Nebraska Public Power District
Postemployment Medical and Life Benefits Plan

(A Component Unit of Nebraska Public Power District)

Independent Auditor’s Reports and Financial Statements
as of and for the Years Ended December 31, 2024 and 2023

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Postemployment Medical and Life Benefits Plan
(A Component Unit of Nebraska Public Power District)

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Independent Auditor's Report

Board of Trustees
Nebraska Public Power District
Columbus, Nebraska

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of the Nebraska Public Power District Postemployment Medical and Life Benefits Plan (the Plan), a component unit of Nebraska Public Power District, as of and for the years ended December 31, 2024 and 2023, and the related notes to the financial statements, which collectively comprise the Plan's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the fiduciary net position of the Nebraska Public Power District Postemployment Medical and Life Benefits Plan as of December 31, 2024 and 2023, and the changes in its fiduciary net position for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are required to be independent of the Plan, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Plan's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Plan's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and other postemployment benefit information be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Plan's basic financial statements. The statements of fiduciary net position by trust and statements of changes in fiduciary net position by trust listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements.

The statements of fiduciary net position by trust and statements of changes in fiduciary net position by trust have not been subjected to the auditing procedures applied in the audits of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 17, 2025, on our consideration of the Plan's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Plan's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Plan's internal control over financial reporting and compliance.

Forvis Mazars, LLP

Lincoln, Nebraska
March 17, 2025

Management's Discussion and Analysis (Unaudited)

The financial report for the Nebraska Public Power District ("District") Postemployment Medical and Life Benefits ("OPEB") Plan ("Plan") includes Management's Discussion and Analysis, Financial Statements, Notes to Financial Statements, Required Supplementary Information and Other Supplementary Information.

The following Management's Discussion and Analysis ("MD&A") provides unaudited information and analyses of activities and events related to the OPEB Plan's fiduciary net position and changes in fiduciary net position. The MD&A should be read in conjunction with the audited Financial Statements and Notes to Financial Statements.

The Statements of Fiduciary Net Position present assets, liabilities and net position as of December 31, 2024 and 2023. The Statements of Changes in Fiduciary Net Position present the Plan activity for the years 2024 and 2023. The Notes to Financial Statements are an integral part of the basic financial statements and contain information for a more complete understanding of the fiduciary net position as of December 31, 2024 and 2023, and the Plan activity for the years 2024 and 2023. The Required Supplementary Information includes information on annual changes in the net OPEB (asset)/liability, contributions and investment returns. The Other Supplementary Information provides separate financial statement information for each Trust in the Plan.

Overview

The District's OPEB Plan provides postemployment hospital-medical and life insurance benefits to qualifying retirees, surviving spouses, and employees in disability status and their eligible dependents. Benefits and related eligibility, funding and other Plan provisions, for this single-employer, defined benefit plan are authorized by the District's Board of Directors ("Board"). The Plan is administered by the District. The Board annually approves the funding for the Plan, which has a minimum funding requirement of the actuarially-determined annual required contribution to achieve full funding status on or before December 31, 2033.

Condensed Statements of Fiduciary Net Position
As of December 31, (in 000's)

	2024	2023	2022	Change from 2023 to 2024	Change from 2022 to 2023
Total Assets	$ 387,509	$ 358,216	$ 326,276	$ 29,293	$ 31,940
Total Liabilities	378	319	366	59	(47)
Net Position - Restricted for Other Postemployment Benefits	$ 387,131	$ 357,897	$ 325,910	$ 29,234	$ 31,987

Condensed Statements of Changes in Fiduciary Net Position
For the Years Ended December 31, (in 000's)

	2024	2023	2022	Change from 2023 to 2024	Change from 2022 to 2023
Total Additions	$ 47,203	$ 50,145	$ (59,353)	$ (2,942)	$ 109,498
Total Deductions	17,969	18,158	17,079	(189)	1,079
Change in Net Position	29,234	31,987	(76,432)	(2,753)	108,419
Net Position - Beginning	357,897	325,910	402,342	31,987	(76,432)
Net Position - Ending	$ 387,131	$ 357,897	$ 325,910	$ 29,234	$ 31,987

Comparison of 2024 with 2023

The Fiduciary Net Position was $387.1 million at December 31, 2024, an increase of $29.2 million from the Fiduciary Net Position of $357.9 million as of December 31, 2023. The increase was due to employer contributions of $2.4 million and a net investment income of $44.8 million, which was partially offset by plan benefits and expenses of $18.0 million.

Contributions were $0.4 million lower in 2024 than 2023 because the District reduced contributions due to the funded status of the Trust. There was a net investment gain in 2024 due to market conditions. The annual money-weighted rate of return, net of investment expenses, was 12.8% for 2024 compared to 14.9% for 2023. As such, there was a $2.5 million decrease in net investment income in 2024 compared to 2023. Benefits paid were $0.2 million lower for 2024 than 2023.

Comparison of 2023 with 2022

The Fiduciary Net Position was $357.9 million at December 31, 2023, an increase of $32.0 million from the Fiduciary Net Position of $325.9 million as of December 31, 2022. The increase was due to employer contributions of $2.9 million and net investment income of $47.3 million, which was partially offset by plan benefits and expenses of $18.2 million.

Contributions were $3.4 million lower in 2023 than 2022 because the District reduced contributions due to the funded status of the Trust. There was a net investment gain in 2023 due to market conditions. The annual money-weighted rate of return, net of investment expenses, was 14.9% for 2023 compared to (16.6%) for 2022. As such, there was a $112.9 million increase in net investment income in 2023 compared to 2022. Benefits paid were $1.1 million higher for 2023 than 2022.

