MEETING OF THE BOARD OF DIRECTORS
OF
CHERRYLAND ELECTRIC COOPERATIVE

October 26, 2026

The regular meeting of the Board of Directors of Cherryland Electric Cooperative was held at the Cooperative office in Grawn, Michigan on October 26, 2026.

Meeting was called to order at 8:58 a.m. by President Schneider.

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

Senior Vice President, Valarie Handy, was not present.

Mr. Brad Pavwoski, CFO; Mr. Frank Siepker, COO; Ms. Courtney Doyle, Communications & Member Relations Manager; Ms. Deidra Charnes, Director of Human Resources; Mr. Jason Hanselman, General Counsel; and Mr. Chris Kolinski, Cable Locator, joined the meeting.

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

President Schneider called for a motion of the Consent Agenda. Motion by Mr. Lautner, support by Mr. Adams, and carried to approve the Consent Agenda.

No members were present for public input.

Upcoming meetings were discussed.

Mr. Siepker presented the proposed 2027 capital budget, reviewing planned investments in line extensions, system rebuilds, special equipment, system upgrades, metering infrastructure, transportation, information technology, and buildings and grounds. He discussed the ongoing increase in equipment and technology costs, as well as supply chain considerations and preparations for the cooperative's new headquarters. The board posed questions regarding inventory levels, equipment replacement, and the timing of capital investments, with Mr. Siepker answering same. Mr. Pavwoski discussed the proposed funding strategy, and noted the budget aligns with the cooperative's long-term financial forecast. Ms. Johnson emphasized the importance of continued investment in system reliability, cybersecurity, and infrastructure while maintaining the cooperative's financial position. President Schneider commended the work of

Mr. Siepker and staff, noting the budget appeared well thought out and pragmatic. The board will take action regarding the 2027 capital budget in November.

Ms. Beery and Mr. Van Pelt led a discussion of proposed board policy revisions resulting from the Board Policy Committee's annual policy review earlier this fall. Following discussion and a question by Mr. Schweitzer regarding policy language, the board expressed support for the proposed policy amendments without further revisions. Motion by Mr. Lautner, supported by Mr. Schweitzer, and carried to approve board policies #100, #111, #112, #114, #207, and #209 as presented. The board engaged in further discussion regarding potential bylaw amendments. The committee will present its recommended bylaw amendments to the full board later this year. On behalf of the Board Policy Committee, Ms. Lautner expressed appreciation for the work of Ms. Beery, Ms. Johnson, and Mr. Hanselman in organizing and simplifying the review process.

The board recessed for a break at 10:08 a.m. and reconvened at 10:19 a.m.

The September board report and August financials were discussed.

Mr. Siepker provided an update on the new headquarters project, indicating that site work continues, with grading nearly complete. Temporary power has been installed, and the project trailer and project manager are onsite. Mr. Siepker anticipates foundation work to begin in the coming weeks with structural steel expected to arrive in December. Plans are underway for interiors and furniture, with bid packages expected to be distributed next month.

The general counsel report was reviewed and discussed.

Ms. Johnson discussed her CEO report. She provided an update on the Economic Development Loan Program, including two prospective loan inquiries. Ms. Johnson also highlighted recent community presentations and media engagements regarding increasing electric demand, power supply capacity, and the potential impact of large loads. She discussed ongoing work with Wolverine on power supply and rate stabilization. Finally, she provided an update on advocacy efforts surrounding the proposed ballot initiative affecting political contributions, including ongoing coordination with MECA and legal counsel.

The proposed 2027 board meeting calendar was discussed. Motion by Mr. Schweitzer, supported by Ms. Lautner, and carried to approve the 2027 board meeting dates as presented.

The cooperative's 2025 Form 990 was presented for approval. The board engaged in brief discussion regarding best practices for reporting director hours logged. Motion by Mr. Adams, supported by Mr. Van Pelt, and carried to approve the 2025 Form 990 as presented.

At 10:54 a.m. the board entered Executive Session to discuss power supply. Motion by Mr. Adams, supported by Mr. Lautner, and carried to enter Executive Session.

At 11:14 a.m. the board ended Executive Session by motion of Ms. Lautner, supported by Mr. Adams, and carried.

Wolverine Power Cooperative matters were discussed.

President Schneider provided an update on MECA, including preparations for the upcoming annual meeting and anticipated discussions regarding the association's budget, safety programming, and member dues.

A director representative and manager representative were needed for the MECA Board. Motion by Mr. Lautner, supported by Mr. Schweitzer, and carried to nominate Gabe Schneider as Cherryland's Director representative. Motion by Mr. Lautner, supported by Mr. Van Pelt, and carried to nominate Ms. Johnson as Cherryland's Manager representative.

A voting delegate was needed for the 2026 MECA Annual Meeting. Motion by Mr. Van Pelt, supported by Ms. Lautner, and carried to appoint Gabe Schneider as voting delegate for same.

Board member updates were discussed, including director travel plans for 2027.

At 11:29 a.m. the board entered Executive Session to discuss the CEO contract. Motion by Mr. Adams, supported by Mr. Van Pelt, and carried to enter Executive Session.

At 11:35 a.m. the board ended Executive Session by motion of Mr. Adams, support by Mr. Van Pelt, and carried.

There being no further business to come before the board, it was moved to adjourn, supported, and carried. Meeting adjourned at 11:37 a.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.