

MAY 2011

For outages:
1-800-690-0522

www.halifaxemc.com

Halifacts

HALIFAX ELECTRIC MEMBERSHIP CORPORATION

Your Touchstone Energy® Cooperative 

2010 ANNUAL REPORT



this issue

President's Message 22

Financial Report 23

Nominated Directors 24



2010 Annual Meeting



BCA Awards



Bright Star1 Green Energy Plant



Honored by Lakeland Theatre



2010 Bright Ideas Recipients

Charles H. Guerry, Executive Vice President & General Manager

Halifax Helps Program Awards More Than \$57,000 in 2010!

Halifax Helps is a way that members are helping their communities by having their electric bills rounded up to the nearest dollar. Grants are awarded for education, energy efficiency, environment, economic development and emergency response.

In 2010 Halifax Helps awarded \$57,121, bringing its total award amount to date to \$98,999! Small change really does add up. If you currently do not participate in Operation RoundUp contact our office today to find out how you can begin helping to change your community.

Halifax Helps awarded grants to the following organizations in 2010:

- Sylvan Heights Waterfowl Center \$4,950
- Lakeland Theatre \$4,000
- John 3:16 Center \$3,357

Continued on page 23

President's Message

by Beverly Carter
President, Halifax EMC Board of Directors



Halifax EMC employees are once again very busy preparing for our Annual Meeting of the Membership this spring. We hope you have saved the date on your calendar for Saturday, May 21, 2011. This year we are moving our location to the Inborden Elementary/Enfield Middle School on Highway 481 in Enfield. Our new location offers a spacious auditorium to seat everyone comfortably for our entertainment and business session. The schedule will remain the same with registration opening at 9 a.m. and our business session beginning at 11 a.m. The Volunteers in Action Committee will be serving a continental breakfast and also a delicious lunch, catered by Bill's Barbecue of Wilson.

Your Cooperative has made many accomplishments over the past year, however; I would like to highlight just a few:

In an effort to help our members improve the energy efficiency of their homes, last year HEMC joined with ElecTel Cooperative Federal Credit Union to devise and implement the Energy Smart Loan program for our members. It provides low, fixed loan rates, up to 60 months financing at 100 percent with only a \$25 ElecTel membership fee. Let ElecTel make an Energy Smart Loan for you on electric/solar water heaters, insulation, windows, doors and other solar or energy star related items. These loans are primarily available to residential dwelling property owners only. Call ElecTel (1-800-849-5600) to see how they can help you make your home more energy efficient.

The Business Committee for the Arts (BCA), a division of Americans for the Arts, honored Halifax EMC as one of only ten companies in America for its support of the arts. The award called the BCA Ten: Best Companies Supporting the Arts in America, recognizes businesses for their involvement with the arts that enrich the workplace, education and community. HEMC accepted this award on November 4 at The Central Park Boathouse in New York City.

In September, HEMC provided each of our members a Co-op Connections Card

in the Carolina Country magazine. This program is free to all Co-op members and offers valuable discounts at participating local and national businesses on everything from hotel stays to prescription drugs. For a complete list of all participating businesses in our area, simply visit our website www.halifaxemc.com and follow the Co-op Connections Card link. You can also receive online savings at more than 95 national retailers.

We are pleased to announce that last year we constructed our very first solar project, Bright Star 1 Green Energy Plant, located beside Inborden Elementary/Enfield Middle School on Highway 481 in Enfield. Halifax EMC worked in conjunction with Strata Solar, LLC, which constructed the facility and BB&T Equipment Finance Corporation, which financed the project. This system provides an annual output of 144,000 kwh to HEMC's distribution system. At the Commissioning Ceremony in late October, State Representative Angela Bryant spoke about the importance of renewable energy and the requirements set forth by Senate Bill 3, passed in 2007, that established the Renewable Energy Portfolio Standards (REPS) for the utility industry.

In December we refunded more than \$800,000 in capital credits to our members who were receiving electric service from the Co-op during 1984, 1985 and a part of 1986. The amount of each member's refund depended on the amount of electricity the member purchased from HEMC during those three years. Being a non-profit organization enables us to return any operating margins back to our members in the form of capital credits. Capital credits are one of the many benefits of being a member of HEMC.

We look forward to seeing the same wonderful support and attendance for our Annual Meeting at our new location as we've seen the past few years. Please be sure we're on your calendar for Saturday, May 21st!

