

2024 ANNUAL REPORT



MANAGER'S MESSAGE

As we meet for the 2025 Annual Membership Meeting, I have wrapped up my first full year as Claiborne Electric's General Manager and CEO. This year has presented great opportunities and its share of challenges, and I am incredibly grateful to the Board of Directors, employees, and members who have helped me settle into this role. I feel at home here, and I plan to be here for many years to come.

Thank you for welcoming me to your service area, your communities, and to your cooperative. I've had the privilege of meeting many of you, and I plan to meet many more in the months and years to come. I've been fortunate to speak to many of the governing bodies and civic organizations in the area, and I plan to continue scheduling those engagements.

After a year in the office, I stand impressed by Claiborne Electric's electric system, programs, and organizational structure. However, I am most impressed with the people. The cooperative's management team, Board, and entire employee base are nothing short of incredible. A significant number of Claiborne Electric's employees have been here for at least 20 years, with several employees serving for more than 30 years. That is a testament to Claiborne Electric. This employee base is a tremendous asset to the co-op and its communities.

Some of the major issues we have addressed this year have included:

- Navigating a new wholesale power contract
- Resiliency and storm recovery planning
- Continued system reliability and upgrades
- System-wide workplan initiatives
- Extreme weather-related usage
- Storms and restoration efforts
- Supporting broadband internet deployment

One of my favorite projects of the year has been the move away from a for-profit power provider. After many years, several electric cooperatives in Louisiana joined forces to form 1803 Electric Cooperative and return our purchase of power to a cooperative business model. 1803 is governed by representatives from the member cooperatives. Their staff works to secure large-scale power contracts and provide power to these cooperatives. Benefits of returning to this model include:

- More flexibility in long-term power supply
- Cost-of-service-based wholesale supply, which is expected to be at a lower cost than prior contracts
- Direct control of decisions impacting the cooperatives and their members
- More proactive management and hedging of fuel costs
- Increased focus on reliability and affordability

We are excited about the return to a cooperative business model for our power supply contract, and we are already seeing the benefit with lower electric rates for our members.

Again, thank you for the warm welcome I have received in the past year. I look forward to many more. If I can be of assistance, please don't hesitate to reach out.

Sincerely,

Michael Marcotte
General Manager & CEO

CO-OP AT A GLANCE

Claiborne Electric Cooperative is an electric distribution cooperative founded in 1938. We are owned and democratically controlled by the members we serve. The Co-op is governed by a board of nine Claiborne Electric members, each representing the members in one of the Co-op's nine districts. The Board of Directors is elected by the membership to serve rotating three-year terms. Every decision made concerning the Co-op is made locally, in the best interest of our members. We are your friends and neighbors!

Headquarters office: 12525 Highway 9, Homer, La.
Branch office: 301 East Franklin Street, Farmerville, La.

Number of members: 17,695

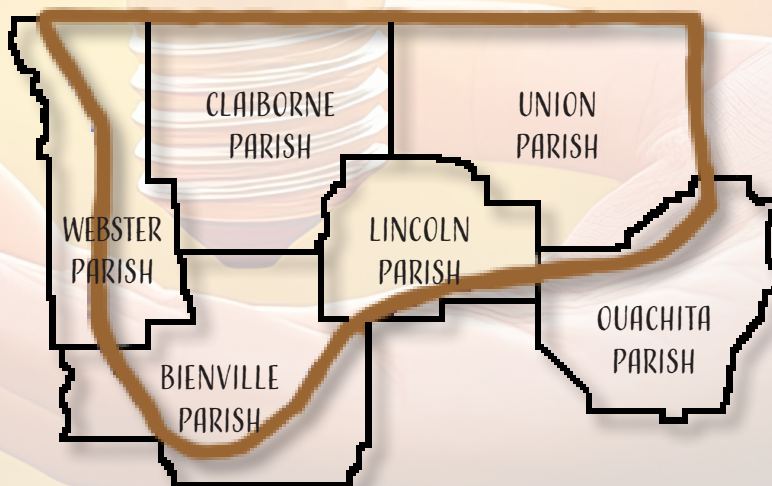
Number of meters: 24,382

Miles of line: 3,778

Number of employees: 70

Parishes served: Bienville, Claiborne, Lincoln, Ouachita, Union and Webster.

