ELECTRICITIES
of NORTH CAROLINA, INC.

The energy behind public power

2025 Financial Report

ELECTRICITIES OF NORTH CAROLINA, INC.

Annual Financial Report
(With Report of Independent Auditor Thereon)

December 31, 2025 and 2024

ElectriCities of North Carolina, Inc.
Annual Financial Report
Years Ended December 31, 2025 and 2024

PBMares
CPAs and Consultants

INDEPENDENT AUDITOR'S REPORT

Board of Directors
ElectriCities of North Carolina, Inc.

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the business-type activities and fiduciary activities of ElectriCities of North Carolina, Inc.’s (the Company), as of and for the years then ended December 31, 2025 and 2024, and the related notes to the financial statements, which collectively comprise the Company's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of the business-type activities and fiduciary activities of the Company as of December 31, 2025 and 2024, and the changes in their financial position , and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Company and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for at least twelve months beyond the date of the financial statements.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Emphasis of Matter

As discussed in Note N to the financial statements, the Company adopted Governmental Accounting Standards Board (GASB) Statement No. 101, *Compensated Absences* as of January 1, 2024, resulting in a restatement of the net position as of December 31, 2023. Our opinion is not modified with respect to this matter.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 4 through 11 and the Local Government Employee's Retirement System schedule of proportionate share of net pension liability (asset) and contributions, and schedule of changes to the net OPEB liability (asset) and contributions on pages 43 through 48 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Company's basic financial statements. The budgetary schedules and statements listed in the table of contents as Supplementary Information are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the Supplementary Information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

PBMares, LLP

Morehead City, North Carolina
July 16, 2026

MANAGEMENT'S DISCUSSION AND ANALYSIS

(Unaudited)

Management's Discussion and Analysis (MD&A) (Unaudited)

As management of ElectriCities of North Carolina, Inc. (ElectriCities), we offer this narrative overview and analysis of the financial activities of ElectriCities for the years ended December 31, 2025 and 2024. This information should be read in conjunction with the information furnished in ElectriCities' financial statements that follow this narrative.

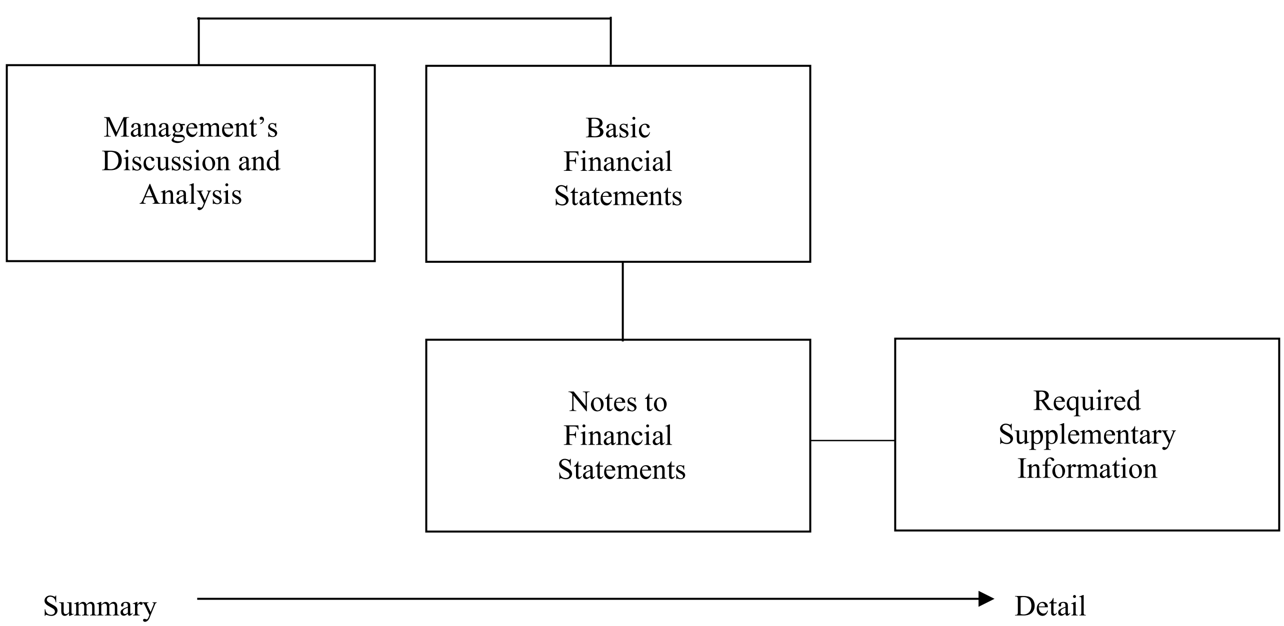
Financial Highlights

- ElectriCities' basic financial statements consist of a single enterprise fund and the Other Postemployment Benefits Trust fund.
- ElectriCities' liabilities and deferred inflows exceeded its assets and deferred outflows (net position deficit) by $5,911,064 at December 31, 2025 and by $5,967,020 at December 31, 2024.
- ElectriCities' unrestricted net position was a deficit of $8,695,810 and $8,034,851 at December 31, 2025, and December 31, 2024, respectively. The restricted for OPEB was $1,046,185 and $1,086,268 at December 31, 2025, and December 31, 2024, respectively.
- ElectriCities is not authorized to issue debt and therefore, has no debt.
- Dues billings were $2,750,494 and $2,543,711 for 2025 and 2024, respectively.
- In 2025, revenues exceeded expenditures by $115,378. In accordance with its bylaws, ElectriCities will refund $115,378 of the billed dues for 2025.

Overview of the Financial Statements

This MD&A serves as an introduction to ElectriCities' basic financial statements and notes to the financial statements (see Exhibit 1). In addition to the basic financial statements, this report contains other supplemental information designed to enhance your understanding of the financial condition of ElectriCities.

Required Components of the Annual Financial Report
Exhibit 1



Basic Financial Statements

ElectriCities is a special purpose government that accounts for its activities as a business' type entity. The first section of the basic financial statements is for ElectriCities' single proprietary fund that focuses on its business activities. The statements are designed to provide a broad overview of ElectriCities' finances and provide short and long-term information about ElectriCities' financial status, operations and cash flow. They report net position and how it has changed during the period. Net position is total assets and deferred outflows of resources less total liabilities and deferred inflows of resources. Analyzing the various components of net position is one way to gauge ElectriCities' financial condition.

ElectriCities' Fiduciary Fund is used to account for resources held for the benefit of parties outside the government. ElectriCities has one fiduciary fund which is an OPEB trust for reporting purposes.

The second section of the basic financial statements is the notes that explain in more detail some of the data contained in the basic financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the basic financial statements. The notes are on pages 18 through 42 of this report.

After the notes, additional information is provided. Required supplementary information is on pages 43 to 46, additional financial information is on pages 48 to 53 and statistical information is on pages 55 to 74.

Financial Analysis

The enterprise fund financial statements for the years ended December 31, 2025, 2024 and 2023 are presented in accordance with the Codification of Governmental Accounting Standards Board (GASB) pronouncements.

Summarized Statements of Net Position (Deficit)
Exhibit 2

		December 31,	
	2025	2024	2023
Assets			
Capital assets, right to use lease assets and IT subscriptions, net	$ 2,817,420	$ 1,978,746	$ 1,362,130
Net other post employment benefit asset	1,475,916	993,659	1,088,168
Current and other assets	5,944,042	4,286,316	4,626,696
Total assets	10,237,378	7,258,721	7,076,994
Deferred Outflows of Resources			
Pension deferrals (Note F)	4,949,549	5,837,020	6,555,494
OPEB deferrals (Note H)	217,570	616,695	689,354
Total Deferred Outflows of Resources	5,167,119	6,453,715	7,244,848
Total Assets and Deferred Outflows of Resources	15,404,497	13,712,436	14,321,842
Liabilities			
Long-term liabilities	14,819,313	15,238,648	14,104,679
Current liabilities	5,430,453	3,812,769	3,779,536
Total liabilities	20,249,766	19,051,417	17,884,215
Deferred Inflows of Resources			
Pension deferrals (Note F)	418,494	103,953	113,474
OPEB deferrals (Note H)	647,301	524,086	827,181
Total Deferred Inflows of Resources	1,065,795	628,039	940,655
Total Liabilities and Deferred Inflows of Resources	21,315,561	19,679,456	18,824,870
Net Position (Deficit)			
Net investment in capital assets, right to use lease assets and IT subscriptions	1,738,561	981,563	700,630
Restricted for OPEB	1,046,185	1,086,268	950,341
Unrestricted (deficit)	(8,695,810)	(8,034,851)	(6,153,999)
Total Net Position (Deficit)	$ (5,911,064)	$ (5,967,020)	$ (4,503,028)

As noted earlier, the various components of net position may serve over time as a useful indicator of ElectriCities' financial condition. ElectriCities' liabilities and deferred inflows exceeded assets and deferred outflows (net position deficit) by $5,911,064 at December 31, 2025, by $5,967,020 at December 31, 2024, and by $4,503,028 at December 31, 2023. ElectriCities' net position increased by $55,956 the year ended December 31, 2025, $1,463,992, and $1,534,805 for the years ended 2024 and 2023, respectively.

The portion of net position totaling $1,738,561, $981,563, and $700,630 at December 31, 2025, 2024 and 2023 respectively, reflects ElectriCities' net investment in capital assets (e.g., vehicles, furniture and equipment, right to use lease assets, and IT subscriptions). This amount increased in 2025 and 2024 because additional spending on capital assets exceeded depreciation.

The portion of net position deficit totaling $8,695,810, $8,034,851, and $6,153,999 at December 31, 2025, 2024 and 2023, respectively, represents unrestricted net position deficit. The OPEB related cost shown below in 2025 increased unrestricted net position by $40,083. The pension related cost shown below in 2025 decreased unrestricted net position by $411,401.

Statement of Activity

Exhibit 3

	For the Years Ended December 31, 2025	2024	2023
Operating Revenues:			
Membership dues	$ 2,750,494	$ 2,543,711	$ 2,289,497
Management services (Note E)	33,312,427	31,272,946	30,212,002
Program revenues	10,784,415	10,792,854	9,233,774
Total Operating Revenues	46,847,336	44,609,511	41,735,273
Operating Expenses:			
Program Expenses:			
Administration	126,595	125,308	104,041
Safety and Training	2,255,873	2,191,892	1,960,925
Member Services	737,203	780,178	636,702
Government Affairs	561,718	490,864	391,858
Technical Services	265,837	473,068	573,118
Member Conferences	493,798	550,221	488,008
Management Services	33,312,426	31,272,946	30,212,002
Regions Contract Services	-	35,004	-
Distribution Operations	8,998,391	8,506,663	7,384,546
Non-program Expenses - Leases	(284,754)	(333,244)	(244,116)
Non-program Expenses - IT Subscriptions	(338,951)	(180,198)	(132,003)
Depreciation and amortization (Note D)	486,231	489,693	487,744
Amortization right to use lease assets (Note D)	273,736	265,997	242,147
Amortization IT Subscriptions (Note D)	220,647	152,355	132,275
Refund of excess revenues (Note A)	115,378	203,525	904
Pension Expense (Note F)	411,401	1,453,431	1,503,330
Compensated Absences Expense (Note L)	249,558	121,051	-
OPEB Expense (Income) (Note H)	40,083	(135,927)	(281,227)
Total Operating Expenses	47,925,170	46,462,827	43,460,254
Operating Income (Loss)	(1,077,834)	(1,853,316)	(1,724,981)
Non-operating Revenues (Expenses):			
Investment income	19,884	20,158	16,831
Interest Expense - Leases (Note D)	(13,063)	(9,658)	(5,759)
Interest Expense - IT Subscriptions (Note D)	(11,669)	(8,717)	(11,096)
Total Non-operating Revenues (Expenses)	(4,848)	1,783	(24)
Income (Loss) Before Capital Contributions and Gain on Disposal	(1,082,682)	(1,851,533)	(1,725,005)
Capital Contributions	1,025,128	623,235	182,200
Gain on Disposal	113,510	70,676	8,000
Increase (Decrease) in Net Position	55,956	(1,157,622)	(1,534,805)
Net Position (Deficit)			
Beginning of Year	(5,967,020)	(4,503,028)	(2,968,223)
Restatement for Accounting Change (Note L)	-	(306,370)	-
Net Position Deficit, Beginning of Year as Restated	(5,967,020)	(4,809,398)	(2,968,223)
Total Net Position (Deficit), End of Year	$ (5,911,064)	$ (5,967,020)	$ (4,503,028)

Revenues totaled $46,847,336, $44,609,511, and $41,735,273 for the years ended December 31, 2025, 2024 and 2023, respectively. Sources of revenues are derived from membership dues, management services and other program revenues, and non-operating revenues.

The following contributed to the changes in revenues for the calendar years ended December 31, 2025, and 2024, respectively:

- Membership dues increased by $206,783 and $254,214 in 2025 and 2024, respectively. The increase in 2025 was attributable to an increase in personnel costs and benefits costs.
- Management services and other program revenues increased by $2,031,042 and $2,620,024 in 2025 and 2024, respectively. The 2025 increase was primarily due to the increases in personnel and benefit costs, increased travel and vehicle maintenance, cyber-security costs, and telemetry equipment and maintenance costs due to contract management system implementation.
- Non-operating revenues (expenses) decreased by $6,631 in 2025 due to an increase in interest expense and increased by $1,807 in 2024 primarily due to an increase in interest income.
- In 2025 net position increased by $55,956 and decreased by $1,463,992 in 2024.

Capital Assets and Debt Administration

Capital Assets

ElectriCities' investment in capital assets at December 31, 2025, 2024 and 2023 totaled $1,570,201, $917,796, and $713,578, respectively, (net of accumulated depreciation). These assets include vehicles, furniture, and equipment.

Major capital asset transactions during 2025 and 2024 include the following:

- In 2025, thirteen vehicles were purchased for $593,392. There were five vehicle purchases in 2024.
- Ten vehicles were retired in 2025, and three vehicles were retired in 2024.
- In both years, purchases of computer hardware, heating and air conditioning unit, and other equipment accounted for the remainder.
- ElectriCities' capitalization threshold for capital assets is $5,000 for 2025 and 2024.

Exhibit 4

	December 31, 2024	Additions	Retirements	December 31, 2025
Furnishings and Equipment	$ 4,739,986	$ 1,138,636	$ (414,092)	$ 5,464,530
Accumulated Depreciation	(3,822,190)	(486,231)	414,092	(3,894,329)
Total Furnishings and Equipment, Net	$ 917,796	$ 652,405	$ -	$ 1,570,201

	December 31, 2023	Additions	Retirements	December 31, 2024
Furnishings and Equipment	$ 4,206,451	$ 623,235	$ (89,700)	$ 4,739,986
Accumulated Depreciation	(3,492,873)	(489,693)	160,376	(3,822,190)
Total Furnishings and Equipment, Net	$ 713,578	$ 133,542	$ 70,676	$ 917,796

Additional information regarding ElectriCities' capital assets can be found in Note D on page 25 of this report.

ElectriCities' investment in intangible right to use leases at December 31, 2025 and 2024 totaled $434,883 and $626,433, respectively, (net of accumulated amortization).

Exhibit 5

	December 31, 2024	Additions	Deletions	December 31, 2025
Right to Use Lease Assets				
Building	$ 271,129	$ 24,874	$ -	$ 296,003
Equipment	838,872	57,312	(211,646)	684,538
Total Right to Use Lease Assets	1,110,001	82,186	(211,646)	980,541
Accumulated Amortization				
Building	(180,555)	(44,181)	-	(224,736)
Equipment	(303,013)	(229,555)	211,646	(320,922)
Total accumulated amortization	(483,568)	(273,736)	211,646	(545,658)
Total Right to Use Lease Assets, Net	$ 626,433	$ (191,550)	$ -	$ 434,883

	December 31, 2023	Additions	Deletions	December 31, 2024
Right to Use Lease Assets				
Building	$ 174,172	$ 96,957	$ -	$ 271,129
Equipment	745,835	485,807	(392,770)	838,872
Total Right to Use Lease Assets	920,007	582,764	(392,770)	1,110,001
Accumulated Amortization				
Building	(140,411)	(40,144)	-	(180,555)
Equipment	(453,009)	(225,853)	375,849	(303,013)
Total accumulated amortization	(593,420)	(265,997)	375,849	(483,568)
Total Right to Use Lease Assets, Net	$ 326,587	$ 316,767	$ (16,921)	$ 626,433

Additional information regarding ElectriCities' intangible right to use lease assets can be found in Note D, on page 25 of this report.

ElectriCities' investment in IT subscriptions at December 31, 2025 and 2024 totaled $812,336 and $434,517, respectively, (net of accumulated amortization).

Exhibit 6

	December 31, 2024	Additions	Deletions	December 31, 2025
IT Subscriptions	$ 851,422	$ 598,465	$ -	$ 1,449,887
Accumulated Amortization	(416,905)	(220,646)	-	(637,551)
Total IT Subscriptions, Net	$ 434,517	$ 377,819	$ -	$ 812,336

	December 31, 2023	Additions	Deletions	December 31, 2024
IT Subscriptions	$ 586,515	$ 264,907	$ -	$ 851,422
Accumulated Amortization	(264,550)	(152,355)	-	(416,905)
Total IT Subscriptions, Net	$ 321,965	$ 112,552	$ -	$ 434,517

Additional information regarding ElectriCities' IT subscriptions can be found in Note D, on page 25 of this report.

Outstanding Debt

ElectriCities is not authorized to issue debt and therefore, has no outstanding debt at December 31, 2025, 2024 or 2023.

