

2025 ANNUAL REPORT

Northcentral
Electric Cooperative

1950-2025

TH



OUR MISSION

Northcentral Electric Cooperative seeks to be the leading provider of innovative solutions committed to service, reliability, and community.

OUR VISION

We are continually seeking and providing innovative solutions for our communities by upholding the values of safety, continuous improvement, integrity, accountability, and being locally owned and community invested.



CONTACT US

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4600 Northcentral Way
Olive Branch, Mississippi 38654

662.895.2151
info@northcentralelectric.com

northcentralelectric.com



ANNUAL MEETING

**Wednesday
October 29, 2025
2:00 P.M.**

Northcentral Electric Auditorium



AGENDA

Welcome & Call to Order

PAT WOODS, NORTHCENTRAL BOARD CHAIRMAN

Invocation

PASTOR ROBERT BROWN

NEW BEGINNINGS WORD CHRISTIAN CHURCH

Reading of Minutes

CHRIS LATIMER, LATIMER LAW, PLLC

Quorum Report

RITA HOBBS, CHAIRPERSON,

ELECTIONS & CREDENTIALS COMMITTEE

Chief Executive Officer Address

KEVIN DODDRIDGE, GENERAL MANAGER & CEO

Recess

Door Prize Drawings

Reconvene

Election Committee Report

RITA HOBBS, CHAIRPERSON,

ELECTIONS & CREDENTIALS COMMITTEE

Adjourn

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GREETINGS

From your General Manager & CEO

**Kevin
Doddridge**

Northcentral Electric Cooperative is pleased to have served North Mississippi for the last 74 years. As always, previous challenges persist and new ones emerge, but we continue to realize numerous successes while improving the quality of life in our community.

The culture of safety at Northcentral has been, is, and will continue to be an integral part of the fundamentals of all we do. It's our number one priority and the reason I lead off with this topic. Challenges in safety increase as crews provide storm relief to other cooperatives in unfamiliar areas and as work expands in the telecommunications space on our poles. Unfortunately, we also must consistently address risks both in the office and out in the field. We at Northcentral are committed to satisfying 100% of the rules, covering 100% of our coworkers and community, 100% of the time.

Nationally, our system reliability remains near the top among electric cooperatives while maintaining retail rates in the lowest 35%. Progress continues on our maintenance and capital improvement plans. Challenges include lingering inflationary costs and supply chain issues. Higher interest rates have also kept our cost of capital elevated as we continue to invest in our system.

Northcentral continues active engagement with the Tennessee Valley Authority (TVA) to ensure required generation and transmission resources are in place to serve our growing community. Our continued native growth, combined with interest from data centers, presents quite a challenge. Data centers supporting the growth of artificial intelligence have shown strong interest in our area. However, they cannot be served at the expense of our community's needs. Federal regulations have hindered increasing generation capacity in the past—some of those restrictions are easing, while others are emerging. The public power model and partnership work best when our federal government allows us to operate independently of politics. We'll continue to collaborate with our various trade partners to navigate these difficult waters and meet the energy needs of our community.

Northcentral Electric Cooperative enjoys adding value to our community through our electric power and communications services and eagerly anticipates the opportunity to provide additional services and solutions to enhance the lives of those in our community.

KEVIN DODDRIDGE
GENERAL MANAGER / CEO



"The culture of safety at Northcentral has been, is, and will continue to be an integral part of the fundamentals of all we do."



N
FACT

AVERAGE NORTHCENTRAL RESIDENCE USED

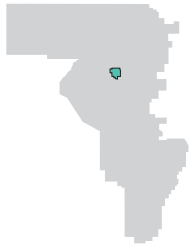
1,402 **KWH**
PER
MONTH

vs the US median of 1,124 kWh/month

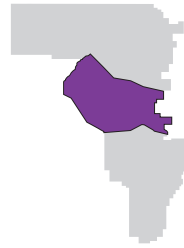
That ranks Northcentral Electric
#80 **out of 815 electric co-ops.**

INTRODUCTION

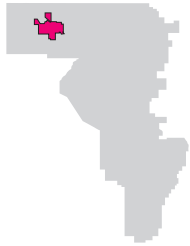
KNOW YOUR DIRECTORS



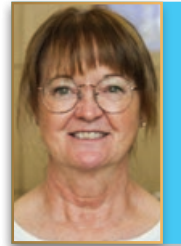
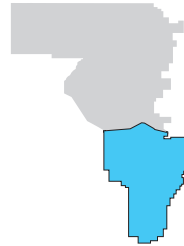
DISTRICT 1
BYHALIA
PAT WOODS
PRESIDENT
SERVING SINCE
2008



