

MEETING OF THE BOARD OF DIRECTORS
OF
CHERRYLAND ELECTRIC COOPERATIVE

December 15, 2025

The regular meeting of the Board of Directors of Cherryland Electric Cooperative was held at the Cooperative office in Grawn, Michigan on December 15, 2025.

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

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

Mr. Brad Pavwoski, CFO; Mr. Frank Siepker, COO; Ms. Deidra Charnes, Director of Human Resources; Ms. Courtney Doyle, Communications & Member Relations Manager; Mr. Jason Rice, Metering Supervisor; Mr. Adam Bahri, Data Analyst; and Mr. Jason Hanselman, General Counsel, joined the meeting.

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

The meeting minutes for November's regular board meeting were discussed. Motion by Ms. Lautner, supported by Mr. Schweitzer, and carried to approve the minutes of the board meeting, held on November 17, 2025.

At 9:05 a.m. Mr. James Lamont joined the meeting to provide member input regarding the cooperative's rebate program. President Schneider thanked Mr. Lamont for his time before he departed the meeting at 9:14 a.m.

Ms. Johnson provided a brief update on the cooperative's progress with the impact plan. Staff is on track to meet the plan's milestones set for 2025, with work toward several 2026 targets already underway. Ms. Johnson will bring similar updates to the board every quarter. Ms. Lautner appreciates seeing progress at a glance and looks forward to continued updates.

Reports from managers were reviewed and discussed.

Ms. Johnson discussed her CEO report. She updated the board regarding the MoneyFit loan remaining in process and that it will require an extension to the closing window due to ongoing

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closing contingencies, outside the control of the borrower. Ms. Johnson indicated the economic development loan program's application process is being evaluated by Mr. Hanselman and, as such, there will be a temporary hold on accepting new loan applications. Finally, she expressed gratitude for the board's support in her new role on NRECA's board of directors and, after recently attending her new director orientation, she is excited for the opportunity to represent the cooperative and Michigan at the national level.

Mr. Pavwoski provided a brief recap of the proposed 2026 Operating Budget which was initially presented to the board in November. President Schneider commended the work of Mr. Pavwoski and the accounting team on their detailed budget preparation. Motion by Mr. Schweitzer, supported by Ms. Handy, and carried to approve the 2026 Operating Budget as presented.

The Retiree Welfare Benefits Trust was discussed. Mr. Pavwoski provided a brief update and recommended no funds be transferred at this time in order to grow the cooperative's equity.

Non-substantive amendments and restatements to the cooperative's Retiree Welfare Benefit Plan, Irrevocable Trust were required to comply with the funds' 5-year restatement cycle. Motion by Mr. Van Pelt, supported by Ms. Handy, and carried to approve Board Resolution 2025-4: Amendment & Restatement of Retiree Welfare Benefit Plan and Irrevocable Trust.

Simple amendments to the cooperative's Executive Compensation 457(b) Plans were required to comply with SECURE Act of 2019 and SECURE 2.0 Act of 2022. Motion by Ms. Lautner, supported by Mr. Schweitzer, and carried to approve Board Resolution 2025-5: Amendment of 457(b) Plans.

Mr. Rice discussed recommended amendments to the rate book, specifically related to the 2026 Power Supply Base Rate, 2026 Large Commercial & Industrial Tariff, Large Power Rate Tariff, and the Wolverine Renewable Energy Tariffs. Following a question from the board, motion by Mr. Van Pelt, supported by Mr. Lautner, and carried to approve the amendments to the rate book, as presented.

Following November's discussion of board policies, further amendments to Board Policy 113, Appendix D were reviewed. Motion by Ms. Handy, supported by Ms. Lautner, and carried to approve same.

Pursuant to closing contingencies for MoneyFit's Economic Development Loan, an extension of the loan closing window for its loan with the cooperative was required. Motion by Ms. Handy, supported by Mr. Adams, and carried to approve a 90-day extension of MoneyFit's loan closing window.

Wolverine Power Supply Cooperative matters were discussed.

President Schneider provided an update on MECA. The association held a special board meeting in December to approve its 2026 budget. The next board meeting will occur in Lansing in February.

Board member updates were discussed.

The board recessed for a break at 10:20 a.m. and reconvened at 10:34 a.m.

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Mr. Siepker and Ms. Johnson led the board through a comprehensive facilities workshop, alongside planning team members from Cunningham-Limp and Studio+. Along with a review of the design process, they provided updated floorplans, site plan, and proposed budget for the new campus. The board engaged in thoughtful discussion, asking questions regarding process and next steps, including plans for funding and communications. President Schneider voiced his appreciation for the amount of work that staff and the cooperative's design partners have put into this project, acknowledging it has been very well thought through given the size of future investment required. The board's individual directors each voiced their agreement with the need for the new facility, recognizing the proposed design fully addresses the limitations as identified during initial headquarter facilities exploration. Rezoning and site plan approvals are expected in early 2026 with the land purchase and joint development agreement to be finalized soon thereafter. Cunningham-Limp expects to bring a final construction contract to the board for approval in the spring.

There being no further business to come before the board, it was moved to adjourn, supported, and carried. Meeting adjourned at 12:20 p.m.

Gabe Schneider, 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.
