ITC

Bell Ringer

LEVEL UP with ITC

IT'S ANNUAL MEETING TIME

The CEO's Report by Tracy Bandemer

You're invited to ITC's 38th Annual Meeting on Wednesday, September 10, 2025, at the Clear Lake Community Center. Festivities begin at 4:00 PM with registration, followed by dinner and the meeting.

Our theme this year, "Future Ready Connections: Leveling Up for Tomorrow," reflects the bold steps we're taking to meet the growing needs of our members and communities. We are in the midst of a multi-year network upgrade that brings Multi-GIG Internet speeds to homes and businesses throughout our service area. This project is a major leap forward, ensuring our Cooperative remains at the forefront of connectivity for years to come.

This year also marked a significant financial milestone: ITC is officially debt-free! Thanks to years of careful planning, strategic investments, and the continued support of our members, our financial position is stronger than ever, setting us up for lasting success. This positions us to continue reinvesting in our network, our communities, and in the member experience.

We've also rebranded our community giving efforts under the name ITC Impact, a dedicated program focused on strengthening the places we live and serve through donations, sponsorships, and scholarships. It's one more way we're building stronger connections today while shaping a brighter tomorrow.

With a strong Board of Directors, a committed team of employees, and the backing of our loyal members, we're ready to take on whatever comes next, together.

We hope to see you at the Annual Meeting on September 10! All members in attendance will receive a gift, enjoy dinner, and be entered into a prize drawing, including two $250 grand prizes and 20 $50 cash prizes. Be sure to bring your registration card from page seven of this newsletter.

Let's continue to level up, together.

The ITC offices will be closed for business on Monday, September 1, for Labor Day.

ANNUAL MEETING *Program*

Time	Event
4:00 PM	Registration
5:00 PM	Meal
5:45 PM	Meeting & Prizes

Call To Order...G. Todd Garry
Invocation...Susan Robbins

ANNOUNCE DRAWING WINNERS

Determination of Quorum...Joel Brandt
Reading of Notice of Meeting...Joel Brandt
Approval of Previous Meeting Minutes................G. Todd Garry
President's Report..G. Todd Garry
Secretary's Report..Joel Brandt
Treasurer's Report..Susan Robbins
CEO's Report...Tracy Bandemer
Unfinished Business...G. Todd Garry
New Business..G. Todd Garry

ANNOUNCE GRAND PRIZE WINNERS

Adjournment...G. Todd Garry

GEE WHIZ! WHAT DO THE G'S MEAN?

When it comes to abbreviations in communications technology, the letter G is currently causing some confusion, particularly when it's paired with the number 5. Hopefully, this will clear things up for you:

The G in 5 Gbps stands for Gigabits, as in Gigabits per second — a measurement of Internet speed. A 5 Gbps Internet plan, also referred to as 5 Gig, is unbelievably fast and equivalent to 5,000 Mbps.

The G in 5G stands for generation. This refers to the fifth generation of wireless data networks (the network your phone uses to access the Internet and receive cell service). The fifth generation is a step up from the fourth generation of wireless data, which is referred to as 4G or 4G LTE.

WHY IS FIBER INTERNET BETTER THAN 5G HOME INTERNET?

Fiber Internet provides much higher speeds and reliability.

You may hear a lot these days about the 5G home Internet offered by cellular providers. But what exactly is 5G? How does it differ from fiber Internet? And which type of service will give you and your family the best online experience at home?

Before we answer those important questions, let's clear up a common misconception. The abbreviation 5G refers to the fifth generation of wireless technology for cellular networks, which was initially released in 2019. The "G" in 5G does NOT stand for gigabit and has nothing to do with Internet speeds. (See the box on page 2 for more details.)

Fiber Internet Is More Available

Ok, now let's get back to comparing these two Internet technologies. A good place to start is by looking at their availability. Neither 5G home Internet nor fiber Internet services are available everywhere in this country. However, fiber has been around longer. According to the latest data from the Federal Communications Commission, approximately half of U.S. households have access to fiber Internet connections. By contrast, 5G home Internet service is still fairly new and is more limited.

It's important to note that fiber Internet is increasingly available in rural areas thanks to local Internet service providers and cooperatives that have built fiber networks, often with help from state and federal funding.