Next Year's Budgets and Dues

Budget Highlights for 2026

- There is a 7.1% increase in dues.
- Member Programs includes Safety & Training, Government Affairs, Member Services and Emergency Assistances Programs. These programs are supported by a combination of dues and certain program specific revenues. Member Programs also include the Annual Conferences and the Connections Summit. Member Programs expenses increased 6.4%.
- Management Services (increased 5.2%) and Contract Services, which include Technical Services and Distribution Operations, (decreased 1.6%) are paid for by those entities utilizing the services and receive no dues support.

Requests for Information

This report is designed to provide an overview of ElectriCities' finances for those with an interest in this area. Questions concerning any of the information found in this report or requests for additional information should be directed to the Chief Financial Officer, ElectriCities of North Carolina, Inc. P.O. Box 29513, Raleigh, NC 27626-0513.

BASIC FINANCIAL STATEMENTS

ElectriCities of North Carolina, Inc.
Statements of Net Position (Deficit)

	December 31, 2025	December 31, 2024
ASSETS		
Current Assets:		
Cash and cash equivalents (Note C)	$ 4,145,256	$ 2,873,071
Accounts receivable	1,798,786	1,413,245
Total Current Assets	5,944,042	4,286,316
Non-Current Assets:		
Net other post employment benefit asset (Note H)	1,475,916	993,659
Capital assets being depreciated(Note D)		
Equipment and furnishings	5,464,530	4,739,986
Accumulated depreciation	(3,894,329)	(3,822,190)
Total capital assets being depreciated, net	1,570,201	917,796
Capital assets being amortized		
Right to use lease assets (Note D)	980,541	1,110,001
IT subscriptions (Note D)	1,449,887	851,422
Accumulated amortization right to use lease assets	(545,658)	(483,568)
Accumulated amortization IT subscriptions	(637,551)	(416,905)
Total capital assets being amortized, net	1,247,219	1,060,950
Total Capital Assets	2,817,420	1,978,746
Total Non-Current Assets	4,293,336	2,972,405
Total Assets	10,237,378	7,258,721
DEFERRED OUTFLOWS OF RESOURCES		
Pension deferrals (Note F)	4,949,549	5,837,020
OPEB deferrals (Note H)	217,570	616,695
Deferred Outflows of Resources	5,167,119	6,453,715
Total Assets and Deferred Outflows of Resources	15,404,497	13,712,436
LIABILITIES		
Current Liabilities:		
Accounts payable	2,149,701	737,720
Current portion of accrued compensated absences	1,729,549	1,558,614
Current portion of other accrued lease liability	1,132	2,604
Current portion of other accrued IT subscription liability	3,118	4,600
Short-term lease liability	225,730	257,511
Short-term IT subscription liability	318,481	195,498
Other liabilities	1,002,742	1,056,222
Total Current Liabilities	5,430,453	3,812,769
Non-Current Liabilities:		
Accrued compensated absences	1,718,132	1,340,285
Other accrued lease liability	193	-
Other accrued IT subscription liability	2,248	-
Long-term lease liability	167,438	323,885
Long-term IT subscription liability	360,519	213,085
Net pension liability (Note F)	12,570,783	13,361,393
Total Non-Current Liabilities	14,819,313	15,238,648
Total Liabilities	20,249,766	19,051,417
DEFERRED INFLOWS OF RESOURCES		
Pension Deferrals (Note F)	418,494	103,953
OPEB deferrals (Note H)	647,301	524,086
Total Deferred Inflows of Resources	1,065,795	628,039
Total Liabilities and Deferred Inflows of Resources	21,315,561	19,679,456
NET POSITION (DEFICIT)		
Net investment in capital assets	1,738,561	981,563
Restricted for OPEB	1,046,185	1,086,268
Unrestricted (Deficit)	(8,695,810)	(8,034,851)
Total net position (Deficit)	$ (5,911,064)	$ (5,967,020)

See accompanying notes to basic financial statements.

ElectriCities of North Carolina, Inc.
Statements of Revenues, Expenses and Changes in Net Position (Deficit)

	For the Years Ended December 31, 2025	2024
Operating Revenues:		
Membership dues	$ 2,750,494	$ 2,543,711
Management services (Note E)	33,312,427	31,272,946
Program revenues	10,784,415	10,792,854
Total Operating Revenues	46,847,336	44,609,511
Operating Expenses:		
Program Expenses:		
Administration	126,595	125,308
Safety and Training	2,255,873	2,191,892
Member Services	737,203	780,178
Government Affairs	561,718	490,864
Technical Services	265,837	473,068
Member Conferences	493,798	550,221
Management Services	33,312,426	31,272,946
Regions Contract Services	-	35,004
Distribution Operations	8,998,391	8,506,663
Non-program Expenses - Leases	(284,754)	(333,244)
Non-program Expenses - IT Subscriptions	(338,951)	(180,198)
Depreciation and amortization (Note D)	486,231	489,693
Amortization right to use lease assets (Note D)	273,736	265,997
Amortization IT Subscriptions (Note D)	220,647	152,355
Refund of excess revenues (Note A)	115,378	203,525
Pension Expense (Note F)	411,401	1,453,431
Compensated Absences Expense (Note L)	249,558	121,051
OPEB Expense (Income) (Note H)	40,083	(135,927)
Total Operating Expenses	47,925,170	46,462,827
Operating Income (Loss)	(1,077,834)	(1,853,316)
Non-operating Revenues (Expenses):		
Investment income	19,884	20,158
Interest Expense - Leases (Note D)	(13,063)	(9,658)
Interest Expense - IT Subscriptions (Note D)	(11,669)	(8,717)
Total Non-operating Revenues (Expenses)	(4,848)	1,783
Income (Loss) Before Capital Contributions and Gain on Disposal	(1,082,682)	(1,851,533)
Capital Contributions	1,025,128	623,235
Gain on Disposal	113,510	70,676
Increase (Decrease) in Net Position	55,956	(1,157,622)
Net Position (Deficit)		
Beginning of Year	(5,967,020)	(4,503,028)
Restatement for Accounting Change (Note L)	-	(306,370)
Net Position Deficit, Beginning of Year as Restated	(5,967,020)	(4,809,398)
Total Net Position (Deficit), End of Year	$ (5,911,064)	$ (5,967,020)

See accompanying notes to basic financial statements.

ElectriCities of North Carolina, Inc.
Statements of Cash Flows

	For the Years Ended December 31, 2025	2024
Cash Flows From Operating Activities:		
Receipts from dues and other revenues	$ 46,408,315	$ 45,434,326
Payments to employees for services	(23,169,948)	(21,635,499)
Payments to other suppliers of goods and services	(21,362,361)	(23,131,020)
Net Cash Provided by Operating Activities	1,876,006	667,807
Cash Flows From Capital Activities:		
Additions to capital assets	(1,025,128)	(623,235)
Capital contributions	1,025,128	623,235
Net Cash Used For Capital Activities	-	-
Cash Flows From Investing Activities:		
Investment income	19,884	20,158
Net Cash Flows From Investing Activities	19,884	20,158
Cash Flows From Financing Activities:		
Lease and IT subscription payments	(623,705)	(513,442)
Net Cash Flows From Financing Activities	(623,705)	(513,442)
Net Increase (Decrease) in Cash And Cash Equivalents	1,272,185	174,523
Cash and Cash Equivalents, Beginning of Year	2,873,071	2,698,548
Cash and Cash Equivalents, End of Year	$ 4,145,256	$ 2,873,071
Reconciliation of Operating Income (Loss) to Net Cash Provided by Operating Activities:		
Net Operating Income (Loss)	$ (1,077,834)	$ (1,853,316)
Adjustments:		
Depreciation Capital Assets	486,231	489,693
Amortization right to use lease assets and IT subscriptions	494,383	418,352
Deferred noncash pension related expense (income)	411,401	1,453,431
Deferred noncash OPEB related expense (income)	40,083	(135,927)
Compensated Absences Restatement	-	(306,370)
Changes in Assets, Deferred Outflows/Inflows of Resources and Liabilities:		
Decrease (Increase) in accounts receivable	(385,541)	514,903
Increase (Decrease) in accounts payable	1,411,981	(931,221)
Increase (Decrease) in accrued compensated absences	548,782	708,350
Increase (Decrease) in other liabilities	(53,480)	309,912
Net Cash Provided by Operating Activities	$ 1,876,006	$ 667,807

See accompanying notes to basic financial statements.

ElectriCities of North Carolina, Inc.
Statements of Fiduciary Net Position
OPEB Trust Fund

	For the Years Ended December 31,	
	2025	2024
ASSETS		
Cash and cash equivalents (Note C)	$ 276	$ 2,292
Investments	5,164,961	4,545,052
Interest receivable	4	5
Total Assets	5,165,241	4,547,349
LIABILITIES		
Due to ElectriCities operating	141,716	58,228
Total Liabilities	141,716	58,228
NET POSITION		
Restricted Net Position - OPEB	$ 5,023,525	$ 4,489,121

See accompanying notes to basic financial statements.

ElectriCities of North Carolina, Inc.
Statements of Changes in Fiduciary Net Position
OPEB Trust Fund

	For the Years Ended December 31,	
	2025	2024
ADDITIONS		
Investment earnings (loss)	$ 757,990	$ 516,208
Total Additions	757,990	516,208
DEDUCTIONS		
Administrative costs	16	48
Benefit payments	223,570	272,972
Total Deductions	223,586	273,020
Change in net position	534,404	243,188
NET POSITION RESTRICTED FOR POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS		
Beginning of year	4,489,121	4,245,933
End of year	$ 5,023,525	$ 4,489,121

See accompanying notes to basic financial statements.

Note A. General Matters

ElectriCities of North Carolina, Inc. (ElectriCities) is a joint municipal assistance agency organized under Chapter 159B of the North Carolina General Statutes (G.S.). It is the successor organization of ElectriCities of North Carolina created in 1965 as a voluntary, non-profit association to serve the interests of North Carolina's municipal electric systems. ElectriCities provides aid and assistance to member municipalities in North Carolina, South Carolina, and Virginia, and to member constituent institutions of the University of North Carolina in the construction, ownership, maintenance, expansion and operation of their electric systems.

ElectriCities is involved in four major areas of activity on behalf of its members: (1) professional management services for the North Carolina Municipal Power Agencies (Agencies) (see Note E); (2) federal regulatory matters; (3) legislation and other public policy issues; and (4) member services, which include assistance with local problems, informational services, and safety, and training assistance.

The members are assessed annual dues to fund the various programs except for management services which is funded by the Agencies (see Note E), Western Operations which is funded by Huntersville/Cornelius, Lexington and Pineville, Regions Contract Services which is funded by those cities utilizing the services, the Demonstration of Energy and Efficiency Developments (DEED) program which is funded by the American Public Power Association (APPA), and Member Conferences which is funded by registrations, sponsorships, and other fees. ElectriCities' bylaws require that each year's excess revenues (modified accrual basis) be refunded to its members in good standing in a future year.

The financial statements of ElectriCities are prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The most significant of ElectriCities' accounting policies are described below.

ElectriCities reports in accordance with GASB Statement No. 34, "Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments" (GASB No. 34), as amended. The statement requires certain information be included in the financial statements and specifies how that information should be presented.

Basis of Accounting

The accrual basis of accounting is followed whereby revenues are recognized when earned and expenses are recognized when incurred.

Financial Reporting

The financial statements are prepared using the economic resources measurement focus. Operating revenues are defined as dues and revenues received for Agency services provided to members. Revenues from investment activities are defined as non-operating revenues. ElectriCities reported a deficit of $8,695,810 and $8,034,851, at December 31, 2025 and December 31, 2024, respectively, in unrestricted net position. Unrestricted net position may be utilized for any purpose approved by the Board through the budget process. The majority of the deficit in net position is the result of negative pension and estimated compensated absences of $7,628,326, and $676,979, respectively. The compensated absences will be funded by current year working capital. While the North Carolina State Treasurer determines funding for pension.

Note B. Summary of Significant Accounting Policies

Reporting Entity

In evaluating how to define ElectriCities for financial reporting purposes, management has considered all potential component units. The decision to include potential component units in the reporting entity is made by applying the criteria set forth in the GASB standards. ElectriCities' lack of financial accountability is the primary criterion for excluding potential component units from the reporting entity. The specific elements of financial accountability considered in the decision to exclude the potential component units were the selection of governing authority and fiscal dependency.

While ElectriCities provides assistance to member municipalities, it has no financial accountability for any of them. Therefore, none of the member municipalities are included as component units of ElectriCities.

Fund Accounting

ElectriCities reports as a single enterprise fund. Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises.

Fiduciary Trust Fund

Fiduciary Trust funds are used to report resources that are required to be held in trust for the members and beneficiaries of other postemployment benefit plan. The Other Postemployment Benefits Trust Fund accounts for ElectriCities' contributions for healthcare coverage provided to qualified retirees. The trust fund is accounted for using the accrual basis of accounting.

Measurement Focus

The enterprise fund of ElectriCities is accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets, deferred outflow of resources, and liabilities and deferred inflows of resources associated with the operation of this fund are included on the balance sheet. The Statements of Revenues, Expenses and Changes in Net Position presents increases (revenues) and decreases (expenses) in net position. As required by GASB Statement No. 33, "Accounting and Financial Reporting for Non-Exchange Transactions," (as amended) ElectriCities recognizes capital contributions as revenue.

Budgetary Data

An annual balanced budget, as required by the Local Government Budget and Fiscal Control Act, is adopted and is prepared using the budgetary basis of accounting.

Budgetary control on expenditures at the total expenditure level. Individual line-item expenditures can exceed budgeted amounts as long as total expenditures do not exceed budgeted amounts. The budget can be amended at any time by majority vote of the Board of Directors.

Encumbrance accounting, under which purchase requisitions for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is used. Only those encumbrances outstanding at year-end for which there are contractual liabilities are reported. Unspent budget appropriations lapse at year-end and must be budgeted again in the following year.

Equipment and furnishings additions are budgeted as an expense of the year they are acquired in order to provide sufficient funds to purchase the assets. Depreciation for each program is not budgeted.

Note B. Summary of Significant Accounting Policies (continued)

Cash, Cash Equivalents and Investments

ElectriCities reports according to the provisions of GASB Statement No. 72 “Fair Value Management and Application” which requires investments to be reported at fair value , GASB Statement No. 79 “Certain External Investment Pools and Pool Participants,” which allows certain whole investment pools to be reported at amortized cost, and GASB Statement No. 31, “Accounting and Financial Reporting for Certain Investments and for External Investment Pools,” which allows certain investments to be reported at amortized cost. In addition, ElectriCities reports according to the provisions of GASB Statement No. 40 “Deposit and Investment Risk Disclosures” which addresses common investment risks related to credit risk, concentration of credit risk, and interest rate risk.

At December 31, 2025 and 2024, ElectriCities’ investment balances consisted of amounts invested in the North Carolina Capital Management Trust (NCCMT). NCCMT’s Government portfolio is a cash portfolio. The NCCMT Government portfolio is a SEC-registered 2a-7 external investment pool measured at fair value. The valuation of the underlying assets is performed by the custodian. The investment in these money market mutual funds have been reported as cash equivalents in the accompanying financial statements.

		December 31, 2025		December 31, 2024	
	Method of Valuation	Cost Basis	Reported Value	Cost Basis	Reported Value
Money Market					
NC Capital Management Trust -Government Portfolio	Fair Value Level 1	$ 2,687,795	$ 2,687,795	$ 1,952,205	$ 1,952,205
Sub-total funds invested		2,687,795	2,687,795	1,952,205	1,952,205
Cash		1,457,461	1,457,461	920,866	920,866
Total Funds Invested		$4,145,256	$4,145,256	$2,873,071	$2,873,071

For purposes of cash flows, ElectriCities considers all highly liquid investments with original maturities of three months or less when purchased, to be cash equivalents.

All investments valued at fair value are measured using the market approach, using prices and other relevant information generated by market transactions involving identical or comparable assets or a group of assets. Fair Value Level 1 securities are valued using directly observable, quoted prices (unadjusted) in active markets for identical assets. Level 2 securities are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities’ benchmark quoted prices.

Note B. Summary of Significant Accounting Policies (continued)

The ElectriCities OPEB is invested in the North Carolina Ancillary Governmental Participant Investment Program (AGPIP) and the NCCMT. The AGPIP is made up of the Bond Index Fund (BIF), Equity Index Fund (EIF) and Short Term Investment Fund (STIF).

Bond Fund Index does not have a credit rating, was valued at $1 per unit, and had an average maturity of 8.24 years.

BlackRock's MSCI ACWI EQ Index Non-Lendable Class B Fund is a common trust fund considered to be commingled in nature. The Fund's fair value is the number of shares times the net asset value as determined by a third party. On December 31, 2025, the fair value of the funds was $49.3335 per share, and is determined using Level 1 inputs.

STIF investments are measured at fair value by the custodian using Level 2 inputs. The STIF is valued at $1 per share. The STIF portfolio is unrated and has a weighted average maturity of 0.80 years.

