



ANNUAL BUDGET

Fiscal Year 2026-2027





Fiscal Year 2026-2027 Budget

MINET Board of Directors

Michael Hicks
Jason Kistler
Cecelia Koontz
David Ritchey
Rochelle Anderson
Evan Sorce

MINET Budget Committee

Nathan Christensen
David Gewirtz
Marshall Guthrie
Steve Milligan
Darin Silbernagel
Willis Homann

Prepared by MINET Staff

PJ Armstrong - General Manager
Khira Zappe - Director of Finance



TABLE OF CONTENTS

Budget Message	Page 1
Financial Position	Page 2
Key Points	Page 3
Goals & Accomplishments	Page 9
Budget Commentary	Page 17
FY 2025-2026 to FY 2026-2027 Budget Comparisons	Page 19
FY 2026-2027 Monthly Budgeted Income Statement	Page 20
Personnel Positions	Page 22
Capital Expenditures Budget	Page 23
Debt Service Schedule	Page 24



MINET Budget Committee, Board of Directors & Stakeholders :

Our management team is pleased to present the Monmouth Independence Network Fiscal Year 2026-2027 budget for your consideration. This budget reflects our ongoing commitment to fiscal accuracy and responsibility. Our goals in the development of this budget are :

- Maintain a conservative approach to spending wherever possible.
- Develop financial projections based on actual past performance combined with anticipated changes in our markets & the broadband industry as a whole.
- To the best of our ability, ensure MINET will meet financial obligations to our owner cities, both semi-annual debt service and past debt service shortfall payments.
- Fairly compensate our team members who continue to make MINET a success year after year.

We strive to be our community's trusted provider of broadband services. Our team is dedicated to delivering the highest quality data and voice products to the markets we serve. Most importantly, as a local business we recognize the importance of maintaining strong relationships with our customers & stakeholders. Our commitment to exceptional customer service remains at the forefront of our operations.

The telecommunications industry constantly evolves and remains a highly competitive landscape. Fiscal year 2026-2027 will present different but no less opportunity and challenge than in years before. The MINET team, along with leadership & oversight from our Board of Directors, remains stable and focused on our mission to keep the Monmouth, Independence, Dallas, and surrounding areas we serve connected, and to ensure MINET's continued success and sustainability.

The purpose of this budget document is to :

- Advise MINET stakeholders of our current fiscal position
- Report MINET fiscal year 2025-2026 performance
- Present MINET's fiscal year 2026-2027 proposed budget
- Report fiscal year 2025-2026 goals, accomplishments, and challenges
- Present anticipated goals for fiscal year 2026-2027

We hope that you will find these goals met in a complete and succinct manner and that this proposed document will serve as the first step toward the final financial plan for MINET's continued success through fiscal year 2026-2027.

Sincerely,

PJ Armstrong, General Manager



FINANCIAL POSITION

MINET's financial health continued to trend positively in fiscal year 2025-2026. MINET has met all of its annual principal and interest obligations since FY 2021-2022 to both cities as well as all scheduled payments in the Consolidated Promissory Note / past debt service shortfall agreement entered into with the cities of Monmouth and Independence in December of 2022. We expect all scheduled debt service obligations to be met through FY 2025-2026.

5 Year Debt Service Obligations

Fiscal Year	Total Annual Debt Service Amount Paid	Total Shortfall Agreement Amount Paid	Total Amount Paid
2021-2022	\$1,763,622.00	-	\$1,763,622.00
2022-2023	\$1,762,411.00	\$107,882.78	\$1,870,293.78
2023-2024	\$1,768,099.50	\$277,882.78	\$2,045,982.28
2024-2025	\$1,765,687.50	\$447,882.78	\$2,213,570.28
2025-2026	\$1,770,471.00	\$427,882.78	\$2,198,353.78

It is important to keep in mind that MINET operates in a highly competitive constantly changing industry. However, our revenue streams remain strong and have continued to trend positively over the last fiscal year. High quality service, support, and consistent growth where possible are the keys to our success and have allowed us to remain financially stable. The next narrative sections outline significant key points of the fiscal year 2026-2027 budget & operations, goals, and accomplishments, and are intended to help provide additional reference for the proposed budgetary plans that follow.

KEY POINTS

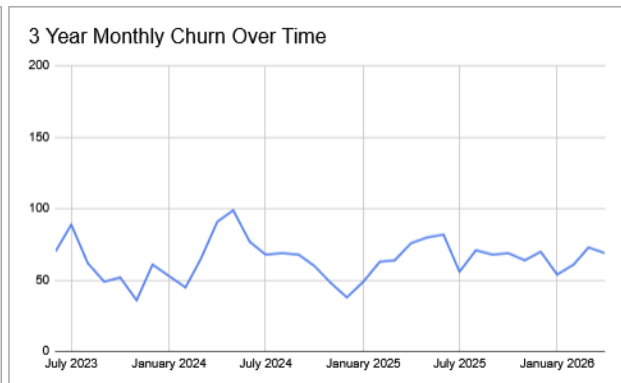
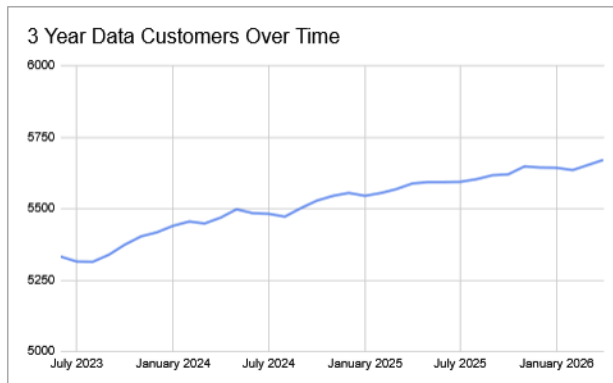
Following are several operational and financially impactful key points that played an important part in the development of MINET’s Fiscal Year 2026-2027 budget, and will be meaningful considerations for MINET operations into the future.

Service Area Summaries

- **Legacy Monmouth / Independence Market**

MINET holds a roughly 78% penetration rate in the Monmouth / Independence service area. This means that 78% of the homes and businesses MINET can possibly provide service to are MINET customers. This statistic is nearly unheard of in our industry and as reported in the last few budget cycles means that ongoing growth in our legacy market will result from new commercial and residential construction and new moves into the area from the outside.

