OFFICIAL NOTICE

To the Member Addressed:

You are hereby given notice that the 2014 annual meeting of the members of Coleman County Electric Cooperative, Inc., will be held at the Winters School Cafeteria and Gym in Winters, Texas, July 18, 2014, at 7 p.m.

You will hear reports from officers plus vote in the election of three directors for a term of three years each, along with other business. Also included on the ballot this year is the proposed change to the cooperative’s Articles of Incorporation, changing the number of the members to serve on the Coleman County Electric Cooperative Board of Directors from nine (9) members to not more than nine (9) members nor less than seven (7) members.

We urge you to be present for this meeting Friday, July 18, 2014, at the Winters School Cafeteria and Gym, Winters, Texas.

Registration starts at 5:30 p.m. Each person in attendance will receive cookies and a free cup of homemade ice cream, compliments of the cooperative. The business meeting begins at 7 p.m.

Helen Bragg, Secretary-Treasurer

PROGRAM

5:30–7 p.m. ........................ REGISTRATION
Each member registering will receive a gift in addition to being eligible for other prizes.
Prize drawing card on the back cover must be presented at the meeting.

6–6:50 p.m. ........................ ENTERTAINMENT
by Havlak Polka Band

7–8 p.m. ........................ BUSINESS MEETING
Invocation
Pledge of Allegiance
National Anthem
Benny Mayo, winner of CCEC talent contest in 1954
President’s Report
Secretary’s Report
Manager’s Report
Election of Directors
Guest Speaker
Other Business

8–8:30 p.m. ........................ DRAWING FOR PRIZES
Members must be present to win.

ALL MEMBERS ARE URGED TO BE PRESENT.
VISITORS ARE WELCOME.

Facilities are wheelchair-accessible.
WELCOME

We welcome you to the 76th annual meeting of your electric cooperative.

It is our desire to bring you up to date on the operations of your Coleman County Electric Cooperative, review the accomplishments of the past year and look at the challenges your cooperative will face in the future.

Above all, we encourage you to attend the annual meeting to be a part of directing the future of your cooperative. The membership, through the democratic process, elects directors to direct the affairs of your cooperative.

Coleman County Electric Cooperative is a business that belongs to the members. The definite, positive benefits of cooperative electric service, in turn, require a concerned, informed and dedicated membership.

MANAGEMENT REPORT

As your new general manager, let me say what an honor it is to be a part of an organization that has always put its members first. I would like to invite you to attend this year’s 76th Annual Meeting of Members of Coleman County Electric Cooperative, and I look forward to meeting each of you personally.

This year’s meeting will be in Winters at the School Cafeteria and Gym. Registration begins at 5:30 p.m., with the business meeting following at 7 p.m.

This year, you will have the opportunity to elect three directors; vote on an amendment to the Articles of Incorporation proposing to change the number of the members to serve on the board of directors from nine (9) members to not more than nine (9) members nor less than seven (7) members; and hear reports from the president, secretary-treasurer and myself. Also on the agenda will be a report from Golden Spread Electric Cooperative, our power supplier.

It seems everything today has become a bit generic, focusing more on profits than people. Yet it’s nice to know we still have locally owned and controlled businesses we can count on, like Coleman County Electric Cooperative.

By receiving electricity from the co-op, you’re a member and an owner of the business. You have a say in how the co-op is run. Your voice rings loud and clear every year at the annual meeting. That’s where you join other members to elect folks like you to represent your concerns on a daily basis.

We’re all members, just like you, and we want what you want—affordable energy bills and the comfort of knowing your lights will turn on when you flip a switch.

With those goals in mind, we work throughout the year to invest in our electric system and keep power reliable.

Plan now on attending this year’s annual meeting. We look forward to seeing you there.

