



ANNUAL REPORT

PREPARED FOR: 2024

CO-OP STRONG

Connecting Members. Empowering Lives. Broadband Solutions.



Welcome To Your Annual Meeting

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Agenda

4:45 PM

- Registration
- Meal Begins
- Demonstration Booths
- Live Music by Raw Sugar

6:00 PM

BUSINESS MEETING

- Call To Order
- National Anthem
- Invocation
- Introduction of Guests
- CEO/GM Report
- President's Report
- Service Awards
- Secretary's Report
- Financial Report
- Unfinished & New Business
- Election of Directors & Results
- Adjournment

Our Mission

Connecting members and empowering lives with advanced broadband solutions.

Our Vision

Provide technology solutions to customers as a link to the world.

Our Values

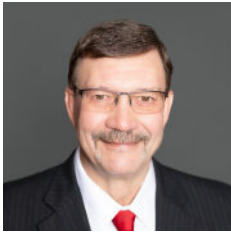
Ensure **reliability** in every product, service, and interaction. **Trustworthiness** is the foundation of our relationships. **Teamwork** fosters innovation. Show **dedication** in all that we do. We believe in **giving back** to our communities.



Original DRTC Board of Directors: L to R—John A. Viken, Fred G. Klipfel, Raymond Burkle, Walter E. Scott, C.G. Coleman; C.W. Holmes, Albert E. Hauck; B.L. Nelson; and S.H. Johnson.



The Board of Directors



Ralph Neu

President

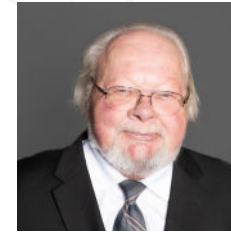
District 7 | Nelvik & Ventura



Ralph Greer

Vice President

District 2 | Dickey, Litchville, & Marion



Arden Falk

Secretary/Treasurer

District 3 | Kathryn, Verona, & Fort Ransom



Sid Meidinger

District 4 | Fredonia & Jud



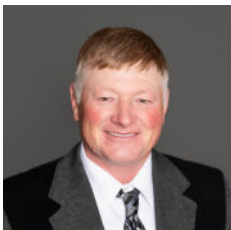
Myron Yagow

District 6 | Crete & Milnor



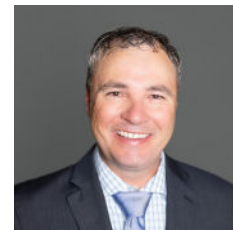
Paul Olson

District 8 | Forbes & Merricourt



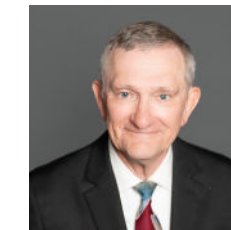
Dan Barton

District 9 | Fullerton & Guelph



Dan Girard

District 10 | Ellendale, Ashley, Kulm, Edgeley, & LaMoure



Rod Buck

District 11 | Oakes, Forman, Gwinner, & Lisbon

2024 Meeting Minutes

The Seventy Fourth Annual Meeting of the Members of Dickey Rural Telephone Cooperative was held October 17, 2024 at 6:00 p.m. pursuant to notice of meeting sent to all cooperative members, and a copy of the Notice with the Affidavit of Mailing is attached to these Minutes.

President Ralph Neu then called the meeting to order with Arden Falk acting as Secretary of the meeting. President Ralph Neu then gave his welcome and introduced special guests.

The secretary reported 235 members present. The members present constituted a quorum, and in accordance with the Bylaws, the meeting was duly opened.

Prior to the meeting, each member was presented with a copy of the Notice of the Meeting, and a copy of the Minutes of the October 19, 2023 annual meeting of the members.

Upon motion duly made and seconded, the Minutes were approved. President Neu then directed the Secretary to annex these to the Minutes of the meeting, which are to be duly filed.

DRN President Ralph Neu and General Manager Kent Schimke presented the president's report and the manager's/CEO's reports, which were duly read, received, and placed on file. The Financial Report was then presented by CFO Troy Radermacher.

There was no unfinished business.

The cooperative's attorney, Fallon Kelly, next conducted the election of directors, stating that three (3) directors were up for re-election for a term of three (3) years each.

