

Welcome to



ANNIVERSARY

BLUEBONNET'S 2024 ANNUAL MEETING

MAY 14, 2024

that was
THEN



Bluebonnet's Annual Meeting in 1946 was at the Lee County Courthouse and business was conducted using a blackboard.



Cindy Shafer, a member service representative, uses an iPad to register Bluebonnet member Caroline Iselt of Lexington at the 2023 Annual Meeting at The Silos on 77 in Giddings.

this is
NOW

Celebrating 85 years of service and building a resilient future

WELCOME, AND THANK YOU for attending Bluebonnet Electric Cooperative's 2024 Annual Meeting. To those who have attended our Annual Meeting before, we are excited to see you again and welcome to members who are attending for the first time. It is a great pleasure for our Board of Directors and employees to visit with you each year during this event.



Matt Bentke
General Manager/
Chief Executive Officer

This year marks Bluebonnet's 85th anniversary. During this year-long celebration, we will honor our rich history and plan for the future growth in our service area. Since last year's Annual Meeting, we have seen remarkable progress, including reaching a significant milestone of 130,000 meters on our electric system in January. This achievement represents an increase of 30,000 meters in less than five years.

As a member-owned cooperative, our priority is to provide safe, reliable and affordable electricity with excellent member service. We understand the importance of this responsibility and are pleased to report that our efforts have been unwavering. Despite the challenges posed by a rapidly evolving industry and economy, we have remained dedicated to sound financial management to ensure our members receive the best possible service.

Bluebonnet is experiencing the same economic conditions and inflationary pressures as everyone in the industry, but

we have no plans to increase rates in the foreseeable future. We understand the importance of affordability and remain committed to keeping electricity costs stable for our member-owners.

Bluebonnet's solid financial footing supports our goal of benefiting all stakeholders — the electric system, our members and local communities.

The cooperative's ongoing growth has presented significant opportunities for Bluebonnet to make essential investments to its electric system. During the past year, we have added more assets, made more improvements and completed more maintenance on our electric system than at any other time in our 85-year history.

Safety remains paramount in every endeavor. Bluebonnet's culture prioritizes safety, providing our employees with top-notch equipment and training, and ensuring they work as quickly and safely as possible serving members.

Through strategic investments, we enhanced our infrastructure to create a more reliable system. These upgrades strengthen our ability to deliver power efficiently and also ensure the safety and resilience of our operations, particularly during adverse weather events.

In addition to enhancing our infrastructure, Bluebonnet remains deeply committed to giving back to the communities we serve. Each year, we donate to organizations, activities, and events. We are proud to announce that in 2024, we gave a record-breaking 135 scholarships of \$2,500 to graduating high school seniors. These scholarships support the next generation of community leaders as they pursue higher education, whether



Bluebonnet journeymen Matthew Jones and Matt Mole, from Maxwell, open an underground transformer in The Colony subdivision in Bastrop to upgrade the equipment. Bluebonnet is constantly upgrading its system to provide safe, reliable power.

it be at a college or university or a trade and technical school.

In honor and recognition of our 85th anniversary, we set a goal to achieve 8,500 volunteer hours by the end of the year. This commitment reflects our steadfast dedication to supporting local initiatives and fostering community development.

Furthermore, we are proud to continue our tradition of distributing capital credits to our member-owners. This year, Bluebonnet's Board of Directors expects to return \$10.4 million in capital credits. This reinforces our commitment to sharing the success of our cooperative with those who make it possible — our members.

Sharing our success with our members is one of the most important decisions the Directors make every year and one of

the most significant benefits of being a member-owner of an electric cooperative. In the past 20 years, Bluebonnet has returned \$94.06 million to members in capital credits. Look for your share as a credit on your May electric bill.

As we look ahead, we remain committed to providing exceptional service to our members. Whether through our outage text messaging program or our continued investment in member programs, we are dedicated to ensuring that you receive the level of service and care you deserve every day.

On behalf of our Directors and employees, thank you for being a member-owner of Bluebonnet and for your continued support and trust.

BLUEBONNET'S BOARD OF DIRECTORS

Bluebonnet's 9 Board members have a combined 138 years of service to the cooperative.



