



## 2025 Rural Broadband Trends & Takeaways

### **Rural Broadband Benchmark Study**

Eric Babler, Managing Director / Mike Spratt, Managing Director

November 6, 2025

# Agenda

1. Study Background
2. Impact of Inflation
3. Impact of Broadband Services
4. Impact of Form of Regulation
5. Historical Trends
6. Key Benchmarks
7. Looking Ahead





# 01

Study Background



# Study Background

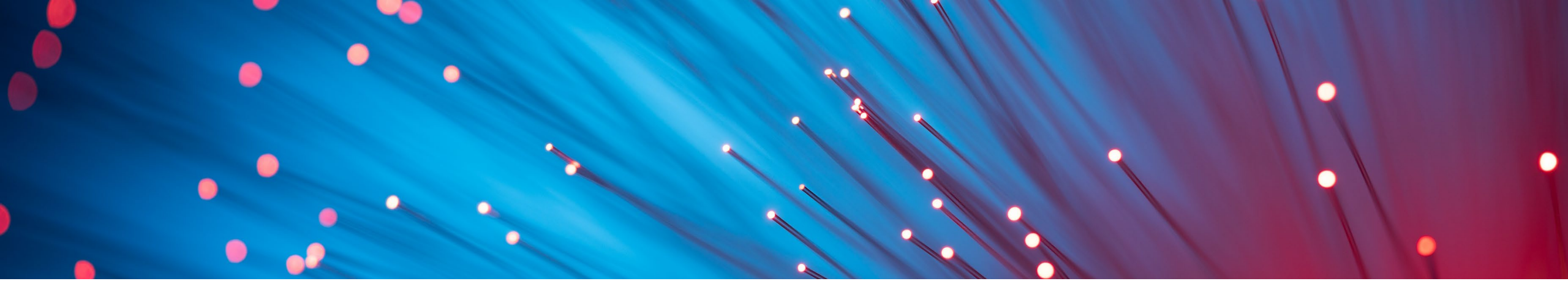
## History

1. 2025 Rural Telecommunications Benchmark Study by Forvis Mazars
2. 24 years of results from Forvis Mazars and Telergee studies
3. 2025 study had 141 participate in 17 states
4. Benchmark results for:
  1. All balance sheet and income statement categories
  2. Nearly 40 key financial metrics
5. Participating companies get a company-specific report
6. Average = Median



# Study Background

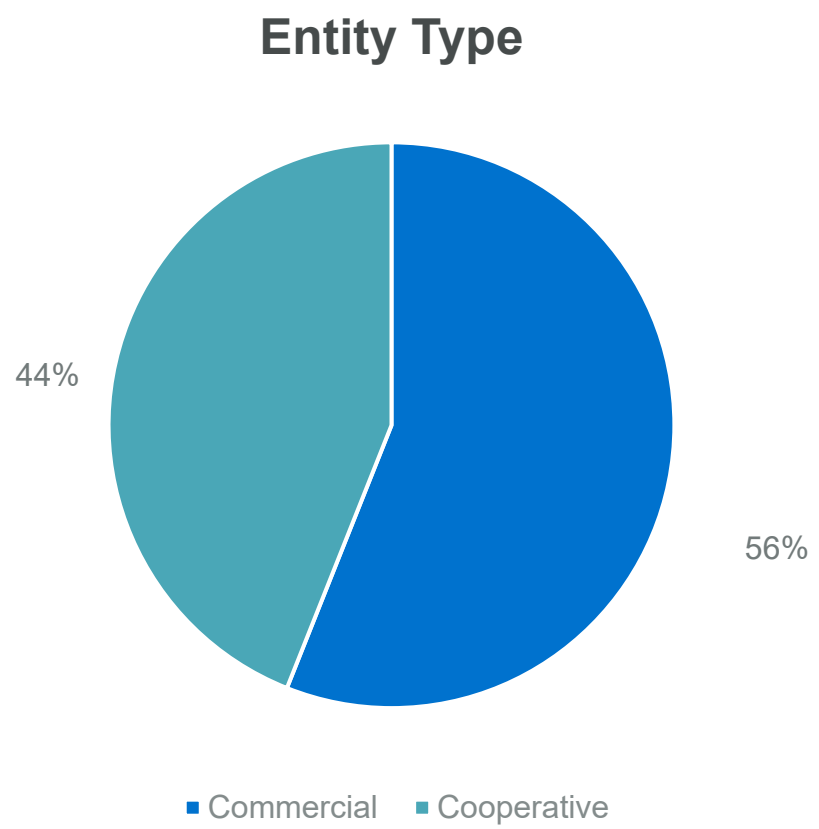
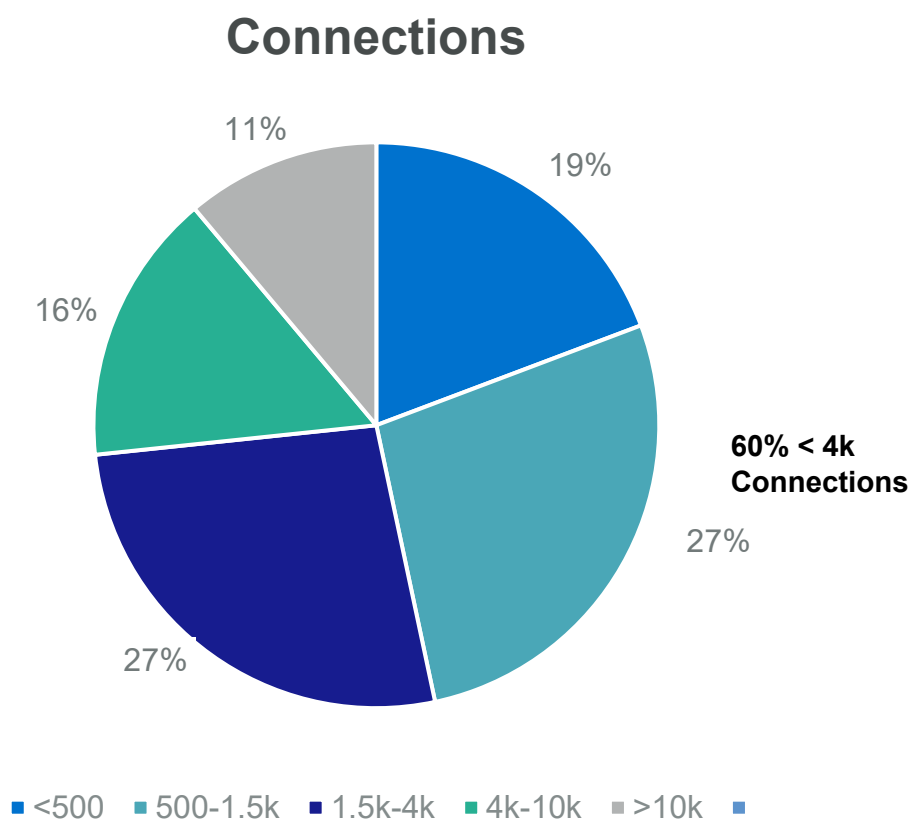
## Peer Groups



- Connections (5 Groups)
- Entity Type (Commercial vs. Cooperative)
- Region (Midwest, Iowa, & Great Plains)
- Total Revenue (5 Groups)
- Employees (6 Groups)

