

Horry Electric Cooperative, Inc.

www.horryelectric.com

Main Office

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

Conway Office: 369-2211

Socastee Office: 650-7530



(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

Elaine D. Gore
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.



A Touchstone Energy® Cooperative

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. You should have already received your Official Notice Registration Card in the mail.

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 13, are eligible to receive the \$15 electric bill credit.

New for 2014

Be sure to bring your Official Notice Registration Card, plus your photo ID to qualify for **Speedy Pass registration**.

The card mailed to you has a special bar code on it that is unique to your membership. The bar code can be quickly scanned, and you can be registered in a matter of seconds.

There will be two Speedy Pass registration lines at each of the locations designated for registration and voting. Members who do not qualify for Speedy Pass registration will be directed to a table where employees responsible for registering members have the ability to physically look accounts up in the system. This process takes extra time, and the wait time for registration in these lines will be longer.

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 56,597 members of Horry Electric on Annual Meeting Day, that means we'll need to have a minimum of 2,830 members register.

If we fail to meet that number, then we won't be able to do business.

Don't forget

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 13!

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 13, 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 \$15 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.**

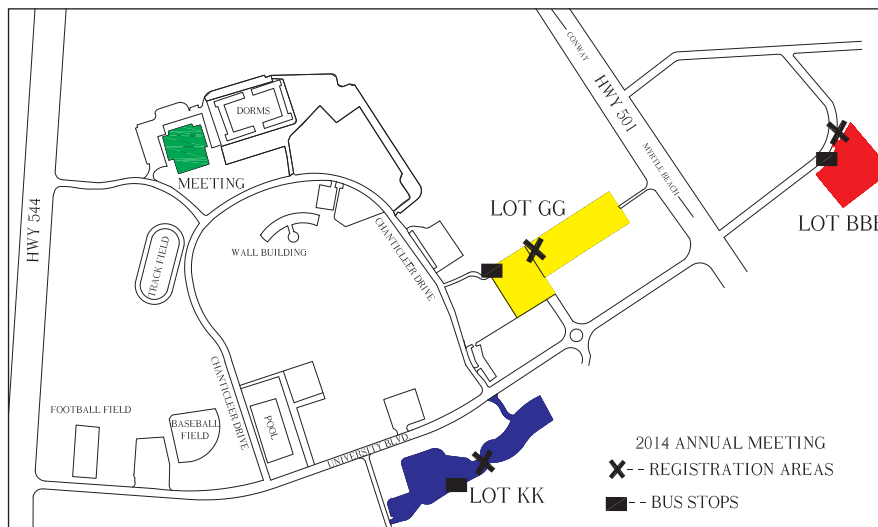
Members who register at the Annual Meeting will be automatically entered into the prize drawing and **DO NOT** have to be present at the time of the drawing to win!

Ashley Anderson

Ashley Anderson, Secretary-Treasurer

Annual Meeting program

12–7 p.m.Registration and Voting
4–7 p.m.Entertainment
7 p.m.Business Meeting
Prize Drawing
Adjournment



MORE PLACES TO REGISTER AND VOTE: To make it easier, registration and voting will be available in The HTC Center (green) and three additional areas on the campus of Coastal Carolina University; Lot GG (yellow), Lot BBB (red) and Lot KK (blue). Courtesy shuttles will run in a continuous loop between the park lot bus stops and The HTC Center. Entertainment and the Business Meeting will be held at The HTC Center.

Grand prize

2006 Chevrolet HHR



Other Prizes:

\$400 First
\$200 Second
\$100 Third

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!

