

A HISTORY OF INNOVATION

2026 ANNUAL REPORT

COMMEMORATIVE ANNIVERSARY EDITION

AGENDA

5:00 PM

Registration

Meal Begins

6:00 PM

Live Music by Ted & Kari

7:00 PM

BUSINESS MEETING

National Anthem

Call to Order

Report of Quorum

Presentation of
2025 Annual Meeting Minutes

Election Candidates

Financial Report

Board President Report

CEO / General Manager Report

Election Results

Unfinished Business

New Business

Adjournment

RENEWED MISSION, VISION, AND VALUES TO MARK SRT'S 75TH YEAR

SINCE 1951 WE'VE BEEN LOOKING FORWARD...

To how a cooperative could build community across north-central North Dakota. To how technology could close the distance between neighbors–from miles to just a phone call away. To how we could keep making life better for each other.

That's been SRT's *History of Innovation* since day one.

BUT THIS YEAR, WE STEPPED BACK FOR A MOMENT TO REFLECT ON OUR MISSION, VISION, AND VALUES.

We wanted to make sure they continue to support our members–so every innovation serves you, every decision considers your best interests, and every SRT employee comes to work each day ready to put you first.

Because you are the reason SRT is here, 75 years later. Not phone lines, not fiber internet, not every innovation that came before or will come next. You shape the communities we serve–one family, classroom, business, and farm at a time.

While our mission guides us, our vision challenges us, and our values ground us, you inspire us. SRT is pleased to unveil our new mission, vision, and values made just for you.

MISSION

SRT delivers reliable communications,
broadband, and technology services that support
community well-being, local success,
and strong member relationships.

VISION

SRT will provide world-class service with a
commitment to our members and
the communities we serve.

VALUES

We honor our cooperative roots.
We empower our employees.
We foster innovation.
We support our communities.

With gratitude for your membership,

Cassidy Hjelmstad

Cassidy Hjelmstad
CEO/General Manager

Stanley Vangsness

Stanley Vangsness
Board President

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



BOARD OF DIRECTORS



Allan Engh
Sherwood • District 1



Dennis Erber
Glenburn • District 2



Bruce Degenstein
Voltaire • District 3



Stacey Diehl
Secretary/Treasurer
Minot • District 4



Cheryl Overby
Mohall • District 1



Tom Jespersen
Vice President
Velva • District 2



John Marshall
Towner • District 3



Deanna Klein
Minot • District 4



Stanley Vangsness
President
Berthold/Carpio • District 1



Kristi Miller
Maxbass • District 2



Stuart Rothe
Asst. Secretary/Treasurer
Newburg • District 3



Deven Mantz
Minot • District 4

2026 Director Election /

District 1 Stanley Vangsness, Berthold/Carpio - *Incumbent*
District 2 Kristi Miller, Maxbass - *Incumbent*

District 3 John Marshall, Towner - *Incumbent*
District 4 Colton Bourquin, Minot
Dr. Jason Bradley, Minot
Deanna Klein, Minot - *Incumbent*

A HISTORY OF INNOVATION

SRT started in a place, but it began with people. In 1950, this vast stretch of North Dakota prairie had farms, schools, county seats, but no phones. Concerned citizens decided that the people who live here need phones. Farmers need to call into town; relatives and friends need to call each other. Phones were about safety, so people could help each other; about prosperity, so people could do business and earn a living; and about staying in touch with loved ones. You could say the mission has always been what life is all about: People coming together and forming community.

It was a bold idea and an even bolder action. When these determined people saw a need that lives depend on and then made it happen — that was the beginning of SRT's *History of Innovation*. In 1950, the Verendrye Electric Cooperative set out to start a telephone cooperative. In 1951, SRT came to be.

The story of SRT can't be told without the seventh Cooperative Principle: Concern for Community. Concern for fellow North Dakotans compelled SRT's founders to deliver the revolutionary service of human voices traveling over wires. It's a story of persistence among individuals and compassion among neighbors.

When we think of innovation, we often think of inventions that modernize daily life. But the real innovation behind SRT's history is the North Dakota spirit of its people, then and now.







A HISTORY OF INNOVATION

THEN

The past 75 years were punctuated with leaps forward, each year and decade a stepping stone toward the next innovation to benefit SRT members.

Our history as a cooperative officially began September 29, 1951, when Souris River Telephone Mutual Aid Corporation filed Articles of Incorporation. The very next year SRT purchased its first phone exchange — the Martin Telephone Company with 82 subscribers. Two short years later SRT secured its first loan and bought four more exchanges, and the momentum rolled on.

By the 60s SRT was serving Minot Air Force Base, our largest phone exchange at the time. We also shared the cooperative's early success with members, sending out their first capital credit checks. It was a decade of smart growth, sound business decisions, innovating services, and delivering critical communications.

