

**80TH ANNUAL MEMBERSHIP MEETING
OF
BLUEBONNET ELECTRIC COOPERATIVE, INC.**

May 12, 2020

The Annual Membership Meeting of Bluebonnet Electric Cooperative, Inc. was held on Tuesday, May 12, 2020, at 9:00 a.m. via telephone conference in compliance with the Cooperative's Bylaws and the guidelines issued by county, state and/or federal government for public safety and health during the present COVID-19 pandemic.

Board members present were:

Ben Flencher, President
Roderick Emanuel, Vice President
Robert Mikeska, Secretary-Treasurer
Byron Balke, Assistant Secretary-Treasurer
Shana Whiteley
Russell Jurk
Bryan Bracewell
Milton Shaw
Debbi Goertz

Also present for the meeting were:

Matt Bentke, General Manager and Chief Executive Officer
Sarah Newman-Altamirano, General Counsel
Elizabeth Kana, Chief Financial Officer
Rachel Ellis, Chief Administrative Officer
Eric Kocian, Chief Engineer and System Operations Officer
Grant Gutierrez, Controller/Chief Information Officer
Will Holford, Manager of Public Affairs
Johnny Sanders, Manager of Community and Development Services
Debra Phillips, Paralegal

General Counsel Sarah E. Newman-Altamirano certified that 6,487 proxies were registered with the Cooperative of which 5,573 were assigned to the Proxy Committee and 914 were assigned to a Director of Bluebonnet Electric Cooperative, Inc.

President Ben Flencher, presiding as Chairman, called the meeting to order at 9:04 a.m. and the Lord's Prayer was prayed in unison.

Chairman Flencher opened by noting that this year's Annual Meeting is being held differently to follow the guidelines issued by local, state and national authorities in response to the COVID-19 pandemic. He expressed his gratitude for the Board and staff adapting to meetings via conference call and embracing Bluebonnet's members' and employees' safety and health. He noted this is a high-water mark in Bluebonnet's 80-year history of meeting the needs of our communities, members and employees, complimenting staff stepping up to assist

members struggling financially and their enthusiasm and commitment to assist Bluebonnet's members and communities.

Chairman Flencher congratulated Roderick Emanuel, Robert Mikeska, Byron Balke and Russell Jurk on their re-election. Chairman Flencher then discussed important procedures put in place under the current conditions presented by the COVID-19 pandemic, the proxy process and Bluebonnet's successes during 2020. He thanked the entire organization for their outstanding performance.

Secretary-Treasurer Robert Mikeska certified that the Annual Meeting Notice was published in the May 2020 issue of the Texas Co-op Power and mailed to all members on April 29, 2020, giving notice of no public attendance in adherence to guidelines issued by local, state and national authorities in response to the COVID-19 pandemic; the total number of members on the date of the Annual Meeting was 78,911, the total number of non-member consumers on the date of the Annual Meeting was none, there were 6,487 members in attendance either in person or by proxy, which number constitutes a quorum, and thereby officially opens this meeting to transact such business as outlined in the notice.

Secretary Mikeska reported that the Special Committee of the Board, comprised of Ben Flencher, Chairman of the Board, Roderick Emanuel, Secretary-Treasurer, and Byron Balke Assistant Secretary-Treasurer, met on June 18, 2019 to review the minutes of the May 14, 2019 annual meeting, and during the Regular Meeting of the Board of Directors on June 18, 2019, the Special Committee recommended approval of the Annual Meeting Minutes, which were subsequently approved. Secretary-Treasurer Mikeska requested that Chairman Flencher request a motion to waive reading of the minutes and ratify the Board's approval of the minutes.

Chairman Flencher requested a motion to waive reading of the minutes and ratify the actions of the Special Committee and the Board for approving the minutes of the May 14, 2019, Annual Meeting.

Motion was made and seconded to waive reading of the minutes and to ratify the actions of the Special Committee and the Board for approving the minutes of the May 14, 2019, Annual Meeting. The motion carried.

CEO Bentke then discussed Bluebonnet's financial performance and operational highlights, including current events and the effects of the Coronavirus, financials and the annual meeting communications plan.

CEO Bentke expressed his deep regrets for not being able to host members at the 2020 Annual Meeting, but noted the meeting is being held via telephone conference based upon national, state and local public health guidelines. He noted Bluebonnet is a critical infrastructure thereby having essential employees who have to do their job in order for hospitals, pharmacies and grocery stores, etc. to do their essential work. He reported that strategies and operational practices were installed in mid-March to allow Bluebonnet to continue to serve its members and communities without interruption. He welcomed the opportunity to see Bluebonnet's wonderful members at the 2021 Annual Meeting. He then presented and discussed the Cooperative's financial performance and highlights in Operations, covering, among other matters, \$571M in assets of the Cooperative; plant additions of \$51k; equity of \$39.34%; \$28.96M in net margins, debt service coverage at 2.49 with a healthy tier ratio at 3.07; meter growth rising from 98,861 in

2018 to 103,451 in 2019; competitive electric rates; \$6.4M retired capital credits, returning \$4.2M to Bluebonnet members in this month; load growth; power supply; operating expenses; volunteerism; and community support. He noted 2019 was a most successful year with outstanding performance.

CEO Bentke described Bluebonnet's Annual Meeting Communications Plan, noting a news release to all media outlets in Bluebonnet's service area including social media posts linking to the annual meeting news release, Bluebonnet's condensed financial report posted to Bluebonnet's website, and social media posts naming prize winners will follow the Annual Meeting. There will be a recap article of the Annual Meeting in the July issue of the Texas Co-op Power, with a cover letter describing the successes of the Cooperative.

CEO Bentke called for Unfinished Business followed by New Business. There was none.

CEO Bentke then invited questions from the Directors, to which he responded to their satisfaction.

General Counsel Sarah E. Newman-Altamirano, announced the four incumbent directors nominated for re-election were uncontested and were elected by general consent pursuant to Article II, Section 6 of the Bylaws of the Cooperative:

- Roderick Emanuel, District 3, Bastrop County;
- Russell Jurk, District 4, Lee, Milam and Williamson counties;
- Byron Balke, District 6, Austin, Colorado and Fayette counties, and
- Robert Mikeska, District 7, Washington County.

CEO Bentke announced that door prize drawings and the drawing for the truck giveaway will be made from proxies registered with the Cooperative and communicated to the winners and delivery or pick-up arrangements made. The drawings for all prizes will take place May 13, 2020.

There being no further business, Chairman Flencher moved to adjourn the meeting and the motion was unanimously carried. The meeting was adjourned at 9:30 a.m.

WITNESS THIS OUR SIGNATURES on this 14th day of JUNE, 2020.



Robert Mikeska, Secretary

APPROVED:


Ben Flencher, President