

# INVESTED

YOU 100% LOCAL | 100% FIBER | 100% INVESTED



2025  SRT  
ANNUAL REPORT

# GENERAL MANAGER REPORT



*It has been a year of milestones for our cooperative and our industry. These highlights-by-the-numbers help to quantify SRT's investment in you, our valued members. And behind each of these achievements is our enduring commitment to advocacy, security, and accountability for our membership.*

## **100% FIBER**

After spending more than a dozen years burying more than 9,000 miles of fiber optic cable, SRT delivered fiber to the last remaining home in Minot. That final fiber-to-the-home drop solidifies SRT as

the only 100% fiber network in our service area. In all, SRT made a fiber infrastructure investment of more than \$218 million, funded partly with loans from the United States Department of Agriculture (USDA) Rural Utilities Service (RUS).

SRT Fiber links all people on our network to new opportunities in healthcare, education, business, and agriculture. It expands economic potential and improves quality of life for our members, whether living in Minot city limits, in a rural town, or on a remote farm. Although we completed building our all-fiber network, we won't stop there. SRT will continue to maintain, upgrade, and leverage advanced technologies so you will always have the robust connection you need to support your life goals.

## **2 GIG AND MORE**

With 100% fiber comes our latest, most powerful Internet package. We were excited to launch Fiber 2 Gig last fall, adding to our Fiber 350, 700, and Gig options to meet our members' highest digital

needs and aspirations. Fiber 2 Gig rises to the occasion for serious gamers, creative and high-tech professionals, complex home offices, highly connected smart homes, and people who love the latest technology. We've also expanded our cloud-based business services for companies to connect more employees and offices and to collaborate from anywhere.

## 25,000 INTERNET CONNECTIONS

Since 1951, SRT has been connecting people to opportunity, and this mission drives us every day. We started with telephone service, connecting one home at a time. Forty-five years later we brought local dial-up internet to every SRT phone exchange. Soon after that we added digital subscriber line (DSL) internet to our services. Today, we proudly provide the most advanced Fiber Internet to our members across north-central North Dakota.

## 20 YEARS AS BEST INTERNET PROVIDER

This past year also marked the 20th year in a row that Minot Daily News readers voted SRT as Best Internet Provider. We are beyond proud to earn this honor but, more importantly, we are thrilled that customers are enjoying a positive experience with our Internet service. Your confidence and trust inspire us every day to find new and better ways to serve you.

## ENDURING COMMITMENT TO MISSION AND MEMBERSHIP

SRT believes everyone should have access to the same telecommunications service regardless of where they live. We also recognize how integral the Universal Service Fund (USF) is to ensuring rural communities have reliable access at rates comparable to urban areas. SRT is closely monitoring a Supreme Court case that addresses the Federal Communications Commission's (FCC's) authority related to USF. This case has the potential to impact how the USF is funded and distributed. SRT will continue to advocate for our members, which is why we engage with our federal and state delegations so key decision-makers understand the importance of broadband sustainability for North Dakotans.

To safeguard our multi-million-dollar investment, SRT continually evaluates how we can best protect our fiber network. Every citizen should also be equipped to protect their own data when online. SRT routinely shares tech and cybersecurity tips with customers, though there is more to our customer education than keeping you safe. We also strive to bring you helpful information to make the most of your SRT Fiber Internet. Our team is your local, dedicated resource for TV streaming assistance, so you can enjoy the optimum home entertainment experience a fast SRT Internet connection delivers.

Finally, we are always conscientious about complying with federal and state regulations, maintaining our good standing as a cooperative, and protecting your rights and benefits.

*It is my honor to serve as your cooperative's CEO/General Manager. Thank you to our Board of Directors, to our dedicated SRT employees, and to you, our valued members, for the opportunity to serve SRT's mission. SRT is invested in you, your family, and the future of your community. That investment has been our driving force since 1951 – from telephone through broadband – and always will be as we move forward together.*



# BOARD PRESIDENT REPORT

SRT partnered with our communities throughout the year to enhance business, education, and vital spaces for local residents. The results shine as examples of the cooperative spirit serving north-central North Dakota.

## BUILDING LOCAL ECONOMIES

SRT proudly brings opportunities to our service area through the U.S. Department of Agriculture (USDA) Rural Economic Development Loan and Grant program (REDLG). In partnership with USDA Rural Utilities Service (RUS), REDLG allows SRT to pass funds through to local businesses so they can create jobs and retain employment in rural areas.

In 2015, SRT presented a \$1 million, zero-interest REDLG pass-through loan to Gooseneck Implement in Velva. This January, Gooseneck paid that loan in full, marking a significant achievement for the business. The \$1 million loan partially funded construction of Gooseneck Implement's Velva Store, which opened in April 2015 and features 39,800 square feet of showroom, service department, and parts department space. The new store also created at least seven new jobs.