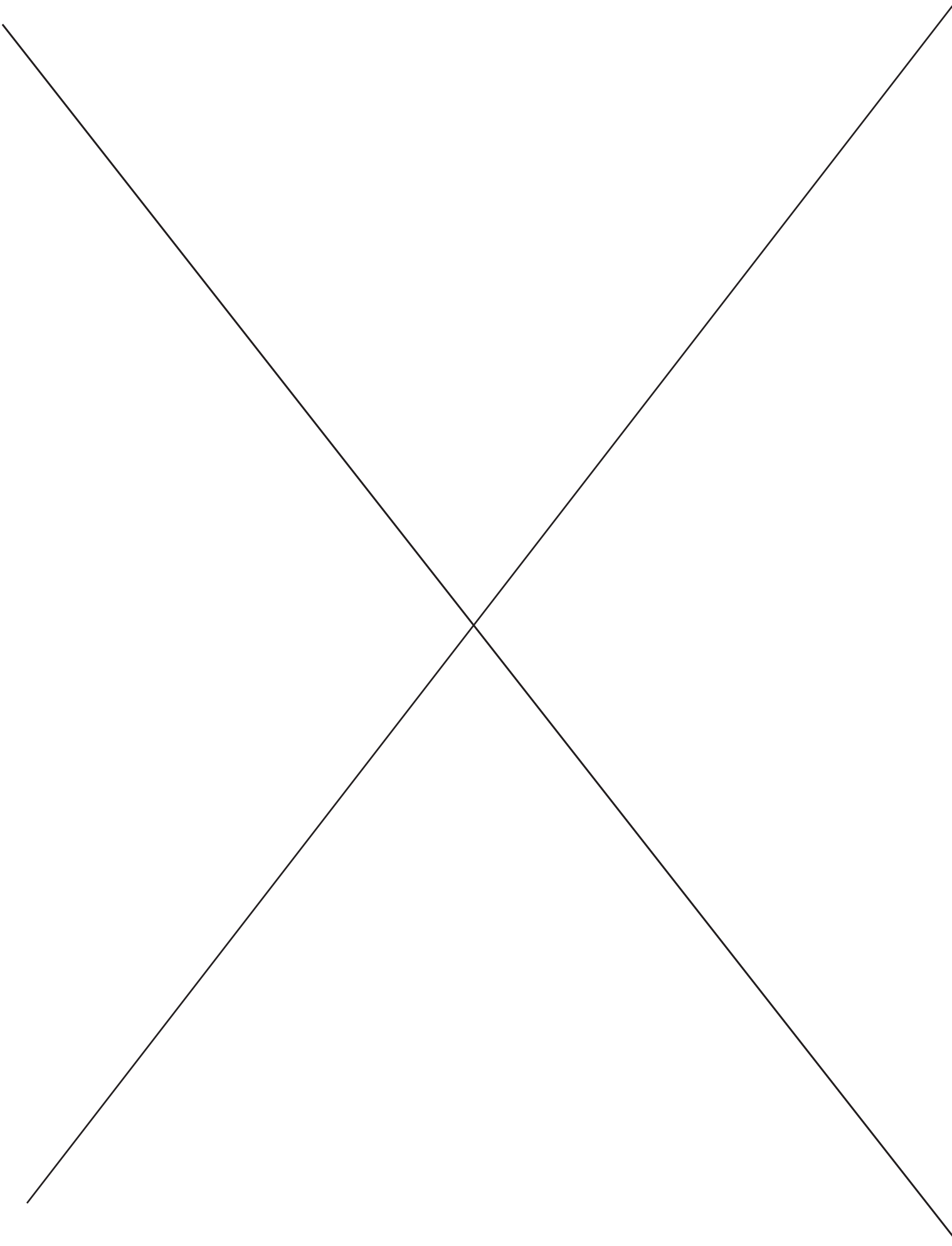
Registration gift

\$15

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 13, at the HTC Center at Coastal Carolina University are eligible to receive the Annual Meeting Registration Gift.

**ABSOLUTELY
NO EXCEPTIONS!**



Horry Financial View

ASSETS

UTILITY PLANT

Electric plant in service—at cost	\$ 303,489,261
Construction work in progress	2,106,682
Gross utility plant	<u>305,595,943</u>
Less: accumulated provision for depreciation	<u>77,992,412</u>

Utility plant—net **\$ 227,603,531**

OTHER PROPERTY AND INVESTMENTS

Investment in associated organizations	\$ 8,999,829
Other investments	<u>1,072,436</u>
Total other property investments	\$ 10,072,265

CURRENT ASSETS

Cash and cash equivalents	\$ 24,881,427
Accounts receivable	7,481,500
Accounts receivable—other	444,764
Materials and supplies	3,215,448
Other	<u>1,593,592</u>
Total current and accrued assets	\$ 37,616,731

DEFERRED DEBITS **\$ 8,087,933**

TOTAL ASSETS **\$283,380,460**

**Horry Electric
Cooperative, Inc.**

A Touchstone Energy® Cooperative
The power of human connections



EQUITIES AND LIABILITIES

EQUITIES

Membership fees	\$ 281,040
Patronage capital	77,019,970
Other equities	7,732,892
Total equities	\$ 85,033,902

LONG-TERM DEBT

RUS	\$ 32,884,350
FFB	106,390,732
CFC	19,679,339
Total long-term debt	\$158,954,421

OTHER NONCURRENT LIABILITIES

Accumulated operating provision	\$ 111,273
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CURRENT LIABILITIES

Current maturities of mortgage notes	\$ 10,569,729
Accounts payable	13,707,558
Consumer deposits	4,531,591
Accrued and withheld taxes	0
Other current and accrued liabilities	10,078,245
Total current liabilities	\$ 38,887,123
Other Deferred Credits	\$ 393,741

TOTAL EQUITIES AND LIABILITIES **\$283,380,460**

What we took in:	\$ 135,469,483
What we paid out:	<u>131,738,723</u>
Patronage capital and operating margins	3,730,760
Other income and equity	<u>3,260,132</u>
WE HAD LEFT:	\$ 6,990,892

