

CHUGACH ELECTRIC ASSOCIATION, INC.
Anchorage, Alaska

December 9, 2020
Wednesday
4:00 p.m.

AUDIT AND FINANCE COMMITTEE MEETING

Recording Secretary: Danielle Bigelow

I. CALL TO ORDER

Chair Hollis called the Audit and Finance Committee meeting 4:01 p.m. in the boardroom of Chugach Electric Association, Inc., 5601 Electron Drive, Anchorage, Alaska.

A. Roll Call

Committee Members Present:

Harold Hollis, Chair
Sam Cason, Vice Chair *(via teleconference)*
Jim Henderson, Director *(via teleconference)*
Mark Wiggin, Director *(via teleconference)*
Bettina Chastain, Director *(via teleconference)*

Other Board Member Present:

Rachel Morse, Director
Stuart Parks, Director *(via teleconference)*

Guests and Staff Attendance

Present:

Lee Thibert	Sherri Highers	Arden Quezon
Brian Hickey	Renee Curran	

Via Teleconference:

Connie Owens	Tyler Andrews	Mark Fouts
Matthew Clarkson	Sean Skaling	Arthur Miller

II. APPROVAL OF THE AGENDA

Director Cason moved and Director Henderson seconded the motion to approve the agenda. The motion passed unanimously.

III. APPROVAL OF THE MINUTES

Director Henderson moved and Director Chastain seconded the motion to approve the November 10, 2020, Audit and Finance Committee Meeting minutes. The motion passed unanimously.

IV. PERSONS TO BE HEARD

- A. *Member Comments*
None

V. CEO REPORTS AND CORRESPONDENCE

None

VI. NEW BUSINESS

None

VII. EXECUTIVE SESSION

- A. *2021 Operating and Capital Budget*

At 4:05 p.m., Director Hollis moved and Director Cason seconded the motion that pursuant to Alaska Statute 10.25.175(c)(1) and (3) the Board of Directors' Audit and Finance Committee go into executive session to: 1) discuss and receive reports regarding financial matters, the immediate knowledge of which would clearly have an adverse effect on the finances of the cooperative; and, 2) to discuss legal matters with its attorneys, the immediate knowledge of which could have an adverse effect on the legal position of the cooperative. The motion passed unanimously.

The meeting reconvened in open session at 6:04 p.m.

VIII. NEW BUSINESS

- A. *Recommendation on Approval of the 2021 Operating and Capital Budget (Highers)*

Director Chastain moved and Director Wiggin seconded the motion that the Audit and Finance Committee recommend the Board of Directors approve the 2021 Operating and Capital Budget which is expected to produce margins of \$12.6 million, MFI/I ratio of 1.30, TIER ratio of 1.30 and Equity to Total Capitalization ratio of 14.7%. These results are based on a Total Cost of Service of \$236.8 million, Total Revenue of \$364.3 million, Non-Operating Margins of \$0.4 million, and a capital expenditure cash requirement of \$68.9 million. The motion passed unanimously.

IX. DIRECTOR COMMENTS

Director comments was deferred to the Governance Committee meeting.

X. ADJOURNMENT

At 6:08 p.m., Director Cason moved and Director Wiggin seconded the motion to adjourn. The motion passed unanimously.