Changes in Investment Managers

In June 2024, an equity investment manager was released. There were no changes in investment managers in 2023.

Changes in Benefits

The Board approved 3.0% increases to the Retiree Reimbursement Account (RRA) benefits effective January 1, 2023. As a result, the annual benefit amounts increased from $4,120 to $4,244 for pre-age 65 retirees and from $2,060 to $2,122 for post-age 65 retirees. The Board approved 5.0% increases to the RRA benefits effective January 1, 2024. As a result, the annual benefit amounts increased from $4,244 to $4,456 for pre-age 65 retirees and from $2,122 to $2,228 for post-age 65 retirees. In November 2024, the Board authorized the President and Chief Executive Officer of the District to approve and authorize the annual adjustments to the RRA. The President and Chief Executive Officer authorized an increase in the annual amounts for 2025 to $4,590 and $2,295, respectively. See Note 2 for additional information.

Nebraska Public Power District
Postemployment Medical and Life Benefits Plan
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Statements of Fiduciary Net Position

As of December 31, (in 000's)		**2024**		**2023**
Assets:				
Cash and cash equivalents	$	20,368	$	9,743
Receivables:				
Investment income		835		792
Investments		366,306		347,681
Total Assets		387,509		358,216
Liabilities:				
Payables:				
Benefits - healthcare		122		108
Benefits - life insurance		59		60
Investment expense		150		126
Professional, administrative and other expenses		47		25
Total liabilities		378		319
Net Position - Restricted for Other Postemployment Benefits	$	387,131	$	357,897

The accompanying notes to financial statements are an integral part of these statements.

Nebraska Public Power District
Postemployment Medical and Life Benefits Plan
(A Component Unit of Nebraska Public Power District)
Statements of Changes in Fiduciary Net Position

For the Years Ended December 31, (in 000's)	**2024**	**2023**
Additions:		
Contributions		
Employer	$ 2,406	$ 2,850
Investment Income:		
Net appreciation		
in fair value of investments	38,113	41,457
Interest, dividends, and other income	7,747	6,890
Total investment income	45,860	48,347
Less: Investment expenses	(1,063)	(1,052)
Net investment income	44,797	47,295
Total additions	47,203	50,145
Deductions:		
Health care benefits	17,466	17,757
Life insurance benefits	247	170
Professional, administrative and other expenses	256	231
Total deductions	17,969	18,158
Change in Net Position	29,234	31,987
Net Position - Restricted for Other Postemployment Benefits		
Beginning balance	357,897	325,910
Ending balance	$ 387,131	$ 357,897

The accompanying notes to financial statements are an integral part of these statements.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Accounting -

The financial statements of the Nebraska Public Power District ("District") Postemployment Medical and Life Benefits ("OPEB") Plan ("Plan") are prepared in accordance with Generally Accepted Accounting Principles ("GAAP") for accounting guidance provided by the Governmental Accounting Standards Board ("GASB"). The Plan is a governmental plan and therefore not subject to the Employee Retirement Income Security Act ("ERISA") of 1974. Plan assets are in the Nebraska Public Power District Hospital-Medical and Employee Life Insurance Benefit Trust for Employees in Disability Status and the Nebraska Public Power District Medical and Life Benefits Trust for Employees in Retirement Status, both established under Internal Revenue Code (IRC) 115. Trust assets were depleted in 2022 in the Nebraska Public Power District Retired Employee Life Benefit Plan Trust, established under Internal Revenue Code (IRC) 501(c)(9). As planned, after asset depletion, the payment of retiree life benefits are being made from the Nebraska Public Power District Hospital-Medical and Employee Life Insurance Benefit Trust for Employees in Retirement Status. The Plan is a component unit of Nebraska Public Power District.

B. Cash and Cash Equivalents –

The Plan considers highly liquid investments purchased with an original maturity of three months or less to be cash equivalents.

C. Method Used to Value Investments and Income Recognition –

Investments in money market mutual funds are carried at cost, which approximates fair value. Certain investments in real estate and international equity are carried at net asset value. All other investments are reported at fair value. Investments in securities traded on a national securities exchange are valued at the last reported trade price on the last business day of the year. Purchases and sales of securities are recorded on a trade-date basis. Realized gains and losses on sales of investments and unrealized appreciation and depreciation in fair value of investments are based upon beginning of year market values or cost, if acquired during the year. Dividend income is recorded on the ex-dividend date.

D. Contributions –

Employer contributions are recognized when due and the employer has made a formal commitment to provide the contribution. There are no active members contributing to the Plan. Contributions from inactive members for their share of the premium payments are reported as a reduction of benefit expenses.

E. Benefits –

Benefit expenses are recognized when due and are paid in accordance with the terms of the Plan.

F. Investment Expenses of the Plan –

Investment expenses are recognized when incurred and are paid in accordance with the terms of the Plan. These expenses, such as investment management fees, are deducted from investment income.

G. Professional, Administrative and Other Expenses of the Plan –

These expenses are recognized when incurred and are paid in accordance with the terms of the Plan. Administrative expenses include actuarial, legal, investment advisory and/or other fees.

H. Use of Estimates –

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of fiduciary net position and changes therein, disclosure of contingent assets and liabilities, and the actuarial present value of accumulated plan benefits and changes therein at the date of the financial statements. Actual results could differ from those estimates.

I. Risks and Uncertainties –

The Plan may utilize various investment instruments, including U.S. Treasury and government agency issues, foreign issues, municipal issues, domestic common stocks, foreign stocks and mutual funds. Investment securities, in general, are exposed to various risks, such as interest rate, credit and overall market volatility. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the financial statements.