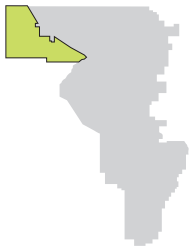
DISTRICT 6
WATSON COMMUNITY
MORRIS THOMPSON
PRESIDENT
SERVING SINCE
2013



DISTRICT 2
OLIVE BRANCH
DON DICKERSON
SECRETARY
SERVING SINCE
2011



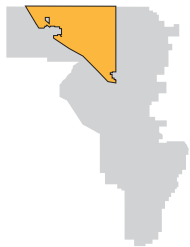
DISTRICT 7
**SOUTH MARSHALL, TATE,
& LAFAYETTE COUNTIES**
PATTY GRIFFIN
SERVING SINCE
2024



DISTRICT 3
PLEASANT HILL
PHIL LACHAUSSEE
SERVING SINCE
2015



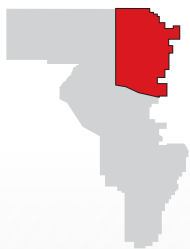
DISTRICT 8
**MARSHALL, TATE,
& LAFAYETTE
COUNTIES AT-LARGE**
RICKY JONES
SERVING SINCE
2003



DISTRICT 4
OLIVE BRANCH
TONY TAYLOR
PRESIDENT
SERVING SINCE
2016



DISTRICT 9
**DESOTO
COUNTY AT-LARGE**
JULIE NIBLETT
SERVING SINCE
2015



DISTRICT 5
MARSHALL COUNTY
JERRY NICHOLS
VICE PRESIDENT
SERVING SINCE
1998

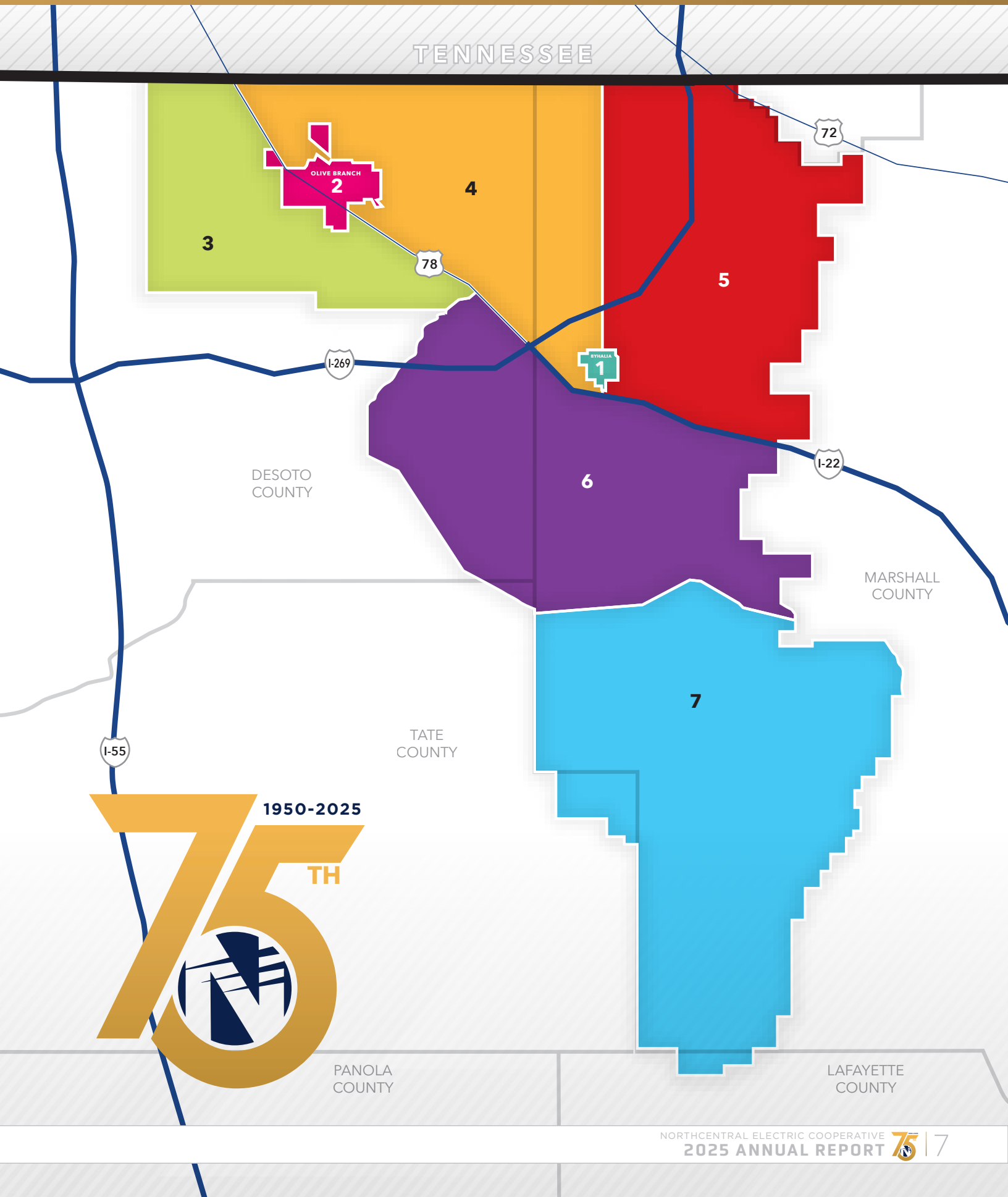


CHRIS LATIMER
BOARD ATTORNEY

**COOPERATIVE
LEADERSHIP**
IN YOUR COMMUNITY

Our board members live within the communities they serve. They are your neighbors and represent you, our member in the cooperative's business. If you have a question, contact your director and they will work to get you answers.

NORTHCENTRAL ELECTRIC COOPERATIVE 2025 ANNUAL REPORT



SERVICE ANNIVERSARIES

40 YEARS



**CLARK
COLBURN**



**LEON
HOOD**

10 YEARS



**LYNN
MCADAMS**



**DEE
RUSSUM**

30 YEARS



**TOMMY
HUGHES**



**DAVID
VON BOECKMAN**



**CHUCK
MAYER**



**BOBBY
JOHNSON**



**RICK
DUNNING**



**MATTHEW
SONES**

20 YEARS



**RUSSELL
PENNINGTON**



**JASON
RHEA**



**ZACHARY
DIAS**

FINANCES



Our financial statements represent performance for the fiscal year ending June 30, 2025.
As of the date of this publication, the audit report of our accounting firm, Franks, Franks, Wilemon, & Hagood, P.A., was incomplete.

+11% **UTILITY
PLANT
GROWTH**



+9%
**ASSET
GROWTH**



+2%
**MEMBER
EQUITY
GROWTH**



1.22
**BILLION KWH
SOLD**



+1.6%
**MEMBERSHIP
GROWTH**



FOR EVERY \$1 IN ELECTRIC SALES

