

# 2022 ANNUAL REPORT



A NOTE FROM

## Jim Rennard

GENERAL MANAGER

2022 was a busy and exciting year for the Cooperative. Our unwavering focus at Pioneer Connect is to bring **fiber to all our members** as quickly as we can. To help us achieve this goal, we continue to seek out grants to support us in delivering high speed Internet throughout our serving area.

The biggest highlight of 2022 was our successful **ReConnect grant application**. This grant provides **\$25 million in funding** toward the \$33 million cost of bringing more fiber to 1,528 members in some of our most remote areas. This project is still in its very early stages. However, we will share additional updates regarding the project as we work through the various stages of this substantial construction project.

Additionally, we completed the fiber-to-the-home (FTTH) project in the Philomath exchange providing FTTH connectivity to almost **3,000 locations**. We also finalized the engineering on the Community Connect grant to build FTTH in the Triangle Lake exchange and look forward to construction beginning in 2023. In February, we broke ground on another project that will bring fiber to another section of Waldport. This project is on track to be completed later in 2023.

We continue to enhance our Premium Wi-Fi product with the latest state-of-the-art equipment, ensuring that you will have the best Internet experience possible. Additionally, we have added **enhanced security and parental controls** to our Premium Wi-Fi offering. This provides better protection for your home network and personal data, as well as the ability to control and monitor your children's Internet activity.

Despite increasingly challenging regulatory and competitive environments, we had solid financial results. We did not issue any general patronage refunds; we will be reinvesting those dollars in **upgrading our network** — key to delivering the Internet speeds you want at competitive prices.

Pioneer Connect's Board, management, and staff are honored to serve you and the communities where we live, work, and call home. As we look forward to the remainder of 2023 and beyond, we remain focused on **"connecting your life."**



### Consolidated Statement of Operations

YEAR ENDED  
DEC. 31, 2022

#### Operating Revenues

Local Network	\$ 2,387,800
Network Access	11,064,096
Other Operating Revenue	5,960,264

**Total Operating Revenues** 19,412,160

#### Operating Expenses

Plant Specific	3,725,462
Plant Non-Specific	2,319,961
Customer	1,799,533
Corporate	2,066,796
Depreciation	2,641,480
Other Taxes	227,151
Other Operating Expense	3,152,704

**Total Operating Expenses** 15,933,087

**Operating Margin** 3,479,073

**Other Income** 64,329

**Net Margin** \$ 3,543,402

## Consolidated Balance Sheet

YEAR ENDED  
DEC. 31, 2022

### Assets

#### Current Assets

Cash and Cash Equivalents	\$ 17,393,460
Receivables	865,133
Materials and Supplies	3,867,669
Prepaid Expenses	421,579

**Total Current Assets** 22,547,841

**Other Assets and Investments** 2,160,280

#### Property, Plant, and Equipment

In Service	79,001,553
Under Construction	9,602,946

**Less Accumulated Depreciation** 74,145,910

**Net Property, Plant, and Equipment** 14,458,589

\$ 39,166,710

### Liabilities and Members' Equity

#### Current Liabilities

Accounts Payable	\$ 467,554
Accrued Expenses	1,186,625

**Total Current Liabilities** 1,654,179

**Deferred Revenue** 524,760

#### Members' Equity

Memberships	7,767
Patronage Capital	29,176,385
Other Equity	7,803,619

**Total Members' Equity** 36,987,771

\$ 39,166,710

Connecting your life



**Philomath** — 541-929-3135

**Waldport** — 541-563-3135

**PIONEER.NET**

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