

Horry Electric Cooperative, Inc.

www.horryelectric.com

Main Office

P.O. Box 119
Conway, SC 29528-0119

Conway Office: 369-2211

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(to report power outages only)

369-2212

Board of Trustees

Johnny M. Shelley
President

James P. "Pat" Howle
Executive Vice President and CEO

Eugene Harriott, Jr.
Vice President

Ashley Anderson
Secretary/Treasurer

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Bobby E. Jordan

Franklin C. Blanton

Ronald H. Floyd

Henry W. Boyd

Frederick 'Freddy' Thompkins

Co-op Connection Editor

Penelope D. Hinson
penelope.hinson@horryelectric.com

Horry Electric Cooperative, Inc. is a non-profit, member-owned organization providing information and energy-related services on a fair and equitable basis.



Your Touchstone Energy® Partner

The time has come

Annual Meeting just days away

THIS EDITION OF *South Carolina Living* includes a special outer wrap that includes all of the details you need



to prepare for the Annual Meeting of Members. Watch for your Official Notice Registration postcard to arrive in the mail soon.

Please remember that only members who register, in person, to participate in the

Annual Meeting of Members between the hours of noon and 7 p.m. on Tuesday, May 14, are eligible to receive the \$25 electric bill credit.

You'll need your Official Notice Registration postcard, some form of photo identification and a little bit of patience. The registration lines can be long, but the process goes a lot faster and runs much more smoothly when you have your postcard and identification ready when you get to the front of the line.

We need you to be there

The Annual Meeting is important. It's one of the best examples of how your membership matters. For us, it's an opportunity to report our status, share our progress and announce future plans. We also get to meet members face to face rather than through voice, electronic or written communications.

For you, it's an opportunity to proactively participate in the business meeting of your electric cooperative.

Horry Electric's bylaws require a

quorum—equal to 5 percent of the membership—in order to conduct an official business meeting. With a preliminary estimate of 54,676 members of Horry Electric on Annual Meeting Day, that means we'll need to have a minimum of 2,734 members register. If we fail to meet that number, then we won't be able to do business.

Don't forget

Attendance records are expected to be broken at our new meeting location. More members means more traffic. Not wanting traffic concerns to discourage members from coming, the board of trustees has removed the requirement that keeps people there until the last winning ticket is called in the prize drawing.

Effective in 2013, members no longer have to be present at the time of the prize drawing in order to win.

Each member who registers, in person, at the meeting during the designated hours for Registration, will not only qualify to get the Registration Gift, but will also be automatically entered into the prize drawing.

Winners, if they are not present, will be notified by phone the following day.

We'll see you May 14!

James P. "Pat" Howle
Executive Vice President and CEO

Official notice of Annual Meeting

THE ANNUAL BUSINESS MEETING of the members of Horry Electric Cooperative, Inc., will be held at the HTC Center at Coastal Carolina University (CCU) on Tuesday, May 14, at 7 p.m. The HTC Center is located at 104 Founders Drive, Conway, South Carolina. Action will be taken on the following matters:

- ▶ The report of Officers, Trustees and Committees
- ▶ The election of Trustees
- ▶ All other business which may come before the meeting of members.

Registration at the Annual Meeting begins at 12 noon and each Cooperative member is urged to be

present and take part in the meeting.

Each member who registers will receive a \$25 credit on his or her electric bill. **ONLY THOSE WHO REGISTER, IN PERSON, AT THE ANNUAL MEETING BETWEEN THE HOURS OF NOON AND 7 P.M. ARE ELIGIBLE TO RECEIVE THE REGISTRATION GIFT.**

Members who register at the Annual Meeting will be automatically entered into the prize drawing and **DO NOT** have to be present at the time of the drawing to win!



Ashley Anderson, Secretary-Treasurer

Grand prize 1999 Ford Explorer



Other Prizes:

\$500.....	First
\$400.....	Second
\$200.....	Third
\$100.....	Fourth

PLUS,
drawings for more
than 50 door prizes!