Ben Flencher
Chairman
District 5: Burleson County



Roderick Emanuel
Vice Chairman
District 3: Bastrop County



Robert Mikeska
Secretary/Treasurer
District 7: Washington County



Byron Balke
Assistant Secretary/Treasurer
District 6: Austin, Colorado and Fayette counties



Milton Shaw
Director
District 1: Caldwell, Guadalupe, Gonzales and Hays counties



Shana Whiteley
Director
District 2: Travis County



Debbi Goertz
Director
District 3: Bastrop County



Bryan Bracewell
Director
District 3: Bastrop County



Russell Jurk
Director
District 4: Lee, Milam and Williamson counties

BY THE NUMBERS

Average residential rates in Texas

Bluebonnet

1,000 kWh: \$118.48

2,000 kWh: \$214.47

Average cooperatives

1,000 kWh: \$133.15

2,000 kWh: \$240.39

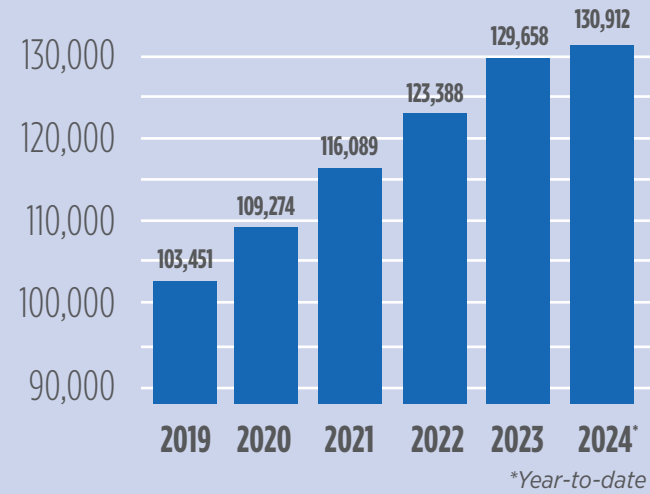
Retail choice average

1,000 kWh: \$173.03

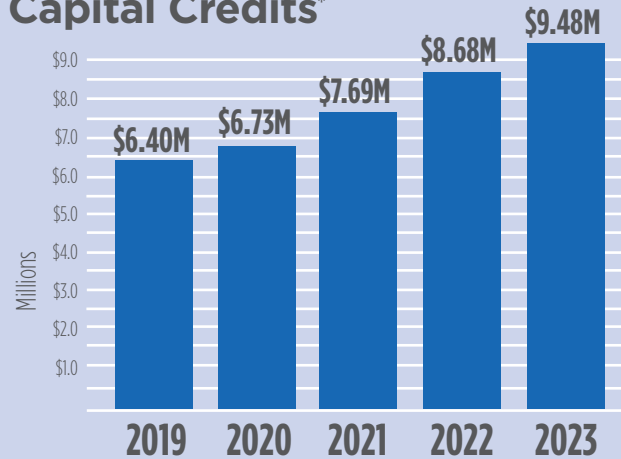
2,000 kWh: \$336.81

Source: Texas Electric Cooperatives Residential Rate Survey

Meter growth

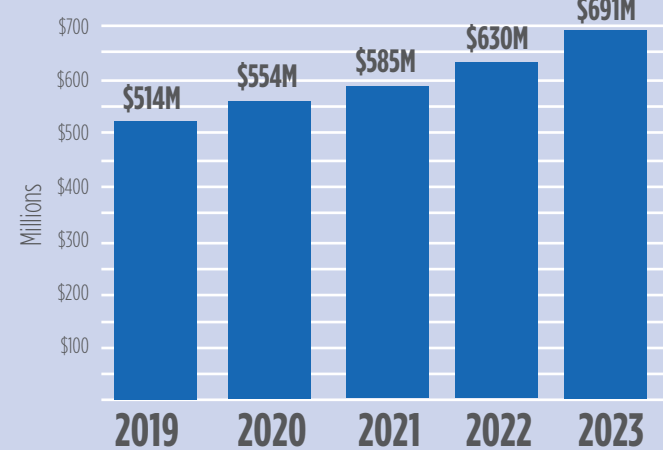


Capital Credits*



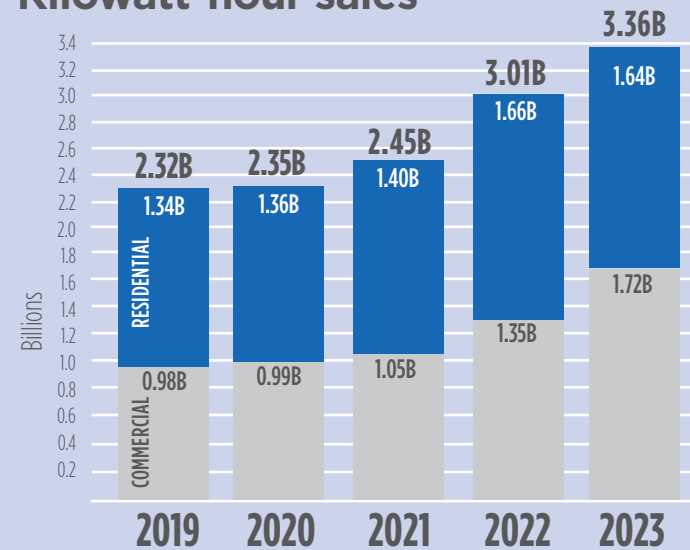
*Capital credits retired and returned to members include additional amounts approved throughout each year.

Assets*

