

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

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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 days away

What you need to know



THIS EDITION OF *South Carolina Living* features a special outer wrap that includes all the details you need to prepare for the 2019 Annual Meeting of Members.

If they haven't already, members will soon receive their

Official Notice/Registration Card in the mail. Please be sure to put it in a safe place and 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 14, are eligible to receive the Registration Gift, which is a \$20 electric bill credit.

Important reminders

Official Notice/Registration Cards are addressed directly to the member on record for each account. Be sure to bring it, plus a photo ID to qualify for Speedy Pass registration.

Each card has a special bar code on it that is unique to each membership. The bar code can be quickly scanned, and members 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. You will be required to have both your card and your photo ID to be able to register in these designated lines.

Members who do not qualify for Speedy Pass registration will be directed to a table where employees have access to a program that will enable them to physically look up basic account information. This process takes extra time, and the wait time for 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 for the prize drawing. Winners, if they are not present at the time of the drawing, will be notified by phone the following day.

Entertainment is scheduled from 4 until 7 p.m. at the HTC Center. Danny Stanley & Friends will be with us this year. Mr. Stanley was a part of The Gentlemen of Bluegrass. The Hinson Girls had a schedule conflict this year, but we hope they'll be back again next 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 any plans we might have. We also get to meet members face to face rather than through voice, electronic or written communications. For members, it's an opportunity to proactively participate in the business meeting of YOUR 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 66,049 members on Annual Meeting Day, that means we'll need to have a minimum of 3,302 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/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, 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 \$20 credit on his or her electric bill. **ONLY MEMBERS WHO REGISTER, IN PERSON, AT THE ANNUAL MEETING BETWEEN THE HOURS OF NOON AND 7 P.M. ARE ELIGIBLE TO RECEIVE THE REGISTRATION GIFT.**

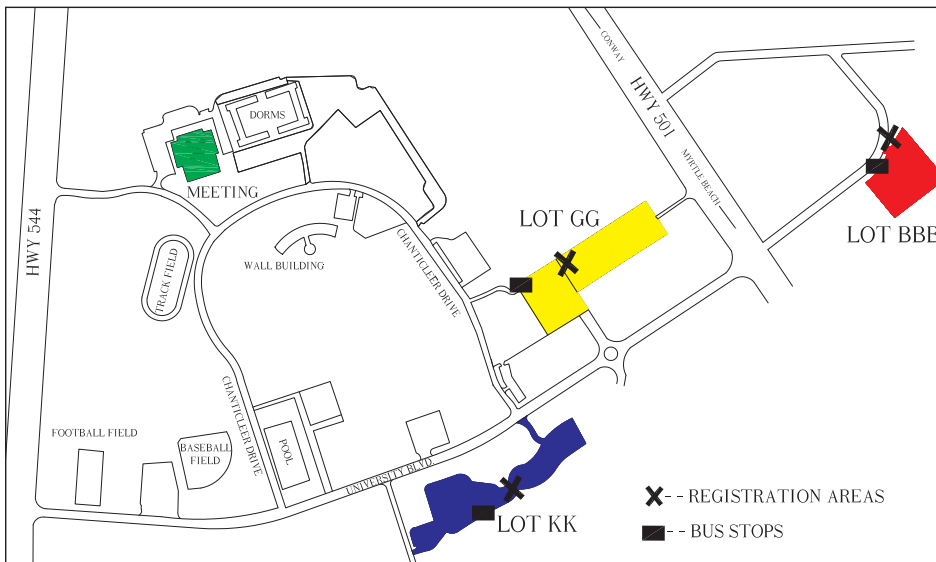
Members who register at the Annual Meeting will be automatically entered into the prize drawing and **DO NOT** have to be present at the time of the drawing to win!

Ashley Anderson

ASHLEY ANDERSON
Secretary-Treasurer

Annual Meeting program

12–7 p.m..... Registration
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

2019 Polaris

450 Sportsman ATV



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

\$20

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!**

ASSETS

UTILITY PLANT

Electric plant in service—at cost	\$ 355,675,884
Construction work in progress	8,810,602
Gross utility plant	<u>364,486,486</u>
Less: accumulated provision for depreciation	<u>109,322,093</u>

Utility plant—net **\$ 255,164,393**

OTHER PROPERTY AND INVESTMENTS

Investment in associated organizations	\$ 12,026,750
Other investments	<u>1,312,366</u>
Total other property investments	\$ 13,339,116

CURRENT ASSETS

Cash and cash equivalents	\$ 31,709,538
Accounts receivable	8,053,476
Accounts receivable—other	339,695
Materials and supplies	5,064,632
Other	<u>1,339,947</u>
Total current and accrued assets	\$ 46,507,288

DEFERRED DEBITS **\$ (\$537,676)**

TOTAL ASSETS **\$ 314,473,121**

Horry Electric Cooperative, Inc.

