

CHUGACH ELECTRIC ASSOCIATION, INC.
Anchorage, Alaska

March 19, 2018
Monday
4:00 p.m.

AUDIT AND FINANCE COMMITTEE MEETING

Recording Secretary: Arden Quezon-Vicente

I. CALL TO ORDER

Chair Cooper 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:

Sisi Cooper, Chair
Susan Reeves, Vice Chair (*via teleconference at 4:10 p.m.*)
Jim Henderson, Director
Bettina Chastain, Director

Other Board Member Present:

Harry Crawford, Director
Stuart Parks, Director
Rachel Morse, Director

Guests and Staff in Attendance:

Lee Thibert	Jody Wolfe	Elizabeth Stuart, KPMG
Paul Risse	Kathy Harris	James Mullican
Brian Hickey	Renee Curran	Mark Johnson
Tyler Andrews	Ron Vecera	Josh Travis
Sherri Highers	Julie Hasquet	Jean Kornmuller
Arthur Miller	Josh Resnick	Connie Owens
Mark Fouts	Matthew Clarkson	

II. APPROVAL OF THE AGENDA

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

Vice Chair Reeves was not present at the time of vote.

III. APPROVAL OF THE MINUTES

Director Chastain moved and Director Henderson seconded the motion to approve the November 27, 2017, Audit and Finance Committee Meeting minutes. The motion passed unanimously.

Vice Chair Reeves was not present at the time of vote.

IV. PERSONS TO BE HEARD

- A. *Member Comments*
None

V. CEO REPORTS AND CORRESPONDENCE

- A. *2017 Year-End Financial Statements and Variance Report (Harris/Curran)*
The 2017 Year-End Financial Statements and the Variance Report were provided in the meeting packet.
- B. *4th Quarter 2017 Capital Tracking Report (Curran)*
The 4th Quarter 2017 Capital Tracking Report was provided in the meeting packet.
- C. *4th Quarter 2017 Operating Budget Status Report (Curran)*
The 4th Quarter 2017 Operating Budget Status Report was provided in the meeting packet.
- D. *4th Quarter 2017 Contract Status Report (Vecera)*
The 4th Quarter 2017 Contract Status Report was provided in the meeting packet.

VI. NEW BUSINESS

- A. *2017 Year-End Financial Information (Harris)*
Kathy Harris, Sr. Manager, General Accounting discussed the 2017 Year-End Financial Information and responded to questions from the Committee.

Lee Thibert, Chief Executive Officer (CEO), Arthur Miller, VP, Regulatory A& External Affairs and Mark Fouts, Executive Manager, Fuel & Corporate Planning responded to questions from the Committee.

Chair Cooper stated that additional discussion regarding Anchorage Economic Dispatch/Power Pool will continue in executive session. No objections were made.

Vice Chair Reeves joined via teleconference at 4:10 p

VII. EXECUTIVE SESSION

- A. *Strategic Planning*
i. *Review and Accept the 2017 Independent Audited Financial Statements*
ii. *December 31, 2017, SEC Form 10K Review*

At 4:39 p.m., Director Chastain moved and Director Henderson seconded the motion that pursuant to Alaska Statute 10.25.175 (c)(1), the Audit and Finance Committee go into executive session to discuss financial matters, the immediate knowledge of which would clearly have an adverse effect on the finances of the cooperative. The motion passed unanimously.

The meeting reconvened in open session at 6:22 p.m.

VIII. NEW BUSINESS

A. Accept the 2017 Independent Audited Financial Statements (KPMG)*

Director Chastain moved and Director Henderson seconded the motion that the Audit and Finance Committee recommend the Board of Directors approve the 2017 Independent Audited Financial Statements of Chugach Electric Association, Inc. and footnotes by KPMG and management. The motion passed unanimously.

B. December 31, 2017, SEC Form 10K Filing (Curran)*

Director Chastain moved and Director Henderson seconded the motion that the Audit and Finance Committee recommend to the Board of Directors that management file the Securities and Exchange Commission Form 10K by the due date incorporating any amendments to the document which will be reviewed and approved by KPMG. Ms. Stuart and Ms. Highers will immediately inform the Board, in writing, of any material or significant changes. The motion passed unanimously.

C. Pre-Approval of KPMG for FY2018 Audit Services (Highers)*

Director Henderson moved and Director Chastain seconded the motion that the Audit and Finance Committee recommend the Board of Directors approve the retention of KPMG for audit services for FY2018 in accordance with the fees outlined in KPMG's current three (3) year contract. The motion passed unanimously.

IX. DIRECTOR COMMENTS

Comments were made at this time.

X. ADJOURNMENT

At 6:25 p.m., Director Chastain moved and Director Henderson seconded the motion to adjourn. The motion passed unanimously.