

MEETING OF THE BOARD OF DIRECTORS
OF
CHERRYLAND ELECTRIC COOPERATIVE

November 27, 2006

The regular meeting of the Board of Directors of Cherryland Electric Cooperative was held at the Cooperative office in Grawn, Michigan on November 27, 2006.

Meeting was called to order at 9:04 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; Mr. Kevin Cragg, Member Service Manager; and Mr. Nick Edson, Key Accounts Representative, joined the meeting.

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

Motion by Mr. Van Pelt, supported by Mr. Hoxie and carried to approve the minutes of the regular board meeting held on October 16, 2006.

Motion by Mrs. Reynolds-Maciejewski, supported by Mr. Hoxie and carried to approve the minutes of the special board meeting held on October 30, 2006.

Upcoming meetings and events were discussed.

Manager Anderson presented a PowerPoint presentation on the metering problem at CRM.

Manager Anderson showed the member section on the Wolverine Power Supply Cooperative web site created for Crystal Mountain which shows the peak load hour forecast that should assist Crystal Mountain in controlling their monthly bill by tracking Wolverine's peak demand.

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Mr. Wilson, Chief Financial Officer, led a discussion on the CFC Advantage Loan. Motion by Mr. Nordbeck, supported by Mrs. Reynolds-Maciejewski and carried to authorize Secretary Lautner to execute said Certificate of Resolutions and Incumbency in an aggregate principal amount not to exceed \$3,500,000.00 (copy attached).

Mr. Frank Siepker, Engineering Manager, gave a presentation and demonstration on our automatic vehicle location equipment. Mr. Siepker to include a service territory map with substation locations in next month's board packet.

The board recessed at 10:31 a.m. and reconvened at 10:46 a.m.

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

The 2007 capital budget was presented. Mr. Siepker, Engineering Manager, showed a PowerPoint presentation on the work plan project. Motion by Mrs. Lautner, supported by Mr. Maginity and carried to approve the 2007 capital budget, as presented.

Wolverine Articles of Incorporation and Bylaw changes were discussed, along with the member approval of the purchase of a controlling stock interest in Spartan Renewal Energy, Inc., a Michigan Corporation. Motion by Mr. Van Pelt, supported by Mr. Nordbeck and carried to execute the Wolverine Power Supply Cooperative, Inc. Consent Resolution of the Member authorizing said changes (copy attached).

The board recessed for lunch at 12:07 p.m. and reconvened at 12:30 p.m.

Manager reports were reviewed and discussed. Manager Anderson gave an update on the union wage negotiations for final board approval. Motion by Mrs. Reynolds-Maciejewski, supported by Mr. Nordbeck and carried to approve the final settlement agreement.

Manager Anderson and President Olson gave a report on the Silver Lake Road property. Consensus of the board is to move forward with gaining the easement for this property.

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

The NRECA Adoption Agreement and Board Resolution incorporating the union wage negotiation settlement agreement were discussed. Motion by Mrs. Lautner, supported by Mr. Van Pelt and carried to execute said documents.

Discussion was held on frequency of board meetings. No decision was made to cut down on the number of board meetings per year; however, it was decided to hold the regular board meeting immediately following the annual meeting in conjunction with the organizational meeting in June 2007.

Director per diem discussion was tabled until next month's board meeting.

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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 1:48 p.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.

