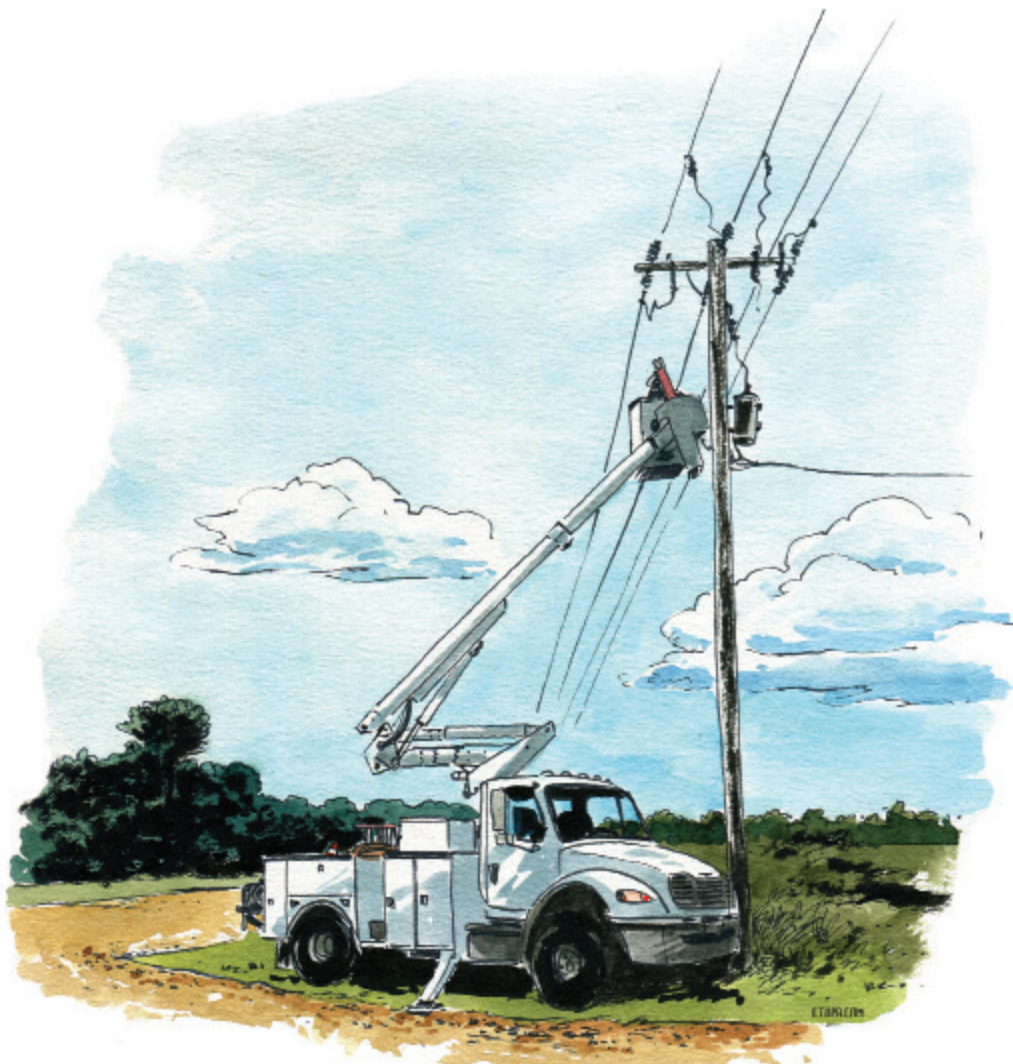




YOU ARE INVITED TO ATTEND THE

Annual Member-Owners' Meeting of Jackson Electric Cooperative

October 17, 2026

Bay City Civic Center | 201 Seventh St., Bay City

Door Prizes • Attendance Prizes

Registration begins at 9 a.m.

Business meeting begins at 10 a.m.

**The Jackson Electric Cooperative 2025 Annual Report
is included as a supplement to this issue.**



Jackson Electric Cooperative, Inc.

Your Touchstone Energy® Partner



Notice of Annual Meeting of Member-Owners

The annual meeting of the member-owners of Jackson Electric Cooperative will be held in Bay City, Texas, at the Bay City Civic Center on Saturday, October 17, 2026. Registration begins at 9 a.m., and the meeting begins at 10 a.m. with the following agenda:

1. Reports of officers, directors and committees.
2. Election of directors of the cooperative.
3. Status of the cooperative.
4. All other business that may come before the meeting or any adjournment or adjournments thereof.