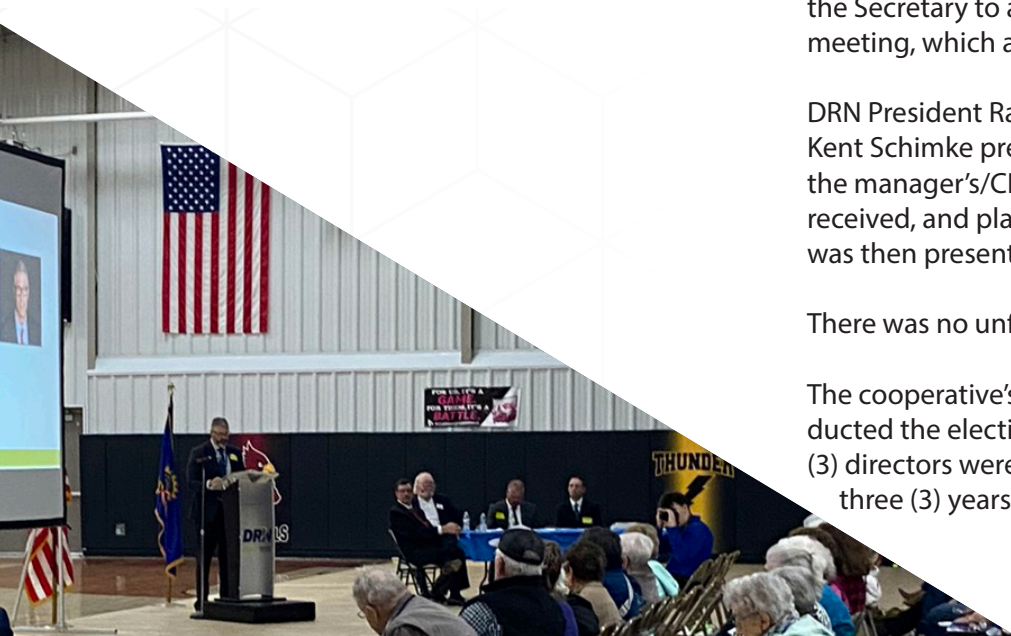
The directors up for re-election and who were all nominated by the nominating committee, were introduced as Arden Falk for District 3, Sid Meidinger for District 4, and Dan Girard for District 10. There having been no nominations by petition for District 4, Sid Meidinger was unanimously re-elected as director for three (3) years.

There having been no nominations by petition for District 10, Dan Girard was unanimously re-elected as director for three (3) years. There having been one nomination by petition for District 3 for Dallas Hagen, there was next held a contested election for District 3 between incumbent Arden Falk and challenger Dallas Hagen.

Each candidate was given several minutes to address the membership. The election was then held. Arden Falk received 20 votes and Dallas Hagen received 8 votes. Arden Falk was elected to the Board member position for District 3 and immediately took his office for a term of three (3) years.

There being nothing further to come before the cooperative, President Neu declared the meeting adjourned.

Arden Falk
Board Secretary | Treasurer



President & CEO | GM Report

We are proud to celebrate our cooperative's 75th anniversary milestone that honors our legacy and sets the stage for a bold and connected future. It's a privilege to share this moment with you and reflect on the journey we've taken together.



Welcome to the 75th Annual Meeting!

Kent Schimke has been employed at DRN for 25 years, proudly witnessing one-third of our cooperative's history first-hand. Ralph Neu has served on the Board of Directors for the past 19 years, contributing to and seeing significant advancements that have shaped the cooperative's growth and success.

Over those years, we've embraced change, pursued innovation, and remained committed to serving our members with excellence. One of our greatest accomplishments remains the completion of fiber-to-the-home (FTTH) to all members in 2012—a visionary project that laid the groundwork for the robust broadband services we offer today.

As technology continues to evolve, so too must we. That's why we've diversified our operations to ensure long-term sustainability and growth. DRN now offers managed IT services, telecom engineering, CLEC operations in Horace,

Casselton, and Mapleton, ND, and we've launched an underground utility construction company based in Fargo. These ventures strengthen our financial foundation and expand our reach beyond traditional boundaries.

Another key evolution is our transition to DRN ReditTech StreamTV. The traditional RF TV equipment we've relied on is now antiquated—replacement parts are only available on the used market, and the fiber shelves that transport RF signals to your homes are no longer supported and have reached end-of-life. Likewise, the fiber optic electronics that receive RF signals in your homes are also end-of-life. In short, the legacy system is no longer sustainable.