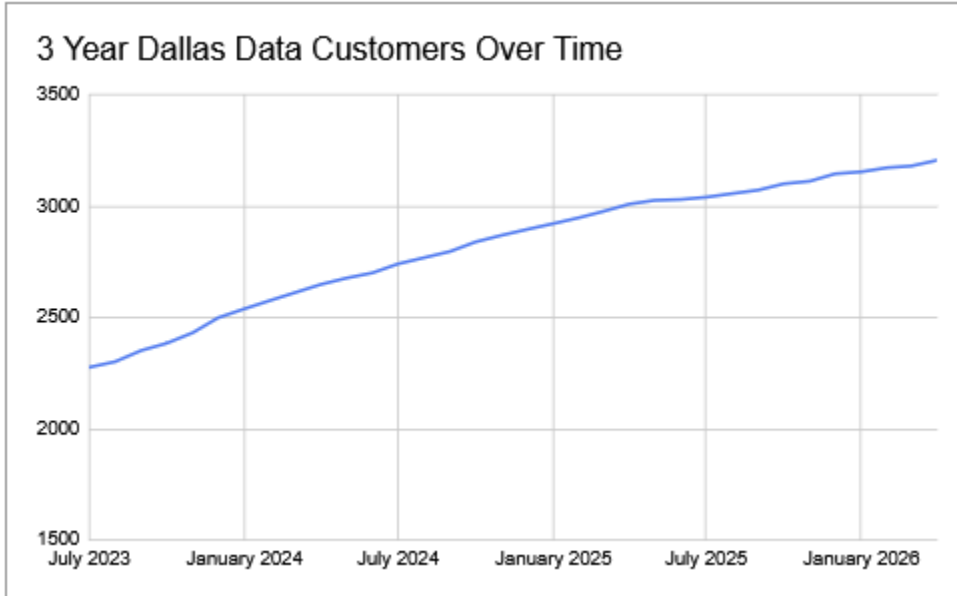
During FY 2025-2026 we gained on average 7.7 *net* customers per month in the Monmouth / Independence service area. For reference, during FY 2024-2025 we gained an average of 9.25 customers per month and 14 customers per month during FY 2023-2024. At the same time our monthly churn totals (the number of customers leaving MINET) have remained consistent over the same period of time.



Taken together, these demonstrate MINET’s ongoing positive performance with a consistently high penetration rate, ongoing net customer growth, and static customer churn.

- **Dallas Market**

The Willamette Valley Fiber network in Dallas currently holds approximately 42% of the market share, up from 35% as reported during our FY 2025-2026 budget process. In the first 9 months of the current fiscal year we have added 166 net new customers



The Dallas market differs from our legacy Monmouth Independence market in that we first began offering services in 2019 versus 2006 and in a very different telecommunications industry than the mid 2000s. Market competition in terms of product quality and availability result in a more challenging customer acquisition process.

Revenue derived from our role as the operator of this network directly impacts MINET's ability to meet debt service obligations to the cities of Monmouth and Independence. In comparison to the first few years of operation we anticipate net customer growth to slow during FY 2026-2027 and have planned for this accordingly in our budget process.

- **Rural Polk County Expansion**



Even the goats are excited about our expansion work in rural South Dallas

In June of 2025 all main line construction obligations committed to in the \$1.3 million ARPA grant agreement between MINET and Polk County were successfully completed. Additional details relative to each of the rural expansion areas made possible through this process are as follows :

Rickreall / Clow Corner

MINET activated service for our first customer in the Rickreall build area in January of 2023. Of the approximate 196 available passings, today we provide service to 72 homes and businesses. We experience ongoing slow steady growth and continue to market to this area at least twice per year.

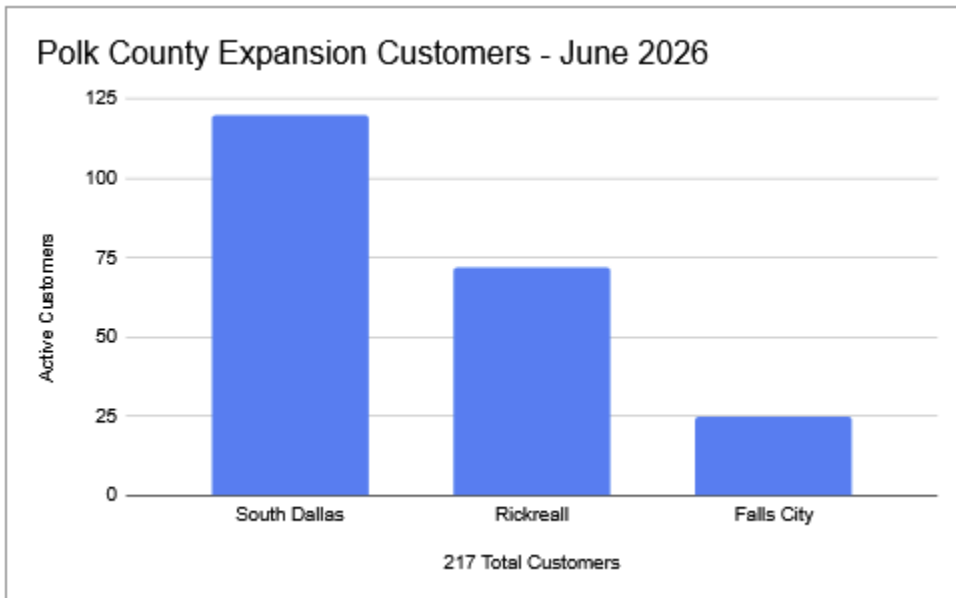
South Dallas

In March of 2024 we activated customer number 1 in the South Dallas area. Marketing and customer acquisition was initially and intentionally slow until July

of 2025, as we focused resources on main line construction. Today we provide service to 117 customers and expect to see consistent growth in this service area throughout FY 2026-2027.

Falls City

Because of the “South Dallas” project funded by Polk County, MINET infrastructure was extended to within 1 mile of the Falls City city limits. This not only brought MINET the ability to extend our network through the downtown Falls City core but made further network expansion in the city economically feasible. MINET recently completed construction in the south east quadrant of town, adding 95 available passings for a total of 160 within the city limits. Today we provide service to 21 homes and businesses. New construction, marketing, and customer acquisition will be a goal during FY 2026-2027.



