

2008 Annual Report

Charles H. Guerry,
Executive Vice
President &
General Manager

Halifax EMC
208 W. Whitfield St.
Enfield, NC 27823

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Director Recognition



High Voltage Demos



Girl Scout Cookie
Distribution



Five Forks Substation



Pole Top Rescue



New School



Annual Meeting





New Five Forks Substation Under Construction

Construction on the new Five Forks Substation is progressing and it may come online sometime in May, hopefully before Memorial Day weekend.

Once this substation comes online, it should provide more reliable service to this area.

This substation represents a \$2 million dollar project and will be one of the first of our substations to deploy Automated Meter Infrastructure (automated meter reading).



President's Message

by Beverly Carter
President, Halifax EMC Board of Directors



Halifax EMC's 70th Annual Meeting of the Membership will be held on Saturday, May 16, 2009, at Aurelian Springs Elementary School, located at the intersection of Highway 48 and Justice Branch Road. Registration will open at 9 a.m. and the business session will begin at 11 a.m. Join us on this date and enjoy great entertainment, good fellowship with other members, special door prizes and a delicious luncheon catered by Bill's Barbeque of Wilson.

Your Cooperative has made many accomplishments during the past year. Here are just a few:

In early 2008, Halifax EMC and the Town of Enfield signed a 20-year power supply agreement. This agreement will be of mutual benefit to both parties and should help to stabilize future rates for both parties. It is also anticipated that this agreement will help to facilitate a better working environment for economic development.

HEMC and the Town of Enfield also formed a second innovative partnership called Enfield Partnership for Tomorrow. This partnership will serve as a catalyst for future growth of the Town, as well as HEMC's service area in southwest Halifax County.

Last year we awarded \$ 6,000 in Bright Ideas grants to area teachers for creative and innovative teaching programs. This program is sponsored by the North Carolina Touchstone Energy Cooperatives and collectively has given more than five million dollars over the past 14 years to our teachers here in North Carolina. These grants provided opportunities for creative teaching programs that could not be funded through the normal school budget.

In the fall of 2008 we implemented our Operation Round-Up Program. Each month members participating in the program have their bill rounded up to the nearest dollar. For such a minimal cost to our members, collectively these funds help us to provide grants for education, emergency response, environment, energy efficiency and economic development in the communities we serve. All grants to individuals and/or charities are selected and awarded by Halifax Helps, Inc., with the first round of grants to be awarded at this year's Annual Meeting.

We began construction in December of '08 on our new Five Forks substation in the Lake Gaston area of Warren County. This substation will serve approximately 1,200 members and is the first of our substations to deploy Automated Meter Infrastructure (AMI), or reading our meters by automation. This represents an investment of nearly two million dollars and will improve service reliability in this growing area. Our current plan is to energize the Five Forks substation sometime in the spring of 2009.

Our Annual Meeting gives you a great opportunity to meet our staff, ask questions and receive information on the many services we offer to our members. Our motto is to provide YOU our members the best possible service at the lowest possible cost.

So mark your calendars now. Save the date of Saturday, May 16th to attend your Annual Meeting of the Membership. I sure hope to see you there!



Our Energy, Our Future
A Dialogue With America



FINANCIAL REPORTS FOR 2008

ASSETS

Utility Plant.....	\$ 46,227,003
Investment in Subsidiary Companies	382,458
Cash.....	622,410
Short-Term Investments	1,649,176
Accounts and Notes Receivables.....	2,257,899
Prepaid Expenses	39,333
Materials and Supplies	485,320
Current and Accrued Assets.....	5,611
Deferred Debits	25,827

TOTAL ASSETS **\$ 51,695,037**

LIABILITIES

RUS Long-Term Loan.....	\$28,184,182	
CFC Long-Term Loans.....	3,073,443	
Other Long-Term Loans.....	0	
Accounts & Notes Payable	3,523,099	
Deposit Fees	724,389	
Other Current and Accrued Liabilities.....	505,746	\$ 36,010,859

MARGINS & EQUITY

Membership Fees	98,235	
Allocated & Unallocated Margins	14,777,810	
Other Equity	718,199	
Deferred Credits.....	89,934	<u>15,684,178</u>

TOTAL LIABILITIES, MARGINS & EQUITY **\$ 51,695,037**

INCOME

Residential Power Sales	\$16,581,441
Commercial & Industrial Power Sales	3,511,360
Collection & Reconnection Charges	173,424
Miscellaneous Revenue	87,082
Sales for Resale--Town of Enfield.....	2,507,170

TOTAL INCOME **\$22,860,477**

EXPENSES

Cost of Purchased Power.....	\$12,245,035
Operations & Maintenance	2,766,441
Consumer Accounting & Collecting	1,043,103
Customer Services & Information	323,338
Administrative & General	1,527,959
Interest, Depreciation, and Taxes	4,056,216
Other.....	11,145

TOTAL EXPENSES **\$21,973,237**

MARGINS

Operating Margins.....	887,240
Non-Operating Margins.....	<288,045>

TOTAL PATRONAGE CAPITAL OR MARGINS **\$ 599,195**

BRIGHT IDEAS

In 2008, Halifax EMC awarded \$6,000 to local area teachers through the Bright Ideas Grant Program. These grants were awarded for creative and innovative teaching programs that could not be funded through the regular school budget.

The teachers who received grants were:

- Pamela Richardson at Inborden Elementary School in Enfield
- Patricia Williamson at Northside Elementary in Norlina
- Taylor Whitehead at Warren County High School in Warrenton
- Deborah Foster at South Warren Elementary School in Warren County
- Jewel Mitchell at Northside Elementary School in Norlina
- Elizabeth Guest at Aurelian Springs Elementary School in Halifax County

The grants were presented at a dinner held at the City Hotel & Bistro in Greenville, in conjunction with other grant presentations from eastern North Carolina cooperatives.

Halifax Electric Membership Corporation Board of Directors

Directorate Districts Up For Re-election

District 1 - Goose Nest Township in Martin County and Palmyra and Scotland Neck Townships in Halifax County.

District 2 - Roseneath, Conoconnara, Halifax, Weldon Townships and the portion of Enfield Township located on the east side of the Seaboard Coastline Railroad Company's main double track in Halifax County.

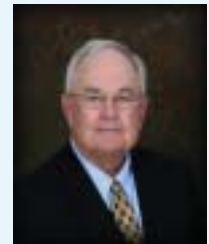
District 8 - The entire area as described in Districts 1-7 inclusive.



*Beverly Carter
President
District 8
At Large*



*Stanley Brothers
Secretary/
Treasurer
District 6*



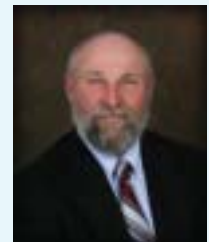
*Morell Jones
District 1*



*Basil Williams
Vice President
District 2*



*Robert Harris
Assistant
Secretary/
Treasurer
District 5*



*Jerry Packer
District 3*



*Leon Williams
District 4*



*Richard Greene
District 7*



*Robert Edwards
District 8
At Large*

