LINES OF TRUST

2025 Annual Review



Coastal Electric Cooperative

A Touchstone Energy® Cooperative

7 Cooperative Principles

Coastal Electric Cooperative operates with the seven Cooperative Principles at the core of everything we do. Because we are a not-for-profit, member-owned electric cooperative, we exist to serve our members and are, by design, accountable to our members.

That's where the Lines of Trust begin—not just with what we say or what we do, but with who we are as a cooperative. From power lines and lines of communication to every line of financials, we serve you through Lines of Trust.



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

2. Democratic Member Control
Cooperatives are democratic organizations controlled by their members, who actively participate in setting policies and making decisions. Representatives (directors) are elected from among the membership and are accountable to the membership.

3. Members' Economic Participation
Members contribute equitably to, and democratically control, the capital of their cooperative. At least part of that capital remains the common property of the cooperative.

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

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

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

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

Leadership built on trust

Our Board of Directors is made up entirely of Coastal Electric Cooperative members, elected by fellow members to guide the cooperative in the best interest of those who own it.

This is Cooperative Principle 2 in action: Democratic Member Control. It also reflects Cooperative Principle 4: Autonomy and Independence. As a cooperative, control doesn't sit outside the organization. It rests with the members.

These directors live and work in the same communities we serve. What affects the cooperative affects them directly, along with their families, friends and neighbors. That shared connection strengthens accountability and keeps decision-making grounded in real member experience.



Chris Fettes
Executive Vice President/CEO



John Woods III
Liberty County, President



Reagan Odom
McIntosh and Long counties, Vice President



Laura McGee
Bryan County Secretary/Treasurer



Kyle Christiansen
Bryan County



Holly Fields
Liberty County



Chuck Gaskin
McIntosh and Long counties



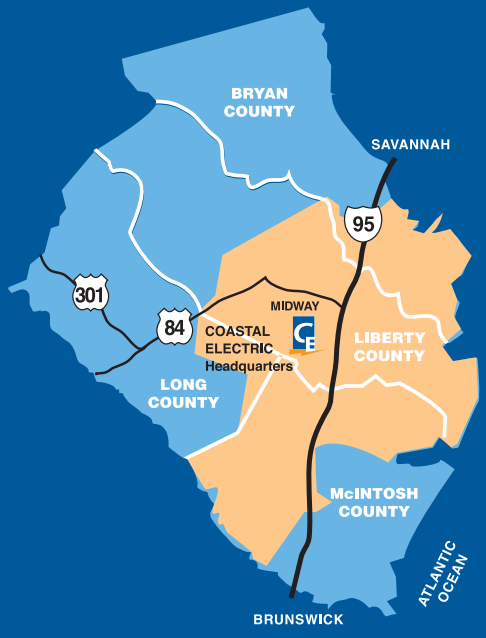
Joseph Fillmore Gill IV
Liberty County



John B. Kearns
McIntosh and Long counties



Kenneth Luke
Bryan County



Your voice in action

Voting is one of the most direct ways members shape their cooperative, choosing leaders who represent them and help guide key decisions.

Built from the foundation up

Leadership plays an important role in guiding the cooperative. But the real strength of that leadership comes from something deeper.

Lines of Trust don't begin in the boardroom. They begin with the members who form the foundation of the cooperative itself. Everything we do is built on that foundation, and everything we are accountable to it.

More than customers, connected by trust



Cooperative members are more than customers. They are owners.

Customers pay for a service. Members invest in something they own.

When you pay your electric bill to Coastal Electric Cooperative, those dollars don't disappear. They stay here, working for you—powering your home today, strengthening the system for tomorrow and, when financially appropriate, returning to you as capital credits.

That's what makes a cooperative different. And it's where financial Lines of Trust begin.

This is Cooperative Principle 3: Members' Economic Participation. Every dollar is handled with purpose, transparency and accountability, because the people we serve are the same people who own the cooperative.

Turning your dollars into decisions you can trust

So how do we ensure your investment is managed wisely? We don't guess, and we don't take shortcuts.

