

MEETING OF THE BOARD OF DIRECTORS
OF
CHERRYLAND ELECTRIC COOPERATIVE

October 22, 2018

The regular meeting of the Board of Directors of Cherryland Electric Cooperative was held at the Cooperative office in Grawn, Michigan on October 22, 2018.

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

Present: Terry Lautner, President
Tom Van Pelt, Sr. Vice President
Melinda Lautner, Secretary
Dave Schweitzer, Treasurer
John Olson
Gabe Schneider
Jon Zickert
Tony Anderson, General Manager
Shannon Mattson, Assistant Secretary

Mr. Mark Wilson, CFO; Mr. Jim Carpenter, Line Superintendent; Mr. Frank Siepker, Engineering Manager; Mr. Jeff Puffer, Safety Director; Ms. Rachel Johnson, Member Relations Manager; and Ms. Kerry Kalbfleisch, Director of Human Resources, joined the meeting.

President Lautner reviewed the board agenda. Motion by Mr. Van Pelt, supported by Mr. Zickert, and carried to approve the agenda as presented.

The September Safety Report, including the October Safety Committee Meeting Minutes, were discussed.

Cooperative Advocacy issues were discussed. Mr. Anderson and Ms. Johnson met with Michigan House Representative candidate, Dan O' Neill, at the cooperative. Mr. Anderson attended the TC Chamber's Pints & Politics event. Mr. Anderson and Ms. Johnson met with Michigan House Representative, Curt VanderWall, at Wolverine Power Supply Cooperative. Mr. Schneider met with Congressman Jack Bergman.

The September meeting minutes were discussed. Motion by Mr. Olson, supported by Mr. Schweitzer, and carried to approve the minutes of the regular board meeting held on September 17, 2018.

Ms. Johnson gave a special presentation on the cooperative's Enhanced Rebate Program. The program now offers rebates for items including, but not limited to, electric vehicles, electric vehicle charging stations, heat pumps, etc.

President Lautner welcomed Mr. Steve Weaver, IT Specialist, to the meeting. Mr. Weaver gave his feedback on the Cyber Security session held at the 2018 MECA/Wolverine Symposium in Grand Rapids. After some discussion, President Lautner excused Mr. Weaver from the meeting.

Managers' reports were reviewed and discussed.

Mr. Anderson gave an update on the Retiree Welfare Plan. The trustees of the plan recommend reallocating the funds to a 65% value fund / 35% short-term bond fund. By board consensus, the decision was made to ratify the trustees' recommendation.

Motion by Mr. Zickert, supported by Mr. Schneider, and carried to approve the Managers' reports, including the safety report, as presented.

The board recessed for a break at 10:34 a.m. and reconvened at 10:48 a.m.

Old business was discussed.

Discussion was held regarding the Electric Cooperative Governance Task Force Survey.

The Retiree Welfare Benefit Plan and Trust Policy was discussed. Motion by Mr. Schneider, supported by Mr. Schweitzer, and carried to approve the policy as presented.

New business was discussed.

The cooperative's Annual Training Day draft agenda was discussed.

The board discussed Iron Fish Distillery's commercial generator loan application. Motion by Mr. Zickert, supported by Ms. Lautner, and carried to approve the loan at \$15,950 for a 10-year term.

Wolverine and Wolverine Power Marketing matters were discussed. Ms. Kalbfleisch will be the cooperative's guest manager at the Wolverine Board Meeting on October 25.

Spartan Renewable Energy matters were discussed.

Mr. Olson gave an update on MECA. Mr. Olson will be attending the upcoming MECA Board Meeting and Strategic Planning on November 27 & 28 in Cadillac.

The General Counsel report was discussed.

Upcoming meetings were discussed.

There being no further business to come before the board, it was moved to adjourn, supported and carried. Meeting adjourned at 12:17 p.m.

Terry Lautner, 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.