2. PLAN DESCRIPTION

A. Plan Administration –

The Plan provides postemployment hospital-medical and life insurance benefits to qualifying retirees, surviving spouses, and employees in disability status and their eligible dependents. Benefits and related eligibility, funding and other Plan provisions, for this single-employer, defined benefit Plan, are authorized by the Board of Directors ("Board") for the District. The Plan is administered by the District.

The Plan has been amended over the years and provides different hospital-medical benefits based on hire date and/or the age of the employee. These benefits include a self-insured Pre-Medicare plan, fully-insured Medicare Supplement and Part D Plans, and a Retiree Reimbursement Account (RRA). The RRA was approved by the Board in January 2020 with an effective date of January 1, 2021. The addition of the RRA expanded the availability of benefits to post-age 65 retirees hired from January 1, 1999 through December 31, 2003, and retirees hired on or after January 1, 2004. The RRA provides reimbursements for applicable healthcare premiums up to an annual amount of $4,244 and $2,122 for pre-age 65 and post-age 65 retirees, respectively, for 2023. The Board authorized an increase in the 2024 annual amounts to $4,456 and $2,228. In November 2024, the Board authorized the President and Chief Executive Officer of the District to approve and authorize the annual adjustments to the RRA. The President and Chief Executive Officer authorized an increase in the annual amounts for 2025 to $4,590 and $2,295, respectively. The District also provides a postemployment death benefit of $5,000 for qualifying employees.

<u>Summary of Hospital-Medical Benefits by Hire Date</u>

Summary of Hospital-Medical Benefits by Hire Date

Hired Prior to January 1, 1993	District and retiree share in premium costs for retiree and dependents prior to age 60; District pays 100% of premiums at age 60 and after
Hired January 1, 1993 to December 31, 1998	District and retiree share in premium costs for retiree and dependents until age 65; District share of premiums capped at age 65
Hired January 1, 1999 to December 31, 2003	District and retiree share in premium costs for retiree and dependents until age 65; For employees active as of January 1, 2020, retiree eligible for RRA at age 65 and after
Hired January 1, 2004 and after	For employees active as of January 1, 2020, retiree eligible for RRA

Employees Covered by Benefit Terms

The following table shows the employees covered by the hospital-medical benefit terms as of January 1:

	2024	2023
Active employees	1,959	1,927
Inactive employees or beneficiaries in retirement status	1,486	1,473
Inactive employees or beneficiaries in long-term disability status	42	41
Total employees covered by benefit terms	3,487	3,441

The following table shows the employees covered by the life insurance benefit terms as of January 1:

	2024	2023
Active employees	1,959	1,927
Inactive employees in retirement status	1,358	1,335
Inactive employees in long-term disability status	46	46
Total employees covered by benefit terms	3,363	3,308

Contributions

The Board annually approves the funding for the Plan, which has a minimum funding requirement of the actuarially-determined annual required contribution ("ARC") to achieve full funding status on or before December 31, 2033. The District OPEB contributions were $2.4 million and $2.9 million in 2024 and 2023, respectively.

Contributions from Plan members are the required premium share for inactive members, which are based on hire date and/or age. Contributions from Plan members were $0.7 million and $0.6 million for 2024 and 2023, respectively. As these contributions were from inactive members, they were reported as a reduction of benefit expenses. Members do not contribute to the cost of the life insurance benefits.

B. Net OPEB Asset -

The District's net OPEB asset was measured as of December 31, 2024, and December 31, 2023, and the total OPEB liability used to calculate the net OPEB asset was determined by an actuarial valuation as of these dates.

Actuarial Methods and Assumptions

The actuarial assumptions and methods used in the December 31, 2024 and 2023 actuarial valuations were based on the results of an actuarial experience study completed during 2023 and 2018, respectively. The total OPEB liability in the December 31, 2024 and 2023, actuarial valuations were determined using the following actuarial assumptions and methods, applied to all periods included in the measurement, unless otherwise specified:

Actuarial cost method	Entry Age Normal
Healthcare cost trend rates	Pre-Medicare: 8.6% initial, ultimate 4.5% for 2024 Post-Medicare: 9.7% initial, ultimate 4.5% for 2024 Pre-Medicare: 7.7% initial, ultimate 4.5% for 2023 Post-Medicare: 8.3% initial, ultimate 4.5% for 2023
RRA increase rate	3.0% in 2024, 5.0% in 2023
Administrative cost trend	3.0%
Inflation	2.3%
Salary increases	4.0%
Investment rate of return	6.25%, net of investment expense, including inflation
Discount rate	6.25%, based on expected long-term return on assets used to finance the payment of plan benefits
Mortality	Pub-2010 "General" table with generational projection using Scale MP-2021 for 2024 and 2023
Retirement and withdrawal rates	Varies by age
Spousal benefits	For 2024 and 2023, 80% of males and 50% of females are assumed to have spouses who will elect coverage. Males are assumed to be two years older than their spouses. Females are assumed to be two years younger.
Participation rate	95.0%

The long-term expected rate of return on Plan investments was determined using a building-block method in which best-estimate ranges of expected future rates of return (expected returns, net of Plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table for the valuation measurement date of December 31:

		Long-Term Expected Real Rate of Return	
Asset Class	**Target Allocation**	**2024**	**2023**
Equity and Real Estate	70%	7.3%	7.3%
Fixed Income	30%	5.1%	4.2%
Total	100%	6.9%	6.7%

