

2025 Annual Report

Claiborne
Electric
Co-op



Manager's Message

As we meet for the 2026 Annual Membership Meeting, I would first like to thank you, Claiborne Electric's members. You own the Cooperative, and it has been an honor to serve you in a year that has presented great opportunities along with some challenges. I am also incredibly grateful to our employees who go above and beyond every day to serve our members and manage the day-to-day affairs of the Co-op. I'm also thankful for the elected Board of Directors; this group brings decades of business knowledge to the table and works to make management decisions in the best interest of Claiborne Electric and its members.

After two full years as your General Manager & CEO, I still stand impressed by Claiborne Electric's system, programs, organizational structure, and especially its people; I'm honored to lead this team. Cooperatives are member-owned, member-controlled enterprises, run largely by the people who live and work in the communities they serve. When we say we're your friends and neighbors at Claiborne Electric, it's the truth.

Looking back on 2025, some of our most important accomplishments over the past year have included:

- Continued system improvements & upgrades, especially in the area of right-of-way maintenance and re-clearing
- A renewed focus on reducing outages and improving our response time when your service is interrupted
- Keeping Claiborne Electric's favorable compared other utilities in the state, region, and nation

In the past year, we have completed some of the capital improvement projects as part of our long-term work plan and rebuilt numerous miles of line to accommodate the increase of growth in poultry production across our system. We are always planning for the future and working for our members.

The driving force of every decision we make is to provide safe, reliable electric service to our members at the best rate possible.

In 2026, our eyes are clearly focused on the future. Claiborne Electric is working towards streamlined processes that work better and faster for our members. Our goal is to be known as one of the most progressive utilities in the state; we believe this will be a benchmark year for the Cooperative as it continues to move into the digital era.

As we progress into this new era, we want to assure our members that we know our roots. Claiborne Electric is a not-for-profit cooperative, owned by the members we serve. Our goal every day is to meet the needs of those members, and moving towards streamlined processes in this digital era is simply one more way to meet those needs in a faster, easier, more efficient way.

We will always be your friends and neighbors with local faces, here to help our members one-on-one in any way necessary.