Clint Gardner
GENERAL MANAGER
NOMINATING COMMITTEE REPORT

The State of Texas • The County of Coleman

We, the Nominating Committee, appointed the 22nd day of April, 2014, by the board of directors of the Coleman County Electric Cooperative, Inc., met at the home office of the said cooperative at 3300 N. Highway 84, in the city of Coleman, Coleman County, Texas, on this 15th day of May, 2014, at 9 a.m., pursuant to notice duly given with the following members present, to wit:

Bill Bredemeyer Jerald Wilson
Ruth Hyde Roy Young
Glenda Gassiot Dwaine Lange
Harriet Fischer Tommy Mac Connelly
Jerry Ellis (absent)

We, the Nominating Committee, hereby nominate the following six (6) persons—three (3) to be elected at the Annual Meeting of the Members to be held on the 18th day of July, 2014—to run for the office of director of said Coleman County Electric Cooperative, Inc., for a term of three years from the date of their election or until their successors shall have been duly elected and qualified, to wit:

DISTRICT 1
Roger Bryan* Timothy “Shane” Colburn
3810 CR 477 917 CR 223
Winters, TX 79567 Winters, TX 79567

DISTRICT 5
Anthony Strawn* Kenneth Thate
4151 CR 140 324 CR 190
Burkett, TX 76828 Burkett, TX 76828

DISTRICT 8
Helen Bragg* Nelda Copley
248 CR 454 3714 FM 2805
Coleman, TX 76834 Coleman, TX 76834

*Denotes incumbent

Witness our hands at Coleman, Texas, this the 15th day of May, 2014.

Bill Bredemeyer Jerald Wilson
Ruth Hyde Roy Young
Glenda Gassiot Dwaine Lange
Harriet Fischer Tommy Mac Connelly
BOARD OF DIRECTORS

ROGER BRYAN
1984-2014
DISTRICT 1

ROGHER KRUSE
Vice President
2008-2016
DISTRICT 2

DANIEL REDMAN
2000-2015
DISTRICT 6

JOE F. “SANDY” NEAL
2004-2016
DISTRICT 4

ROGER KRUSE
Vice President
2008-2016
DISTRICT 2

DANIEL REDMAN
2000-2015
DISTRICT 6

BOB FUCHS
President
2000-2015
DISTRICT 7

HELEN BRAGG
Secretary-Treasurer
1990-2014
DISTRICT 8

GLEN SCARBOROUGH
1998-2016
DISTRICT 9

DAVID WRIGHT
2010-2015
DISTRICT 3

ANTHONY STRAWN
1993-2014
DISTRICT 5

ROGER BRYAN
1984-2014
DISTRICT 1

ROGER KRUSE
Vice President
2008-2016
DISTRICT 2

DANIEL REDMAN
2000-2015
DISTRICT 6

JOE F. “SANDY” NEAL
2004-2016
DISTRICT 4
DISTRICT 1

ROGER BRYAN was elected to the board of directors at the July 1984 annual meeting, and has served the cooperative ever since. Roger served as president of the CCEC board of directors for 12 years. He is a stock farmer and a crop insurance agent in the Norton area, where he has lived all his life. He and his wife, Frances, have three children and are members of the Ninth Street Church of Christ, where he has been a deacon in the church for 29 years. Roger is a member of the Norton Lions Club.

TIMOTHY “SHANE” COLBURN was born and raised in Winters. In 2008, he graduated from Texas Tech University in Lubbock. Shane is a farmer and rancher in the Winters area. He and his wife, Alison, are members of the North Main Church of Christ in Winters. They have one child and are expecting another child at the end of July.

DISTRICT 5

ANTHONY STRAWN was elected to the board of directors at the July 1993 annual meeting and has served the cooperative ever since. He has lived in Coleman County all of his life. He is a graduate of Coleman High School and attended Tarleton State University. Anthony is actively engaged in farming and ranching. He is a member of the Coleman Rodeo Association and Coleman County Farm Bureau, and he is a Mason. He and his wife, Sandi, attend St. Mark’s Episcopal Church.

KENNETH THATE was raised in Burkett and has two children. He attended the Mercedes Benz School in Kansas City, Kansas. He and his wife, Pam, are members of the Nondenominational Church in Brownwood. Kenneth owns and operates the Paint and Body Shop in Burkett.

DISTRICT 8

HELEN BRAGG has served as a member of the board of directors since June 1990 and as secretary-treasury since 2004. She attended Abilene Christian University and the University of Houston. Helen also worked as a secretary at the Highway Department in Coleman before marrying Harold Bragg. He is a rancher and they live in the Glen Cove area. They have two children and three grandchildren, and they are members of the North Main Church of Christ in Winters.