ElectriCities OPEB Trust Fund investments are reported at fair value:

		December 31, 2025		December 31, 2024	
	Method of Valuation	Cost Basis	Reported Value	Cost Basis	Reported Value
NC AGPIP Equity Index Fund	Fair Value Level 1	$1,419,558	$3,446,485	$1,619,558	$2,999,139
NC AGPIP Bond Index Fund	Fair Value Level 1	1,505,000	1,555,546	1,505,000	1,450,109
NC AGPIP STIF	Fair Value Level 2	1,097	1,097	857	857
NC Capital Management Trust -Government Portfolio	Fair Value Level 1	161,833	161,833	94,947	94,947
Sub-total funds invested		$3,087,488	$5,164,961	$3,220,362	$4,545,052
Interest Receivable		4	4	6	6
Cash		276	276	2,292	2,292
Total Funds Invested		$3,087,768	$5,165,241	$3,222,660	$4,547,350

Compensated Absences

It is ElectriCities' policy to permit employees to accumulate earned but unused vacation and sick pay benefits. Vacation pay is accrued when incurred and reported as a liability. When determining the vacation pay liability due within one year, leave is considered taken on the last in, first out (LIFO) basis.
Unused vacation pay is paid to the employee at the time of termination. Unused sick pay benefits terminate with an employee's employment. With the implementation of GASB Statement No. 101, Compensated Absences, ElectriCities has recorded an additional liability of $395,752 and $427,421 at December 31, 2025 and 2024, respectively.

Accrued vacation was $3,051,929 and $2,471,478 at December 31, 2025 and 2024, respectively.

Defined Benefit Pension Plan

ElectriCities has adopted GASB Statement No. 27, "Accounting for Pensions by State and Local Government Employers," (GASB No. 27) and GASB Statement No. 68, "Accounting and Financial Reporting for Pensions-an amendment to Statement No. 27" which states that employers that participate in multi-employer defined benefit plans are required to measure and disclose an amount for annual pension costs on the accrual basis of accounting. See Note F.

Note B. Summary of Significant Accounting Policies (continued)

Capital Assets

The capitalization threshold for capital assets with estimated useful lives of greater than one year is $5,000 effective January 1, 2015. Equipment and furnishings are valued at historical cost. Depreciation is recognized on a straight-line basis over the estimated useful lives of respective assets which range from three to ten years.

ElectriCities has adopted GASB Statement No. 87 “Leases”. See Note I. The capitalization threshold for right to use lease assets is $5,000 effective January 1, 2022.

ElectriCities has adopted GASB Statement No. 96 “Subscription-Based IT Agreements”. See Note J. The capitalization threshold for subscription-based IT agreements is $5,000 effective January 1, 2023.

Statistical Section - Unaudited

GASB Statement No. 44 "Economic Condition Reporting: The Statistical Section" (as amended) enhances and updates the statistical section that accompanies a state or local government's basic financial statements to reflect the significant changes that have taken place in government finance, including the more comprehensive government-wide financial information required by GASB. The statistical section comprises schedules presenting trend information about revenues and expenses, outstanding debt, economics and demographics, and other subjects. These schedules are intended to provide financial statement users with contextual information they need to assess a government’s financial health.

Taxes

Income of ElectriCities is excludable from federal income tax under Section 115 of the Internal Revenue Code.

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources and liabilities, and deferred inflows of resources and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Net Pension Liability

The net pension liability is measured as the portion of the actuarial present value of projected benefits that is attributed to past periods of employee service (total pension liability), net of the pension plan’s fiduciary net position. The pension plan’s fiduciary net position is determined using the same valuation methods that are used by the pension plan for purposes of preparing its statement of fiduciary net position. The net pension liability is measured as of a date (measurement date) no earlier than the end of the employer’s prior fiscal year, consistently applied from period to period. The net pension liability is reported in the Statement of Net Position.

Note B. Summary of Significant Accounting Policies (continued)

Net OPEB Asset

ElectriCities has adopted GASB Statement No. 75 "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions". See Note H.

The net OPEB asset is measured as the portion of the actuarial present value of projected benefits that is attributed to past periods of employee service (net OPEB liability). The net OPEB asset is measured as of a date (measurement date) no earlier than the end of the employer's prior fiscal year, consistently applied from period to period. The net OPEB asset is reported in the statement of net position. ElectriCities established an OPEB Trust account to fund the OPEB liability and to pay OPEB benefits.

Cash Paid for Interest

Under GASB standards, debt and interest are required to be disclosed for debt service to maturity, variable-rate debt, capitalized interest, and direct borrowings and placements. For the years ended December 31, 2025 and 2024, ElectriCities did not have any cash paid for interest.

Deferred Outflows and Inflows of Resources

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period and so will not be recognized as an expense or expenditure until then. ElectriCities has two items that meet this criterion – pension and OPEB deferrals. In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period and so will not be recognized as revenue until then. ElectriCities has two items that meet the criterion for this category - pension and OPEB deferrals.

Recently Adopted GASB Statements

In June of 2022, GASB issued Statement No. 100, Accounting Changes and Error Corrections. The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. The requirements of the Statement are effective for accounting changes and error corrections beginning after June 15, 2023, and did not have a material impact on ElectriCities' financial position, overall cash flow or balances or results of operations.

Note B. Summary of Significant Accounting Policies (continued)

In June 2022, GASB issued Statement No. 101, Compensated Absences. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The requirements of this Statement are effective for fiscal years beginning after December 15, 2023, and resulted in a $395,752 and $427,421 liability on ElectriCities' financial position at December 31, 2025 and 2024, respectively.

In December of 2023, GASB issued Statement No. 102, "Certain Risk Disclosures". The objective of this Statement is to provide users of government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints. This Statement defines a concentration as a lack of diversity related to an aspect of a significant inflow of resources or outflow of resources. A constraint is a limitation imposed on a government by an external party or by formal action of the government's highest level of decision-making authority. Concentrations and constraints may limit a government's ability to acquire resources or control spending. The requirements of this Statement are effective for fiscal years beginning after June 15, 2024, and did not have a material impact on ElectriCities' financial position, overall cash flow or balances or results of operations.

Future GASB Statements

Management has not concluded its evaluation of the impact, if any, on implementation of the following GASB pronouncements may have on ElectriCities' financial statements.

In April 2024, GASB issued Statement No. 103, "Financial Reporting Model Improvements". The objective of this Statement is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. This Statement also addresses certain application issues. The requirements of this Statement are effective for fiscal years beginning after June 15, 2025, and all reporting periods thereafter. Earlier application is encouraged.

In September 2024, GASB issued Statement No. 104, "Disclosure of Certain Capital Assets". The objective of this Statement is to improve financial reporting by providing users of financial statements with essential information about certain types of capital assets in order to make informed decisions and assess accountability. Additionally, the disclosure requirements will improve consistency and comparability between governments. The requirements of this Statement are effective for fiscal years beginning after June 15, 2025, and all reporting periods thereafter. Earlier application is encouraged.

In December 2025, GASB issued Statement No. 105, "Subsequent Events". The objective of this Statement is to improve financial reporting by establishing clearer, more consistent standards for identifying and disclosing events occurring between the financial statement date and when they are available to be issued. It enhances transparency for users by refining definitions of recognized and non-recognized events, standardizing the evaluation period, and requiring disclosure of the specific date through which events were reviewed. The requirements of this Statement are effective for fiscal years beginning after June 15, 2026, and all reporting periods thereafter. Earlier application is encouraged.

Note C. Deposits

All deposits of ElectriCities are made in board-designated official depositories and are collateralized as required by North Carolina General Statute 159-31. Official depositories may be established with one or more banks, savings and loan associations or trust companies in North Carolina, or with written permission of the secretary of the Local Government Commission (LGC), a national bank located in another state. ElectriCities may also deposit monies at interest in those institutions described in the form of certificates of deposit, money market accounts or other forms of time deposits as the LGC may approve. At December 31, 2025 and 2024, ElectriCities' deposits had carrying amounts of $1,457,461 and $920,866, respectively and bank balances of $1,526,980 and $968,388, respectively. For each of the bank balances, up to $250,000 was insured by the Federal Depository Insurance Corporation. The remaining balance was covered under the State's policy method.

At December 31, 2025 and 2024, ElectriCities investments consisted of $2,687,795 and $1,952,205, respectively, in NCCMT's Government Portfolio, which carried a credit rating of AAA by Standard and Poor's. ElectriCities investment choices are limited by North Carolina General Statute 159-31.

The ElectriCities Board of Directors of the Agency approved an Investment Risk Management Policy in 2013. The policy was amended in 2018 to reflect for the investment of OPEB funds into the State Treasurer's APGIP fund. The policy set the overall investment objectives and established sector and issuer guidelines. It is reviewed annually to ensure its compliant with the current law and the Local Government Commission (LGC). ElectriCities places no limit on the amount it may invest in direct obligations of the United States Treasury and mutual funds certified by the LGC.

For cash and investments, custodial credit risk is the risk that, in the event of the failure of the counterparty, ElectriCities will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. ElectriCities has no formal policy regarding custodial credit risk.

Note D. Capital Assets

Capital Assets Being Depreciated

	December 31, 2024	Additions	Retirements	December 31, 2025
Furnishings and Equipment	$ 4,739,986	$ 1,138,636	$ (414,092)	$ 5,464,530
Accumulated Depreciation	(3,822,190)	(486,231)	414,092	(3,894,329)
Total Furnishings and Equipment, Net	$ 917,796	$ 652,405	$ -	$ 1,570,201

	December 31, 2023	Additions	Retirements	December 31, 2024
Furnishings and Equipment	$ 4,206,451	$ 623,235	$ (89,700)	$ 4,739,986
Accumulated Depreciation	(3,492,873)	(489,693)	160,376	(3,822,190)
Total Furnishings and Equipment, Net	$ 713,578	$ 133,542	$ 70,676	$ 917,796

In accordance with GASB No. 42, ElectriCities will assess the recoverability of its long-lived assets whenever events or changes in circumstances indicate the carrying amount may have been impaired. During 2025 and 2024, ElectriCities determined that such an assessment was not necessary.

Note D. Capital Assets (continued)

Right to Use Lease Assets

ElectriCities reports according to the provision of GASB Statement No. 87 "Leases" which requires ElectriCities to recognize a lease liability and an intangible right of use lease asset in the financial statements. ElectriCities recognized lease liabilities with an initial, individual value of $5,000 or more. The portfolio approach is used where a single discount rate is applied to all leases within the portfolio.

At the commencement of a lease, ElectriCities initially measured the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, plus certain initial direct costs. The lease asset is amortized on a straight-line basis over the useful lives of the leases which range from 3 to 5 years.

Key estimates and judgements related to leases include how ElectriCities determines (1) discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

- The A rated MMD (Municipal Market Data) rate, provided by PFM, our investment management firm, was used as the estimated incremental borrowing rate (IBR) before 10/1/2023. Because MMD rates are no longer readily available, effective 10/1/2023 and going forward, Bloomberg BVAL rates for Public Power A rated bonds are being used as a proxy for the IBR. The incremental borrowing rate is averaged for various lease terms and updated quarterly.
- The lease term includes the noncancellable period of the lease.
- Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that ElectriCities is reasonably certain to exercise.

ElectriCities monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Right to Use Lease Assets activity for the years ended December 31, 2025 and 2024 was as follows:

	December 31, 2024	Additions	Deletions	December 31, 2025
Right to Use Lease Assets				
Building	$ 271,129	$ 24,874	$ -	$ 296,003
Equipment	838,872	57,312	(211,646)	684,538
Total Right to Use Lease Assets	1,110,001	82,186	(211,646)	980,541
Accumulated Amortization				
Building	(180,555)	(44,181)	-	(224,736)
Equipment	(303,013)	(229,555)	211,646	(320,922)
Total accumulated amortization	(483,568)	(273,736)	211,646	(545,658)
Total Right to Use Lease Assets, Net	$ 626,433	$ (191,550)	$ -	$ 434,883

Note D. Capital Assets (continued)

	December 31, 2023	Additions	Deletions	December 31, 2024
Right to Use Lease Assets				
Building	$ 174,172	$ 96,957	$ -	$ 271,129
Equipment	745,835	485,807	(392,770)	838,872
Total Right to Use Lease Assets	920,007	582,764	(392,770)	1,110,001
Accumulated Amortization				
Building	(140,411)	(40,144)	-	(180,555)
Equipment	(453,009)	(225,853)	375,849	(303,013)
Total accumulated amortization	(593,420)	(265,997)	375,849	(483,568)
Total Right to Use Lease Assets, Net	$ 326,587	$ 316,767	$ (16,921)	$ 626,433

Leases Liability for the years ended December 31, 2025 and 2024 was as follows:

	December 31, 2024	Additions	Deletions	December 31, 2025
Lease Liability				
Building	$ 74,623	$ 24,874	$ (44,350)	$ 55,147
Equipment	154,998	57,309	(82,097)	130,210
Copier	181,599	-	(39,215)	142,384
Other	170,176	-	(104,749)	65,427
Total Lease Liability	$ 581,396	$ 82,183	$ (270,411)	$ 393,168

	December 31, 2023	Additions	Deletions	December 31, 2024
Lease Liability				
Building	$ 46,085	$ 96,957	$ (68,419)	$ 74,623
Equipment	138,961	101,255	(85,218)	154,998
Copier	73,763	188,709	(80,873)	181,599
Other	82,352	195,843	(108,019)	170,176
Total Lease Liability	$ 341,161	$ 582,764	$ (342,529)	$ 581,396

ElectriCities lease liability at December 31, 2025 totaled $393,168, of which $225,729 represents short-term lease liability, and $167,439 represents long-term lease liability. The term of the leases average between three to five years, while the interest rates range from 2.78% to 3.24% for 2025.

Note D. Capital Assets (continued)

Lease Maturity Analysis for the period January 1, 2026 through January 1, 2029:

	2026				2027				2028			
	Cash	Interest Expense	Liability Reduction	Accrued Interest	Cash	Interest Expense	Liability Reduction	Accrued Interest	Cash	Interest Expense	Liability Reduction	Accrued Interest
Building	$ 45,084	$ 494	$ 44,510	$ 80	$ 10,770	$ 109	$ 10,637	$ 24	$ -	$ -	$ -	$ -
Computer equipment	81,240	2,594	78,646	-	44,228	809	43,419	-	8,214	69	8,145	-
Copiers	40,785	3,580	37,147	58	40,500	2,494	37,946	60	40,500	1,381	39,057	62
Other*	67,579	1,158	65,427	994	-	-	-	-	-	-	-	-
	$ 234,688	$ 7,826	$ 225,730	$ 1,132	$ 95,498	$ 3,412	$ 92,002	$ 84	$ 48,714	$ 1,450	$ 47,202	$ 62

	2029				Total			
	Cash	Interest Expense	Liability Reduction	Accrued Interest	Cash	Interest Expense	Liability Reduction	Accrued Interest
Building	$ -	$ -	$ -	$ -	$ 55,853	$ 602	$ 55,147	$ 104
Computer equipment	-	-	-	-	133,682	3,472	130,210	-
Copiers	28,575	294	28,234	47	150,360	7,749	142,384	227
Other*	-	-	-	-	67,579	1,158	65,427	994
	$ 28,575	$ 294	$ 28,234	$ 47	$ 407,474	$ 12,981	$ 393,168	$ 1,325

Other includes: racks, water coolers, hardware backup appliance

Subscription-Based Information Technology Arrangements

ElectriCities reports according to the provision of GASB Statement No. 96 “Subscription-Based Information Technology Arrangements” (SBITA) which requires ElectriCities to recognize an IT subscription asset and liability in the financial statements. ElectriCities recognized IT subscription assets and liabilities with an initial, individual value of $5,000 or more. The portfolio approach is used where a single discount rate is applied to all IT subscriptions within the portfolio.

At the commencement of an IT subscription, ElectriCities initially measured the IT subscription liability at the present value of payments expected to be made during the agreement term. Subsequently, the subscription liability is reduced by the principal portion of subscription payments made. The IT subscription asset is initially measured as the initial amount of the subscription liability, plus certain initial direct costs. The IT subscription asset is amortized on a straight-line basis over the useful life of the subscription term which range from 3 to 5 years.

Note D. Capital Assets (continued)

Key estimates and judgements related to IT subscriptions include how ElectriCities determines (1) discount rate it uses to discount the expected subscription payments to present value, (2) subscription term, and (3) subscription payments.

- The A rated MMD (Municipal Market Data) rate, provided by PFM, our investment management firm, was used as the estimated incremental borrowing rate (IBR) before 10/1/2023. Because MMD rates are no longer readily available, effective 10/1/2023 and going forward, Bloomberg BVAL rates for Public Power A rated bonds are being used as a proxy for the IBR. The incremental borrowing rate is averaged for various subscription terms and updated quarterly.
- The IT subscription term includes the noncancellable period of the subscription.
- IT subscription payments included in the measurement of the subscription liability are composed of fixed payments and purchase option price that ElectriCities is reasonably certain to exercise.

ElectriCities monitors changes in circumstances that would require a remeasurement of its IT subscriptions and will remeasure the asset and liability if certain changes occur that are expected to significantly affect the amount of the liability.