- *Considering average gross revenue per unit per month of \$65, customers added as a result of expansion efforts in Polk County represent nearly \$170k annually.*

Staff Size

MINET is not planning an increase in staff size during FY 2026-2027. All team members continue to operate with a philosophy of efficiency, good work ethic, and remaining productive. In the past few budget cycles we have reported on MINET staff size versus customers served in comparison to similar Oregon providers. Those figures are included again below, for reference. The conclusion to be drawn from this and feedback we consistently hear from associations within our industry is that the MINET team is truly doing more with less.

<i>Direct Link (Canby)</i>	<i>: 8000 subscribers, 90 employees, 1:90 ratio</i>
<i>Douglas Fast Net (Roseburg)</i>	<i>: 15,000 subscribers, 158 employees, 1:95 ratio</i>
<i>Pulse Fiber</i>	<i>: 5000 subscribers, 37 employees, 1:135 ratio</i>
<i>Peak Internet</i>	<i>: 23,000 subscribers, 150 employees, 1:153 ratio</i>
<i>MINET / WVF</i>	<i>: 8000 subscribers, 25 employees, 1:320 ratio</i>

Personnel Expense Budget

Development of the FY 2026-2027 personnel expense budget was based on two factors :

- Standard cost of living adjustment as published by the Social Security Administration and
- Compensation adjustments as needed based upon the 2026 Rural Broadband Industry Compensation and Benefits report as compiled by the National Telecommunications Cooperative Association.

The NTCA compensation study incorporates and organizes survey data from several hundred rural and smaller town service providers by a variety of factors including geographic region, operating revenue, number of subscribers and number of employees. It then summarizes average compensation at the 10th, 25th, 50th, etc percentile based upon these categories.

Each year MINET management reviews and adjusts individual employee compensation as needed, with the primary goal of annual personnel expense per position near the 50th percentile as reported in the NTCA compensation study.



MINET Team Members at the Making Spirits Bright Christmas Parade

Rate Increases

MINET last increased data rates in July of 2022. We have assessed the need to increase data rates each of the past two budget cycles and in both cases deferred to the following years. As a necessary measure to offset annual rising costs, our Fiscal Year 2026-2027 budget includes rate increases to our 500MB and 1 Gig products of \$5 and \$3 per month, per subscriber, respectively.

GOALS AND ACCOMPLISHMENTS

As always our team continues to function with a core set of organizational goals that remain consistent year after year, regardless of department or the specific market we serve :

- Grow and maintain our customer base.
- Offer the best quality product possible in the marketplace.
- Offer the best level of support possible in the marketplace.
- Remain engaged in the communities we serve through partnerships, donations, and volunteerism.

Additionally, following are several goals and accomplishments specific to each of our departments that contributed positively to FY 2025-2026 performance and helped inform the development of the FY 2026-2027 budget.

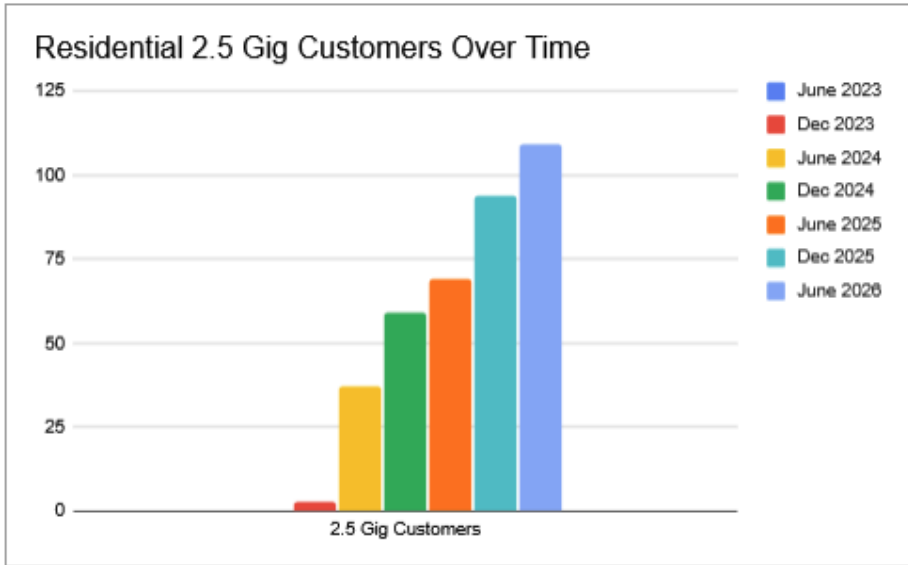
Sales, Marketing, and Customer Service



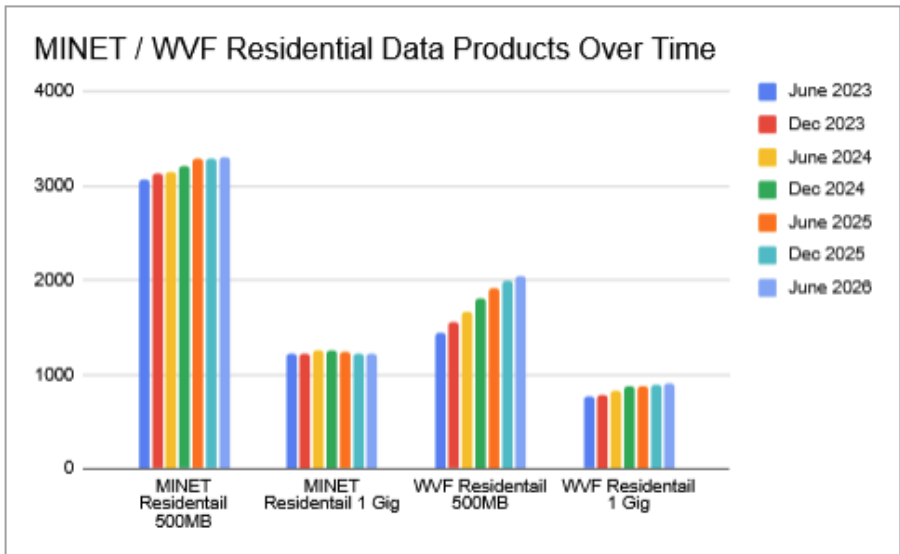
MINET Customer Service Team - Lily, Ashley, Melissa, and Brando

● **Products & Take Rates**

Our data product offerings of 500MB, 1Gig, and Multi-Gig (2.5) service will remain the same through FY 2026-2027. Since the initial offer of 2.5Gbps service in 2023 there has been a slow steady increase in subscriptions over time as seen in the chart below. We expect this trend to continue over the next year as bandwidth demands continue to increase.