Even if you get 5G on your smartphone at home, you may not be able to access 5G home Internet for use on your connected devices such as laptops, tablets, TVs, smart home items, etc. This is because cellular providers may prioritize their mobile phone customers, and only the extra capacity on their network can be sold to customers as 5G home Internet.

Side by Side Comparison

Let's say both 5G home Internet and fiber Internet are available to you. Which is the better choice? Here's a quick summary of key factors to consider.

FIBER INTERNET	5G HOME INTERNET
How It Works: Fiber Internet uses fiber-optic cables consisting of bundled strands of glass, which are buried under the ground to provide a direct Internet connection. Fiber is the gold standard.	*How It Works:* 5G home Internet uses the 5G network towers of a cellular company to provide a fixed wireless connection. Speeds will vary by location, depending on how far the customer is from a local tower or transmitter.
Speeds: A range of fiber Internet plans are typically offered, with speeds up to 2 Gbps (2,000 Mbps) and more. You may also be able to get symmetrical speeds, meaning your uploads are just as fast as your downloads.	*Speeds:* Speeds offered by 5G home Internet typically average just 150 Mbps. What's more, several factors can adversely affect speeds, including network congestion and line-of-sight issues from obstacles such as buildings or terrain. Even inclement weather can slow things down.
Reliability: Fiber Internet has a much larger capacity to carry data and is less prone to technical malfunctions or slowdowns. This results in a connection you can count on, with a proven track record of 99.9% reliability.	*Reliability:* 5G home Internet can get bogged down by high-traffic demands and technical issues stemming from poor cell service.

It's clear that despite the hype around 5G, fiber remains the go-to connection type for extremely fast and reliable Internet. Simply put, you can't do better than fiber Internet. It's the preferred connection — and the best overall value — for large households with multiple users and devices, people who work from home, online gamers, and streaming enthusiasts.

Article courtesy of Cornerstone Group

LEVELING UP FOR TOMORROW

The President's Report by G. Todd Garry

Welcome to the 38th Annual Meeting of ITC! I'm G. Todd Garry, President of the Board of Directors and proud representative of District Eight, which is Bradley, Florence, Waubay, Webster, and areas of Watertown. On behalf of the entire Board, thank you for joining us today.

As we look back and celebrate another year, we also look forward—with intention and ambition—toward the future. The theme of this year's meeting, "Future Ready Connections: Leveling Up for Tomorrow," captures the spirit of where we've been and where we're headed.

Over the past year, ITC has taken bold steps to prepare our communities for what's next. We upgraded the core of our network to a 400G transport ring, creating a powerful data highway that ensures everything moves faster and more reliably across our entire service area. At the same time, we're bringing next-generation fiber access technology, known as XGS-PON, directly to homes and businesses. This upgrade allows for dramatically faster Internet speeds, stronger connections, and the capacity to handle whatever the future demands.

We also continued our cutting-edge fiber network deeper into rural Lake County, South Dakota, and western Yellow Medicine County, Minnesota. With housing developments on the rise across our communities, these infrastructure investments ensure future residents have access to the fast, reliable connectivity they expect. We're not just improving Internet access—we're opening doors to remote work, education, telehealth, entertainment, and opportunity. These investments in ITC's network and fiber technology position our rural members to thrive in a digital-first world.

As we reflect on this year, we owe our progress to the strength of our team. To my fellow Board of Directors—thank you for your steady leadership and foresight. To our dedicated employees—your innovation, skill, and determination continue to power our mission forward. And to our members—thank you for your trust, partnership, and belief in the Cooperative model. Here's to another year of building connections and leveling up for tomorrow. The future is bright, and we're just getting started.

This report will be presented at the Annual Meeting on September 10, 2025.

