

# 2012 Annual Report



South Plains Electric  
Cooperative, Inc.

Your Touchstone Energy® Cooperative 



# Cooperative Members Fare Well in Legislature

BY ERIC CRAVEN

Members of electric cooperatives likely won't notice the effects of laws passed during the regular session of the Texas Legislature, which ended May 27, on their costs or service. Bills had been introduced that could have caused rate increases and other problems, but those did not survive the scrutiny of the legislative process.

Cooperative members will benefit from the passage of legislation that keeps the Public Utility Commission running for another 10 years without increasing costs for cooperatives. Although cooperatives are regulated locally and state regulation

is limited, decisions by the agency still affect the cost and supply of electricity for cooperative members. The bill includes a provision to protect consumer information collected by utilities from being given to third parties—a step cooperatives already had taken.

Additionally, the Legislature addressed a 2012 Texas Supreme Court decision affecting the height of electric lines above roadways with a law that returns the standards to those found in the National Electric Safety Code. The decision would have cost co-op members tens of millions of dollars to increase the height of distribution lines above roadways.

Legislation also passed that describes the rules for attaching cable company equipment to cooperative-owned utility poles. The new law could protect cooperative members from subsidizing cable company

operations while providing an efficient process for accessing cooperative facilities.

Other new laws include one targeting unscrupulous metal recyclers who continue to be a problem, in efforts to curb copper theft. Cooperatives are experiencing an epidemic of such thefts, and they are costly for members because the stolen copper must be replaced.

Another measure passed in the regular session allows for the establishment of an electric bill payment assistance program for military veterans severely burned in combat.

*Eric Craven is vice president, government relations and legal affairs, at Texas Electric Cooperatives.*



Crime Fighter.  
Roadside Mechanic.  
Traffic Director.  
Tourism Promoter.  
Oh, and Electric  
Co-op Lineworker.



You'd think our line crews would have enough to do. With storms and lightning strikes. Downed power lines. Equipment repair. And delivering service to new members.

But line crews have never been the kind of people who let their job description define all of what they do. That's why they've been known to report crimes in progress. Repair tires for senior citizens. Direct traffic around accidents. Render aid in emergency situations. Even guide visitors to hotels and local attractions.

You see, our line crews are committed to bringing you the best electric service possible. But they're also committed to this community. And doing whatever it takes to make life here just a little better.

Thank a lineman today.

# 2012 Annual Report to the Membership

## MANAGER'S REPORT

I've attended South Plains Electric Cooperative Annual Membership meetings for the past 26 years and this will be my 27th meeting. A consistent part of attending the Annual Meeting is seeing someone we have lost touch with or haven't seen in several years. It's a chance to run into folks we might not get to see any other time.

We just finished our district meetings in Childress and Spur and had the same experiences at those meetings. The members and the employees get an opportunity to catch up with some folks we haven't seen recently. These meetings are an important part of running the Cooperative's business and reinforces our whole way of doing business—friends serving friends and neighbors helping neighbors.

When you take the profit margin out of running a business, all of a sudden everyone involved is pulling in the same direction. Members, directors and employees work toward the same goal of providing the best service possible at the lowest possible cost.

Come join us at your Cooperative's business meeting, share a meal with your friends and neighbors and run into someone you haven't seen for a while.

The physical service territory for South Plains Electric has remained a constant since our mergers with Dickens Electric and Gate City Electric in 1999 and 2000, respectively. However, the number of meters we serve has continued to grow. In 2000, we served 39,387 meters, and now we serve 49,962 meters, representing a 27 percent increase since 2000.

We are fortunate to live in this growing region. Cooperative members benefit from the growth because of the economics of spreading our costs over residential, small business, agriculture, and oil and gas meters. This has allowed us to hold our rates pretty steady over the last seven or eight years.

Our industry has changed dramatically over the past years and will continue to change into the future. Members are benefitting from unprecedented decreases in generation costs due to decreases in natural gas prices. Texas and the nation are struggling with coal generation facilities and the long-term ramifications of the entire coal industry in relation to the EPA. Federal subsidies for the wind industry have helped to lower the costs for most Texas electric users, and South Plains Electric has taken advantage of this resource for its members.

We've worked hard to take advantage of the lower generation costs for South Plains Electric members. Our long-term plans will continue on the same path. The directors and employees of South Plains Electric are very humbled by our members' goodwill toward the Cooperative and work hard every day to try and uphold the confidence you have in your Cooperative. You gave us an American Customer Satisfaction Score of 91 this year, 14 points higher than the investor-owned utilities. We are proud of the confidence you show us!