NELDA COPLEY was born and raised in Glen Cove. She attended Sam Houston State University in Huntsville. Her husband was the late Claude Copley, who passed away in 1999. Nelda has retired from what is now called Diamond Shamrock after working more than 20 years and is a seamstress and rancher, and she runs the Coleman Humane Society. Nelda was named the Rural Citizen of the Year in 2005. She has three children and five grandchildren, and she is a member of the Glen Cove Baptist Church.
COOPERATIVE STATISTICS

<table>
<thead>
<tr>
<th></th>
<th>2013</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>KWh Purchased</td>
<td>140,721,841</td>
<td>137,507,348</td>
</tr>
<tr>
<td>Power Bill</td>
<td>$8,278,206</td>
<td>$6,839,607</td>
</tr>
<tr>
<td>KWh Sold</td>
<td>127,901,609</td>
<td>124,861,479</td>
</tr>
<tr>
<td>KWh Billing</td>
<td>$12,769,712</td>
<td>$11,251,950</td>
</tr>
<tr>
<td>Average Monthly Energy Revenue per Meter</td>
<td>$122.98</td>
<td>$109.50</td>
</tr>
<tr>
<td>Miles of Line Energized</td>
<td>3,773</td>
<td>3,769</td>
</tr>
<tr>
<td>Meters Connected at December 31</td>
<td>8,653</td>
<td>8,563</td>
</tr>
<tr>
<td>Average Month kWh Usage (Residential Only)</td>
<td>660</td>
<td>625</td>
</tr>
<tr>
<td>New Services Connected</td>
<td>166</td>
<td>161</td>
</tr>
<tr>
<td>Hours Worked</td>
<td>68,289</td>
<td>66,844</td>
</tr>
<tr>
<td>Employees</td>
<td>31</td>
<td>31</td>
</tr>
<tr>
<td>Miles Driven in Cooperative Vehicles</td>
<td>310,475</td>
<td>319,932</td>
</tr>
<tr>
<td>Outages/Yearly Average Hours per Customer</td>
<td>2.05</td>
<td>1.58</td>
</tr>
</tbody>
</table>

DOOR PRIZE RECOGNITION

We thank the following people and businesses for donating door prizes for our annual meeting.

Cotton Electric Services
AEP Energy Partners
Daffron & Associates
Golden Spread Electric Cooperative
SGS Engineering
WESCO

Hickman Advertising
Santa Anna National Bank
The First State Bank of Ballinger
C.H. Guernsey & Co.
Armstrong Electric
Texas Co-op Power
COLEMAN COUNTY ELECTRIC COOPERATIVE

FINANCIAL STATEMENTS

CONDENSED FINANCIAL STATEMENT
As of December 31, 2013

ASSETS—WHAT WE OWN
Net Utility Plant ........................................... $16,450,966
Cash and Investments .................................. 10,713,859
Accounts Receivable .................................... 1,018,978
Materials and Supplies ................................ 226,273
Prepayments and Other Assets ...................... 843,658

Total Assets ................................................. $29,253,734

LIABILITIES—WHAT WE OWE
Long-Term Debt to CFC ................................. $10,260,636
Current and Accrued Liabilities .................... 1,945,267

Total Liabilities ............................................. $12,205,903

Net Worth—Member Equity
Membership Fees and Deposits .................... $393,913
Patronage Capital ......................................... 16,653,918

Total Liabilities and Net Worth .................... $29,253,734

2013 REVENUES AND EXPENSES

REVENUE—WHERE IT CAME FROM
Residential, Farm and Irrigation .................... $6,809,190
Small Commercial ....................................... 3,371,671
Large Commercial ...................................... 2,588,851
Nonoperating and Miscellaneous ................... 944,105
Total Revenue ............................................. $13,713,817

EXPENSES—WHERE IT WENT
Purchased Power ......................................... $8,278,206
Operating and Maintaining System ............... 2,588,407
Depreciation Expense ................................ 1,074,321
Interest on Debt ......................................... 482,359
Total Expenses ............................................ $12,423,293

Margins for 2013 ......................................... $ 1,290,524

WHERE IT CAME FROM
Residential, Farm and Irrigation 50%
Small Commercial 24%
Large Commercial 19%
Nonoperating and Miscellaneous 7%

WHERE IT WENT
Purchased Power 66%
Operating and Maintenance 21%
Depreciation 9%
Interest 4%
## YOUR COOPERATIVE PERSONNEL

