

MEETING OF THE BOARD OF DIRECTORS
OF
CHERRYLAND ELECTRIC COOPERATIVE

October 28, 2024

The regular meeting of the Board of Directors of Cherryland Electric Cooperative was held at the Cooperative office in Grawn, Michigan on October 28, 2024.

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

Present: Gabe Schneider, President
Valarie Handy, Sr. Vice President
Melinda Lautner, Secretary
Thomas Van Pelt, Treasurer
Terry Lautner
David Schweitzer
Rachel Johnson, CEO
Shannon Beery, Assistant Secretary

Mr. Dean Adams, Director, was not present.

Mr. Mark Wilson, CFO; Mr. Frank Siepker, COO; Ms. Deidra Charnes, Director of Human Resources; Mr. Greg Jenkins, General Counsel; Mr. Brad Pavwoski, Controller; and Ms. Sonya Sias, Member Services Supervisor, joined the meeting. Ms. Courtney Doyle, Communications & Member Relations Manager, was not present.

President Schneider reviewed the board agenda. Motion by Mr. Schweitzer, supported by Ms. Handy, and carried to approve the agenda.

The September meeting minutes for the regular board meeting and facilities study session were discussed. Motion by Ms. Lautner, supported by Mr. Van Pelt, and carried to approve the minutes of the regular board meeting and the minutes of the facilities study session, both held on September 23, 2024.

Upcoming meetings were discussed.

No members were present for public input.

Reports from the safety team, managers, and general counsel were reviewed and discussed.

Ms. Johnson provided her CEO report. She discussed recent time spent building relationships with Michigan co-op's new CEOs as well as with the cohort of Co-op Academy during their second of three sessions. Ms. Johnson also provided an update on EWR program design and the co-op's Rural Economic Development Loan program with the board posing questions

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regarding same. Finally, she shared news from Cherryland’s recent mutual aid work in Florida for hurricane relief efforts. The hosting cooperative, SECO Energy, praised the Cherryland team for their fast, efficient, and safe work.

Mr. Siepker presented the 2025 Capital Budget to the board. The board discussed the proposed budget and asked questions regarding supply chain issues and timing of projects. Mr. Van Pelt commended the work of Mr. Siepker in fine tuning the previously approved work plan to arrive at this concise budget for 2025. The board will take action regarding the 2025 Capital Budget in November.

The board recessed for a break at 10:44 a.m. and reconvened at 10:51 a.m.

Ms. Amanda Seger, of the National Rural Utilities Cooperative Finance Corporation (CFC), gave a special presentation that covered CFC and equity basics as well as overviews of the Maximum Debt Limit and PowerVision Loan Facility. In particular, she provided her recommendation to remove a maximum cap on the debt limit as that was a historical requirement for Rural Utilities Service (RUS) borrowers, one of which the cooperative is no longer. She also indicated the steps required for the co-op to proceed with a new loan facility and answered questions from the board regarding same.

As detailed by Ms. Seger, an increase in the Maximum Debt Limit was required to proceed with filing the mortgages so that the cooperative may apply for a new PowerVision loan facility. Motion by Ms. Handy, supported by Ms. Lautner, and carried to adopt the CFC Resolution: Debt Limit as stated.

At the board’s request, Mr. Jenkins drafted a board resolution to formalize the board’s intention to proceed with the development of a new facility build project and to authorize Ms. Johnson as applicable. Motion by Mr. Van Pelt, supported by Mr. Schweitzer, and carried to approve Board Resolution 2024-3: Physical Facilities.

Wolverine Power Supply Cooperative matters were discussed.

Mr. Schneider provided a brief update on MECA. He will be attending the next MECA board meeting on November 21, 2024 in Saginaw. Mr. Schneider indicated the MECA CEO search is underway and provided an update on MECA’s EWR workgroup.

Board member updates were discussed.

There being no further business to come before the board, it was moved to adjourn, supported, and carried. Meeting adjourned at 12:57 p.m.

Gabe Schneider, President

Melinda Lautner, Secretary

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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.