IT Subscription Assets activity for the years ended December 31, 2025 and 2024 was as follows:

	December 31, 2024	Additions	Deletions	December 31, 2025
IT Subscriptions	$ 851,422	$ 598,465	$ -	$ 1,449,887
Accumulated Amortization	(416,905)	(220,646)	-	(637,551)
Total IT Subscriptions, Net	$ 434,517	$ 377,819	$ -	$ 812,336

	December 31, 2023	Additions	Deletions	December 31, 2024
IT Subscriptions	$ 586,515	$ 264,907	$ -	$ 851,422
Accumulated Amortization	(264,550)	(152,355)	-	(416,905)
Total IT Subscriptions, Net	$ 321,965	$ 112,552	$ -	$ 434,517

Note D. Capital Assets (continued)

IT Subscriptions Liability for the years ended December 31, 2025 and 2024 was as follows:

	December 31, 2024	Additions	Deletions	December 31, 2025
IT Subscriptions Liability				
Short Term	$ 195,498	$ 122,983	$ -	$ 318,481
Long Term	213,085	147,434	-	360,519
Total IT Subscriptions Liability	$ 408,583	$ 270,417	$ -	$ 679,000

	December 31, 2023	Additions	Deletions	December 31, 2024
IT Subscriptions Liability				
Short Term	$ 99,459	$ 96,039	$ -	$ 195,498
Long Term	214,966	-	1,881	213,085
Total IT Subscriptions Liability	$ 314,425	$ 96,039	$ 1,881	$ 408,583

IT Subscriptions Maturity Analysis for the period January 1, 2026 through January 1, 2030:

	2026				2027				2028			
	Cash	Interest Expense	Liability Reduction	Accrued Interest	Cash	Interest Expense	Liability Reduction	Accrued Interest	Cash	Interest Expense	Liability Reduction	Accrued Interest
IT Subscriptions	$ 336,215	$ 14,616	$ 318,481	$ 3,118	$ 166,566	$ 8,601	$ 157,107	$ 858	$ 103,317	$ 4,858	$ 97,791	$ 668

	2029				2030				Total			
	Cash	Interest Expense	Liability Reduction	Accrued Interest	Cash	Interest Expense	Liability Reduction	Accrued Interest	Cash	Interest Expense	Liability Reduction	Accrued Interest
IT Subscriptions	$ 108,483	$ 2,140	$ 105,621	$ 722	$ -	$ -	$ -	$ -	$ 714,581	$ 30,215	$ 679,000	$ 5,366

ElectriCities IT subscription liability at December 31, 2025 totaled $679,000, of which $318,481 represents short-term lease liability, and $360,519 represents long-term lease liability. The term of the leases average between three to five years, while the interest rates range from 2.78% to 3.24% for 2025.

Note E. Management Services

North Carolina Eastern Municipal Power Agency and North Carolina Municipal Power Agency Number 1 (“Power Agencies”) are joint agencies organized and existing pursuant to Chapter 159B of the General Statutes of North Carolina to enable municipal electric systems, through the organization of the Agencies, to finance, build, own and operate generation and transmission projects. The Agencies are comprised of 51 municipal electric systems which receive power from the Agencies. All of the Agencies’ members are also members of ElectriCities.

ElectriCities entered into a contract with each Agency to provide them, at cost, management services as necessary to conduct their business. These agreements are for a period continuing to and including December 31, 2025 and were automatically renewed for successive periods of three years thereafter unless terminated by one year’s written notice by either party prior to the end of any contract term. Such notice had not been provided as of December 31, 2025.

Note F. Pension Plan

Plan Description

ElectriCities is a participating employer in the statewide Local Governmental Employees’ Retirement System (LGERS), a cost-sharing multiple-employer defined benefit pension plan administered by the State of North Carolina. LGERS membership is comprised of general employees and local law enforcement officers (LEOs) of participating local governmental entities. Article 3 of G.S. Chapter 128 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. Management of the plan is vested in the LGERS Board of Trustees, which consists of 13 members – nine appointed by the Governor, one appointed by the State Senate, one appointed by the State House of Representatives, and the State Treasurer and State Superintendent, who serve as ex-officio members. The Local Governmental Employees’ Retirement System is included in the Annual Comprehensive Financial Report (ACFR) for the State of North Carolina.

The State’s ACFR includes financial statements and required supplementary information for LGERS. That report may be obtained by writing to the Office of the State Controller, 1410 Mail Service Center, Raleigh, North Carolina 27699-1410, by calling (919) 981-5454, or at www.osc.nc.gov.

Benefits Provided

LGERS provides retirement and survivor benefits. Retirement benefits are determined as 1.85% of the member’s average final compensation times the member’s years of creditable service. A member’s average final compensation is calculated as the average of a member’s four highest consecutive years of compensation. Plan members are eligible to retire with full retirement benefits at age 65 with five years of creditable service, at age 60 with 25 years of creditable service, or at any age with 30 years of creditable service. Plan members are eligible to retire with partial retirement benefits at age 50 with 20 years of creditable service or at age 60 with five years of creditable service (age 55 for firefighters). Survivor benefits are available to eligible beneficiaries of members who die while in active service or within 180 days of their last day of service and who have either completed 20 years of creditable service regardless of age (15 years of creditable service for firefighters and rescue squad members who are killed in the line of duty) or have completed five years of service and have reached age 60. Eligible beneficiaries may elect to receive a monthly Survivor’s Alternate Benefit for life or a return of the member’s contributions. The plan does not provide for automatic post-retirement benefit increases. Increases are contingent upon actuarial gains of the plan.

Note F. Pension Plan (continued)

Funding Policy

Contribution provisions are established by General Statute 128-30 and may be amended only by the North Carolina General Assembly. Plan members are required to contribute 6% of their salary. ElectriCities contribute at an actuarially determined rate. The required rate of 14.35% and 13.6% annual covered payroll in 2025 and 2024, respectively, actuarially determined as an amount that, when combined with employee contributions, are expected to finance the costs of benefits earned by employees during the year. Contributions to the pension plan from ElectriCities were $2,679,660 and $2,265,169 for the years ended December 31, 2025 and 2024, respectively.

Refunds of Contributions

Employees who have terminated service as a contributing member of LGERS, may file an application for a refund of their contributions. By state law, refunds to members with at least five years of service include 4% interest. State law requires a 60-day waiting period after service termination before the refund may be paid. The acceptance of a refund payment cancels the individual's right to employer contributions, or any other benefit provided by LGERS.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pension

ElectriCities reported liabilities of $12,570,783 and $13,361,393 at December 31, 2025 and 2024, respectively, for its proportionate share of the net pension liability. The total pension liabilities used to calculate the net pension liabilities were determined by actuarial valuations as of December 31, 2024 and 2023. The total pension liability was then rolled forward to measurement dates of June 30, 2025 and 2024 utilizing update procedures incorporating the actuarial assumptions. ElectriCities' proportion of the net pension liability was based on a projection of ElectriCities' long-term share of future payroll covered by the pension plan, relative to the projected future payroll covered by the pension plan of all participating LGERS employers, actuarially determined. The ElectriCities proportion was 0.20343% and 0.19820% at June 30, 2025 and 2024, respectively, which was an 0.00523% increase from its proportionate share measured as of June 30, 2024 and an increase of 0.00770% from its proportion measured as of June 30, 2023.

For the years ended December 31, 2025 and 2024, the ElectriCities recognized pension expense of $3,448,594 and $4,133,091, respectively. At December 31, 2025 and 2024, ElectriCities reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	December 31, 2025		December 31, 2024	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 3,065,982	$ -	$ 2,341,422	$ 15,743
Changes of assumptions	-	-	-	-
Net difference between projected and actual earnings on pension plan investments	-	374,389	1,816,474	-
Changes in proportion and differences between ElectriCities contributions and proportionate share of contributions	412,170	44,105	349,497	88,210
Contributions subsequent to the measurement date	1,471,397	-	1,329,627	-
Total	$ 4,949,549	$ 418,494	$ 5,837,020	$ 103,953

Note F. Pension Plan (continued)

For the years ended December 31, 2025 and 2024, $1,471,397 and $1,329,627, respectively, reported as deferred outflows of resources related to pensions resulting from ElectriCities contributions subsequent to the measurement date will be recognized as a decrease of the net pension liability in the years ended December 31, 2026 and 2025, respectively.

Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expenses as follows:

Year ending December 31,	
2026	$ 2,909,173
2027	679,579
2028	(65,591)
2029	(463,503)
	$ 3,059,658

Actuarial Assumptions. The total pension liabilities in the December 31, 2024 actuarial valuation were determined using the following actuarial assumptions, applied to all periods included in the measurements:

2025	
Inflation	2.5 percent
Salary increases	3.25-8.25 percent
Investment rate of return	6.5%, net of pension plan investment expense, including inflation

The plan currently uses the Pub-2010 mortality tables that vary by age, gender, and employee group (i.e. general, law enforcement officers) and health status (i.e. disabled and healthy). The current mortality rates are based on published tables and based on studies that cover significant portions of the U.S. population. The mortality rates also contain a provision to reflect future mortality improvements.

Future ad hoc COLA amounts are not considered to be substantively automatic and are therefore not included in the measurement.

The projected long-term investment returns and inflation assumptions are developed through review of current and historical capital markets data, sell-side investment research, consultant whitepapers, and historical performance of investment strategies. Fixed income return projections reflect current yields across the U.S. Treasury yield curve and market expectations of forward yields projected and interpolated for multiple tenors and over multiple year horizons. Global public equity return projections are established through analysis of the equity risk premium and the fixed income return projections. Other asset categories and strategies' return projections reflect the foregoing and historical data by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

The actuarial assumptions used in the December 2014 valuation was based on the results of an actuarial experience review for the period January 1, 2015 through December 31, 2019. Certain changes of assumptions subsequent to the experience review have been reflected as deferred outflows of revenues.

Note F. Pension Plan (continued)

The allocation for each major asset class of June 30, 2025 and 2024 is summarized in the following table:

2025

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Fixed Income	29.0%	2.4%
Global Equity	42.0%	6.8%
Real Estate	8.0%	6.1%
Alternatives	8.0%	7.9%
Opportunistic Fixed Income	7.0%	5.1%
Inflation Sensitive	6.0%	4.2%
Total	100%	

2024

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Fixed Income	33.0%	2.4%
Global Equity	38.0%	6.9%
Real Estate	8.0%	6.0%
Alternatives	8.0%	8.6%
Opportunistic Fixed Income	7.0%	5.3%
Inflation Sensitive	6.0%	4.3%
Total	100%	

The information above is based on 30-year expectations developed with the consulting actuary for the 2024 asset, liability, and investment policy study for the North Carolina Retirement Systems, including LGERS. The long-term nominal rates of return underlying the real rates of return are arithmetic annualized figures. The real rates of return are calculated from nominal rates by multiplicatively subtracting a long-term inflation assumption of 2.50%. All rates of return and inflation are annualized.

Discount Rate. The discount rate used to measure the total pension liability was 6.5%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate and that contributions from employers will be made at statutory required rates, actuarially determined. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of the current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Note F. Pension Plan (continued)

Sensitivity of the ElectriCities proportionate share of the net pension liability to changes in the discount rate. The following presents the ElectriCities' proportionate share of the net pension liability calculated using the discount rate of 6.5%, as well as what the ElectriCities' proportionate share of the net pension liability or net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (5.5%) or 1 percentage point higher (7.5%) than the current rate:

	1% Decrease (5.50%)	Current Discount Rate (6.50%)	1% Increase (7.50%)
ElectriCities' proportionate share of the net pension liability	$ 24,301,919	$ 12,570,783	$ 3,202,678

Pension plan fiduciary net position. Detailed information about the pension plan's fiduciary net position is available in the separately issued Annual Comprehensive Financial Report (ACFR) for the State of North Carolina.

Note G. Supplemental Retirement Plans

The Agency offers their employees a deferred compensation plan created in accordance with Internal Code Section 457 and a 401(k) supplemental retirement income plan through the State of North Carolina that is also in compliance with the Internal Revenue Code. All regular, full-time employees are eligible to participate in one or both of the plans.

The deferred compensation plan permits participants to defer a portion of their salaries to future years. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency. The Agency has complied with changes in the laws which govern deferred compensation plans, requiring all assets of the plan to be held in trust for the exclusive benefit of the participants and their beneficiaries. The 401(k) supplemental retirement income plan allows eligible participants to contribute up to the maximum allowable under the law as a percentage of base salary.

The Agency's contributions to the 401(k) plan were $533,377 and $497,502 for the years ended December 31, 2025 and 2024, respectively.

Note H. Other Post-Employment Benefits

Plan Description

ElectriCities provides post-employment health benefits to certain retired ElectriCities employees. ElectriCities provides medical benefits to its retirees by allowing them to stay in their plan if the retiree is under age 65 or reimburse the retiree for their premium (up to a maximum amount) if the retiree is over 65 and/or decides to purchase other coverage. It is a single-employer defined benefit plan. This is the only Other Post-Employment Benefits (OPEB) under GASB Nos. 74 and 75 which ElectriCities has.

Note H. Other Post-Employment Benefits (continued)

An employee that retires with at least 15 years of employment with ElectriCities, with at least 25 years of credited service in the LGERS and elects an unreduced (full) retirement is eligible for the retiree health benefit. ElectriCities reimburses the employee's health benefit premium at 80% (25 to 29 years of credited service with LGERS) or 100% (30 or more years of credited service with LGERS) of the "employee only" premium for individual major medical (including prescription drug) coverage. If the employee keeps the retiree health coverage in force until they become eligible for Medicare, ElectriCities reimburses 50% of the "employee only" premium for major medical (including prescription drug) coverage under the ElectriCities group insurance or the actual amount incurred for a supplemental Medicare policy, whichever is less.

A separate report has not been issued for the Retiree Health Benefit Plan. Membership of the OPEB Plan consisted of the following at January 1, 2026 and 2025, the date of the latest valuation:

Measurement date	2026	2025
Retirees receiving benefits	37	37
Active plan members	25	25
Total	62	62

Funding Policy

ElectriCities finances the Retiree Health Benefit Plan with actuarially determined annual contributions from the Power Agencies that are deposited in the irrevocable trust (OPEB Trust) established in 2018 as per Resolution BDR-8-18 for future retiree health insurance premiums. The funds are used to pay the health insurance premiums incurred under the Plan. The cumulative contributions are included in the "Cash and Cash Equivalents" and "Investments" as reported on the Statement of Fiduciary Net Position. The assets are solely the property and rights of ElectriCities and will not be subject to the claims of ElectriCities general creditors. ElectriCities will invest assets of the OPEB Trust in the Ancillary Governmental Participants Investment Program (AGPIP) maintained by the Treasurer of the State of North Carolina as determined by the Board of Directors.

Under the new accounting standards, the OPEB expenses for the fiscal year are determined at the end of the fiscal year to reflect any plan amendments, assumption changes, and gains and losses during the fiscal year.

The Board of Directors reserves the right and shall have complete discretion to amend, modify, or terminate these benefits at any time. If the Retiree Health Benefit Plan is terminated, any amounts funded in excess of premiums paid to date will be refunded to the Power Agencies. ElectriCities does not anticipate that the Plan will be amended or terminated during 2026. Accordingly, ElectriCities has recorded a non-current post employment obligation and accrued expense liability for the unexpended amount of funds collected from the Power Agencies for the financing of the Retiree Health Benefit Plan as of December 31, 2018, and future years, respectively.

Note H. Other Post-Employment Benefits (continued)

Net OPEB Liability (Asset)

In accordance with GASB No. 74 and 75 standards, the Net OPEB Liability (Asset) is the excess, if any, of the Fiduciary Net Position over the Total OPEB Liability. The Total OPEB Liability (Asset) is determined under the Entry Age Normal actuarial cost method. Net OPEB Liability (Asset) as of December 31, 2025 and 2024 is as shown in the table below.

Net OPEB Liability (Asset)

	2025	2024
Total OPEB liability	$ 3,547,609	$ 3,495,462
Fiduciary net position	$ 5,023,525	$ 4,489,121
Net OPEB liability(asset)	$ (1,475,916)	$ (993,659)
Plan fiduciary net position as a percentage of the total OPEB liability	141.60%	128.43%

ElectriCities' annual OPEB cost is determined at the end of the fiscal year to reflect any plan amendments, assumption changes, and gains and losses during the fiscal year. The OPEB related costs for the fiscal years ended December 31, 2025 and 2024 are as follows:

	2025	2024
OPEB Expense (income)	$ 40,083	$ (135,927)

Actuarial Methods and Assumptions

The Total OPEB liability and the normal cost was determined by actuarial valuation as of January 1, 2026 allocated on a level percent of payroll basis between the time employment starts (entry age) and the assumed retirement date. The normal cost is the amount allocated for a given year and actuarial liability is the accumulation of prior normal costs as of the determination date. The total actuarial liability for retirement benefits is the sum of the actuarial liability for all members.