72¢ **IS SPENT ON
WHOLESALE
POWER**



\$484,000
SAVED **WITH RENEWABLE
ENERGY PURCHASES**



128
**FULL-TIME
EMPLOYEES**

BALANCE SHEETFISCAL YEARS ENDING
JUNE 30, 2025 & 2024

	FOR THE YEARS ENDED JUNE 30	
ASSETS	2025	2024
UTILITY PLANT		
In Service - At Cost	\$ 338,700,217	\$ 306,483,268
Construction Work In Process	6,345,377	8,578,458
	345,045,594	315,061,726
Less Accumulated Depreciation	82,221,224	77,021,175
Net Plant In Service	262,824,370	238,040,551
OTHER ASSETS AND INVESTMENTS		
Investments in Associated Organizations	3,515,273	3,077,938
Accounts Receivable, Energy Right Program	294	5,375
Deferred Income Taxes	1,827,912	1,549,891
Total Other Assets and Investments	5,343,479	4,633,204
CURRENT ASSETS		
Cash - General	6,303,050	7,144,531
Accounts Receivable - Customers, Net	12,401,682	12,160,390
Accounts Receivable - Unbilled	4,809,718	5,377,862
Prepaid Expenses	250,532	200,045
Materials and Supplies (At Average Cost)	2,789,500	2,327,984
Other Current and Accrued Assets	419,550	425,844
Total Current Assets	26,974,032	27,636,656
DEFERRED DEBITS	111,601	186,138
TOTAL ASSETS	\$ 295,253,482	\$ 270,496,549
MEMBERSHIP EQUITY AND LIABILITY		
MEMBERSHIP EQUITY		
Membership Certificates	1,505,194	1,478,462
Patronage Capital	123,525,130	120,682,413
Total Membership Equity	125,030,324	122,160,875
LONG TERM DEBT		
Long-term Debt, Net of Current Maturities	128,305,953	102,955,049
Advance from TVA	627	6,015
Total Long-Term Debt	128,306,580	102,961,064
CURRENT LIABILITIES		
Line of Credit	4,000,000	6,000,000
Current Maturities of Long-term Debt	2,520,564	3,611,779
Accounts Payable	23,689,714	24,790,108
Interest Accrued	1,115,574	880,143
Customer Deposits	8,302,983	7,974,652
Other Current and Accrued Liabilities	2,287,743	2,117,928
Total Current Liabilities	41,916,578	45,374,610
TOTAL MEMBERSHIP EQUITY AND LIABILITIES	\$ 295,253,482	\$ 270,496,549