Discount Rate

The discount rate used to measure the total OPEB liability was 6.25% for the actuarial valuations as of December 31, 2024 and 2023. The projection of cash flows used to determine the discount rate assumed that contributions will be made at rates equal to the actuarially-determined contribution rates. Based on those assumptions, the Plan’s fiduciary net position was projected to be available to make all projected benefit payments for current active and inactive employees. Therefore, the long-term expected rate of return on Plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

C. Changes in the Net OPEB (Asset)/Liability

The following table shows the Total OPEB Liability, Plan Fiduciary Net Position and Net OPEB (Asset)/Liability as of December 31, 2024, and the changes during this period, based on the valuation measurement date of December 31, 2024 (in 000's):

	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB (Asset)/Liability (a-b)
Balances at December 31, 2023	$ 312,307	$ 357,897	(45,590)
Changes for the year:			
Service cost	1,929	-	1,929
Interest	19,094	-	19,094
Differences between expected and actual experience	2,170	-	2,170
Changes of assumptions	17,725	-	17,725
Contributions - employer	-	2,406	(2,406)
Net investment income (loss)	-	44,797	(44,797)
Benefit payments	(17,713)	(17,713)	-
Administrative expense	-	(256)	256
Net changes	23,205	29,234	(6,029)
Balances at December 31, 2024	$ 335,512	$ 387,131	$ (51,619)
Net position as a % of Total OPEB Liability	115.4%		

<u>Sensitivity of the Net OPEB (Asset)/Liability to Changes in the Discount Rate</u>

The following table shows the net OPEB (asset)/liability of the District, as well as what the net OPEB (asset)/liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.25%) or 1-percentage-point higher (7.25%) than the discount rate (6.25%) at the measurement date of December 31, 2024 (in 000's):

	1% Decrease	Discount Rate	1% Increase
Net OPEB (Asset)/Liability	$ (12,104)	$ (51,619)	$ (84,962)

<u>Sensitivity of the Net OPEB (Asset)/Liability to Changes in the Healthcare Cost Trend Rates</u>

The following table shows the net OPEB (asset)/liability of the District, as well as what the net OPEB (asset)/liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (Pre- Medicare ranging from 7.6% initial to 3.5% ultimate, Post-Medicare ranging from 8.7% initial to 3.5% ultimate) or 1-percentage-point higher (Pre-Medicare ranging from 9.6% initial to 5.5% ultimate, Post-Medicare ranging from 10.7% initial to 5.5% ultimate) than the healthcare cost trend rates (Pre-Medicare ranging from 8.6% initial to 4.5% ultimate, Post-Medicare ranging from 9.7% initial to 4.5% ultimate) at the measurement date of December 31, 2024 (in 000's):

	1% Decrease	Healthcare Cost Trend Rates	1% Increase
Net OPEB (Asset)/Liability	$ (85,436)	$ (51,619)	$ (11,682)

The following table shows the Total OPEB Liability, Plan Fiduciary Net Position and Net OPEB (Asset)/Liability as of December 31, 2023, and the changes during this period, based on the valuation measurement date of December 31, 2023 (in 000's):

	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB (Asset)/Liability (a-b)
Balances at December 31, 2022	$ 314,871	$ 325,910	$ (11,039)
Changes for the year:			
Service cost	2,319	-	2,319
Interest	19,273	-	19,273
Differences between expected and actual experience	(369)	-	(369)
Changes of assumptions	(5,860)	-	(5,860)
Contributions - employer	-	2,850	(2,850)
Net investment income (loss)	-	47,295	(47,295)
Benefit payments	(17,927)	(17,927)	-
Administrative expense	-	(231)	231
Net changes	(2,564)	31,987	(34,551)
Balances at December 31, 2023	$ 312,307	$ 357,897	$ (45,590)
Net position as a % of Total OPEB Liability	114.6%		

Sensitivity of the Net OPEB (Asset)/Liability to Changes in the Discount Rate

The following table shows the net OPEB (asset)/liability of the District, as well as what the net OPEB (asset)/liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.25%) or 1- percentage-point higher (7.25%) than the discount rate (6.25%) at the measurement date of December 31, 2023 (in 000's):

	1% Decrease	Discount Rate	1% Increase
Net OPEB (Asset)/Liability	$ (8,578)	$ (45,590)	$ (76,768)

Sensitivity of the Net OPEB (Asset)/Liability to Changes in the Healthcare Cost Trend Rates

The following table shows the net OPEB (asset)/liability of the District, as well as what the net OPEB (asset)/liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (Pre-Medicare ranging from 6.7% initial to 3.5% ultimate, Post-Medicare ranging from 7.3% initial to 3.5% ultimate) or 1-percentage-point higher (Pre-Medicare ranging from 8.7% initial to 5.5% ultimate, Post-Medicare ranging from 9.3% initial to 5.5% ultimate) than the healthcare cost trend rates (Pre-Medicare ranging from 7.7% initial to 4.5% ultimate, Post-Medicare ranging from 8.3% initial to 4.5% ultimate) at the measurement date of December 31, 2023 (in 000's):

	1% Decrease	Healthcare Cost Trend Rates	1% Increase
Net OPEB (Asset)/Liability	$ (77,519)	$ (45,590)	$ (7,748)

Additional information is available in the unaudited Required Supplementary Information section following the Notes to Financial Statements.

3. INVESTMENTS

A fair value hierarchy is used to prioritize the inputs used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in an active market for identical assets or liabilities and the lowest priority to unobservable inputs. Investments are classified in their entirety based on the lowest level of input that is significant to the fair value measurement. The three levels of fair value hierarchy are as follows:

Level 1 – Quoted prices are available in active markets for identical assets as of the reporting date. The District's mutual funds and cash and cash equivalents are included as Level 1 assets.

