



2023 ANNUAL REPORT

2023 a financially difficult year



Neal Suess
President/CEO

Loup Power District saw substantial increases in operating expenses in 2023 compared to 2022, which made 2023 a difficult year financially.

Although the District's net income for the year fell below zero (the first time since 2004 that this has happened), the District still had an overall positive cash flow before taking into account construction activity. The increase in operating expenses was primarily due to increased costs of materials and supplies, as well as District personnel spending more time on repair activity, compared to construction projects.

Operating revenue for the District increased slightly, as the District saw a decrease in energy sales and a slight increase in retail revenue (due to a retail rate increase implemented in 2023). Additionally, the District saw a decrease in revenue from the hydroelectric system mostly due to a decrease in market prices in the Southwest Power Pool. The District did see an increase in generation from the hydroelectric facilities.

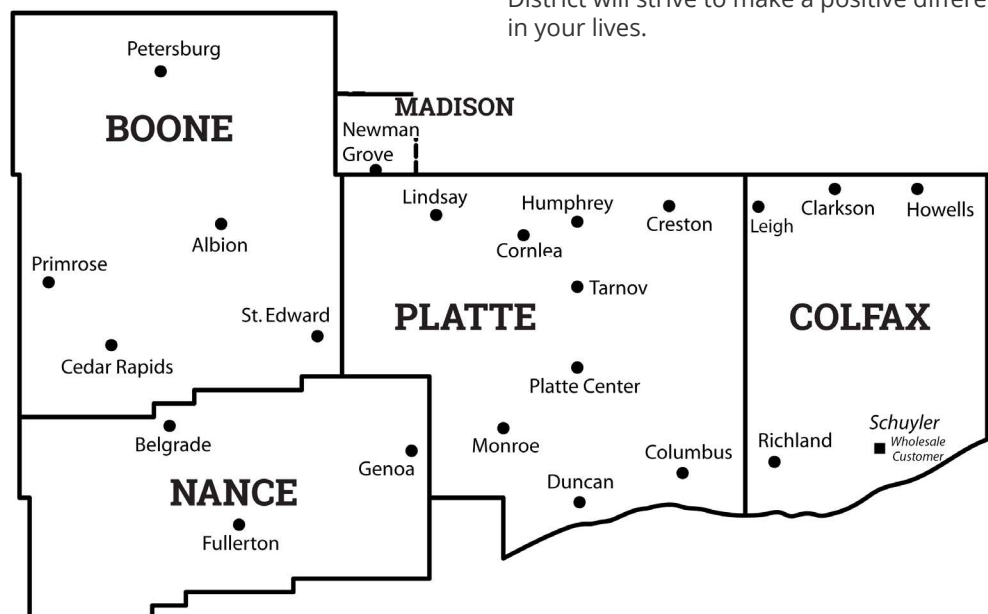
Loup has three years left on the two long-term bond issues outstanding (both are scheduled to be paid off in 2026), with approximately \$10 million in principal outstanding on these two debt issues. District management and the Board of Directors are exploring a variety of solutions to expected increases in construction activity planned for the future.

Utility plant-in-service increased by 2.9 percent in 2023, indicating the District's service area continues to see growth in many areas. The District is also working with several companies to expand and grow load within the District's service area. This indicates continued strength in the economy throughout the District's four-county area.

The District had a small retail rate increase in 2023 and a slightly larger retail rate increase in 2024. These were first rate increases implemented by Loup in more than a half a decade. The District continues to be one of the lowest cost electric providers in the State of Nebraska as well as nationally.

Recovery from the mid-March 2019 storm event has continued over the past five years, and will continue in 2024. Most of the repairs to the hydroelectric system are complete, and the District continues to work with state and federal government officials to recover investments made to repair this damage. There is one major remediation action that still needs completed along the canal, and the District is waiting on federal approval to begin this project.

The Board of Directors, management, and employees of the District are extremely thankful for all of the support from District customers. 2023 saw changes at the District and elsewhere in Nebraska, and the continued growth of the Nebraska economy will continue to provide opportunities. The electric utility industry is seeing significant changes and the District will strive to make a positive difference in your lives.



FINANCIAL INFORMATION

	2023	2022
ASSETS		
Net Utility Plant	\$116,152,635	\$115,332,768
Cash & Current Assets	40,558,733	43,373,416
Other	11,695,417	13,908,881
Total Assets	\$168,406,785	\$172,615,065
LIABILITIES		
Beg. Retained Earnings	\$114,291,302	\$111,895,701
Net Gain (Loss)	(758,094)	2,395,601
Current Liabilities	47,543,842	47,560,461
Deferred Credits	488,571	572,216
Long Term Debt	6,841,164	10,191,086
Total Liabilities	\$168,406,785	\$172,615,065
REVENUES		
Retail	\$ 88,224,144	\$87,999,077
Wholesale	8,687,873	8,311,654
NPPD — Hydro Utilization	6,639,093	6,948,502
Other	731,840	724,698
Total Revenue	\$104,282,950	\$103,983,931
EXPENSES		
Purchased Power	\$70,461,854	\$ 69,572,315
Operations Expenses	13,194,654	11,278,557
Maintenance Expenses	8,312,780	7,169,354
In Lieu of Taxes	8,157,694	8,012,055
TOTAL EXPENSES	\$100,126,982	\$96,032,281
Generated from Operations	\$4,155,968	\$7,951,650
Depr. Charged to O & M	473,011	475,007
Interest Income & Other	1,323,132	564,451
Retired Debt	(3,075,000)	(2,955,000)
Available for Construction	2,877,111	6,036,108
Construction Expenditures	7,812,404	7,828,930



TODD DUREN
Vice President
of Corporate Services



DAN HELLBUSCH
Vice President of Operations



WALT WILLIAMS
Vice President of Accounting
and Finance/CFO



KOREY HOBZA
Vice President of Engineering

2023 BOARD OF DIRECTORS



STEVE HEESACKER
Chairman
Subdivision 3



ROBERT CERV
First Vice Chairman
Subdivision 4



JIM DONOGHUE
Second Vice Chairman
Subdivision 6



MIKE FLEMING
Secretary
Subdivision 8



DICK TOOLEY
Treasurer
Subdivision 9



RICH AERNI
Subdivision 10



ALAN DROZD
Subdivision 2



CHRIS LANGEMEIER
Subdivision 5
January-July 2023



LARRY ZACH
Subdivision 7

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: 2,248 square miles

Miles of Line:

Overhead Distribution — 524

Transmission — 256

Distribution Underground— 94

Distribution Substations: 41

Transmission Substations: 12

Customers: 21,416

Employees: 120