GENERAL MANAGER REPORT



Cassidy Hjelmstad
CEO/General Manager

Where do I begin? It's hard to believe SRT is celebrating 75 years of serving our valued members and it's my privilege to be your CEO and General Manager in this moment. While this report highlights the past year of your cooperative, it is steeped in the full *History of Innovation* that has guided us all to this point.

MISSION-DRIVEN, MEMBER-MINDED

From running a phone line to our first customer, to serving more than 26,000 members today, SRT has taken each step with equal parts passion and deliberation. We have sustained a healthy cooperative for 75 years because progress is measured by our pillars: mission, vision, values, and cooperative principles. And every action comes down to you, our members.

SRT does not innovate for innovation's sake. We ask, *Will this decision benefit our members? Are we choosing this project for the good of serving our members long-term?* And like our approach to innovation, SRT doesn't grow for growth's sake. We ask, *Will this initiative allow us to deliver better services to more people, position SRT for the future, and protect our investment in the cooperative?*

Internet Phone is a recent example of innovation as a win for our members and a smart step for the cooperative. Because our fiber technology is already there, we can convert current residential phone customers to the service and provide it to new phone customers. There is no difference in how they make or receive a call — it's the same reliable connection — but their bill is lower because Internet Phone is more cost-effective for everyone.

Likewise, when completing our fiber build project, SRT balanced the urgency of delivering this state-of-the-art service with charting a fiscally and operationally sound path to get there. When we replaced copper cable with more than 9,000 miles of buried fiber optics throughout our rural territory and Minot, we delivered high-speed Internet to every resident and business across 5,587 square miles. Each of those fiber connections is monitored locally by our 24/7/365 Network Operations Center.

The last fiber-to-the-home drop marked our most significant innovation to date, paying dividends today and years from now. This sound investment, made in our members' best interests, sets SRT up for future advancements so we can continue to deliver the best possible telecommunications services to you.

THE GROUNDBREAKING INNOVATION OF BURIED FIBER

As we celebrate SRT's broadband network, we also celebrate what it means to connect our communities and power their potential. SRT initiated our fiber build in the rural communities we serve for the same reason our cooperative started 75 years ago: Everyone deserves access to the technology that can support their aspirations, regardless of where they live. SRT has always pioneered the delivery of telecommunications services to people and places in need. Our fiber network brings new opportunities to rural residents. It also serves vital industry and infrastructure that keep our economies and essential services operating.

SRT's long-term investment not only benefits every person and community in our own service area; it also strengthens connectivity for our neighbors across the entire state. We believe in North Dakota as a best place to live, do business, raise a family, and retire. True to our *History of Innovation*, SRT is a proud contributor to the state's distinction as a leader in advanced telecommunications infrastructure and broadband internet expansion. Our cooperative, owned by you, has helped build an exceptional way of life for North Dakotans and helped the state achieve more than 90% high-speed internet connectivity. Our fiber innovation ripples well beyond our own communities and brings those benefits back to our members.

A SECURE NETWORK FOR A SECURE FUTURE

As long as technology advances, so do cyberthreats. Your security is always our priority and we maintain constant vigilance to ensure your network is safe. We also empower and educate members to protect their own data. Much like cybersecurity, regulatory compliance is key to our ongoing, successful *History of Innovation*. Employees throughout SRT ensure our good standing and the protection of your rights and benefits by aligning with federal and state telecommunications guidelines. While this work often occurs behind the scenes, you can rest assured it is happening so you can enjoy the services we bring to your home and business.

A HISTORY BUILT ON GRATITUDE

SRT wouldn't be here without the members who trust us and have a relationship with us, or without the employees and Board members who have dedicated their time, skills, effort, and innovative spirit to bringing SRT this far. Many have served SRT and our members for 10, 20, 30, 40 years or more. They've witnessed — and shaped — our *History of Innovation* first-hand.

I am grateful to our Board of Directors, to our employees, and to you, our members. Each of you, one by one, creates this community of opportunity and potential for all of us. And every step we take adds a chapter to our *History of Innovation*.

I also pause to thank Verendrye Electric Cooperative, our peer and the entrepreneur of our own cooperative. Thank you to Verendrye for recognizing the need and opportunity to transform life in our region — from Martin (our first telephone exchange purchased in 1952) northwest to Antler, from Donnybrook east to Towner. You were the spark that ignited a constant current of determination to bring people together.