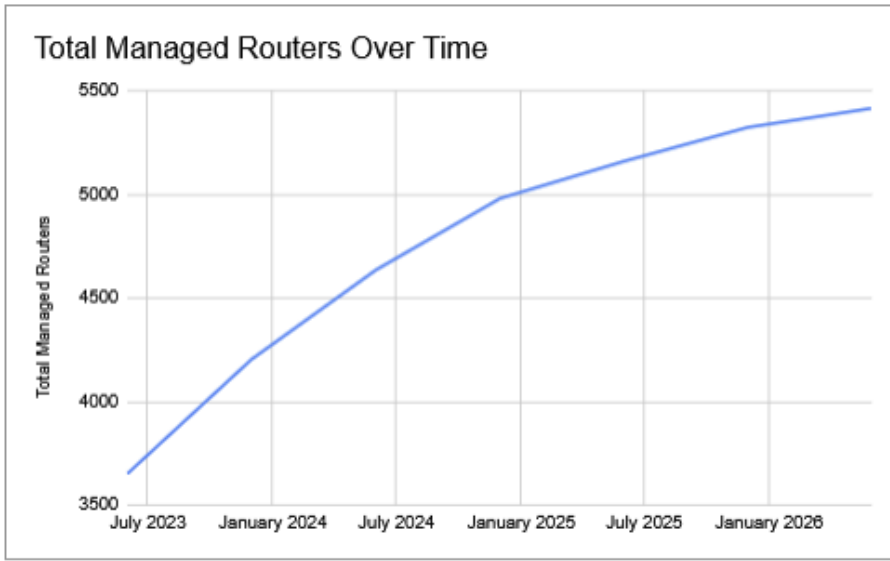


Trends with our 500MB and 1 Gig product take rates have remained consistent over the last fiscal year compared to the prior 2 years and we expect this trend to continue through FY 2026-2027.



- **Managed Wireless**

MINET / Willamette Valley Fiber’s managed wireless solution is integral to our success. It both provides a simple high quality way for our customers to experience worry free wireless internet access and is a significant portion of our annual revenue.



Pricing for this product has varied over time due to varying marketing conditions and promotions. During FY 2026-2027 we will be conducting an analysis of the product and developing an adjusted pricing strategy going forward.

Along with the product / pricing assessment, during FY 2026-2027 we will be developing a multi year strategy for replacement of this hardware and discussing with the MINET Board of Directors.

MINET’s wireless router solution has gone through three complete hardware changeouts since we began offering it as a product. Each iteration has resulted in a better experience for both the customer and MINET. While the hardware we are purchasing and deploying today is at industry standard and provides an excellent customer experience, due to the nature of technology we must plan for its replacement within the next few years. The cost is not insignificant and we must plan for this now to ensure we :

- Retain our Managed Wireless customer base
- Continue to offer a high quality product
- Continue to meet debt service obligations to the cities.

- **Customer Contact & Direct Marketing Efforts**

The MINET Customer Service team follows an annual plan for customer contact, marketing, and retention. On a monthly basis we send personalized letters with promotional offers to customers who have recently disconnected and new residents who have moved into the area. On a quarterly basis we conduct similar efforts for a variety of conditions such as residents in expansion areas, locations that have never had our service, former customers, and refer-a-friend efforts.

- **After Hours Support**

During FY 2025-2026 MINET implemented an outsourced answering service on a trial basis for 3 months, with a goal to assess what impact it would have on the customer experience. This effort was discontinued as no measurable improvement to after hours / on call was observed and the lack of benefit did not justify the cost. MINET continues to handle after hours inquiries on staff, with an on call / rotational basis including voice mail, social media, and website inquiries.

Implemented during FY 2025-2026, MINET has deployed a chat bot agent on its website that continues to see increasing monthly use. During FY 2026-2027 we will continue to refine this solution.



Team members Rachel and Kenia at the WVF office

Network Operations

During FY 2025-2026 significant focus of the Network Operations department was placed on updates and improving stabilization.

On the physical side we replaced two of our five AC units. These units were original to the MINET network build, parts had become nearly impossible to find, and reliability was a growing concern. These upgrades ensure the Network Operations Center runs with a consistently controlled climate.



Some of these units are not like the others !

On the network side we :

- Updated Core Routing & PON environments, bringing firmware on all aspects of the Adtran GPON environment to current from line cards in the NOC to ONTs at customer premises.
- Updated firmware on all Juniper core routing devices to manufacturer recommendation.
- Improved monitoring through implementation of a new software solution, providing better real-time insight into daily operation which helps identify issues before they become outages or escalate.

- Updated our virtual environment backup solution to a new TrueNAS server and increased data retention from 90 days to a full year.
- Had no significant unplanned outages during the year.

During Fiscal Year 2026-2027 our most critical infrastructure goal will be replacement of the AC UPS system original to the MINET network. Like our AC units, this system is 20 years old and replacement parts are mostly non-existent. This system is critical in making sure the network continues to run during an emergency.

Additionally, we plan to conduct thorough security audits with assistance from an outside industry expert and implement new real-time monitoring tools to ensure our internal network infrastructure is hardened against threats.

Outside Plant

Accomplishments in Outside Plant during Fiscal Year 2025-2026 were all about expansion and construction efforts. Our construction team transitioned from mainline construction in Polk County grant project areas to rural house side installations. MINET stopped outsourcing all underground work and we brought it in house, improving quality control and scheduling.



Outside Plant Team Member Oliver, going where the bucket trucks can't

We made significant progress incorporating portions of Falls City into the MINET network and will continue building and servicing residents here in FY 2026-2027.

Finance

The MINET Finance Department may not be front and center in the day to day work normally seen by our customers but they are integral to our team's success. From the monthly cadence of handling inventory, accounts receivable, accounts payable, bill out, payroll, regulatory requirements, semi annual obligations such as the audit and budget processes, to as needed financial analysis they keep us on track and fiscally responsible, ensuring accuracy and transparency to our Board of Directors and owner cities.

Community Engagement

Community participation and engagement is a core principle of our team. We live locally, shop locally, and strive to be good stewards of the community and positively represent MINET.



Welcome to MI-Town, Family Building Blocks, Diaper Drive, Touch-a-Truck

During FY 2025-2026 our team members were active members of several local organizations including Monmouth Business Association, Independence Downtown Association, Monmouth Independence Community Foundation, Dallas area Downtown Association and Chamber of Commerce events.