# Study Background

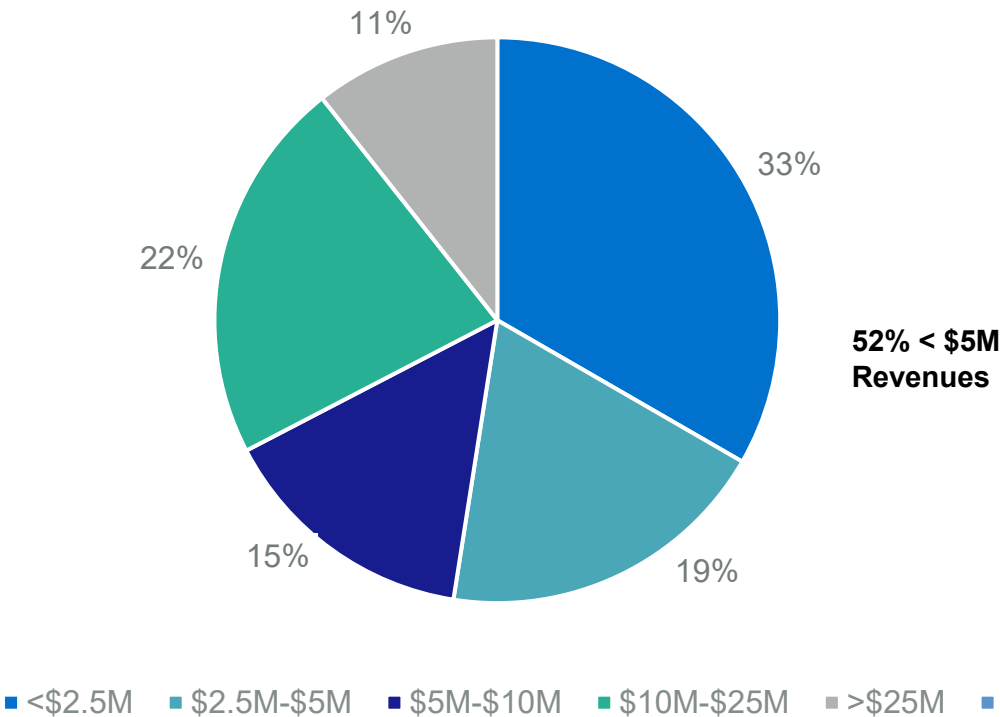
## Peer Groups



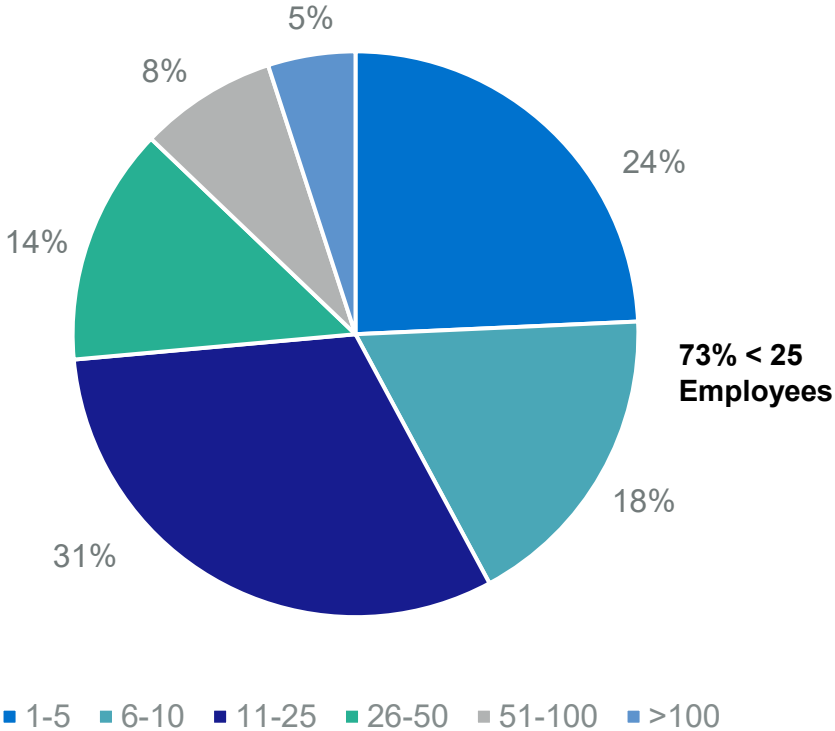
# Study Background

## Peer Groups

Revenue Groups



Employee Groups





# Study Background

## Peer Groups



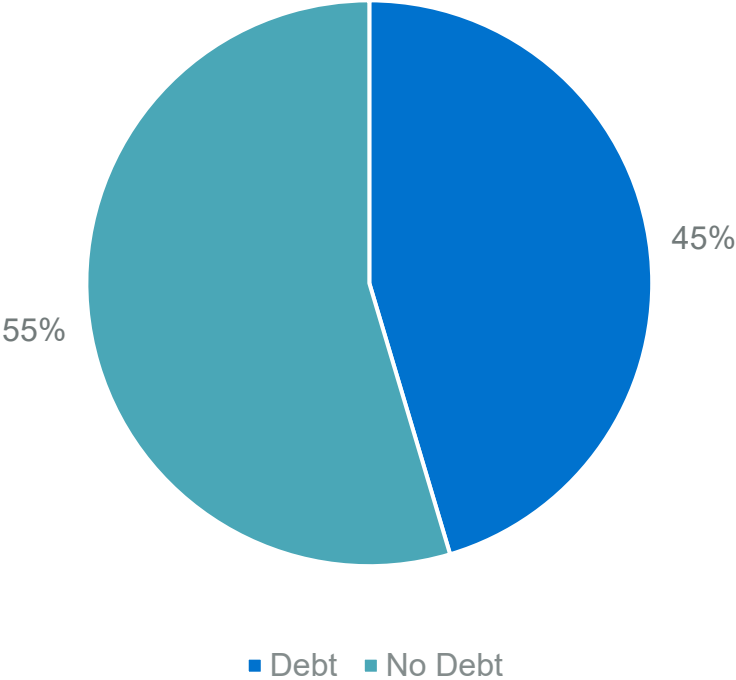
- Debt (Long-term Debt vs. No Debt)
- Investment Income (<\$1M vs. >\$1M)
- Regulation (Rate of Return, ACAM I, ACAM II, EACAM)