Registered members **DO NOT** have
to be present at the time of the
prize drawing to **WIN!**

Annual Meeting program

12-7 p.m.....	Registration
3-7 p.m.....	Entertainment
7 p.m.....	Business Meeting
	Prize Drawing
	Adjournment



Registration gift

\$25

Credit on Electric Bill

Only those who register, in person, to participate in the Annual Meeting of Members of Horry Electric Cooperative, Inc., between the hours of noon and 7 p.m., on Tuesday, May 14, at the HTC Center at Coastal Carolina University are eligible to receive the Annual Meeting Registration Gift.

**ABSOLUTELY
NO EXCEPTIONS!**

IMPORTANT!! **THIS IS YOUR REGISTRATION CARD**

Only those who register in person, at the Annual Meeting between the hours of noon and 7 p.m. are eligible to receive the registration gift.

Bring this notice and a photo ID to the Annual Meeting, May 14, to be eligible to register and receive the \$25 credit on your electric bill.

12 noon - 7 P.M. REGISTRATION

Directions to the Annual Meeting
From Highway 54 or Highway 501, access the Coastal Carolina University Campus via University Blvd. (highlighted in red). Watch for Horry Electric signs posted and employees stationed on University Blvd.

Don't miss this year's Annual Meeting, May 14, 2013 at the HTC Center at Coastal Carolina University!



OFFICIAL NOTICE OF 2013 ANNUAL MEETING

The Annual Meeting of the members of Horry Electric Cooperative, Inc. will be held at the HTC Center at Coastal Carolina University on Tuesday, May 14, 2013 at 7 p.m., to take action upon the following matters:

1. The Report of Officers, Trustees and Committees.
2. The election of Trustees.
3. All other business which may come before the meeting of members.

Ashley Anderson
Ashley Anderson
Secretary-Treasurer

Additional details are available in the May edition of South Carolina Living or at www.horryelectric.com

New Location
HTC Center
at COASTAL CAROLINA UNIVERSITY

ENTERTAINMENT
Bryan Pittman
ELVIS
3-7 p.m.

You DO NOT have to be present to win!

