



## Official Proposed Changes to the Code of Regulations

The Paulding Putnam Electric Cooperative Board of Trustees periodically reviews the Code of Regulations to ensure they are meeting the needs of the organization and the members. **Due to the Covid-19 pandemic and resulting social distancing requirements, the board has identified several changes needed to ensure operations can continue in a more electronic or virtual environment.** As a result, the other proposed changes are necessary to provide continuity throughout the Code.

Each recommended change will show the current language, the current language with deletions ~~having a strikethrough~~ and **additions underlined in red**, and then the final language. A brief **highlighted summary is included to explain why this change is recommended by the board.**

Your Board has reviewed all nine (9) proposed changes and recommends the membership approve the changes. The complete Code of Regulations can be viewed online at [www.PPEC.coop](http://www.PPEC.coop), or members can request a copy by mail. Please call our office at 800-686-2357 with any questions.

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### Change #1: Article II, Section 2, Special Meetings

#### **Current Language:**

##### **Section 2. Special Meetings.**

Special meetings of the members may be called by resolution of the Board of Trustees or upon a written request signed by at least ten per centum (10%) of all members and it shall thereupon be the duty of the Secretary to cause notice of such meeting to be given as hereinafter provided. Special meetings of the members may be held at any place within the County of Paulding, in the state of Ohio, specified in the notices of the special meeting.

#### **Recommended Change:**

##### **Section 2. Special Meetings.**

Special meetings of the members may be called by resolution of the Board of Trustees or upon a written request signed by at least ten per centum (10%) of all members and it shall thereupon be the duty of the Secretary to cause notice of such meeting to be given as hereinafter provided. Special meetings of the members ~~may~~ **shall** be held, **in person**, at any place within the County of Paulding, in the state of Ohio, specified in the notices of the special meeting.

**Final Language:**

**Section 2. Special Meetings.**

Special meetings of the members may be called by resolution of the Board of Trustees or upon a written request signed by at least ten per centum (10%) of all members and it shall thereupon be the duty of the Secretary to cause notice of such meeting to be given as hereinafter provided. Special meetings of the members shall be held, in person, at any place within the County of Paulding, in the state of Ohio, specified in the notices of the special meeting.

**Reason for Change:**

*The Board understands many meetings are being held virtually. However, there is a strong belief that if a special meeting is to be called, it should also be held in person.*

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## **Change #2: Article II, Section 4, Quorum**

**Current Language:**

**Section 4. Quorum.**

At least five per centum (5%) of the total number of members or minimum of 300 members present in person or represented by proxy shall constitute a quorum for the transaction of business of all meetings of the members. In case of a joint membership the presence at a meeting of either husband or wife, or both, shall be regarded as the presence of one member. If less than a quorum is present at any meeting, a majority of those present in person or represented by proxy may adjourn the meeting from time to time without further notice.

**Recommended Change:**

**Section 4. Quorum.**

At least five per centum (5%) of the total number of members or minimum of 300 members present in person or represented by proxy shall constitute a quorum for the transaction of business of all meetings of the members. In case of a joint membership, the presence at a meeting of either husband or wife, or both, shall be regarded as the presence of one member. If less than a quorum is present at any meeting, a majority of those present in person or represented by proxy may adjourn the meeting from time to time without further notice. In the event the annual meeting is held via teleconference, video conference, or other electronic means, the requirements for holding an annual meeting shall be deemed met and a majority of board members present may approve prior meeting minutes and adjourn the meeting.

**Final Language:**

**Section 4. Quorum.**

At least five per centum (5%) of the total number of members or minimum of 300 members present in person or represented by proxy shall constitute a quorum for the transaction of business of all meetings of the members. In case of a joint membership the presence at a meeting of either husband or wife, or both, shall be regarded as the presence of one member. If less than a quorum is present at any meeting, a majority of those present in person or represented by proxy may adjourn the meeting from time to time without further notice. In the event the annual meeting is held via teleconference, video conference or other electronic means the requirements for holding an annual meeting shall be deemed met and a majority of board members present may approve prior meeting minutes and adjourn the meeting.