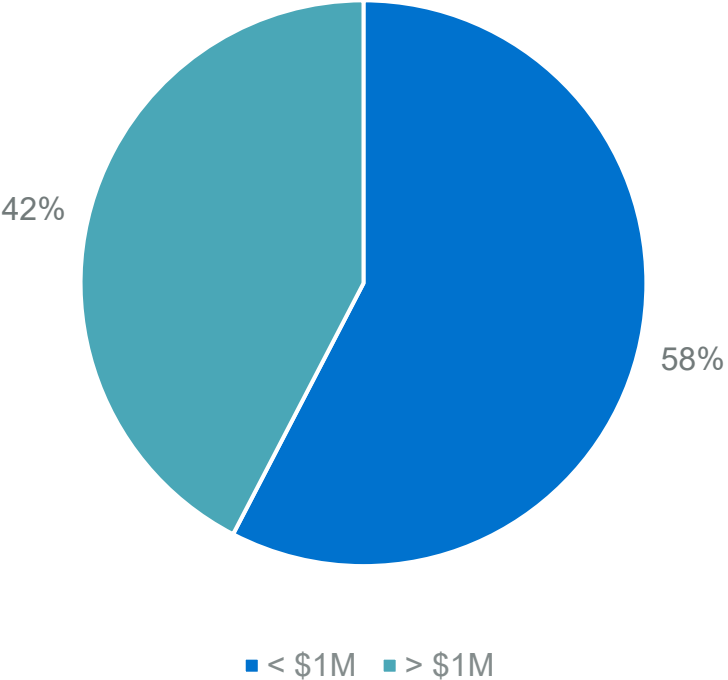
# Study Background

## Peer Groups

Debt/No Debt

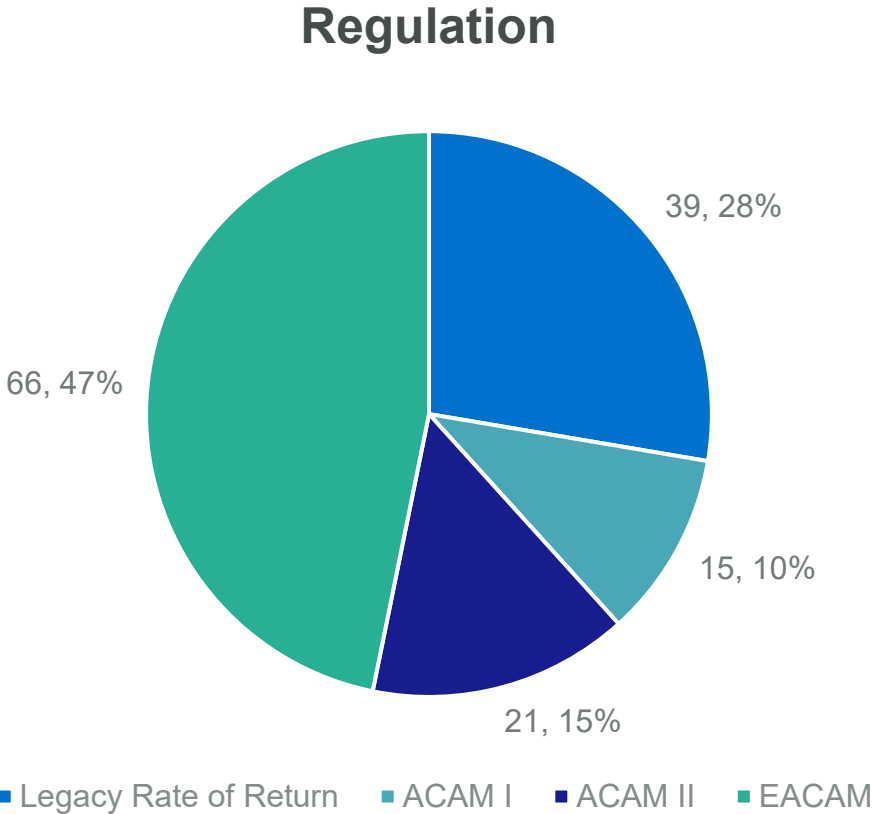


Investment Income



# Study Background

## Peer Groups



# 02

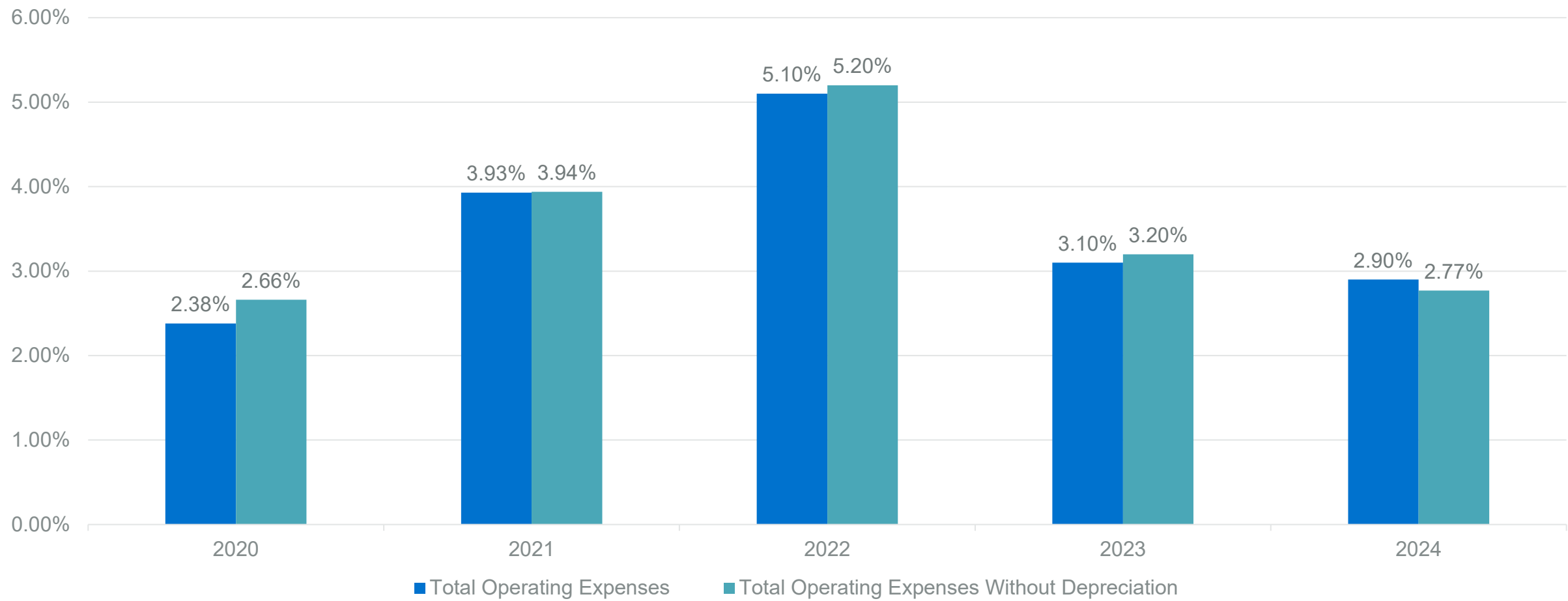
## Impact of Inflation





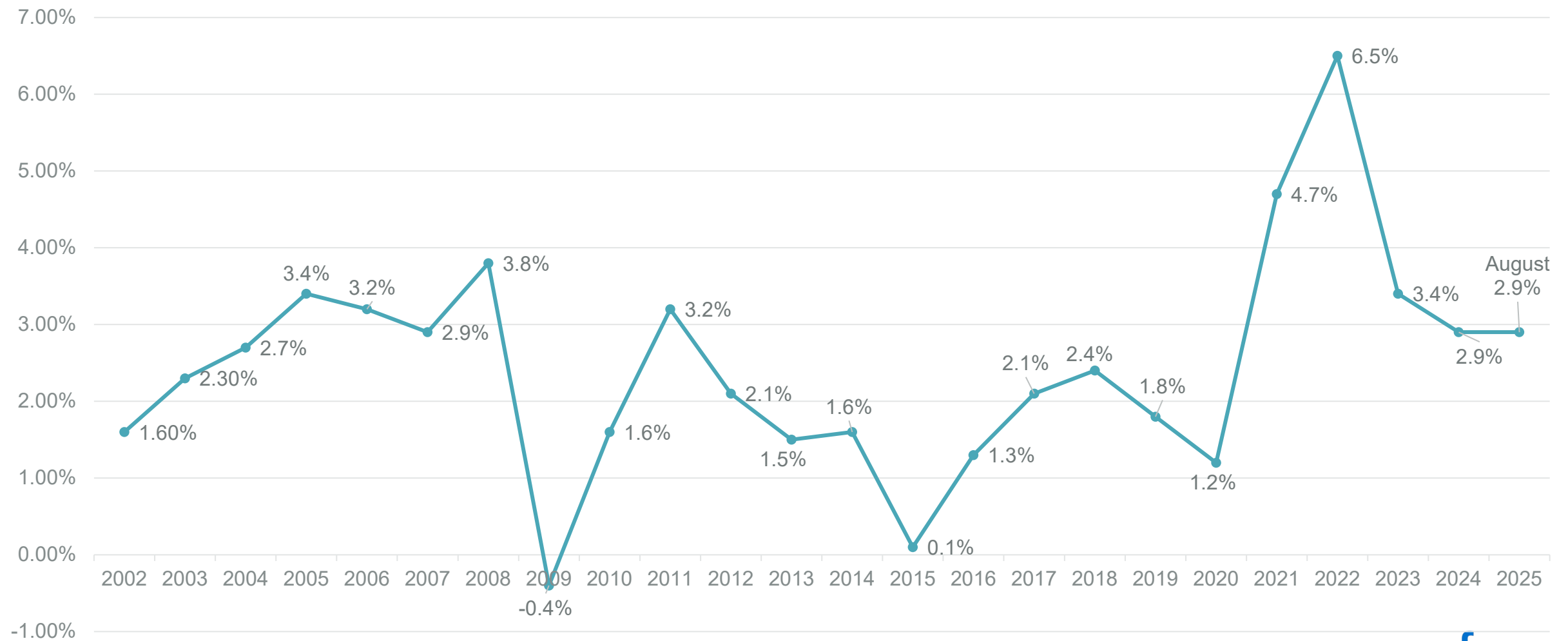
# Impact of Inflation

## Impact of Inflation on Operating Expenses



# Impact of Inflation

## Annual Consumer Price Index



# 03

## Impact of Broadband Services





# Impact of Broadband Services

## **Growth & Impact of Broadband Services**

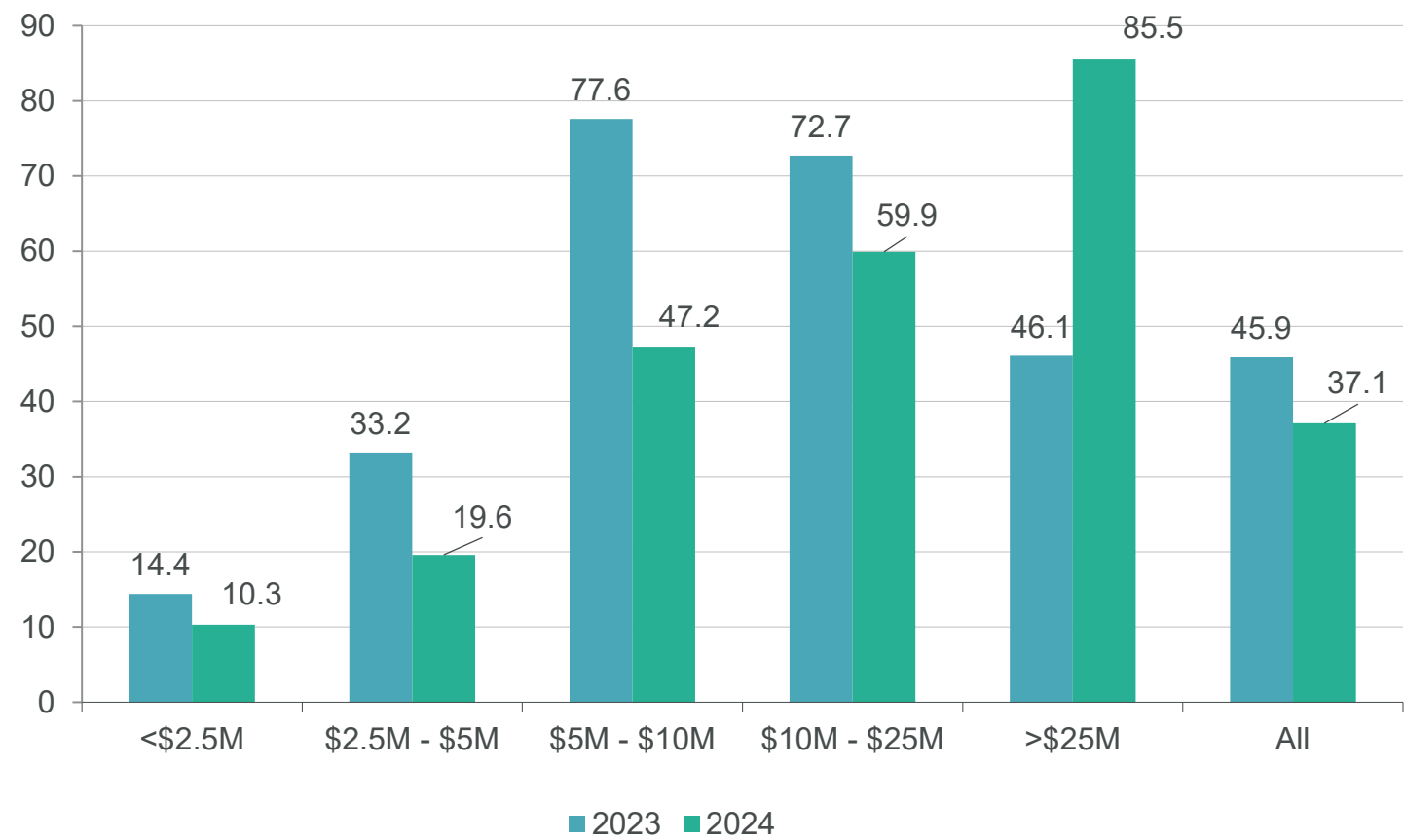


- Broadband Rating
- Internet Growth
- Revenue Growth
- Operating Income

# Impact of Broadband Services

## Subtitle

### Company Size – Based on Revenues

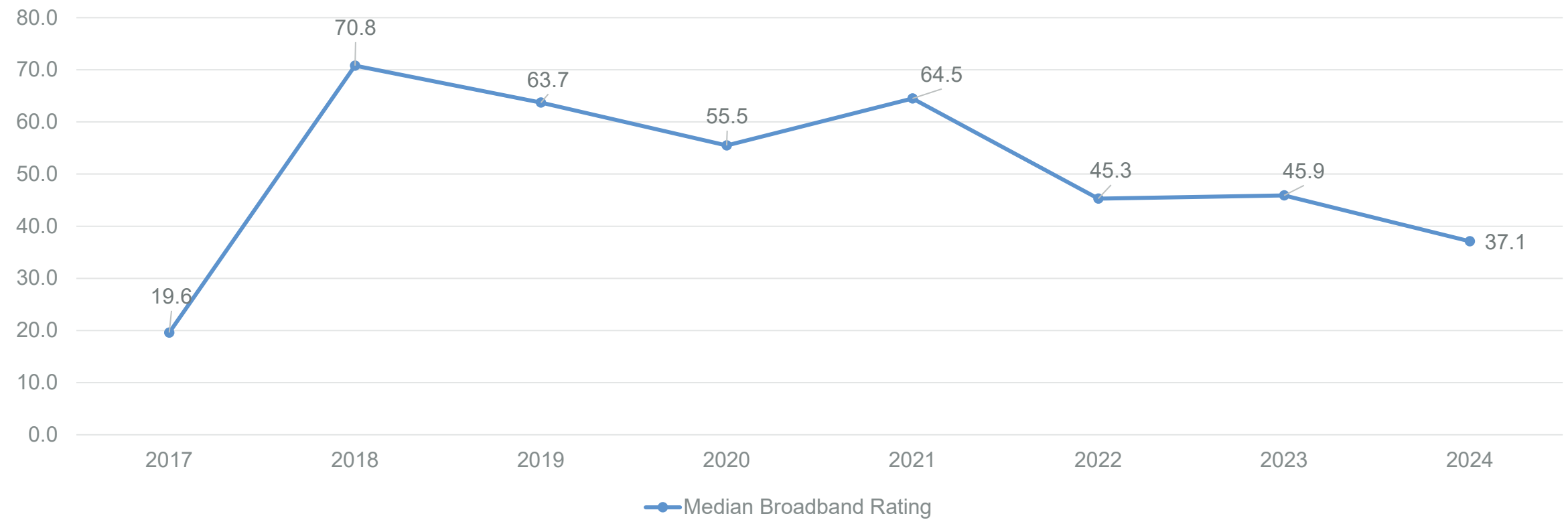


### Three Factors:

- Operating Income as a % of Access Revenues
- Broadband Internet Revenue Growth
- Operating Income Growth

