MEETING OF THE BOARD OF DIRECTORS
OF
CHERRYLAND ELECTRIC COOPERATIVE

December 16, 2019

The regular meeting of the Board of Directors of Cherryland Electric Cooperative was held at the Cooperative office in Grawn, Michigan on December 16, 2019.

Meeting was called to order at 8:59 a.m. by President Van Pelt.

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

Mr. Mark Wilson, CFO; Mr. Frank Siepker, Engineering Manager; Ms. Rachel Johnson, Member Relations Manager; Ms. Kerry Kalbfleisch, Director of Human Resources; and Mr. Greg Jenkins, General Counsel, joined the meeting.

President Van Pelt reviewed the board agenda. Mr. Anderson requested to add item 12.6 Retiree Welfare Plan under New Business. Motion by Ms. Lautner, supported by Mr. Schneider, and carried to approve the agenda as amended.

No members present for public input.

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

Cooperative Advocacy issues were discussed. Ms. Johnson and Mr. Van Pelt attended a Northport Energy Group meeting. Ms. Johnson attended a Northern Michigan Chamber Alliance meeting.

The November meeting minutes were discussed. Motion by Mr. Lautner, supported by Mr. Schweitzer, and carried to approve the minutes of the regular board meeting held on November 18, 2019.

Mr. Wilson gave a presentation on the 2020 Operating Budget. Motion by Mr. Olson, supported by Mr. Schweitzer, and carried to approve the 2020 Operating Budget as presented.

Managers' reports were reviewed and discussed.

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

The board recessed for a break at 10:39 a.m. and reconvened at 10:53 a.m.

Old business was discussed.

Mr. Anderson presented the Strategic Planning summary.

New business was discussed.

The redline version of Policy #113C – Director Candidate Information, Nominating Petitions and Campaign Communications, was reviewed. Motion by Mr. Olson, supported by Ms. Lautner, and carried to approve Policy #113C – Director Candidate Information, Nominating Petitions and Campaign Communications, as presented.

President Van Pelt welcomed Mr. Michael DeBruyn, Mr. Creighton Gallagher, and Mr. Neil Witkowski, participants of the cooperative's Emerging Leaders Program (ELP), to the meeting.

After some discussion with the afore-mentioned ELP participants, the board recessed for lunch at 11:57 a.m. and reconvened at 12:41 p.m. Discussion with the special guests continued through lunch.

The redline version of Policy #122 – Director Compensation, Travel and Expense Reimbursement, was reviewed. After some discussion, the board asked for additional revisions, which will be presented at the January meeting.

NRECA Annual Meeting voting delegate and alternate was needed. The board, by consensus, appointed Mr. Schweitzer as the NRECA Annual Meeting voting delegate and Mr. Lautner as the alternate.

NRTC Annual Meeting voting delegate and alternate was needed. The board, by consensus, appointed Mr. Schweitzer as the NRTC Annual Meeting voting delegate and Mr. Lautner as the alternate.

The Retiree Welfare Plan and Trust was discussed. Mr. Anderson requested a motion to transfer $115,000 from the Trust into the cooperative's General Fund. Motion by Ms. Lautner, supported by Mr. Schneider, and carried to transfer $115,000 out of the Trust and into the cooperative's General Fund. Mr. Lautner objected; motion carried 6 – 1.

Wolverine and Wolverine Power Marketing matters were discussed.

Spartan Renewable Energy matters were discussed.

Mr. Olson gave an update on the MECA Board Meeting.

The General Counsel report was discussed.

Upcoming meetings were discussed.

Summary and Assignments were discussed. Mr. Olson resigned from the Audit Committee; Mr. Van Pelt appointed Mr. Schneider to the Audit Committee.

The board went into an Executive Session at 1:31 p.m. and reconvened at 1:54 p.m.

There being no further business to come before the board, it was moved to adjourn, supported and carried. Meeting adjourned at 1:54 p.m.

Thomas Van Pelt, President	Gabriel Schneider, 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.