INCOME STATEMENT

FISCAL YEARS ENDING
JUNE 30, 2025 & 2024

FOR THE YEARS ENDED JUNE 30

2025

2024

OPERATING REVENUE

Electric Sales	146,811,729	136,526,934
Other Revenues	6,892,793	5,432,095
Total Operating Revenue	\$ 153,704,522	\$ 141,959,029

OPERATING EXPENSE

Purchased Power	105,482,489	98,739,611
Distribution Expense - Operating	6,661,360	6,590,816
Distribution Expense - Maintenance	8,704,813	7,898,877
Customer Account Expense	1,852,489	1,732,291
Sales Expense	402,933	371,891
Customer Service & Informational Expense	1,285,579	1,190,852
Administrative & General Expense	6,131,147	5,451,682
Total Operating Expenses	\$ 130,520,810	\$ 121,976,020

OTHER OPERATING EXPENSE

Depreciation	12,355,208	10,136,200
Taxes and Tax Equivalents	1,954,031	1,820,825
Total Other Operating Expenses	\$ 14,309,239	\$ 11,957,025

OPERATING INCOME BEFORE FIXED CHARGES

8,874,473 8,025,984

INTEREST EXPENSE

6,850,288 4,835,721

OPERATING MARGINS AFTER INTEREST EXPENSE

2,024,185 3,190,263

NON OPERATING MARGINS

Interest Income	752,492	462,655
Miscellaneous Non-Operating Income (Expense)	(211,981)	(148,387)
Total Non-Operating Margins	540,511	314,268

NET MARGINS FOR THE PERIOD BEFORE INCOME TAXES

2,564,696 3,504,531

Income Tax (Expense) Benefit	278,021	397,819
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NET MARGINS

\$ 2,842,717 \$ 3,902,350



Northcentral Electric Cooperative™



DEPARTMENT REPORTS

SAFETY & LOSS CONTROL

JD Cox

JCOX@NORTHCENTRALELECTRIC.COM

Northcentral's commitment to safety reached new heights this year, and it is a blessing to report one of our best years yet. Our employees continue to prove that you can be both safe and productive, and the results speak for themselves.

Northcentral has not experienced a lost-time injury in two and a half years. That means employees have worked more than 578,000 hours, including 31,000 hours of overtime, without recording a single lost-time injury. These hours were worked in all types of weather, day and night, and on weekends and holidays. Just as impressive, employees have driven more than 1.1 million miles in cooperative vehicles without an at-fault incident.

Such milestones are possible because of intentional planning and a strong safety culture. Over the past year, employees conducted 1,600 job briefings to review hazards, procedures, and lockout/tagout. Sixty safety meetings provided training and equipped employees with the right tools. More than 5,000 daily vehicle inspections were completed. Commercial vehicles

undergo Department of Transportation inspections each year, and heavy equipment receives factory inspections every six months.

Training through apprenticeship and certification programs also continues to strengthen our workforce and prepare the next generation of linemen and employees.

At Northcentral, safety is more than a goal — it is a promise to husbands and wives, sons and daughters,

parents, and friends that their loved ones will come home. We believe every employee has the right to return safely to their family at the end of the workday, and there is no greater responsibility in the workplace.

Our culture of safety extends to you, our members. If we can be a resource to help your organization make the same commitment, please reach out to me at jcox@northcentralelectric.com.