Friends serving friends and neighbors helping neighbors

means we are here for the long haul, and we are committed to powering our communities and empowering our members to improve their quality of life. We are all pulling in the same direction.

Again, please join us at your Cooperative's Annual Membership Meeting on September 10, 2013, at the Lubbock Civic Center. Come say "hi" to someone you haven't seen in a while.



**Dale Ancell**  
General Manager

## PRESIDENT'S REPORT

By and large, we don't get to choose who provides our electric service. Folks on opposite sides of the road may be served by different electric providers, some by a stockholder-driven investor-owned utility, others a city-owned municipal electric system. We are a not-for-profit electric cooperative owned by you and your fellow members.

But there's one major difference between these entities. Every home or business that receives power from an electric cooperative—18 million in 47 states—owns a portion of the utility. As a result, anyone who receives cooperative electric service becomes a member, not a customer.

Being a member matters. South Plains Electric doesn't exist to make profits for distant investors on Wall Street or city governments. We exist to provide you with safe, reliable electric service at the lowest possible cost—and doing so in a way that raises the quality of life in our communities. Because electric co-ops operate on a not-for-profit basis, they have no need to increase revenues above what it takes to run the business in a financially sound manner. This structure helps keep your electric bill affordable.

Membership matters because you have a voice and a vote in how your co-op is governed. Through democratic control, members like you elected me and others from our co-op to serve on the board of directors. Control stays in local hands. Your board of directors, along with those who work for your co-op, are your friends and neighbors.

Membership matters because you receive returns on your investment in your co-op. Electric co-ops aim to operate at cost, so any excess revenues, or margins, are returned to members in the form of capital credits, based on their electric use.

The bottom line: Membership matters because you matter to your electric cooperative.



**Tommy Joines**  
President

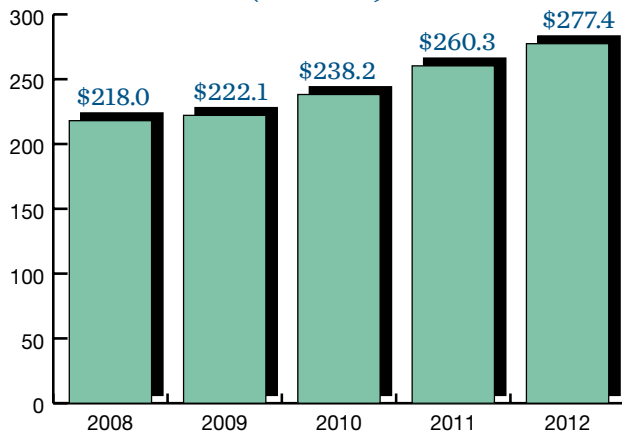
## Balance Sheet

|  | December 31,                |                             |
|--|-----------------------------|-----------------------------|
|  | <u>2012</u>                 | <u>2011</u>                 |
| <b>ASSETS—What we own</b>                      |                             |                             |
| Total cost of system                           | \$250,933,686               | \$238,107,857               |
| Estimated depreciation                         | <u>74,611,876</u>           | <u>72,303,015</u>           |
| <b>Net value of system</b>                     | <b>\$176,321,810</b>        | <b>\$165,804,842</b>        |
| Cash & Temporary Cash Investments              | \$ 9,556,231                | \$10,511,802                |
| Investments                                    | 79,757,723                  | 71,137,125                  |
| Accounts receivable                            | 11,567,704                  | 12,612,756                  |
| Value of materials & supplies                  | 30,901                      | 37,478                      |
| Advanced payments                              | <u>214,903</u>              | <u>226,516</u>              |
| <b>TOTAL ASSETS</b>                            | <b><u>\$277,449,272</u></b> | <b><u>\$260,330,519</u></b> |
| <b>LIABILITIES—What we owe</b>                 |                             |                             |
| Long-term debt                                 | \$124,867,394               | \$127,849,055               |
| Materials, taxes, insurance                    | 29,745,984                  | 19,181,824                  |
| Other liabilities & credits                    | 12,655,458                  | 11,340,541                  |
| <b>EQUITIES</b>                                |                             |                             |
| Deposits & Memberships                         | \$705,918                   | \$656,683                   |
| Total members' equity                          | <u>109,474,518</u>          | <u>101,302,416</u>          |
| <b>TOTAL LIABILITIES &amp; MEMBERS' EQUITY</b> | <b><u>\$277,449,272</u></b> | <b><u>\$260,330,519</u></b> |

