

Horry Electric Cooperative, Inc.

www.horryelectric.com

Main Office

P.O. Box 119
Conway, SC 29528-0119
369-2211



(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 an equal opportunity provider and employer.

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

Annual Meeting just days away

Important details for members

THIS EDITION OF *South Carolina Living* features 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, and you need to be sure to put it in a safe place where you'll be sure to remember

to bring it with you to the meeting.

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 9, are eligible to receive the Registration Gift, which is a \$15 electric bill credit.

Important reminders

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 at least two Speedy Pass registration lines at each of the locations designated for registration.

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 those lines will be longer.

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.

Entertainment is scheduled from 4 until 7 p.m. at The HTC Center. We're very happy The Hinson Girls and the Gentlemen of Bluegrass will be back with us. They were a big hit last year.

We need you there

The Annual Meeting of Members is 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 62,383 members of Horry Electric on Annual Meeting Day, that means we'll need to have a minimum of 3,119 members register. If we fail to get that number, then we won't be able to do business.

We hope to see you there!

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 9, 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, including any necessary bylaw changes.

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.**

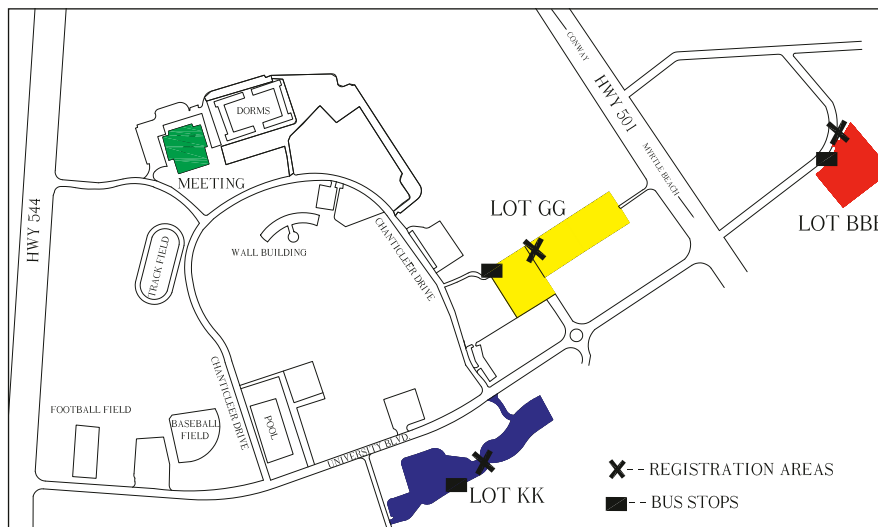
Members who register at the Annual Meeting will be automatically entered into the prize drawing and **DO NOT** have to be present at the time of the drawing to win!

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: To make it easier, registration 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 parking lot bus stops and The HTC Center. Entertainment and the Business Meeting will be held at The HTC Center.

Grand prize

**2006
Chevrolet
Trailblazer 4WD**



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

**ABSOLUTELY
NO EXCEPTIONS!**

2016 Financial View

ASSETS

UTILITY PLANT

Electric plant in service—at cost	\$ 327,160,193
Construction work in progress	15,308,595
Gross utility plant	<u>342,468,788</u>
Less: accumulated provision for depreciation	<u>94,662,300</u>

Utility plant—net **\$ 247,806,488**

OTHER PROPERTY AND INVESTMENTS

Investment in associated organizations	\$ 10,423,705
Other investments	<u>1,233,726</u>
Total other property investments	\$ 11,657,431

CURRENT ASSETS

Cash and cash equivalents	\$ 23,689,721
Accounts receivable	7,127,175
Accounts receivable—other	360,095
Materials and supplies	4,712,247
Other	<u>1,624,873</u>

Total current and accrued assets **\$ 37,514,111**

DEFERRED DEBITS **\$ 1,373,949**

TOTAL ASSETS **\$ 298,351,979**

**Horry Electric
Cooperative, Inc.**

A Touchstone Energy® Cooperative
The power of human connections



EQUITIES AND LIABILITIES

EQUITIES

Membership fees	\$ 308,640
Patronage capital	93,881,533
Other equities	<u>27,995,579</u>
Total equities	\$ 122,185,752

LONG-TERM DEBT

CoBank	\$ 90,194,746
FFB	31,595,239
CFC	<u>11,603,115</u>
Total long-term debt	\$ 133,393,100

