

**MINUTES**  
**SOUTHSIDE ELECTRIC COOPERATIVE**  
**SPECIAL CALLED MEETING OF THE BOARD OF DIRECTORS**  
**APRIL 28, 2021 @ 3:30 P.M.**  
**WEBEX MEETING**

**PRESENT:** Frank W. Bacon (Chair)  
Earl C. Currin, Jr. (Vice Chair)  
Paul S. Bennett (Secretary)  
Charles J. Friedl (Treasurer)  
Brenda H. Johnson  
Kristie Martin-Wallace  
Clive C. Pettis, Sr.  
Sarah W. Saunders  
  
Frank F. Rennie (General Counsel)  
Christine Marston (Minute Taker)

**STAFF:** Jeffrey S. Edwards, President/CEO  
Jason Loehr, VP of Finance & Corporate Services

Dr. Frank Bacon presided.

**MEETING CALLED**

On motion made and seconded:

**The Board approved the call for a Special Board Meeting.**

**MOTION CARRIED**

**MORATORIUM RELIEF**

1. A resolution was prepared by the Virginia, Maryland & Delaware Association of Electric Cooperatives (VMDAEC) for each cooperative to execute. These resolutions will be filed jointly on behalf of all the cooperatives in the VMDAEC to give relief from the moratorium based on the 1% threshold.
2. Due to the moratorium, the Cooperative has seen a substantial increase in arrearages, which amounts to approximately \$4.0 million in the last 12 months:
  - a. 30 days - approximately \$1.9 million in arrears
  - b. 60 days - approximately \$700,000 in arrears
  - c. 90 days - approximately \$1.3 million in arrears
  - d. Historically arrearages were \$100,000 pre-moratorium
3. Currently there are 225 accounts that have balances due over \$2,000, there are a handful that are exceeding \$5,000. There have been 250 new accounts added since January with no payments being made.

4. Arrearages are 10 times higher than the Cooperative's historical when disconnecting services.
5. SEC arrearages have exceeded 3% of our 2020 jurisdictional revenue.
6. Seeking approval of the Resolution in order to obtain relief from the disconnect moratorium which will be filed with the State Corporation Commission (SCC) along with all the other VMDAEC cooperatives.
7. The CEO group is also in the process of developing standardization for payment arrangements so that all cooperatives are behaving in the same manner.
8. Tentative start date is June 1, 2021.

On motion made and seconded:

**"The Moratorium Relief Resolution is approved as presented."**

**MOTION CARRIED**

#### **EMERGENCY BYLAW AMENDMENTS**

1. Article III
  - a. Amendments will allow SEC to conduct the annual meeting in 2021.
  - b. Section 1. Annual Meeting – SEC annual meeting of members will be held September 25, 2021 at a place directed by the Board. Attendance by members will be based upon state and local government directives, as well as SEC's policy to protect the member and SEC staff during the ongoing pandemic.

The Annual meeting of the members will be a business meeting only, with no in-person voting for election of Directors. Voting will occur in a manner approved by the Board and will be published through the Cooperative Living magazine, the SEC website and other correspondence to members.
  - c. Section 4. Quorum – The Bylaw regarding quorum at the annual meeting is hereby amended to reflect that the quorum for the 2021 annual meeting may be established by the Board of Directors at any time prior to the commencement of the annual meeting.
  - d. Section 6. Proxies – At the September 2021 meeting of members, or at any subsequent meeting of members where voting will be solely conducted by proxy, a member may vote by proxy executed in written or printed form bearing the signature of the member. Such proxy shall be delivered to the organization designated by the Board for receiving, counting and certifying the election results. Delivery shall occur by a date designated by the Board to allow processing of the votes prior to the annual meeting.
  - e. Section 8. Order of Business. The order of business at the 2021 annual meeting of members shall be as follows:

- Report on the number of members present in person and by proxy in order to determine the existence of a quorum.
  - Reading of the notice of the meeting and proof of the due delivery thereof of the waiver or waivers of notice of the meeting as the case may be.
  - Readings of unapproved minutes of previous meetings of members and the taking of necessary action thereon.
  - Presentation of reports of officers and directors.
  - Adjournment.
- f. These Bylaw amendments will expire upon (i) completion of the 2021 meeting of members, (ii) a declaration of the Board that an emergency or crisis no longer exists and (iii) there being no restrictions on in-person attendance at an annual member meeting.
- g. There will be no Q&A session due to COVID restrictions.
- h. Amendments to be posted as far in advance as possible.
- i. Enact amendments by motion.