SERVICE AREA



Our Mission:

Claiborne Electric Cooperative is a member-owned, not-for-profit service organization that exists for one reason and one reason only... to meet the needs of our members.

BOARD OF DIRECTORS



President
Phillip Fincher
Homer, LA
District Seven



Vice President
Scott Jones
Farmerville, LA
District One



Secretary/Treasurer
Jody Woodard
Heflin, LA
District Nine



Willie Sensley
Farmerville, LA
District Two



Kenneth Franklin
Marion, LA
District Three



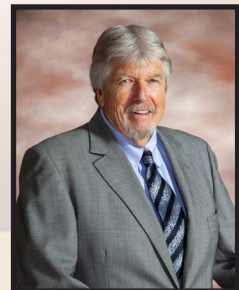
Leroy Perritt
Arcadia, LA
District Four



Ben Abshire
Homer, LA
District Five



Rand Killgore
Haynesville, LA
District Six



Lane Davidson
Minden, LA
District Eight

STAFF



Michael Marcotte
CEO & General Manager
Serving since 2024



Stacy Jones
Office Manager, Farmerville
Serving since 1990



Candy Hardy
Office Manager, Homer
Serving since 1993



Daniel Kimbell
Operation & Maintenance Manager
Serving since 2000



Stephen "Grub" Faulk
Operation & Maintenance Manager
Serving since 2001



EmmaLee Tingle
Manager of Marketing & Member Relations
Serving since 2006

FINANCIALS

BALANCE SHEET

ASSETS (What we own)	2023	2024
Utility Plant, Gross	\$182,709,739	\$186,663,442
Less: Depreciation of Plant	(\$73,536,921)	(\$77,106,355)
Investments in Organizations	\$4,778,988	\$6,001,338
Investments & Other Property	\$2,687,481	\$2,624,748
Cash & Temporary Investments	\$ 555,022	\$884,122
Accounts Receivable	\$9,431,538	\$9,749,175
Materials & Prepayments	\$2,452,381	\$2,505,676
Other Accruals & Deferred Charges	\$6,122,791	\$2,645,137
TOTAL ASSETS	\$135,201,019	\$ 133,967,282
LIABILITIES (What we owe)		
Long-Term Debt (includes current)	\$93,916,149	\$91,877,297
Long-Term Leases (includes current)	\$548,728	\$357,033
Retirement Plan Payable	\$734,400	\$709,920
Accounts Payable	\$6,207,634	\$4,389,007
Line of Credit Payable	\$4,825,724	\$7,800,000
Member Deposits & Other Accruals	\$4,470,039	\$4,588,659
Deferred Credits	\$2,887,106	\$3,034,170
TOTAL LIABILITIES	\$113,589,780	\$112,756,086
MEMBER EQUITY		
Capital Credits – Prior Years	\$24,310,268	\$20,910,619
Capital Credits – Current Year	(\$3,250,116)	(\$222,451)
Other Equities	\$551,087	\$523,028
TOTAL MEMBER EQUITY	\$ 21,611,239	\$21,211,196
TOTAL LIABILITIES & MEMBER EQUITY	\$135,201,019	\$133,967,281
MEMBER EQUITY % TO ASSETS	15.98%	15.83%

The 2024 financial figures were being audited during the preparation of this document.

INCOME STATEMENT

	2023	2024
OPERATING REVENUE	\$64,764,794	\$71,462,381
EXPENSES		
Cost of Power	\$43,873,021	\$47,020,821
Operations & Maintenance	\$11,380,776	\$10,506,880
Administration & General	\$2,566,396	\$3,128,682
Member Accounting & Service	\$1,359,347	\$1,359,601
Depreciation	\$5,303,395	\$5,436,046
Property Tax & Other Taxes	\$1,338,997	\$1,340,303
Interest	\$3,923,833	\$4,901,209
TOTAL EXPENSES	\$69,745,765	\$73,693,542
Operating Margins (Losses)	(\$4,980,971)	(\$2,231,161)
Interest, Other Income & Capital Credits from Associated Organizations	\$1,730,855	\$2,008,711
TOTAL PATRONAGE CAPITAL	(\$3,250,116)	(\$222,451)

