

MEETING OF THE BOARD OF DIRECTORS
OF
CHERRYLAND ELECTRIC COOPERATIVE

October 16, 2006

The regular meeting of the Board of Directors of Cherryland Electric Cooperative was held at the Cooperative office in Grawn, Michigan on October 16, 2006.

Meeting was called to order at 9:02 a.m. by President Olson.

Present: John Olson, President
 Terry Lautner, Sr. Vice President
 Melinda Lautner, Secretary
 John Pope, Treasurer
 Bill Hoxie
 Laverne Maginity
 Wayne Nordbeck
 Betty Reynolds-Maciejewski
 Tom Van Pelt
 Tony Anderson, General Manager
 Pat Barone, Assistant Secretary

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

President Olson reviewed the board agenda. No additions were made.

Motion by Mr. Hoxie, supported by Mr. Nordbeck and carried to approve the minutes of the regular board meeting held on September 18, 2006.

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

Wolverine board minutes were discussed. Mrs. Reynolds-Maciejewski and Mr. Pope reported on power supply issues. A special board meeting will be held on Monday, October 30, 2006; Mr. Eric Baker, President and CEO of Wolverine Power Supply Cooperative, will be here for a special presentation on Wolverine matters.

The board recessed at 10:09 a.m. and reconvened at 10:23 a.m.

Manager reports were reviewed and discussed. Manager Anderson gave an update on the Great Wolf Lodge and other matters. He also presented a PowerPoint presentation on a union wage proposal for discussion with the board.

The safety of employees and building security was discussed. Management to investigate the matter and report back to the board with possible solutions.

Motion by Mrs. Reynolds-Maciejewski, supported by Mr. Van Pelt and carried to approve management reports, including the safety report, as presented.

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There being no further business to come before the board, it was moved to adjourn, supported and carried. Meeting adjourned at 11:34 a.m.

John Olson, 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.