Note H. Other Post-Employment Benefits (continued)

The total OPEB liability (asset) for the years ended December 31, 2025 and 2024 was determined by actuarial valuation as of January 1, 2026 and 2025, respectively, using the following actuarial assumptions:

	2025	2024
Valuation date	January 1, 2026	January 1, 2025
Measurement date	December 31, 2025	December 31, 2024
Reporting date	January 1, 2025 to December 31, 2025	January 1, 2024 to December 31, 2024
Inflation	2.5 percent per year	2.5 percent per year
Investment rate of return	7 percent	7 percent
Healthcare cost trend rates	8.0 percent for 2026 decreasing 0.15 percent each year for the next 4 years to 7.4 percent in 2030	8.0 percent for 2025 decreasing 0.15 percent each year for the next 4 years to 7.4 percent in 2029

Sensitivity of the net OPEB asset to change in the discount rate

The following presents the ElectriCities net OPEB asset at December 31, 2025, as well as what the ElectriCities net OPEB asset would be if it were calculated using a discount rate that is 1% lower (6%) or 1% higher (8%) than the current rate:

2025	1% Decrease 6.0%	Current Discount Rate 7.0%	1% Increase 8.0%
Net OPEB Liability (Asset)	$ (1,074,146)	$ (1,475,916)	$ (1,814,223)

Note H. Other Post-Employment Benefits (continued)

Sensitivity of the net OPEB asset to change in the healthcare cost trend rate

The following represents the ElectriCities net OPEB asset at December 31, 2025, as well as what the net OPEB asset would be if it were to calculate healthcare cost trend rates that are 1% lower or 1% higher than the assumed healthcare cost trend rate:

	2025		
	1% Decrease	Current Trend Rate	1% Increase
Net OPEB Liability (Asset)	$ (1,844,696)	$ (1,475,916)	$ (1,040,230)

As of December 31, 2025, and 2024, the components of the net OPEB liability (asset) measured as of December 31, 2025 were as follows:

	2025		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability(Asset)
Balances at December 31, 2024	$ 3,495,462	$ 4,489,121	$ (993,659)
Changes for the Year:			
Service cost	15,928	-	15,928
Interest	237,972	-	237,972
Changes of assumptions	21,817	-	21,817
Net investment income	-	757,990	(757,990)
Benefit payments	(223,570)	(223,570)	-
Administrative expenses	-	(16)	16
Net changes	52,147	534,404	(482,257)
Balance at December 31, 2025	$ 3,547,609	$ 5,023,525	$ (1,475,916)

Note H. Other Post-Employment Benefits (continued)

	2024		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability(Asset)
Balances at December 31, 2023	$ 3,157,765	$ 4,245,933	$ (1,088,168)
Changes for the Year:			
Service cost	18,444	-	18,444
Interest	212,781	-	212,781
Difference between expected and actual experience	82,933	-	82,933
Changes of assumptions	296,511	-	296,511
Net investment income	-	516,208	(516,208)
Benefit payments	(272,972)	(272,972)	-
Administrative expenses	-	(48)	48
Other charges	-	-	-
Net changes	337,697	243,188	94,509
Balance at December 31, 2024	$ 3,495,462	$ 4,489,121	$ (993,659)

Changes of assumptions

The discount rate of 7.00% has not changed in 2025 and 2024 and reflects the ultimate assets allocation expected rate of return for the OPEB plan. The mortality table has not changed in 2025 and 2024 which is the Pub-2010 headcount-weighted mortality table with Projection Scale MP-2021, fully generational. Medical claims cost and rates were changes based on most recent experience and changed to the current schedule.

At December 31, 2025 and 2024, ElectriCities reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	2025		2024	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ -	$ -	$ 41,466	$ (82,977)
Changes of assumptions	10,908	-	161,905	-
Net Difference between projected and actual earnings on plan investments	206,662	(647,301)	413,324	(441,109)
Total	$ 217,570	$ (647,301)	$ 616,695	$ (524,086)

Note H. Other Post-Employment Benefits (continued)

Amounts reported as deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ending December 31:		Amounts
2026	$	7,088
2027		(210,480)
2028		(136,025)
2029		(90,314.00)
2030		-
Thereafter		-
Total	$	(429,731)

Note I. Commitments

ElectriCities occupies office space in the administrative office building owned by the Agencies and reimburses the Agencies for its share of the building's operating and maintenance costs. During 2025 and 2024, ElectriCities reimbursed the Agencies $6,420 and $6,420, respectively, for building operating and maintenance costs.

Note J. Risk Management

ElectriCities is exposed to various risks of loss related to torts; theft of damage to and destruction of assets; errors and omissions; health and accident insurance claims, and injuries to employees. These risks are covered by commercial insurance purchased from independent third parties. Settled claims from these risks have not exceeded commercial insurance coverage in 2025 or 2024.

ElectriCities maintains flood coverage for insured property located outside of the 500 year flood plain territory as defined by Federal Emergency Management Agency guidelines; additionally, ElectriCities does not have property that falls within this flood plain territory.

In accordance with G.S. 159-29, all ElectriCities employees are bonded with a $10,000,000 Employee Dishonesty limit per occurrence subject to a $50,000 deductible. In January 2023, this statute was amended raising the individual bond requirement for Finance Officers to $1,000,000. As a result, the Chief Financial Officer was bonded at $1,000,000 for 2025, resulting in ElectriCities being in compliance with this Statute.

Note K. Subsequent Events

The Huntersville and Cornelius joint distribution operations will end on June 30, 2026, and the Cornelius distribution operations will begin July 1, 2026. These distribution operations agreements are a part of ElectriCities contract services, which is self-supporting, and expenses are billed directly back to the town or city.

ElectriCities has evaluated subsequent events through July 16, 2026, in connection with the preparation of these financial statements, which is the date the financial statements were available to be issued.

Note L. Change in Accounting Principles/Restatement

ElectriCities implemented Governmental Accounting Standard Board (GASB) No. Statement 101, "Compensated Absences", in the year ending December 31, 2024. The implementation of the statement required ElectriCities to recognize an additional liability related to compensated absences of $395,752 and $427,421, in 2025 and 2024, respectively. ElectriCities has applied the adopted change to confirm with the statement effective after December 15, 2024, and has elected not to restate the financial statement of all prior periods due to impracticality reasons. This treatment is permissible as prescribed under the effective date and transition guidance of the statement.

REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)

ElectriCities of North Carolina, Inc.
Schedule of Proportionate Share of Net Pension Liability (Asset)
Required Supplementary Information (Unaudited)
Last Ten Fiscal Years

Local Government Employees' Retirement System

	Year Ended December 31,				
	2025	2024	2023	2022	2021
ElectriCities proportion of the net pension liability (asset)	0.20343%	0.19820%	0.19050%	0.19639%	0.19134%
ElectriCities proportion of the net pension liability (asset) ($)	12,570,783	13,361,393	12,616,915	11,079,200	2,934,383
ElectriCities covered employee payroll ($)	23,163,099	21,472,638	19,296,687	17,258,576	15,825,540
ElectriCities proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	54.27%	62.23%	65.38%	64.20%	18.54%
Plan fiduciary net position as a percentage of the total pension liability**	85.68%	83.30%	82.49%	90.70%	95.51%

** The amounts presented for each fiscal year were determined as of June 30.*
*** This will be the same percentage for all participant employers in the LGERS plan.*

	Year Ended December 31,				
	2020	2019	2018	2017	2016
ElectriCities proportion of the net pension liability (asset)	0.18844%	0.17913%	0.16613%	0.15944%	0.15945%
ElectriCities proportion of the net pension liability (asset) ($)	6,733,407	4,891,901	3,941,172	2,435,802	3,384,063
ElectriCities covered employee payroll ($)	14,929,730	14,435,321	12,344,414	11,153,736	11,805,120
ElectriCities proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	45.10%	33.89%	31.93%	21.84%	28.67%
Plan fiduciary net position as a percentage of the total pension liability**	88.61%	91.63%	91.63%	94.18%	91.47%

ElectriCities of North Carolina, Inc.
Schedule of Proportionate Share of Net Pension Liability (Asset)
Required Supplementary Information (Unaudited)
Last Ten Fiscal Years

	Year Ended December 31,				
	2025	2024	2023	2022	2021
Contractually required contribution	$ 3,037,193	$ 2,679,660	$ 2,265,169	$ 1,886,946	$ 1,602,933
Contributions in relation to the contractually required contribution	3,037,193	2,679,660	2,265,169	1,886,946	1,602,933
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -
ElectriCities covered-employee payroll	23,163,099	21,472,638	19,296,687	17,258,576	15,825,540
Contributions as a percentage of covered-employee payroll	13.11%	12.48%	11.74%	10.93%	10.13%

	Year Ended December 31,				
	2020	2019	2018	2017	2016
Contractually required contribution	$ 1,348,665	$ 1,129,661	$ 941,388	$ 822,519	$ 739,019
Contributions in relation to the contractually required contribution	1,348,665	1,129,661	941,388	822,519	739,019
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -
ElectriCities covered-employee payroll	14,929,730	14,435,321	12,344,414	11,679,704	11,805,120
Contributions as a percentage of covered-employee payroll	9.03%	7.83%	7.63%	7.04%	6.26%

ElectriCities of North Carolina, Inc.
Other Post-Employment Benefits
Required Supplementary Information (Unaudited)

Schedule of Changes in the Net OPEB Liability

	For the Year Ended December 31,*						
Total OPEB Liability	**2025**	**2024**	**2023**	**2022**	**2021**	**2020**	**2019**
Service cost	$ 15,928	$ 18,444	$ 17,157	$ 25,291	$ 23,236	$ 42,633	$ 39,844
Interest	237,972	212,781	212,971	229,513	219,927	310,778	300,062
Differences between expected and actual experience	-	82,933	-	(331,908)	-	(1,161,744)	-
Change of assumptions	21,817	296,511	11,638	39,083	50,497	(306,255)	-
Benefit payments	(223,570)	(272,972)	(218,565)	(161,771)	(157,509)	(175,697)	(212,212)
Net change in total OPEB liability	52,147	337,697	23,201	(199,792)	136,151	(1,290,285)	127,694
Total OPEB liability - beginning	3,495,462	3,157,765	3,134,564	3,323,930	3,187,779	4,478,064	4,350,370
Total OPEB liability - ending	$ 3,547,609	$ 3,495,462	$ 3,157,765	$ 3,124,138	$ 3,323,930	$ 3,187,779	$ 4,478,064
Plan fiduciary net position							
Net investment income	757,990	516,208	632,845	(709,633)	479,687	367,118	220,056
Benefit payments	(223,570)	(272,972)	(218,565)	(161,771)	(157,509)	(175,697)	(212,060)
Administrative expense	(16)	(48)	(48)	(16)	(177)	(443)	(35,824)
Net change in plan fiduciary position	534,404	243,188	414,232	(871,420)	322,001	190,978	(27,828)
Plan fiduciary position - beginning	4,489,121	4,245,933	3,831,701	4,703,121	4,381,120	4,190,142	4,217,970
Plan fiduciary position - ending	$ 5,023,525	$ 4,489,121	$ 4,245,933	$ 3,831,701	$ 4,703,121	$ 4,381,120	$ 4,190,142

* Plan measurement date is the reporting date.

** This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is completed, ElectriCities will present information for those years for which information is available.

Schedule of OPEB Contributions

For the Year Ended December 31

	2025	2024	2023	2022	2021	2020	2019
Actuarially determined contribution	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Contributions in relation to the actuarially determined contribution	-	-	-	-	-	-	-
Trust Deposits	-	-	-	-	-	-	-
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Notes to Schedule

Valuation date

Actuarially determined contribution is determined for the plan year that ends in the fiscal year.

Methods and Assumptions used to determine contribution rates

	2025	2024
Actuarial cost method	Entry age normal	Entry age normal
Amortization method	Level dollar, closed	Level dollar, closed
Remaining amortization period	15 years as of the beginning of the current fiscal year	16 years as of the beginning of the current fiscal year
Asset valuation method	Market value of assets	Market value of assets
Rate of inflation	2.50% per year	2.50% per year
Salary increases	2.50% per year	2.50% per year
Investment rate of return	7.00% per year	7.00% per year
Mortality table	Society of Actuaries Pub-2010 headcount-weighted mortality table with 2024 Adjusted Projections Scale MP-2021, fully generational.	Society of Actuaries Pub-2010 headcount-weighted mortality table with 2024 Adjusted Projections Scale MP-2021, fully generational.
Retirement age	Rates vary by age from age 55 to 70 and based on eligibility for early retirement and employer group	Rates vary by age from age 55 to 70 and based on eligibility for early retirement and employer group

SUPPLEMENTARY INFORMATION

ElectriCities of North Carolina, Inc.
Schedules of Revenues and Expenditures – Budget and Actual Non-GAAP

	For the Years Ended December 31,			
	2025		2024	
	Actual	Final Budget	Actual	Final Budget
Revenues:				
Membership Dues	$ 2,750,494	$ 2,737,345	$ 2,543,711	$ 2,569,248
Management Services	34,311,459	34,786,103	31,888,481	32,919,882
Investment Income	19,884	-	20,158	-
Program Revenues	10,810,510	12,185,656	10,800,553	11,308,044
Total Revenues	47,892,347	49,709,104	45,252,903	46,797,174
Expenditures:				
Administration	126,595	129,927	125,308	121,632
Safety and Training	2,281,968	2,232,102	2,199,591	2,100,408
Member Services	737,203	856,992	780,178	841,605
Government Affairs	561,718	597,199	490,864	597,403
Technical Services	265,837	288,044	473,068	453,352
Member Conferences	493,798	543,472	550,221	485,547
Management Services	34,311,459	34,786,103	31,888,481	32,919,882
Regions Contract Services	-	-	35,004	-
Distribution Operations	8,998,391	10,275,265	8,506,663	9,277,345
Total Expenditures	$ 47,776,969	$ 49,709,104	$ 45,049,378	$ 46,797,174
Excess to Be Refunded	$ 115,378		$ 203,525	

	2025 Actual	2024 Actual
Reconciliation of Budgetary Basis To Full Accrual Basis:		
Total Revenues	$ 47,892,347	$ 45,252,903
Total Expenditures	47,776,969	45,049,378
Excess of Revenues over Expenditures	115,378	203,525
Reconciling Items		
Budgetary Appropriations:		
Capital Outlay	1,025,128	623,235
Depreciation and Amortization	(486,231)	(489,693)
Amortization Leases (Note I)	(273,736)	(265,997)
Amortization IT Subscriptions (Note J)	(220,647)	(152,355)
Pension (Expense) Income (Note F)	(411,401)	(1,453,431)
Compensated Absences (Note N)	(249,558)	(121,051)
OPEB (Expense) Income (Note H)	(40,083)	135,927
Interest Expense - Leases (Note L)	(13,063)	(9,658)
Interest Expense - IT Subscriptions (Note J)	(11,669)	(8,717)
Leases- budgetary adjustment	284,754	333,244
IT Subscriptions- budgetary adjustment	338,951	180,198
Refund of Excess Revenues	(115,378)	(203,525)
Gain/(Loss) on Disposal	113,510	70,676
Increase in Net Position (Pg. 14)	$ 55,955	$ (1,157,622)

Prepared on a budgetary basis.

ElectriCities of North Carolina, Inc.
Schedule of Budgetary Comparison Non-GAAP
For the Year Ended December 31, 2025

	2025 Budget	
	Original	Final
Revenues:		
Membership Dues	$ 2,737,345	$ 2,737,345
Management Services	34,786,103	34,786,103
Program Revenues	12,185,656	12,185,656
Total Revenues	49,709,104	49,709,104
Expenditures:		
Administration	129,927	129,927
Safety and Training	2,232,102	2,232,102
Member Services	856,992	856,992
Government Affairs	597,199	597,199
Technical Services	288,044	288,044
Member Conferences	543,472	543,472
Management Services	34,786,103	34,786,103
Distribution Operations	10,275,265	10,275,265
Total Expenditures	49,709,104	49,709,104
Revenues Over Expenses	$ -	$ -
Refund Payable		
Revenues Over Expenses		

Prepared on a budgetary basis.

ElectriCities of North Carolina, Inc.
Schedule of Expenditures – Budget and Actual - Non-GAAP
For the Year Ended December 31, 2025

	Administration		Safety and Training	
	Actual	Final Budget	Actual	Final Budget
Program Expenditures				
Property Tax	$ -	$ -	$ 196	$ 125
Advertising	-	100	15,524	36,000
Salaries	61,087	60,212	1,039,198	1,006,466
Office & Program Supplies	-	38	67,551	108,298
Dues, Subscriptions & Publications	-	210	7,059	6,061
Printing	-	108	-	120
Telephone	-	-	6,311	1,374
Postage	-	-	1,747	4,066
Copies	-	-	5,341	2,410
Miscellaneous Office	-	100	5,703	4,496
Travel	-	-	200,732	181,867
Outside Services	42,115	43,780	103,154	73,632
Insurance	-	-	17,306	9,708
Employee Benefits	23,393	25,379	426,470	427,910
Recruitment & Relocation	-	-	3,524	6,332
Staff Development	-	-	10,157	36,476
Other Expenses	-	-	-	-
Occupancy Costs	-	-	30,554	30,413
Other Rents	-	-	155,253	159,000
Vehicle O&M	-	-	160,093	132,160
Equipment Maintenance	-	-	-	188
Capital Assets Additions	-	-	26,094	5,000
Total Program Expenditures	$ 126,595	$ 129,927	$ 2,281,967	$ 2,232,102

Prepared on a budgetary basis.