We support over 50 local organizations through charitable donations and giveaways including PCL, CASA, Toys for Tots, Family Building Blocks, Dallas Food Bank, Thoughts & Gifts Project, Ella Curran Food Bank, and much more !



MINET Team, Christmas 2025



Following are several relatively higher dollar accounts whose budgeted Fiscal Year 2026-2027 numbers differ somewhat significantly from either budgeted or actual FY 2025-2026 amounts, and explanations for each.

14005 - Municipal Services:

The variance between FY 2025-2026 budgeted amount vs FY 2026-2027 budgeted amount is due to Central School District taking a dedicated access line in-house.

14010 & 14015 - Business and Residential Data:

The variance between FY 2025-2026 budgeted amount vs FY 2026-2027 is due to rate increases to our 500MB and 1 Gig products of \$5 and \$3 per month, per subscriber, respectively.

14425 - Tech Support / Trip Charges

The variance between FY 2025-2026 budgeted amount vs actual is due to ARPA grant fund / reimbursement from Polk County for south Dallas expansion work that was intentionally not included in the 2025-2026 budget.

15210 - Equipment & Tools

The vast majority of variance between FY 2025-2026 budgeted amount vs actual is due to nearly \$16K in equipment rentals due to remote locations our bucket trucks and normal equipment couldn't gain access to.

15240 - Fiber Network Maintenance

This account includes an annual contingency for possible fiber network damage including storms, squirrel chews, underground construction, etc. While we often do not need to utilize the amounts budgeted it is still important to plan for these types of events.

15410 - Modular Lease

The variance between FY 2025-2026 budgeted amount vs actual results from the fact that we have yet to enter into an agreement to place an additional modular building on site at the MINET campus. This is due to significant space limitations along with time needed to reconfigure our existing complex. This is still accounted for in the FY 2026-2027 budget.

15535 - Consultants

We spent considerably less on outside consultation during FY 2025-2026 than in previous years. In consideration of FY 2026-2027 goals and expectations we have further reduced our anticipated need for consultants.

15565 - Legal

While we do not anticipate higher legal costs during FY 2026-2027 it is important that we budget for contingency in this area.

15590 - Software Support

80% of annual budgeted software support costs is for our necessary and specialized telecommunications accounting and billing software. For FY 2026-2027 they are anticipating a 10% increase.



FY 2025-2026 and 2026-2027 Expense Budget Comparisons

		2026-27	2025-26		
		Budget	Budget	\$ Variance	% Variance
Personnel Expense					
15111	Admin	553,912	529,410	24,502	4.6%
15113	Sales/Customer Service	793,575	844,809	(51,235)	-6.1%
15115	Operations	1,406,492	1,302,341	104,151	8.0%
Total Gross Wages		2,753,979	2,676,561	77,419	2.9%
	Payroll Processing Fees	5,773	10,668	(4,895)	-45.9%
Total Personnel Expense		2,759,753	2,687,229	72,524	2.7%
Plant Specific Expense					
15205	Computer Expense	5,376	7,224	(1,848)	-25.6%
15210	Equipment & Tools	29,779	23,675	6,104	25.8%
15215	Furniture Expense	2,496	8,004	(5,508)	-68.8%
15220	Vehicle Expense	72,792	70,296	2,496	3.6%
15230	Building Maintenance	26,136	28,013	(1,877)	-6.7%
15240	Fiber Network R & M	42,160	45,760	(3,600)	-7.9%
15255	Pole Attachment Rental	30,102	13,626	16,476	120.9%
Total Plant Specific Expense		208,841	196,598	12,243	6.2%
Non-Plant Specific Expense					
15410	Modular Lease at CO	29,943	29,943	0	0.0%
15420	Property Lease at CO - C of M	4,200	4,200	0	0.0%
Total Non-Plant Specific Expense		34,143	34,143	0	0.0%
Administrative Expense					
15505	Advertising/Marketing	47,582	53,107	(5,525)	-10.4%
15645	Donations & Comm Supp	23,604	20,760	2,844	13.7%
15510	Audit	26,900	18,400	8,500	46.2%
15515	Bad Debt Expense	17,730	15,689	2,041	13.0%
15520	Bank Fees	102,060	74,000	28,060	37.9%
15525	Community/Board Relations	0	300	(300)	-100.0%
15530	Billing	45,996	42,708	3,288	7.7%
15535	Consultants	13,040	12,800	240	1.9%
15545	Dues and Subscriptions	7,947	7,691	256	3.3%
15550	Education & Training	6,000	6,000	0	0.0%
15555	Insurance - Commercial Package	64,512	61,416	3,096	5.0%
15560	Insurance - Workers Comp	15,480	13,980	1,500	10.7%
15565	Legal	69,636	69,636	0	0.0%
15575	Office Supplies	12,960	14,376	(1,416)	-9.8%
15580	Postage and Freight	3,300	2,004	1,296	64.7%
15585	Printing & Copying	2,499	7,476	(4,977)	-66.6%
15590	Software Support	180,206	166,006	14,201	8.6%
15595	Taxes, Regulatory Other Expense	61,856	35,830	26,026	72.6%
15600	Employee Relations	8,425	8,425	0	0.0%
15605	Travel	10,256	10,516	(260)	-2.5%
15610	Uniform Expense	4,884	5,352	(468)	-8.7%
15615	Utilities - Electric	28,032	27,828	204	0.7%
15620	Utilities - Disposal	2,628	2,508	120	4.8%
15625	Utilities - Phone	13,704	13,716	(12)	-0.1%
15630	Utilities - Sewer	480	480	0	0.0%
15635	Utilities - Water	1,932	2,004	(72)	-3.6%
Total Administrative Expense		771,650	693,008	78,642	11.3%
Total Expense		3,774,386	3,610,977	163,409	4.5%