Candidates in the regular board election are:

DISTRICT 1

Bill Orton

DISTRICT 9

Tom Hudgins

DISTRICT 10

Jimmy Roach



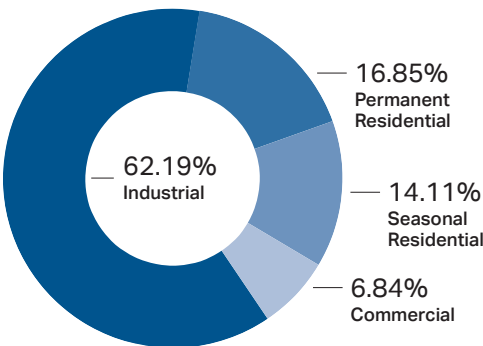
Michael Jacobs
Secretary-Treasurer

Treasurer's Report

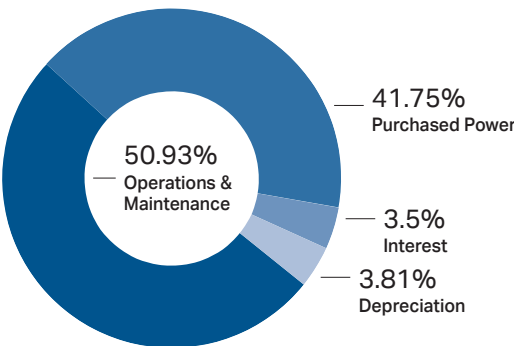
OPERATING STATISTICS	2024	2025
Income		
JEC Sold Electric Service Amounting to:	\$ 75,155,076	\$ 90,143,448
Capital Credits Amounted to:	3,262,785	4,071,717
Other Income Amounted to:	(22,139)	262,765
Total Operating and Nonoperating Income	\$ 78,395,722	\$ 94,477,930
Expenses		
Cost of Electric Energy	\$ 52,313,233	\$ 63,764,298
Operating and Maintenance Expenses	14,435,893	14,394,916
System Depreciation	4,832,661	5,821,834
Cost of Interest on Long-Term Debt	4,698,088	5,021,285
Total Operating Expenses	\$ 76,279,875	\$ 89,002,333
Patronage Capital or Margins	\$ 2,115,847	\$ 5,475,597

BALANCE SHEET	2024	2025
Assets		
General and Operating Funds in Bank	\$ 2,685,548	\$ 2,922,578
Investments and GT CC	46,963,208	50,949,557
Payments Due	4,569,951	7,061,079
Construction Supplies on Hand	5,885,192	5,852,249
Advance Payments on Insurance, etc.	691,720	791,396
Total Cost of Electric System	167,066,796	186,343,988
Less Depreciation	(26,681,840)	(29,085,434)
Net Value of Electric System	140,384,956	157,258,554
Total Assets	\$201,180,575	\$224,835,414
Liabilities		
Memberships and Deposits	\$ 1,574,442	\$ 1,614,523
CFC Long-Term Debt and Other	109,259,588	126,410,515
Other Current and Accrued Liabilities	14,875,713	14,716,142
Nonoperating Margins	12,074,090	13,580,304
Patronage Capital	63,396,742	68,513,930
Total Liabilities	\$201,180,575	\$224,835,414

2025 SOURCES OF REVENUE



2025 USES OF REVENUE



AUDITOR'S LETTER

At the June 2026 board meeting of Jackson Electric Cooperative, the directors heard and approved the results of the 2025 annual audit conducted by Gowland, Strealy, Morales & Co. concerning the financial statement of the cooperative.

COVER ILLUSTRATION BY CHRISTOPHER TUPA

Annual Meeting Program

October 17, 2026

Bay City Civic Center, 201 Seventh St., Bay City 77414

Registration	9–10 a.m.
Call to Order	Herff Cornelius, President
Invocation	Anthony Smith
Reading of Notice of Annual Meeting	Michael Jacobs, Secretary-Treasurer
Determination of Quorum	Michael Jacobs
Minutes of Previous Meeting, October 18, 2025	Michael Jacobs
Introduction of Board Members and Guests	Jim Coleman, General Manager
Report of Nominating Committee	John Merck
Treasurer's Report	Michael Jacobs
President's Report	Herff Cornelius
Manager's Report	Jim Coleman
Recognition of 2026 Scholarship Recipients	Kealeigh Alex
Service Awards	Herff Cornelius and Jim Coleman
Nominating Committee for 2026 Election	Herff Cornelius
Old and New Business	Herff Cornelius
Adjournment of Business Meeting	Herff Cornelius
Drawing of Attendance Prizes	Paul Bourland and Eric Gardner

Notice to Members

Pursuant to the bylaws of Jackson Electric Cooperative Inc., no election of directors will be conducted at the upcoming annual meeting. The number of nominees submitted was equal to the number of director positions open; therefore, in accordance with the bylaws, the nominees will be declared elected by acclamation.