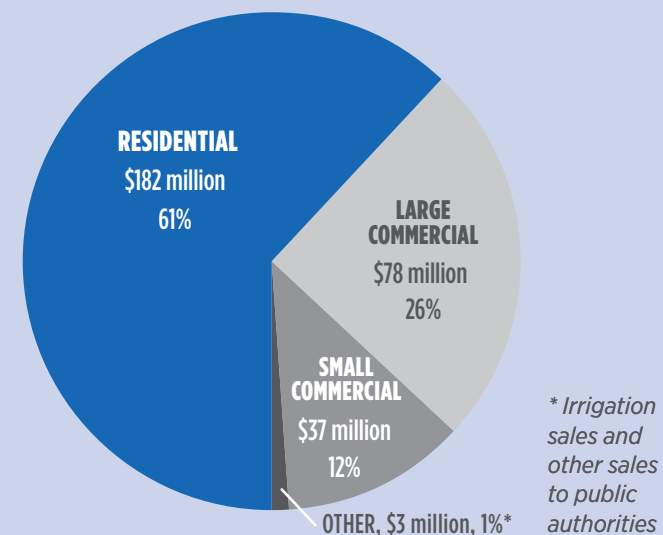


*Electric and General plant

Kilowatt-hour sales



Revenue by rate category



CONDENSED FINANCIAL REPORT

Bluebonnet Electric Cooperative Inc. and Subsidiary

Consolidated Balance Sheets

	December 31,	
	2023	2022
Assets		
For the years ended		
Electric and General Plant (net of \$119 million and \$129 million in accumulated depreciation, respectively)	\$691,136,679	\$630,190,868
Other Property and Investments at Cost or Stated Value	16,448,996	16,165,307
Cash and Cash Equivalents	18,318,449	17,028,076
Accounts, Notes and Interest Receivable	25,603,272	23,922,588
Construction Material and Supplies on Hand	9,124,129	6,294,749
Other Current Assets	4,443,602	3,300,772
Deferred Debits	38,611,858	34,265,726
Total Assets	\$803,686,985	\$731,168,086
Equities		
	\$336,130,268	\$307,545,056
Liabilities		
Current and Long-Term Debt	\$364,143,401	\$347,854,945
Accumulated Provision for Pension and Benefits	8,111,480	7,825,673
Accounts Payable	48,360,693	32,209,237
Accrued Expenses	12,924,103	11,946,923
Deposits	14,880,108	5,229,440
Deferred Credits	19,136,932	18,556,812
	\$467,556,717	\$423,623,030
Total Equities and Liabilities	\$803,686,985	\$731,168,086