# Impact of Broadband Services

## Broadband Rating 2017–2023





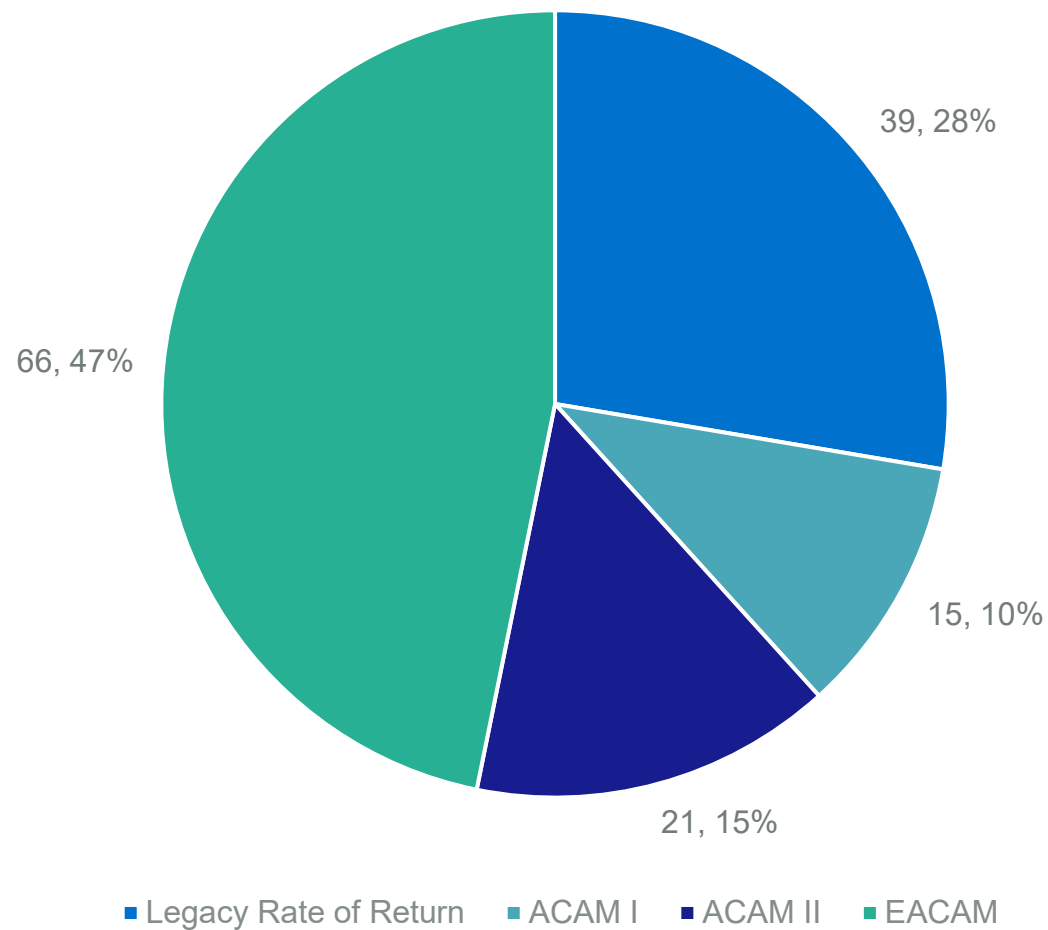
# 04

## Impact of Form of Regulation



# Impact of Form of Regulation

## Form of Regulation



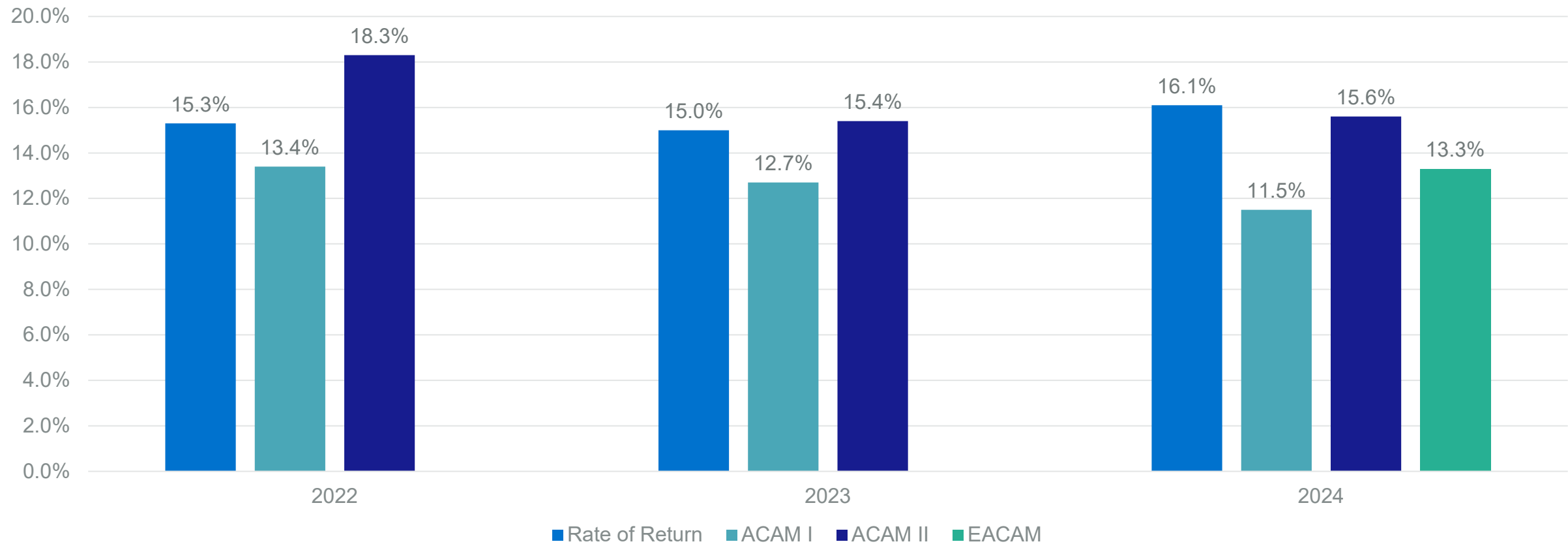
## Form of Regulation:

- Rate of Return
- ACAM I
- ACAM II
- EACAM

# Impact of Form of Regulation

## Impact on Operating Income

Operating Income as a % of Operating Revenues

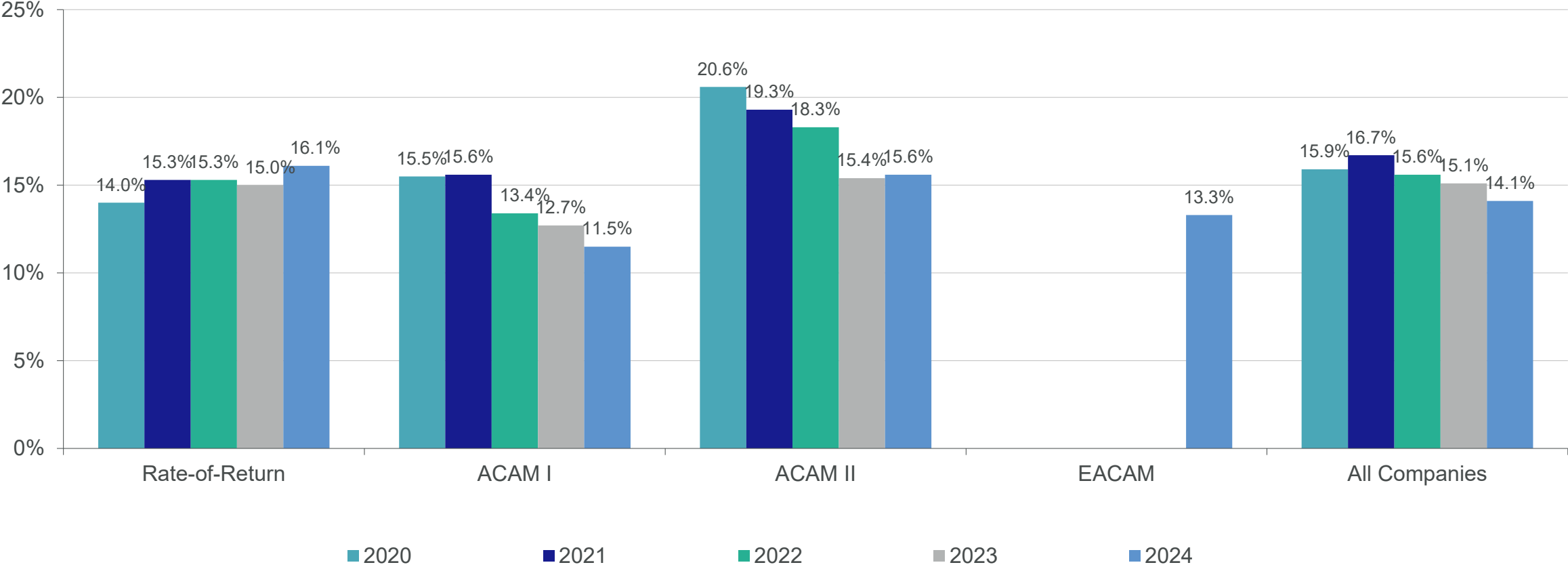




# Impact of Form of Regulation

## Impact on Operating Income

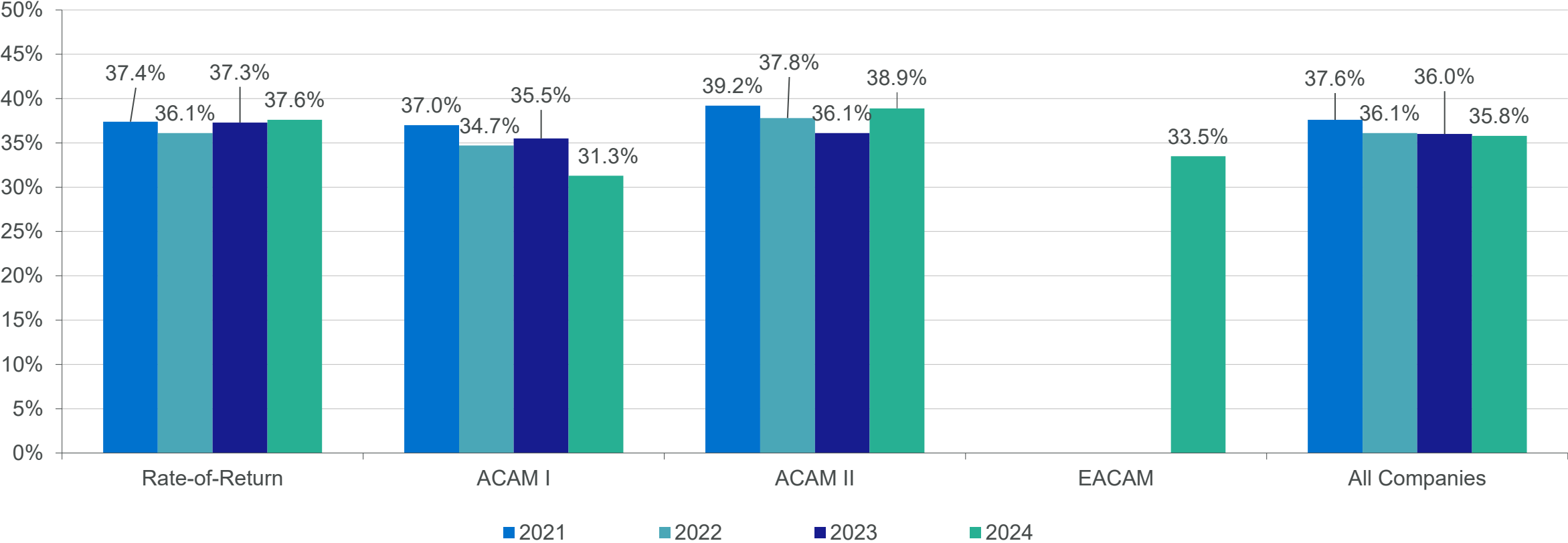
Operating Income as a % of Operating Revenues