The following directors have been elected by acclamation:

Bill Orton, District 1 **Tom Hudgins**, District 9 **Jimmy Roach**, District 10

We appreciate your continued support and engagement in your cooperative.

Ways To Cast Your Ballot

Jackson Electric Cooperative offers multiple options to members to vote on proposed bylaw amendments this year. Mail-in ballots were sent in the September edition of *Texas Co-op Power* magazine. Each member is entitled to one vote, but voting is limited to one vote per member number (household).

Members may return completed ballots to the Jackson EC office lobby in Edna or Bay City. The co-op also has a night dropbox at the Edna office and a drive-thru at the Bay City office.

Additionally, ballots may be completed via the QR code until October 9. Members also can complete ballots in person at the annual meeting October 17 at the Bay City Civic Center.

For more information on the election, visit jecec.com/annual-meetingelections-information.



SCAN QR
CODE FOR
BALLOT

Annual Meeting of Member-Owners Minutes

Bay City Civic Center, Matagorda County, Texas | Saturday, October 18, 2025

The 2025 Annual Meeting (2024 Annual Report) of the members of Jackson Electric Cooperative Inc. was held on Saturday, October 18, 2025, at Bay City Civic Center, Matagorda County, Texas, with registration beginning at 9:00 a.m.

Herff Cornelius, President, called the meeting to order at 10:05 a.m. and thanked those attending for their participation in the Annual Meeting. President Cornelius asked the members to rise for the National Anthem performed by Dawson Hudgins; followed by the Invocation given by Board Member Anthony Smith. Board Secretary-Treasurer Michael Jacobs presented the Notice of Meeting and proof of mailing thereof to all members of the Cooperative on September 30, 2025. The notice and proof of mailing were ordered to be attached to the minutes.

Director Jacobs reported one hundred nine (109) members present in person as of 10:00 a.m., which constitutes a quorum of the members of the Cooperative.

President Cornelius announced that the meeting would be dedicated to the U.S. Armed Forces.

Director Jacobs was again called upon to read the minutes of the September 21, 2024, Annual Meeting. Upon motion duly made and seconded to dispense with the reading of the minutes and to approve said minutes, the following resolution was adopted:

RESOLVED, that the Jackson Electric Cooperative Inc. membership hereby approves the September 21, 2024, Annual Meeting Minutes as written.

Motion carried.

General Manager Jim Coleman introduced special guests, the Cooperative's Board of Directors, and retired employees. Matagorda County Sheriff, Rick DeLeon was present and asked to address the membership. Sheriff DeLeon offered thanks to the Cooperative for assisting with delivering water and supplies for the flood victims in Kerrville, Texas, and gave an overview of the operations of the Sheriff's department and the services they provide the residents in the county.

Attorney John Merck recognized the Nominating Committee members and expressed appreciation of the Cooperative for their service. They were Janet Chanek and Betty Jo Staff. Mr. Merck then reviewed the nominating procedure.

Districts for election are:

District No. 2:	Herff Cornelius
District No. 4:	William C. Hansen
District No. 6:	Anthony Smith
District No. 7:	Laval Simons

Mr. Merck stated that all Districts were unopposed and shall be elected by acclamation at the next board meeting.

Director Jacobs gave an updated Treasurer's Report for 2024, with no changes since the Cooperative's Annual Audit. Upon motion duly made and seconded, the following resolution was adopted:

RESOLVED, that the Jackson Electric Cooperative Inc. membership hereby approves the Treasurer's Report for 2024 as presented.

Motion carried.

President Cornelius gave the President's Report which reflected on Core Values, Member Service, Board Responsibilities and the Power Cost Recovery Factor. Mr. Cornelius also discussed the increase to the member facility charge in various rate classes.

Damien Coleman discussed the upgrade to the meter system, updating the metering network and outage maps. Kim Peters discussed an upcoming software conversion and the benefits that the membership will see in having access to Smart Hub.