2024 EXPENSES



① Cost of Power - 64%

② Operations & Maintenance - 14%

③ Depreciation - 7%

④ Interest - 7%

⑤ Administration & General - 4%

⑥ Member Accounting & Service - 2%

⑦ Property & Other Taxes - 2%

OPERATION ROUND UP

Operation Round Up is a community service program that gives Claiborne Electric members the option to allow their bills to be rounded up to the next whole dollar. The difference in the actual bill and the rounded amount is deposited into the Operation Round Up Trust Fund. These funds are dispersed to charitable causes in the communities served by Claiborne Electric.



The program is governed by the Claiborne Electric Operation Round Up Trust Board. This board consists of nine Claiborne Electric members from across our service area. The board receives and reviews applications, makes decisions about grants, and disperses the funds. Hundreds of electric co-ops in the United States have an Operation Round Up program. Claiborne Electric has one of the highest member participation rates in the country, with 95% of our members contributing to the program.

The program has awarded more than 600 grants totaling nearly \$2.3 million to worthy causes, including schools, fire departments, youth organizations, police departments, families whose homes have burned, libraries, museums, veterans' efforts, and elderly and disabled individuals. In 2024, Operation Round Up donated \$116,326.49 to local causes. One hundred percent of the money raised through Operation Round Up is distributed in grants and stays in Claiborne Electric's service area. Thank you for your support of Operation Round Up!

IN 2024, OPERATION ROUND UP
DONATED \$116,326.49 TO LOCAL
CHARITABLE CAUSES.

2024 OPERATION ROUND UP ALLOCATIONS

Organization/Family	Need/Project	Amount granted
Webster Parish Family	House fire	\$1,000.00
Webster Parish Family	House fire	\$596.47
Webster Parish Family	House fire	\$998.88
Union Parish Family	House fire	\$987.89
Lincoln Parish 4-H	Livestock Scales	\$6,295.00
Claiborne Parish SO	Drone	\$8,830.00
Union General Hospital	3D Mammography	\$10,000.00
Lincoln Parish SO	Training Simulator	\$10,000.00
Misfit Farms Rescue	Kennels and Fencing	\$8,219.71
Union Parish Family	House fire	\$994.61
Bayou D'arbonne Watershed	Handicap kayak launch	\$10,000.00
Homer Fire Department	Sparky Fire Dog Robot	\$8,000.00
Town of Farmerville	Boys & Girls Club equip.	\$7,984.20
Union Parish Family	Home loss - tonado	\$991.86
Claiborne Academy	Intercom system	\$10,000.00
Rolling Hills Ministries	Adult education program	\$3,509.05
Union Parish Family	House Fire	\$1,000.00
Union Parish Family	House Fire	\$997.26
Summerfield High School	Robotics equipment	\$9,821.00
Village of Choudrant PD	700 MHZ radio	\$3,117.00
Sibley Police Department	700 MHZ radios	\$10,000.00
Union Parish Family	House Fire	\$996.92
Union Parish Family	House fire	\$1,000.00
Lincoln Parish Family	House fire	\$986.64
2024 Total		\$116,326.49

CO-OP PROGRAMS

ELECTRIC WATER HEATER PROGRAM

- Rebates for members installing an existing electric water heater in a new residence
- Free replacement heating elements kept in stock for members at each office
- Water heaters must meet program standards



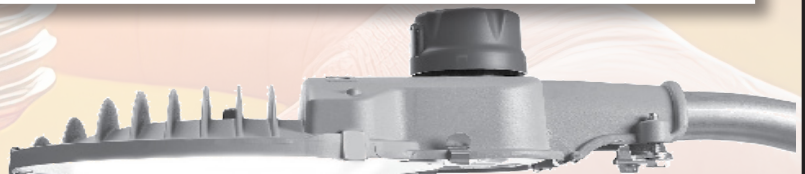
HEAT PUMP PROGRAM



- Rebates for residential members installing an energy-efficient electric heat pump
- \$100-per-ton rebates for newly constructed homes (\$500 max/unit)
- \$100-per-ton rebates for gas-to-electric conversions (\$500 max/unit)
- \$50-per-to rebates for replacing existing electric heat with a new electric heat pump (\$250 max/unit)