# Impact of Form of Regulation

## Impact on Operating Income

OIBDA as a % of Operating Revenues



# 05

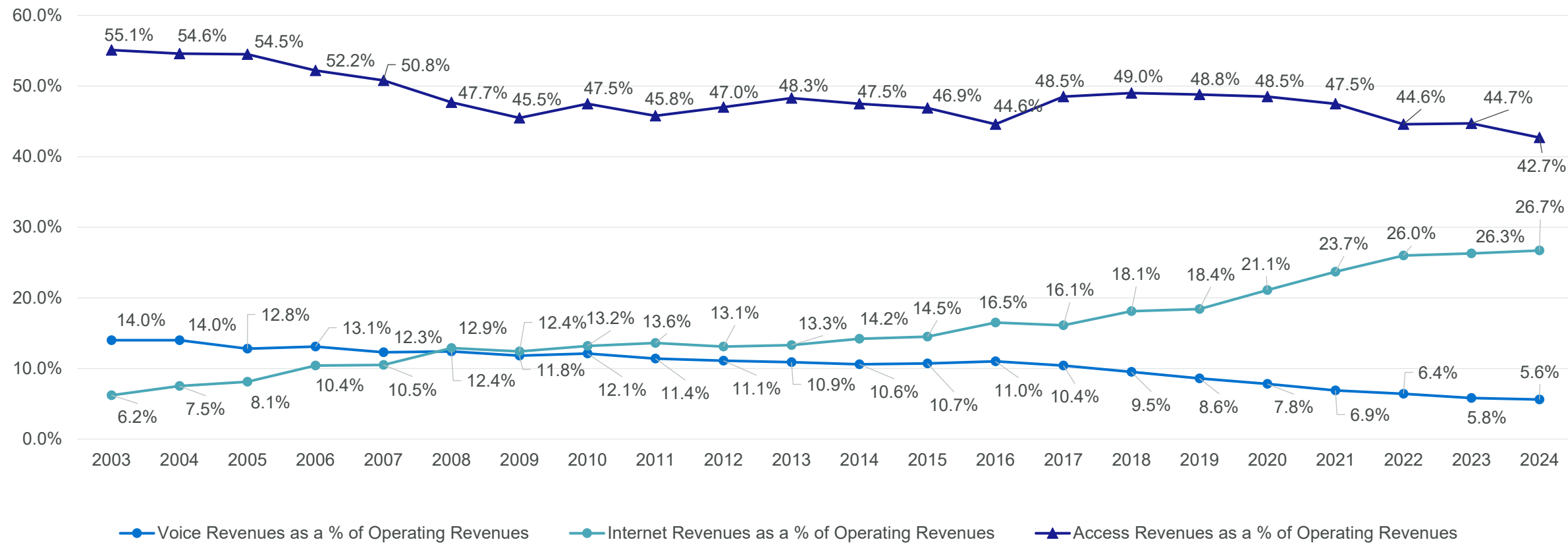
## Historical Trends



# Historical Trends

## Voice, Access, & Internet Services

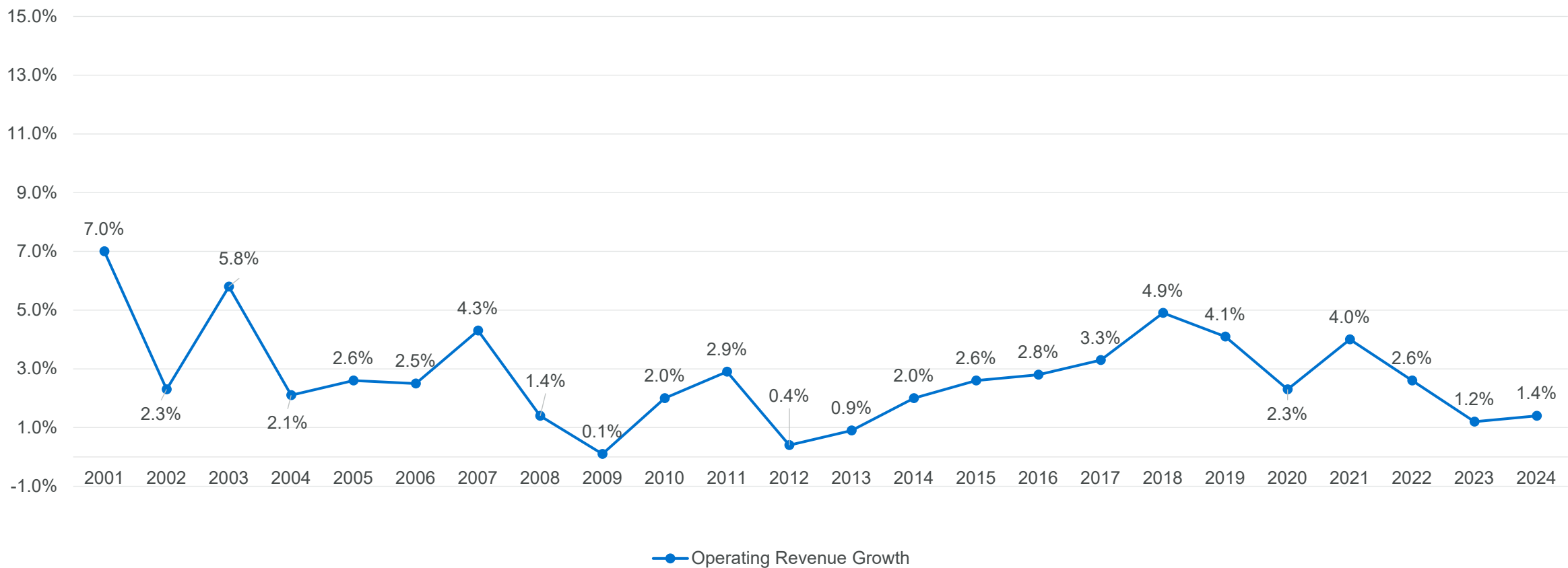
Revenue % of Total Operating Revenues



# Historical Trends

## Operating Revenue

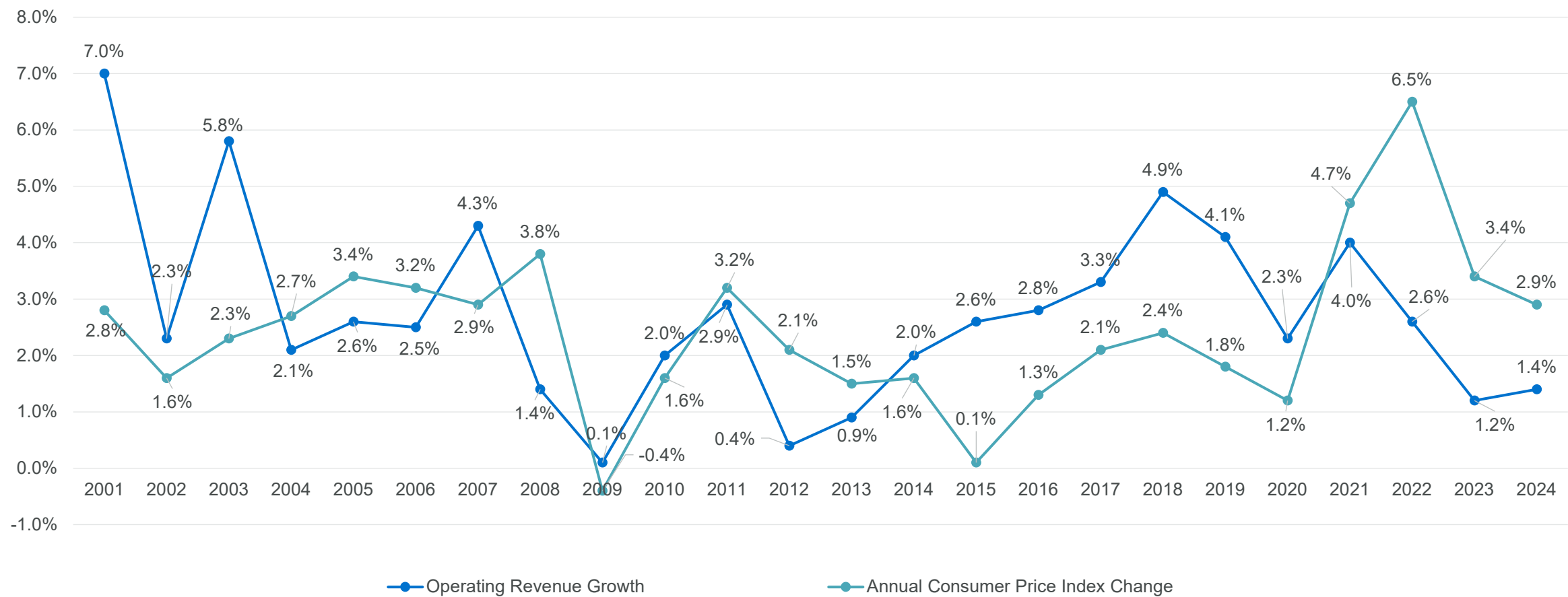
Total Operating Revenue Growth





# Historical Trends

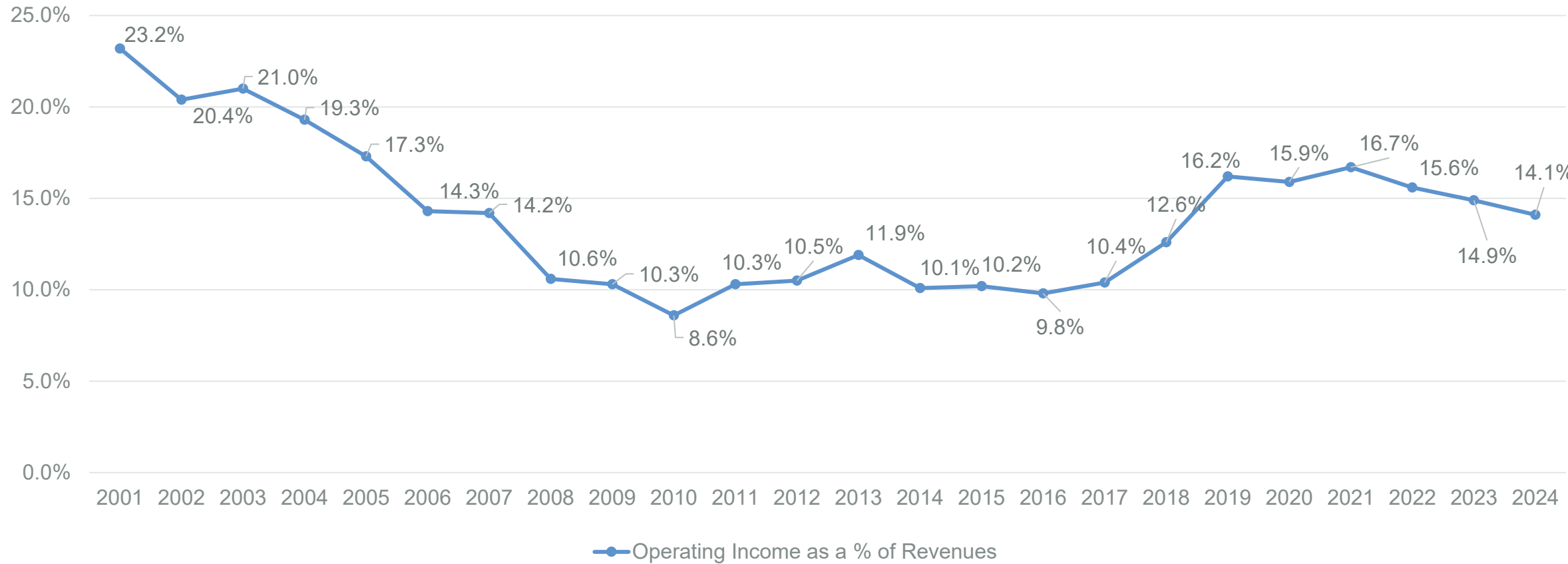
## Revenue Growth With Consumer Price Index