Every financial decision is built on careful planning, data and experience to ensure two things: You have reliable power when you need it and you're not paying more than necessary.

We use tools like load forecasting and weather modeling to anticipate demand, construction work plans to stay ahead of growth and cost-of-service studies to ensure rates are fair and accurate. These are combined with historical data, industry trends and decades of knowledge of our local system.



Because financial stewardship isn't separate from service—it's what makes reliable service possible.

Returning value to the people who create it

One of the most visible ways we deliver on that responsibility is through capital credits.

Each year, any margins beyond what is needed to operate the cooperative are assigned to members based on their electricity use. When it is financially sound to do so, those margins are returned to members as capital credits.



That's not just a financial process. It's a promise kept.

Sometimes, capital credits go unclaimed when members move away and can't be located. After five years, those funds are directed to the Coastal Electric Cooperative Foundation, where they continue serving our communities through support for food, health, safety, education and shelter needs.

Even unclaimed dollars are reinvested locally—another line of trust at work.

Continued on page 6











In 2025, Coastal Electric Cooperative retired nearly **$1.4 million** in capital credits to members, bringing total retirements to more than $22 million since our founding in 1940.

2025 Year in Review

Continued from page 5



Balancing affordability and reliability

We work hard to keep electric rates stable and affordable. But reliability—and the infrastructure required to deliver it—comes at a cost.

For the first time in more than a decade, Coastal Electric Cooperative implemented a rate increase, effective May 1.

We understand that any increase matters. That's why this decision came only after years of rising costs, including power supply, materials, equipment, construction and system maintenance, along with careful evaluation of every alternative.

Our responsibility is to balance affordability today with reliability tomorrow.

This adjustment ensures we can continue to meet members' needs, not just now, but for years to come, because financial transparency and long-term planning are essential to maintaining your trust.

Reliability when it matters most

Financial stewardship doesn't end on paper. It shows up where it matters most: in reliable electric service.

In 2025, that reliability was tested.

During periods of extreme temperatures, electricity use reached record levels across Georgia. On July 28, electric cooperatives statewide set a new all-time summer peak. And on Feb. 1, Coastal Electric Cooperative reached its own highest demand in history at 162,503 kW.

Because we planned ahead, monitored conditions and prepared for high demand, we met those needs without interruption.

That's the kind of reliability our members depend on—on blue-sky days and during extreme conditions alike.

And that kind of reliability doesn't happen by accident. It's built through intentional planning, strong partnerships and ongoing investment.

Strength in cooperation

Providing power 24/7 requires more than local effort. It takes collaboration.

Through partnerships with other electric cooperatives across the state, we share generation resources and secure long-term power supply agreements. This approach strengthens reliability, manages risk and reduces costs through economies of scale.

This is Cooperative Principle 6: Cooperation Among Cooperatives.

By working together, we build a stronger, more resilient energy network—one that serves our members better.

Investing in a system you can rely on

Here at home, we continue building and maintaining the infrastructure that powers your daily life.

In 2025, Coastal Electric Cooperative:

- Brought the Belfast Substation on-line to meet growing demand.
- Added a second transformer at Tradeport Substation with advanced metering infrastructure.
- Upgraded equipment in McIntosh County to support increased load.
- Relocated lines in Liberty County to support road improvements.
- Installed more resilient spacer cable in Shellman Bluff to reduce outage risk.

We also continue expanding underground lines where feasible, increasing system resilience while balancing cost considerations.

These investments are about more than equipment. They're about delivering consistent, dependable service you can count on.

Preventing problems before they start

Reliability isn't just about responding to outages. It's about preventing them.

In 2025, we inspected 3,037 poles and 893 pad-mounted transformers for safety and reliability. We cleared almost 190 miles of right-of-way. This proactive work reduces the likelihood of outages and allows for faster restoration when they do occur.

And because our linemen live throughout the communities we serve, they can respond quickly—day or night.

Growing responsibly, serving fully

As our communities grow, so does the demand for reliable power.

In 2025, we connected 1,679 new services, including major projects like the new Richmond Hill High School and the Hasbro distribution center in Midway.

Growth brings opportunity but also responsibility.