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: 18,441

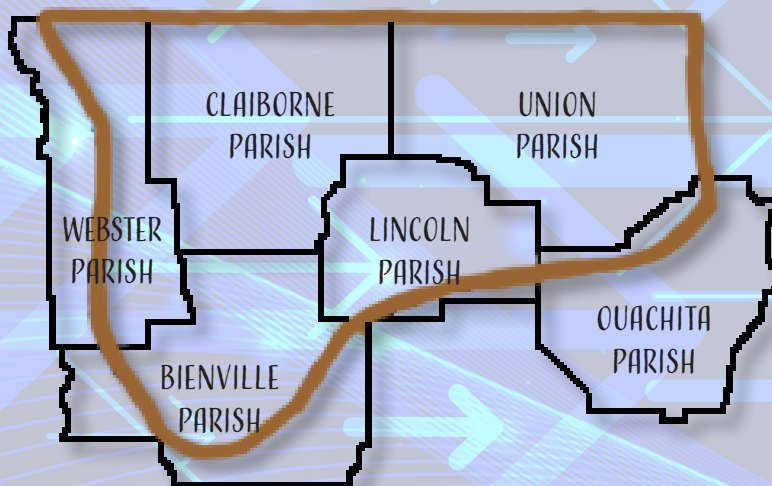
Number of meters: 24,066

Miles of line: 3,781

Number of employees: 74

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



Daniel Kimbell
Chief Operating Officer
Serving since 2000



Candy Hardy
Office Manager, Homer
Serving since 1993



Trey Rodgers
Office Manager, Farmerville
Serving since 2005



EmmaLee Tingle
Manager of Marketing & Member Relations
Serving since 2006



Kayla Banaka
Finance and Accounting Manager
Serving since 2020

Financials

BALANCE SHEET

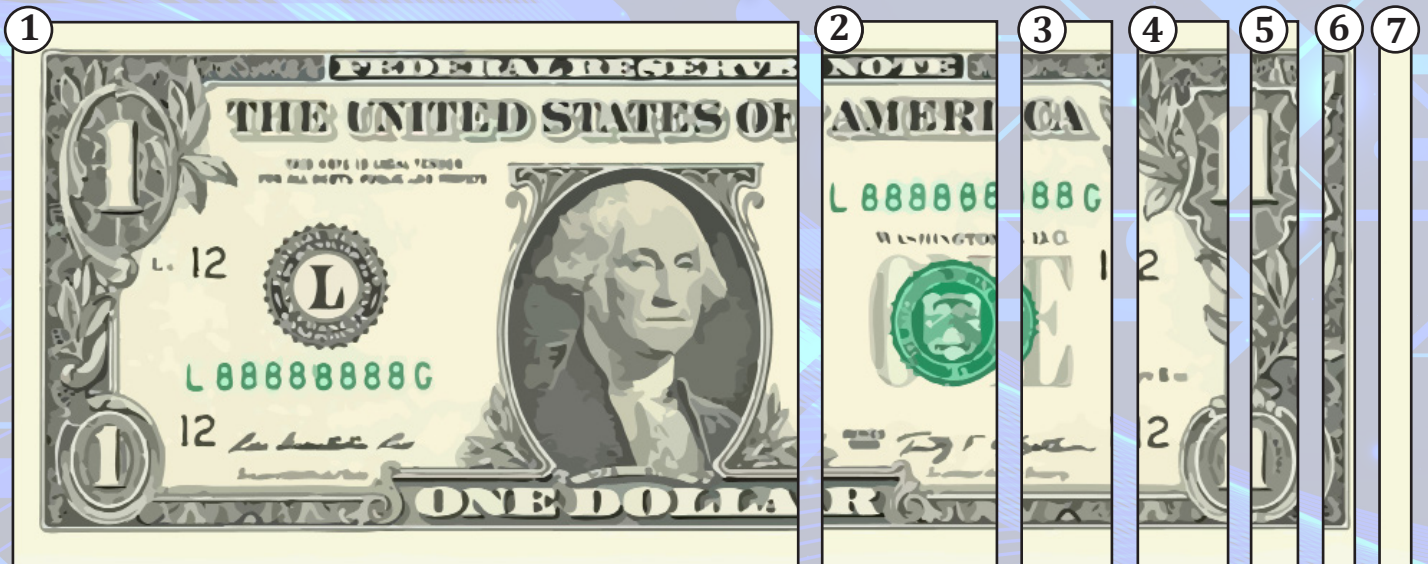
ASSETS (What we own)	2024	2025
Utility Plant, Gross	\$186,663,442	\$191,707,494
Less: Depreciation of Plant	(\$77,106,355)	(\$80,977,270)
Investments in Organizations	\$6,001,338	\$8,122,469
Investments & Other Property	\$2,624,748	\$1,334,364
Cash & Temporary Investments	\$ 884,122	\$2,356,386
Accounts Receivable	\$9,749,175	\$7,312,600
Materials & Prepayments	\$2,505,676	\$2,715,639
Other Accruals & Deferred Charges	\$2,645,136	\$1,775,966
TOTAL ASSETS	\$133,967,282	\$134,347,648
LIABILITIES (What we owe)		
Long-Term Debt (includes current)	\$91,877,297	\$89,177,598
Long-Term Leases (includes current)	\$357,033	\$ 202,904
Retirement Plan Payable	\$709,920	\$673,200
Accounts Payable	\$4,389,007	\$5,866,826
Line of Credit Payable	\$7,800,000	\$7,300,000
Member Deposits & Other Accruals	\$4,588,659	\$4,038,201
Deferred Credits	\$3,034,170	\$2,563,020
TOTAL LIABILITIES	\$112,756,086	\$109,821,749
MEMBER EQUITY		
Capital Credits – Prior Years	\$20,910,619	\$20,717,805
Capital Credits – Current Year	(\$222,451)	\$3,312,076
Other Equities	\$523,028	\$496,019
TOTAL MEMBER EQUITY	\$ 21,211,196	\$24,525,899
TOTAL LIABILITIES & MEMBER EQUITY	\$133,967,282	\$134,347,648
MEMBER EQUITY % TO ASSETS	5.83%	18.26%

The 2025 financial figures were being audited during the preparation of this document.