# Historical Trends

## Operating Income

Operating Income as a % of Total Operating Revenues



# 06

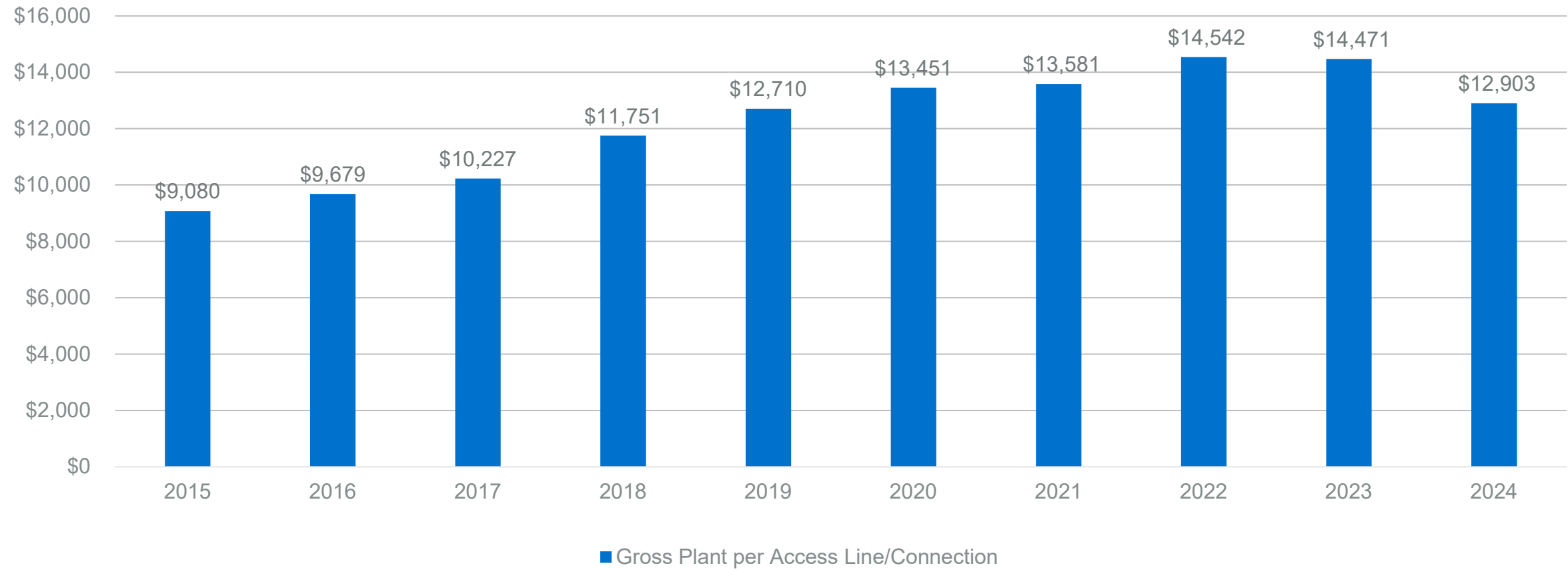
## Key Benchmarks



# Key Benchmarks

## Network

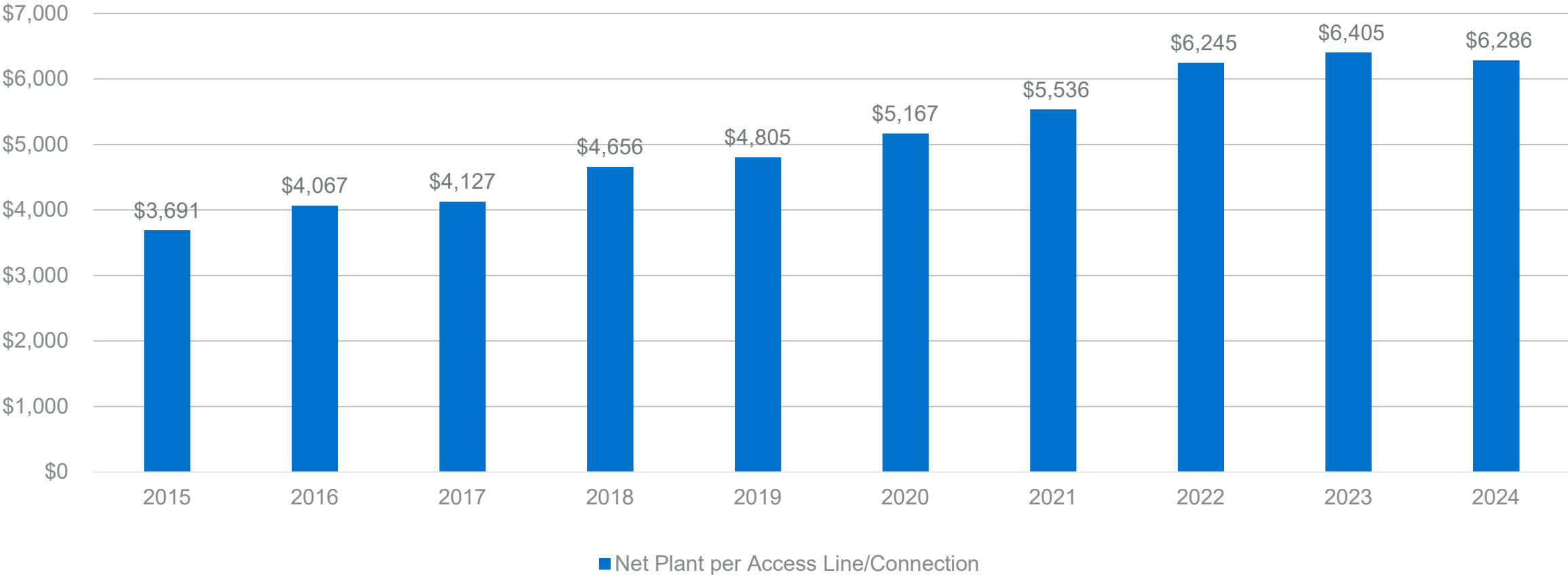
Gross Plant per Access Line/Connection



# Key Benchmarks

## Network

Net Plant per Access Line/Connection

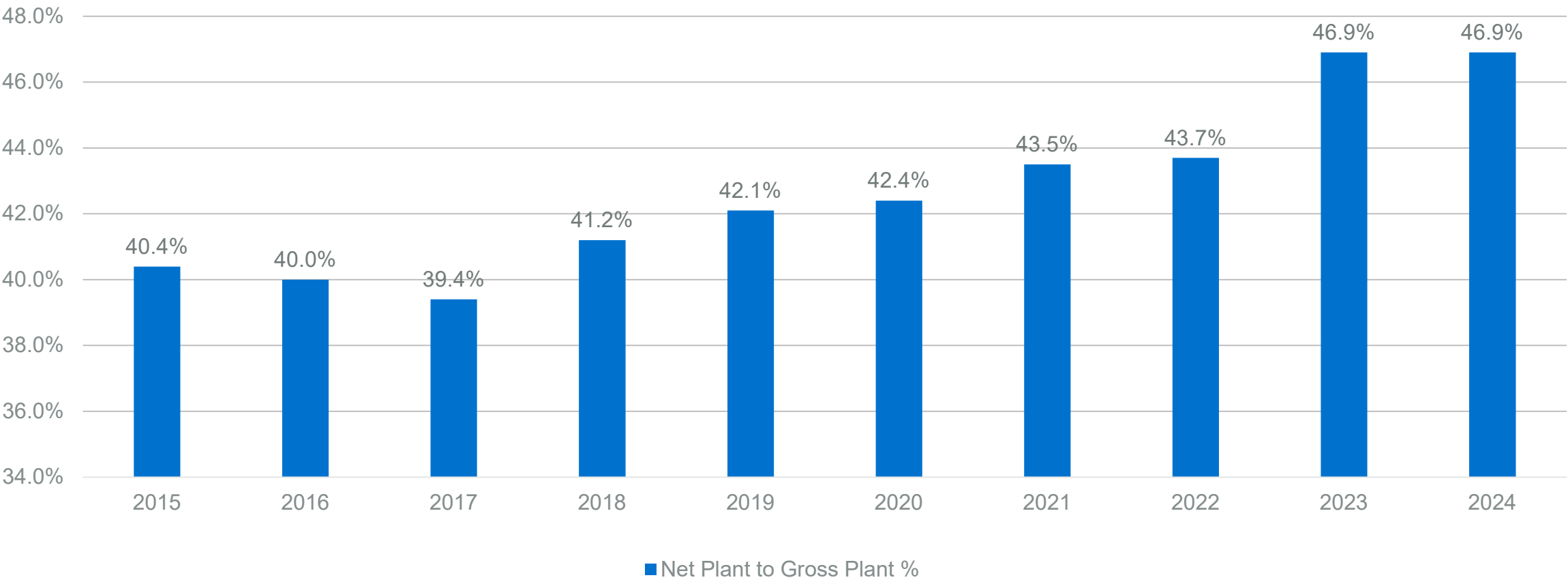




# Key Benchmarks

## Network

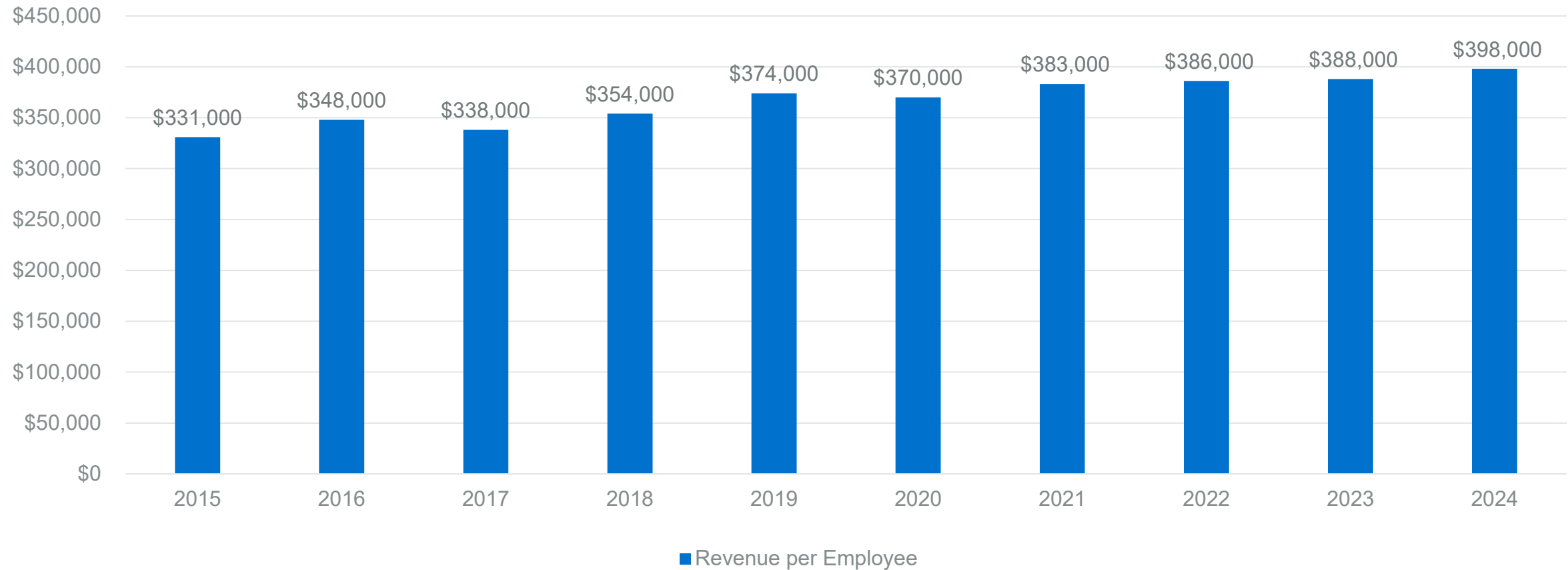
Net Plant to Gross Plant in Service



# Key Benchmarks

## Staffing

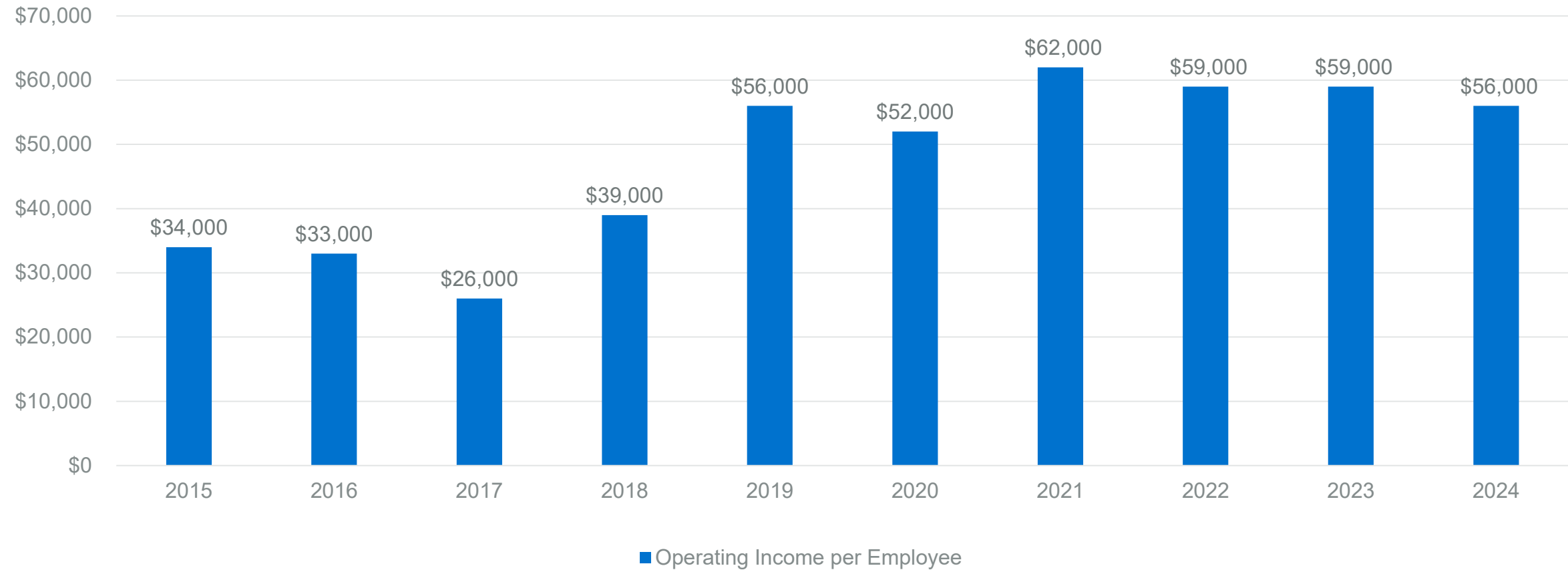