We plan carefully to ensure we can serve new members



without compromising the service our existing members depend on. That's part of Cooperative Principle 1: Open and Voluntary Membership.

We're committed to making room for growth while maintaining the quality and reliability our members expect.

Built on trust, all for our members

Every mile of line, every investment and every decision exists for one reason: the members who make this cooperative.

At Coastal Electric Cooperative, trust is built through transparency, strengthened through reliability and sustained through responsible financial stewardship.

Together, we are building Lines of Trust, connecting neighbors, strengthening communities and shaping the cooperative we share.



Customer service reps completed **19,560** requests for assistance from members in 2025

189.17 miles of right-of-way clearing completed in 2025 to prevent power outages

2025 Coastal Electric Cooperative Treasurer's Report

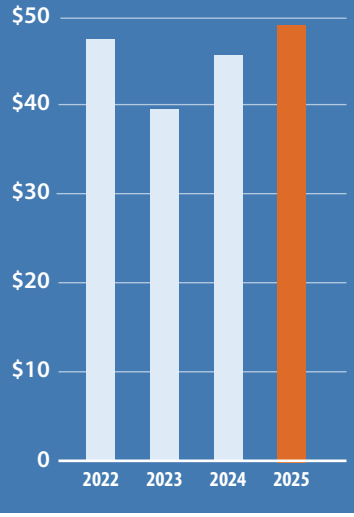
Financial statements for the fiscal year ending Dec. 31, 2025, reflect the sound status of Coastal Electric Cooperative. Each year, we retain the services of McNair, McLemore, Middlebrooks & Co., LLP, CPA, to perform an audit of the cooperative's accounting records.

This audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. It also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial presentation. The figures in this report are from the audit and represent a summary of the auditor's complete report. Copies of the audit are on file at the cooperative's headquarters.

Laura McGee
Secretary/Treasurer
Coastal Electric Cooperative
Board of Directors



Cost of Purchased Power
(in millions)



BALANCE SHEETS

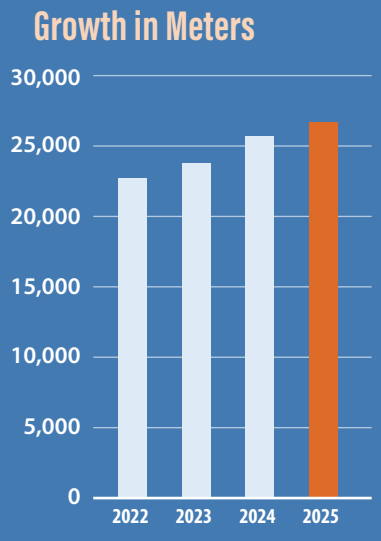
	2025	2024
ASSETS		
Utility Plant		
Electric Plant in Service	$ 196,918,569	$ 179,455,848
Construction Work in Progress	4,773,303	6,187,496
Gross Utility Plant	201,691,872	185,643,344
Accumulated Provision for Depreciation	(46,855,940)	(42,635,070)
	154,835,932	143,008,274
Other Property and Investments		
Investments in Associated Organizations	20,818,260	19,530,113
Other Investments	328,364	374,218
Restricted Funds	45,855	36,666
	21,192,479	19,940,997
Current Assets		
Cash and Cash Equivalents	6,076,135	2,823,175
Restricted Cash	360,000	360,000
Accounts Receivable (Net of Allowance for Credit Losses of $50,003 and $30,000 in 2025 and 2024, Respectively)	7,129,834	6,311,296
Materials and Supplies	6,539,195	7,265,675
Other	1,829,387	239,118
	21,934,551	16,999,264
Deferred Debits	205,515	1,801,514
Total Assets	$ 198,168,477	$ 181,750,049