### 503 YEARS OF COMBINED EXPERIENCE

#### COLEMAN

<table>
<thead>
<tr>
<th>Name</th>
<th>Position</th>
<th>Experience</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aaron Aristondo</td>
<td>First Class Lineman</td>
<td>7 Months</td>
</tr>
<tr>
<td>Lindi Armstrong</td>
<td>Cashier/Customer Service</td>
<td>13 Years</td>
</tr>
<tr>
<td>Ricky Baker</td>
<td>Technical Meter Assistant</td>
<td>34 Years</td>
</tr>
<tr>
<td>Becky Brooks</td>
<td>Facilities and Maintenance</td>
<td>9 Months</td>
</tr>
<tr>
<td>Renée Brown</td>
<td>Executive Assistant/HR</td>
<td>29 Years</td>
</tr>
<tr>
<td>Jerry Campbell</td>
<td>Purchasing and Warehouse Superintendent</td>
<td>36 Years</td>
</tr>
<tr>
<td>Jacob Carson</td>
<td>Apprentice Lineman</td>
<td>1 Year</td>
</tr>
<tr>
<td>John Casey</td>
<td>First Class Lineman</td>
<td>28 Years</td>
</tr>
<tr>
<td>Mike Curry</td>
<td>Equipment Operator</td>
<td>32 Years</td>
</tr>
<tr>
<td>Ronnie Daniel</td>
<td>Equipment Operator</td>
<td>26 Years</td>
</tr>
<tr>
<td>Clint Gardner</td>
<td>General Manager</td>
<td>3 Months</td>
</tr>
<tr>
<td>Mark Garrett</td>
<td>First Class Lineman</td>
<td>16 Years</td>
</tr>
<tr>
<td>Matt Henderson</td>
<td>Equipment Operator</td>
<td>19 Years</td>
</tr>
<tr>
<td>Michael Jewell</td>
<td>Line Foreman</td>
<td>25 Years</td>
</tr>
<tr>
<td>Michael Lobstein</td>
<td>Technical Meter Supervisor</td>
<td>35 Years</td>
</tr>
<tr>
<td>Benny Mendoza</td>
<td>Line Superintendent</td>
<td>25 Years</td>
</tr>
<tr>
<td>Kelly Smith</td>
<td>First Class Lineman</td>
<td>6 Years</td>
</tr>
<tr>
<td>Sherman Smith</td>
<td>Engineering Superintendent</td>
<td>33 Years</td>
</tr>
<tr>
<td>Synda Smith</td>
<td>Office Manager</td>
<td>16 Years</td>
</tr>
<tr>
<td>Trent Smith</td>
<td>Apprentice Lineman</td>
<td>2 Years</td>
</tr>
<tr>
<td>Kenné Stevenson</td>
<td>Computer Operator</td>
<td>3 Years</td>
</tr>
<tr>
<td>Kim Stovall</td>
<td>Bookkeeper/Accountant</td>
<td>6 Years</td>
</tr>
<tr>
<td>Kolton Titsworth</td>
<td>Apprentice Lineman</td>
<td>2 Years</td>
</tr>
<tr>
<td>Connie Turner</td>
<td>Cashier/Member Service</td>
<td>33 Years</td>
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<tr>
<td>Michael Walters</td>
<td>Apprentice Lineman</td>
<td>5 Years</td>
</tr>
<tr>
<td>Darren Wilson</td>
<td>Groundman/Equipment Operator</td>
<td>2 Months</td>
</tr>
<tr>
<td>Tony Williams</td>
<td>Manager of Member Service</td>
<td>34 Years</td>
</tr>
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#### BALLINGER

<table>
<thead>
<tr>
<th>Name</th>
<th>Position</th>
<th>Experience</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jeff Moreland</td>
<td>First Class Lineman</td>
<td>14 Years</td>
</tr>
<tr>
<td>Sage Brooks</td>
<td>Apprentice Lineman</td>
<td>2 Years</td>
</tr>
</tbody>
</table>

#### WINTERS

<table>
<thead>
<tr>
<th>Name</th>
<th>Position</th>
<th>Experience</th>
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<tbody>
<tr>
<td>Chris Espitia</td>
<td>Apprentice Lineman</td>
<td>5 Years</td>
</tr>
<tr>
<td>Mark Kaczyk</td>
<td>First Class Lineman</td>
<td>22 Years</td>
</tr>
</tbody>
</table>

#### COOPERATIVE CONSULTANTS

- Don Johnson: Attorney at Law
- Jack Moss, CPA: Bolinger, Segars, Gilbert & Moss
- SGS Engineering Company, P.E.: Engineering Consultants