Financial Reports for 2010

ASSETS

Utility Plant.....	\$49,319,393	
Investment in Associated Organizations..	2,206,175	
Cash	19,831	
Short-Term Investments.....	46,428	
Accounts and Notes Receivables	1,937,559	
Prepaid Expenses	33,043	
Materials and Supplies.....	451,797	
Current and Accrued Assets.....	5,631	
Deferred Debits	28,444	
Regulatory Assets	<u>212,075</u>	
TOTAL ASSETS		<u>\$54,260,376</u>

LIABILITIES

RUS Long-Term Loan	\$22,878,724	
CFC Long-Term Loans	9,737,796	
Obligations Under Capital Leases	252,844	
Accounts & Notes Payable.....	2,679,765	
Deposit Fees.....	763,286	
Other Current and Accrued Liabilities.....	<u>616,848</u>	<u>\$36,929,263</u>

MARGINS & EQUITY

Membership Fees	98,345	
Allocated & Unallocated Margins	16,036,313	
Other Equity	967,821	
Deferred Credits.....	<u>228,634</u>	<u>\$17,331,113</u>

TOTAL LIABILITIES, MARGINS & EQUITY **\$54,260,376**

INCOME STATEMENT

Residential Power Sales	\$ 17,986,575
Commercial & Industrial Power Sales ...	3,260,675
Collection & Reconnection Charges	0
Miscellaneous Revenue	449,797
Sales for Resale--Town of Enfield.....	<u>2,506,290</u>

TOTAL INCOME **\$24,203,337**

EXPENSES

Cost of Purchased Power	\$13,092,696
Operations & Maintenance	2,979,317
Consumer Accounting & Collecting	1,094,649
Customer Services & Information	307,249
Administrative & General	1,646,389
Interest, Depreciation, and Taxes.....	4,350,026
Transmission Expense.....	<u>46,095</u>

TOTAL EXPENSES **\$23,516,421**

MARGINS

Operating Margins.....	\$ 686,916
Patronage Dividends	301,362
Non-Operating Margins	<u>61,699</u>

TOTAL PATRONAGE CAPITAL OR MARGINS **\$ 1,049,977**

Halifax Helps Grants – continued

- Halifax Co. Sheriff's Office \$2,850
- Halifax Co. 4-H \$2,722
- Inez Volunteer Fire Department \$2,600
- Enfield Volunteer Fire Department \$2,450
- Edna Andrews Elementary School PTA \$1,500
- Rheasville Volunteer Fire Department \$1,500
- Enfield Baptist Church \$1,180
- Aurelian Springs Elementary Pre-K \$4,695
- Preservation Halifax \$1,417
- Youth Camps for Christ/Camp Willow Run \$1,500
- Roanoke/Wildwood Volunteer Fire Department \$5,500
- Macon Rural Volunteer Fire Department \$3,000
- Fred E. Turnage Chapter of the American Red Cross \$2,400
- Enfield Police Department \$6,700
- Union Mission of Roanoke Rapids \$4,800

Halifax Electric Membership Corporation Candidates by Nomination

Directorate Districts Up For Re-election

District 3 - 1063,
1072, 1073, 1085, 1086,
1101, 1102, 1116, 1117,
1118, 1119, 1133, 1134,
1135, 1150, 1151, 1166,
1167, 1183, 1184, 1202

District 5 - 1010,
1011, 1022, 1023, 1033,
1034, 2010, 2011

District 7 - 1001,
1002, 1003, 1004, 1005,
1006, 1013, 1014, 1015,
1016, 1017, 1018, 1024,
1025, 1026, 1027, 1028,
1029, 1030, 1031, 1032,
1035, 1038, 1039, 1040,
1041, 1042, 1043, 1044,
1045, 1046, 1047, 1048,
1049, 1050, 2001, 2002,
2003, 2004, 2005, 2006



Jerry Packer
District 3

Jerry Packer was appointed to the Board of Directors of Halifax EMC in February of 2002 and has served diligently for nine years representing District 3. During his tenure he also served a three-year term on the Board of Directors of North Carolina Electric Membership Corporation. He retired from Helena Chemical Company in 2005 after 26 ½ years. Jerry served on the Crop Protection Board for 12 of those years. He and his wife Donna have been married for 26 years and have been Halifax EMC members for 22 years.



Robert F. Harris
District 5

Robert F. Harris (Robbie) is a candidate for District 5 of the HEMC Board of Directors. He is employed by Youth Camps For Christ, Inc/Camp Willow Run, a non-profit, interdenominational Christian camp and retreat center. He serves as the Director of Operations & Development and has been on staff since 1995. Robbie graduated from the University of North Carolina at Greensboro with a Bachelor of Science in Business Management. He then received his Master of Business Administration from Campbell University. He has over 15 years of managerial experience in budget management, marketing, leadership training, and fundraising. Robbie and his wife Kristie are the proud parents of three sons. He has been a resident of Warren County for over 30 years.



Richard Greene
District 7

Richard Greene was appointed to the Board of Directors of Halifax EMC in April of 1973 and has served faithfully for the past 38 years. He represented District 9 as an at-large director from 1973 to 1990 when the system was redistricted and his district was changed to District 7. He was appointed by Governor Hunt to fill a 1982-1983 unexpired position on the Board of Directors for the North Carolina Rural Electrification Authority (NCREA). During his tenure he has served in the capacities of Secretary-Treasurer, Vice President and President of Halifax EMC. In 2007 Richard celebrated 40 years in the insurance business as well as 30 years in the funeral home business. He and his wife Ann reside in Warren County.

