

2012

Annual Report

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OFFICIAL NOTICE

Please take note that the regular annual meeting of the members of Halifax Electric Membership Corporation will be held at Inborden Elementary/Enfield Middle School on Highway 481 in Enfield, on Saturday, May 18, 2013, with registration from 9–11 a.m. The business meeting will begin at 11 a.m. to take action on the following matters:

1. The reports of cooperative officers, directors, and committees.
2. The election of three (3) directors of the Corporation.

NOMINATED DIRECTORS

<u>District</u>	<u>Nominee Name</u>	<u>Term</u>
4	Leon Williams	3 years
6	Stanley Brothers	3 years
8	Robert Edwards	3 years

3. Other business that may come before the meeting.

Leon Williams, Secretary-Treasurer
Halifax Electric Membership Corporation



Halifax EMC Service Area

President's Message

by Basil Williams

*President, Halifax EMC Board of Directors
District 2*



Halifax Helps Awards Over \$44,000 in 2012!

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 2012, Halifax Helps awarded \$44,291 bringing its total award amount to-date to \$188,876! 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 2012:

- Downtown Enfield Restoration & Preservation Assoc.
- VFW Post 4096
- Halifax Regional Medical Center—Mammography Project

This year we are celebrating the 75th anniversary of our Cooperative. Halifax EMC was incorporated in December 1938 as a result of the Rural Electrification Act of 1935 and a need for electrification in rural areas of Halifax, Warren, Nash and Martin Counties.

Our first construction project was completed in 1939 with 225 miles of line serving 700 members in Halifax and Martin Counties. Today we have grown to serve over 1,696 miles of energized line, serving a total of 9,695 active members in Halifax, Warren, Nash and Martin Counties.

Our first Annual Meeting of the Membership was held on July 5, 1939, with 17 out of 19 members present. Plans are now being made for our 74th Annual Meeting of the Membership to be held on Saturday, May 18, 2013, at Inborden Elementary/Enfield Middle School in Enfield, NC. In celebration of the Co-Op's 75th Anniversary, there will be several new activities to make this year's event a special time for everyone! Please mark this date on your calendar and make plans to attend!

Registration will open at 9 a.m. and our business session will begin at 11 a.m. Don't forget to bring your registration card, which you will find on the cover of your Carolina Country magazine, to receive an additional \$1. The Volunteers in Action will serve a continental breakfast and Abram's will serve a light lunch. Once again you will have a chance to win one of many great door prizes at the conclusion of our business meeting.

Representatives from Clean Energy Durham, a non-profit organization based in Durham, NC, will have a booth at our meeting. They are providing fifteen minute demonstrations on easy projects you can do yourself to save money on your home energy bill.

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

Over the past year we returned capital credit refunds of over \$600,000. This amount included the refunds that were made to member's estates. As a member/owner of Halifax EMC, one of your many benefits is having your capital credits (margins) returned to you.

In August of 2012, Halifax EMC began offering a Pay-as-You-Go metering service to our members. This method of payment has proven to work very well for members on a budget who like the option of paying ahead for their electricity. Members also can avoid paying late, disconnect and reconnect fees. If you would like more information on our Pay-As-You-Go metering, please contact our office at (252) 445-5111.

Halifax EMC also recently began offering free mobile apps through the Apple and Google markets for members who use on-line bill pay and want the convenience of paying their bill from their mobile phone.

Once again, please remember to save the date of Saturday, May 18th and join us for the Annual Meeting of the Membership and our 75th Anniversary Celebration!



Financial Reports for 2012

ASSETS

Utility Plant.....	\$48,828,320	
Investment in Associated Organizations..	2,825,500	
Cash	1,592,206	
Short-Term Investments.....	0	
Accounts and Notes Receivables	2,569,031	
Prepaid Expenses	41,142	
Materials and Supplies.....	504,010	
Current and Accrued Assets.....	5,648	
Deferred Debits	0	
Regulatory Assets	<u>253,258</u>	
TOTAL ASSETS		<u>\$56,619,115</u>

LIABILITIES

RUS Long-Term Loan	\$22,030,582	
CFC Long-Term Loans	8,502,819	
Obligations Under Capital Leases	477,976	
Accounts & Notes Payable.....	5,493,075	
Deposit Fees.....	807,554	
Other Current and Accrued Liabilities.....	<u>614,618</u>	<u>\$37,926,624</u>