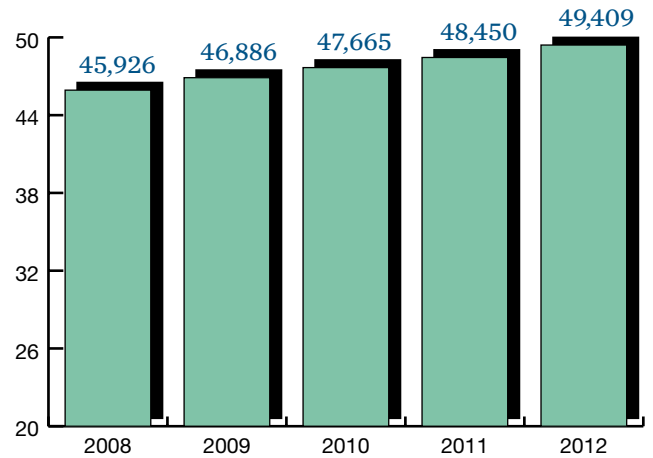
## Income Statement

|                                | December 31,                |                             |
|--------------------------------|-----------------------------|-----------------------------|
|                                | <u>2012</u>                 | <u>2011</u>                 |
| <b>REVENUES</b>                |                             |                             |
| Electric energy sold           | \$112,725,980               | \$130,360,333               |
| <b>TOTAL ELECTRIC REVENUE</b>  | <b>\$112,725,980</b>        | <b>\$130,360,333</b>        |
| <b>EXPENSES</b>                |                             |                             |
| Electric power cost            | \$83,923,707                | \$100,477,062               |
| Operating expenses and taxes   | 14,878,226                  | 15,040,435                  |
| Estimated system depreciation  | 6,387,001                   | 6,154,919                   |
| Interest on long-term debt     | <u>4,886,937</u>            | <u>5,560,806</u>            |
| <b>TOTAL EXPENSES</b>          | <b><u>\$110,075,871</u></b> | <b><u>\$127,233,222</u></b> |
| <b>OPERATING INCOME (LOSS)</b> | <b>\$2,650,109</b>          | <b>3,127,111</b>            |
| Non-operating income           | <u>\$10,490,185</u>         | <u>\$9,790,744</u>          |
| <b>NET MARGINS</b>             | <b><u>\$13,140,294</u></b>  | <b><u>\$12,917,855</u></b>  |

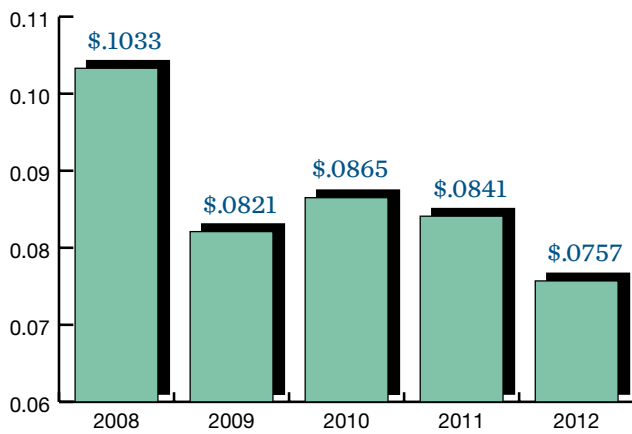
**Total Assets**  
(in millions)



