

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

**January 20, 2021**  
**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 to order at 4:00 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)*

*Board Member Present:*

Rachel Morse, Director *(via teleconference)*

Stuart Parks, Director *(via teleconference)*

*Guests and Staff Attendance Present:*

Arthur Miller

Sherri Highers

Renee Curran

Arden Quezon

*Via Teleconference:*

Connie Owens

Kathy Harris

Stephen Quinlivan,

Matthew Clarkson

Dan Walker, Consultant

Stinson LLP

Karen Griffin

Mike Hayhurst, KPMG

**II. APPROVAL OF THE AGENDA**

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

**III. APPROVAL OF THE MINUTES**

Director Chastain moved and Director Henderson seconded the motion to approve the December 9, 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. *SEC Related Matters*

At 4:03 p.m., Director Chastain moved and Director Wiggin 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 6:43 p.m.*

**VIII. NEW BUSINESS**

- A. *SEC Related Matters (Highers)*

Director Wiggin moved and Director Henderson seconded the motion that the Audit and Finance Committee recommend the Board of Directors approve Chugach's suspension as a voluntary filer with the Securities and Exchange Commission subject to additional conditions to be determined by the Board of Directors. The motion passed unanimously.

- B. *Update Bank Signature Cards (Highers)*

Sherri Highers, Chief Financial Officer (CFO) and Executive V.P., Finance and Administration discussed the update Bank Signature Cards.

Director Cason moved and Director Chastain seconded the motion that the Audit and Finance Committee recommend the Board of Directors approve the attached resolution to update the approved check signers based on the change in personnel to replace the Manager of General Accounting position. The motion passed unanimously.

- C. *BRU Future Natural Gas Investment Account (Highers)*

Sherri Highers, CFO and Executive V.P., Finance and Administration discussed the BRU Future Natural Gas Investment Account.

Ms. Highers and Arthur Miller, Executive V.P., Regulatory and External Affairs, responded to questions from the Committee.

Director Cason moved and Director Henderson seconded the motion that the Audit & Finance Committee recommend the Board of Directors approve the attached resolution establishing an asset management account with KEYBANC CAPITAL MARKETS INC for the future natural gas funds transferred from ML&P to Chugach associated with the acquisition. The motion passed unanimously.

**IX. DIRECTOR COMMENTS**

Director comments were made at this time.

**X. ADJOURNMENT**

At 7:08 p.m., Director Wiggin moved and Director Chastain seconded the motion to adjourn. The motion passed unanimously.