

CHUGACH ELECTRIC ASSOCIATION, INC.
Anchorage, Alaska

BOARD OF DIRECTORS' AUDIT COMMITTEE
MEETING MINUTES

December 10, 2008
Wednesday

3:30 p.m.

Committee Members in Attendance: Rebecca Logan, Acting Chair
Jeff Lipscomb
Alex Gimarc

Committee Members Absent: PJ Hill, Chair
Elizabeth Vazquez

Guest and Staff in Attendance:
Brad Evans Jim Posey, ML&P Ron Vecera
Mike Cunningham Paul Risse Jody Wolfe
Renee Curran Dave Smith
Connie Owens Lee Thibert

Recording Secretary: DeAnna Scott, Executive Assistant.

I. Call To Order

The Audit Committee Meeting was called to order by Director Logan at 3:45 p.m., in the boardroom of Chugach Electric Association, Inc., 5601 Electron Drive, Anchorage, Alaska.

II. Executive Session

None.

III. Approval of Agenda

Director Lipscomb moved and Director Gimarc seconded the motion to approve the agenda. Director Lipscomb requested to add to the Agenda, Item III.A – Appointment of Acting Chair. There were no objections.

A. Appointment of Acting Chair

Director Lipscomb moved and Director Gimarc seconded the motion that the Audit Committee appoint Rebecca Logan as the Acting Chair for the December 10, 2008 meeting. The motion passed unanimously.

IV. Approval of Minutes

a. August 12, 2008

Director Lipscomb moved and Director Gimarc seconded the motion to approve the November 12, 2008, meeting minutes. The motion passed unanimously.

V. Customer Comments

a. Wholesale Customer Comments

None.

b. Member Comments

None.

VI. Retention of KPMG for Tax Services

Mike Cunningham, Chief Financial Officer, stated this is a result of KPMG's presentation at the last Audit Committee Meeting where they reviewed the new requirements for retired and exempt organizations, the Form 990. Since these are non audit related tasks, we need the Audit Committee to recommend to the Board of Directors that KPMG be retained to perform preparation of the Form 990 and engage in any other tax related matters that may come up during the year. The estimate received from KPMG which included preparation and review of Form 990 is \$30,000, and various tax related projects that may come up during the year is \$25,000.

Director Lipscomb moved and Director Gimarc seconded the motion that the Audit Committee recommend to the Board of Directors approval of the retention of KPMG for tax services as described above. The motion passed unanimously.

VII. Correspondence

None.

VIII. Director Comments

Director Lipscomb: "No comment."

Director Gimarc: "What a streamlined, quick meeting."

Acting Chair Logan: "I have no comments."

IX. Executive Session

None

X. Adjourn

Director Lipscomb moved and Director Gimarc seconded the motion to adjourn the Audit Committee Meeting. Motion passed unanimously. The meeting adjourned at 3:49 p.m.