YOUR COOPERATIVE

The Secretary's Report by Joel Brandt

Good evening, and welcome to this year's Annual Meeting! It's a pleasure to see so many of you here tonight. I appreciate your time and commitment to staying involved in your Cooperative. I'm Joel Brandt, Secretary of the ITC Board of Directors, representing District One, which includes Castlewood, Clear Lake, Estelline, Goodwin, and areas of rural Watertown.
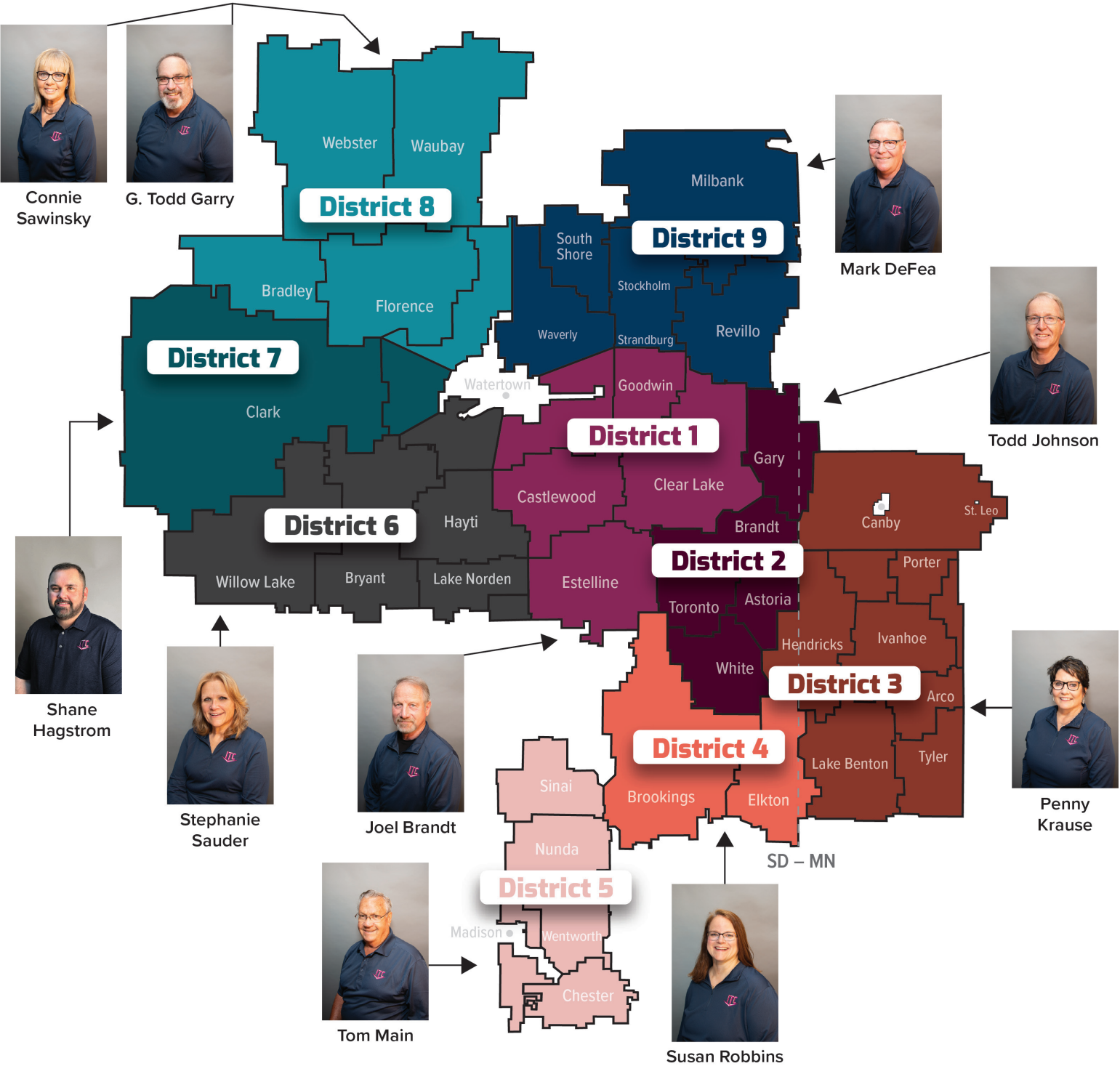
As ITC continues to grow and evolve, our district map has been updated to reflect these changes. You'll find the new map on the right-hand page, showing which director represents each service area. We had a few changes to district representation over the past year. District Four is now represented by one Director, Susan Robbins, and District Seven welcomed a new Director, Shane Hagstrom, mid-year. Welcome Shane! These transitions help us maintain strong leadership across all areas of our Cooperative.