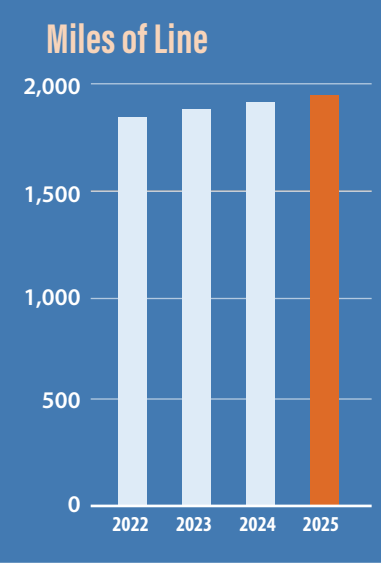
	2025	2024
EQUITIES AND LIABILITIES		
Equities		
Membership Fees	$ 104,505	$ 101,275
Patronage Capital	63,186,891	61,173,594
Other Equities	7,306,178	7,388,086
	70,597,574	68,662,955
Long-Term Liabilities		
Long-term Debt	105,312,076	88,579,995
Deferred Compensation Liability	45,855	36,666
	105,357,931	88,616,661
Current Liabilities		
Line-of-Credit	8,000,000	8,000,000
Current Maturities of Long-term Debt	3,297,071	3,508,414
Accounts Payable	5,688,308	7,266,509
Consumer Deposits	1,856,616	1,808,332
Other	3,287,428	3,270,875
	22,129,423	23,854,130
Deferred Credits	83,549	616,303
Total Equities and Liabilities	$ 198,168,477	$ 181,750,049

The complete financial annual report available upon request. Notes, which are an integral part of this financial statement, are on file at the cooperative's headquarters.

STATEMENTS OF OPERATIONS

	2025	2024
Operating Revenues	$ 77,744,093	$ 73,978,158
Operating Expenses		
Cost of Revenue	49,836,313	46,117,012
Distribution Operations	4,509,128	3,194,074
Distribution Maintenance	2,288,258	2,963,180
Consumer Accounts	2,985,438	1,888,778
Consumer Service and Information	1,374,807	1,056,353
Administrative and General	4,241,560	4,138,854
Depreciation and Amortization	6,225,664	5,664,769
	71,461,168	65,023,020
Operating Margins Before Interest Expense	6,282,925	8,955,138
Interest Expense	4,289,313	3,352,757
Operating Margins After Interest Expense	1,993,612	5,602,381
Nonoperating Margins	(120,810)	96,130
Generation and Transmission Cooperative Capital Credits	1,222,356	1,003,939
Other Capital Credits and Patronage Capital Allocations	411,903	669,251
Net Margins	$ 3,507,061	$ 7,371,701





STATEMENTS OF CHANGES IN EQUITIES

(years ended Dec. 31, 2025, and Dec. 31, 2024)

	Total Equities	Membership Fees	Patronage Capital	Other Equities
Balance–Dec. 31, 2023	$ 63,318,814	$ 98,310	$ 56,531,037	$ 6,689,467
Net Margins	7,371,701	–	7,320,555	51,146
Membership Fees	2,965	2,965	–	–
Retirement of Patronage Capital	(2,668,826)	–	(2,677,998)	9,172
Retired Capital Credits Gains	638,301	–	–	638,301
Balance–Dec. 31, 2024	68,662,955	101,275	61,173,594	7,388,086
Net Margins	3,507,061	–	3,429,179	77,882
Membership Fees	3,230	3,230	–	–
Retirement of Patronage Capital	(1,412,634)	–	(1,415,882)	3,248
Retired Capital Credits Gains	(163,038)	–	–	(163,038)
Balance–Dec. 31, 2025	$ 70,597,574	$ 104,505	$ 63,186,891	$ 7,306,178

Notes, which are an integral part of this financial statement, are on file at the cooperative's headquarters.



2025 Coastal Electric Cooperative Foundation Treasurer's Report

Financial statements for the fiscal year ending Dec. 31, 2025, reflect the sound status of the Coastal Electric Cooperative Foundation. Each year, McNair, McLemore, Middlebrooks & Co., LLP, CPA, perform an audit of the foundation's accounting records.

This audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statements presentation. The figures in this report, which are displayed on this page, are from the audit and represent a summary of the auditor's complete report. Copies of the audit are on file at the cooperative's headquarters.