**FY 2026-2027
Monthly Budgeted Income Statement**

	Jul-26	Aug-26	Sep-26	Oct-26	Nov-26	Dec-26	Jan-27	Feb-27	Mar-27	Apr-27	May-27	Jun-27	2026-27 Total	Actual 2025-2026	Variance	% Variance	Budget 2025-2026	
Revenue																		
Data Revenue																		
14005 Dedicated Access	15,029.29	15,029.29	15,029.29	15,029.29	15,029.29	15,029.29	15,029.29	15,029.29	15,029.29	15,029.29	15,029.29	15,029.29	180,351.48	203,582.78	(23,231.30)	-11.4%	203,451.48	
14010 Business	43,351.58	43,351.58	43,351.58	43,351.58	43,351.58	43,351.58	43,351.58	43,351.58	43,351.58	43,351.58	43,351.58	43,351.58	520,218.96	494,968.64	25,250.32	5.1%	491,771.42	
14015 Residential	334,404.97	334,663.49	334,922.01	335,180.53	335,439.05	335,697.57	335,956.09	336,214.61	336,473.13	336,731.65	336,990.17	337,248.69	4,029,921.96	3,716,428.96	313,493.00	8.4%	3,775,737.17	
14025 Router Rental	23,594.21	23,662.94	23,731.67	23,800.40	23,869.13	23,937.86	24,006.59	24,075.32	24,144.05	24,212.78	24,281.51	24,350.24	287,666.70	272,552.51	15,114.19	5.5%	283,245.16	
14030 Router Non-Return Fee	642.00	642.00	642.00	642.00	642.00	642.00	642.00	642.00	642.00	642.00	642.00	642.00	7,704.00	9,045.00	(1,341.00)	-14.8%	6,576.00	
Total Data Revenue	417,022.05	417,349.30	417,676.55	418,003.80	418,331.05	418,658.30	418,985.55	419,312.80	419,640.05	419,967.30	420,294.55	420,621.80	5,025,863.10	4,696,577.89	329,285.21	7.0%	4,760,781.23	
Telephone Revenue																		
14205 Business Phone	7,348.30	7,298.22	7,248.13	7,198.04	7,147.96	7,097.87	7,047.78	6,997.70	6,947.61	6,897.52	6,847.44	6,797.35	84,873.92	87,097.67	(2,223.75)	-2.6%	89,980.64	
14210 Residential Phone	6,806.36	6,778.08	6,749.80	6,721.52	6,693.24	6,664.96	6,636.68	6,608.40	6,580.12	6,551.84	6,523.56	6,495.28	79,809.84	84,399.59	(4,589.75)	-5.4%	83,025.72	
14230 Phone Features	1,802.00	1,802.00	1,802.00	1,802.00	1,802.00	1,802.00	1,802.00	1,802.00	1,802.00	1,802.00	1,802.00	1,802.00	21,624.00	22,226.46	(602.46)	-2.7%	23,470.30	
14245 PRI's	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%	-	
14255 Unlimited Phone Package	1,159.00	1,159.00	1,159.00	1,159.00	1,159.00	1,159.00	1,159.00	1,159.00	1,159.00	1,159.00	1,159.00	1,159.00	13,908.00	14,302.96	(394.96)	-2.8%	14,391.00	
Total Telephone Revenue	17,115.66	17,037.30	16,958.93	16,880.56	16,802.20	16,723.83	16,645.46	16,567.10	16,488.73	16,410.36	16,332.00	16,253.63	200,215.76	208,026.68	(7,810.92)	-3.8%	210,867.66	
LD Revenue																		
14305 Block of Time	682.00	682.00	682.00	682.00	682.00	682.00	682.00	682.00	682.00	682.00	682.00	682.00	8,184.00	9,087.35	(903.35)	-9.9%	8,271.84	
14310 Directory Assistance	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	180.00	180.00	-	0.0%	300.00	
14315 Toll - Interstate	133.00	133.00	133.00	133.00	133.00	133.00	133.00	133.00	133.00	133.00	133.00	133.00	1,596.00	1,805.53	(209.53)	-11.6%	2,568.00	
14320 Toll - Intrastate	215.00	215.00	215.00	215.00	215.00	215.00	215.00	215.00	215.00	215.00	215.00	215.00	2,580.00	3,231.80	(651.80)	-20.2%	4,428.00	
14325 Toll - International	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	96.00	119.60	(23.60)	-19.7%	84.00	
14330 Toll - 800 Intrastate	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	84.00	86.02	(2.02)	-2.3%	96.00	
14335 Toll - 800 Intrastate	-	-	-	-	-	-	-	-	-	-	-	-	-	0.18	(0.18)	-100.0%	-	
Total LD Revenue	1,060.00	1,060.00	1,060.00	1,060.00	1,060.00	1,060.00	1,060.00	1,060.00	1,060.00	1,060.00	1,060.00	1,060.00	12,720.00	14,510.48	(1,790.48)	-12.3%	15,747.84	
Misc. Revenue																		
14405 Activation Fee	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%	-	
14410 Late Fee	7,589.00	7,589.00	7,589.00	7,589.00	7,589.00	7,589.00	7,589.00	7,589.00	7,589.00	7,589.00	7,589.00	7,589.00	91,068.00	91,485.00	(417.00)	-0.5%	91,380.00	
14415 NSF Fees	178.00	178.00	178.00	178.00	178.00	178.00	178.00	178.00	178.00	178.00	178.00	178.00	2,136.00	2,375.00	(239.00)	-10.1%	1,812.00	
14420 Reconnect Fee	1,187.00	1,187.00	1,187.00	1,187.00	1,187.00	1,187.00	1,187.00	1,187.00	1,187.00	1,187.00	1,187.00	1,187.00	14,244.00	15,137.54	(893.54)	-5.9%	12,696.00	