Level 2 – Pricing inputs are other than quoted market prices in the active markets included in Level 1, which are either directly or indirectly observable for the asset as of the reporting date. Level 2 assets primarily include U.S. Treasury and government agency securities, corporate issues, foreign issues and municipal issues.

Level 3 – Pricing inputs include significant inputs that are unobservable and cannot be corroborated by market data. These values are based on internally developed models and assumptions or methodologies using significant unobservable inputs. There were no Level 3 investments in the Plan at December 31, 2024 or 2023.

The following tables show the OPEB assets that are accounted for and reported at fair value on a recurring basis by level within the fair value hierarchy as of December 31, (in 000's):

	2024			
	Level 1	**Level 2**	**Level 3**	**Total**
U.S. Treasury and government agency securities	$ -	$ 51,581	$ -	$ 51,581
Corporate issues	-	26,929	-	26,929
Foreign issues	-	6,720	-	6,720
Municipal issues	-	6,607	-	6,607
Mutual funds	160,974	-	-	160,974
Cash and cash equivalents	20,368	-	-	20,368
	$ 181,342	$ 91,837	$ -	$ 273,179
Other investments measured at net asset value (A) ..				113,495
				$ 386,674

	2023			
	Level 1	**Level 2**	**Level 3**	**Total**
U.S. Treasury and government agency securities	$ -	$ 53,043	$ -	$ 53,043
Corporate issues	-	27,127	-	27,127
Foreign issues	-	9,161	-	9,161
Municipal issues	-	2,701	-	2,701
Mutual funds	153,034	-	-	153,034
Cash and cash equivalents	9,743	-	-	9,743
	$ 162,777	$ 92,032	$ -	$ 254,809
Other investments measured at net asset value (A) ..				102,615
				$ 357,424

(A) Certain investments that are measured at fair value using the net asset value (NAV) per share (or its equivalent) practical expedient have not been classified in the fair value hierarchy.

Investments Measured at NAV as of December 31, (in 000's):

	2024 Fair Value	2023 Fair Value	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
International equity fund (1) ……	$ 56,481	$ 49,609	-	Daily	30 days
Real estate fund (2) …………….	13,717	14,040	-	Quarterly	90 days
Real estate fund (3) ……………..	10,772	11,453	-	Quarterly	90 days
U.S. equity fund (4) ………………	32,525	27,513	-	Monthly	30 days
	$ 113,495	$ 102,615			

(1) This international equity fund is a commingled fund invested primarily in common stocks traded on equity markets of international issuers, excluding the U.S., in both large and small-cap as well as emerging markets. The sector/industry allocations include communication services, consumer discretionary, consumer staples, energy, financials, healthcare, industrials, information technology, materials, real estate, and utilities.

(2) This real estate fund is a U.S. core equity real estate portfolio fund. The types of real estate investments are primarily apartments, industrial, office, retail and storage.

(3) This real estate fund is a government property General Services Administration (GSA) fund comprised solely of buildings leased by various agencies of the federal government.

(4) This US small/mid cap value equity fund is a commingled fund invested in US common stocks traded on equity markets, in both small and mid-cap. The sector/industry allocations include consumer discretionary, financials, healthcare, industrials, information technology, materials, and real estate.

Custodial Credit Risk

Custodial credit risk is the risk that, in the event of the failure of the counterparty, the Plan would not be able to recover the value of its investments. The Plan's investment policy requires that all investment securities be held in the name of the Plan.

Interest Rate Risk

Interest rate risk is the risk that the fair value of the Plan's investments will decrease as a result of an increase in interest rates. As a means of limiting its exposure to fair value losses arising from rising interest rates, the Plan's investment policy is controlled by the Prudent Investor Rule under Nebraska law. Nebraska law is silent regarding interest rate risk. The investment policy employs certain investment strategies to control investment risk such as using multiple asset classes to allow for prudent diversification and overall lowering of the risk exposure, including exposure to interest rate risk.

The following tables show fair values by maturity dates for U.S. Treasury and government agency securities, corporate issues, foreign issues, and municipal issues as of December 31, (in 000's):

	2024				
	Less than 1 year	1-5 Years	6-10 Years	More than 10 Years	Total
U.S. Treasury and government agency securities	$ 462	$ 3,441	$ 3,327	$ 44,351	$ 51,581
Corporate Issues	1,985	12,781	8,966	3,197	26,929
Foreign Issues	-	6,295	425	-	6,720
Municipal Issues	-	82	1,133	5,392	6,607
	$ 2,447	$ 22,599	$ 13,851	$ 52,940	$ 91,837

	2023				
	Less than 1 year	1-5 Years	6-10 Years	More than 10 Years	Total
U.S. Treasury and government agency securities	$ 2,755	$ 5,568	$ 6,917	$ 37,803	$ 53,043
Corporate Issues	1,040	11,362	12,754	1,971	27,127
Foreign Issues	-	7,849	1,312	-	9,161
Municipal Issues	-	90	788	1,823	2,701
	$ 3,795	$ 24,869	$ 21,771	$ 41,597	$ 92,032

Credit Risk

State law limits investment options to certain types of investments; however, there is no statutory requirement for investments to meet a certain quality rating. The Plan's investment policy requires bonds to have quality ratings at the time of purchase ranging from "AAA" to "BBB", as determined by the lowest rating of the Nationally Recognized Statistical Rating Organization. Fair values by ratings from Moody's Investors Service for U.S. Treasury and government agency securities, corporate issues, foreign issues and municipal issues were as follows as of December 31, (in 000's):

	2024		2023	
Rating	Market Value	Percentage	Market Value	Percentage
Aaa	$ 61,789	67.3%	$ 54,803	59.5%
Aa2	82	0.1%	586	0.6%
Aa3	1,424	1.5%	1,745	1.9%
A1	5,344	5.8%	5,587	6.1%
A2	799	0.9%	896	1.0%
A3	5,226	5.7%	7,631	8.3%
Baa1	3,928	4.3%	7,275	7.9%
Baa2	10,545	11.5%	9,438	10.3%
Baa3	2,700	2.9%	4,071	4.4%
Total	$ 91,837	100.0%	$ 92,032	100.0%

Concentration of Credit Risk

State law does not restrict the concentration of investment in any issuer. The Plan's investment policy limits investments to no more than 3% of the total portfolio value in any one corporate issue (excluding the U.S. Government and its agencies), 5% in any one corporate issuer, 35% in any one type of investment sector and 25% in any one federal agency.

