

CHUGACH ELECTRIC ASSOCIATION, INC.
Anchorage, Alaska

December 03, 2025
Wednesday
4:00 p.m.

AUDIT AND FINANCE COMMITTEE MEETING

Recording Secretary: Amanda Mankel

I. CALL TO ORDER

Chair Morse called the Audit and Finance Committee meeting to order at 4:01 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

Katherine Jernstrom, Director

Dan Rogers, Director

Mark Wiggin, Director – *via teleconference*

Board Members Present:

Jim Nordlund, Director – *via teleconference - arrived at 4:08 p.m.*

Susanne Fleek-Green, Director – *arrived at 4:22 p.m.*

Guests and Staff Attendance Present:

Arthur Miller

Julie Hasquet

Selena Bailey

Sherri Highers

Eugene Ori

Melissa Beedle, KPMG

Andrew Laughlin

Nathan Golab

Beth Stuart, KPMG

Allan Rudeck

Whitney Wilkson

Bernie Smith, Member

Katie Millen

Nikki Giordano

Paul Millwood

Trent Parke

Via Teleconference:

Matthew Clarkson

Sandra Cacy

Buddi Richey

Stephanie Huddell

Heather Slocum

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 Cooper moved, and Director Jernstrom seconded the motion to approve November 05, 2025, Audit and Finance Meeting minutes. The motion passed unanimously.

IV. PERSONS TO BE HEARD

Bernie Smith, member, congratulated the CEO on his presentation at the Anchorage Chambers of Commerce, gave praise to the project managers for keeping projects under budget and on time, and gave concern with two committee meetings held back-to-back.

V. CEO REPORTS AND CORRESPONDENCE

A. 2025 Audit Plan (KPMG)

Beth Stuart, KPMG, and Melissa Beedle, KPMG, presented the 2025 Audit Plan and answered questions from the Committee. KPMG also requested an item be added to executive session to further discuss the potential for fraud and processes for monitoring internal controls of the organization.

B. BRU Quarterly Investment Review (Millwood)

Paul Millwood, VP, Finance & Accounting, presented the BRU Quarterly Investment Fund Review and answered questions from the Committee.

C. 3rd Quarter 2025 Capital Tracking Report (Millwood)

Paul Millwood, VP, Finance & Accounting, and Nathan Golab, Manager, Plant Accounting, and Andrew Laughlin, Chief Operating Officer, presented the 3rd Quarter 2025 Capital Tracking Report and answered questions from the Committee.

D. 3rd Quarter 2025 Financial Information and Variance Report (Millwood)

Paul Millwood, VP, Finance & Accounting, presented the 3rd Quarter 2025 Financial Information & Variance Report and answered questions from the Committee.

VI. EXECUTIVE SESSION (scheduled)

A. NRUCFC Line of Credit (Millwood)

B. KPMG

At 4:43 p.m. Director Jernstrom moved, and Director Cooper seconded that pursuant to Alaska Statute 10.25.175(c)(1), 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. The motion passed unanimously.

At 5:16 p.m. the Committee reconvened open session.

VII. NEW BUSINESS (scheduled)

A. FRUCFC Line of Credit (Millwood)*

Director Cooper moved, and Director Jernstrom seconded that the Audit and Finance Committee recommend the Chugach Board of Directors authorize the Chief Executive Officer to enter into a Second Amendment to Revolving Line of Credit Agreement (Agreement) with the National Rural Utilities Cooperative Finance Corporation, in an amount not to exceed \$50 million with an extension to December 21, 2030, and subject to the provisions of the Agreement substantially in the form discussed in executive session. The motion passed unanimously.

VIII. DIRECTOR COMMENTS

Director Comments were postponed to the Governance Committee meeting immediately following the Audit and Finance Committee meeting.

IX. ADJOURNMENT

At 5:20 p.m., Director Jernstrom moved, and Director Cooper seconded the motion to adjourn. The motion passed unanimously.