As Secretary, I'm also responsible for reporting on the Board of Directors' election. Four director seats were up for election this year, and all incumbents ran unopposed. I'm pleased to announce the re-election of the following directors include Susan Robbins of District Four (Brookings and Elkton), Shane Hagstrom of District Seven (Clark and areas of rural Watertown), G. Todd Garry of District Eight (Bradley, Florence, Waubay, Webster and areas of rural Watertown) and Mark DeFea of District Nine (Milbank, Revillo, South Shore, Stockholm, Strandburg, and areas of rural Watertown). Congratulations to all of those directors! I'm happy to continue to serve on the Board with you.

As always, if you have any questions or concerns about your Cooperative, don't hesitate to reach out to your local director or contact the ITC office directly. Thank you again for joining us this evening. I look forward to connecting with many of you after the meeting.

This report will be presented at the Annual Meeting on September 10, 2025.

MAP OF BOARD OF DIRECTORS AND THEIR DISTRICTS

Connie Sawinsky

G. Todd Garry

Mark DeFea

Todd Johnson

Shane Hagstrom

Stephanie Sauder

Joel Brandt

Penny Krause

Tom Main

Susan Robbins

District 8
Webster
Waubay

District 9
Milbank
South Shore
Stockholm
Waverly
Strandburg
Revillo

District 7
Bradley
Florence
Clark

Watertown

District 1
Goodwin
Gary
Clear Lake
Castlewood
Brandt

District 6
Hayti
Willow Lake
Bryant
Lake Norden
Estelline

District 2
Toronto
Astoria
White
Hendricks

District 3
Canby
St. Leo
Porter
Ivanhoe
Arco
Lake Benton
Tyler

District 4
Brookings
Elkton

SD – MN

District 5
Sinai
Nunda
Madison
Wentworth
Chester

MINUTES OF THE 37TH ANNUAL MEETING
INTERSTATE TELECOMMUNICATIONS COOPERATIVE, INC.
SEPTEMBER 11, 2024 - CLEAR LAKE, SOUTH DAKOTA

Warren Brandlee, President of the ITC Board of Directors, called the 2024 Annual Meeting to order on Wednesday, September 11, 2024, at 6:00 PM in Clear Lake, South Dakota. A total of 346 registration cards were turned in, with an estimated attendance of 456.

Director Susan Robbins gave the invocation.

Secretary Joel Brandt announced that a quorum existed for the Annual Meeting; therefore, the 37th Annual ITC Meeting may proceed.

Cliff Ruesink, Castlewood, SD, made a motion, seconded by Rhonda Baxter of Clear Lake, SD, to waive the reading of the Notice of the Meeting. Secretary Joel Brandt took a voice vote from those attending the Annual Meeting, and the motion carried.

President Brandlee sought approval of the 2023 Annual Meeting minutes. Rhonda Baxter of Clear Lake, SD, made a motion, seconded by Mike Herrig of Brookings, SD, to waive the reading of the previous Annual Meeting minutes. President Brandlee took a voice vote from those attending the Annual Meeting, and the motion carried.

President Brandlee gave his report regarding the 2023/2024 year for the Cooperative. The President expressed his thanks to the directors and employees of the Cooperative, together with the dedicated management, to provide high-quality services to each member on a daily basis. President Brandlee mentioned the system's state-of-the-art fiber technology expansion to rural areas in Lake County, South Dakota, and western Yellow Medicine County in Minnesota. He also noted that ITC has submitted grant applications for additional expansion into Minnesota. The Cooperative has succeeded in serving as the solution for those needing a dependable Internet connection. President Brandlee also thanked all of the members of the Cooperative for their support, which helped make all the expansions possible.

A short 1950s video about the beginning of the two Cooperatives was shown, and the first ten $50 cash winners were announced.

Director Joel Brandt gave the secretary's report. He thanked the members for attending the Annual Meeting. He announced that the Directors, including himself, Todd Johnson of District Two, Joel Ripley of District Four, and Connie Sawinsky of District Eight, ran unopposed and, therefore, have been elected to another three-year term. Director Brandt also noted that ITC's presence in Codington County is in four different exchanges. Furthermore, he advised that if anyone has any questions or concerns regarding the Cooperative, you should contact your area director or the ITC office.

A short 1960s video was shown, and the second set of $50 cash winners were announced.

