

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

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

**August 22, 2007**

Committee Members in Attendance: Elizabeth Vazquez (acting Chair)  
P J Hill  
Alex Gimarc  
Jeff Lipscomb  
Uwe Kalenka (via telephone)

Other Directors Present: Alan Christopherson (via telephone)  
Jim Nordlund (arrived at 4:06 p.m.)

Guests in Attendance: Lorali Carter (MEA)  
Tom Tierney  
Ron Nichols (Navigant)  
Gary Zipkin (Guess & Rudd)  
Tom Van Flein (Clapp Peterson)  
Cheryl Klein (Certified Security Solutions)  
Sean Skaling (Green Star)  
Scott Miller (KPMG)

Staff in Attendance:

Bill Stewart	Lee Thibert	Mike Cunningham	Brad Evans
Connie Owens	Carol Johnson	Dave Smith	Jody Wolfe
Ed Jenkin	Ron Vecera	Burke Wick	Amber Van Treeck
Sherri McKay-Highers	Mary Tesch	Deanna Scott	Phil Steyer
Suzanne Gibson	Carol Heyman	Rick Freymiller	Bill Bernier
Kathy Harris	Jean Sauget	Jennifer McDonald	

Recording Secretary: - Divina Portades, Executive Office - Administrative Assistant

**I. Convene Meeting**

Acting Chair Vazquez called the Finance Committee to order at 4:04 p.m. in the boardroom of Chugach Electric Association, Inc., 5601 Electron Drive, Anchorage, Alaska.

**II. Approval of Agenda**

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

**III. Approval of Minutes**

*a. July 25, 2007*

Director Gimarc moved and Director Kalenka seconded the motion to approve the Finance Committee Meeting minutes of July 25, 2007. The motion passed unanimously.

**IV. Customer Comments**

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

**V. July Unbundled Financial Results**

Jody Wolfe, Controller, gave a presentation on the July Unbundled Financial Results.

**VI. Review of 2007 Power Supply Budget vs. Actual**

Sherri McKay-Highers, Manager, Corporate Budgeting, gave a presentation on the 2007 Power Supply vs. Actual.

**VII. Credit Card Payments**

Ron Vecera, Director, Member Services, gave a presentation of the Credit Card Payments – Implementation Plan and answered questions from the Committee.

Director Gimarc moved and Director Hill seconded the motion that the Finance Committee recommends approval of the proposed option number 3 credit card transition plan to the full Board. The motion passed with a vote of 4 to 1 with Director Lipscomb voting in opposition.

**VIII. 2008-2012 Finance Management Plan Target & Guidance**

Mike Cunningham, Senior Vice President Finance and Chief Financial Officer, gave a presentation on the 2008-2012 Finance Management Plan Target and Guidance and answered questions from the Committee.

Director Lipscomb moved and Director Gimarc seconded the motion that the Finance Committee recommended to the Board of Directors the approval of the 2008-2012 Financial Management Plan Target & Guidance, as presented. The motion passed unanimously.

Acting Chair Vazquez stated that the Board may have more issues to discuss and more questions after the Board Workshop, scheduled for September 18, in which the Cooperative Financial Corporation (CFC) will be providing a training/education session on capital credits, equity plan and other issues.

**IX. Budget Revision**

Mike Cunningham, Senior Vice President Finance and Chief Financial Officer, gave an overview of the Budget Revisions and answered questions from the Committee.

Acting Chair Vazquez stated that the Legal Labor Attorneys and Legal Bond Counsel should not be charged to the Board's budget as it is not a direct Board expense.

Director Hill moved and Director Gimarc seconded the motion that the Finance Committee recommend approval to the Board of Directors the budget revisions as outlined in the discussion section of this agenda item summary. Management is directed to inform the Board at the next Board or Finance committee meeting which expenses are allowed in rates and which are not. The motion passed unanimously.

**X. Correspondence**

- a. *July Unbundled Financial Statements (Full Report)*
- b. *July Variance Report*

**XI. Directors' Comments**

**Director Lipscomb:** Stated he looked forward to continuing the Finance Committee meetings and looked forward to Director Hill taking the reins as chair next month as Director Hill stated in June that he thought he would be ready.

**Director Christopherson:** Stated he appreciates the opportunity to have additional education and appreciated Chair Vazquez's indulgence of additional meetings.

**Director Nordlund:** None.

**Director Gimarc:** None.

**Director Kalenka:** None.

**Director Hill:** None.

**Acting Chair Vazquez:** Stated the meeting schedule will be considered at the Operations Committee meeting which follows this meeting. Stated that a change might not be made right now due to Director Hill's schedule. Also advised the Board that there will be a Sarbanes Oxley training this fall.

**XII. Executive Session**

None.

**XIII. Adjourn**

Director Gimarc moved and Director Hill seconded the motion to adjourn. The meeting adjourned at 5:23 p.m.

DRAFT