

MEETING OF THE BOARD OF DIRECTORS

OF

CHERRYLAND ELECTRIC COOPERATIVE

July 21, 2008

The regular meeting of the Board of Directors of Cherryland Electric Cooperative was held at the Cooperative office in Grawn, Michigan on July 21, 2008.

Meeting was called to order at 9:00 a.m. by President Van Pelt.

Present: Tom Van Pelt, President
Terry Lautner, Sr. Vice President
Melinda Lautner, Secretary
John Pope, Treasurer
Rick Deneweth
Betty Maciejewski
John Olson
Tony Anderson, General Manager
Pat Barone, Assistant Secretary

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

President Van Pelt reviewed the board agenda. The board agenda was accepted.

Motion by Mrs. Maciejewski, supported by Mr. Olson and carried to approve the minutes of the regular board meeting held on June 27, 2008.

Upcoming meetings were discussed.

Mr. Wilson, Chief Financial Officer, reviewed the financials and made a presentation on the PSCR factor. Motion by Mrs. Maciejewski, supported by Mr. Lautner and carried to approve a PSCR factor of 4.5 mills for the months of September and October. The PSCR factor for November and December will be reviewed at the September board meeting.

Wolverine matters were discussed, including the All Requirements Contract amendments. President Van Pelt and Manager Anderson reported on their meeting in Boyne City on July 7, 2008.

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Manager Anderson gave an update on the process that will be followed at the Elmwood Township public input meeting on July 22nd at 6:00 p.m. at the Knights of Columbus Hall.

Mr. Olson gave an update on Spartan Energy.

The board recessed at 10:25 a.m. and reconvened at 10:45 a.m.

Manager reports were reviewed and discussed. Manager Anderson gave an update on the Traverse City Light & Power tax question.

The board recessed for lunch at 11:32 a.m. and reconvened at 11:58 a.m.

Mrs. Barone gave an update on applications for the Member Information Representative position, indicating she has received over 200 resumes and applications for the position. She also gave an update on the retiree medical issue.

Mr. Nick Edson, Key Accounts Representative, gave an update on the annual meeting costs of 2008 vs 2007. After some discussion, it was the consensus of the board to again hold next year's annual meeting at Wuerfel Park, with a contingency plan for inclement weather. It was also the consensus of the board to increase the number of meal vouchers to ensure all members attending the meeting get a meal voucher.

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

Board Policy No. 140, Member Attendance at Board Meetings, was reviewed and discussed. Motion by Mr. Lautner, supported by Mr. Olson and carried to adopt said policy. Board Policy No. 157, General Manager Succession, was reviewed and discussed. Motion by Mrs. Maciejewski, supported by Mr. Pope and carried to adopt said policy. Board Policy No. 159, Investment Management, was reviewed and discussed. Motion by Mr. Pope, supported by Mr. Olson and carried to adopt said policy.

Management Policy No. 425, Telecommuting, was reviewed and discussed. Motion by Mrs. Maciejewski, supported by Mr. Pope and carried to adopt said policy.

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

Tom Van Pelt, President

Melinda Lautner, Secretary

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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.