Investment Policy
The Plan has a formal investment policy with specific financial objectives approved by the Board. The investment policy maintains diversification with the intent to minimize the risk of large losses to the Plan. Certain asset allocations are established for equities and fixed income investments. The types of investments approved for purchase are specified in the policy and all investments are made according to the laws of the State of Nebraska. Plan performance is reviewed periodically with the investment managers. The investment managers are required to meet certain performance standards measured against benchmarks. Investment managers that fail to meet these minimum standards are subject to termination.

The asset allocation policy for the Trust for Employees in Retirement Status is as follows:

Asset Class	**Target**	**Range**
Cash and Cash Equivalents	< 1%	0 - 10%
Fixed Income	30.0%	25 - 40%
Equity Domestic	47.5%	40 - 55%
Equity International	12.5%	5 - 20%
Real Estate	10.0%	5 - 15%

Rate of Return
The annual money-weighted rate of return on investments, net of investment expenses, was 12.8% and 14.9%, for the years ended December 31, 2024 and 2023, respectively. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Nebraska Public Power District
Postemployment Medical and Life Benefits Plan
(A Component Unit of Nebraska Public Power District)
Required Supplementary Information (Unaudited)
December 31

Schedule of Changes in the Net OPEB Plan (Asset)/Liability and Related Ratios using a December 31 Measurement Date (in 000's)

Total OPEB Liability	2024	2023	2022	2021	2020	2019	2018	2017	2016
Service Cost	$ 1,929	$ 2,319	$ 2,674	$ 2,631	$ 2,103	$ 2,299	$ 2,771	$ 2,760	$ 3,322
Interest	19,094	19,273	18,265	19,126	19,775	19,604	19,661	20,032	20,658
Changes of benefit terms	-	-	-	-	8,908	-	-	-	-
Differences between Expected and Actual Experience	2,170	(369)	(6,833)	(20,816)	(19,659)	(3,854)	(8,686)	(19,570)	(203)
Changes of Assumptions	17,725	(5,860)	(5,666)	14,193	5,559	(1,700)	(751)	5,585	(18,807)
Benefit Payments, net of employee contributions	(17,713)	(17,927)	(16,867)	(15,711)	(14,025)	(12,807)	(14,060)	(15,414)	(13,459)
Net Change in Total OPEB Liability	23,205	(2,564)	(8,427)	(577)	2,661	3,542	(1,065)	(6,607)	(8,489)
Total OPEB Liability (Beginning)	312,307	314,871	323,298	323,875	321,214	317,672	318,737	325,344	333,833
Total OPEB Liability (Ending) (a)	$ 335,512	$ 312,307	$ 314,871	$ 323,298	$ 323,875	$ 321,214	$ 317,672	$ 318,737	$ 325,344
Plan Fiduciary Net Position									
Contributions	$ 2,406	$ 2,850	$ 6,294	$ 28,283	$ 28,283	$ 41,084	$ 56,706	$ 28,439	$ 74,712
Net Investment Income (Loss)	44,797	47,295	(65,647)	46,479	47,237	41,733	(6,892)	21,350	6,101
Benefit Payments, net of employee contributions	(17,713)	(17,927)	(16,867)	(15,711)	(14,025)	(12,807)	(14,060)	(15,414)	(13,459)
Administrative Expense	(256)	(231)	(212)	(259)	(205)	(188)	(130)	(70)	(69)
Net Change in Plan Fiduciary Net Position	29,234	31,987	(76,432)	58,792	61,290	69,822	35,624	34,305	67,285
Plan Fiduciary Net Position (Beginning)	357,897	325,910	402,342	343,550	282,260	212,438	176,814	142,509	75,224
Plan Fiduciary Net Position (Ending) (b)	$ 387,131	$ 357,897	$ 325,910	$ 402,342	$ 343,550	$ 282,260	$ 212,438	$ 176,814	$ 142,509
Net OPEB (Asset)/Liability (Ending) (a) - (b)	$ (51,619)	$ (45,590)	$ (11,039)	$ (79,044)	$ (19,675)	$ 38,954	$ 105,234	$ 141,923	$ 182,835
Net Position as a % of Total OPEB (Asset)/Liability	115.4%	114.6%	103.5%	124.4%	106.1%	87.9%	66.9%	55.5%	43.8%

Schedule of Contributions (in 000's) (Unaudited)

	2024	2023	2022	2021	2020	2019	2018	2017	2016
Actuarially Determined Contribution	$ 2,050	$ 2,404	$ 2,847	$ 2,871	$ 6,676	$ 12,967	$ 18,572	$ 21,006	$ 28,283
Contributions Made in Relation to the Actuarially Determined Contribution	2,406	2,850	6,294	28,283	28,283	41,084	56,706	28,439	74,712
Contribution Deficiency (Excess)	$ (356)	$ (446)	$ (3,447)	$ (25,412)	$ (21,607)	$ (28,117)	$ (38,134)	$ (7,433)	$ (46,429)

Schedule of Investment Returns (Unaudited)

	2024	2023	2022	2021	2020	2019	2018	2017	2016
Annual Money-Weighted Rate of Return, Net of Investment Expense	12.8%	14.9%	(16.6%)	13.3%	15.6%	18.9%	(3.6%)	14.2%	5.8%

Notes to Schedules:

Changes in Actuarial Methods and Assumptions

December 31, 2024
- The healthcare cost trend rates were updated.
- The HRA rate was decreased from 5% to 3% in 2024.