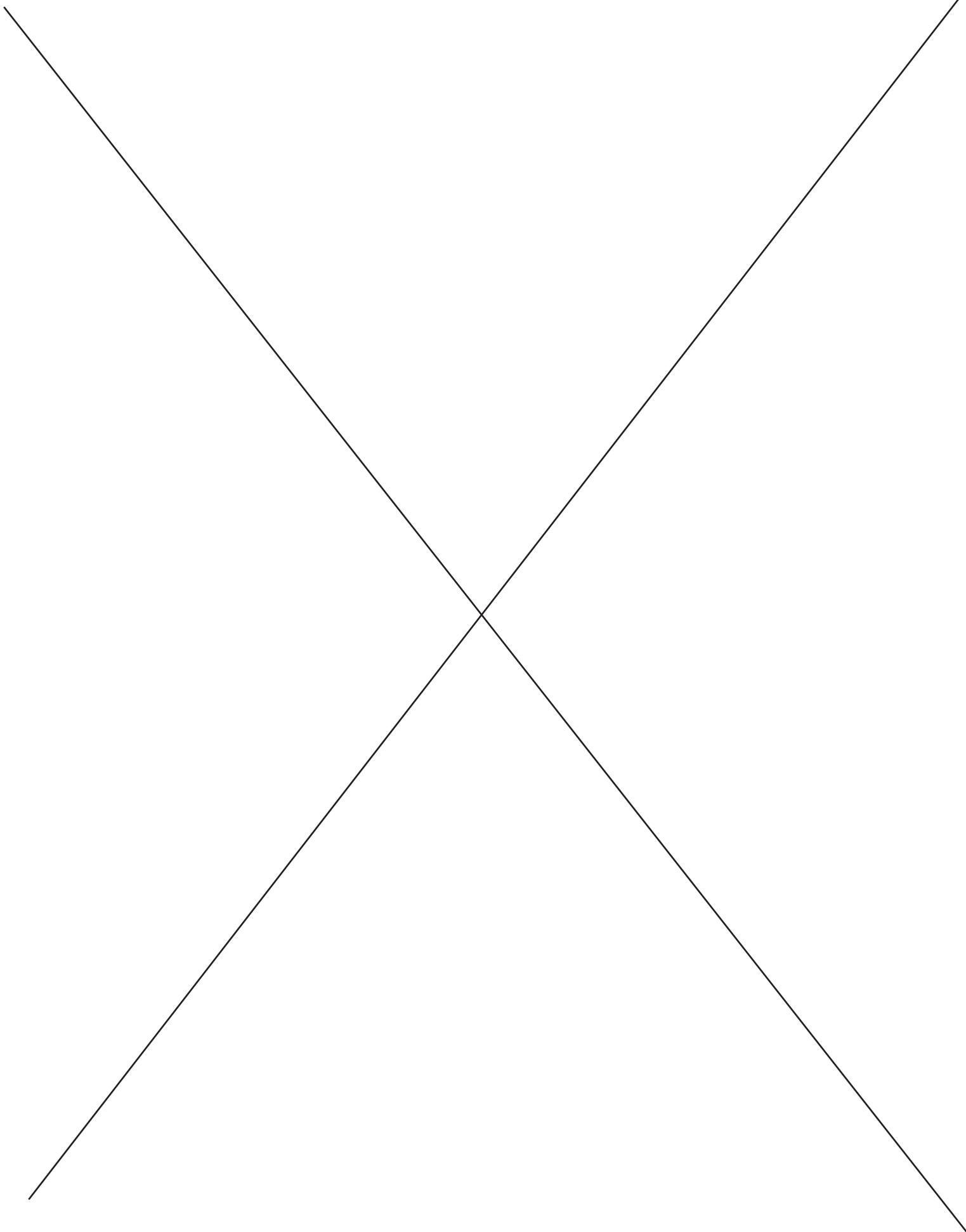


This year's lucky grand prize winner will win a 1999 Ford Explorer!

ELECTION OF TRUSTEES

DISTRICT 1 Elaine Gore (Incumbent)	DISTRICT 5 Ronald Floyd (Incumbent)	DISTRICT 7 Ashley Anderson (Incumbent)
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IMPORTANT! Registration lines will be long, but the process will move a lot more quickly if you are prepared with your Official Notice Postcard and a photo ID.



Horry Financial View

ASSETS

UTILITY PLANT

Electric plant in service—at cost	\$ 297,889,580
Construction work in progress	1,731,844
Gross utility plant	<u>299,621,424</u>
Less: accumulated provision for depreciation	<u>69,866,822</u>
Utility plant—net	<u>\$229,754,602</u>

OTHER PROPERTY AND INVESTMENTS

Investment in associated organizations	\$ 8,742,880
Other investments	<u>860,135</u>
Total other property investments	<u>\$ 9,603,015</u>

CURRENT ASSETS

Cash and cash equivalents	\$ 26,307,285
Accounts receivable	6,807,885
Accounts receivable—other	722,097
Materials and supplies	3,175,401
Other	<u>4,363,976</u>
Total current and accrued assets	<u>\$ 41,376,644</u>

DEFERRED DEBITS	<u>\$ 504,039</u>
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TOTAL ASSETS	<u>\$281,238,300</u>
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Horry Electric Cooperative, Inc.

