

MEETING OF THE BOARD OF DIRECTORS
OF
CHERRYLAND ELECTRIC COOPERATIVE

December 18, 2006

The regular meeting of the Board of Directors of Cherryland Electric Cooperative was held at the Cooperative office in Grawn, Michigan on December 18, 2006.

Meeting was called to order at 9:01 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. Nordbeck, supported by Mr. Hoxie and carried to approve the agenda and the minutes of the regular board meeting held on November 27, 2006.

Upcoming meetings and events were discussed.

Mr. Hoxie gave a report on the MECA board meeting.

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

The 2007 operating budget was presented. Motion by Mr. Van Pelt, supported by Mr. Nordbeck and carried to approve the 2007 operating budget, as presented.

The board recessed at 10:33 a.m. and reconvened at 10:50 a.m.

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Wolverine board minutes were discussed. Mrs. Reynolds-Maciejewski and Mr. Pope reported on power supply issues, including an update on Spartan Renewable Energy, Inc. President Olson will serve as Cherryland's director on the Spartan Renewable Energy, Inc. board.

Manager reports were reviewed and discussed.

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

Motion by Mr. Maginity, supported by Mrs. Reynolds-Maciejewski and carried to go into executive session.

The board went into executive session at 11:50 a.m. and reconvened at 12:14 p.m.

Board Policy No. 114, Director Compensation, to be revised and presented at January's regular board meeting for approval.

There being no further business to come before the board, it was moved to adjourn, supported and carried. Meeting adjourned at 12:19 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.