A Touchstone Energy® Cooperative
The power of human connections



EQUITIES AND LIABILITIES

EQUITIES

Membership fees	\$ 327,715
Patronage capital	119,753,390
Other equities	22,631,697
Total equities	\$ 142,712,802

LONG-TERM DEBT

CoBank	\$ 80,190,074
FFB	29,426,141
CFC	6,960,477
Total long-term debt	\$ 116,576,692

OTHER NONCURRENT LIABILITIES

Accumulated operating provision	\$ 1,310,133
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CURRENT LIABILITIES

Current maturities of mortgage notes	11,823,386
Accounts payable	16,259,048
Member deposits	4,796,673
Accrued and withheld taxes	0
Other current and accrued liabilities	5,109,690
Total current liabilities	\$ 37,988,797
Regulatory liabilities	\$ 14,317,000
Other deferred credits	\$ 1,567,697

TOTAL EQUITIES AND LIABILITIES **\$ 314,473,121**

What we took in:	\$ 161,922,964
What we paid out:	<u>159,578,380</u>
Patronage capital and operating margins	2,344,584
Other income and equity	7,253,827
WE HAD LEFT:	\$ 9,598,411

Comparative operating statistics

GROWTH

	2018	2017	2016	2015	2014	2013	2012	2011
Average kWh per residential member per month	1,213	1,116	1,166	1,193	1,220	1,162	1,144	1,289
Average residential bill per month	\$167.41	\$155.70	\$159.77	\$162.05	\$163.87	\$155.53	\$147.44	\$153.29
Members on system	79,747	78,127	75,984	73,879	71,697	70,321	67,993	66,816
Miles of line	5,292	5,220	5,157	5,101	5,043	4,993	4,956	4,925
Average cost per kWh sold for all rates (cents)	13.7	13.8	13.5	13.4	13.3	13.3	12.8	11.8

EXPENSES

Wholesale power	66%	66%	65%	65%	67%	66%	64%	66%
Operating maintenance and general expenses	20%	20%	21%	20%	18%	18%	19%	17%
Depreciation	7%	7%	7%	7%	7%	7%	8%	8%
Interest	6%	6%	6%	7%	7%	8%	8%	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 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



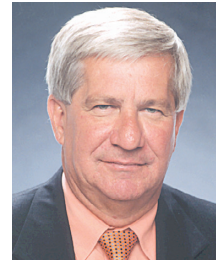
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Bobby E. Jordan
District No. 2



Johnny M. Shelley
District No. 3
President



Franklin C. Blanton
District No. 4



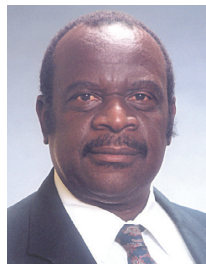
Ronald H. Floyd
District No. 5



Henry W. Boyd
District No. 6



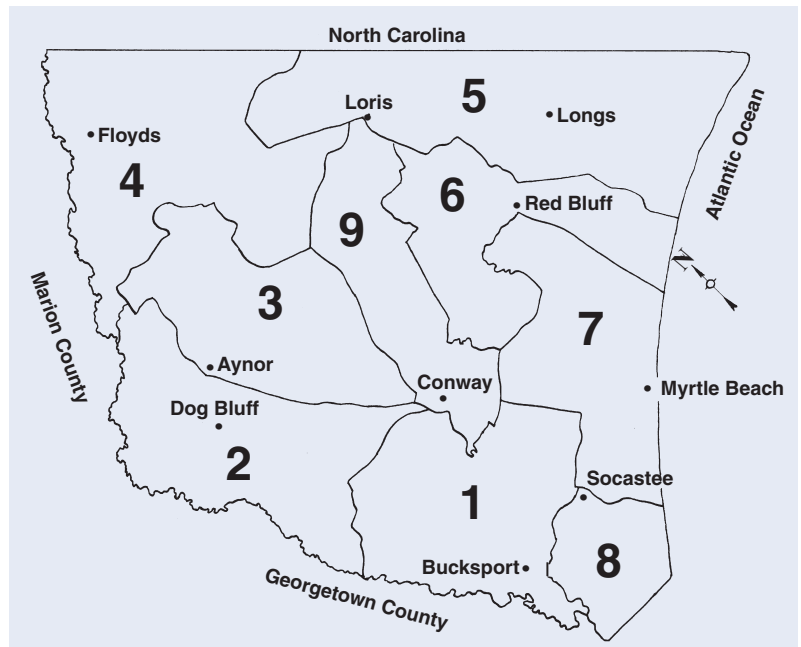
Ashley Anderson
District No. 7
Secretary and Treasurer



Eugene Harriott Jr.
District No. 8
Vice President



Freddy Thompkins
District No. 9



2019 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, 2019. The Official Notice of the Meeting has been mailed.

District #1

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



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

Elaine is a lifetime member of the Fair

Bluff 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 homemaker 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 since 2001. She represented Horry Electric on the board of Central Electric Power Cooperative for ten years. She has successfully completed numerous training courses through the National Rural Electric Cooperative Association and has earned status of Credentialed Cooperative Director. She has also earned her Board Leadership certificate through NRECA and recently achieved status as an NRECA Certified Gold Director.

District #5

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



RONALD FLOYD and his wife, JoAnn, have two children and six grandchildren.

He is a lifetime member of Green Sea Baptist Church where

he serves as deacon and is president of the Young Men's Sunday School Class.

A graduate of Tabor City High School and North Carolina State University, Floyd is a licensed auctioneer in South Carolina and in North Carolina. 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 represents Horry Electric on the CEE-US and Line Equipment boards of directors and on the SC Trustee Association Executive/Steering Committee. He is currently serving as

President of the South Carolina Electric Cooperative Trustee Association. He has successfully completed numerous training courses through the National Rural Electric Cooperative Association and has earned status of Credentialed Cooperative Director. He has also earned his Board Leadership certificate through NRECA and recently achieved status as an NRECA Certified Gold Director.

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 and recently achieved status as an NRECA Certified Gold Director.

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; the Executive and Finance committees. He also serves as secretary/treasurer of the Board of Trustees. ☺

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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 _____