Comparative operating statistics

GROWTH

	2013	2012	2011	2010	2009	2008	2007	2006
Average kwh per residential member per month	1,162	1,144	1,289	1,343	1,235	1,255	1,284	1,290
Average residential bill per month	\$155.53	\$147.44	\$153.29	\$157.96	\$146.97	\$137.62	\$127.26	\$130.35
Consumers on system	70,321	67,993	66,816	65,864	65,173	63,843	62,252	59,188
Miles of line	4,993	4,956	4,925	4,893	4,856	4,804	4,689	4,514
Average cost per kwh sold (cents)	13.3	12.8	11.8	11.7	11.8	10.9	9.8	10.0

EXPENSES

Wholesale power	66%	64%	66%	68%	65%	63%	62%	64%
Operating maintenance and general expenses	18%	19%	17%	16%	18%	19%	20%	20%
Depreciation	7%	8%	8%	7%	8%	8%	8%	7%
Interest	8%	8%	8%	8%	8%	9%	9%	8%
Taxes	1%	1%	1%	1%	1%	1%	1%	1%
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.



A Touchstone Energy® Cooperative

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



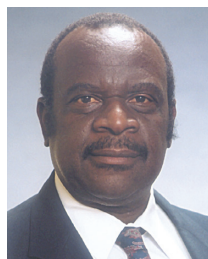
Ronald H. Floyd
District No. 5



Henry W. Boyd
District No. 6



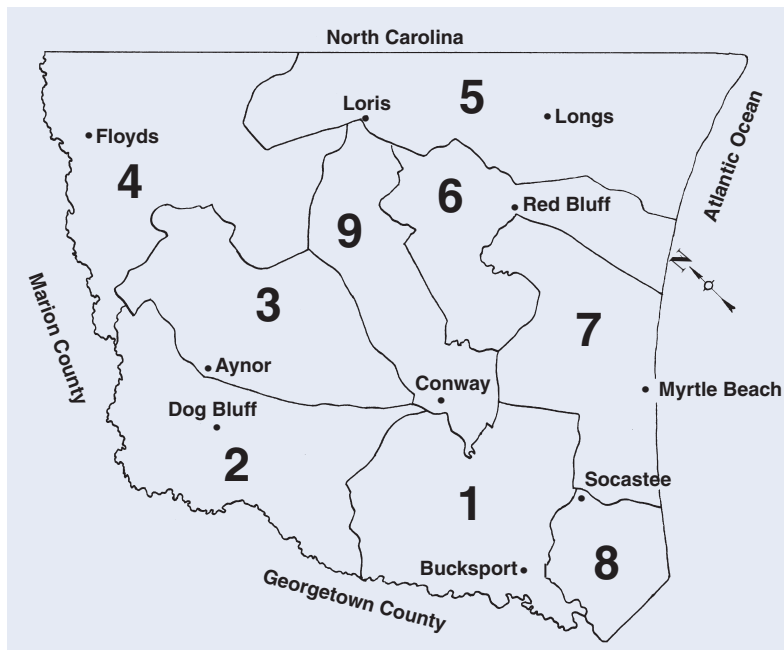
Ashley Anderson
District No. 7
Secretary and Treasurer



Eugene Harriott Jr.
District No. 8
Vice President



Freddy Thompkins
District No. 9



Meet the 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 14, 2014. The names also appear on the Official Notice of Annual Meeting, which was mailed Wednesday, April 30, 2014.

DISTRICT #3

Johnny M. Shelley (incumbent)
7150 Highway 917
Nichols, SC 29581

JOHNNY SHELLEY and his wife, Sonnie, have two children; Cam and Kristi. Kristi is married to Brian Forbus, and they have a son, Cole. Cam and his wife, Jill, have a daughter, Jaelyn, and a son, Jackson. The Shelleys live in the Pleasant View community where they are members of the Pleasant View Baptist Church.

A farmer, Shelley has also had the experience as a science teacher and a physical education teacher. He also worked for several years in the financial sector. Shelley is a graduate of Floyds High School and of Campbell University. He plays an active role in Horry County and his community. He has had the experience of serving on the Alliance for Health, Economic and Agricultural Development (a Washington, DC-based committee), served as a governor's appointee for the revitalization Phase II board, and served on the Horry County Council for 13 years. He has many volunteer hours working on projects for senior

citizens such as the Green Sea Floyds senior center. Shelley enjoys spending time with his grandchildren on the family farm. He also likes caring for his horses. He currently serves as President of Horry Electric Cooperative, Inc.

Shelley was elected to the Board of Trustees in 2002.