Your Touchstone Energy® Partner
The power of human connections



EQUITIES AND LIABILITIES

EQUITIES

Membership fees	\$ 270,760
Patronage capital	71,038,050
Other equities	8,386,299
Total equities	<u>\$ 79,695,109</u>

LONG-TERM DEBT

RUS	\$ 64,149,398
FFB	87,219,881
CFC	<u>20,552,481</u>
Total long-term debt	<u>\$171,921,760</u>

OTHER NONCURRENT LIABILITIES

Accumulated operating provision	<u>\$ 1,301,439</u>
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CURRENT LIABILITIES

Current maturities of mortgage notes	\$ 6,570,852
Accounts payable	13,499,879
Consumer deposits	4,354,428
Accrued and withheld taxes	0
Other current and accrued liabilities	<u>3,894,833</u>
Total current liabilities	<u>\$ 28,319,992</u>

TOTAL EQUITIES AND LIABILITIES	<u>\$281,238,300</u>
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What we took in:	\$ 133,137,407
What we paid out:	<u>127,651,307</u>
Patronage capital and operating margins	5,486,100
Other income and equity	<u>2,497,461</u>
WE HAD LEFT:	<u>\$ 7,983,561</u>

Comparative operating statistics

GROWTH

	2012	2011	2010	2009	2008	2007	2006	2005
Average kwh per residential member per month	1,144	1,289	1,343	1,235	1,255	1,284	1,290	1,373
Average residential bill per month	\$147.44	\$153.29	\$157.96	\$146.97	\$137.62	\$127.26	\$130.35	\$133.38
Consumers on system	67,993	66,816	65,864	65,173	63,843	62,252	59,188	54,776
Miles of line	4,956	4,925	4,893	4,856	4,804	4,689	4,514	4,366
Average cost per kwh sold (cents)	12.8	11.8	11.7	11.8	10.9	9.8	10.0	9.6

EXPENSES

Wholesale power	64%	66%	68%	65%	63%	62%	64%	63%
Operating maintenance and general expenses	19%	17%	16%	18%	19%	20%	20%	21%
Depreciation	8%	8%	7%	8%	8%	8%	7%	7%
Interest	8%	8%	8%	8%	9%	9%	8%	8%
Taxes	<u>1%</u>							
Total	100%	100%	100%	100%	100%	100%	100%	100%

Horry Electric Cooperative, Inc.

Statement of nondiscrimination

Horry Electric Cooperative, Inc. is the recipient of Federal financial assistance from the Rural Utilities Service, an agency of the U.S. Department of Agriculture, and is subject to the provisions of Title VI of the Civil Rights Act of 1964, as amended, Section 504 of the Rehabilitation Act of 1973, as amended, the Age Discrimination Act of 1975, as amended, and the rules and regulations of the U.S. Department of Agriculture, which provide that no person in the United States on the basis of race, color, national origin, sex, religion, age, or disability shall be excluded from participation in, the admission or access to, denied benefits of, or otherwise be subjected to discrimination under any of this organization's programs or activities.

The person responsible for coordinating this organization's nondiscrimination compliance efforts is Abigail Lewis, human resources coordinator. Any individual, or specific class of individuals, who feels that this organization has subjected them to discrimination may obtain further information about the statutes and regulations listed above from and/or file a written complaint with this organization; or write USDA, director, Office of Civil Rights, 1400 Independence Avenue, SW, Washington, DC 20250-9410; or call, toll free, (866) 632-9992 (voice). TDD users can contact USDA through local relay or the Federal relay at (800) 877-8399 (TDD) or (866) 377-8642 (relay voice users). USDA is an equal opportunity provider and employer. Complaints must be filed within 180 days after the alleged discrimination. Confidentiality will be maintained to the extent possible.



