

MEETING OF THE BOARD OF DIRECTORS
OF
CHERRYLAND ELECTRIC COOPERATIVE

May 21, 2007

The regular meeting of the Board of Directors of Cherryland Electric Cooperative was held at the Thompsonville Fire Hall in Thompsonville, Michigan on May 21, 2007.

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

Present: John Olson, President
 Terry Lautner, Sr. Vice President
 Melinda Lautner, Secretary
 John Pope, Treasurer
 Laverne Maginity
 Bill Hoxie
 Betty Maciejewski
 Tom Van Pelt
 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.

Since Mr. Maginity is not running for re-election and this was his last regular board meeting, President Olson presented a plaque to Mr. Maginity for his outstanding service as a board member since December 1974.

President Olson reviewed the board agenda.

Motion by Mrs. Maciejewski, supported by Mr. Van Pelt and carried to approve the agenda and the minutes of the regular board meeting held on April 23, 2007.

Upcoming meetings and events were discussed.

Mrs. Lautner and Mrs. Maciejewski gave a report on the NRECA Legislative Conference.

Board of Directors Meeting - May 21, 2007

Mr. Wilson, Chief Financial Officer, reviewed the financials. Mr. Wilson discussed the retirement of capital credits in 2007. The consensus of the board was to not refund capital credits this year. Moved by Mr. Van Pelt, supported by Mr. Maginity and carried to approve the assignment of \$931,418 as CEC's portion of capital credits and \$2,831,409 as Wolverine's portion of capital credits, for a total assignment of \$3,762,827.

President Olson gave an update on Spartan Energy.

Wolverine board minutes were discussed. Mrs. Maciejewski and Mr. Pope reported on power supply issues, including an update on Prairie State and the transmission system.

Manager reports were reviewed and discussed. Manager Anderson to follow up with retiree group representative Mr. Ed Hall, via letter, regarding their alternate proposals for retiree medical.

Mr. Cragg reviewed the list of Election & Credentials Committee members as outlined in his manager's report. Motion by Mr. Lautner, supported by Mrs. Maciejewski and carried to accept the Election & Credentials Committee, as submitted.

The board recessed at 10:31 a.m. and reconvened at 10:50 a.m.

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

Discussion on Policy No. 116, Use of Secret Ballot. Motion by Mrs. Lautner, supported by Mrs. Maciejewski and carried to approve the revisions to Policy No. 116 (copy attached).

The board went into executive session at 11:05 a.m. and reconvened at 11:25 a.m.

Mr. Michael Peters, Executive Vice President of MECA, joined the meeting in progress to give an update on matters pending in Lansing.

Mr. Eric Baker, Chief Executive Officer of Wolverine Power Supply Cooperative, joined the meeting in progress to give an update on Prairie State, Rogers City and Garfield substation.

There being no further business to come before the board, it was moved to adjourn, supported and carried. Meeting adjourned at 12:35 p.m.

John Olson, President

Melinda Lautner, Secretary

Board of Directors Meeting - May 21, 2007

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.

_____	_____
_____	_____
_____	_____
_____	_____