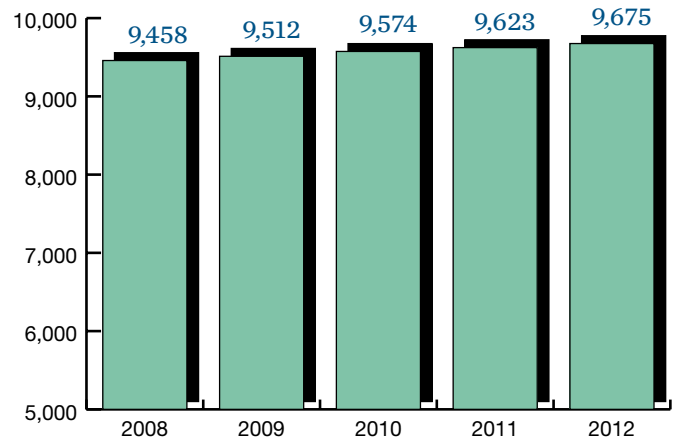
**Number of Electric Meters Served**



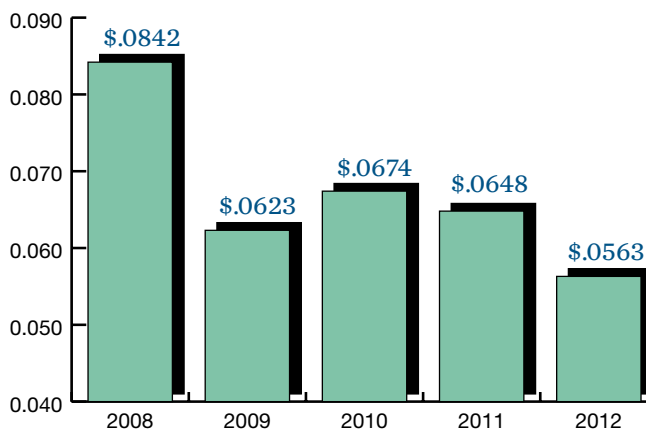
**Members' Average Cost Per kWh**



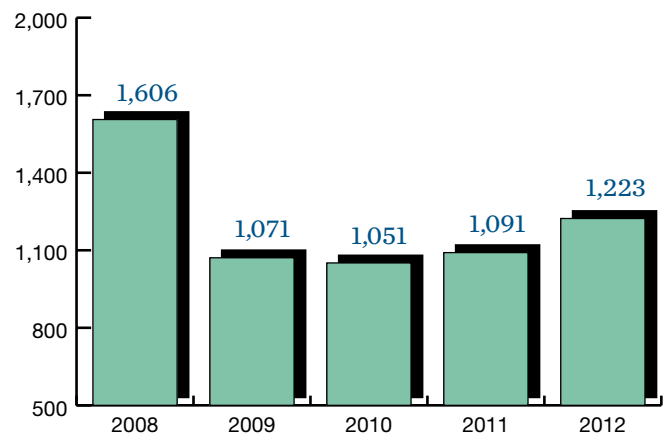
**Miles of Line**



**Wholesale Power Cost Per kWh Sold**



**New Services Constructed**





District 1  
**Tommy Joines**  
President  
Cotton Center  
Term expires 2013



District 2  
**Danny Stanton**  
Shallowater  
Term expires 2013



District 3  
**Paul Zuber**  
Secretary-Treasurer  
Petersburg  
Term expires 2015



District 7  
**R.D. McCallister**  
Vice President  
Acuff  
Term expires 2015



District 8  
**Benny Nixon**  
Lubbock  
Term expires 2013



District 9  
**Glenn Jones**  
Spur  
Term expires 2014

# Board Nominees for 2013 Elections

## District 1 Nominee **Tommy Joines**

Cotton Center, Incumbent

- Wilson High School graduate
- Current occupation: Farmer for 61 years.
- His wife is Beverly. They have two daughters, Robin Heath and Karen Weaver, six grandchildren, five great grandchildren.
- Member of the First Baptist Church in Cotton Center, board member for Cotton Center Water Department.

Qualifications and Experience: Has served on the South Plains Electric Cooperative Board for 33 years and on the Golden Spread Electric Cooperative Board for 27 years. As part of the Golden Spread Board, Joines helped build a new power plant in Abernathy.

## District 2 Nominee **Danny Stanton**

Shallowater, Incumbent

- Shallowater High School graduate
- Graduate, South Plains College with an Associate's Degree in agriculture and applied sciences.
- Current occupation: Farmer for 40 years and co-owner of Stanton Fertilizer for nine years.

- His wife is Sherry. They have three children: Hollie, Dan and Craig. Dan and wife, Nicole, have two children, Elliott and Kinleigh; Craig and his wife, Ashley, have three children, Brody and twins Nash and Mabry.

• Member of the First United Methodist Church in Shallowater; served on the Lubbock County Farm Bureau Board, was president 1985 and 1986; served on the Shallowater Co-op Gin Board for 19 yrs.; involved with merger of Citizens Co-op Gin in 1995; served on the Citizens Co-op Gin Board for 10 yrs., president for three years; and served on the PYCO Industries Advisory Board for 13 years.

Qualifications and Experience: 22 years of experience on the South Plains Electric Cooperative Board and has successfully completed courses on Director Duties & Liabilities, Understanding Financial Planning and Understanding the Electric Business. Wide range of experience in all forms of business from agricultural co-ops, agricultural businesses and the electric cooperative.

## District 8 Nominee **Benny Nixon**

Lubbock, Incumbent

- Cotton Center High School graduate
- Graduate: Texas Tech University with a Bachelor of Business Administration.
- Current Occupation: owns Commercial Property Services.