Years before I joined SRT in 2010, I grew up on a farm. Newburg — 82 people, zero stop signs, and 20 miles from the Canadian border — is my hometown. A place where people work hard and stay humble. Today, I am honored to serve rural America in a way I never dreamed of as a kid, yet it comes as naturally to me as the family farm. SRT helps the people of north-central North Dakota live where and how they want. This cooperative is your source for life-changing technology services and your friendly neighbor. I couldn't be prouder to be part of that.

Think back to those people in 1951, sitting around that boardroom table and declaring with conviction that people here would get phone lines. They were courageous, they were innovative, they were all the things we want to continue to be. As we look ahead to the next 75 years, I challenge us all to continue being courageous and innovative, to always look to our members for inspiration and purpose, and to never lose sight of where we started and who we are at our roots. There is no limit to what we can do together.

Thank you to every member, employee, and Board member, past and present, and happy 75th anniversary to all.

BOARD PRESIDENT REPORT

It is my privilege to update you on SRT during this special milestone anniversary. I've been on the Board of Directors for more than 20 of the cooperative's 75 years, and a grain farmer for much longer than that. Like all of us in SRT's service area, I call north-central North Dakota home. When SRT formed in 1951 and brought phone lines to and from every farm, it was the start of *A History of Innovation* that continues today.

INNOVATIVE SERVICES TRANSFORM LIVES

Farming in rural North Dakota is challenging enough with distance, geography, and weather. Before phone lines — and then high-speed internet — it was a lifestyle most of us can't imagine today. And now, since SRT completed its fiber optic network project, we have a quality of life that our predecessors couldn't have imagined decades ago. The state-of-the-art services we get from this locally owned cooperative compete with any metro area in the country. More importantly, the towns we've grown up in haven't lost their character; they've gained opportunity, thanks to SRT.

COOPERATIVE ROOTS STRENGTHEN COMMUNITIES

More than a service provider, SRT is a lifelong partner and neighbor in your community. This past year we supported many hallmarks of vibrant, thriving hometowns within our service area – from emergency services to recreational amenities. SRT donated $2,500 to Upham Fire Supporters for purchasing new self-contained breathing apparatus for Upham Fire Protection District's volunteer first responders. Put simply, the equipment protects the lives of those who protect our communities every day. We also gave $5,000 to the Glenburn Booster Club toward new equipment and basketball hoops in Glenburn Public School's Panther Playground, a centerpiece of activity for youth and families. In Minot, we supplemented a Foundation for Rural Service (FRS) community grant to Local Motives for Citizens Alley. The grant — $4,500 from FRS and $500 from SRT — funded checker/chess board picnic tables to enhance passive recreation, foster community engagement, and enrich the public plaza experience.

THE BOARD IS YOUR VOICE

All 12 members of SRT's Board are democratically elected as the voice of our fellow community members, representing four districts across our service area. Each of us is a member just like you, and we approach every decision for SRT with your best interests in mind. In fact, we recently worked through new mission, vision, and values to reinforce our focus on members in the changing world of technology. These brief but powerful words guide SRT's Board and employees in every choice the cooperative makes, ensuring we act deliberately for the good of our membership and the future of SRT. You can see the new mission, vision, and values on the inside front cover.

CAPITAL CREDITS ARE YOUR REWARDS

Belonging to the cooperative is much more than purchasing a service from a company. You are a member who participates in SRT's success. As a cooperative, SRT can return excess revenues (margins) to our members as capital credits. In 2026, SRT distributed more than $4 million back to our valued members, including an extra $750,000 the Board approved to celebrate our 75th anniversary with our membership. We always look forward to sharing the cooperative's success and stability with you, and this year marked an especially meaningful occasion for showing our appreciation.

Since our beginning 75 years ago, SRT has developed services that complement our communities and way of life in North Dakota. That *History of Innovation* has brought unprecedented opportunity directly to our homes, schools, businesses, and, of course, our farms. On behalf of SRT's Board of Directors, happy anniversary. We are humbled that you are part of SRT's membership and look forward to a rewarding future together.

Stanley Vangsness
Board President