Member Services		Government Affairs		Member Conferences	
Actual	Final Budget	Actual	Final Budget	Actual	Final Budget
$ 14	$ -	$ -	$ -	$ -	$ -
500	10,000	224,076	201,750	-	-
460,996	496,679	211,110	225,042	15,431	15,787
13,732	20,408	66	-	93	-
2,622	762	5,773	18,751	-	-
-	600	13,931	39,000	-	-
4,182	6,300	1,377	1,950	-	-
2,261	858	-	-	-	-
417	617	-	-	-	-
3,809	4,928	1,000	-	-	-
28,893	43,765	7,819	3,440	470,938	520,000
11,247	8,166	8,194	16,250	-	-
9,571	16,989	-	-	-	-
176,128	218,722	83,743	91,016	7,336	7,685
4,405	11,081	-	-	-	-
8,659	15,330	1,922	-	-	-
-	-	-	-	-	-
6,527	1,095	-	-	-	-
2,718	-	2,700	-	-	-
522	645	7	-	-	-
-	47	-	-	-	-
-	-	-	-	-	-
$ 737,203	$ 856,992	$ 561,718	$ 597,199	$ 493,798	$ 543,472

ElectriCities of North Carolina, Inc.
Schedule of Expenditures – Budget and Actual
For the Year Ended December 31, 2025

	Technical Services		Management Services	
	Actual	Final Budget	Actual	Final Budget
Program Expenditures				
Property Tax	$ -	$ -	$ 4,749	$ 14,000
Advertising	-	-	1,355,582	1,246,400
Salaries	52,613	51,876	15,521,917	14,950,675
Office & Program Supplies	-	-	94,769	189,874
Dues, Subscriptions & Publications	-	-	1,945,024	2,031,341
Printing	-	-	44,374	139,870
Telephone	-	-	813,324	887,423
Postage	-	-	40,811	80,646
Copies	-	-	44,145	57,146
Miscellaneous Office	-	-	167,108	133,887
Travel	-	9,704	770,520	627,745
Outside Services	20,565	-	3,165,366	4,034,740
Insurance	33,632	-	392,176	361,316
Employee Benefits	20,456	20,824	5,307,067	5,388,335
Recruitment & Relocation	-	-	63,979	130,814
Staff Development	-	3,300	199,511	352,258
Other Expenses	45,811	87,950	1,330,301	1,569,381
Occupancy Costs	4,314	-	547,521	579,268
Other Rents	84,242	30,340	1,321,769	1,298,738
Vehicle O&M	-	-	(3,632)	127,700
Equipment Maintenance	4,204	84,050	186,044	86,573
Capital Assets Additions	-	-	999,034	497,973
Total Program Expenditures	$ 265,837	$ 288,044	$ 34,311,459	$ 34,786,103

Western Operations		Total	
Actual	Final Budget	Actual	Final Budget
$ -	$ -	$ 4,959	$ 14,125
4,325	1,500	1,600,007	1,495,750
5,839,265	6,520,450	23,201,617	23,327,187
26,096	14,120	202,307	332,738
8,055	17,308	1,968,533	2,074,433
-	-	58,305	179,698
32,072	49,890	857,266	946,937
1,808	378	46,627	85,948
-	78	49,903	60,251
36,192	18,879	213,812	162,290
75,211	104,090	1,554,113	1,490,611
65,183	43,828	3,415,824	4,220,396
270,806	295,737	723,491	683,750
2,418,743	2,919,964	8,463,336	9,099,835
29,692	59,573	101,600	207,800
34,067	139,370	254,316	546,734
-	-	1,376,112	1,657,331
64,762	25,000	653,678	635,776
21,574	15,600	1,588,256	1,503,678
70,540	44,500	227,530	305,005
-	5,000	190,248	175,858
-	-	1,025,128	502,973
$ 8,998,391	$ 10,275,265	$ 47,776,968	$ 49,709,104

STATISTICAL SECTION

(Unaudited)

ElectriCities of North Carolina, Inc.
Schedule of Net Position (Unaudited)
Last Ten Fiscal Years

This part of ElectriCities annual comprehensive financial report presents detailed information about ElectriCities and its member cities as a context for understanding what the information in the financial statements, note disclosures and required supplementary information says about ElectriCities' overall financial health. Schedules presented in the Statistical Section differ from financial statements because they usually cover more than one fiscal year and may present non-accounting data. The Statistical Section reflects social and economic data, financial trends and the fiscal capacity of ElectriCities.

	Years Ended December 31,				
	2025	2024	2023	2022	2021
Business-type activities					
Net investment in Capital Assets	$ 1,738,561	$ 981,563	$ 700,630	$ 1,013,332	$ 823,511
Restricted for OPEB	1,046,185	1,086,268	950,341	669,114	-
Unrestricted	(8,695,810)	(8,034,851)	(6,153,999)	(4,650,669)	(3,346,278)
Total Net Position (Deficit)	$ (5,911,064)	$ (5,967,020)	$ (4,503,028)	$ (2,968,223)	$ (2,522,767)

	Years Ended December 31,				
	2020	2019	2018	2017	2016
Business-type activities					
Net invested in Capital Assets	$ 1,154,060	$ 1,009,039	$ 985,901	$ 916,918	$ 762,038
Unrestricted	(4,491,463)	(4,358,236)	(3,452,971)	(901,075)	(862,528)
Total Net Position (Deficit)	$ (3,337,403)	$ (3,349,197)	$ (2,467,070)	$ 15,843	$ (100,490)

Prepared on accrual basis of accounting.

Source: ElectriCities' basic or general purpose, as applicable, financial statements for the years indicated.

ElectriCities of North Carolina, Inc.
Schedule of Changes in Net Position (Deficit) (Unaudited)

	For the Years Ended December 31,				
	2025	2024	2023	2022	2021
Operating Expenses					
Administration	$ 126,595	$ 125,308	$ 104,041	$ 101,887	$ 87,836
Safety and Training	2,255,873	2,191,892	1,960,925	1,711,247	1,486,052
Member Services	737,203	780,178	636,702	394,530	271,272
Government Affairs	561,718	490,864	391,858	608,593	2,786
Technical Services	265,837	473,068	573,118	773,835	668,251
Annual Meeting	493,798	550,221	488,008	363,019	254,569
Management Services	33,312,426	31,272,946	30,212,002	27,079,455	24,951,402
Western Operations	8,998,391	8,506,663	7,384,546	7,208,879	5,978,035
Regions Contract Services	-	35,004	-	1,860	20,836
Non-program Expenses - Leases	(623,705)	(513,442)	(376,119)	(276,530)	-
Depreciation and amortization	566,522	908,045	862,166	681,788	642,899
Refund of excess (deficit) revenues	115,378	203,525	904	1,937	349,917
Pension Expense	411,401	1,453,431	1,503,330	1,445,456	(171,368)
Compensated Absences Expense	249,558	121,051	-	-	-
OPEB Expense	40,083	(135,927)	(281,227)	(810,178)	(973,817)
Total Expenditures	$ 47,511,078	$ 46,462,827	$ 43,460,254	$ 39,285,778	$ 33,568,670
Operating Revenues					
Membership dues	$ 2,750,494	$ 2,543,711	$ 2,289,497	$ 2,119,182	$ 1,547,169
Management services and other program revenues	44,096,842	42,065,800	39,445,776	36,120,282	32,805,380
Non-operating revenues	(4,848)	1,783	(24)	2,036	(5,353)
Total Revenues	$ 46,842,488	$ 44,611,294	$ 41,735,249	$ 38,241,500	$ 34,347,196
Net Revenue/(Expense)	$ (668,590)	$ (1,851,533)	$ (1,725,005)	$ (1,044,278)	$ 778,526
Changes in Net Position (Deficit)					
Capital Contributions	724,544	623,235	182,200	608,612	45,136
Gain (Loss) on Disposal	113,510	70,676	8,000	(23,366)	(1,699)
Restatement for Accounting Change	-	(303,370)	-	13,576	(7,327)
Change in Net Position (Deficit)	$ 169,464	$ (1,460,992)	$ (1,534,805)	$ (445,456)	$ 814,636

Prepared on accrual basis of accounting.

Source: ElectriCities' basic or general purpose, as applicable, financial statements for the years indicated.

For the Years Ended December 31,

2020	2019	2018	2017	2016
$ 85,789	$ 83,831	$ 71,837	$ 54,182	$ 51,485
1,305,197	1,237,462	1,117,464	1,101,983	1,154,572
275,548	268,456	587,425	364,147	320,653
3,292	1,179	-	2,041	-
655,941	537,066	-	-	-
116,760	363,301	336,293	244,623	173,009
25,556,239	25,510,676	25,585,420	25,608,758	24,770,812
5,590,510	5,118,267	3,506,147	2,005,758	1,907,575
-	32,022	42,000	15,290	20,778
-	-	-	-	-
276,171	326,025	292,615	350,185	259,151
404,590	342,456	19,727	223,952	73,608
1,109,010	1,149,541	216,956	38,547	194,163
(975,783)	(244,276)	(833,823)	-	-
$ 34,403,264	$ 34,726,006	$ 30,942,061	$ 30,009,466	$ 28,925,806
$ 1,541,174	$ 1,379,412	$ 1,448,766	$ 1,351,613	$ 1,283,788
32,450,254	32,107,589	29,811,229	28,266,619	27,187,554
2,438	7,715	6,318	2,502	1,150
$ 33,993,866	$ 33,494,716	$ 31,266,313	$ 29,620,734	$ 28,472,492
$ (409,398)	$ (1,231,290)	$ 324,252	$ (388,732)	$ (453,314)
393,566	351,085	318,316	485,565	471,261
27,626	(1,922)	43,282	19,500	67,114
-	-	(3,168,763)	-	-
$ 11,794	$ (882,127)	$ (2,482,913)	$ 116,333	$ 85,061

ElectriCities of North Carolina, Inc.
Schedule of Membership Dues (Unaudited)
Last Ten Fiscal Years

	2025	2024	2023	2022	2021
Albemarle	$ 57,709	$ 52,751	$ 42,897	$ 34,165	$ 28,636
Apex	101,271	90,413	73,521	56,394	43,834
Ayden	21,152	18,884	15,397	12,443	10,095
Bamberg, SC*	1,810	1,699	1,389	1,095	912
Bedford, VA*	3,622	3,399	2,779	2,191	1,825
Belhaven	4,042	3,756	3,128	2,494	2,186
Bennettsville, SC*	1,810	1,699	1,389	1,095	912
Benson	9,649	8,944	7,278	5,700	4,825
Blackstone	1,810	1,699	1,389	1,095	912
Bostic	1,142	1,070	860	683	586
Camden, SC*	3,622	3,399	2,779	2,191	1,825
Cherryville	11,601	10,900	8,944	7,089	5,961
Clayton	33,762	29,666	23,444	18,611	15,344
Concord	150,352	142,819	120,469	95,892	79,805
Cornelius	15,645	14,555	11,916	9,458	8,021
Dallas	15,587	14,643	11,717	9,448	8,011
Danville, VA*	3,622	3,399	2,779	2,191	1,825
Drexel	4,931	4,599	3,733	2,967	2,533
East Carolina University	363	341	279	220	183
Edenton	19,707	18,318	14,688	11,876	9,853
Elizabeth City	58,726	54,146	44,446	38,743	28,074
Elizabeth City State University	363	341	279	586	183
Enfield	5,315	5,159	4,428	3,587	3,020
Farmville	12,731	11,839	9,708	7,741	6,445
Fayetteville Public Works Commission	233,874	219,229	179,367	142,048	118,452
Forest City	18,741	17,787	15,736	12,480	10,574
Fountain	1,293	1,224	1,025	823	695
Fremont	3,083	2,881	2,339	1,928	1,584
Front Royal	3,622	3,399	2,779	2,191	1,825
Gastonia	131,096	120,526	99,153	78,466	65,299
Georgetown, SC	3,622	3,399	2,779	2,191	-
Granite Falls	12,732	11,908	9,666	7,600	6,465
Greenville Utilities	233,874	219,229	179,367	142,048	118,452
Greenwood, SC	3,622	3,399	2,779	2,191	-
Hamilton	1,137	1,079	869	729	619
Hertford	5,073	4,749	3,955	3,137	2,751
High Point	194,892	182,333	150,688	120,117	101,830
Hobgood	1,255	1,169	955	759	630
Hookerton	1,821	1,716	1,428	1,130	948
Huntersville	44,355	39,564	32,049	24,097	19,755
Kings Mountain	-	-	21,155	16,971	13,935
Kinston	62,248	57,777	47,516	37,779	31,793
La Grange	7,735	7,080	6,036	4,833	4,109
Landis	14,251	13,238	10,713	8,378	6,671
Laurinburg	26,535	24,925	20,546	16,347	14,019
Lexington	82,449	76,117	62,392	50,168	42,210
Lincolnton	13,990	12,863	10,449	8,315	7,402
Louisburg	10,745	9,993	8,133	6,531	5,501
Lucama	4,780	4,536	4,033	-	-

2020	2019	2018	2017	2016
$ 32,225	$ 29,574	$ 29,439	$ 29,247	$ 27,868
46,580	38,051	37,356	34,279	32,157
11,006	10,075	10,520	10,449	9,299
912	912	912	894	843
1,825	1,825	1,825	1,789	1,688
2,460	2,222	2,404	2,363	2,240
912	912	912	1,789	1,688
5,163	4,628	4,588	4,494	4,152
-	-	-	-	-
639	599	597	595	570
1,825	1,825	1,825	1,789	1,688
6,718	6,086	6,053	5,997	5,715
16,761	14,452	14,177	13,253	12,472
89,574	79,401	79,401	75,876	69,577
9,062	8,113	7,779	7,586	6,921
8,819	8,043	8,043	8,348	7,180
1,825	1,825	1,825	1,789	1,688
2,814	2,549	2,540	2,500	2,416
183	183	183	179	169
11,071	10,212	10,101	9,784	9,636
32,543	29,818	29,002	27,936	27,841
183	183	183	179	169
3,324	3,022	3,023	3,509	3,288
7,128	6,572	6,702	6,480	6,252
133,157	118,768	118,768	116,307	109,840
11,745	10,903	10,903	10,676	10,063
756	701	700	697	686
1,798	1,701	1,663	1,644	1,616
1,825	1,825	1,825	1,789	1,688
73,317	65,345	65,744	63,512	60,137
-	-	-	-	-
7,053	6,384	6,352	6,128	5,871
133,157	118,768	118,768	116,307	109,840
-	-	-	-	-
676	638	635	623	591
2,911	2,609	2,593	2,526	2,449
112,171	102,190	101,415	100,831	93,969
693	652	664	650	620
1,058	952	986	958	907
20,907	18,182	17,744	16,037	14,371
15,745	13,143	13,143	12,830	10,571
36,387	32,537	32,999	32,153	31,397
4,528	3,109	3,141	3,074	2,997
7,320	6,563	6,504	6,394	6,118
15,884	14,424	14,564	14,267	13,766
46,986	42,483	42,222	41,646	39,918
8,199	7,300	7,256	7,131	6,688
6,132	5,620	5,630	5,534	5,395
-	-	-	-	-

ElectriCities of North Carolina, Inc.
Schedule of Membership Dues (Unaudited)
Last Ten Fiscal Years

	2025	2024	2023	2022	2021
Lumberton	50,406	$ 47,453	$ 38,899	$ 31,205	$ 26,711
Macclesfield	1,031	878	852	570	482
Maiden	9,263	8,519	6,854	5,685	4,698
Martinsville, VA*	3,622	3,399	2,779	2,191	1,825
McCormick, SC	363	341	279	220	-
Monroe	84,914	77,437	61,014	47,116	41,500
Morganton	49,449	45,895	37,511	29,761	25,067
New Bern	95,841	88,202	71,976	57,442	47,574
New River Light & Power*	39,794	37,766	30,728	24,762	19,865
Newton	24,967	23,468	19,239	15,564	12,893
Orangeburg	3,622	3,399	2,779	2,191	-
Pikeville	2,195	2,045	1,699	1,344	1,100
Pinetops	1,885	1,779	1,472	1,187	1,004
Pineville	21,337	19,217	15,553	11,860	10,055
Piedmont Municipal Power Agency**	24,630	23,110	17,782	14,022	11,096
Prosperity, SC	363	341	279	-	-
Red Springs	8,641	8,179	6,754	5,178	4,357
Robersonville	4,019	3,658	3,249	2,639	2,227
Rocky Mount	121,390	112,197	92,514	74,312	62,471
Scotland Neck	5,333	5,149	4,266	3,525	2,990
Seneca, SC*	3,622	3,399	2,779	2,191	1,825
Selma	13,815	12,602	10,289	8,180	6,926
Sharpsburg*	4,659	4,646	3,621	2,920	2,370
Shelby	38,691	35,715	29,095	23,413	19,880
Smithfield	25,332	23,584	18,739	14,941	12,701
SCAssociation of Municipal Power Systems*	290	273	-	-	-
Southport	14,284	13,038	10,523	8,366	7,012
Stantonsburg	5,091	4,878	3,789	3,060	2,597
Statesville	74,170	66,745	55,190	44,512	37,577
Tarboro	33,917	31,239	25,829	20,327	17,012
University of NC - Chapel Hill*	363	341	279	220	183
NC State University	16,572	15,282	12,832	220	183
Wake Forest	33,947	30,474	24,801	19,626	16,504
Walstonburg	652	614	496	396	334
Washington	57,370	53,114	43,898	35,179	29,741
Waynesville	15,037	14,873	10,835	9,291	7,870
Western Carolina University*	1,810	1,699	1,389	1,095	912
Wilson	164,175	158,422	131,750	102,746	86,947
Windsor	9,268	8,878	7,503	6,052	5,110
Winnsboro, SC	1,810	-	-	-	-
Winterville	14,051	12,905	10,765	8,736	7,401
Budget Amendment - Appropriated Dues Refund	-	-	183,074	457,725	166,844
Total Dues	$ 2,750,494	$ 2,543,711	$ 2,289,497	$ 2,119,182	$ 1,547,169

*Associate Members
** Membership includes the following South Carolina municipalities, all of whom are associate members: Abbeville, Clinton, Easley, Gaffney, Greer, Laurens, Newberry, Rock Hill, Union and Westminster
Source: ElectriCities' dues billing to its members.