We believe the optimal solution lies in leveraging our reliable broadband connection over our robust fiber network. That's why we've introduced DRN ReditTech StreamTV—a modern, flexible, and future-ready platform that delivers high-quality

entertainment while aligning with the infrastructure we've built and the expectations of our members.

None of this would be possible without the exceptional service and dedication of our employees. Their expertise, work ethic, and commitment to our mission are the foundation of everything we do. Whether they're answering a service call, designing a network, or supporting a new business venture, our team consistently goes above and beyond to serve our members and communities. I want to personally thank each and every employee for their contributions—you are the heart of this cooperative.

As we celebrate 75 years of service, we remain focused on the future—investing in technology, expanding our services, and staying true to the cooperative values that have guided us since day one. Thank you for your continued trust and support. Together, we've built something extraordinary—and together, we'll continue to thrive.

Ralph Neu

Board President

Kent Schimke

CEO | General Manager

Financial Report

It is our pleasure and duty to provide you with the financial statements for 2024.

The Board of Directors met at 12 regular meetings and one special meeting during the past year. In addition to the regularly scheduled monthly meetings, various directors attended state, regional and national meetings vital to the cooperative and rural telecommunication services. All action taken by the board at their meetings is recorded in the minutes book, which is up to date and open for inspection by cooperative members at the headquarters location in Ellendale, ND.

The balance sheet and operating statement contained in this annual report were prepared from our audited books and recorded by Moss Adams, LLP. These reports, along with our statistical information and data, will give you a detailed presentation of the present financial condition of the company as well as how it did during the past year.



\$41,794,581 TOTAL REVENUES
From 2024

Net Margins



\$10,010,484 an increase
of \$888,673 from 2023.

Increases in Revenue came from higher sales from engineering, an increase in internet subscribers and an increase in investment income.



\$726,254 from the
previous year.

In 2024, the company
invested **\$12,089,851**
in various plant upgrades
throughout the service area.



\$3,523,704.38 Capital Credits
Paid Out in 2024

General retirements paid in 2024=\$3,000,026.35 • Estate retirements in 2024=\$523,678.03

TOTAL REFUNDED DRTC CAPITAL CREDITS SINCE 1995: **\$46,332,260**

In the past, DRTC has invested in several businesses that have shown to be profitable to the company which continued in 2024.

- Dakota Carrier Network (DCN) realized a profit of \$613,770 for our share and returned \$243,963 of our original capital investment.
- Verizon Wireless Partnership paid a dividend of \$1,080,117 for our share of the distribution.
- Our share of North Dakota Long Distance (NDLD) paid a distribution of \$35,000.

We are pleased to report yet another year of solid financial performance. In closing, we thank you, the members, for your patronage and for attending our 75th Annual Meeting.

Arden Falk
Board Secretary | Treasurer

Troy Radermacher
CFO

CONSOLIDATED

Balance Sheet

ASSETS	2024	2023
CURRENT ASSETS:		
Cash & Cash Equivalents	\$ 19,967,124	\$ 16,077,792
Investments in Certificates of Deposit	18,310,472	17,503,880
Subscriber Accounts Receivable, net of allowance for doubtful accounts of \$28,394 in 2024 and \$23,377 in 2023	2,485,809	526,842
Settlement & Access Accounts Receivable	800,724	990,802
Note Receivable, Current Portion	57,891	56,466
Income Tax Receivable	312,308	528,048
Other Accounts Receivable	538,405	886,285
Materials & Supplies	2,186,770	2,435,697
Other Current Assets	1,391,121	634,816
Total Current Assets	46,050,624	39,640,628
NON-CURRENT ASSETS:		
Investment in Affiliates	7,171,192	6,815,024
Investment in Non-Affiliates	2,003,285	1,825,527
Investments in Certificates of Deposit	1,500,000	1,500,000
Goodwill, Net	260,524	325,655
Note Receivable, Less Current Portion	1,087,425	1,145,316
Other Non-Current Assets	390,866	602,888
Total Non-Current Assets	12,413,292	12,214,410
PROPERTY, PLANT, & EQUIPMENT:		
Regulated telecommunications plant in service	104,686,940	103,416,853
Regulated telecommunications plant under construction	414,587	6,409,890
Non-regulated plant in service	34,074,189	30,194,478
Non-regulated plant under construction	30,586	1,276,581
Total Property, Plant & Equipment	139,206,302	141,297,802
Less accumulated depreciation & amortization	82,212,091	83,124,338
Property, Plant, & Equipment, Net	56,994,211	58,173,464
TOTAL ASSETS:	\$ 115,458,127	\$ 110,028,502

