

CHUGACH ELECTRIC ASSOCIATION, INC.
Anchorage, Alaska

November 05, 2025
Wednesday
4:00 p.m.

AUDIT AND FINANCE COMMITTEE MEETING

Recording Secretary: Sandra Cacy

I. CALL TO ORDER

Chair Morse called the Audit and Finance Committee meeting to order at 4:05 p.m. in the boardroom of Chugach Electric Association, Inc., 5601 Electron Drive, Anchorage, Alaska.

A. Roll Call

Committee Members' Present:

Rachel Morse, Chair
Sisi Cooper, Vice Chair – *via teleconference*
Katherine Jernstrom, Director
Dan Rogers, Director – *via teleconference*
Mark Wiggin, Director

Board Members Present:

Jim Nordlund, Director – *arrived at 4:36 p.m.*
Susanne Fleek-Green, Director – *via teleconference and in person*

Guests and Staff Attendance Present:

Arthur Miller	Nick Szymoniak	Selena Bailey
Sherri Highers	Josh Travis	Trish Baker
Matthew Clarkson	Randall Chicola	Mike Miller
Andrew Laughlin	Eugene Ori	Paul Johnson
Katie Millen	Timothy Prior	Amber VanTreeck
Paul Millwood	Teresa Kurka	Ander Knudsen
Julie Hasquet	Nathan Golab	Whitney Wilkson
Dusty Menefee	Ashley Anunciacion	Bernie Smith, Member

Via Teleconference:

Stephanie Huddell	Buddi Richey	Heather Slocum
Amanda Mankel	Allan Rudeck	Lynda Muise
John Eliason, Orrick		

II. APPROVAL OF THE AGENDA

Director Jernstrom moved, and Director Wiggin seconded the motion to approve the agenda. The motion passed unanimously.

III. APPROVAL OF THE MINUTES

Director Wiggin moved, and Director Jernstrom seconded the motion to approve August 20, 2025, Audit and Finance Meeting minutes. The motion passed unanimously.

IV. PERSONS TO BE HEARD

None.

V. CEO REPORTS AND CORRESPONDENCE *(none)*

VI. EXECUTIVE SESSION *(scheduled)*

A. Internal Revenue Service Communication (Highers/Orrick)

At 4:08 p.m. Director Jernstrom moved and Director Wiggin seconded that pursuant to Alaska Statute 10.25.175(c)(1) and (3), the Board of Directors go into executive session to: 1) discuss and receive reports regarding matters the immediate knowledge of which would clearly have an adverse effect on the finances of the cooperative; and 2) discuss with its attorneys matters the immediate knowledge of which could have an adverse effect on the legal position of the cooperative. The motion passed unanimously.

At 4:42 p.m. the Committee reconvened open session.

VII. NEW BUSINESS *(scheduled)*

A. 2025/2026 Discounting of Retail Capital Credit Payments (Rudeck/Muise/Kurka)*

Teresa Kurka, VP Member Services, and Lynda Muise, Sr. Manager, Member Accounting, went over the current discounting of retail capital credits and answered questions from the Committee.

Director Jernstrom moved, and Director Wiggin seconded that the Audit and Finance Committee recommend that the Chugach Board of Directors approve the attached resolution authorizing early (discounted) retail capital credit payments for estate payments and former members that are no longer on Chugach's system in 2025 and 2026 in an amount not-to-exceed \$400,000 for each year. The motion passed unanimously.

B. 2026 Operating & Capital Budget (Millwood/Laughlin)*

Andrew Laughlin, Chief Operating Officer, and Paul Millwood, VP Finance & Accounting, presented the proposed 2026 Operating & Capital Budget and answered questions from the Committee.

Director Wiggin moved, and Director Jernstrom seconded that the Audit and Finance Committee recommend that the Board of Directors approve the 2026 Operating and Capital Budget which is expected to produce margins of \$16.0 million, MFI/I ratio of 1.32, TIER ratio of 1.39 and Equity to Total Capitalization ratio of 18.8%. These results are based on a Total Cost of Service of \$369.2 million, Total Revenue of \$379.9 million, Non-Operating Margins of \$5.3 million, and a capital expenditure cash requirement of \$121.7 million. The motion passed unanimously.

VIII. DIRECTOR COMMENTS

Director Comments were made at this time.

Director Wiggin left the meeting at 6:10 p.m.

IX. ADJOURNMENT

At 6:16 p.m., Director Jernstrom moved, and Director Cooper seconded the motion to adjourn. The motion passed unanimously.