Constance Riggins
Treasurer
Coastal Electric Cooperative Foundation

STATEMENTS OF FINANCIAL POSITION

(years ended Dec. 31, 2025, and Dec. 31, 2024)

	2025	2024
ASSETS		
Cash and Cash Equivalents	$ 719,016	$ 303,299
Restricted Cash	20,000	20,000
Contributions Receivable	14,095	7,905
Total Assets	**$ 753,111**	**$ 331,204**
NET ASSETS		
Net Assets Without Donor Restriction	$ 733,111	$ 311,204
Net Assets With Donor Restrictions	20,000	20,000
Total Net Assets	**$ 753,111**	**$ 331,204**

Notes, which are an integral part of this financial statement, are on file at the cooperative's headquarters.



2025 Coastal Electric Cooperative Foundation Board of Directors

Bryan County
John "Beau" Meeks
Constance Riggins
Lynne Baynes

Liberty County
Timothy Beaty
John Hodges
Lynn Stevens

McIntosh County
Jerry Adkins
Lana Ray
Ray Williams

2025 Coastal Electric Cooperative Foundation Bright Ideas grants awarded (new copy needed)

Bright Ideas grant winners are listed by school:

Bradwell Institute	$2,000
Carver Elementary School	$1,643.47
Liberty College and Career Academy	$2,985.44
Liberty Elementary School	$3,115.33
McAllister Elementary School	$1,649.83
McIntosh County Academy	$5,866
Richmond Hill High School	$5,677.40
Richmond Hill Middle School	$15,814.83
Taylors Creek Elementary School	$3,055.34



STATEMENTS OF ACTIVITIES

(years ended Dec. 31, 2025, and Dec. 31, 2024)

	2025	2024
Change in Net Assets Without Donor Restrictions		
Revenue and Support		
Contributions	$ 750,650	$ 95,113
Assets Released from Restrictions	20,000	20,000
Contributed Services	4,976	9,816
Interest Income	26,605	17,060
	802,231	141,989
Expenses		
Program Services		
Community Assistance		
Bright Ideas Grants	41,808	42,303
Washington Youth Tour	59,703	40,000
Assistance to Other Agencies	105,088	132,100
The Principal's Fund	24,000	24,000
Scholarships	142,450	144,200
Individual Assistance	-	3,000
Supporting Services		
Administrative and General	7,275	11,766
	380,324	397,369
Change in Net Assets Without Donor Restrictions	421,907	(255,380)
Net Assets With Donor Restrictions		
Grants	20,000	20,000
Assets Released From Restrictions	(20,000)	(20,000)
Change in Net Assets With Donor Restrictions	–	–
Change in Net Assets	421,907	(255,380)
Net Assets, Beginning	331,204	586,584
Net Assets, Ending	$ 753,111	$ 331,204

STATEMENTS OF CASH FLOWS

(years ended Dec. 31, 2025, and Dec. 31, 2024)

	2025	2024
Cash Flows From Operating Activities		
Change in Net Assets	$ 421,907	$ (255,380)
Adjustment to Reconcile Change in Net Assets Without Donor Restrictions to Net Cash Provided (Used) by Operating Activities		
Change in Contributions Receivable	(6,190)	(198)
Net Increase (Decrease) in Cash	415,717	(255,578)
Cash, Cash Equivalents and Restricted Cash, Beginning	$ 323,299	$ 578,877
Cash, Cash Equivalents and Restricted Cash, Ending	739,016	323,299
Balance Sheet Reconciliation		
Cash and Cash Equivalents	$ 719,016	$ 303,299
Restricted Cash	20,000	20,000
	$ 739,016	$ 323,299



Changing lives

All of Coastal Electric Cooperative's work is made possible by you, our members, and some of the most impactful work for our community happens as a result of your donations to the Coastal Electric Cooperative Foundation.

When our members allow us to round up your electric bills each month through Operation Round Up, those nickels and dimes are pooled together and invested back into our own community to assist with the food, health, safety, education and shelter needs of citizens in counties served by Coastal Electric Cooperative.

Every dollar represents a life changed for the better.







Coastal Electric Cooperative
A Touchstone Energy® Cooperative

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