JD COX

DIRECTOR, SAFETY & LOSS CONTROL



*“At Northcentral, safety is more than a goal
— it is a promise to husbands and wives,
sons and daughters, parents, and friends
that their loved ones will come home.”*





DEPARTMENT REPORTS

CONSTRUCTION

Darin Farley

DFARLEY@NORTHCENTRALELECTRIC.COM

The Construction Department had a steady and productive year, hardening our system and keeping up with our communities. Crews installed 560 underground services for new homes and changed out 1,100 poles for fiber upgrades, hazard mitigation, or other essential projects. Several new subdivisions were also built or expanded with underground service. For the first time that I can recall, we worked on more underground subdivisions in Marshall County than DeSoto County.

In addition to local work, Northcentral answered the call for storm restoration across the Southeast. Our linemen assisted Talquin Electric Cooperative and Clay Electric Cooperative in Florida after Hurricane Helene.

They also supported Jefferson Energy Cooperative in Georgia, and provided aid to neighboring Mississippi cooperatives including East Mississippi, North East Mississippi, and Tombigbee Electric Power Associations.

Commercial growth also kept us busy, with new power service for convenience stores, restaurants, self-storage facilities, and other business ventures.

Several major line upgrades were completed to improve capacity and reliability, like converting sections of single-phase line to three-phase and relocating poles for new developments.

Multiple apprentices advanced through their training, with Joseph Branson, Kennedy Willis, and

Jonathan Patrick completing the full Apprentice Lineman Program. Additional employees advanced through various levels, while others attended specialized training schools across the state. Our department also welcomed two new employees, Joey Dunning and Connor Ross, to the team.

From powering new homes and businesses to supporting other cooperatives, Northcentral

continues to build a stronger system while developing the next generation of skilled linemen.



DARIN FARLEY

DIRECTOR, CONSTRUCTION



"From powering new homes and businesses to supporting other cooperatives, Northcentral continues to build a stronger system while developing the next generation of skilled linemen."



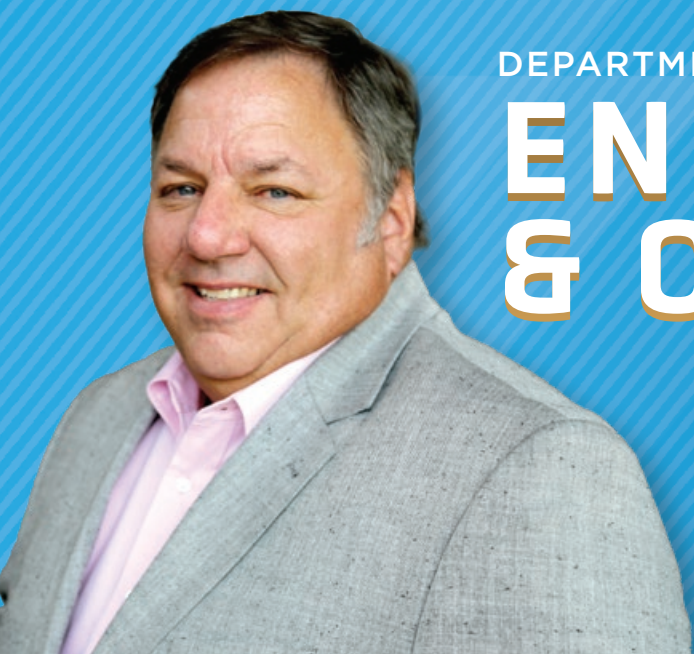
N
FACT

NORTHCENTRAL ELECTRIC HAD

5.01% 
GROWTH

IN KWH SOLD

compared to 1.65% US median



DEPARTMENT REPORTS

ENGINEERING & OPERATIONS

Larry Johnson

LJOHNSON@NORTHCENTRALELECTRIC.COM

This past year has been one of steady planning, investment, and growth for Northcentral Electric Cooperative. Major improvements are scheduled at three substations to build on recent TVA transmission upgrades and strengthen protection coordination, load management, and system control through our System Control and Data Acquisition (SCADA) and Outage Management Systems (OMS).

Northcentral tied its 2023 all-time peak of 312 megawatts. Despite higher membership and load, solar purchases and load management efforts helped reduce peak energy purchased from TVA. Investments in vegetation management also continue to pay off. After a very wet spring and early summer, most outages caused by vegetation were due to uprooted trees and branches from outside of cleared rights of way. We thank our members for supporting our efforts to re-establish and maintain these areas. Your cooperation helps us keep power reliable and safe for everyone.