Consolidated Statements of Income

	December 31,	
	2023	2022
For the years ended		
Revenues		
Sale of Electric Service	\$300,221,819	\$293,906,467
Other Revenue	10,428,676	8,924,231
Total Revenue	\$310,650,495	\$302,830,698
Expenses		
Purchased Power	\$178,744,012	\$180,407,779
Operating Expenses	54,917,195	51,149,734
Depreciation and Amortization	24,972,090	23,724,899
Interest on Debt	15,171,375	13,768,252
Other Deductions (Income)	(109,213)	(1,721,209)
Total Expenses	\$273,695,459	\$267,329,455
Net Margins	\$36,955,036	\$35,501,243

The consolidated balance sheets and statements of income represented in this condensed report were derived from the consolidated financial statements of Bluebonnet Electric Cooperative Inc. and its subsidiary, Bluebonnet Rural Development Corp., as audited by an independent audit firm. This does not represent the entire report. The complete audit report and consolidated financial statements are on file at Bluebonnet's headquarters, 155 Electric Ave., Bastrop, TX 78602.

A BLUEBONNET TIMELINE

In 2024, Bluebonnet Electric Cooperative celebrates 85 years of providing safe, reliable and affordable electric service to its fast-growing membership.

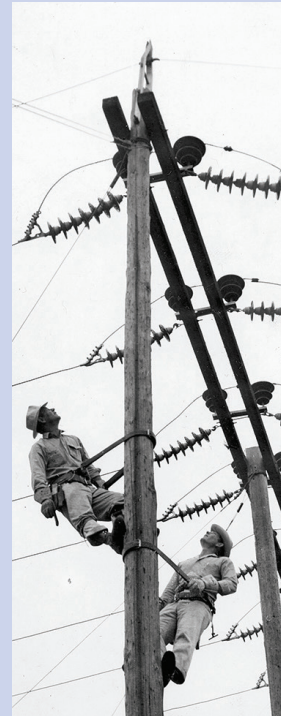


May 11, 1935

President **Franklin Roosevelt** signs executive order creating Rural Electrification Administration that backs low-cost loans for electric cooperatives, sparking a revolution in agriculture and rural communities

March 4, 1940

LCRA acquires power lines from Texas Power and Light Co. and sells them to **rural electric cooperatives** Lower Colorado River and Pedernales



Sept. 6, 1940

LCREC builds **646 miles of line**, connects 1,468 members who each pay \$5 membership fee

"My kitchen is modern... is yours?"



Oct. 1, 1956

'Live Better Electrically' appliance sales promotion campaign kicked off by LCREC and other rural electric utilities in Central Texas



Jan. 1, 1965

LCREC name changed to **Bluebonnet Electric Cooperative**; the co-op reports 16,337 members in 14 counties



2014

Bluebonnet celebrates its **75th year** of providing electricity in Central Texas; the co-op has more than 86,000 meters



2019

Cooperative celebrates 80th year, reaches **100,000-meter milestone**



Aug. 2, 1939

Lower Colorado River Electric Cooperative (LCREC later renamed Bluebonnet Electric Cooperative) receives state charter to provide electricity to residents east of Austin in Washington, Fayette, Burtleson, Austin, Colorado, Lee, Milam, Bastrop, Travis, Williamson, Caldwell, Hays, Guadalupe and Gonzales counties



November 1940

New headquarters building for LCREC opens in downtown Giddings

January 1946

After near standstill in new power line construction during World War II, REA approves \$250,000 loan to LCREC to construct 300 miles of rural lines



June 1958

First teens from the LCREC area travel to Washington, D.C., for annual **Government-in-Action Youth Tour** and met with U.S. Senate leader Lyndon Johnson

1977

Bluebonnet adds the first **underground residential power lines** to its system at Mesa Verde Estates in Cedar Creek

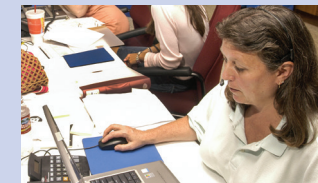


1989

Bluebonnet celebrates its **50th anniversary**; the co-op has 45,000 meters

2005

Bluebonnet opens its **call center** where member service representatives answer members' questions about bills, outages and connecting service