**Reason for Change:** *The Board wants to ensure the quorum requirements are met regardless of whether the meeting is held virtually or in person.*

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## Change #3: Article II, Section 7, Order of Business

### **Current Language:**

#### **Section 7. Order of Business.**

The order of business at the Annual Meeting of the members, and so far as possible at all other meetings of the members, shall be essentially as follows:

1. Call of roll
2. Reading of the notice of the meeting and proof of the due publication or mailing thereof, or the waiver or waivers of notice of the meeting as the case may be.
3. Reading of unapproved minutes of previous meetings of the members and the taking of necessary action thereon.
4. Presentation and consideration of, and acting upon, reports of officers, trustees, and committees.
5. Results of Trustee Election
6. Unfinished business.
7. New business.
8. Adjournment.

### **Recommended Change:**

#### **Section 7. Order of Business.**

The order of business at the Annual Meeting of the Members, and so far as possible at all other meetings of the members, whether in person or by electronic means, shall be essentially as follows:

1. ~~Call of roll~~ Acknowledgement of proper notice requirements for the meeting or any waivers of notice.
2. ~~Reading of the notice of the meeting and proof of the due publication or mailing thereof, or the waiver or waivers of notice of the meeting as the case may be.~~
3. ~~2.~~ Reading of unapproved Review of minutes of previous meetings of the members and the taking of necessary action thereon.
4. ~~3.~~ Presentation and consideration of, and acting upon, reports of officers, trustees, and committees.
5. ~~4.~~ Results of Trustee Election Presentation of election results, if any.
6. ~~Unfinished business.~~
7. ~~5.~~ New business. Discussion of any other business that may legally be presented.
8. ~~6.~~ Adjournment.

The annual meeting of the members shall be generally considered an informational meeting where election results are reported, and the general economic condition of the cooperative is presented to the membership.

### **Final Language:**

#### **Section 7. Order of Business.**

The order of business at the annual meeting of the members, and so far as possible at all other meetings of the members, whether in person or by electronic means, shall be essentially as follows:

1. Acknowledgement of proper notice requirements for the meeting or any waivers of notice.

2. Review of minutes of previous meetings of the members and taking any action necessary.
3. Presentation of reports from the board officers, trustees, committees and management.
4. Presentation of election results, if any
5. Discussion of any other business that may legally be presented.
6. Adjournment

The annual meeting of the members shall be generally considered an informational meeting where election results are reported, and the general economic condition of the cooperative is presented to the membership.

**Reason for Change:**

*The Board understands that as more meetings are held in a virtual environment, it is necessary to change how business is conducted. The board strongly thinks the revised agenda format better reflects how future meetings will be conducted.*

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## **Change #4: Article III, Section 5, Compensation**

**Current Language:**

**Section 5. Compensation.**

Trustees as such shall not receive any salary for their services, however, by resolution of the board, trustees shall be reimbursed actual, verifiable expenses and a per diem for each day of board authorized attendance while representing the Cooperative.

**Recommended Change:**

**Section 5. Compensation.**

Trustees as such shall not receive any salary for their services; however, by resolution of the Board, trustees shall be reimbursed actual, verifiable expenses and a per diem **or stipend** for ~~each day~~ of board authorized **or required** attendance while representing the Cooperative.

**Final Language:**

**Section 5. Compensation.**

Trustees as such shall not receive any salary for their services; however, by resolution of the Board, trustees shall be reimbursed actual, verifiable expenses and a per diem or stipend for board authorized or required attendance while representing the Cooperative.

**Reason for Change:**

*The Board understands that a potential future need for online meetings and virtual attendance, the term "per diem" may be confusing or inaccurate. By adding "stipend," the language is more accurate. Further, all trustees are required to obtain certain educational certifications, so adding "or required" to the section covers these certifications.*

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## **Change #5: Article IV, Section 1, Regular Meetings**

**Current Language:**

**Section 1. Regular Meetings.**

A regular meeting of the Board of Trustees shall be held without notice other than this Code of Regulations, immediately after, and at the same place as, the Annual Meeting of the members. A regular meeting of the Board of Trustees shall also be held monthly at such time and place as the Board of Trustees may provide by resolution. Such regular monthly meetings may be held without notice other than such resolution fixing the time and place thereof. Any trustee that fails to attend at least nine (9) regular meetings within any twelve-month period, without approval of the full Board of Trustees, shall be considered to have resigned their position as trustee and a vacancy shall be declared in that district.