• His wife is Vicki Vannoy Nixon. They have three children: Elliott is an attorney for Crenshaw, Dupree & Milam, LLP; Vanessa Mobley graduated from Oklahoma University and works for Pennington Company; and Candace graduated from Texas A&M and works for Amazon.com.

• Community Involvement: First Baptist Church, Southwest Lubbock Rotary, Texas Tech University Executive Council, Ex-Students Association, Red Raider Club and past member of the Texas Tech Athletic Counsel.

Qualifications and Experience: Leadership Lubbock; successfully completed National Rural Electric Cooperative Association courses; Texas Real Estate



District 4  
**Marvin Schoepf**

Lorenzo  
Term expires 2014



District 5  
**Bobby Richey**

Assistant  
Secretary-Treasurer  
Wolforth  
Term expires 2015



District 6  
**Bill Bednarz**

Slaton  
Term expires 2014



District 10  
**Bob Forbis**

Roaring Springs  
Term expires 2013



District 11  
**Larry Browning**

Childress  
Term expires 2014



District 12  
**Ken Harris**

Kirkland  
Term expires  
2015

## Nominees (cont.)

Broker; Certified Property Manager/  
Institute of Real Estate Management  
of the National Association of Realtors.  
Will serve the membership with com-  
mon sense, logic and loyalty.

### District 10 Nominee

#### **Bob Forbis**

Roaring Springs, Incumbent

- Education from Patton Springs High School and Texas Tech University.

- Current occupation: farmer/  
rancher

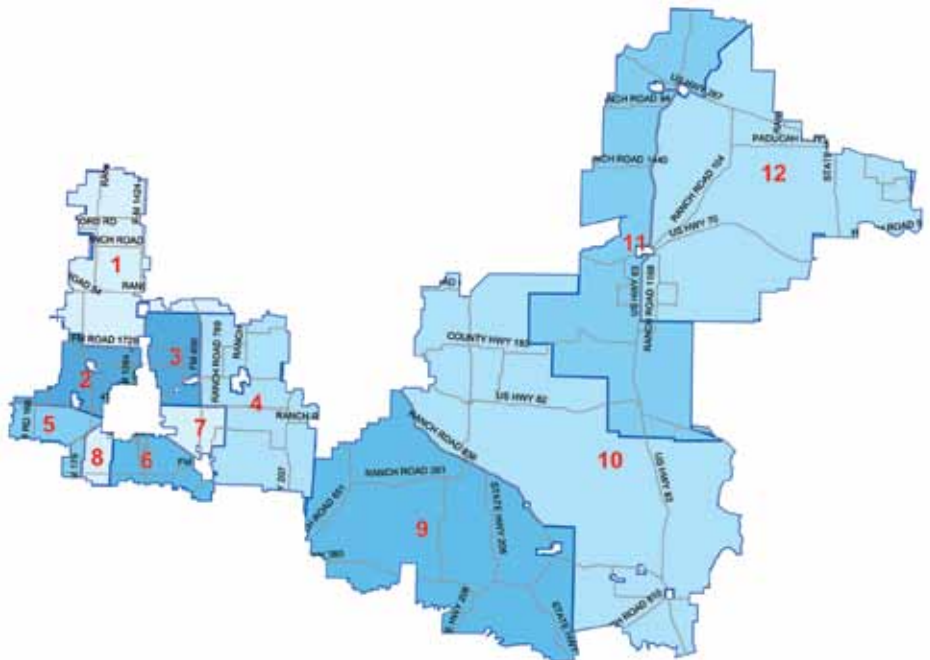
- His wife is Pat. His son, Craig, lives and farms at Lamesa. Daughter, Kim Parker, resides in Canyon. He and Pat have three grandchildren and three great grandsons.

#### Qualifications and Experience:

Served on the Dickens Electric Board for 21 years, then on the South Plains Development Corporation Board for two years and the South Plains Electric Cooperative Board for the past 12 years. Has been an electric cooperative member for 58 years and is a Credentialed Cooperative Director, past director for the Motley-Dickens County Old Settlers' Association, a member of the Texas Southwestern Cattle Raisers Association and attends Matador Church of Christ.

## Director District Map

The red numbers correspond with each director's district number



# About Capital Credits

As a member of an electric cooperative, you receive not only a needed service, but a benefit reserved for owners of a company—a return on your investment. This happens through “capital credits.”

Capital credits come from the money left over after all expenses are paid in a given year. At the end of the year, that money is credited to each member’s account according to the amount of electricity purchased. Assigning capital credits to members, instead of paying dividends to distant stockholders, is just part of the accountability your Cooperative offers you.