LIABILITIES & MEMBER EQUITY	2024	2023
CURRENT LIABILITIES:		
Accounts Payable, General	\$ 834,406	\$ 1,944,560
Other Accrued Liabilities	4,423,696	881,732
Total Current Liabilities	5,258,102	2,826,292
NON-CURRENT LIABILITIES:		
Other Deferred Credits	265,531	3,795,691
Deferred Income Tax	3,630,696	3,607,409
Total Non-Current Liabilities	3,896,227	7,403,100
MEMBERS' EQUITY		
Total Member's Equity	106,303,798	99,799,110
TOTAL LIABILITIES AND MEMBERS' EQUITY:	\$ 115,458,127	\$ 110,028,502

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of Dickey Rural Telephone Cooperative and Subsidiaries as of December 31, 2024 and 2023, and the results of their operations and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

— Moss Adams, LLC | Spokane, Washington | April 4, 2025

CONSOLIDATED

Statement of Income

	2024	2023
OPERATING REVENUES:		
Wireline	\$ 17,666,234	\$ 17,522,806
Internet	6,991,827	6,424,516
Television	4,128,425	4,256,569
Managed & IT Solutions Services	9,963,118	9,682,387
Miscellaneous	3,044,977	3,182,049
Total Operating Revenues	41,794,581	41,068,327
OPERATING EXPENSES:		
Plant Specific Operations	5,893,800	5,496,051
Plant Non-Specific Operations	408,960	448,760
Depreciation & Amortization	4,659,544	4,918,508
Customer Operations	1,409,326	1,583,064
Corporate Operations	2,792,602	2,453,341
Other Operating Taxes	69,492	80,609
Non-Regulated	20,458,670	19,921,205
Total Operating Expenses	35,692,394	34,901,538
Net Operating Margins	6,102,187	6,166,789
OTHER INCOME (EXPENSE):		
Interest & Dividend Income	2,318,010	2,148,061
Investment Income	1,031,507	421,757
Other Non-Operating Expense	(70,577)	(257,556)
Gain (Loss) on Disposal of Assets	33,303	(23,792)
Income From Affiliates	635,131	646,796
Total Other Income	3,947,374	2,935,266
Margins Before Income Taxes	10,049,561	9,102,055
INCOME TAX EXPENSE (BENEFIT)	39,077	(19,756)
NET MARGINS:	\$ 10,010,484	\$ 9,121,811

CUSTOMER COUNTS

Access Lines	5,655
Internet	8,854
Cable TV	2,681

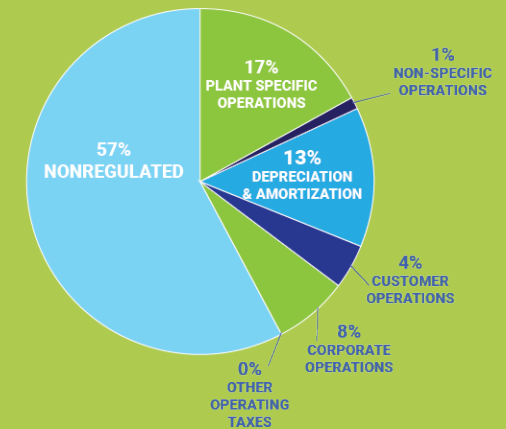
ACCESS LINE DATA

Access Lines	5,655
Route Miles - Fiber	5,044
Access Lines <i>Per Route Mile</i>	1.12
Square Miles Served	5,667

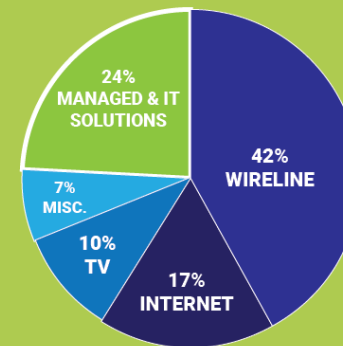
PLANT STATISTICS

Telecommunications Plant in Service (<i>Thousands</i>)	\$104,686,940
Investment per Access Line	\$18,512