Revenue per Employee



# Key Benchmarks

## Staffing

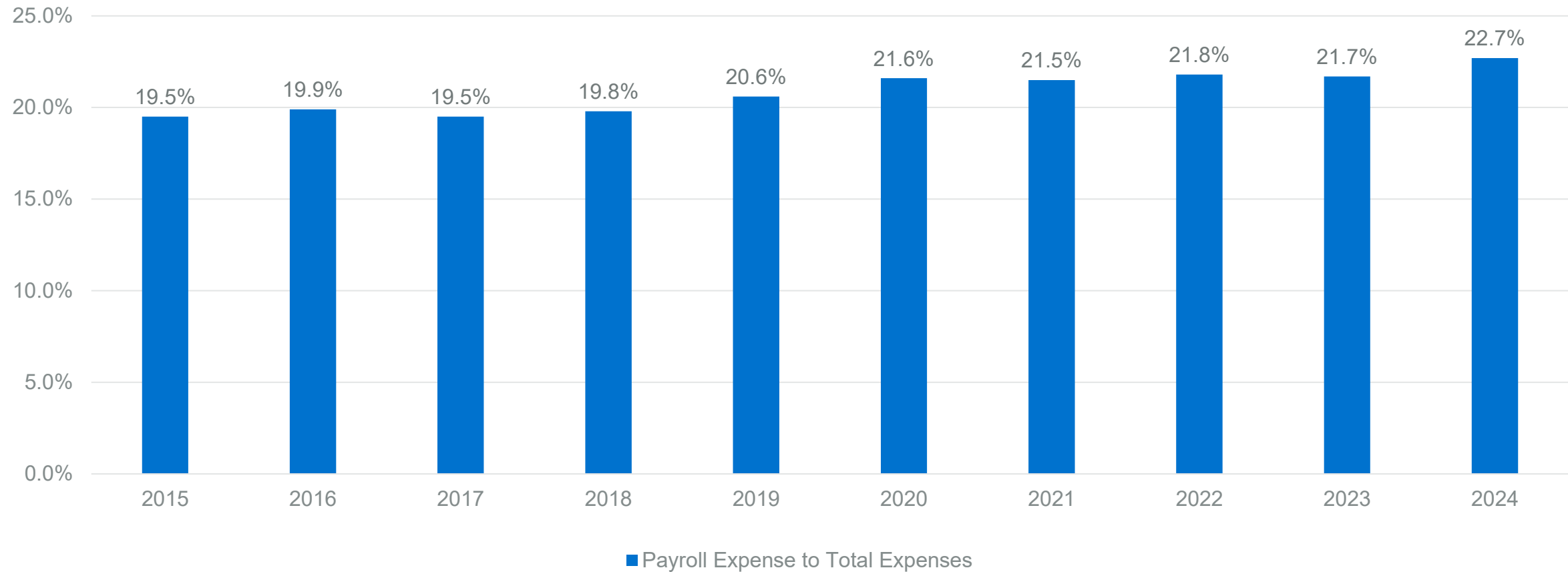
Operating Income per Employee



# Key Benchmarks

## Staffing

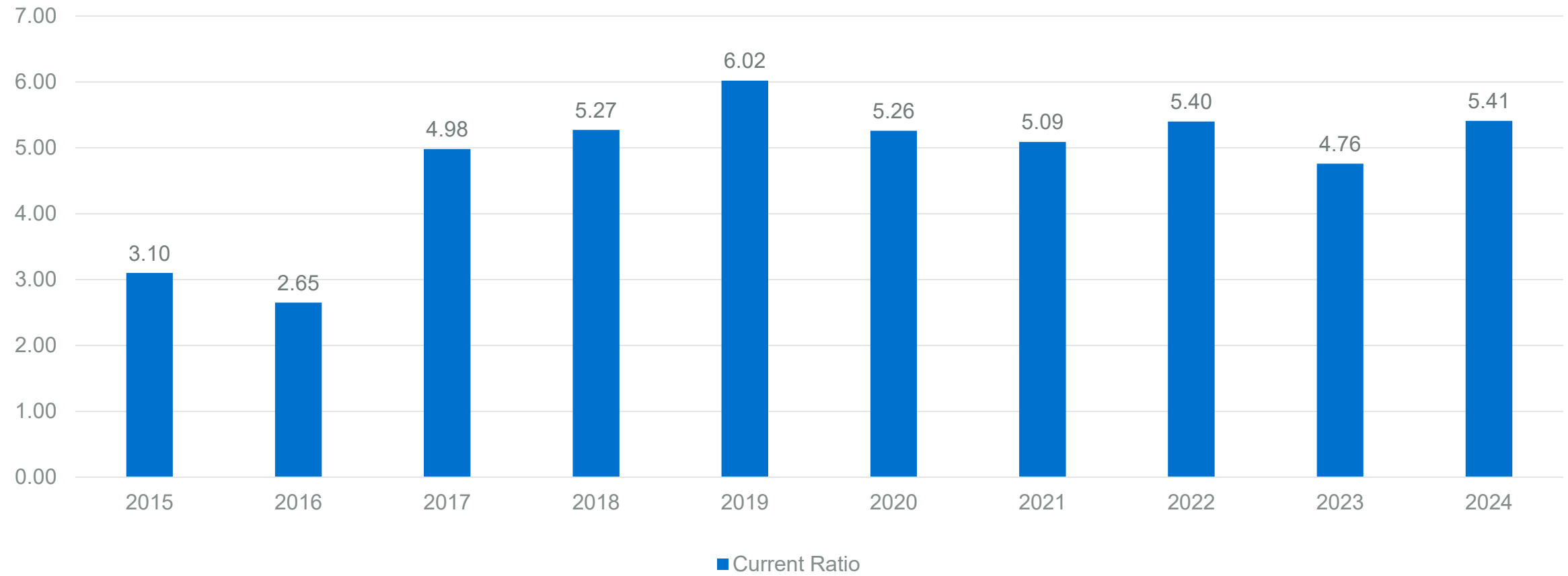
Payroll Expense to Total Expenses



# Key Benchmarks

## Financial

Current Ratio

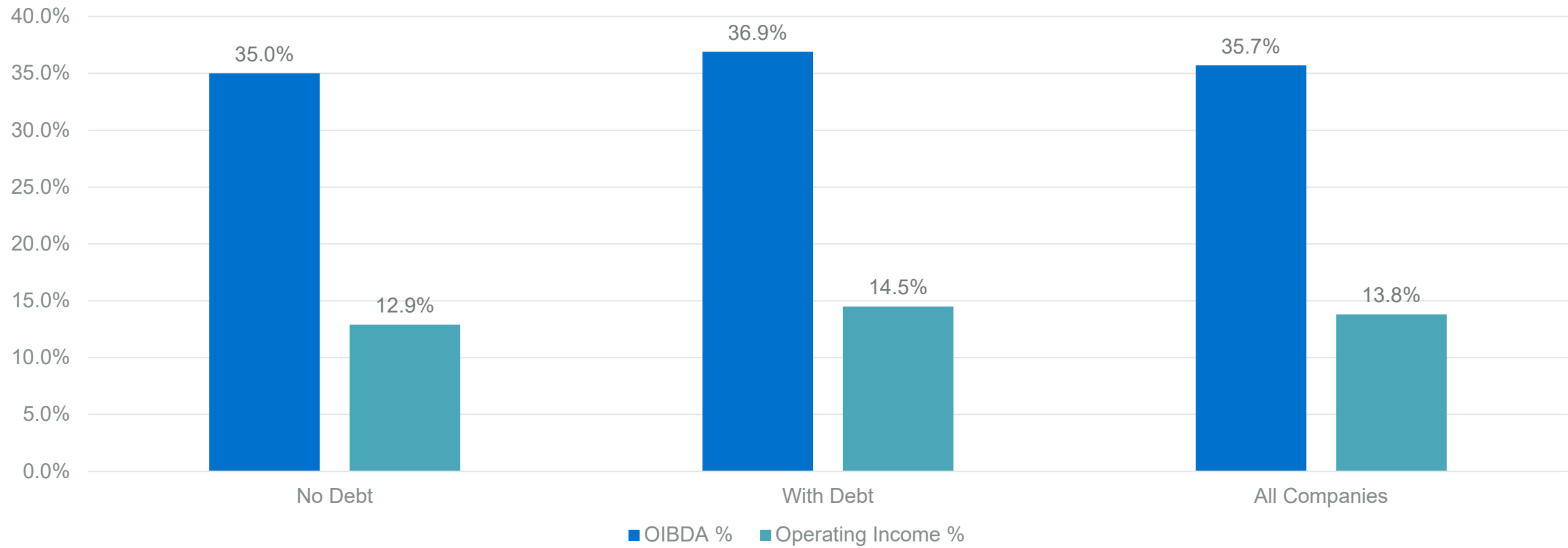




# Key Benchmarks

## Financial

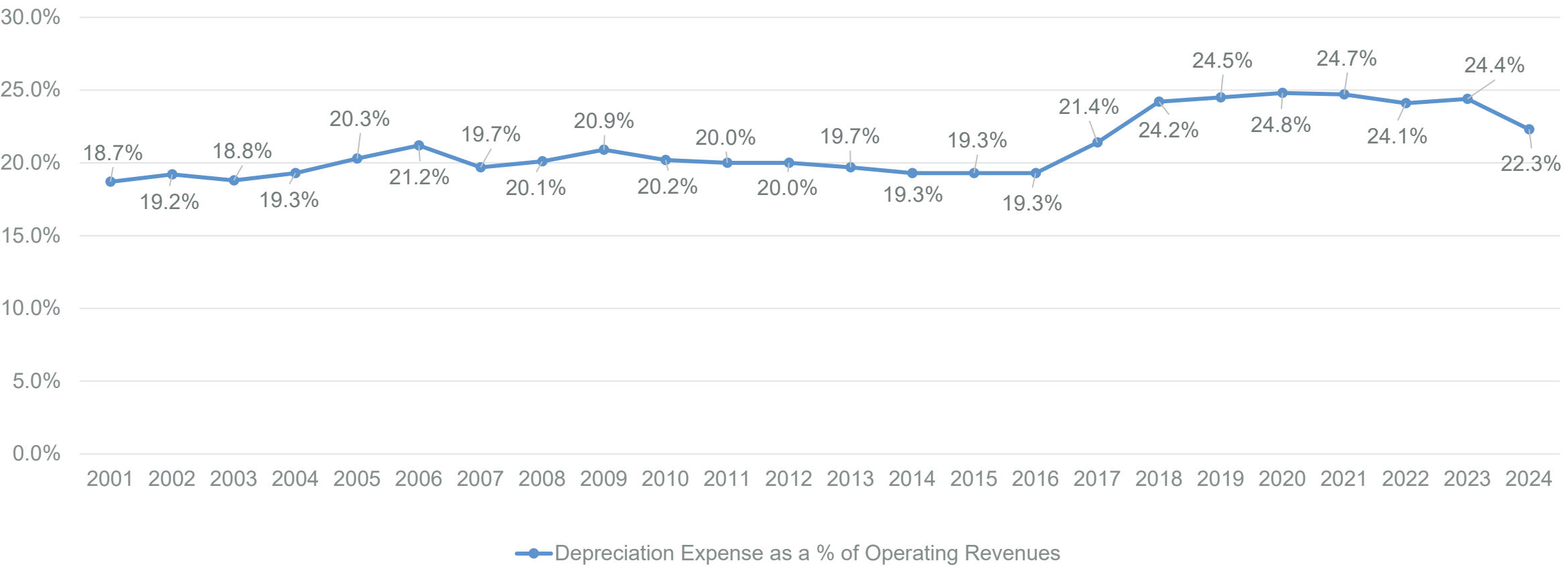
Average Operating Income & OIBDA % of Revenue



# Key Benchmarks

## Financial

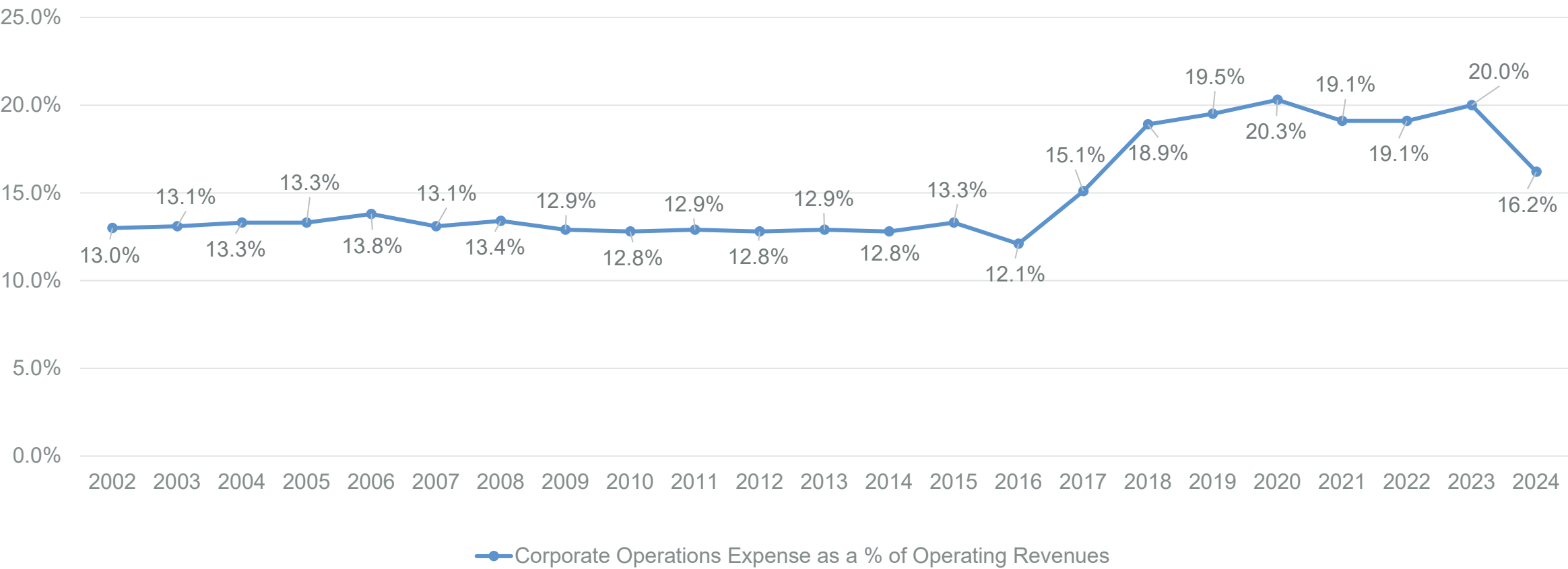