The credit remains on the utility’s books for a time and is used as a sort of interest-free loan from the members, who benefit by not having to pay interest on money borrowed from an outside source. When the Cooperative’s finances permit, that money is returned to members in the form of capital credits checks.

## Looking Out for You!

Unlike many other businesses, cooperatives do not have shareholders who expect to make money from operation of the company. Instead, consumers of a cooperative are member-owners of the company.

The primary objective of an investor-owned company is to make a profit. An electric cooperative is different. It is a not-for-profit business that exists solely to provide its members with electricity.

In a cooperative, net margins don’t belong to the company; they belong to the individual members paying their monthly service bills. In effect, the members are the shareholders.

## Why Not Just Break Even?

Since the Cooperative assigns any leftover money back to the members, it seems like we should establish a budget and rates to merely break even each year. However, that isn’t possible—or desirable. The business of building power lines is very expensive, and maintaining them is subject to outside forces

| YEAR                                      | ASSIGNED             | REFUNDED            | BALANCE                     |
|---|----------------------|---------------------|-----------------------------|
| 1943-1977                                 | \$14,694,772         | \$14,694,772        | \$0                         |
| 1978                                      | 858,219              | 21,027              | 837,192                     |
| 1979                                      | 840,380              | 16,154              | 824,226                     |
| 1980                                      | 1,076,841            | 26,398              | 1,050,443                   |
| 1981                                      | 1,045,522            | (57,264)            | 1,102,786                   |
| 1982                                      | 218,729              | 86,142              | 132,587                     |
| 1983                                      | 1,403,483            | 23,871              | 1,379,612                   |
| 1984                                      | 1,374,597            | 19,024              | 1,355,573                   |
| 1985                                      | 350,876              | 4,077               | 346,799                     |
| 1986                                      | 1,056,198            | 4,791               | 1,051,407                   |
| 1987                                      | 1,505,790            | 5,898               | 1,499,892                   |
| 1988                                      | 3,133,657            | 208,829             | 2,924,828                   |
| 1989                                      | 2,528,682            | 184,418             | 2,344,264                   |
| 1990                                      | 2,736,214            | 160,787             | 2,575,427                   |
| 1991                                      | 1,868,144            | 117,221             | 1,750,923                   |
| 1992                                      | 1,176,201            | 1,267               | 1,174,934                   |
| 1993                                      | 2,464,490            | 826,855             | 1,637,635                   |
| 1994                                      | 3,685,766            | 765,002             | 2,920,764                   |
| 1995                                      | 1,844,320            | 581,651             | 1,262,669                   |
| 1996                                      | 2,029,555            | 547,430             | 1,482,125                   |
| 1997                                      | 2,312,246            | 513,353             | 1,798,893                   |
| 1998                                      | 2,194,221            | 518,165             | 1,676,056                   |
| 1999                                      | 738,480              | 738,480             | 0                           |
| 2000                                      | 1,166,968            | 573,728             | 593,240                     |
| 2001                                      | 0                    | 0                   | 0                           |
| 2002                                      | 2,220,225            | 1,203,343           | 1,016,882                   |
| 2003                                      | 4,342,985            | 2,769,253           | 1,583,732                   |
| 2004                                      | 3,983,992            | 904,906             | 3,079,086                   |
| 2005                                      | 7,828,773            | 612,182             | 7,216,591                   |
| 2006                                      | 6,005,292            | 462,388             | 5,542,904                   |
| 2007                                      | 8,012,443            | 559,258             | 7,453,185                   |
| 2008                                      | 11,591,238           | 474,403             | 11,116,835                  |
| 2009                                      | 8,479,828            | 318,916             | 8,160,912                   |
| 2010                                      | 9,908,922            | 0                   | 9,908,922                   |
| 2011                                      | 12,917,854           | 843,012             | 12,074,842                  |
| 2012                                      | 13,140,294           | 0                   | 13,140,294                  |
| <b>SUB TOTAL</b>                          | <b>\$140,736,197</b> | <b>\$28,719,737</b> | <b>\$112,016,460</b>        |
| <b>MINUS OTHER EQUITIES</b>               |                      |                     | <b><u>(\$2,541,943)</u></b> |
| <b>Members’ Equity in the Cooperative</b> |                      |                     | <b><u>\$109,474,518</u></b> |

such as weather. It is impossible to plan so precisely in advance that revenues and expenses come out exactly even at year end.

