

MEETING OF THE BOARD OF DIRECTORS
OF
CHERRYLAND ELECTRIC COOPERATIVE

January 17, 2011

The regular meeting of the Board of Directors of Cherryland Electric Cooperative was held at The Hagerty Center in Traverse City, Michigan on January 17, 2010.

Meeting was called to order at 3:20 p.m. by President Van Pelt.

Present: Tom Van Pelt, President
Terry Lautner, Sr. Vice President
Melinda Lautner, Secretary
Rick Deneweth, Treasurer
Betty Maciejewski
John Olson
Jon Zickert
Tony Anderson, General Manager
Kerry Kalbfleisch, Assistant Secretary

Mr. Mark Wilson, Chief Financial Officer; Mr. Frank Siepker, Engineering Manager; Mr. Kevin Cragg, Member Service Manager; Mr. Jim Carpenter, Line Superintendent; and Mr. Nick Edson, Key Accounts Representative, joined the meeting.

President Van Pelt reviewed the board agenda and no changes were made.

The December minutes were discussed. Motion by Mrs. Lautner, supported by Mr. Olson and carried to approve the minutes of the regular board meeting held on December 20, 2010.

Mr. Wilson, Chief Financial Officer, discussed the December financials. They should be completed by the end of January and will be forwarded to the Directors at that time.

Wolverine and Wolverine Power Marketing matters were discussed.

Mr. Anderson brought a Rural Economic Development Grant Agreement to the Board. This allows CEC to fund an interest free loan to Grand Traverse Metro Emergency Services Authority to purchase a fire truck/pumper unit through the Economic Development Revolving Loan Fund. He requested approval of the agreement as well as the Board Resolution.

Board of Directors Meeting – January 17, 2011

Motion by Mr. Olson, supported by Mr. Lautner and carried to approve the Rural Economic Development Grant Agreement.

Motion by Mrs. Maciejewski, supported by Mrs. Lautner and carried to approve the Board Resolution.

Mr. Anderson discussed the availability charge and was looking for direction from the Board regarding an increase. Mr. Anderson is recommending a \$2 increase from \$13 to \$15. While the Board was in agreement, everyone understood that a formal decision was not necessary until an entire rate increase proposal could be reviewed in a few months.

Managers' reports were reviewed and discussed.

Mr. Cragg brought up the issue of the Efficient Home Heating Rate and the Resistance Home Heating Rate. He suggested that we close the current Interruptable Heat Rates and grandfather those members currently enrolled. This change would not affect water heaters. Motion by Mrs. Maciejewski, supported by Mr. Zickert and carried to approve closing the Interruptable Heat rate and adding the Efficient Home Heating and Resistance Home Heating Rates

Motion by Mrs. Lautner, supported by Mr. Olson and carried to accept the management reports, including the safety report as presented.

Upcoming meetings were discussed.

There was discussion regarding voting delegates for NRTC and NRECA for their upcoming annual meetings. Motion by Mr. Olson, supported by Mr. Lautner and carried to keep the voting delegates as is. Mrs. Lautner for NRECA and Mrs. Maciejewski for NRTC.

There being no further business to come before the board, it was moved to adjourn, supported and carried. Meeting adjourned at 4:23 p.m.

Tom Van Pelt, President

Melinda Lautner, Secretary

Board of Directors Meeting – January 17, 2011

We, the undersigned directors of the Cherryland Electric Cooperative, do hereby approve, ratify and conform to all respects of the above and foregoing minutes of this regular meeting of the Board of Directors of said Cooperative and each and every step taken and performed thereat.