2007

Bluebonnet opens new **headquarters** in Bastrop County



2016

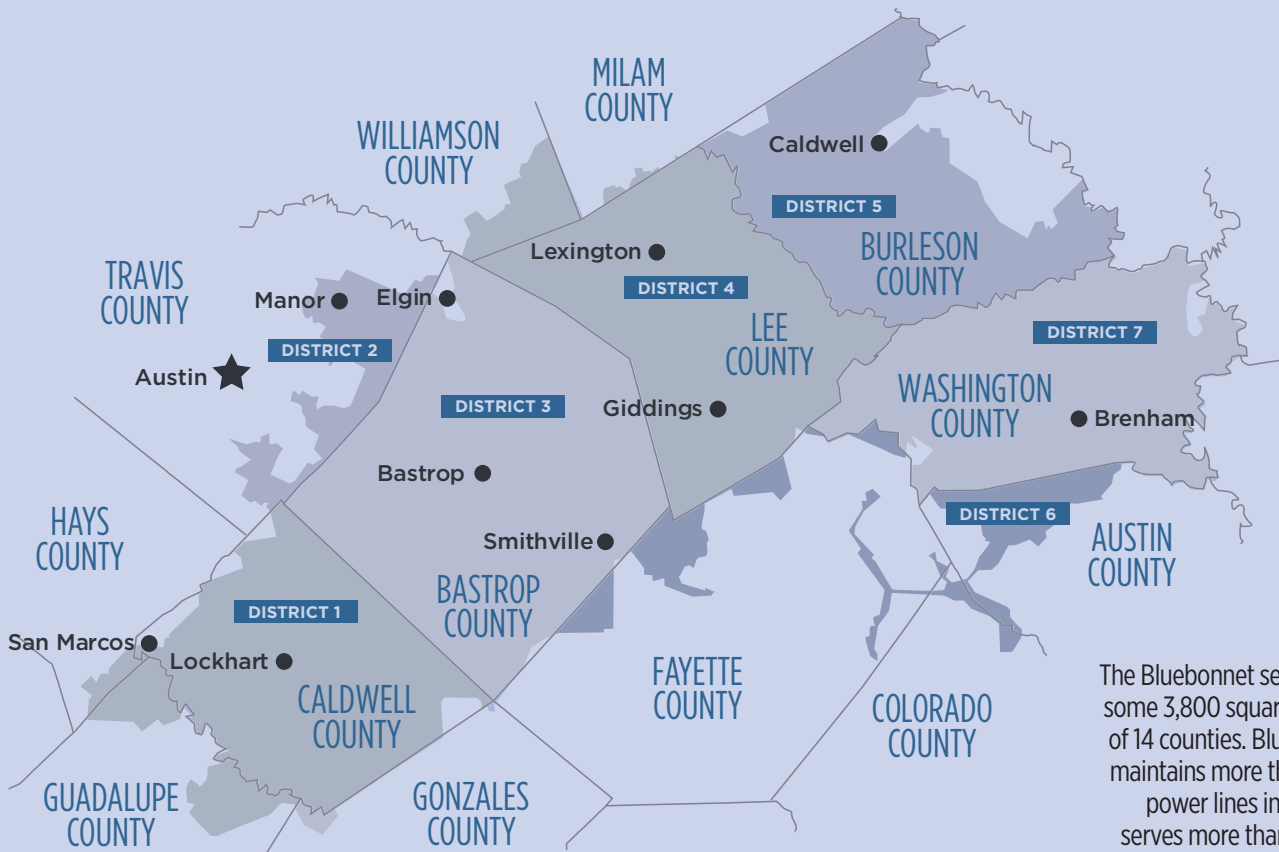
Bluebonnet hosts its first **renewable energy event** to inform members about connecting solar power to their homes or businesses



2024

Now in its 85th year, the co-op has more than **130,000 meters**, which marks a 50% increase in just a decade

In 2024, Bluebonnet celebrates 85 years of providing safe, reliable and affordable electric service to its fast-growing membership. Throughout the year, join us in celebrating this milestone as we honor our past and plan for the future.



The Bluebonnet service territory spans some 3,800 square miles in all or part of 14 counties. Bluebonnet owns and maintains more than 12,800 miles of power lines in the region and serves more than 130,000 meters.