Director Susan Robbins serves as the Treasurer for the Board of Directors and explains the Cooperative's Balance Sheet, the Consolidated Statement of Operations, and the Operating Revenues and Expenses. The system's Operating Expenses remained approximately the same as the year before, and the Operating Revenues increased. ITC has also made great gains in reducing debt. Treasurer Robbins also explained the various entities supporting the Cooperative in the past year. A motion was made by Steve Bohlen of Clear Lake, SD, to approve the treasurer's report and was seconded by Cliff Ruesink, Castlewood, SD. Motion carried.

A short 1970s video was shown, and a third set of $50 cash winners were announced.

CEO Tracy Bandemer gave her manager's report. She updated the membership on the plans to move the Brookings business office to the 6th Street ITC central office location. She also provided a funding review, noting because of the 5th Circuit court case, there may be potential issues with support from the Universal Service Fund (USF). CEO Bandemer also announced an Internet speed upgrade the following week, resulting in symmetrical speed packages for those members with the 100Mbps, 250Mbps, and 1GIG service. An update on ITC's involvement with esports programs in area schools was also given. CEO Bandemer concluded her remarks by stating that the strength of the Cooperative lies in the collective commitment to each other as members, and she announced a capital credit payout this December. This report also included many decade videos covering the 1980s, 1990s, 2000s, and 2010s. Each video included ten $50 cash winners for each of the four decades.

President Warren Brandlee asked if there was any unfinished business to come before the Annual Meeting, and there was none.

President Brandlee asked if there was any new business to come before the Annual Meeting, and there was none.

Following a short video on the 2020s, CEO Bandemer announced Thomas Iverson of Big Stone, SD, won a $250 cash grand prize, and Robert Roelofsen of Toronto, SD, also won a $250 cash grand prize.

Rhonda Baxter of Clear Lake, SD, made a motion to adjourn the meeting, which was seconded by Mel Ries of Watertown, SD. The motion carried.

- ITC Board Secretary, Joel Brandt

NOTICE OF ANNUAL MEETING OF MEMBERS OF INTERSTATE TELECOMMUNICATIONS COOPERATIVE, INC

NOTICE IS HEREBY GIVEN that the Annual Meeting of the members of Interstate Telecommunications Cooperative, Inc. will be held at the Community Center in Clear Lake, SD, on the 10th day of September 2025, beginning at 4:00 PM for the following purposes:

1. Report on the number of members present in person in order to determine the existence of a quorum.
2. Reading of the notice of the meeting and proof of the due publication of mailing thereof, or the waiver or waivers of notice of the meeting, as the case may be.
3. Approve minutes of the previous meeting.
4. Presentation and consideration of the reports of officers.
5. Unfinished business.
6. Transact and act upon new business as may be properly brought before the meeting.

Dated this 25th day of August 2025.

Joel Brandt, Secretary

ITC & SUBSIDIARIES CONSOLIDATED BALANCE SHEET
March 31, 2025 and 2024

ASSETS

	2025	2024
CURRENT ASSETS:		
Cash & Cash Equivalents	$29,902,127	$25,602,952
Invest in Held-to-Maturity Securities	17,414,367	16,608,772
Accounts Receivable, Net	2,933,004	1,893,883
Prepaid Income Taxes	239,819	10,381
Other Current Assets	1,656,894	782,619
Total Current Assets	52,146,211	44,898,607
INVESTMENTS & NONCURRENT ASSETS:		
Invest in Held-to-Maturity Securities	191,688	237,148
Other Investments	14,056,870	13,494,198
Other Assets	395,020	683,903
Total Investments & Noncurrent Assets	14,643,578	14,415,249
COMMUNICATIONS PLANT, NET	63,590,886	67,408,927
TOTAL ASSETS	$130,380,675	$126,722,783