What’s more, a cooperative must show a profit at the end of each year to prove to its lenders it is financially sound — and some margin must remain after expenses are paid so the business can continue to operate. Like other busi-

nesses, electric cooperatives must have money on hand to provide current operating funds and set up a reserve against emergencies.

Whatever monies that may be accumulated at year end always belong to the members. Being paid for patronizing your own company is just another way we are looking out for you!



### Financial Statement South Plains Electric Trust Year Ending 2012

|                                 |             |
|---------------------------------|-------------|
| Beginning balance 1/1/12 .....  | \$76,530.57 |
| 2012 member deposits .....      | \$22,587.53 |
| Employee & SPEC donations ..... | \$43,119.95 |
| Interest income .....           | \$42.25     |
| Checks issued .....             | \$80,754.75 |
| Balance 12/31/12 .....          | \$61,525.55 |

## Over \$870,000 distributed locally

Operation Round Up has dispersed more than \$870,000 to local organizations and individuals since its inception 20 years ago. More than \$80,000 was dispersed in 2012 alone.

### What is Operation Round Up?

This innovative program is a community outreach project that helps local organizations and individuals who need a hand up, not a hand out.

The money in the fund comes from members of South Plains Electric Cooperative who ask to have their monthly bill rounded up to the nearest dollar. Once you are added to Operation Round Up, the process becomes automatic. The billing program automatically rounds up your monthly bill and deposits the difference into the Operation Round Up account. The average annual contribution is only \$6.00 (and it's tax deductible)!

Your contribution can:

- send children to camp
- buy food for families in need
- help with medical emergencies and prescriptions
- provide shelter and clothing for women and children
- rebuild a family's life after a fire
- award scholarships
- assist a disabled person
- improve the quality of teaching at your local school
- repair an elderly person's porch
- make a life tragedy less traumatic.

Be a neighbor helping a neighbor. Just fill out this coupon and send it along with your next payment.



### Board of Trustees

Bunny Keeney, Shallowater, Pres.

Mary Eldredge, McAdoo

Derek Kitten, Slaton, VP

Jan Havens, Kalgary

Rita Tucker, Paducah, Sec.

Melba Parchman, Ransom Canyon

Gary Koelder, Cotton Center, Treas.

Ashley Stanton, Shallowater

Melinda Chapman, Lorenzo

Denese Thetford, Ropesville



## Just Say Yes!

*Join Operation Round Up today!*

*Just complete this form and mail it with your next electric payment!*

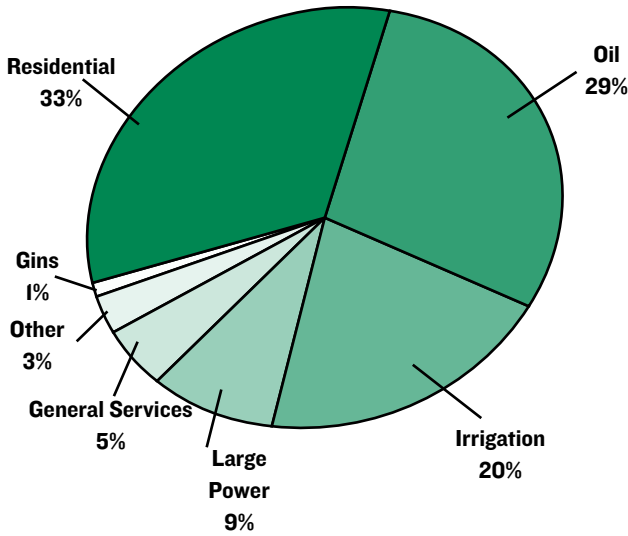
Name: \_\_\_\_\_

Account #: \_\_\_\_\_

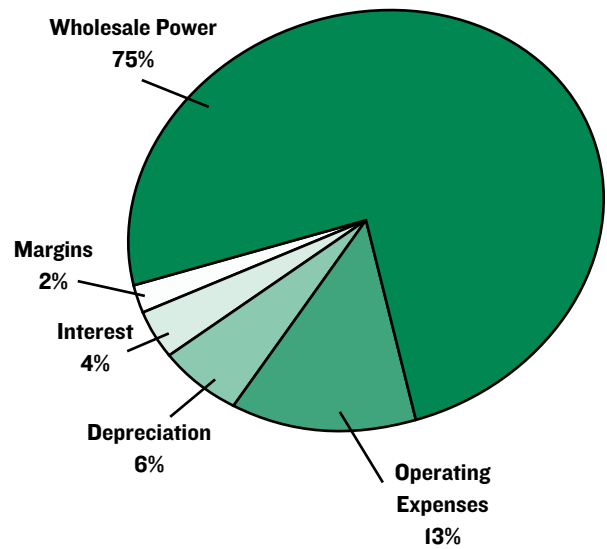
Phone #: \_\_\_\_\_

If you have more than one meter in your name, how many meters do you want to sign-up?  All  One Specific Number \_\_\_\_\_

### How your dollar was earned



### How your dollar was used



# The Cooperative Way of Doing Business Keeps Rising Electricity Rates in Check

Many Americans do business with a cooperative every day. They exist in almost every industry from energy to news reporting to healthcare. Cooperatives are a huge part of the economy here in the United States and serve some 120 million members, or 4 in 10 Americans.