MARGINS & EQUITY

Membership Fees	98,725	
Allocated & Unallocated Margins	17,382,698	
Other Equity	1,211,068	
Deferred Credits.....	<u>0</u>	<u>\$18,692,491</u>
TOTAL LIABILITIES, MARGINS & EQUITY		<u>\$56,619,115</u>

INCOME STATEMENT

Residential Power Sales	\$17,617,294	
Commercial & Industrial Power Sales ...	3,595,722	
Collection & Reconnection Charges	0	
Miscellaneous Revenue	431,382	
Sales for Resale–Town of Enfield	<u>2,535,944</u>	
TOTAL INCOME		<u>\$24,180,342</u>

EXPENSES

Cost of Purchased Power	\$12,694,057	
Operations & Maintenance	3,201,387	
Consumer Accounting & Collecting	1,031,751	
Customer Services & Information	260,189	
Administrative & General	1,733,071	
Interest, Depreciation, and Taxes.....	4,526,968	
Transmission Expense.....	39,426	
TOTAL EXPENSES		<u>\$23,486,849</u>

MARGINS

Operating Margins.....	\$ 693,493	
Patronage Dividends	356,318	
Non-Operating Margins	<u>112,311</u>	
TOTAL PATRONAGE CAPITAL OR MARGINS		<u>\$1,162,122</u>

Halifax Helps Grants–
continued from page 22

- Clean Energy Durham
- Four Rivers Resource Conservation & Development Council, Inc.
- Halifax Regional Medical Center–Security Services
- Whitakers Volunteer Fire Department
- Macon Volunteer Fire Department
- Weldon STEM High School Band
- Mariam Boyd Elementary School
- Warren County Middle School Odyssey of the Mind
- South Creek Middle School PTA
- D.I.R.T. Ministries
- Fred E. Turnage Chapter of the American Red Cross
- Enfield Volunteer Fire Department

Halifax Electric Membership Corporation

Candidates by Nomination

Directorate Districts Up For Re-election

District 4—1051,
1052, 1053, 1054,
1055, 1056, 1057,
1058, 1059, 1060,
1061, 1062, 1067,
1068, 1069, 1070,
1071, 1079, 1080,
1081, 1082, 1083,
1084, 1094, 1095,
1096, 1097, 1098,
1099, 1100, 1110,
1111, 1112, 1113,
1114, 1115, 1129,
1130, 1131, 1132,
1147,
1149

District 6—1007, 1008,
1009, 1019, 1020,
1021, 2007, 2008,
2009

District 8—The entire
area as described in
Districts 1–7
inclusive.



Leon S. Williams
District 4

Leon S. Williams joined the Halifax EMC Board of Directors in 1980. He obtained his Director's Certificate in 1992. Leon is a graduate of NC State University. He served his country in the U.S. Navy from 1961-1966 and is a member of VFW Post 4096 in Norlina. Leon is retired from the U.S. Postal Service and has also been a farm equipment dealer for 39 years. He is a member of the Inez Fire Department and has served on the Warren County Soil & Water Conservation board for 29 years. Leon and his wife, Vivian, have two children; Martha and James. Leon has been a Halifax EMC member for 41 years.



Stanley J. Brothers
District 6

Stanley (Stan) J. Brothers has served on the Halifax EMC Board of Directors since 2007. He earned the Credentialed Cooperative Director's Certificate in 2008. Stan obtained an Associate's Degree in Applied Science from Gaston Technical Institute as well as a Bachelor of Science in Electrical Engineering from NC State University. He retired from IBM after 33 years and has served as a NASA educator with Warren County for 10 years. Stan has been a member of Churchill Five Forks VFD for 10 years and has served as the fire department's President as well as Treasurer of the Board of Directors. He has been actively involved in the Pasture Gate Home Owner's Association for 8 years and served in the capacity of President of the H.O. Association. Stan and his wife, Callie, have two children; Mark and Michelle. Stan has been a Halifax EMC member for 17 years.



Robert D. Edwards
District 8

Robert D. Edwards was elected to the Halifax EMC Board of Directors in 2004. He earned the Credentialed Cooperative Director's Certificate in 2008. Robert attended NC State University and obtained a Bachelor's Degree in Agricultural Business. He has farmed for over 20 years. Robert has lived on the system for 37 years and has been a Halifax EMC member for 10 years.