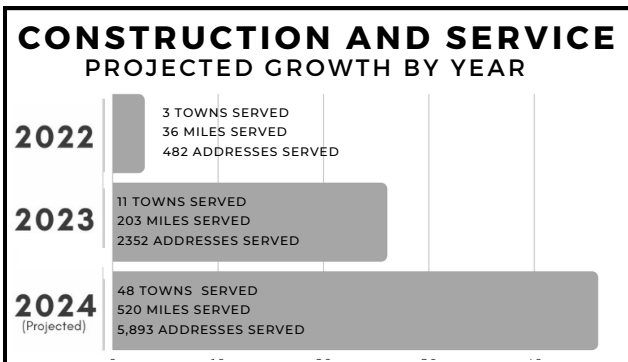



2023 ANNUAL REPORT




DELIVERING ON OUR PROMISE

In 2023, NEK Broadband put in place the additional staff, funding and infrastructure needed to continue delivering on its promise to bring high-speed, reliable internet to unserved and underserved communities in the NEK. We've made significant progress in building the "backbone" of our network throughout the region. This "backbone" of interlocking fiber optic cable will provide extra reliability for our internet service. We received a USDA ReConnect grant of 17.5 million to cover most of Essex County, thus freeing up more funds to expand our network build in the rest of the NEK. This year, we also increased our construction capacity and our ability to purchase and store more materials so that we can increase the speed of our buildout.



2352 
SERVICE AVAILABLE
 WE NOW OFFER SERVICE TO 2352 ADDRESSES IN THE NEK.

203 
MILES SERVED
 AT THE END OF 2023, WE NOW HAVE 203 MILES OF FIBER NETWORK SERVED THROUGHOUT THE NEK.

179 
CUSTOMERS SERVED
 IN 2023, WE OVER DOUBLED THE NUMBER OF CUSTOMERS SERVED.



GRANTS & FINANCING

- We were awarded a USDA ReConnect grant of \$17,474,000 that will cover most of the addresses in Essex county and Eastern Orleans and Caledonia counties.
- The Vermont Community Broadband Board (VCBB) approved an additional \$17.94 million in construction funding, bringing the total investment in NEK Broadband to \$38.9 million to date.
- Our 2022 financials were given an unqualified "clean" opinion (evaluation) by our auditors.

BUILDING CAPACITY

- We are up to 6 full-time staff.
- We now have active warehouses in Danville, St. Johnsbury and Brighton for the storage of construction materials.
- We are working with state and vocational partners to train and increase the workforce in the NEK to help build our network.

BUDGET SUMMARY

OVER \$15,876,591 HAS BEEN INVESTED IN NEK COMMUNITY-OWNED BROADBAND.

	2023 BUDGET TO ACTUAL (PROJECTED)		2024 PROPOSED BUDGET	
	Budget	Actual 2023 (Projected)	Projected Surplus from 2023	\$355,546
Administrative Grant Revenue	\$2,252,718	\$996,599	Administrative Grant Revenue	\$2,564,532
Operations Revenue	\$747,767	\$222,790	Operations Revenue	\$852,455
Capital Grant Revenue	\$28,785,288	\$10,311,147	Capital Grant Revenue	\$36,200,196
Total Cash In	\$31,785,773	\$11,530,536	Total Cash In	\$39,617,183
Administrative Cost	\$1,847,194	\$852,862	Administrative Cost	\$1,885,621
Operational Cost	\$586,601	\$235,395	Operational Cost	\$678,912
Construction Cost	\$28,785,288	\$10,311,147	Construction Cost	\$36,200,196
Total Cash Out	\$31,219,083	\$11,399,404	Total Cash Out	\$38,764,729
Annual Net Cash Flow	\$682,205	\$131,132	Annual Net Cash Flow	\$852,455
Increase in Capital Assets	\$28,785,288	\$10,311,147	Increase in Capital Assets	\$36,000,196

ABOUT NEK BROADBAND

We are a Communications Union District (CUD), a municipal entity representing our 51 member communities in Caledonia, Essex, and Orleans counties, plus Wolcott in Lamoille County. Our district is building high-speed broadband internet infrastructure for underserved communities in Vermont's Northeast Kingdom.

SIGN UP FOR UPDATES

To order our service, get updates, or sign up for our newsletter, fill out the form at get.nekbroadband.org.