2020	2019	2018	2017	2016
$ 30,073	$ 27,397	$ 28,794	$ 28,151	$ 27,438
523	490	501	-	-
5,776	5,163	5,197	5,021	4,478
1,825	1,825	1,825	1,789	1,688
-	-	-	-	-
47,868	43,543	43,775	42,833	40,275
28,166	25,534	25,971	26,168	25,181
54,018	48,195	48,762	46,737	45,263
21,857	20,534	20,533	19,601	18,453
14,381	12,720	12,533	12,618	11,951
-	-	-	-	-
1,275	1,156	1,180	1,158	1,132
1,172	1,077	1,066	-	-
11,096	9,694	9,764	9,448	8,826
11,096	11,091	11,096	13,465	10,257
-	-	-	-	-
4,773	4,356	4,362	4,270	4,105
2,442	2,319	2,360	2,310	2,203
70,084	63,069	63,297	61,552	59,079
3,411	3,127	3,101	3,057	2,983
1,825	-	-	-	-
7,664	7,091	7,238	7,094	6,617
2,669	2,349	2,350	2,617	2,331
22,220	20,195	20,164	19,878	18,746
14,211	12,974	12,998	12,819	12,282
-	-	-	-	-
7,699	6,958	6,679	6,495	6,292
2,949	2,583	2,583	2,615	2,532
42,324	37,457	37,172	37,009	34,521
19,258	15,439	17,230	17,113	16,500
183	183	183	179	169
183	183	183	179	169
18,315	15,804	15,536	16,154	15,315
347	332	340	-	-
33,346	30,334	30,308	29,322	28,277
8,469	7,844	7,843	8,401	7,879
912	912	912	894	843
99,098	89,011	88,759	87,685	85,694
5,841	5,594	5,595	5,229	4,958
7,868	7,000	6,999	6,934	6,413
-	-	67,968	-	-
$ 1,541,174	$ 1,379,412	$ 1,448,766	$ 1,351,613	$ 1,277,865

ElectriCities of North Carolina, Inc.
Schedule of Estimated Population (Unaudited)
Last Ten Fiscal Years

City/Town	2025	2024	2023	2022	2021
Abbeville, SC	4,874	4,874	4,872	24,295	24,295
Albemarle	17,058	16,602	16,338	16,338	16,338
Apex	71,992	69,567	58,797	32,275	61,319
Ayden	5,068	5,073	4,973	5,008	4,932
Bamberg, SC	3,076	3,076	3,075	3,600	3,600
Bedford, VA	6,777	6,735	6,602	6,300	6,540
Belhaven	1,379	1,389	1,415	1,963	1,963
Bennettsville, SC	7,020	7,020	-	9,425	9,425
Benson	4,270	4,164	3,943	3,703	3,703
Blackstone, VA	3,336	3,340	-	3,621	-
Bostic	356	354	355	316	316
Camden, SC	7,788	7,788	7,764	7,000	7,000
Cherryville	6,327	6,245	6,061	5,795	2,795
Clayton	30,151	29,204	26,323	14,333	14,333
Clinton, SC	7,633	7,633	7,737	8,091	8,091
Concord	113,371	110,886	105,186	81,370	81,370
Cornelius	31,792	31,872	31,432	24,847	28,847
Dallas	6,252	6,193	5,936	4,033	4,033
Danville, VA	41,837	42,229	42,590	46,500	46,500
Drexel	1,799	1,766	1,764	1,920	1,841
Easley, SC	22,921	22,921	23,009	20,000	20,000
Edenton	4,458	4,510	4,397	5,166	5,166
Elizabeth City	19,643	19,154	18,629	20,406	20,406
Enfield	1,786	1,813	1,869	2,221	2,221
Farmville	4,489	4,477	4,447	4,776	4,776
Fayetteville	209,975	213,022	208,871	207,788	207,788
Forest City	7,394	7,347	7,364	7,133	7,133
Fountain	382	386	380	586	586
Fremont	1,190	1,186	1,196	1,404	1,404
Front Royal VA	15,400	15,263	15,093	14,666	14,440
Gaffney, SC	12,764	12,764	12,589	12,986	12,986
Gastonia	83,983	83,488	80,367	75,280	75,820
Georgetown, SC	8,403	8,403	8,361	-	-
Granite Falls	5,100	5,088	4,943	4,999	4,999
Greenville	92,136	90,597	87,882	82,571	82,571
Greenwood, SC	22,545	22,545	22,295	-	-
Greer, SC	35,308	35,308	35,367	24,557	24,557
Hamilton	291	296	305	459	459
Hertford	1,968	1,952	1,912	2,203	2,303
High Point	117,206	116,589	113,887	102,216	102,216
Hobgood	258	261	270	381	381
Hookerton	405	403	439	487	487
Huntersville	64,147	63,355	61,403	41,216	41,216
Kings Mountain	-	11,492	11,168	11,070	11,070
Kinston	19,242	19,408	19,820	22,478	22,478
La Grange	2,656	2,627	2,616	2,774	2,774
Landis	3,909	3,847	3,691	3,127	3,127
Laurens, SC	9,335	9,335	9,346	10,000	10,000

2020	2019	2018	2017	2016
24,295	25,417	25,417	25,417	25,417
16,338	16,338	16,338	16,338	16,338
32,275	32,275	32,275	32,275	32,275
5,008	5,008	5,008	5,008	5,008
3,600	3,600	3,600	3,600	3,600
6,300	6,300	6,300	6,300	6,300
1,963	1,963	1,963	1,963	1,963
9,425	9,425	9,425	9,425	9,425
3,703	3,703	3,703	3,703	3,703
-	-	-	-	-
316	316	316	316	316
7,000	7,000	7,000	7,000	7,000
2,795	2,795	2,795	2,795	2,795
14,333	14,333	14,333	14,333	14,333
8,091	8,091	8,091	8,091	8,091
81,370	81,370	81,370	81,370	81,370
24,847	24,847	24,847	24,847	24,847
4,033	4,033	4,033	4,033	4,033
46,500	46,500	46,500	46,500	46,500
1,920	1,920	1,920	1,920	1,920
20,000	20,000	20,000	20,000	20,000
5,166	5,166	5,166	5,166	5,166
20,406	20,406	20,406	20,406	20,406
2,221	2,221	2,221	2,221	2,221
4,776	4,776	4,776	4,776	4,776
207,788	207,788	207,788	207,788	207,788
7,133	7,133	7,133	7,133	7,133
586	586	586	586	586
1,404	1,404	1,404	1,404	1,404
14,440	14,440	14,440	14,440	14,440
12,986	12,986	12,986	12,986	12,986
75,820	75,820	75,820	75,820	75,820
-	-	-	-	-
4,999	4,999	4,999	4,999	4,999
82,571	82,571	82,571	82,571	82,571
-	-	-	-	-
24,557	24,557	24,557	24,557	24,557
459	459	459	459	459
2,303	2,303	2,303	2,303	2,303
102,216	102,216	102,216	102,216	102,216
381	381	381	381	381
487	487	487	487	487
41,216	41,216	41,216	41,216	41,216
11,070	11,070	11,070	11,070	11,070
22,478	22,478	22,478	22,478	22,478
2,774	2,774	2,774	2,774	2,774
3,127	3,127	3,127	3,127	3,127
10,000	10,000	10,000	10,000	10,000

ElectriCities of North Carolina, Inc.
Schedule of Estimated Population (Unaudited)
Last Ten Fiscal Years

City/Town	2025	2024	2023	2022	2021
Laurinburg	14,987	15,034	15,192	15,825	15,825
Lexington	20,179	20,010	19,458	21,420	21,420
Lincolnton	11,764	11,467	11,553	11,553	11,553
Louisburg	3,187	3,137	-	3,711	3,711
Lucama	1,028	1,027	-	-	-
Lumberton	19,168	18,909	18,877	23,039	23,039
Macclesfield	406	406	412	401	401
Maiden	3,845	3,807	3,706	3,466	3,466
Martinsville, VA	13,763	13,725	13,485	15,416	15,416
Mccormick, SC	2,232	2,232	2,184	-	-
Monroe	37,275	35,894	34,551	38,120	38,120
Morganton	18,260	18,025	17,464	17,058	17,058
New Bern	33,917	32,980	31,116	26,613	26,613
New River Light & Power	204,986	19,801	17,993	15,000	15,000
Newberry, SC	10,691	10,691	10,487	10,907	10,907
Newton	13,452	13,427	13,117	13,819	13,819
Orangeburg, SC	13,240	13,240	12,704	-	-
Pikeville	714	708	709	703	703
Pinetops	1,194	1,177	1,201	1,259	1,259
Pineville	10,995	10,931	10,610	7,747	9,200
Prosperity, SC	1,178	1,178	-	-	-
Red Springs	3,090	3,094	3,098	3,497	3,497
Robersonville	1,210	1,226	1,268	1,578	1,578
Rock Hill, SC	74,732	74,372	73,905	70,500	70,500
Rocky Mount	55,427	54,943	54,351	60,219	60,219
Scotland Neck	1,641	1,648	1,646	2,182	2,182
Selma	6,712	6,526	6,328	7,671	7,671
Seneca, SC	8,850	8,850	8,843	8,102	-
Sharpsburg	1,726	1,699	1,693	2,024	2,024
Shelby	22,105	21,900	21,883	20,793	20,793
Smithfield	12,135	11,867	11,165	13,410	13,410
Southport	4,685	4,510	3,973	3,143	3,143
Stantonsburg	788	788	757	749	749
Statesville	30,560	29,874	28,120	27,322	27,322
Tarboro	10,664	10,601	10,695	10,292	10,292
Union, SC	8,174	8,174	8,170	9,575	9,575
Wake Forest	54,242	50,278	47,625	28,542	28,572
Walstonburg	194	188	209	232	232
Washington	9,705	9,660	9,811	10,114	10,114
Waynesville	10,646	10,559	10,044	9,819	9,869
Westminster, SC	2,353	2,353	2,350	3,120	3,120
Wilson	48,098	48,066	47,941	51,274	51,274
Windsor	3,230	3,118	3,214	3,214	3,214
Winterville	10,883	10,752	10,419	9,154	9,269

Source:
2012-2020 Census information-2010.
2022-2020 Census

2020	2019	2018	2017	2016
15,825	15,825	15,825	15,825	15,825
21,420	21,420	21,420	21,420	21,420
11,553	11,553	11,553	11,553	11,553
3,711	3,711	3,711	3,711	3,711
-	-	-	-	-
23,039	23,039	23,039	23,039	23,039
401	401	401	401	401
3,466	3,466	3,466	3,466	3,466
15,416	15,416	15,416	15,416	15,416
-	-	-	-	-
38,120	38,120	38,120	38,120	38,120
17,058	17,058	17,058	17,058	17,058
26,613	26,613	26,613	26,613	26,613
15,000	15,000	15,000	15,000	15,000
10,907	10,907	10,907	10,907	10,907
13,819	13,819	13,819	13,819	13,819
-	-	-	-	-
703	703	703	703	703
1,259	1,259	1,259	1,259	1,259
7,747	7,747	7,747	7,747	7,747
-	-	-	-	-
3,497	3,497	3,497	3,497	3,497
1,578	1,578	1,578	1,578	1,578
70,500	70,500	70,500	70,500	70,500
60,219	60,219	60,219	60,219	60,219
2,182	2,182	2,182	2,182	2,182
7,671	7,671	7,671	7,671	7,671
-	-	-	-	-
-	-	-	-	-
20,793	20,793	20,793	20,793	20,793
13,410	13,410	13,410	13,410	13,410
3,143	3,143	3,143	3,143	3,143
749	749	749	749	749
27,322	27,322	27,322	27,322	27,322
10,292	10,292	10,292	10,292	10,292
9,575	9,575	9,575	9,575	9,575
28,572	28,572	28,572	28,572	28,572
232	232	232	232	232
10,114	10,114	10,114	10,114	10,114
9,869	9,869	9,869	9,869	9,869
3,120	3,120	3,120	3,120	3,120
51,274	51,274	51,274	51,274	51,274
3,214	3,214	3,214	3,214	3,214
9,154	9,154	9,154	9,154	9,154

ElectriCities of North Carolina, Inc.
Schedule of Customers Served (Unaudited)
Last Ten Fiscal Years

City/Town	2025	2024	2023	2022	2021
Abbeville, SC	3,502	3,487	3,400	3,388	-
Albemarle	13,039	12,679	12,505	12,314	12,072
Apex	28,431	27,178	26,400	25,135	24,797
Ayden	4,629	4,219	4,219	4,347	4,115
Bamberg, SC	2,278	1,883	1,882	1,870	-
Bedford, VA	6,780	6,780	6,780	6,723	-
Belhaven	1,116	1,057	1,057	1,049	1,202
Bennettsville, SC	4,698	4,426	-	4,403	-
Benson	2,066	2,040	2,001	1,971	1,997
Blackstone, VA	2,011	2,015	-	2,024	-
Bostic	202	203	200	198	200
Camden, SC	11,605	11,524	11,330	10,815	-
Cherryville	2,555	2,525	2,497	2,462	2,443
Clayton	8,704	7,923	7,337	7,361	7,064
Clinton, SC	4,282	4,163	4,117	4,101	-
Concord	33,425	33,289	33,019	32,737	31,957
Cornelius	4,008	4,007	3,962	3,953	3,949
Dallas	4,283	3,727	3,737	3,753	3,703
Danville, VA	48,457	48,457	48,457	48,028	-
Drexel	1,270	1,250	1,244	1,229	1,226
Easley, SC	15,654	15,654	15,654	15,197	-
Edenton	4,219	4,187	4,072	4,146	4,147
Elizabeth City	13,374	13,180	13,003	15,782	11,870
Enfield	1,249	1,265	1,275	1,263	1,273
Farmville	3,072	3,061	3,013	2,937	2,855
Fayetteville	85,387	84,306	83,881	83,906	85,342
Forest City	4,243	4,237	4,178	4,130	41,227
Fountain	303	303	302	300	302
Fremont	791	763	748	798	743
Front Royal, VA	7,792	8,120	7,768	7,751	-
Gaffney, SC	7,473	7,473	7,473	6,722	-
Gastonia	30,722	30,102	30,072	29,120	28,220
Granite Falls	2,644	2,638	2,601	2,507	2,614
Georgetown, SC	5,438	5,386	5,123	-	-
Greenville	72,994	72,148	71,120	69,981	68,815
Greenwood, SC	14,429	14,429	14,429	-	-
Greer, SC	32,579	32,579	-	33,975	-
Hamilton	244	250	240	258	261
Hertford	1,183	1,183	1,184	1,184	1,314
High Point	43,822	43,313	43,204	41,905	43,251
Hobgood	267	267	268	267	263
Hookerton	423	429	432	428	423
Huntersville	8,413	8,050	7,759	7,265	6,664
Kings Mountain	-	5,305	5,218	5,078	5,022
Kinston	11,874	11,881	11,849	11,801	11,536
La Grange	1,892	1,796	1,697	1,692	1,717
Landis	3,635	3,670	3,532	3,498	3,030

2020	2019	2018	2017	2016
-	-	-	-	-
12,072	12,118	12,124	12,073	11,999
22,183	21,229	18,403	17,776	16,682
4,115	3,996	4,071	4,101	4,521
-	-	-	-	-
-	-	-	-	-
1,108	1,112	1,098	1,129	1,238
-	-	-	-	-
1,997	1,883	1,834	1,842	1,796
-	-	-	-	-
200	202	202	204	202
-	-	-	-	-
2,443	2,440	2,423	2,433	2,437
7,064	6,924	6,448	6,205	5,885
-	-	-	-	-
32,587	31,298	30,131	29,620	29,186
3,949	3,929	3,888	3,509	3,427
3,703	3,636	3,632	3,606	3,546
-	-	-	-	-
1,226	1,215	1,227	1,226	1,213
-	-	-	-	-
4,147	4,146	4,133	4,141	4,159
11,870	12,526	12,603	12,045	12,029
1,273	1,248	1,229	1,237	1,256
2,855	2,779	2,864	2,890	2,909
85,342	81,991	81,831	82,021	90,050
4,127	4,144	4,189	4,108	4,062
-	304	298	298	297
743	743	780	755	763
-	-	-	-	-
-	-	-	-	-
28,220	27,963	27,577	27,453	26,882
2,539	2,472	2,461	2,455	2,439
-	-	-	-	-
68,815	67,704	66,501	66,298	66,051
-	-	-	-	-
-	-	-	-	-
261	259	261	262	261
1,314	1,178	1,151	1,149	1,153
43,251	41,398	42,244	40,841	41,790
263	267	272	276	277
423	423	424	418	425
6,664	6,096	5,674	5,292	4,973
5,022	4,920	4,886	4,746	4,503
11,536	11,864	11,604	11,634	11,605
1,717	1,701	1,677	1,472	1,468
3,030	3,004	2,918	2,875	2,888

ElectriCities of North Carolina, Inc.
Schedule of Customers Served (Unaudited)
Last Ten Fiscal Years

City/Town	2025	2024	2023	2022	2021
Laurens, SC	5,509	5,487	5,461	5,395	-
Laurinburg	5,544	5,558	5,548	5,523	5,552
Lexington	20,031	19,555	19,357	19,319	19,133
Lincolnton	2,994	2,952	2,856	3,056	3,056
Louisburg	2,064	2,047	-	1,984	1,978
Lucama	1,146	1,165	-	-	-
Lumberton	11,568	11,517	11,275	11,253	11,384
Macclesfield	315	268	345	263	263
Maiden	1,261	1,215	1,185	1,186	1,182
Martinsville, VA	7,719	7,705	7,755	7,694	-
Mccormick,SC	1,081	1,093	1,100	-	-
Monroe	12,193	11,634	11,231	11,079	10,996
Morganton	8,841	8,682	8,529	8,465	8,409
New Bern	24,527	23,911	23,395	23,011	22,783
New River Light & Power	8,973	8,944	8,942	8,538	8,356
Newberry, SC	4,951	4,951	4,951	4,967	-
Newton	4,719	4,675	4,615	4,585	4,740
Orangeburg, SC	24,601	24,601	24,601	-	-
Pikeville	508	505	504	500	481
Pinetops	718	718	719	727	722
Pineville	4,279	4,198	4,111	3,818	3,773
Prosperity, SC	690	-	-	-	-
Red Springs	1,726	1,733	1,714	1,702	1,682
Robersonville	883	883	975	980	982
Rock Hill, SC	39,667	39,667	39,667	39,933	-
Rocky Mount	29,196	28,992	28,782	28,657	28,331
Scotland Neck	1,330	1,361	1,374	1,381	1,398
Selma	3,013	2,908	2,868	2,857	2,828
Seneca, SC	8,009	7,860	7,723	7,646	-
Sharpsburg	1,258	1,251	1,467	1,170	1,163
Shelby	8,613	8,524	8,433	8,503	8,340
Smithfield	4,843	4,940	4,603	4,418	4,598
Southport	3,372	3,299	3,206	3,116	3,073
Stantonsburg	1,210	1,214	1,224	1,223	1,205
Statesville	15,459	14,036	14,036	13,902	13,738
Tarboro	6,442	6,391	6,263	6,255	6,035
Union, SC	6,947	7,000	6,986	6,970	-
Wake Forest	7,213	6,904	6,660	6,647	6,502
Walstonburg	136	136	131	133	132
Washington	14,178	14,054	13,961	13,872	13,838
Waynesville	3,418	3,189	3,178	3,084	3,088
Westminster, SC	1,503	1,515	1,499	1,497	-
Wilson	36,199	35,857	35,503	35,218	34,908
Windsor	1,720	1,721	1,736	1,737	1,753
Winterville	3,333	3,333	3,301	3,123	3,135

