

CHUGACH ELECTRIC ASSOCIATION, INC.
Anchorage, Alaska

FINANCE COMMITTEE
MEETING MINUTES

August 8, 2008

Committee Members in Attendance: Elizabeth Vazquez, Acting Chair
Rebecca Logan
Jeff Lipscomb
Alex Gimarc

Committee Members Absent: PJ Hill, Chair

Other Director Present: Janet Reiser
Jim Nordlund (arrived at 4:11 p.m.)

Guests in Attendance: Bruce Scott (MEA)
Eleanor Andrews

Staff in Attendance:

Brad Evans	Lee Thibert	Mike Cunningham	Ed Jenkin
Connie Owens	Carol Johnson	Dave Smith	Kathy Harris
Bill Bernier	Dora Gropp	Paul Risse	Sherri McKay – Highers
Dan Knecht	Rick Freymiller	Phil Steyer	Patti Bogan

Recording Secretary: Jennifer McDonald, Legal Secretary

I. Convene Meeting

Acting Chair Vazquez called the Finance Committee to order at 4:01 p.m. in the boardroom of Chugach Electric Association, Inc., 5601 Electron Drive, Anchorage, Alaska.

II. Executive Session

None.

III. Approval of Agenda

Director Gimarc moved and Director Logan seconded the motion to approve the agenda. The motion passed unanimously.

IV. Approval of Minutes

a. July 9, 2008

Director Gimarc moved and Director Logan seconded the motion to approve the minutes of July 9, 2008. The motion passed unanimously.

V. Customer Comments

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

VI. Review Second Quarter Financial Results (June)

Kathy Harris, Manager, General Accounting, gave a presentation of the Second Quarter Financial Results for June 2008 and answered questions from the Committee.

Director Nordlund arrived during this presentation at 4:11 p.m.

VII. Adopt 2009 Operating Budget & 2009-2013 CIP Target Recommendation

Sherry McKay – Highers, Manager, Budget and Financial Reporting, gave a presentation of the 2009 Operating Budget & 2009-2013 CIP Target Recommendation and answered questions from the Committee.

Director Lipscomb moved and Director Gimarc seconded the motion that the Finance Committee recommend the adoption of the 2009 Operating Budget and 2009-2013 CIP targets to the Board of Directors. The motion passed unanimously.

VIII. Appoint CFC Voting Delegate and Alternate

Director Lipscomb moved and Director Logan seconded the motion that the Finance Committee recommend to the Board of Directors that Jim Nordlund be appointed as the CFC Voting Delegate and himself, Jeff Lipscomb, as the CFC Voting Alternate. The motion passed unanimously.

Director Lipscomb moved and Director Logan seconded the motion that the Finance Committee recommend to the Board of Directors that they support Ron Bergh to fill the CFC Position D Board seat that will open in February 2009. The motion passed unanimously.

Director Lipscomb moved and Director Logan seconded the motion that the Finance Committee recommend to the Board of Directors they support the proposed 2009 Nominating Committee District 9. The Nominating Committee will be responsible for selecting candidates for a CFC Board seat (Position M) that will be opening in February 2010. The motion passed unanimously.

IX. Peer Presentation

Director Lipscomb gave a presentation of the Peer Presentation and answered questions from the Committee.

X. Correspondence

- a. *2nd Quarter Unbundled Financial Statements (Full Set)*
- b. *June Variance Report*
- c. *Signature Authority Review Compliance*
- d. *2nd Quarter Operating Budget Status Report*
- e. *2nd Quarter Capital Tracking Report*
- f. *2nd Quarter Contract Status Report*

Director Logan asked staff questions regarding this item.

g. 2nd Quarter Deferred Debit by Division

XI. Director Comments

Director Lipscomb: “I have no comments other than it’s a great sunny afternoon. I’d love to see it.”

Director Reiser: “No comments.”

Director Logan: “No comments.”

Director Gimarc: “No comments.”

Director Nordlund: “No comments.”

Acting Chair Vazquez: “Director Lipscomb, thank you for making your presentation but I hope that it does not take the place of an independent firm, like UMS, to do some streamlined benchmarking. Mr. Evans are there any plans to do that in the next year or so? I know that your plate is full with other issues.” *Brad Evans:* “Well we have it as a policy to do that every five years. We just came from quite a bit of that recently and the plans were to go through and start doing efficiency things. It’s one thing to measure but if you never do anything about it then you just keep measuring the same things.” “Again, I realize that your plate is full given the negotiations that are going on with Municipal Light & Power and the other utilities, so I just kind of think that ought to be on the backburner.”

XII. Executive Session

None.

XIII. Adjourn

Director Gimarc moved and Director Logan seconded the motion to adjourn. The meeting adjourned at 4:47 p.m.