SRT's Board of Directors congratulates Gooseneck Implement on creating lasting economic vitality for the agricultural industry and Velva community. In support of local economic development, we encourage businesses to consider the REDLG program for their own planned projects.

## CREATING SPECIAL SPACES

SRT also partnered with Rural Development Finance Corporation (RDFC) to invest in projects that preserve heritage, instill pride, and honor our fellow citizens. Our cooperative matches RDFC grant dollars for projects that benefit rural areas and lead to community betterment. Last summer, Emmanuel Lutheran Cemetery was able to replace fencing along the north and west sides of the cemetery, thanks in part to funding from a \$750 RDFC grant matched by SRT. A deteriorating wooden fence was replaced with PVC and fiberglass posts and chain-link fencing to beautify this valued resting place south of Butte.

In addition, SRT supported the new Veterans Memorial Monument in Granville Cemetery, installed by Granville American Legion Post 155. Through the same RDFC grant matched by SRT, we were able to provide \$1500 toward purchasing the monument that now stands atop a hill in the cemetery. SRT supports our military and values being part of this community coming together for veterans.

## SUPPORTING YOUTH DOING GREAT THINGS

SRT always welcomes opportunities to help students build their own futures through STEAM. Westhope Public School provided such an opportunity this year.

Through another matched grant, RDFC and SRT provided \$1500 toward new printers and related supplies to grow and sustain the Westhope school's 3D printing program. The program began when teacher Casey Mills and his fifth-grade class set up their own 3D print shop using an older, available 3D printer on hand. As the program grew more popular, financial support helped them acquire newer technology to design and sell their own products. Through this school-based enterprise, the students learned creative design, small business operations, marketing, and advertising. SRT is inspired to see how technology sparks student creativity and opportunities for the future.

## CELEBRATING TOGETHER

Last fall, SRT received an NTCA-The Rural Broadband Association Smart Rural Community (SRC) Showcase Award for our 2023 Rural Prosperity Workshop. NTCA presents SRC Showcase Awards annually to rural broadband providers who have led collaborative, innovative projects that advance the communities they serve. Acting on our commitment as an economic catalyst for the region, we invited 30 leaders and champions from more than a dozen communities to gather for our workshop. SRT is humbled to earn an award that speaks to our investment in fresh ideas and innovative projects that help our communities progress while preserving their sense of place.

Born and raised in SRT's service area, I have worked on the farm, pursued my education, built my career, raised my family, and enjoyed everything about life in North Dakota. I've also been an SRT member since my parents had their phone line. Serving as your Board President has been a meaningful next step in my experience here and I have valued the opportunity to serve my fellow members in this role the past four years.

On behalf of SRT's entire Board of Directors, thank you.

**Kristi Miller**  
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**  
Velva • District 2



**John Marshall**  
Towner • District 3



**Deanna Klein**  
Minot • District 4



**Stanley Vangsness**  
*Vice President*  
Berthold/Carpio • District 1



**Kristi Miller**  
*President*  
Maxbass • District 2



**Stuart Rothe**  
Newburg • District 3



**Benjamin Robertson**  
*Assistant Secretary/Treasurer*  
Minot • District 4

## 2026 Director Election /

**District 1** Allan Engh, Sherwood - *Incumbent*  
**District 2** Tom Jespersen, Velva - *Incumbent*

**District 3** Stuart Rothe, Newburg - *Incumbent*  
**District 4** Deven Mantz, Minot  
Benjamin Robertson, Minot - *Incumbent*



# INVESTED YOU



100% local | 100% fiber | 100% invested

SRT has been your local co-op since 1951, supporting not just where you live, but **how** you live. From the first phone lines to today's fiber-fast Internet, from school activities to economic development projects, SRT has proudly invested in the services and community spirit that make your hometown special.



## Our roots run deep



We proudly invest in local youth and their bright futures...

## SOME OF THE WAYS SRT INVESTS IN YOUR COMMUNITY

Backpack Buddies  
First Responders  
School Sports  
STEAM Programs  
Athletic Fields  
Parks and Community Spaces  
After Prom Parties  
Scholarships

4-H Programs  
County Fairs  
Cultural and Historic Sites  
Non-Profit Fundraisers  
Food Pantries  
Co-op Lunches  
Homecoming Parades



# in your community.



Since 1989, SRT has awarded more than \$100,000 in college scholarships. 2025 SRT General Scholarship winners: Josie Bryn of Rugby and TGU Towner High School, Alena Hall of Newburg and Our Redeemer's Christian School, Cambel Johnson of Minot and Minot North High School, Melissa Kuhnhenh of Upham and TGU Towner High School, Rose Schiele of Balfour and Velva High School, and Wilson Wald of Minot and Minot High School. Austin Lakefield of Mohall won the \$3,000 SRT Technical Scholarship.