OTHER NONCURRENT LIABILITIES

Accumulated operating provision	\$ 1,231,493
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CURRENT LIABILITIES

Current maturities of mortgage notes	10,478,419
Accounts payable	10,174,965
Member deposits	4,702,265
Accrued and withheld taxes	0
Other current and accrued liabilities	<u>10,079,557</u>

Total current liabilities **\$ 35,435,206**

Regulatory liabilities **\$ 3,708,000**

Other deferred credits **\$ 2,398,428**

TOTAL EQUITIES AND LIABILITIES **\$ 298,351,979**

What we took in: \$ 155,627,542

What we paid out: 145,183,493

Patronage capital and operating margins 10,444,049

Other income and equity 5,389,558

WE HAD LEFT: **\$ 15,833,607**

Comparative operating statistics

GROWTH

	2016	2015	2014	2013	2012	2011	2010	2009
Average kWh per residential member per month	1,166	1,193	1,220	1,162	1,144	1,289	1,343	1,235
Average residential bill per month	\$159.77	\$162.05	\$163.87	\$155.53	\$147.44	\$153.29	\$157.96	\$146.97
Members on system	75,984	73,879	71,697	70,321	67,993	66,816	65,864	65,173
Miles of line	5,157	5,101	5,043	4,993	4,956	4,925	4,893	4,856
Average cost per kWh sold (cents)	13.5	13.4	13.3	13.3	12.8	11.8	11.7	11.8

EXPENSES

Wholesale power	65%	65%	67%	66%	64%	66%	68%	65%
Operating maintenance and general expenses	21%	20%	18%	18%	19%	17%	16%	18%
Depreciation	7%	7%	7%	7%	8%	8%	7%	8%
Interest	6%	7%	7%	8%	8%	8%	8%	8%
Taxes	<u>1%</u>	<u>1%</u>	<u>1%</u>	<u>1%</u>	<u>1%</u>	<u>1%</u>	<u>1%</u>	<u>1%</u>
Total	100%	100%	100%	100%	100%	100%	100%	100%

Horry Electric Cooperative, Inc.

Statement of nondiscrimination

Horry Electric Cooperative, Inc., is an equal opportunity provider and employer.

In accordance with Federal civil rights law and U.S. Department of Agriculture (USDA) civil rights regulations and policies, the USDA, its agencies, offices and employees, and institutions participating in or administering USDA programs are prohibited from discriminating on the basis of race, color, national origin, age, or disability. Remedies and complaint filing deadlines vary by program or incident.

Persons with disabilities who require alternative means of communication for program information (e.g. Braille, large print, audiotape, American Sign Language, etc.) should contact the responsible Agency or USDA's TARGET Center at (202) 720-2600 (voice and TTY) or contact USDA through the Federal Relay Service at (800) 877-8339. Additionally, program information may be made available in languages other than English.

To file a program discrimination complaint, complete the USDA Program Discrimination Complaint Form, AD-3027, found online at http://www.ascr.usda.gov/complaint_filing_cust.html, and at any USDA office, or write a letter addressed to USDA and provide in the letter all of the information requested in the form. To request a copy of the complaint form, call (866) 632-9992. Submit your completed complaint form or letter to USDA by:

- (1) mail: U.S. Department of Agriculture
Office of the Assistant Secretary for Civil Rights
1400 Independence Avenue, S.W.
Washington, DC 20250-9410
- (2) fax: (202) 690-7442; or
- (3) email: program.intake@usda.gov