INCOME STATEMENT

	2024	2025
OPERATING REVENUE	\$71,462,381	\$75,446,216
EXPENSES		
Cost of Power	\$47,020,821	\$42,552,567
Operations & Maintenance	\$10,506,880	\$14,510,992
Administration & General	\$3,099,909	\$3,357,981
Member Accounting & Service	\$1,369,791	\$1,458,805
Depreciation	\$5,436,046	\$5,676,016
Property Tax & Other Taxes	\$1,358,886	\$ 1,398,959
Interest	\$4,901,209	\$4,949,488
TOTAL EXPENSES	\$73,693,542	\$73,904,808
Operating Margins (Losses)	(\$2,231,161)	\$1,541,408
Interest, Other Income & Capital Credits from Associated Organizations	\$2,008,711	\$1,770,667
TOTAL PATRONAGE CAPITAL	(\$222,450)	\$3,312,075

2025 Expenses



- ① Cost of Power - 57.6%
- ⑤ Administration & General - 4.5%
- ② Operations & Maintenance - 19.6%
- ⑥ Member Accounting & Service - 2.0%
- ③ Depreciation - 7.7%
- ⑦ Property & Other Taxes - 1.9%
- ④ Interest - 6.7%

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 more than \$2.4 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 2025, Operation Round Up donated \$150,499.97 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 2025, Operation Round Up donated \$150,499.97 to local charitable causes.

2025 Operation Round Up Allocations

<u>Organization/Family</u>	<u>Need/Project</u>	<u>Amount granted</u>
Union Parish family	House fire	\$980.88
Union Parish family	House fire	\$1,000.23
Lincoln Parish family	House fire	\$1,000.00
Minden Police Dept	Ballistic vests	\$9,239.40
Union General Hospital	Patient simulator	\$10,000.00
Union Parish Sheriff's Dept.	Oculus recorder	\$8,550.00
Town of Marion	Computers	\$1,798.11
Ford Museum	Copy machine	\$3,100.00
Claiborne Parish family	House fire	\$988.08
Bernice Fire Department	Gear equipment	\$5,580.00
Sadie Tiger Bend Fire Dept.	Rescue equip.	\$10,000.00
North Union Fire Dept.	Bunker gear	\$10,000.00
Union Parish family	House fire	\$1,000.00
The Health Hut	Phone System	\$8,103.00
Trees of Righteousness	Roof Repair	\$10,000.00
RMMC Foundation	Backpacks	\$1,908.00
Farmerville Vol. Fire Dept.	Extractor	\$5,858.23
Lincoln Parish COA	2 AEDs	\$3,630.00
Mt. Olive Christian School	Pre-K classroom	\$5,000.00
Teen Challenge Minden	Roof repair	\$8,000.00
Claiborne Parish family	House fire	\$1,000.00
Lincoln Parish HELP	AED	\$1,815.00
Lincoln Parish 4-H	Cargo Trailer	\$10,000.00
Village of Athens	Patrol unit	\$10,000.00
Claiborne Memorial	HVAC for ICU	\$10,000.00
Claiborne Academy	Laptops	\$9,000.00
Minden High School	iPads and Pens	\$2,000.00
Webster Parish family	House fire	\$949.04
2025 Total		\$150,499.97

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



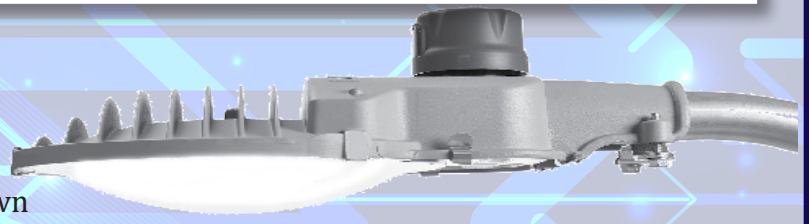
Heat Pump Program



- 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-ton 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

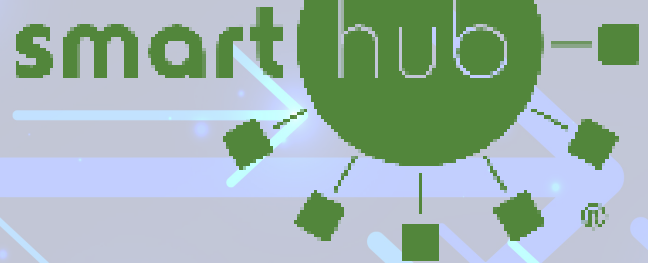


- Enables a member to safely connect a portable generator directly to a home's wiring system
- Powers selected items from the home's breaker box during a power outage
- Alternative to transfer switches and extension cords
- Multiple sizes to meet the member's needs

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

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

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 855-937-1782.
Your outage will be reported on the computer screen of the 24-hour dispatcher.