Northcentral Connect now has nearly 900 miles of mainline fiber. Pole and facility upgrades required for fiber deployment have also enhanced system reliability, resilience, and safety.



Material delivery times have returned near pre-pandemic levels, but costs remain elevated. Our employees continue to keep materials available for daily and storm response. Planning and staking teams are expanding the use of automated devices, line sensors, and system ties to improve reliability and outage restoration time.

Northcentral remains committed to renewable

energy as an important piece of our wholesale energy portfolio. One-third of our TVA-approved 5 percent outside generation comes from the Byhalia solar farm, with additional projects scheduled for completion this year and the next. Together, they are projected to provide more than \$2 million in annual savings.

Finally, we have expanded our control room coverage to speed response to outages and emergencies. Along with ongoing training for our employees, these steps reflect our commitment to serving you with safe, reliable, and affordable power.

LARRY JOHNSON

DIRECTOR, ENGINEERING & OPERATIONS



“Northcentral Connect now has nearly 900 miles of mainline fiber. Pole and facility upgrades required for fiber deployment have also enhanced system reliability, resilience, and safety.”





DEPARTMENT REPORTS

FINANCE & ADMINISTRATION

Mark Nichols

MNICHOLS@NORTHCENTRALELECTRIC.COM

Northcentral's growth continues to be strong, supported by steady investment and sound financial management. By the end of June 2025, fiber construction had reached nine phases, with only three remaining to cover the entire service area. More than 860 miles of mainline fiber have been installed, reaching over 26,000 locations. Nearly 6,000 subscribers are now connected, including more than 5,400 homes, 160 businesses, and 27 churches.

Customer service remains a priority. Over the past year, representatives handled 14,000 service orders. Northcentral Electric received more than 77,000 calls, while Northcentral Connect received over 10,000.

Financial performance reflects the cooperative's growth. Total plant reached \$345 million, an increase of 9.5% ranking Northcentral in the top 16 percent nationally among cooperatives. Long-term debt rose to \$128 million, primarily tied to utility plant investment. Electric sales revenue climbed to \$147 million, while wholesale power costs from TVA accounted for \$105 million, or 72 percent of that total.

Northcentral membership eclipsed 36,000 this year with sales totaling 1.22 billion kilowatt-hours (kWh). Our electric sales position us in the top 12 percent of cooperatives nationwide. Solar energy kWh purchased saved our members nearly \$500,000 in wholesale power costs during the year.

In October 2024, TVA raised wholesale rates by 5.25 percent, followed by a Northcentral retail rate adjustment of 1.8 percent.

The IT department continues to safeguard operations, analyzing more than 14 trillion logs and events last year without incident.

Northcentral employs 128 full-time employees, including 12 new hires during the fiscal year. Nearly 60 percent of our workforce has been with the cooperative for

more than five years, a reflection of both experience and dedication to serving our members.



MARK NICHOLS

DIRECTOR, FINANCE & ADMINISTRATION



“Nearly 60 percent of our workforce has been with the cooperative for more than five years, a reflection of both experience and dedication to serving our members.”



NORTHCENTRAL AVERAGES

N
FACT

22.65



CONSUMERS PER MILE

of line compared to US median of 6.4.

That ranks Northcentral Electric
#25 out of 815 electric co-ops.



DEPARTMENT REPORTS

MARKETING & BUSINESS DEVELOPMENT

Michael Bellipanni

MBELLIPANNI@NORTHCENTRALELECTRIC.COM

As we celebrate the milestone 75th Annual Meeting of Northcentral Electric Cooperative, I can't help but focus on storytelling. This report is unlike most of my past department summaries, so I hope you'll indulge me for a brief history lesson.

Electric cooperatives in the United States were formed out of necessity. As late as the mid-1930s, nine out of ten rural homes were without electric service. This left rural America's economy almost entirely dependent on agriculture. Factories and businesses located in cities where for-profit power companies chose to build their infrastructure.

President Franklin Delano Roosevelt viewed rural electrification as a vital measure to help the nation recover from the Great Depression. The federal government's first major step in that effort came with the passage of the Tennessee Valley Authority (TVA) Act in 1933, which authorized the TVA Board to build transmission lines to serve "farms and small villages that are not otherwise supplied with electricity at reasonable rates."