December 31, 2023
- The inflation rate was decreased from 2.4% to 2.3%.
- The healthcare cost trend rates were updated.
- The HRA rate was increased from 3% to 5% in 2023 and 3% thereafter.
- An assumption study was performed updating the following demographic assumptions: retirement rates, withdrawal rates and spousal coverage election percentage.

December 31, 2022
- The discount rate was updated from 5.75% to 6.25%.
- The inflation rate was increased from 2.2% to 2.4%.
- The healthcare cost trend rates were updated.

December 31, 2021
- The mortality assumptions were updated to the Pub-2010 “General” table with generational projection using Scale MP-2021.
- The discount rate was updated from 6.00% to 5.75%.
- The healthcare cost trend rates were updated.
- The inflation rate was updated from 2.1% to 2.2%

December 31, 2020
- The valuation included the new benefit for Retiree Reimbursement Accounts.
- The mortality assumptions were updated to the Pub-2010 “General” table with generational projection using Scale MP-2020.
- The discount rate was updated from 6.25% to 6.00%.
- The healthcare cost trend rates were updated.

December 31, 2019
- The mortality assumptions were updated to the Pub-2010 “General” table with generational projection using Scale MP-2019.
- The healthcare cost trend rates were updated.
- Projected future impacts of the excise tax were excluded, consistent with the Federal spending package signed into law on December 20, 2019.

December 31, 2018
- The mortality assumptions were updated to the Pub-2010 “General” table with generational projection using Scale MP-2018.
- The healthcare cost trend rates were updated.

December 31, 2017
- The mortality assumptions were updated to the RP-2014 Aggregate table projected back to 2006 using Scale MP-2014 and projected forward using Scale MP-2017 with generational projection.
- The healthcare cost trend rates were updated.

December 31, 2016
- The mortality assumption was updated to the RP-2014 Aggregate table projected back to 2006 using Scale MP-2014 and projected forward using Scale MP-2016 with generational projection.
- The healthcare cost trend rates were updated.

Changes in Benefit Terms

December 31, 2020

- The addition of the RRA

Number of Years in Schedule

GASB Statement No. 74, Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans, was implemented by the Plan in 2016. The provisions of this Statement were not applied to prior periods, as it was not practical to do so as the information was not readily available. This schedule is intended to show information for 10 years. Additional years will be displayed when available.

Valuation Date

Actuarially-determined contribution rates are calculated as of January 1, one year prior to the end of the fiscal year in which contributions are reported.

Methods and Assumptions Used to Determine Contribution Rates for Valuations as of January 1:

Actuarial cost method	Entry Age Normal
Amortization method	Level amortization of the unfunded accrued liability
Amortization period	9-year closed period for 2024 10-year closed period for 2023, 11-year closed period for 2022 12-year closed period for 2021, 13-year closed period for 2020 14-year closed period for 2019, 15-year closed period for 2018 16-year closed period for 2017, 17-year closed period for 2016
Asset valuation method	5-year smoothed market
Healthcare cost trend rates	Pre-Medicare: 7.6% initial, ultimate 4.5% for 2024 6.9% initial, ultimate 4.5% for 2023, 6.4% initial, ultimate 4.5% for 2022 6.7% initial, ultimate 4.5% for 2021, 7.1% initial, ultimate 4.5% for 2020 7.4% initial, ultimate 4.5% for 2019, 7.7% initial, ultimate 4.5% for 2018 7.3% initial, ultimate 4.5% for 2017, 8.0% initial, ultimate 5.0% for 2016 Post-Medicare: 8.5% initial, ultimate 4.5% for 2024 7.3% initial, ultimate 4.5% for 2023, 6.7% initial, ultimate 4.5% for 2022 7.1% initial, ultimate 4.5% for 2021, 7.8% initial, ultimate 4.5% for 2020 8.2% initial, ultimate 4.5% for 2019, 8.7% initial, ultimate 4.5% for 2018 9.1% initial, ultimate 4.5% for 2017, 6.75% initial, ultimate 5.0% for 2016
RRA increase rate	3.0%
Administrative cost trend	3.0%
Inflation	2.3% for 2024, 2.4% for 2023, 2.2% for 2022, 2.1% for 2021, 2.2% for 2020, 2.3% for 2019 and 2018, 2.1% for 2017 and 2016
Salary increases	4.0%
Investment rate of return	6.25%, net of investment expense, including inflation for 2024 through 2023 5.75%, net of investment expense, including inflation for 2022 6.00%, net of investment expense, including inflation for 2021 6.25%, net of investment expense, including inflation for 2020 through 2016
Discount rate	6.25% for 2024 through 2023, 5.75% for 2022, 6.0% for 2021, 6.25% for 2020 through 2016 based on expected long-term return on assets used to finance the payment of plan benefits
Mortality	Pub-2010 "General" table with generational projection using Scale MP-2021 for 2024 through 2022 Pub-2010 "General" table with generational projection using Scale MP-2020 for 2021 Pub-2010 "General" table with generational projection using Scale MP-2019 for 2020 Pub-2010 "General" table with generational projection using Scale MP-2018 for 2019 RP-2014 Aggregate table projected back to 2006 using Scale MP-2014 and projected forward using Scale MP-2017 with generational projection for 2018 RP-2014 Aggregate table projected back to 2006 using Scale MP-2014 and projected forward using Scale MP-2016 with generational projection for 2017 RP-2014 Aggregate table projected back to 2006 using Scale MP-2014 and projected forward using Scale MP-2015 with generational projection for 2016
Retirement and withdrawal rates	Varies by age
Spousal benefits	For 2024, 80% of males and 50% of females are assumed to have spouses who will elect coverage. Males are assumed to be two years older than their spouses. Females are assumed to be two years younger. For 2023 through 2019, 80% of males and 60% of females are assumed to have spouses who will elect coverage. Males are assumed to be two years older than their spouses. Females are assumed to be two years younger. For 2018 through 2016, 80% of males and 30% of females are assumed to have spouses who will elect coverage. Males are assumed to be three years older than their spouses. Females are assumed to be three years younger.
Participation rate	95% for 2024 through 2019, 100% for 2018 through 2016