# CONSOLIDATED BALANCE SHEET

DECEMBER 31, 2024

## ASSETS

### Current Assets

Cash and temporary cash investments	\$ 38,272,303
Accounts, notes, and interest receivable	7,673,309
Materials and supplies	1,745,318
Prepaid expenses	2,134,700
<b>Total Current Assets</b>	<b>49,825,630</b>

### Investments and Noncurrent Assets

Investment in securities	8,317,945
Other investments	9,950,486
Nonregulated investments - net	4,477,240
Deferred charges	342,946
<b>Total Investments and Noncurrent Assets</b>	<b>23,088,617</b>

### Telecommunications Plant

Total investment in plant	323,886,070
Less: accumulated depreciation	148,494,552
<b>Net Investment in Plant</b>	<b>175,391,518</b>

<b>Total Assets</b>	<b>248,305,765</b>
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## LIABILITIES AND EQUITIES

### Current Liabilities

Current portion of long-term debt	5,756,000
Accounts payable	2,438,769
Accrued taxes	200,472
Other current liabilities	1,174,529
<b>Total Current Liabilities</b>	<b>9,569,770</b>

<b>LONG TERM DEBT, LESS CURRENT MATURITIES</b>	<b>65,029,156</b>
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<b>OTHER LIABILITIES</b>	<b>5,747,943</b>
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### EQUITIES

Patronage capital	141,119,546
Other capital	26,839,350
<b>Total Equities</b>	<b>167,958,896</b>

<b>Total Liabilities and Equities</b>	<b>\$248,305,765</b>
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# CONSOLIDATED STATEMENT OF OPERATIONS

YEAR ENDED  
DECEMBER 31, 2024

## OPERATING REVENUES

Local network services	\$ 4,449,093
Network access services	37,818,374
Long distance network services	615,337
Miscellaneous	946,324
<b>Total Telephone Revenue</b>	<b>43,829,128</b>
Tower rent revenue	69,070
Internet revenue	15,355,565
Nonregulated revenue	1,298,549
<b>Total Operating Revenues</b>	<b>60,552,312</b>

## OPERATING EXPENSES

Plant operations	19,261,320
Depreciation	16,690,920
Customer operations	3,061,295
Corporate operations	5,753,779
Operating taxes - other	115,118
<b>Total Telephone Operating Expenses</b>	<b>44,882,432</b>
Tower operating expenses	336,753
Internet operating expenses	7,097,821
Nonregulated expenses	1,806,817
<b>Total Operating Expenses</b>	<b>54,123,823</b>

## NET OPERATING MARGIN

6,428,489

## NONOPERATING INCOME (EXPENSE)

Interest and dividend income	6,010,387
Amortization of intangibles	(29,222)
Income from equity investments	613,770
Other gains/(losses)	(536,664)
Miscellaneous	(200,166)
<b>Total Nonoperating Income</b>	<b>5,858,105</b>

## NET MARGIN BEFORE INTEREST AND INCOME TAXES

12,286,594

## INTEREST EXPENSE AND RELATED ITEMS

2,167,655

## NET MARGIN BEFORE INCOME TAXES

10,118,939

## PROVISION FOR INCOME TAXES

696,036

## NET MARGIN

\$ 9,422,903

# MINUTES OF THE 2024 ANNUAL MEETING

The 73rd Annual Meeting of the members of SRT Communications, Inc. ("SRT") was held at the North Dakota State Fair Center in Minot, North Dakota, on Thursday, June 20, 2024, pursuant to due notice to all members. SRT President Kristi Miller presided.

**WELCOME:** President Miller welcomed members to SRT's 73rd Annual Meeting.

**NATIONAL ANTHEM/FLAG PRESENTATION:** President Miller asked all in attendance to rise for the singing of the National Anthem, which was performed by student Samantha Farden of Maxbass.

**INVOCATION:** Father Sylvester Onyeachonam of Trinity Health Pastoral Care in Minot was invited to deliver the invocation.

**INTRODUCTION OF SRT BOARD MEMBERS:** President Miller introduced SRT's current board members and the districts from which they serve. President Miller also recognized retiring board members Dennis Schott and Ardel Rice for their many contributions and years of service to the cooperative.

**INTRODUCTION OF GUESTS & ACKNOWLEDGMENT OF LETTERS:** President Miller read the names of special guests and letters received from elected officials.

