

A scenic landscape photograph of a mountain valley. The foreground is dominated by a dense forest of tall, thin evergreen trees. In the middle ground, a small cluster of white buildings is visible, surrounded by more trees. The background shows rolling mountains under a sky filled with large, white, fluffy clouds. The overall color palette is dominated by greens, blues, and whites.

2025

ANNUAL REPORT

A NOTE FROM
James Byerley
GENERAL MANAGER

It is an honor to serve as General Manager of Pioneer Telephone Cooperative and to work on behalf of our member owners alongside a dedicated Board and an exceptional team of employees. Every day, I see the commitment, pride, and care our people bring to serving our communities. That shared purpose is what makes Pioneer strong.

Returning to Oregon and stepping into this role on April 21, 2025, has truly felt like coming home. It has been great reconnecting with colleagues, friends, and familiar faces across the state. I am excited about what we can accomplish together as we continue building a strong future for Pioneer and our members.

At Pioneer, our mission is simple: to deliver high quality technology at the best possible value. For more than a century, copper based networks have supported voice communication and, through innovation, even internet access. But that era is coming to a close as manufacturers reduce support for copper infrastructure, making it increasingly difficult to maintain and expand these systems.

Fiber optics represent the next step forward. Designed for modern communication, fiber carries large amounts of data quickly, reliably, and over long distances. It is not affected by electrical interference and provides the performance needed in today's connected world.

There is one important difference. Traditional copper lines could provide power to services like landline phones, while fiber does not. This means services in your home will rely on your local power supply. Pioneer can provide battery backup for short outages, but longer outages will require an alternative power source. We want you to be informed and prepared as we make this transition.

Pioneer is now undertaking a critical transformation from copper to fiber, and your partnership is essential to its success.

At the time this report was written, our teams are beginning to wrap up construction of our R3 grant project. This effort began when we accepted the award in late 2022, with construction beginning

in September 2024, and marks an important step forward in expanding fiber access across our service area. When complete, approximately 237 miles of fiber will be installed, bringing new fiber facilities to 1461 locations. This project reflects our continued commitment to delivering reliable, future-ready connectivity to our members.

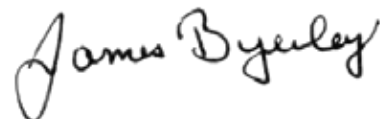
This is a significant, long term investment in our communities. Building a fiber network is complex and may occasionally be inconvenient, and we appreciate your patience as we move forward. Our goal is to build a network that will serve you reliably for decades to come.

Your cooperation and timely responses help us move efficiently and expand service to more members.

Most importantly, we ask that you continue to be part of Pioneer. As a cooperative, everything we do is driven by and for our members. Your participation allows us to expand fiber to homes, schools, businesses, healthcare providers, and cellular networks across our service area. Every member plays a role in strengthening the network.

We are committed to keeping you informed throughout this transition. It is important that we have your current email address so we can share timely updates directly with you. We will also post updates on our website so you can follow progress in your area. To help reduce costs and continue investing in fiber expansion, we will be minimizing communication through the U.S. Postal Service and focusing on email and website updates whenever possible.

You are part of something bigger, a cooperative effort to ensure our communities have access to reliable, future ready services. Thank you for your trust, your patience, and your continued support of Pioneer Telephone Cooperative.



Consolidated Statement of Operations

YEAR ENDED
DEC. 31, 2025

Operating Revenues

Local Network	\$ 1,918,119
Network Access	11,079,195
Other Operating Revenue	6,396,181

Total Operating Revenues 19,393,495

Operating Expenses

Plant Specific	4,196,377
Plant Non-Specific	3,008,576
Customer	1,733,710
Corporate	2,169,040
Depreciation	2,045,085
Other Taxes	373,875
Other Operating Expense	3,645,202

Total Operating Expenses 17,171,865

Operating Margin 2,221,630

Other Income 491,062

Net Margin \$ 2,712,692

Consolidated Balance Sheet

YEAR ENDED
DEC. 31, 2025

Assets

Current Assets

Cash and Cash Equivalents	\$ 12,563,340
Receivables	821,229
Materials and Supplies	3,774,804
Prepaid Expenses	216,830

Total Current Assets 17,376,203

Other Assets and Investments 2,069,103

Property, Plant, and Equipment

In Service	94,220,813
Under Construction	15,993,867

110,214,680

Less Accumulated Depreciation (79,274,730)

Net Property, Plant, and Equipment 30,939,950

\$ 50,385,256

Liabilities and Members' Equity

Current Liabilities

Accounts Payable	\$ 2,125,534
Accrued Expenses	370,931

Total Current Liabilities 2,496,465

Deferred Revenue 477,236

Members' Equity

Memberships	9,397
Patronage Capital	38,606,323
Other Equity	8,795,835

Total Members' Equity 47,411,555

\$ 50,385,256



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