OTHER SUPPLEMENTARY INFORMATION (Unaudited)

Nebraska Public Power District
Postemployment Medical and Life Benefits Plan
(A Component Unit of Nebraska Public Power District)
Statement of Fiduciary Net Position by Trust
As of December 31, 2024 (in 000's) (Unaudited)

	LTD	Retiree	Total 2024
Assets:			
Cash and cash equivalents	$ 653	$ 19,715	$ 20,368
Receivables:			
Investment income	3	832	835
Investments	-	366,306	366,306
Total Assets	656	386,853	387,509
Liabilities:			
Payables:			
Benefits - healthcare	40	82	122
Benefits - life insurance	14	45	59
Investment expense	-	150	150
Professional, administrative and other expenses	1	46	47
Total liabilities	55	323	378
Net Position - Restricted for Other Postemployment Benefits	$ 601	$ 386,530	$ 387,131

Nebraska Public Power District
Postemployment Medical and Life Benefits Plan
(A Component Unit of Nebraska Public Power District)
Statement of Changes in Fiduciary Net Position by Trust

For the Year Ended December 31, 2024 (in 000's) (Unaudited)	**LTD**	**Retiree**	**Total 2024**
Additions:			
Contributions			
Employer	$ 1,203	$ 1,203	$ 2,406
Investment Income:			
Net appreciation in			
fair value of investments	1	38,112	38,113
Interest, dividends, and other income	23	7,724	7,747
Total investment income	24	45,836	45,860
Less: Investment expenses	-	(1,063)	(1,063)
Net investment income	24	44,773	44,797
Total additions	1,227	45,976	47,203
Deductions:			
Healthcare benefits	886	16,580	17,466
Life insurance benefits	14	233	247
Professional, administrative and other expenses	3	253	256
Total deductions	903	17,066	17,969
Change in Net Position	324	28,910	29,234
Net Position - Restricted for Other Postemployment Benefits			
Beginning balance	277	357,620	357,897
Ending balance	$ 601	$ 386,530	$ 387,131

Nebraska Public Power District
Postemployment Medical and Life Benefits Plan
(A Component Unit of Nebraska Public Power District)
Statement of Fiduciary Net Position by Trust

As of December 31, 2023 (in 000's) (Unaudited)	**LTD**	**Retiree**	**Total 2023**
Assets:			
Cash and cash equivalents	$ 320	$ 9,423	$ 9,743
Receivables:			
Investment income	2	790	792
Investments	-	347,681	347,681
Total Assets	322	357,894	358,216
Liabilities:			
Payables:			
Benefits - healthcare	29	79	108
Benefits - life insurance	15	45	60
Investment expense	-	126	126
Professional, administrative and other expenses	1	24	25
Total liabilities	45	274	319
Net Position - Restricted for Other Postemployment Benefits	$ 277	$ 357,620	$ 357,897

Nebraska Public Power District
Postemployment Medical and Life Benefits Plan
(A Component Unit of Nebraska Public Power District)
Statement of Changes in Fiduciary Net Position by Trust

For the Year Ended December 31, 2023 (in 000's) (Unaudited)	LTD	Retiree	Total 2023
Additions:			
Contributions			
Employer	$ 1,187	$ 1,663	$ 2,850
Investment Income:			
Net appreciation in			
fair value of investments	1	41,456	41,457
Interest, dividends, and other income	18	6,872	6,890
Total investment income	19	48,328	48,347
Less: Investment expenses	-	(1,052)	(1,052)
Net investment income	19	47,276	47,295
Total additions	1,206	48,939	50,145
Deductions:			
Healthcare benefits	1,338	16,419	17,757
Life insurance benefits	15	155	170
Professional, administrative and other expenses	2	229	231
Total deductions	1,355	16,803	18,158
Change in Net Position	(149)	32,136	31,987
Net Position - Restricted for Other Postemployment Benefits			
Beginning balance	426	325,484	325,910
Ending balance	$ 277	$ 357,620	$ 357,897

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Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

Independent Auditor's Report

Board of Trustees
Nebraska Public Power District
Columbus, Nebraska

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the Nebraska Public Power District Postemployment Medical and Life Benefits Plan (the Plan), which comprise the Plan's statement of fiduciary net position as of December 31, 2024, and the related statements of changes in fiduciary net position for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated March 17, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Plan's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control. Accordingly, we do not express an opinion on the effectiveness of the Plan's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Plan's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Forvis Mazars, LLP

Lincoln, Nebraska
March 17, 2025