**Recommended Change:****Section 1. Regular Meetings.**

A regular meeting of the board of trustees shall be held monthly, or at other such intervals, and at such time and place, in person or by teleconference, video conference, or other electronic means, as the board of trustees may provide or authorize by resolution. Such regular monthly meetings may be held without notice other than such resolution fixing the time and place thereof. Any trustee who fails to attend at least nine (9) regular meetings or seventy-five percent (75%) of the regular meetings held within any twelve (12) month period, without approval of the full board of trustees, shall be considered to have resigned their position as trustee and a vacancy shall be declared in that district.

**Final Language:****Section 1. Regular Meetings.**

A regular meeting of the Board of Trustees shall be held without notice other than this Code of Regulations, immediately after, and at the same place as, the Annual Meeting of the members. A regular meeting of the Board of Trustees shall be held monthly, or at other such intervals, and at such time and place, in person or by teleconference, video conference or other electric means, as the Board of Trustees may provide or authorize by resolution. Such regular monthly meetings may be held without notice other than such resolution fixing the time and place thereof. Any trustee that fails to attend at least nine (9) regular meetings within any twelve-month period, without approval of the full Board of Trustees, shall be considered to have resigned their position as trustee and a vacancy shall be declared in that district.

**Reason for Change:**

*The Board understands that future board meetings may need to be held virtually. These additions ensure the Code allows for board meetings to be held in a virtual manner.*

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## Change #6: Article III, Section 1, General Powers

**Current Language:****Section 1. General Powers.**

The business and affairs of the Cooperative shall be managed by a board of nine (9) trustees which shall exercise all of the powers of the Cooperative except such as are by law or by the Articles of Incorporation of the Cooperative or by this Code of Regulations conferred upon or reserved to the members. The territory served by the Cooperative shall be divided by the Board of Trustees, into nine (9) districts which shall be established so as to give equitable representation of the Board of Trustees to the geographical areas served or to be served by the Cooperative.

**Recommended Change:**

**Section 1. General Powers.**

The business and affairs of the cooperative shall be managed by a board of nine (9) trustees which shall exercise all of the powers of the cooperative except such as are by law or by the Articles of Incorporation of the cooperative or by this Code of Regulations conferred upon or reserved to the members. The territory served by the cooperative shall be divided by the Board of Trustees, into nine (9) districts which shall be established so as to give equitable representation of the Board of Trustees to the geographical areas served or to be served by the cooperative. Any reference to Board of Directors or Directors shall refer to the Board of Trustees or Trustees, respectively.

**Final Language:**

**Section 1. General Powers.**

The business and affairs of the Cooperative shall be managed by a board of nine (9) trustees which shall exercise all of the powers of the Cooperative except such as are by law or by the Articles of Incorporation of the Cooperative or by this Code of Regulations conferred upon or reserved to the members. The territory served by the Cooperative shall be divided by the Board of Trustees, into nine (9) districts which shall be established so as to give equitable representation of the Board of Trustees to the geographical areas served or to be served by the Cooperative. Any reference to Board of Directors or Directors shall refer to the Board of Trustees or Trustees, respectfully.

**Reason for Change:**

*The Board recognizes many organizations use the term "Directors." In fact, our national association and statewide organizations use the term "directors." Many legal forms used have references to "Directors" as opposed to "Trustees." This change allows the terms to be used interchangeably.*

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## **Change #7: Article IV, Section 5, Manner of Acting**

**Current Language:**

**Section 5. Manner of Acting.**

The act of the majority of the trustees present at a meeting at which a quorum is present shall be the act of the Board of Trustees.