While cooperatives may resemble most companies in some ways, they are very different in others. One of the most important differences is that cooperatives are not driven by profit. For-profit companies aim to return a profit to their shareholders. After all, these shareholders have invested their money in the business.

A cooperative’s mission, on the other hand, is meeting its members’ needs for goods or services. Electric cooperatives are part of this tradition of doing business, one that has a long history going back to 1752 when Ben Franklin started the first cooperative in Philadelphia.

A cooperative, however, is still going to see its operating costs rise when the price of doing business goes up. There’s no better example of this than right now when the cost of fuel to run power plants



is at a record high. South Plains works every day to achieve operating efficiencies as it faces these cost increases. Your Cooperative will work with you to make sure you have the information and help you need to use energy wisely. But if the Cooperative finds it necessary to pass along power supply increases, you can trust that the decision was based on keeping the business financially strong on behalf of all members.

At a time when Americans’ electric bills are going up around the country—in some places by as much as 40 percent—the cooperative way of doing business is an important way to keep costs manageable.

The Cooperative is not profit-driven and it doesn’t have to impress Wall Street every quarter. Rather, it is service-driven and operates at cost. You can bank on the cooperative difference.

# Youth Tour Experience



South Plains Electric Cooperative sent four students on a trip of a lifetime to Washington, D.C., in June.

Students compete in local contests in November and December to earn a spot on the trip. Next year's trip is June 12-20, 2014. Watch the Cooperative's website at [www.SPEC.coop](http://www.SPEC.coop) for entry information. You can also call the office at 806.775.7514 and speak with program coordinator Becky Wilson.

The four recipients for 2013 were pictured on the steps of the Capitol. They are, front row from left to right: Samantha De La Garza, Crosbyton, and Katie Cheyne, Spur; back row, from left: Chandler Payne, Lubbock and Kolton Harris, Childress.

HERE'S  
SOMETHING  
THAT WILL  
REALLY  
WAKE  
YOU UP.

| POUND OF COFFEE      |            |
|----------------------|------------|
| 1936.....            | 14.5¢      |
| 2013.....            | \$7.43     |
| <b>INCREASE.....</b> | <b>51X</b> |

| ELECTRICITY  |           |
|--|-----------|
| 1936.....  | 5¢        |
| 2013.....  | 10¢       |
| <b>INCREASE.....</b>                                   | <b>2X</b> |
| <small>BASED ON AVERAGE COST PER KILOWATT HOUR</small> |           |



We know how you like your electricity...affordable. And for more than 75 years, we've helped to keep it that way. Learn more about the power of your co-op membership at [SPEC.coop](http://SPEC.coop).

**Like us on Facebook**

Bring this card  
with you to the  
meeting!

Bring this card  
with you to the  
meeting!



## Member Registration Card

for South Plains Electric Cooperative's Annual Meeting of the Membership

**Tuesday, September 10, 2013**

Lubbock Memorial Civic Center

Buffet dinner begins at 5:30 p.m. • Business meeting begins at 6:30 p.m. • Door prizes at end of meeting



*Cut here and bring the above Member Registration card to your annual meeting!*

# Official Meeting Notice

Dear Member,

You are invited to attend the annual meeting of the membership of South Plains Electric Cooperative, Inc., Tuesday, September 10, 2013, at 5:30 p.m. in the Exhibit Hall at the Lubbock Memorial Civic Center located at 1501 6th St., Lubbock, Texas. Action will be taken on the following matters:

- Approval of the minutes of the 2012 annual meeting of the membership.
- Election of Directors for Districts 1, 2, 8 and 10.
- Ratification of four directors to serve three-year terms.
- All other business to come before the meeting.

Danny's Catering will be serving the meal from 5:30-6:30 p.m., with the business session starting at 6:30 p.m. All business should be completed by 8:00 p.m.

Very truly yours,

Paul D. Zuber, Secretary  
SPEC Board of Directors