Board of Trustees



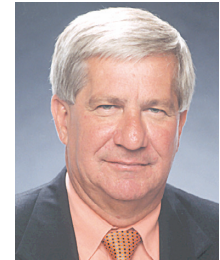
W. T. Johnson Jr.
Attorney



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



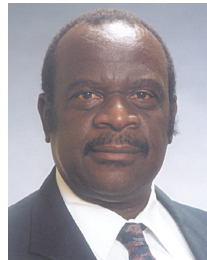
Ronald H. Floyd
District No. 5



Henry W. Boyd
District No. 6



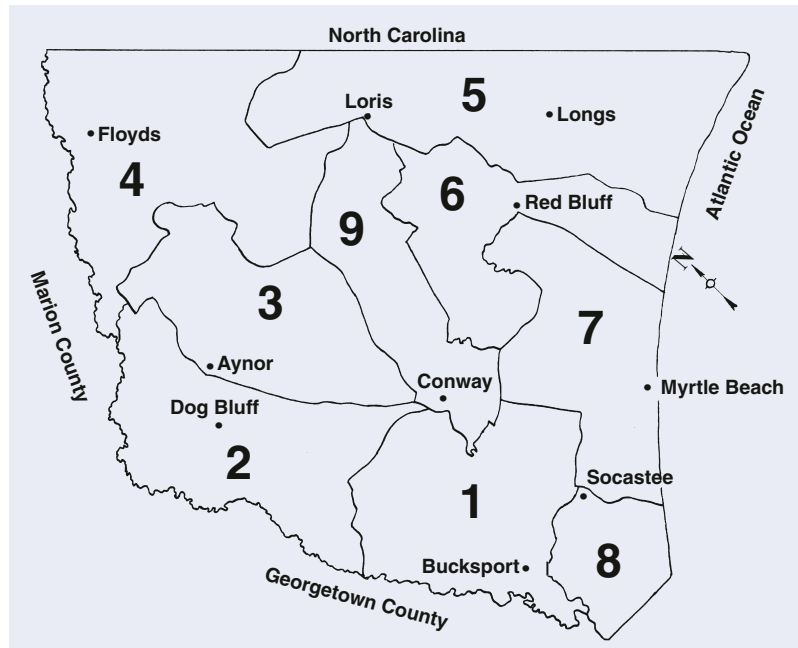
Ashley Anderson
District No. 7
Secretary and Treasurer



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 10, 2017. The names also appear on the Official Notice of Annual Meeting, which was mailed Thursday, April 27, 2017.

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, and a daughter, Georgia. Cam and his wife, Jill, have a daughter, Jaelyn, and a son, Jackson. The Shelleys are lifetime members of Horry County's Pleasant View Community, where they are also 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 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, D.C.-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 currently serves on the committee for the Annual Ag Expo, serves on the nominating committee for ArborOne, serves on the Horry County Council on Aging Board of Directors and serves as a committee member for the Veterans

Day Celebration in Downtown Conway. Shelley enjoys spending time with his grandchildren on the family farm. 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 MCCLAIN and his wife, Alanda Calhoun McLain, have lived in Conway for more than 50 years. They are members of Trinity United Methodist Church and have two children: Jamie and Kriston. Jamie is married to Helen Farsolas, and they have a son, Jase.

McLain graduated from Horry-Georgetown Technical College and 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 a Purchasing Agent. He is currently working with his son at Creekside Custom Homes in Conway.

He is an active member of the community. He participates in Salkehatchie with Trinity United Methodist, where he serves as a member on the Board of Trustees. He also received the Patron Award from Freedom Ministries.

In his spare time, McLain enjoys spending time on his farm with his family. He also likes fishing and attending antique car shows and auctions.

DISTRICT #8

Eugene Harriott Jr. (incumbent)
11006 Freewoods Road
Myrtle Beach, SC 29588

EUGENE HARRIOTT JR. 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 Thompkins (incumbent)
3955 Long Avenue Extension
Conway, SC 29526

FREDDY THOMPkins and his wife, Minnieree Allen Thompkins, 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 Thompkins and Crystal Calhoun, and two grandchildren, Colby Calhoun and Callie Cate Calhoun.

An active member of the community, Thompkins 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, Thompkins enjoys watching sports, fishing, boating and spending time with his family. ☺

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This state-of-the-art outage management system lets you immediately report outages. When you call, your phone number will be matched to your name and address to ensure prompt service.

Important: We must have your up-to-date information for the phone number at your service address, plus any additional cellular phone number(s) (with area code) associated with your account in order for PowerTouch to work efficiently.

Please fill out the attached form, mail in with your bill payment or drop off at your nearest Horry Electric office.

You can also sign up online @www.horryelectric.com. Sign in on **MyEnergy Online** to update contact information and to automatically receive alerts and reminders.

MyEnergy
online

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PowerTouch
843.369.2212**

Submitting this form gives Horry Electric Cooperative your consent to send automated messages to any telephone number(s) provided. Please note that Horry Electric will never share your personal information with a third-party source.



My Up-To-Date Phone Number(s) Where I Receive Service from Horry Electric Cooperative.

Name on Account _____

Street Address _____

(Where You Receive Service – No P.O. Boxes Please)

City _____ State _____ Zip _____

Phone Number (_____) _____ Cell (_____) _____
(At This Address)

E-Mail Address _____

Horry Electric's Account Number _____ Date _____

Signature _____