**CALL TO ORDER:** The meeting was called to order by President Miller at 7:16 p.m. The President declared the presence of a quorum. President Miller appointed Attorney Steven Lutt as recording secretary and parliamentarian.

**READING OF ANNUAL MEETING NOTICE:** SRT Secretary Stacey Diehl read the official notice of meeting and proof of mailing.

**READING OF 2023 ANNUAL MEETING MINUTES:** It was moved, seconded, and carried to approve the minutes of the 2023 annual meeting of members as printed in the annual meeting booklet, and to dispense with oral reading of the minutes.

**NOMINATIONS PROCEDURE & INTRODUCTION OF CANDIDATES:** Attorney Steven Lutt, from Pringle & Herigstad, PC, explained the procedure for nomination and election of directors of SRT. Attorney Lutt introduced the candidates from each district: Cheryl Overby of Mohall (District 1), Dennis Erber of Glenburn (District 2), Bruce Degenstein of Voltaire, Faith Fahnestock of Towner/Willow City, and Shawn Vedaa of Voltaire (District 3), and Stacey Diehl of Minot and Deven Mantz of Minot (District 4).

**CREDENTIALS AND ELECTION COMMITTEE:** President Miller announced that members Elaine Zakopyko, Renae Johnson, Liz Wolsky, Tracie Hansen, and Gerald Henry were appointed to serve as the Election Committee. Gerald Henry served as chair of the committee.

**FINANCIAL REPORT:** President Miller introduced Perry Erdmann, the Chief Financial Officer of SRT. Mr. Erdmann reported the financial results for the past fiscal year and the results of an independent audit of SRT's consolidated operations. Mr. Erdmann reported SRT operating revenues of \$58.5 Million. SRT's "net margin," the rough equivalent of net profit, was \$27.3 Million for the 2023 fiscal year. SRT's assets stand at \$252.5 Million, while current liabilities are \$12.4 Million. SRT's total equity stands at \$161.7 Million.

**PRESIDENT'S REPORT:** President Miller presented the President's Report, touching on the ongoing buildout of fiber in Minot, financial support for community initiatives, and youth initiatives involving STEAM, eSports, and career opportunities in emerging technologies.

**CEO/GENERAL MANAGER'S REPORT:** CEO/General Manager Cassidy Hjelmstad reported on the approaching completion of fiber in Minot, Next Generation 911, cybersecurity, the sale of SRT's tower assets, USF reform, SRT's support for the Minot Air Force Base, and Minot's award of the Barksdale Trophy in 2023 for outstanding support for the Air Force Global Strike Command base in Minot.

**SCHOLARSHIP RECIPIENTS:** Cassidy Hjelmstad explained SRT's scholarship program and named the 2024 recipients. They are Lucas Beeter of Minot, Tallie Fedje of Bottineau, Shaylie Holen of Burlington, and Mariah Lovro of Granville.

Ms. Hjelmstad also announced the SRT Technical Scholarship which is awarded to a student working toward a degree in telecommunications or a related technical field. The 2024 recipient is Jamie Thompson who recently graduated from MLS Mohall and will be attending the Bismarck State College to study Agriculture Industry and Technology.

**PRIZE WINNERS:** Cassidy Hjelmstad announced various prize winners.

# MINUTES OF THE 2024 ANNUAL MEETING

**ELECTIONS COMMITTEE REPORT:** Attorney Steven Lutt and Election Committee Member Gerald Henry announced the report of the Elections Committee on the elections for the following directorships, who cast ballots as follows:

**DISTRICT 1**

Cheryl Overby .....	32
Spoiled ballots .....	0

**DISTRICT 2**

Dennis Erber.....	61
Spoiled ballots .....	2

**DISTRICT 3**

Bruce Degenstein .....	27
Faith Fahnestock.....	24
Shawn Vedaa.....	18
Spoiled ballots .....	2

**DISTRICT 4**

Stacey Diehl .....	286
Deven Mantz.....	174
Spoiled ballots .....	11

Cheryl Overby, Dennis Erber, Bruce Degenstein, and Stacey Diehl were the winning candidates and were elected for three-year terms.

**OTHER BUSINESS:** President Miller called for old and new business. None was presented.

**ADJOURNMENT:** President Miller called for a motion to adjourn, and the meeting was so adjourned at 7:53 p.m.

**DOOR PRIZES:** Door prizes were awarded to registered members.



Steven A. Lutt, Recording Secretary



Stacy Diehl, Secretary

ATTEST:



Kristi Miller, President





**SRT Headquarters** / 3615 North Broadway / P.O. Box 2027 / Minot, ND 58702-2027

This institution is an equal opportunity provider and employer.