14425 Tech Support/Trip Charges	10,793.00	10,793.00	10,793.00	10,793.00	10,793.00	10,793.00	10,793.00	10,793.00	10,793.00	10,793.00	10,793.00	10,793.00	129,516.00	307,581.85	(178,065.85)	-57.9%	106,884.00	
14430 Misc. Credits	(439.00)	(439.00)	(439.00)	(439.00)	(439.00)	(439.00)	(439.00)	(439.00)	(439.00)	(439.00)	(439.00)	(439.00)	(5,268.00)	(5,270.44)	2.44	0.0%	(2,688.00)	
14440 Misc Rev - Not COGS	1,218.00	1,218.00	1,218.00	1,218.00	1,218.00	1,218.00	1,218.00	1,218.00	1,218.00	1,218.00	1,218.00	1,218.00	14,616.00	14,618.71	(2.71)	0.0%	15,540.00	
14435 Investment Earnings - Exempt	475.00	475.00	475.00	475.00	475.00	475.00	475.00	475.00	475.00	475.00	475.00	475.00	5,700.00	9,800.62	(4,100.62)	-41.8%	15,600.00	
14460 WVF Reimbursement Revenue	83,652.22	77,504.72	78,084.76	79,329.21	74,400.78	80,510.41	78,445.94	76,246.23	78,339.14	78,478.50	76,065.73	78,478.84	939,536.49	1,291,059.52	(351,523.03)	-27.2%	960,995.66	
Total Misc. Revenue	104,653.22	98,505.72	99,085.76	100,330.21	95,401.78	101,511.41	99,446.94	97,247.23	99,340.14	99,479.50	97,066.73	99,479.84	1,191,548.49	1,726,787.80	(535,239.31)	-31.0%	1,202,219.66	
Total Revenue	539,850.93	533,952.32	534,781.24	536,274.57	531,595.03	537,953.54	536,137.95	534,187.13	536,528.92	536,917.16	534,753.28	537,415.27	6,430,347.35	6,645,902.85	(215,555.50)	-3.2%	6,189,616.38	
Cost of Goods Sold (COGS)																		
Cost of Goods Sold																		
15010 Internet	37,901.79	37,901.79	37,901.79	37,901.79	37,901.79	38,117.79	38,117.79	38,117.79	38,117.79	38,117.79	38,117.79	38,117.79	456,333.48	452,308.77	4,024.71	0.9%	455,972.94	
15030 Voice Access	14,037.25	14,037.25	14,037.25	14,037.25	14,037.25	14,037.25	14,037.25	14,037.25	14,037.25	14,037.25	14,037.25	14,037.25	168,447.00	168,075.94	371.06	0.2%	169,487.70	
Total Cost of Goods Sold	51,939.04	51,939.04	51,939.04	51,939.04	51,939.04	52,155.04	52,155.04	52,155.04	52,155.04	52,155.04	52,155.04	52,155.04	624,780.48	620,384.71	4,395.77	0.7%	625,460.64	
Gross Margin																		
Gross Margin \$	487,911.89	482,013.28	482,842.20	484,335.53	479,655.99	485,798.50	483,982.91	482,032.09	484,378.88	484,762.12	482,598.24	485,260.23	5,805,566.87	6,025,518.14	(219,951.27)	(0.04)	5,564,155.74	
Gross Margin %	90.38%	90.27%	90.29%	90.31%	90.23%	90.30%	90.27%	90.24%	90.28%	90.29%	90.25%	90.30%	90.28%	90.67%	102.04%	112.55%	89.90%	
Operating Expense																		
Personnel Expense																		
15111 Admin	50,606.86	44,313.66	46,049.08	46,049.08	42,578.23	47,784.50	46,956.19	43,485.35	46,956.19	46,956.19	45,220.77	46,956.19	553,912.29	491,180.65	62,731.64	12.8%	529,410.00	
15113 Sales/Customer Service	68,983.97	65,415.67	65,211.17	65,211.17	60,674.08	67,479.72	67,900.76	63,363.67	67,900.76	67,900.76	65,632.22	67,900.76	793,574.73	732,136.73	61,438.00	8.4%	844,809.28	
15115 Operations	120,866.26	112,867.56	116,866.91	116,866.91	108,868.20	120,866.26	120,214.82	112,215.97	120,214.68	120,214.68	116,215.33	120,214.68	1,406,492.27	1,363,623.87	42,868.40	3.1%	1,302,341.29	
Total Gross Wages	240,457.09	222,596.88	228,127.16	228,127.16	212,120.52	236,130.49	235,071.77	219,064.99	235,071.63	235,071.63	227,068.31	235,071.63	2,753,979.29	2,586,941.25	167,038.04	6.1%	2,676,560.57	
15160 Payroll Processing Fees	481.10	481.10	481.10	481.10	481.10	481.10	481.10	481.10	481.10	481.10	481.10	481.10	5,773.24	5,773.24	-	0.0%	10,668.00	
Total Personnel Expense	240,938.20	223,077.99	228,608.27	228,608.27	212,601.62	236,611.59	235,552.88	219,546.09	235,552.74	235,552.74	227,549.42	235,552.74	2,759,752.53	2,592,714.49	167,038.04	6.2%	2,687,228.57	
Plant Specific Expense																		
15205 Computer Expense	448.00	448.00	448.00	448.00	448.00	448.00	448.00	448.00	448.00	448.00	448.00	448.00	5,376.00	3,652.85	1,723.15	47.2%	7,224.00	
15210 Equipment & Tools	5,542.00	2,042.00	2,042.00	2,042.00	2,042.00	2,042.00	2,042.00	2,042.00	2,042.00	2,042.00	2,042.00	2,042.00	29,779.00	63,610.08	(33,831.08)	-53.2%	23,675.00	
15215 Furniture Expense	208.00	208.00	208.00	208.00	208.00	208.00	208.00	208.00	208.00	208.00	208.00	208.00	2,496.00	994.00	1,502.00	151.1%	8,00	