Soon SRT was innovating beyond telephone. By 1980 the cooperative brought cable television service to the residents of Westhope, while the 90s ushered in Direct Broadcast Satellite TV. SRT continued to roll out the latest and greatest services with Security in 2008 and Dish Network in 2014.

In the meantime, the area and people we serve continued to expand. In 1994, SRT acquired Minot Telephone Company, adding roughly 25,000 lines in Minot, Burlington, and Surrey. Ten years later we acquired the cable TV systems in Newburg and Upham, increasing our total communities served to 18. We also welcomed Velva residents in 2007 after purchasing the exchange from North Dakota Telephone Company in Devils Lake.

The most transformative innovation so far, fiber optics brought unprecedented opportunity to even the most remote home in north-central North Dakota. In 2006 SRT deployed our first fiber-to-the-premise in rural Lansford — a community of roughly 200 people that suddenly had the most powerful internet technology available. Owing to the determination of SRT's Board of Directors and the ingenuity of our employees, SRT completed our rural fiber build by 2022 and Minot last year.






Local: Williston welcomes asphalt plant / B1
Sports: Gretzky sets scoring record / C1
Minot Daily News
Minot Tel sale approved
$61 million offer passes despite objections from customers who won't be SRT members
Wefald: SRT has 'some healing' to do









NOW

Today, SRT is the state's largest telecommunications cooperative, serving more than 26,000 residential and business customers. We invested in 9,200 miles of fiber optics that criss-cross and connect an area encompassing 5,587 square miles, 10 counties, four districts represented by a Board of 12 Directors, and 160 employees — all coming together to form community. That's what it's all about.

Our services are as individual as your own phone or internet connection, as regional as the healthcare, financial, and educational institutions we serve, and as global as the key military installation that is critical to our nation's nuclear deterrence strategy.

SRT's value also extends beyond the services we provide. We enjoy being a good corporate citizen to support growth, well-being, and economic vitality in our communities. SRT has awarded more than $180,000 in scholarships to local students and promotes STEAM education and career initiatives. SRT has also invested millions of dollars in the services, amenities, and community spirit that make hometowns across our service area special.

SRT launched a scholarship program in 1989 to help area students fulfill their future plans. In 2026 SRT awarded six students a $2,000 SRT General Scholarship each: Brynn Hanson of Burlington and DLB High School; Hattie Heer of Douglas and South Prairie High School; Cooper Kittleson of Velva and Velva High School; Sam Knudsvig of Minot and Our Redeemer's Christian School; Collin Swenson of Minot and Our Redeemer's Christian School; and Brooke Zimmer of Mohall and MLS-Mohall High School. Tate Heer of Douglas and South Prairie High School won the $3,000 SRT Technical Scholarship.

NEXT

As a Smart Rural Community (SRC) provider designated by NTCA—The Rural Broadband Association, SRT delivers cutting-edge, high-speed fiber so our members can live rich lives in their own towns. Our fiber internet supports smart initiatives that help communities, large and small. We are committed to promoting innovative economic development and other important services, and fiber is central to that commitment.







Because SRT replaced copper cable with fiber, our members have a distinct advantage when it comes to future innovation. Not only did we increase internet speed and capacity exponentially for the region. And not only does our fiber network ensure your connection is reliable and secure through a redundant, geographically diverse design. It's also what's known as "future proof" – meaning our network is ready for anything. Fiber's high capacity can take on faster speeds, more data, and more ambitious technological advances than we've ever experienced.

Evolving technology will continue to challenge SRT to innovate – and we're up for that challenge. Whether it's an innovation that will enhance remote learning or running a business, SRT will deliver technology that rivals large cities with the personal relationships you expect from your long-time, local cooperative. North Dakota is a cornerstone of America's energy, agriculture, and national defense. SRT will continue to innovate so these vital sectors keep North Dakota moving, productive, and safe.

There will always be innovation. Phones weren't the end, TV wasn't the end, and fiber won't be the end. But two things are constant: We will never rest and we will always care.







ALWAYS

75 years ago, people knew this place was important. Rural communities matter just as larger cities matter and each individual is worth investing in. Our predecessors defied odds to build homes, grow food, and form close communities here. SRT is humbled to be part of this community of farmers, ranchers, caregivers, teachers, builders, service men and women, professionals of all stripes — the list goes on. Our cooperative is rooted here, locally made for you and owned by you.

Technology may be the Way, but our members are the Why. Since 1951, SRT has been evolving our capacity to serve you. We keep building our knowledge, honing our skills, and reaffirming our commitment to make telecommunications life-changing. Our track record of continually advancing our network — from landlines to wireless phones to copper to fiber — stands as a 75-year testament to delivering everything our membership deserves. We won't stop innovating for you. Our history is your history. SRT's first chapter was 75 years, and we have so many more to write together.



Commissioned painting by Minot artist EJ Rose commemorates SRT's 75-year History of Innovation.

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This institution is an equal opportunity provider and employer.