Your Touchstone Energy® Partner

Board of Trustees



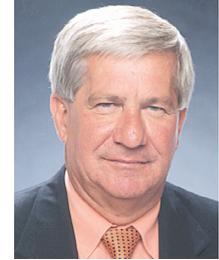
W. T. Johnson Jr.
Attorney



Elaine D. Gore
District No. 1



Bobby E. Jordan
District No. 2



Johnny M. Shelley
District No. 3
President



Franklin C. Blanton
District No. 4



Ronald H. Floyd
District No. 5



Henry W. Boyd
District No. 6



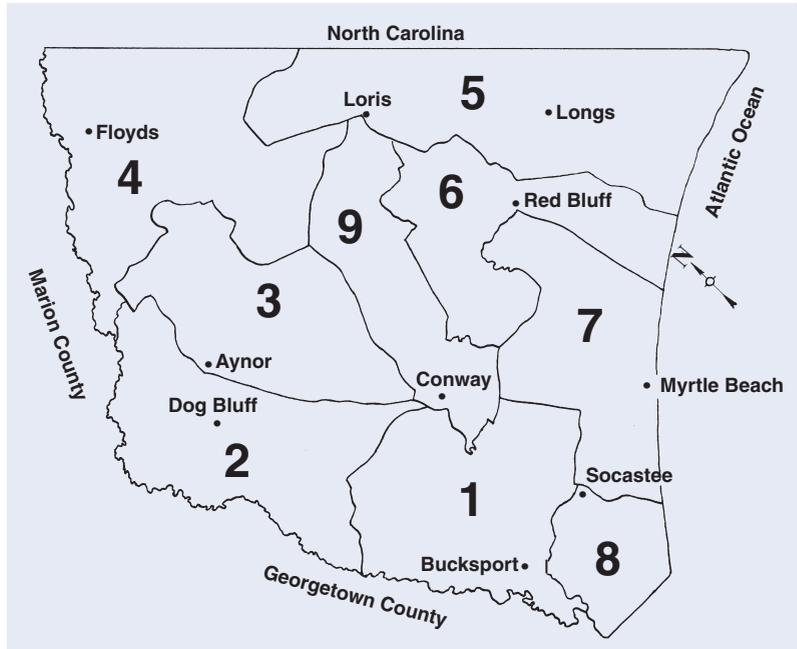
Ashley Anderson
District No. 7
Secretary and Treasurer



Eugene Harriott Jr.
District No. 8
Vice President



Freddy Thompkins
District No. 9



A fond farewell

Underground superintendent retires after 30 years with HEC

BY WALTER ALLREAD

BACK IN 1983, a well-liked local farm boy thought he'd try his hand down at the local co-op and got a job driving a tractor.

Thirty years later, Mike Richardson retired as superintendent of underground line construction for Horry Electric Cooperative.

"I had farmed for a couple of years, and coming here to the co-op was the best move I ever made," says Richardson, whose last day was in February. "The fellow who hired me knew I was a good worker and needed someone to be an equipment operator, so that's what I did starting out."

From there Richardson went on to earn his lineman classification, finish hot-line school and, due to his work ethic and personal responsibility, became a foreman in five short years, specializing in underground line service.

"At that time we had only one crew doing underground," Richardson says. "Back during the boom, 10 years ago, we had 10 contract crews working underground plus five in-house crews. Things certainly changed as Horry County grew."



Back in February, just before he retired, Mike Richardson went with Jason Carroll (background) to check on equipment being repaired. "We've got a good group of guys who have made me look good!" Richardson said.

From there Richardson became underground superintendent, which is the position he retired from after three full decades of service. Richardson and his wife, Kathy, have three children—Jamie Todd, Michael and Kyle. With one grandchild and another on the way, Richardson says he and his wife, who are both members of Brown Swamp Methodist

Church, have big plans for retirement. "We're going to piddle around the house and go fishing in the creek," he says. "That's really what we like to do."

Richardson says after 30 years, what he'll miss most are the people he works with, most of whom he had a hand in hiring.

"I'll miss the fellowship of being with the guys, watching them," he says. "We've got a good group of guys who have made me look good! I'm going to miss them." ☺

Ready to lead, Carroll steps up

Mike Richardson's successor as underground line superintendent is Jason Carroll, a man Richardson himself helped hire back in 1997.

"Jason has done real well," Richardson says. "He's a good people person, people like him, and they respect him. He'll take it to another level, and he wants to take it to another level."

Carroll and his wife, Stephanie, have been married for 10 years and have two boys, Tanner, 8, and Taylor, 6. An Aynor High School graduate, he and his wife attend Pleasant Union Baptist Church.

"I learned from a great guy," Carroll says. "We have the best underground system in the state. Credit for that goes to Mike and his great group of linemen who built it and took care of it. I'm thankful for the opportunity to fill his shoes the best I can."



