

MEETING OF THE BOARD OF DIRECTORS
OF
CHERRYLAND ELECTRIC COOPERATIVE

October 17, 2011

The regular meeting of the Board of Directors of Cherryland Electric Cooperative was held at the Cooperative office in Grawn, Michigan on October 17, 2011

Meeting was called to order at 8:57 a.m. by President Van Pelt.

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

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

President Van Pelt reviewed the board agenda. New business was added under 8.4 for a MECA update.

The August minutes were discussed. It was noted that Mr. Zickert attended the legislative meetings in Washington D.C., not Mr. Deneweth. Motion by Mrs. Maciejewski, supported by Mr. Zickert and carried to approve the minutes, as amended, of the regular board meeting held on September 19, 2011 and changes to the current agenda.

Mr. Wilson, Chief Financial Officer, reviewed the financials.

Wolverine and Wolverine Power Marketing matters were discussed.

Mr. Wilson presented a summary of the capital budget to the Board. Mr. Siepker discussed the work plans, transportation, buildings and grounds. Mr. Carpenter discussed the budget for the metering department.

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Motion by Mr. Olson, supported by Mr. Zickert and carried to approve the capital budget as presented at \$4,266,045.

The Board recessed for a break at 10:20 a.m. and reconvened at 10:43 a.m.

Mr. Anderson presented a resolution to the Board to amend the RS Plan as negotiated in the new union contract. Motion by Mrs. Lautner, supported by Mrs. Maciejewski and carried to approve the resolution.

The ACRE program was discussed with respect to what level the Board would like to participate.

Mr. Anderson and Mr. Zickert discussed the MECA board meeting.

Managers' reports were reviewed and discussed. Motion by Mrs. Maciejewski, supported by Mrs. Lautner and carried to approve the management reports, including the safety report as presented.

Upcoming meetings were discussed.

The Board went into executive session at 11:49 a.m and reconvened at 12:20 p.m.

There being no further business to come before the board, it was moved to adjourn, supported and carried. Meeting adjourned at 12:21 p.m.

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Tom Van Pelt, President

Melinda Lautner, Secretary

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.