On motion made and seconded:

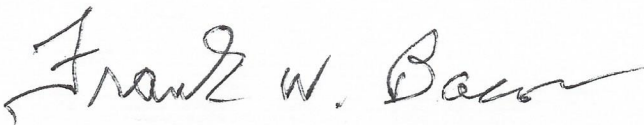
**Amendments to the Cooperative Bylaws as presented and recommended are approved.**

**Motion Carried**

**DIRECTOR COMMENTS/CONCERNS & ADJOURNMENT**

The Cooperative received another batch of interrogatories from the Finance & Audit Division of the SCC. Questions asked have already been answered but they are asking for additional detail. This process with the SCC is more of a post-storm audit than an interrogatory.

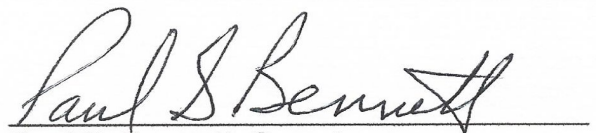
There being no further business to discuss, the meeting adjourned at 3:54 p.m. The next meeting of the Board of Directors will be Thursday, May 20, 2021 at 1:30 p.m. in the Central District Training Center of SEC.



Frank W. Bacon, Chair



Christine Marston, Minute Taker



Paul S. Bennett, Secretary

# SOUTHSIDE ELECTRIC COOPERATIVE RESOLUTION

*To Seek Relief from the Moratorium on Residential Disconnections for Nonpayment*

**WHEREAS**, the Board of Directors of Southside Electric Cooperative has reviewed the current state of accounts in arrears in light of the COVID-19 pandemic and heard from the Cooperative's management regarding the same;

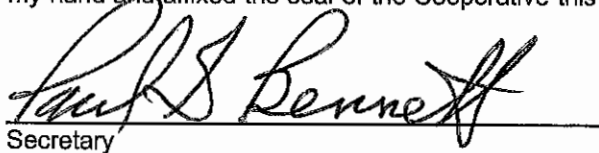
**AND WHEREAS**, the Board of Directors, after appropriate discussion and consideration of local economic conditions, the membership's large and increasing debt burden resulting from the legislatively-mandated moratorium, review of the cooperative's current financial conditions and member's rising arrearage balances, and the general and equitable impacts of COVID-19 on the Cooperative and its member-consumers, has determined, after advice from management and counsel, that a return to normal operations for purposes of disconnections for nonpayment is in the best interests of the Cooperative and its members;

**NOW, THEREFORE, BE IT RESOLVED**, that the Board of Directors of Southside Electric Cooperative, shall seek relief from any moratorium imposed by law and directs management to take such action as may be necessary and prudent to obtain such relief. With compassion and concern for those member-consumers whose health or economic well-being has been adversely impacted by the pandemic, the Board further directs management to make available payment arrangements to affected member-consumers. Specifically, the Board directs management and counsel to make an informational letter notice filing at the State Corporation Commission ("Commission"), as contemplated by Enactment Clause 7(e) of Item 4-14 of House Bill 5005, and to take such further action as may be necessary or appropriate to carry out the purposes of this Resolution.

## CERTIFICATE OF SECRETARY

I, Paul S. Bennett, do hereby certify that: I am the Secretary of the Southside Electric Cooperative (hereinafter called the "Cooperative"); the foregoing resolution is a true and correct copy of the resolution entered in the original minutes of the Minute Book of the Cooperative at a regular monthly meeting of the Board of Directors held on the 28th day of April, 2021; the meeting was properly noticed; a quorum was present and acted throughout; and, that none of the wording contained in the above copy has been rescinded or modified.

**IN WITNESS WHEREOF**, I have hereunto set my hand and affixed the seal of the Cooperative this 28th day of April, 2021.

  
Secretary

(SEAL)