



Philomath — 541-929-3135

Waldport — 541-563-3135

PIONEER.NET

2024 ANNUAL REPORT





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Pioneer
CONNECT

A NOTE FROM *Jim Rennard* GENERAL MANAGER

In 2024, we continued our commitment to expand fiber-to-the-home (FTTH) to as many of you as possible. With your continued support, we applied for and received another ReConnect grant. This smaller grant will help bring Fiber to a section along the Coast and up Tenmile Road in Lane County.

We continue to seek and apply for additional grants to help bring high-speed fiber to even more of our members. Expanding our fiber network is a top priority, and grant funding plays a crucial role in helping us reach more underserved and rural areas.

One of the most frustrating aspects of our job is the painstakingly slow pace of progress on grant-funded projects. Everyone at Pioneer shares your frustration - we're eager to start building, but the bureaucratic processes are cumbersome. While this dampens the excitement of receiving the funding, we take solace in knowing that reliable, future-proof fiber optic high-speed Internet is on its way to these communities.

To date, we have received four grants from the Rural Utilities Service. Our first application was submitted in December 2020, but the official award didn't come through until February 2022. While there were further delays, we're excited to report that, by the time you read this, all 48 locations funded by this grant should now be connected to fiber. After years of anticipation, these members can finally enjoy the benefits of high-speed Internet.

Some more good news...construction is well underway on the first of our two \$25 million ReConnect grant projects. This project will bring fiber service to 1,528 members in the northern part of our Philomath exchange, as well as Blodgett, Summitt, Chitwood, Harlan, Alsea and Lobster Valley. We began converting customers on April 1 and will continue doing so on a rolling basis as construction progresses through the end of the year.

Our second \$25 million grant is still undergoing environmental review. We're hopeful this process will be completed by summer, allowing construction to begin in the fall. This project funds the construction of FTTH to 1,625 members in the Triangle Lake, Horton, and Tidewater areas and parts of the Waldport, Yachats and Bellfountain exchanges.

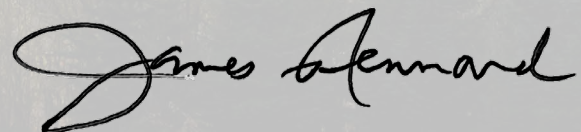
We know that it may seem like nothing is happening on these projects - believe me, we feel it too. Our teams feel the frustration firsthand every day, and we are eager to start construction as soon as we can. Dealing with the governmental bureaucracy is painfully slow, but the result will be worth it. For the communities included in these grant projects, we'll continue to share updates as progress is made, including notifications about local activity. Additionally, you can always check our website for the latest updates.

At Pioneer, we stay at the forefront of technology to continually enhance the services we offer our members. In 2024, we began offering Pioneer members cell phone service starting at just \$15 per month. We also launched cutting-edge wireless internet solutions in areas where extending fiber connectivity isn't yet feasible. This allows us to reach more communities with high-quality connectivity.

We continue to maintain a solid financial footing and are reinvesting to upgrade our network to fiber. This is key and allows us to deliver the Internet speeds you want at competitive prices - backed by real people who care about your service experience.

This marks my final report as General Manager, as I am retiring on May 31. I want to thank you all for your support during my time here. Serving as your General Manager has been the most rewarding role of my career, and I'm incredibly proud of what our dedicated employees have accomplished over the past five years.

I'm also pleased to "introduce" James Byerley as Pioneer's new General Manager. With over 25 years of industry leadership, a deep commitment to team development, and an understanding of what it means to be a cooperative, James is exceptionally well-suited to lead Pioneer into the future. I'm excited to watch the next chapter unfold under James's leadership.



Consolidated Statement of Operations

YEAR ENDED
DEC. 31, 2024

Operating Revenues

Local Network	\$ 2,083,197
Network Access	11,194,854
Other Operating Revenue	6,193,400

Total Operating Revenues 19,471,451

Operating Expenses

Plant Specific	3,873,347
Plant Non-Specific	2,327,173
Customer	1,711,268
Corporate	2,223,756
Depreciation	1,957,837
Other Taxes	365,081
Other Operating Expense	3,570,434

Total Operating Expenses 16,028,896

Operating Margin 3,442,555

Other Income 486,266

Net Margin \$ 3,928,821

Consolidated Balance Sheet

YEAR ENDED
DEC. 31, 2024

Assets

Current Assets

Cash and Cash Equivalents	\$ 14,637,113
Receivables	960,937
Materials and Supplies	4,934,790
Prepaid Expenses	305,650

Total Current Assets 20,838,490

Other Assets and Investments 1,993,789

Property, Plant, and Equipment

In Service	88,910,820
Under Construction	16,010,034

104,920,854

Less Accumulated Depreciation (77,477,300)

Net Property, Plant, and Equipment 27,443,554

\$ 50,275,833

Liabilities and Members' Equity

Current Liabilities

Accounts Payable	\$ 3,289,087
Accrued Expenses	1,574,210

Total Current Liabilities 4,863,297

Deferred Revenue 513,744

Members' Equity

Memberships	8,830
Patronage Capital	36,207,821
Other Equity	8,682,141

Total Members' Equity 44,898,792

\$ 50,275,833