EXPENSES



REVENUES



Assets & Information

DRN Read iTech Team



Timothy Aberle
Technical Support Analyst



Kaden Anderson
Technical Support Analyst



Travis Anliker
Technical Solutions Supervisor



Collin Bambury
Technical Support Analyst



David Belgarde
Sales Account Associate



Sonja Bommersbach
Human Resources Manager



Kaylee Brummund
Customer Care Specialist



Chad Chapin
ONOS



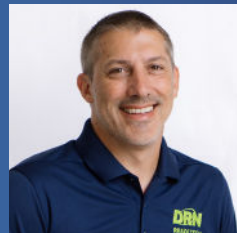
Kevin Ellis
Managed Security Analyst



Samuel Engel
INOS



Terry Engel
Accountant



Kelly Fischer
Network Analyst



Jeff Goehring
INOS



Brent Grueneich
Facilities Maintenance



Crystal Grueneich
Accountant



Kennadie Hatch
Technical Support Analyst



Janell Hauck
Marketing Manager



Brent Haugen
Network Analyst



JoDel Henningsen
Customer Care Specialist



Pamela Henningsen
Sales Account Associate



Jacob Herman
STAT Supervisor



Brandon Huber
Managed Security Analyst



James Jenkins
ONOS



Taydem Johnson
Technical Support Analyst

*ONOS: Outside Network Operations Specialist

*STAT: Service & Technical Assistance Team

*INOS: Inside Network Operations Specialist



Kole Johnson
IT Intern



Tyson Johnson
ONOS



Charles Kingzett
INOS



Jon Langeliers
ONOS



Kyle Lere
Network Analyst



Bill Lewis
Network Analyst



David Malsam
Network Analyst



Andrew Meyer
Managed IT Solutions Supervisor



Nathan Michaelson
Network Analyst



Donnah Mosley
INOS



Kari Nishek
Business Intelligence Manager



Haylee O'Brien
Business Development Specialist



Mike Ost
SFT Supervisor



Jennifer Peterson
Executive Assistant



Michele Peterson
Integrated Systems Specialist



Troy Radermacher
CFO



Jason Rall
ONOS



Richard Reis
Network Analyst



Dean Rithmiller
ONOS



Bobbi Jo Salberg
Technical Support Analyst



Jaden Santjer
IT Administrative Assistant



Cole Saylor
ONOS



Kent Schimke
CEO/General Manager



Michelle Schroeder
Marketing Specialist



Beth Stephenson
Customer Care Specialist



Darwin Swartz
ONOS



Vernon Swartz
ONOS



Josh Taylor
ONOS

**SFT: Safety, Facilities, Transportation*



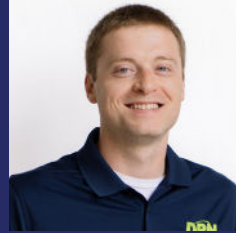
Kimberly Taylor
Accountant



Matthew Thorpe
ONOS



Sue Urlacher
Accountant



Michael Wegehaupt
Network Analyst



Jake Wiebe
Marketing Specialist



David Wyatt
ONOS



Lori Young
Accountant



Patrick Young
ONOS



Scott Young
Man. Security Analyst Supervisor



Tyler Zahn
Network Assistant



Russ Zinter
INOS

ReadiTech Fiber Team



Patricia Auka
Client Success Specialist



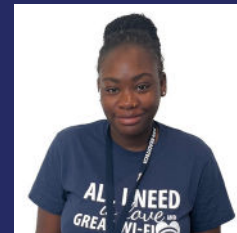
Randy Krause
Broadband Field Tech



Jake Lematta
Operations Manager



Tom Mucsha
Broadband Field Tech



Cinthy Roberts
Client Success Specialist



Service Awards

25 YEARS

Kent Schimke
Matt Thorpe
Scott Young
Janell Hauck
Sonja Bommersbach

20 YEARS

Dean Rithmiller
Jeff Goehring

10 YEARS

Michelle Schroeder
Sue Urlacher

5 YEARS

Michael Wegehaupt
Randy Krause
Tom Mucsha

Proud to be Co-Op Strong!



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