Through executive order, President Roosevelt then created the Rural Electrification Administration (REA). In 1936, the Rural Electrification Act was passed, paving the way for the formation of not-for-profit, consumer-owned electric cooperatives. The act provided access to capital

for cooperatives to build electric infrastructure in rural America through low-cost federal loans.

The number of rural electric systems multiplied in the years following World War II. By 1953, more than 90 percent of U.S. farms had electricity. It was during this time, on February 3, 1950, that Northcentral Mississippi Electric Power Association was born.

Through its first decade, Northcentral faced meager sales revenue, financial challenges, and legal and territorial battles. The cooperative finally turned the corner financially in 1961 and began an upward trajectory, fueled by the steady industrial and residential development that continues today. We owe a debt of gratitude to the early Northcentral managers and directors for their courage and perseverance.

We would not be the modern-day Northcentral without the vision and leadership of general managers Ray McGee, Wayne Hollowell, and Bob Dever. The evolution of this organization from a farm-based cooperative to the dynamic, largely suburban utility of today would not have been possible without the talented employees and directors over the years who believed in the mission.

In the early 1940s, a farmer gave witness in a rural Tennessee church, saying, "The greatest thing on earth is to have the love of God in your heart, and the next



“The communities we serve are supported by a modern and robust electric distribution system and fiber network that will help fuel growth and progress for the next 75 years.”



greatest thing is to have electricity in your house.” Imagine how our early members must have felt when they realized all the opportunities that came with this life-changing resource. It truly transformed rural America and especially our area of North Mississippi.

The spirit of the cooperative and public power models is still alive today. It’s an exciting time for us at Northcentral Electric as we approach completion of a nearly decade-long fiber construction project that, in recent years, led to the creation of our fiber-to-the-home telecommunications subsidiary, Northcentral Connect.

Today, connectivity drives not only commerce, but also education and healthcare. Northcentral members now have opportunities in all those areas. The communities we serve are supported by a modern and robust electric distribution system and

fiber network that will help fuel growth and progress for the next 75 years.

Storytelling matters. The public power story is one we should never forget, because it helped build rural America. It’s a story of people above profit. It’s a story of opportunity versus inaction. At a time when some may be tempted to abandon the story, we should remember the vision, leadership, and perseverance that brought us here. I am thankful that, as the communicator for your cooperative, I get to share this story with the next generation of co-op members.

MICHAEL BELLIPANNI

DIRECTOR, MARKETING & BUSINESS DEVELOPMENT

THE SEVEN COOPERATIVE PRINCIPLES

Cooperatives around the world operate according to the same set of core principles and values, adopted by the International Cooperative Alliance. These principles are a key reason why America's electric cooperatives operate differently from other electric utilities, putting needs of our members first.

VOLUNTARY AND OPEN MEMBERSHIP

Membership in a cooperative is open to all people who can reasonably use its services and stand willing to accept the responsibilities of membership, regardless of race, religion, gender, or economic circumstances.

DEMOCRATIC MEMBER CONTROL

Cooperatives are democratic organizations controlled by their members, who actively participate in setting policies and making decisions. Representatives (directors/trustees) are elected among members and are accountable to them. In primary cooperatives, members have equal voting rights (one member, one vote); cooperatives at other levels are organized in a democratic manner.

MEMBER'S ECONOMIC PARTICIPATION

Members contribute equitably to, and democratically control, the capital of their cooperative. At least part of that capital remains the common property of the cooperative. Members allocate surpluses for any or all of the following purposes: developing the cooperative; setting up reserves; benefiting members in proportion to their transactions with the cooperative; and supporting other activities approved by the membership.



AUTONOMY AND INDEPENDENCE

Cooperatives are autonomous, self-help organizations controlled by their members. If they enter into agreements with other organizations, including governments, or raise capital from external sources, they do so on terms that ensure democratic control as well as their unique identity.

EDUCATION, TRAINING, AND INFORMATION

Education and training for members, elected representatives (directors/trustees), CEOs and employees help them effectively contribute to the development of their cooperatives. Communications about the nature and benefits of cooperatives, particularly with the general public and opinion leaders, help boost cooperative understanding.

COOPERATION AMONG COOPERATIVES

By working together through local, national, regional and international structures, cooperatives improve services, bolster local economies, and deal more effectively with social and community needs.

CONCERN FOR COMMUNITY

Cooperatives work for the sustainable development of their communities through policies supported by the membership.

Northcentral Electric Cooperative™



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Olive Branch, Mississippi 38654

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info@northcentralelectric.com

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