2013 trustee candidates

THE MEMBERS of the Nominating Committee, duly assembled, after giving full consideration to the district location, did nominate the following members of the cooperative as trustee candidates for a three-year term beginning May 15, 2013. The names also appear in the Official Notice of the Meeting, which will be mailed soon.

District #1

Elaine D. Gore (incumbent)
6150 Pauleys Swamp Road
Conway, SC 29527

ELAINE GORE and her husband, Dr. John G. Gore, have four children and six grandchildren.

Elaine is a lifetime member of the Fair Bluff First United Methodist Church.

She has served as Deputy Director for the Horry County Council on



Aging where she has been employed since 1988. During her service with the council she has had the opportunity to assist in implementing many programs that have helped provide

basic needs for senior citizens in Horry County. They operate 10 Senior Centers and provide programs such as home-delivered meals and home-maker services. Their programs have been recognized throughout the state and have won numerous state awards.

Gore is an active part of the Horry County community. Her volunteer position with a non-profit board of Horry County assisted in the successful completion of a non-profit assisted-living facility, Anderson Oaks, on Highway 90. She has been a past member of the Horry County Architectural Review Board and was an integral participant in the formation of the South Carolina Tobacco Growers Association. With her love of Horry County and history,

Gore has successfully restored an 1868 farmhouse in the far western part of Horry County to be used for a future bed-and-breakfast.

Gore has served as a trustee for Horry Electric Cooperative since 2001. She has successfully completed numerous training courses through the National Rural Electric Cooperative Association and has earned the status of Credentialed Cooperative Director. She has also earned her Board Leadership certificate through NRECA training.

District #5

Ronald Floyd (incumbent)
2243 West Dogwood Road
Green Sea, SC 29545

RONALD FLOYD and his wife, JoAnn D. Floyd, have two children and five grandchildren.

He is a lifetime member of Green Sea Baptist Church where he serves as deacon, president of the Young Men's Sunday School Class and is co-chairman of the Brotherhood.

A graduate of Tabor City High School and North Carolina State University, Floyd is a licensed auctioneer in South Carolina and in North Carolina. He also maintains a South Carolina Real Estate License.



Recently retired from service as a rural letter carrier for the United States Postal Service, Floyd is the owner of Floyd's Auction Service.

Floyd has served on the boards of a variety of organizations over the years including the Twin City Farmers Co-op, the Tabor City Lions Club, the Tabor City chapter of Wildlife Action and the South Carolina Auctioneers Association. He was presented with the Distinguished Service Award by the Loris FFA Booster Club for 2011-2012 and was the recipient of the

2011-2012 Hero of the Year Award of the National Rural Letter Carriers' Association.

Floyd has served as a trustee for Horry Electric Cooperative since 2010. He has successfully completed numerous training courses through the National Rural Electric Cooperative Association and has earned the status of Credentialed Cooperative Director. He has also earned his Board Leadership certificate through NRECA training.

District #7

Ashley Anderson (incumbent)
7853 Reaves Ferry Road
Conway, SC 29526

ASHLEY ANDERSON and his wife, Bobbie, live in the Nixonville community and are members of Nixonville Chapel, where he serves as a trustee. They have two sons and four grandchildren and three great-grandchildren.

Anderson sold fertilizer, farm chemicals and was a crop insurance agent in the Conway area for many



years. He served on the original Board of Directors for Coastal Farmers Tobacco Warehouse.

Anderson is a lifelong farmer and operates a mining and

excavation company. Anderson has served as a trustee for Horry Electric since 1977 and has successfully completed training through the National Rural Electric Cooperative Association to earn the status of Credentialed Cooperative Director. He has also earned Board Leadership and Director's certificates through NRECA.

Anderson is chairman of the Bylaw and Policy Committee of the Board of Trustees of Horry Electric and is a member of the Insurance and Safety and the Executive and Finance committees. He also serves as secretary/treasurer of the Board of Trustees.