Source: ElectriCities' member questionnaires prepared by members and submitted to ElectriCities in the fall of each year

2020	2019	2018	2017	2016
-	-	-	-	-
5,552	5,658	5,611	5,591	5,592
19,026	18,791	18,692	18,560	18,576
3,056	3,030	2,879	2,783	2,769
1,978	1,972	1,958	1,972	1,950
-	-	-	-	-
11,384	11,486	11,560	12,346	12,169
263	258	262	261	269
1,182	1,220	1,201	1,182	1,174
-	-	-	-	-
-	-	-	-	-
10,996	10,958	10,879	10,809	10,685
8,409	8,321	8,326	8,310	8,204
22,783		22,519	22,454	22,095
8,356	8,275	8,116	8,072	7,926
-	-	-	-	-
4,740	4,710	4,542	4,529	4,528
-	-	-	-	-
481	-	493	493	508
722	728	763	730	745
3,747	3,605	3,409	3,259	3,202
-	-	-	-	-
1,682	1,673	1,686	1,694	1,689
982	964	983	991	1,023
-	-	-	-	-
28,331	27,992	27,831	27,533	27,419
1,398	1,400	1,420	1,422	1,445
2,828	2,749	2,868	2,849	2,944
-	-	-	-	-
1,163	1,156	1,069	-	1,174
8,340	8,308	8,251	8,241	8,136
4,598	4,407	4,466	4,511	4,538
3,073	2,992	2,949	2,870	2,787
1,205	1,145	1,179	-	1,140
13,738	13,623	13,381	13,329	13,206
6,035	5,947	5,776	5,799	5,871
-	-	-	-	-
6,502	6,660	6,083	5,910	6,882
132	130	127	130	132
13,838	13,764	13,752	13,628	13,601
3,088	3,054	3,035	3,042	3,013
-	-	-	-	-
34,908	34,496	34,237	34,115	33,813
1,753	1,755	1,769	1,799	1,791
3,100	3,069	-	-	2,889

ElectriCities of North Carolina, Inc.
Schedule of kWh Sold (Unaudited)
Last Ten Fiscal Years

City/Town	2025	2024	2023	2022	2021
Abbeville, SC	54,761.00	58,822.000	55,892.000	55,314.000	-
Albemarle	271,488.00	273,630.000	275,576.000	261,111.000	282,568.000
Apex	385,106.00	352,556.000	376,720.000	347,491.000	342,877.000
Ayden	106,649.00	114,811.000	110,927.000	94,031.000	106,705.000
Bamberg, SC	40,101.00	37,934.000	39,609.000	38,567.000	-
Bedford, VA	172,083.00	172,083.000	172,083.000	170,520.000	-
Belhaven	14,434.00	15,050.000	15,433.000	13,122.000	17,596.000
Bennettsville, SC	85,689.00	77,145.000	-	73,931.000	-
Benson	36,559.00	37,563.000	36,375.000	34,421.000	37,536.000
Blackstone, VA	37,577.00	37,543.000	-	35,669.000	-
Bostic	3,457.00	3,335.000	3,152.000	2,997.000	3,245.000
Camden, SC	179,221.00	170,215.000	182,179.000	168,125.000	-
Cherryville	50,414.00	51,460.000	51,059.000	46,364.000	50,727.000
Clayton	118,559.00	119,097.000	118,132.000	109,071.000	113,393.000
Clinton, SC	100,427.00	100,994.000	101,522.000	104,820.000	-
Concord	889,196.00	890,648.000	887,613.000	856,136.000	925,514.000
Cornelius	53,072.00	55,460.000	55,720.000	52,341.000	57,391.000
Dallas	65,024.00	70,423.000	64,283.000	64,104.000	69,508.000
Danville, VA	900,490.00	900,490.000	900,490.000	858,096.000	-
Drexel	17,146.00	17,824.000	18,007.000	17,057.000	18,239.000
Easley, SC	282,211.00	282,211.000	282,211.000	279,754.000	-
Edenton	97,535.00	96,418.000	97,901.000	94,763.000	98,482.000
Elizabeth City	290,043.00	298,037.000	297,401.000	15,782.000	279,224.000
Enfield	16,342.00	17,889.000	17,614.000	17,681.000	18,750.000
Farmville	45,793.00	46,042.000	46,838.000	43,707.000	47,650.000
Fayetteville	1,915,389.00	2,005,540.000	1,991,590.000	1,915,980.000	1,993,902.000
Forest City	91,074.00	93,397.000	87,981.000	85,391.000	99,189.000
Fountain	3,781.00	4,258.000	4,238.000	4,088.000	4,214.000
Fremont	10,189.00	11,498.000	11,180.000	11,391.000	11,928.000
Front Royal, VA	167,618.00	170,425.000	169,264.000	157,505.000	-
Gaffney, SC	221,376.00	221,376.000	221,376.000	215,155.000	-
Gastonia	709,743.00	719,961.000	707,595.000	683,193.000	719,019.000
Georgetown, SC	121,821.00	124,761.000	127,784.000	-	-
Granite Falls	57,683.00	57,875.000	57,993.000	55,102.000	56,228.000
Greenville	1,720,970.00	1,761,366.000	1,754,105.000	1,685,002.000	1,776,178.000
Greenwood, SC	290,030.00	290,030.000	290,030.000	-	-
Greer, SC	402,882.00	402,882.000	-	371,667.000	-
Hamilton	2,470.00	3,020.000	2,779.000	2,524.000	2,622.000
Hertford	22,442.00	23,519.000	21,745.000	21,745.000	21,372.000
High Point	1,145,786.00	1,173,238.000	1,173,910.000	1,137,103.000	1,165,307.000
Hobgood	3,120.00	3,058.000	3,063.000	2,704.000	2,720.000
Hookerton	5,330.00	5,833.000	5,761.000	5,334.000	5,554.000
Huntersville	265,527.00	267,028.000	257,725.000	232,432.000	246,830.000
Kings Mountain		144,072.000	144,464.000	135,249.000	141,140.000
Kinston	416,597.00	432,367.000	437,079.000	419,553.000	445,220.000
La Grange	25,206.00	24,640.000	25,200.000	23,741.000	25,625.000
Landis	45,799.00	48,574.000	45,781.000	40,911.000	46,422.000
Laurens, SC	104,557.00	108,719.000	112,098.000	109,898.000	-

2020	2019	2018	2017	2016
-	-	-	-	-
282,568,000	292,519,000	278,239,000	291,506,000	298,511,000
341,460,000	331,065,000	303,798,000	302,769,000	292,435,000
106,705,000	100,461,000	101,787,000	102,125,000	98,490,000
-	-	-	-	-
-	-	-	-	-
15,236,000	16,895,000	16,210,000	16,413,000	17,343,000
-	-	-	-	-
37,536,000	36,875,000	33,048,000	33,979,000	33,705,000
-	-	-	-	-
3,245,000	3,462,000	3,242,000	3,474,000	3,436,000
-	-	-	-	-
50,727,000	53,051,000	48,447,000	50,457,000	47,638,000
113,393,000	113,612,000	103,500,000	102,182,000	101,750,000
-	-	-	-	-
925,514,000	955,679,000	890,388,000	911,763,000	885,841,000
57,391,000	58,110,000	53,639,000	59,952,000	56,577,000
69,508,000	71,058,000	66,950,000	69,683,000	68,706,000
-	-	-	-	-
18,239,000	18,398,000	16,684,000	17,421,000	19,057,000
-	-	-	-	-
98,482,000	101,698,000	95,379,000	93,958,000	97,813,000
279,224,000	264,732,000	295,048,000	305,419,000	307,989,000
18,750,000	19,810,000	17,990,000	32,068,000	35,924,000
47,650,000	48,510,000	46,266,000	46,804,000	47,434,000
1,993,902,000	2,082,629,000	1,967,324,000	2,054,941,000	2,059,540,000
99,189,000	101,449,000	110,126,000	105,820,000	104,510,000
-	4,154,000	3,785,000	3,965,000	3,911,000
11,928,000	12,410,000	12,624,000	11,590,000	11,993,000
-	-	-	-	-
-	-	-	-	-
719,019,000	696,633,000	659,886,000	675,378,000	651,423,000
-	-	-	-	-
57,526,000	58,120,000	54,113,000	55,680,000	55,556,000
1,776,178,000	1,810,635,000	1,700,477,000	1,721,702,000	1,733,095,000
-	-	-	-	-
-	-	-	-	-
2,622,000	2,912,000	2,756,000	2,726,000	2,823,000
21,372,000	23,943,000	21,767,000	22,330,000	22,813,000
1,165,307,000	1,160,826,000	1,120,508,000	1,161,138,000	1,153,476,000
2,720,000	2,830,000	2,781,000	2,830,000	2,901,000
5,554,000	5,744,000	5,638,000	5,755,000	5,646,000
246,830,000	243,145,000	229,986,000	231,302,000	217,659,000
141,140,000	144,153,000	142,156,000	140,241,000	140,057,000
445,220,000	450,776,000	445,208,000	448,366,000	451,666,000
25,625,000	26,029,000	24,273,000	24,215,000	26,337,000
46,422,000	47,709,000	43,864,000	46,276,000	44,803,000
-	-	-	-	-

ElectriCities of North Carolina, Inc.
Schedule of kWh Sold (Unaudited)
Last Ten Fiscal Years

City/Town	2025	2024	2023	2022	2021
Laurinburg	125,960.00	128,260.000	128,822.000	128,018.000	132,474.000
Lexington	377,723.00	387,049.000	391,544.000	375,647.000	385,956.000
Lincolnton	61,285.00	61,831.000	61,962.000	64,929.000	64,929.000
Louisburg	51,029.00	51,663.000	-	51,781.000	53,436.000
Lucama	16,857.00	19,265.000	-	-	-
Lumberton	235,448.00	249,919.000	241,107.000	229,989.000	265,838.000
Macclesfield	7,433.00	4,774.000	2,889.000	2,705.000	2,862.000
Maiden	72,569.00	72,805.000	70,539.000	69,658.000	80,099.000
Martinsville, VA	149,382.00	156,062.000	159,255.000	153,545.000	-
Mccormick,SC	16,476.00	16,647.000	16,970.000	-	-
Monroe	678,583.00	669,338.000	622,728.000	590,393.000	703,554.000
Morganton	306,730.00	326,227.000	322,282.000	305,115.000	327,457.000
New Bern	443,589.00	449,877.000	451,042.000	432,340.000	453,232.000
New River Light & Power	20,022.00	213,597.000	205,768.000	191,618.000	208,448.000
Newberry, SC	185,340.00	185,340.000	185,340.000	206,595.000	-
Newton	150,152.00	156,112.000	154,575.000	144,750.000	148,421.000
Orangeburg,SC	783,157.00	783,157.000	783,157.000	-	-
Pikeville	7,370.00	7,743.000	7,993.000	7,439.000	7,817.000
Pinetops	18,804.00	19,626.000	20,207.000	18,477.000	19,405.000
Pineville	111,788.00	106,229.000	103,093.000	100,503.000	108,636.000
Prosperity, SC	11,514.00	-	-	-	-
Red Springs	35,729.00	38,040.000	35,816.000	30,879.000	31,637.000
Robersonville	19,786.00	20,463.000	21,004.000	20,387.000	20,804.000
Rock Hill, SC	848,129.00	848,129.000	848,129.000	839,050.000	-
Rocky Mount	692,941.00	683,635.000	689,681.000	661,436.000	699,987.000
Scotland Neck	23,333.00	25,123.000	25,729.000	23,151.000	25,380.000
Selma	57,479.00	64,018.000	63,034.000	60,319.000	66,506.000
Seneca, SC	133,044.00	131,595.000	132,177.000	125,968.000	-
Sharpsburg	16,583.00	17,086.000	14,288.000	16,170.000	16,910.000
Shelby	181,911.00	183,905.000	184,469.000	179,925.000	190,671.000
Smithfield	161,425.00	161,615.000	162,477.000	154,349.000	168,802.000
Southport	56,053.00	55,979.000	55,451.000	53,959.000	56,550.000
Stantonsburg	17,226.00	20,101.000	21,098.000	19,392.000	19,843.000
Statesville	418,137.00	451,909.000	451,909.000	443,718.000	466,672.000
Tarboro	211,746.00	220,107.000	226,942.000	216,239.000	218,419.000
Union, SC	122,761.00	125,488.000	125,795.000	127,871.000	-
Wake Forest	157,415.00	156,876.000	156,475.000	148,678.000	157,035.000
Walstonburg	1,861.00	1,800.000	1,794.000	1,656.000	1,854.000
Washington	257,522.00	261,295.000	262,383.000	254,070.000	270,695.000
Waynesville	75,823.00	84,081.000	86,185.000	78,087.000	84,327.000
Westminister, SC	26,691.00	24,094.000	23,502.000	23,012.000	-
Wilson	1,168,581.00	1,240,415.000	1,247,467.000	1,206,759.000	1,243,394.000
Windsor	43,972.00	45,229.000	47,196.000	45,799.000	47,821.000
Winterville	49,220.00	50,878.000	51,243.000	49,014.000	53,535.000

2020	2019	2018	2017	2016
132,474,000	135,620,000	131,294,000	134,159,000	138,267,000
397,488,000	407,842,000	375,608,000	391,732,000	393,125,000
64,929,000	66,294,000	48,791,000	58,498,000	59,157,000
53,436,000	54,680,000	51,841,000	53,831,000	57,145,000
265,838,000	264,869,000	239,383,000	270,856,000	277,445,000
2,862,000	2,656,000	2,885,000	2,966,000	3,388,000
80,099,000	85,309,000	82,775,000	85,910,000	77,684,000
-	-	-	-	-
-	-	-	-	-
703,554,000	719,840,000	707,395,000	717,263,000	708,682,000
327,457,000	325,071,000	325,405,000	338,776,000	358,790,000
453,232,000		441,675,000	448,542,000	457,517,000
208,448,000	215,521,000	205,098,000	202,042,000	208,074,000
-	-	-	-	-
148,421,000	152,531,000	137,936,000	147,861,000	146,393,000
-	-	-	-	-
7,817,000	-	8,102,000	8,626,000	9,106,000
19,405,000	18,671,090	18,054,000	18,121,000	22,260,000
108,636,000	109,564,000	103,581,000	109,808,000	110,270,000
31,637,000	33,423,000	33,324,000	33,580,000	34,129,000
20,804,000	22,919,000	22,862,000	21,004,000	21,870,000
-	-	-	-	-
699,987,000	709,005,000	690,526,000	707,390,000	714,369,000
25,380,000	28,264,000	26,088,000	24,916,000	25,422,000
66,506,000	66,194,000	65,088,000	67,316,000	64,084,000
-	-	-	-	-
16,910,000	17,327,000	15,114,000	-	16,732,000
190,671,000	204,825,000	187,798,000	192,951,000	191,158,000
168,802,000	173,050,000	168,346,000	172,874,000	164,935,000
56,550,000	58,241,000	54,864,000	54,099,000	55,197,000
19,843,000	19,820,000	18,946,000	-	21,042,000
466,672,000	473,796,000	455,129,000	452,830,000	447,401,000
218,419,000	224,139,000	220,317,000	238,813,000	225,669,000
-	-	-	-	-
157,035,000	161,318,000	152,840,000	152,587,000	157,926,000
1,854,000	1,677,000	1,663,000	1,812,000	1,565,000
270,695,000	284,800,000	271,551,000	276,527,000	278,703,000
84,327,000	89,631,000	85,542,000	90,747,000	89,412,000
-	-	-	-	-
1,243,394,000	1,275,421,000	1,201,775,000	1,282,627,000	1,282,020,000
47,821,000	50,462,000	46,927,000	49,259,000	50,985,000
50,993,000	53,396,000	-	-	49,000,000

Source: ElectriCities' member questionnaires prepared by members and submitted to ElectriCities in the fall of each year

ElectriCities of North Carolina, Inc.
Schedule of Full Time Equivalent Employees (Unaudited)
For the Years Ended December 31, 2025

	2025	2024	2023	2022	2021
Management Services	82	88	78	87	83
Distribution Operations	44	50	47	48	48
Member Services	28	28	26	7	8
Safety & Training	7	7	6	7	6
Total	161	173	157	149	145

	2020	2019	2018	2017	2016
Management Services*	81	80	77	103	97
Distribution Operations	48	45	42	-	-
Member Services	10	10	10	11	10
Safety & Training	6	5	6	6	6
Total	145	140	135	120	113

***Includes Distribution Operations 2016-2017**
Source: ElectriCities payroll records.