

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

**FINANCE COMMITTEE**  
**MEETING MINUTES**

**June 28, 2006**

Committee Members in Attendance: Dave Cottrell, Chair  
Jim Nordlund  
Elizabeth Vazquez

Committee Member Absent: Bruce Davison

Other Board Member Present: Uwe Kalenka

Guests in Attendance: Mike Pauley, MEA

Staff in Attendance:

Bill Stewart	Mike Cunningham	Brad Evans
Dianne Hillemeier	Connie Owens	Mary Tesch
Bill Bernier	Rick Freymiller	Ed Jenkin
Brian Hickey	Phil Steyer	John Cooley
Jody Wolfe	Ron Vecera	Carol Johnson
Sherri- McKay-Highers	Amber Van Treeck	Mike Pauley, MEA

Recording Secretary: Paula Neas-Arnold, Executive Assistant

A presentation by Phil Steyer, Manager, Corporate Communications and John Cooley, Director, System Control on the outage of June 25, 2006 preceded the Finance Committee Meeting.

**I. Call to Order**

Chairman Cottrell called the Finance Committee to order at 4:30 p.m., in the boardroom of Chugach Electric Association, Inc., 5601 Electron Drive, Anchorage, Alaska.

**II. Approval of Agenda**

Director Nordlund moved and Director Vazquez seconded the motion to approve the agenda. The motion to approve the agenda passed unanimously.

**III. Approval of Minutes (May 24, 2006)**

Director Nordlund moved and Director Vazquez seconded the motion to approve the minutes of May 24, 2006. The motion to approve the minutes passed unanimously.

**IV. Customer Comments**

**A. Wholesale Customer Comments**

None

**B. Retail Customer Comments**

None

**V. May Unbundled Financial Statements**

Jody Wolfe, Controller, gave a presentation on the May Unbundled Financial Statement. Mr. Wolfe responded to questions from the Committee.

Mike Cunningham, Chief Financial Officer reported that the Cost Allocation Manual should be ready for distribution in late-July.

**VI. 2006 Executive Office Budget Review Discussion**

Sherri McKay-Highers, Manager, Corporate Budget gave a presentation on the 2006 Executive Office Budget.

Chairman Cottrell requested a list of dues that Chugach currently pays and asked that future presentations include number of personnel comprising each department.

Ms. McKay stated she would provide the list of corporate dues at the next Finance Committee Meeting.

**VII. Correspondence**

- a. May Unbundled Financial Statement
- b. May Variance Report Memo
- c. Alaska Electrical Pension Trust – Unfunded Employer Withdrawal Liability
- d. Board Policy 108 – Director Meeting Fees and Expenses

Mike Cunningham, Chief Financial Officer, explained in detail which meetings the Board of Directors can attend and will be compensated for.

Director Cottrell requested the Operations Committee review the Compensation Policy and recommend changes that would define how meetings were added to the board calendar; thereby allowing payment to a director if they attended such meeting. He stated the policy needed more definition and would like to see what the Operation Committee recommends.

**VIII. Director Comments**

Director Vazquez thanked Chugach management for the budget explanation.

Chairman Cottrell reminded the Board members of the Strategic Planning meeting on July 5.

**IX. Executive Session**  
None.

**X. Adjourn**  
Director Vazquez moved to adjourn the Finance Committee Meeting. The motion to adjourn passed unanimously. The meeting adjourned at 5:30 p.m.