DISTRICT #3

Jimmy M. McLain (nominee)
113 Kingston Oaks Place
Conway, SC 29526

JIMMY MCLAIN and his wife, Alanda Calhoun McLain, have lived in Conway for more than 40 years. They are members of Trinity United Methodist Church and have two children, Jamie McLain and Kriston McLain. Jamie is married to Helen Farsolas, and they have a son, Jase. Kriston is a special daughter, who lives at home.

McLain attended Horry Georgetown Tech and then went to work for Horry Electric Cooperative. He held a variety of positions during his 33 years of service with the cooperative and retired in 2008 as its purchasing agent. He is currently working with his son at Creekside Custom Homes.

McLain enjoys car shows, fishing and spending time with his family.

DISTRICT #8

Eugene Harriott Jr. (incumbent)
110006 Freewoods Road
Myrtle Beach, SC 29588

EUGENE HARRIOTT has three children

and one grandchild. He lives in the Burgess community and is a member of New Bethel Baptist Church.

Harriott is a registered barber. He served in the United States Army for three years as an aircraft hydraulic repairman and is a Vietnam veteran.

DISTRICT #9

Freddy Thompsons (incumbent)
3955 Long Avenue Extension
Conway, SC 29526

FREDDY THOMPSONS and his wife, Minnieree Allen Thompsons, have lived in the Maple community for more than 20 years. They are members of First Baptist Church of Conway and have two children, Allen Thompsons and Crystal Calhoun, and two grandchildren, Colby Calhoun and Callie Cate Calhoun.

An active member of the community, Thompsons is a member of the Masons and the Shriners. He retired from Horry Telephone Cooperative and is currently self-employed. He is a Vietnam veteran in the First Air Cavalry Division, where he served 13 months as a helicopter door gunner and as a crew chief. At that time, he was awarded the Army Commendation Medal with a V for Valor, a Combat Entry Badge and Flight Wings. While stationed at Fort Rucker in Dothan, Ala., he was nominated for Soldier of the Year Award with his company.

In his spare time, Thompsons enjoys watching sports, fishing, boating and spending time with his family. ☺



Re-boot and save!



WALTER ALLREAD

Step right up and see Assistant Manager Charles. Good about some new snake boots.

CONWAY FEED & GARDEN CENTER is more than the average feed store—it has a wide range of products for almost every need. This family-owned business has been serving our community since 1973 and, since 2009, participating in HEC's Co-op Connections program. Carry your discount card on your next visit to Conway Feed & Garden Center and step into savings on boots, clothing and more! ☺

Local discount

10 percent off regular-priced clothing, boots, pet supplies. Excludes food, vaccines.

Where: Conway Feed & Garden Center
2200 N. Main St., Conway
Phone: (843) 248-4344
Website: ConwayFeedandGarden.com
Hours: 7:30 a.m.-6 p.m. Monday-Friday;
7:30 a.m.-4 p.m. Saturday.
Closed Sunday.

Co-op Connections® Card

Horry Electric Cooperative, Inc.

A Touchstone Energy® Cooperative



Items like these toy animals make a visit to Conway Feed & Garden Center fun for children like Zachary Shuford, 6.



WIRE acts fast to aid displaced elderly citizens

In 28 whirlwind minutes, 18 volunteers from electric cooperatives across South Carolina packed a trailer load of Co-op Closet bags filled with emergency supplies for displaced elderly citizens.

Crammed full of toiletries, towels, pillows, Bibles and more, the bags will be distributed to the elderly when group or nursing homes are ordered closed for safety or health violations. The volunteers are members of WIRE (Women Involved in Rural Electrification), a community outreach association affiliated with electric co-ops around the state. They gathered March 13 at The Electric Cooperatives of South Carolina, Inc. (ECSC) in Cayce to make short work of this huge act of kindness.

It was the third Co-op Closet project undertaken by WIRE and ECSC, a service association for Palmetto State co-ops.

The similar project was done last winter, in response to a request from S.C. Lieutenant Governor Glenn F. McConnell and the state Office on Aging. The lieutenant governor reached out to the co-ops after the Office on Aging determined that elderly citizens too often are forgotten—almost left destitute—when homes are closed. The emergency relocation bags will be kept at the Office on Aging, which determines who needs assistance around the state. WIRE members sometimes help distribute the bags and, project coordinator Peggy Dantzler of ECSC notes, “To the elderly home residents, the supplies come just when they need an act of compassion.”

As the lieutenant governor has said, “The ‘Co-op Closet’ . . . gives hope to many South Carolinians—some of whom may have lived next door or down the street from you or me.” ☺



WALTER ALLREAD

Kelli McDowell (left) and Jessie Hendrick (right) of HEC's WIRE chapter with Denette Rimer of Lexington-based Mid-Carolina Electric Cooperative.