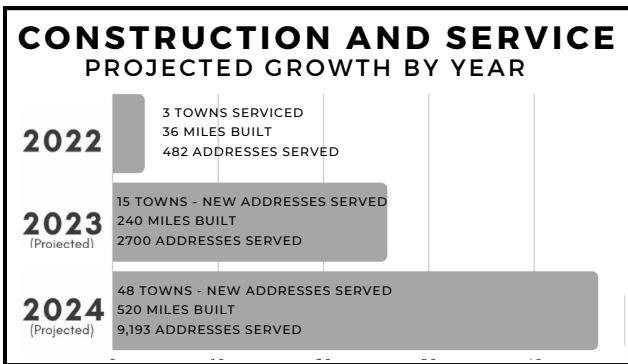


2023 ANNUAL REPORT




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.



1,100 
SERVICE AVAILABLE
 WE ANTICIPATE INCREASING OUR AVAILABILITY TO OVER 2,700 HOMES BY THE END OF THE YEAR.

126 
CUSTOMERS SERVED
 WE ANTICIPATE INCREASING OUR CUSTOMER BASE TO OVER 200 CUSTOMERS BY THE END OF THE YEAR.

240 
MILES BUILT
 IN 2023, WE BUILT 240 MILES OF OUR FIBER NETWORK THROUGHOUT THE NEK BROADBAND DISTRICT.



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 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 \$21,590,000 HAS BEEN INVESTED IN NEK COMMUNITY-OWNED BROADBAND.

	2023 BUDGET TO ACTUAL (PROJECTED)		2024 PROPOSED BUDGET	
	Budget	Actual 2023 (Projected)	Projected Surplus from 2023	
Administrative Grant Revenue	\$2,252,718	\$467,856	Administrative Grant Revenue	\$2,409,207
Operations Revenue	\$747,767	\$256,440	Operations Revenue	\$1,005,275
Capital Grant Revenue	\$28,785,288	\$17,006,116	Capital Grant Revenue	\$36,000,196
Total Cash In	\$31,785,773	\$17,730,412	Total Cash In	\$39,414,678
Administrative Cost	\$1,847,194	\$844,620	Administrative Cost	\$1,730,296
Operational Cost	\$586,601	\$309,680	Operational Cost	\$678,912
Construction Cost	\$28,785,288	\$16,375,117	Construction Cost	\$36,000,196
Total Cash Out	\$31,219,083	\$17,529,417	Total Cash Out	\$38,409,404
Annual Net Cash Flow	\$682,205	\$389,873	Annual Net Cash Flow	\$1,005,274
Increase in Capital Assets	\$28,785,288	\$16,375,117	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.