

CHUGACH ELECTRIC ASSOCIATION, INC.
Anchorage, Alaska

FINANCE COMMITTEE
MEETING MINUTES

July 10, 2002

Committee Member Attendees: Jeff Lipscomb, Chair (teleconferenced)
Dave Cottrell
Bruce Davison
Sam Cason (arrived at 4:10 p.m.)
Red Boucher

Committee Members Absent: None

Other Directors in attendance: Pat Jasper (arrived at 4:40 p.m.)

Guests: Dan Kennedy, Financial Advisor

Staff in Attendance: Joe Griffith, General Manager
Bill Stewart, Executive Manager, Administration
Lee Thibert, Executive Manager, Power Delivery
Mike Cunningham, Chief Financial Officer
Ron Vecera, Director, Member Services
Jody Wolfe, Manager, Accounting
Mark Fouts, Manager, Corporate Planning & Analysis
John Cooley, Manager, Power Control
Bill Bernier, Director, Line Operations & Maintenance Div.
Mary Tesch, Director, Human Resources
Kathy Harris, Manager, Plant Accounting
Katrina Storjohann, Manager, Budget
Dan Knecht, Manager, Administrative Services
Gina Armstrong, Financial Analyst
Brad Evans, Executive Manager, Energy Supply

Recording Secretary: Connie Owens, Executive Secretary

I. Call To Order

Director Cottrell, acting as chair as Director Lipscomb was on teleconference, called the Finance Committee meeting to order at 4:03 p.m. in the Board Room of Chugach Electric Association, Inc., 5601 Minnesota Drive, Anchorage, Alaska.

II. Approval of Agenda

Director Boucher moved and Director Lipscomb seconded the motion to approve the agenda as presented. The motion passed unanimously.

III. Approval of the Minutes

May 8, 2002 minutes passed without objection.

June 12, 2002, no quorum was present at the meeting so the minutes taken are for information only. Director Lipscomb chaired the informational meeting.

- IV. 2nd Quarter Income and Expense Review of Operations, Capital and Contracting**
Mike Cunningham noted that the 2nd quarter income and expense review would be ready for the July 17, 2002 board meeting. Dan Knecht, Manager, Administrative Services reviewed the Contract Status Summary report and responded to questions from the committee. Mike Cunningham stated the Capital report would be presented at the next board meeting.
- V. NRECA Health Insurance Update**
Mary Tesch briefed the committee on the NRECA's Health Insurance Renewal.
- VI. Wage and Benefit Analysis and Positioning**
Mary Tesch presented Chugach's wage and salary plan for non-represented employees and responded to questions.
- VII. Mid-Year Budget Revision**
Mike Cunningham briefed the committee on the 2002 Operating Budget Revision. Director Boucher moved and Director Cason seconded the motion to recommend approval of the budget revision to the full board.
- VIII. Capital Credits: Processes, Alternatives & Recommendations**
Ron Vecera gave a presentation on the Capital Credits program and responded to questions.
- IX. HERE Union Contract Extension**
Joe Griffith briefed the committee on the Hotel Employees, Restaurant Employees Union (HERE) Local 878 contract extension. Director Cason moved and Director Boucher seconded the motion to recommend approval of the contract extension to the full board.
- X. Correspondence – Information Only**
a. Moody's Investors Service – Rating Process Enhancements
b. Proposed Rule on Critical Accounting Policies
- XI. Executive Session**
None scheduled.
- XII. Adjourn**
The meeting ended at 5:50 p.m.