Mr. Coleman gave the General Manager's Report, expanding on some of Mr. Cornelius' talking points and discussing the cost of previous storms that affected the service territory, changes in costs for essential materials and the exploration of cost saving methods to help offset rising costs in all areas of business. Mr. Coleman also discussed issues with the metering system, cost of service study recently performed and gave an update on the fiber deployment along with an update on the propane division. Finally, Mr. Coleman thanked the board of directors for their role in delivering reliable electricity and the staff for their continued commitment to excellence.

President Cornelius called upon Kealeigh Alex to introduce the recipients of a \$1,000 scholarship.

2025 Recipients were: Nicole Ryman, Veronika Castanon, Kody Smith, Laurel Wilfert, Paul Juranek, Nelly Garcia, Huong Vu, Dianet Delgado, Kati Scott and Felix Rodriguez.

Mr. Cornelius then recognized the following employees for their years of service to the Cooperative:

5 Years: Kari Ervin, Colee Callaway, Rachel Silliman, Danny Stewart

10 Years: James Coleman

15 Years: Annabelle Gonzales

20 Years: Marty Palomares

Mr. Cornelius then recognized the following board members for their years of service to the Cooperative:

25 Years: Michael Jacobs

Mr. Merck acknowledged Kealeigh Alex's recent completion of the Certified Cooperative Communicators Program with NRECA. He stated that the program requires a significant investment of time and effort and on behalf of the Cooperative we appreciate her willingness to participate in the program because effective communication is essential to the success of any cooperative.

President Cornelius then mentioned to the members that a Nominating Committee will need to be formed and stated that anyone who would like to serve on the 2026 committee should contact the Cooperative to make known their willingness to serve. Mr. Cornelius announced the Directors whose terms expire in 2026 will be William "Bill" Orton, representing District 1; Tom Hudgins, representing District 9; and Jimmy Roach, representing District 10.

President Cornelius asked for any other old or new business that membership should address. There being no further business to come before the membership and upon motion being duly made, the meeting was adjourned at 11:25 a.m. and the floor opened for any questions from the membership.

Members enjoyed a meal catered by Mustang Creek Bar-B-Que.

Annual Member-Owners' Meeting of Jackson Electric Cooperative

October 17, 2026

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Door Prizes • Attendance Prizes

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Business meeting begins at 10 a.m.

Support Electric Cooperatives by Joining Rural Friends/AEC

Rural Friends of Electric Cooperatives is the state political action committee for Texas' electric cooperatives. America's Electric Cooperatives is the federal PAC for electric cooperatives nationwide.

Rural Friends was formed with the mission of making the voice of electric cooperative consumers heard in the Texas Legislature and statewide with nonfederal officeholders. America's Electric Cooperative was formed with the mission of making the voice of electric cooperative consumers heard in the U.S. Congress. Rural Friends and AEC are grassroots political action committees. Rural Friends has more than 4,600 members in Texas, and AEC has more than 35,000 members across the country.

Rural Friends makes campaign contributions to candidates for the Texas Legislature and statewide nonfederal offices. AEC makes campaign contributions to candidates for Congress. Both PACs contribute to those who support electric cooperatives' goals and who share our cooperative values.

Rural Friends and America's Electric Cooperatives raise personal, voluntary contributions from their eligible memberships. Federal law prohibits soliciting contributions for AEC from individuals other than national and state cooperative associations and their member-systems' eligible employees, boards of directors, consumer-owners and the family of such individuals. Contributions from ineligible individuals will be returned.

For more information or to join, email jjohnston@texas-ec.org.

Board of Directors



Herff Cornelius
President
District 2
Sheppard Mott



William C. Hansen
Vice President
District 4
Palacios



Michael Jacobs
Secretary-Treasurer
District 3
Ashwood



Bill Orton
District 1
Sargent



Bruce T. Elliott
District 5
Palacios



Anthony Smith
District 6
Cedar Lake



Laval Simons
District 7
Port Lavaca



Doug Tise
District 8
La Ward



Tom Huggins
District 9
Bay City



James Roach
District 10
Edna



Patrick Stuart
District 11
Edna



Jim Coleman
General Manager



John M. Merck
Attorney

2026 Employee Service Awards

45 YEARS

Eddie Cassle

40 YEARS

Eric Gardner

20 YEARS

David Hutto

15 YEARS

Adrian Montoya

10 YEARS

Damien Coleman

Xavier Gartica

5 YEARS

Brandi Garcia

Makayla Hawes

Tyler Johnson

Roman Vasquez

DIRECTORS

5 YEARS

Jimmy Roach