FY 2026-2027 Budgeted Personnel Positions

Department	FTE
Admin	General Manager 1
Finance	Director of Finance 1
	Finance & Account Services Coordinator 1
Plant Supervision	Outside Plant Technician 1
	Director of Field Operations 1
Outside Plant	Director of Network Operations 1
	IT Support Specialist 1
	Field Supervisor 1
	Field Technician 1
	Field Technician 1
	Field Technician 1
	Field Technician 1
	Construction Supervisor 1
	Field Technician 1
	Field Technician 1
Sales/Marketing & Customer Service	Customer Support Supervisor 1
	Customer Support Supervisor 1
	Customer Support Supervisor 1
	Customer Support Specialist 1
	Customer Support Specialist 1
	Bilingual Customer Support Specialist 1
	Bilingual Customer Support Specialist 1
	Customer Support Supervisor 1
	Customer Support Specialist 1
Total	25



FY 2026-2027

Budgeted Capital Expenditures

Dept	Description	Jul-26	Aug-26	Sep-26	Oct-26	Nov-26	Dec-26	Jan-27	Feb-27	Mar-27	Apr-27	May-27	Jun-27	Total
OPERATIONS														
	Install Supplies, Locates, & Conduit Boring (not in inventory)	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	30,000
	FON - Inventory	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	120,000
	Routers (100 at a time)	-	6,000	-	6,000	-	-	6,000	-	6,000	-	-	6,000	30,000
	ONTs (100 at a time)	-	10,000	-	-	10,000	-	-	10,000	-	-	10,000	-	40,000
	Other	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	60,000
	Forklift Replacement	-	20,000	-	-	-	-	-	-	-	-	-	-	20,000
	Ladder Racks	-	-	5,000	-	-	-	-	-	-	-	-	-	5,000
	Storage Building	-	-	-	-	20,000	-	-	-	-	-	-	-	20,000
	Elec message board-Integrity Signs	-	-	-	27,608	-	-	-	-	-	-	-	-	27,608
	Outside Security Assesment	-	-	-	-	-	20,000	-	-	-	-	-	-	20,000
	UPS Replacement	-	-	-	-	-	-	82,000	-	-	-	-	-	82,000
	Threat Locker 3 year	-	-	-	-	-	-	-	6,700	-	-	-	-	6,700
	PathSolution Monitoring Software	-	-	-	-	-	-	-	-	-	13,000	-	-	13,000
		17,500	53,500	22,500	51,108	47,500	37,500	105,500	34,200	23,500	30,500	27,500	23,500	474,308
ADMINISTRATION														
	2021 Dodge ProMaster City Van (Principle)	545	551	558	565	571	578	586	592	599	607	614	621	6,987
	2025 Ford F350 Bucket Truck (Principle)	1,645	1,655	1,665	1,676	1,686	1,696	1,707	1,717	1,728	1,739	1,750	1,760	20,425
	2024 Veermer Drill & Trailer (Principle)	3,935	3,956	3,977	3,999	4,021	4,042	4,064	4,086	4,108	4,130	4,153	4,175	48,646
	2023 Dodge Promaster Transit Van	431	433	436	439	441	444	447	449	452	455	458	460	5,345
	Total	6,555	6,596	6,637	6,678	6,719	6,761	6,803	6,845	6,888	6,930	6,973	7,017	81,403
	Company Total	24,055	60,096	29,137	57,786	54,219	44,261	112,303	41,045	30,388	37,430	34,473	30,517	555,711



Debt Service Schedule

	2025-2026				2026-2027				2027-2028			
	Principal	Interest	Total Pymt	Due Date	Principal	Interest	Total Pymt	Due Date	Principal	Interest	Total Pymt	Due Date
DEBT SERVICE PAYMENTS												
IFA 2015 Bond - C of I	250,000.00	37,762.50	287,762.50	10/1/2025	255,000.00	33,387.50	288,387.50	10/1/2026	265,000.00	28,797.50	293,797.50	10/1/2027
IFA 2015 Bond - C of M	300,000.00	49,903.00	349,903.00	10/1/2025	310,000.00	44,473.00	354,473.00	10/1/2026	325,000.00	38,242.00	363,242.00	10/1/2027
2017 Rev Bond - C of I		9,725.00	9,725.00	10/1/2025		4,606.25	4,606.25	10/1/2026		0.00	0.00	10/1/2027
2017 Rev Bond - C of M		17,522.50	17,522.50	10/1/2025		11,185.00	11,185.00	10/1/2026		4,485.00	4,485.00	10/1/2027
2010 Rev Bond - C of I												
2010 Rev Bond - C of M												
2020 Rev Bond - C of I		71,525.00	71,525.00	10/1/2025		71,525.00	71,525.00	10/1/2026		71,175.00	71,175.00	10/1/2027
2021 Rev Bond - C of M		76,200.00	76,200.00	10/1/2025		76,200.00	76,200.00	10/1/2026		76,200.00	76,200.00	10/1/2027
Due October 1st Ea Yr	550,000.00	262,638.00	812,638.00		565,000.00	241,376.75	806,376.75		590,000.00	218,899.50	808,899.50	
IFA 2015 Bond - C of I		33,387.50	33,387.50	6/1/2026		28,797.50	28,797.50	6/1/2027		23,895.00	23,895.00	6/1/2028
IFA 2015 Bond - C of M		44,473.00	44,473.00	6/1/2026		38,242.00	38,242.00	6/1/2027		31,709.50	31,709.50	6/1/2028
2017 Rev Bond - C of I	315,000.00	9,725.00	324,725.00	6/1/2026	275,000.00	4,606.25	279,606.25	6/1/2027	0.00	0.00	0.00	6/1/2028
2017 Rev Bond - C of M	390,000.00	17,522.50	407,522.50	6/1/2026	400,000.00	11,185.00	411,185.00	6/1/2027	260,000.00	4,485.00	264,485.00	6/1/2028
2010 Rev Bond - C of I												
2010 Rev Bond - C of M												
2020 Rev Bond - C of I		71,525.00	71,525.00	6/1/2026	35000	71,525.00	106,525.00	6/1/2027	315,000.00	71,175.00	386,175.00	6/1/2028
2021 Rev Bond - C of M		76,200.00	76,200.00	6/1/2026	0	76,200.00	76,200.00	6/1/2027	115000	76,200.00	191,200.00	6/1/2028
Due to June 1st Ea Yr	705,000.00	252,833.00	957,833.00		710,000.00	230,555.75	940,555.75		690,000.00	207,464.50	897,464.50	
Annual Subtotals	1,255,000.00	515,471.00	1,770,471.00		1,275,000.00	471,932.50	1,746,932.50		1,280,000.00	426,364.00	1,706,364.00	

Consolidated Promissory Note

2022 Consolidated Note - C of I	67,607.35	125,246.12	192,853.47	12/1/2026	112,678.92	123,217.90	235,896.82	12/1/2027	180,286.27	119,837.54	300,123.81	12/1/2028
2022 Consolidated Note - C of M	82,392.65	152,636.66	235,029.31	12/1/2026	137,321.08	150,164.88	287,485.96	12/1/2027	219,713.73	146,045.24	365,758.97	12/1/2028
Due to December 1st Ea Yr	150,000.00	277,882.78	427,882.78	12/1/2026	250,000.00	273,382.78	523,382.78	12/1/2027	400,000.00	265,882.78	665,882.78	12/1/2028

BY CITY

C of I	632,607.35	358,896.12	991,503.47	45.1%	677,678.92	214,447.50	892,126.42	44.7%	580,000.00	195,042.50	775,042.50	45.4%
C of M	772,392.65	434,457.66	1,206,850.31	54.9%	847,321.08	257,485.00	1,104,806.08	55.3%	700,000.00	231,321.50	931,321.50	54.6%
Annual Totals by City	1,405,000.00	793,353.78	2,198,353.78	100.0%	1,525,000.00	471,932.50	1,996,932.50	1.00	1,280,000.00	426,364.00	1,706,364.00	1.00