**Recommended Change:**

**Section 5. Manner of Acting.**

Unless otherwise stated in the Code of Regulations or provided by law, ~~T~~the act of the majority of the trustees present at a meeting at which a quorum is present shall be the act of the Board of Trustees.

**Final Language:**

**Section 5. Manner of Acting.**

Unless otherwise stated in the Code of Regulations or provided by law, the act of the majority of the trustees present at a meeting at which a quorum is present shall be the act of the Board of Trustees.

**Reason for Change:**

*Simply put, this section of the Code conflicts with Article X. Within Article X, there is a requirement for a two-thirds trustee vote. This change will provide clarity and consistency.*

## Change #8: Article V, Section 11, Compensation

### Current Language:

#### **Section 11. Compensation.**

The compensation, if any, of any officer, agent or employee who is also a trustee or close relative of a trustee shall be determined by the members, as provided elsewhere in this Code of Regulations, and the powers, duties and compensation of any other officers, agents and employees shall be fixed by the Board of Trustees.

### Recommended Change:

#### **Section 11. Compensation.**

~~The compensation, if any, of any officer, agent or employee who is also a trustee or close relative of a trustee shall be determined by the members, as provided elsewhere in this Code of Regulations, and~~ **T**he powers, duties and compensation of any other officers, agents and employees shall be fixed by the Board of Trustees.

### Final Language:

#### **Section 5. Manner of Acting.**

The powers, duties and compensation of any other officers, agents and employees shall be fixed by the Board of Trustees.

### **Reason for Change:**

*The Board noted some confusion between this article and Article III, Section 2, Qualifications. The qualifications prohibit close relatives from being trustees, officers and/or employees. The first part of this section should be deleted while the remaining section regarding board approval of compensation should remain.*

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## Change #9: Article III, Section 2, Elections and Tenure of Office

### Current Language:

#### **Section 2. (a) Elections and Tenure of Office.**

Trustees shall be elected by the members of the district in which they reside; and serve for a term of three (3) years. Each member (or joint member, as defined) shall be entitled to one vote for a candidate in the district where an election is to be held and where their membership is situated. Elections will be held in three (3) of the cooperative's nine (9) districts each year. The qualified nominee (as defined in Section 2. Paragraph (b) Qualifications) receiving the highest number of votes shall be declared elected; in the event of only one Nominating Petition being submitted for a district from which a trustee is to be elected, that member (nominee) shall be considered elected by affirmation and no election shall be deemed necessary.

### Recommended Change:

#### **Section 2. (a) Elections and Tenure of Office.**

Trustees shall be elected by the members of the district in which they reside; and serve for a term of three (3) years or until their successor has been elected and qualified. Each member (or joint member, as defined) shall be entitled to one vote for a candidate in the district where an election is to be held and where their membership is situated. Elections will be held in three (3) of the cooperative's nine (9) districts each year. The qualified nominee (as defined in Section 2. Paragraph (b) Qualifications) receiving the highest number of votes shall be declared elected; in the event of only one Nominating Petition being submitted for a district from which a trustee is to be elected, that member (nominee) shall be considered elected by affirmation and no election shall be deemed necessary.

**Final Language:**

**Section 2. (a) Elections and Tenure of Office.**

Trustees shall be elected by the members of the district in which they reside; and serve for a term of three (3) years or until their successor has been elected and qualified. Each member (or joint member, as defined) shall be entitled to one vote for a candidate in the district where an election is to be held and where their membership is situated. Elections will be held in three (3) of the cooperative's nine (9) districts each year. The qualified nominee (as defined in Section 2. Paragraph (b) Qualifications) receiving the highest number of votes shall be declared elected; in the event of only one Nominating Petition being submitted for a district from which a trustee is to be elected, that member (nominee) shall be considered elected by affirmation and no election shall be deemed necessary.

**Reason for Change:**

*The Board recognizes that due to situations like the Covid-19 pandemic, the annual meeting and director elections could possibly be delayed. Several co-ops nationwide experienced this last year. This change would allow an existing trustee to continue serving if the election were delayed for some unforeseen reason.*