



2018 ANNUAL REPORT

District Statistics

Founded: 1933

Headquarters: Columbus, Nebraska

Local Offices: Albion, Cedar Rapids, Clarkson,
Columbus, Fullerton, Genoa, Humphrey,
Newman Grove, and St. Edward

Service Centers: Albion, Columbus, and Fullerton

Powerhouses: Columbus and Monroe

Diversion: Genoa Headworks

Wholesale Power: Nebraska Public Power District (NPPD)

Service Area: 2,219 square miles

Miles of Line:

Overhead Distribution — 493

Transmission — 256

Underground— 42

Distribution Substations: 41

Transmission Substations: 12

Customers: 20,464

Employees: 121

Retail sales revenue up in 2018



Neal Sues
President/CEO

2018 was another good financial year for Loup Power District.

The District was able to produce additional reserves, which can be used for capital improvement projects in the future. Retail sales revenue increased by 1.5 percent over 2017 and revenue from the sale of power produced from the hydroelectric system to NPPD increased by 9.5 percent (although this will be affected in the future due to the flooding damage that occurred in March 2019).

As in the past several years, the District received enough money from sales to cover expenses of running the electric and hydroelectric systems and to cover the costs associated with the capital projects the District undertook during the year.

The District's utility plant-in-service increased by 3 percent in 2018, when compared to 2017. This provides a good indication in the growth experienced by the District. Overall, the District had an increase in assets of almost \$7 million for 2018.

The District did include a change in net position, due to an accounting requirement for Other Post-Employment Benefits.

This was a change required by the federal government as a result of a change in the accounting procedures for this benefit, especially from past years. It does not affect

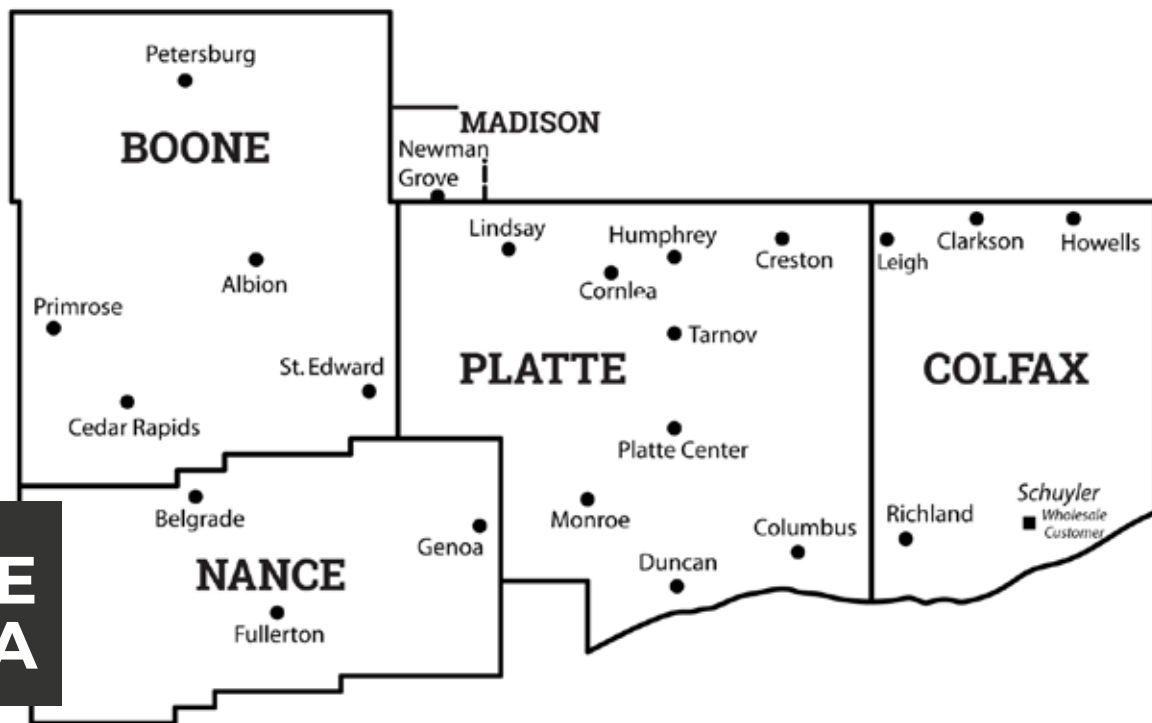
the cash flow of the District, nor does it put the District in any financial peril, but it does show as a negative to the District's overall net position.

The District continues to see increased costs from several other sources, including cyber security efforts, as well as physical security efforts. These burdens are being placed on all electric utilities, as more and more attacks on computer and physical systems occur throughout the United States.

The District was able to accomplish all of the above without an increase to retail rates. Providing low-cost, reliable electric service to all of our customers is the goal of the District's Board of Directors and something they value deeply in working to provide.

In addition, the District is purchasing a significant amount of renewable wind energy, all from the Creston Ridge Wind Farm, as well as working with customer on localized, distributed generation assets, such as solar panels for individual homes.

The Board of Directors, management, and employees of the District are thankful for the support of all of our customers. The electric utility industry is continuing to go through changes and challenges on many levels. However working together with our customers, the District can make a difference in your lives.



FINANCIAL INFORMATION

2018

2017

ASSETS		
Net Utility Plant	\$ 107,896,803	\$102,674,096
Cash & Current Assets	56,285,674	57,222,693
Other	4,587,423	2,174,885
Total Assets	\$168,769,900	\$162,071,674
LIABILITIES		
Beg Retained Earnings	\$100,463,177	\$102,978,325
Net Gain (Loss)	5,522,258	4,703,772
Current Liabilities	37,495,518	25,774,722
Deferred Credits	656,477	707,544
Long Term Debt	24,632,470	27,907,311
Total Liabilities	\$168,769,900	\$162,071,674
REVENUES		
Retail	\$88,634,346	\$87,109,464
Wholesale	9,043,515	9,349,518
NPPD — Hydro Utilization	10,196,193	9,313,039
Other	725,435	925,144
Total Revenue	\$108,599,489	\$106,697,165
EXPENSES		
Purchased Power	\$74,658,015	\$74,328,155
Operations Expenses	10,088,933	9,073,820
Maintenance Expenses	6,463,841	6,027,303
In-Lieu-of-Taxes	7,402,169	6,860,659
TOTAL EXPENSES	\$98,612,958	\$96,289,937
Generated from Operations	\$9,986,531	\$10,407,228
Depr. Charged to O & M	533,682	559,079
Interest Income & Other	1,115,182	(339,855)
Retired Debt	(2,660,000)	(2,725,000)
Available for Construction	8,975,395	7,901,452
Construction Expenditures	11,615,119	3,610,459



DAVID BELL

*Vice President
of Development/Marketing*



DAN HELLBUSCH

Vice President of Operations



WALT WILLIAMS

*Vice President of
Administrative Services/CFO*



RON ZIOLA

Vice President of Engineering

2018 BOARD OF DIRECTORS



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Subdivision 10



LARRY ZACH
First Vice-Chairman
Subdivision 7



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Second Vice-Chairman
Subdivision 3



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Secretary
Subdivision 5



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