Depreciation Expense as a % of Total Operating Revenues



# Key Benchmarks

## Financial

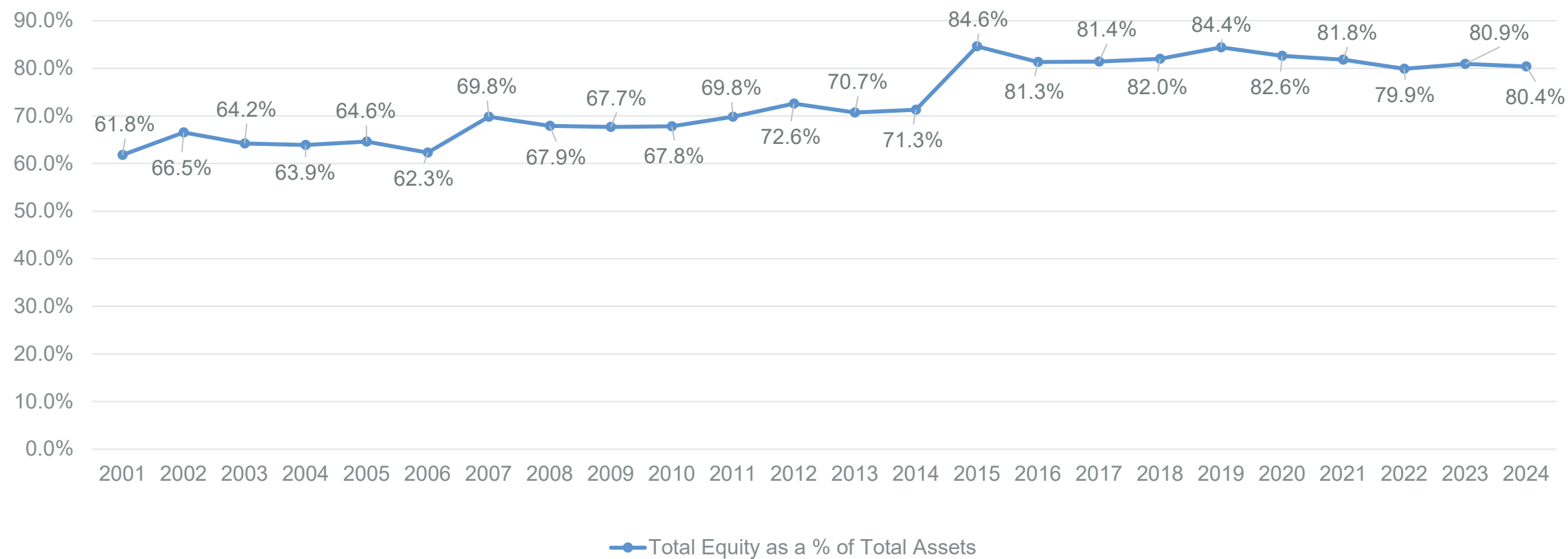
Corporate Operations Expense as a % of Total Operating Revenues



# Key Benchmarks

## Financial

Total Equity as a % of Total Assets



# 07

Looking Ahead





## Looking Ahead

- **Inflation**
- **Tariffs**
- **Broadband Funding**
- **Changes in Regulation – Push to Model Support?**

Find our study at:

**[www.forvismazars.us/telecom](http://www.forvismazars.us/telecom)**



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