LIABILITIES & EQUITIES

	2025	2024
CURRENT LIABILITIES:		
Current Maturities of Long-Term Debt	$ -	$1,110,000
Accounts Payable	673,582	706,644
Accounts Payable-Construction	384,950	185,798
Accrued Taxes-Other	1,214,999	1,236,800
Other Current Liabilities	765,486	729,402
Total Current Liabilities	3,039,017	3,968,644
LONG-TERM DEBT (Less Current)	-	1,941,936
OTHER NON-CURRENT LIABILITIES		
Deferred Income Taxes	912,329	464,395
Other Noncurrent Liabilities	2,247,503	2,210,104
TOTAL OTHER NON-CURRENT LIABILITIES	3,159,832	2,674,499
EQUITIES		
Patronage Capital	89,366,754	85,005,164
Other Equities	34,815,072	33,132,540
TOTAL EQUITIES	124,181,826	118,137,704
TOTAL LIABILITIES & EQUITIES	$130,380,675	$126,722,783

CONSOLIDATED STATEMENT OF OPERATIONS FOR ITC & SUBSIDIARIES
Years Ended March 31, 2025 and 2024

	2025	2024
OPERATING REVENUES:		
Local Network	$2,520,787	$2,860,700
Network Access	16,414,434	16,495,950
Internet	12,870,880	11,752,973
Video	6,024,184	5,813,801
Facility Rent	2,479,899	2,709,584
Miscellaneous	551,088	534,195
Uncollectible	(134)	(1,249)
Total Operating Revenues	40,861,138	40,165,954
OPERATING EXPENSES:		
Plant Specific Operations	6,817,165	6,441,732
Plant Nonspecific Operations	2,345,993	2,457,020
Video Programming	5,189,332	5,149,627
Depreciation & Amortization	8,552,198	7,826,047
Customer Operations	2,533,030	2,441,121
Corporate Operations	2,329,642	2,195,855
Other Taxes	963,023	979,534
Total Operating Expenses	28,730,383	27,490,936
NET OPERATING MARGIN	12,130,755	12,675,018
OTHER INCOME (Loss):		
Investment Income	1,232,888	1,071,802
Earnings From Equity Investments	869,874	952,292
Interest Expense	(23,455)	(233,474)
Other Nonoperating	(70,928)	(54,305)
Total Other Income (loss)	2,008,379	1,736,315
NET MARGIN BEFORE INCOME TAXES	14,139,134	14,411,333
INCOME TAX (EXPENSE)	(373,218)	(390,804)
NET MARGIN	$13,765,916	$14,020,529

Tracy Bandemer, CEO

Future-Ready Connections:
LEVELING UP FOR TOMORROW

ITC is committed to bringing fast, reliable connections to our communities. This is why, over the next few years, we will be working to bring the power of Multi-GIG connections straight to our members. Community by community, we will gradually boost our fiber speeds to meet the demands of modern homes and businesses, so you can experience speeds that scale all the way up to 10GIG! These speed upgrades will ensure our members are ready for the future before it arrives.

ITC will be upgrading the speeds of our current Internet packages at no additional monthly cost to you. Currently, our speeds range from 100/100Mbps to 1GIG/1GIG. As we upgrade our network, the new speeds will start at 500/500Mbps and go up to 5GIG/5GIG. With speeds scaling all the way up to 10GIG in the future, our enhanced network will meet the demands of modern homes and businesses—now and for years to come.

Because ITC's speeds are symmetrical, you can expect even faster downloads and uploads. This means less waiting for that new game to download and less time before your family receives that photo album you shared with them. And with even more speed under your belt, your home or business can accommodate all those connected devices you keep accumulating. Experience the always-reliable, even higher-speed packages that ITC has to offer to prepare for what's to come.

Speed upgrades will be happening community by community across the ITC service area. As we have done in the past with our fiber expansions, we will be sure to keep our members updated and notify them directly when new speeds are available to them. We know that waiting for these top-tier speeds isn't always easy, but we appreciate your patience as we work to convert all our communities and ensure every detail is done correctly. We're confident it'll be worth the wait once you experience our fastest, most powerful Internet yet!

ITC is continually focused on investing in our communities and making sure that we are providing the most cutting-edge technology there is to offer to our members. As our communities grow, we grow with them, ensuring that we are all prepared for future technology. At ITC, we're not just keeping up with the future—we're building it, together. As these new speeds roll out, we're proud to give our members the powerful, future-ready connections they deserve.

Explorer
100M/100M upgrading to
500M/500M

Multitasker
250M/250M upgrading to
1GIG/1GIG

Maximizer
1GIG/1GIG upgrading to
2GIG/2GIG

Maximizer +
NEW!
5GIG/5GIG