AREA LIGHTING PROGRAM

- Free maintenance
- Bright white LED bulb
- Charged on monthly electric bill
- Range of outdoor lighting options
- Automatic outdoor lighting from dusk to dawn
- Installed for free on an existing service pole or transformer pole



GENERLINK

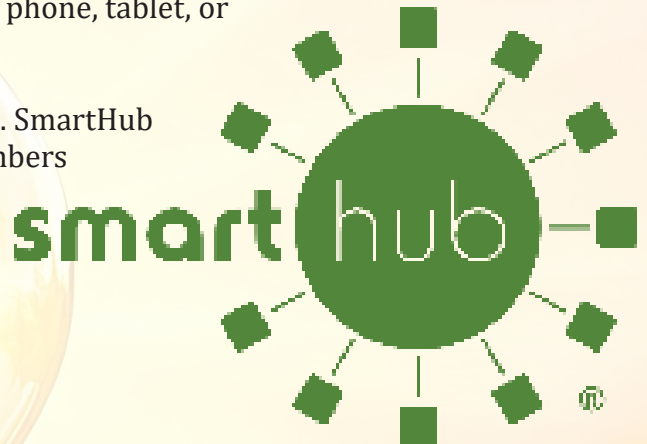


- Enables a member to safely connect a portable generator directly to a home's wiring system
- Powers selected items from the home's breaker box during a power outage
- Alternative to transfer switches and extension cords
- Multiple sizes to meet the member's needs

SMARTHUB

SmartHub is the Co-op's free digital app. The app delivers accurate, timely account information and allows members to handle a variety of account management tasks right from the palm of their hands, including the ability to report an outage with the touch of a button. In addition to reporting an outage, members can use SmartHub to make a payment in a secure environment, check usage, contact our office, and more. These things can be done from a mobile phone, tablet, or computer, without any further contact to the office.

SmartHub puts the power of data in our members' hands. SmartHub can be downloaded free from the device's app store. Members may also use the QR codes here to download the app.



Apple



Android

EZPAY

EZPay is Claiborne Electric's pay-as-you-go billing option. It allows members to pay for electricity in advance instead of paying a traditional electric bill on a pre-determined due date. EZPay is similar to purchasing gasoline for a vehicle. Members can purchase electricity for their account in advance, like pumping gasoline into a vehicle's tank. As the home uses electricity, the account balance diminishes based on the amount of kilowatt-hours used. The kilowatt-hour rate members pay on EZPay is the same rate as members who receive a traditional monthly bill. When the balance is low, the member receives alerts that a payment is needed. Members who use the EZPay program have no deposit, no set due date, no late fees, no disconnection fees, and no reconnection fees!

Signing up for EZPay is easy. A member simply purchases \$50.00 worth of electricity and signs an EZPay agreement. After that, the member can pay any amount at any time. EZPay allows members to manage their electric service in a way that best fits their budget and lifestyle.



CONTACT US

Homer office:

Physical Address: Claiborne Electric Cooperative, 12525 Hwy. 9, Homer, LA 71040

Mailing Address: Claiborne Electric Cooperative, P.O. Box 719, Homer, LA 71040

Telephone: (318) 927-3504

Toll-free: 1-800-929-3504

Fax: (318) 927-6636

Farmerville Office:

Physical Address: Claiborne Electric Cooperative, 301 East Franklin, Farmerville, LA 71241

Mailing Address: Claiborne Electric Cooperative, 301 East Franklin, Farmerville, LA 71241

Telephone: (318) 368-3011

Toll-free: 1-800-361-3011

Fax: (318) 368-0111

Internet: www.our.coop

Facebook: www.facebook.com/ClaiborneElectricCooperative

General email inquiries: mail@our.coop

Outage reporting: Please use our free SmartHub mobile app or dial 1-800-900-9406.
Your outage will be reported on the computer screen of the 24-hour dispatcher.

