

A large white circle containing the text "2024 ANNUAL MEETING". The background of the entire image is a dark blue field with vertical light blue and green stripes, overlaid with a complex network of thin white lines and small colored dots (blue, green, purple) that resemble a molecular or data network structure.

2024

ANNUAL MEETING

HCTC

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MEDINA COMMUNITY CHURCH

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PRESENTED BY
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NATIONAL ANTHEM
LAURA WIMBERLY
AMERICAN SIGN LANGUAGE
EMMA FAYE RUDKIN

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As the future of our industry continues to evolve and broadband has become a necessity, HCTC is strategically positioning itself to meet the ever changing needs of its members, today and into the future.

**IN 1951 FIVE FOWARD-
THINKERS IN THE TEXAS
HILL COUNTRY CAME
TOGETHER BECAUSE
THEY WANTED**

**A BETTER
WAY TO
CONNECT**



The Cooperative is governed by a Board of Directors,
with the 11 members representing nine districts.

MISSION

THE WHAT

To be the premier provider of modern telecommunications and broadband services throughout our region.

VISION

THE WHY

To further expand our fiber broadband network to the furthest extent of our current service areas and territories, to providing safe, fast, and reliable internet to the neighbors and communities we serve and reside in.

STRATEGY

THE HOW

To fulfill HCTC's mission by continually enhancing our services and executing the highest level of customer service to our members all at a reasonable and fair price.

On February 13, 1951 Eugene Lindig, Herman Eckhardt, Roy Jacoby, Walter Schlaudt, and Otto Schumann met and formed Hill Country Telephone Cooperative, Inc. (HCTC) for the purpose of furnishing area-wide telephone service in rural areas to the widest practical number of users.

Today HCTC provides telecommunication services in 15 exchanges located in 14 counties spread across nearly 3,000 square miles in rugged Hill Country terrain.

The Cooperative's mission is to be the premier provider of modern telecommunications and broadband services throughout our region. Our objective is to fulfill this mission by continually enhancing our services and customer experience all at a fair and reasonable price. As the population of the Texas Hill Country continues to grow and the needs and demographics of its subscriber base evolve, HCTC, realizing the importance of broadband availability for rural economic development, has embarked on a vision to further expand our fiber broadband network to the furthest reaches of our territory.

A message from the



R. Craig Cook
CEO

Good evening, HCTC Family!

On behalf of our entire team and your Board of Directors, thank you for your support of HCTC in 2024! This has been a remarkable year full of challenge and opportunity - through which we've remained dedicated to our mission: "To be the premier provider of modern telecommunications and broadband services throughout our region." This is not just a slogan, but our mantra that directs our corporate goals and our daily commitment to you!

Speaking of commitment, we are devoted to the ongoing improvement of your customer experience. This means that every touch point you have with HCTC will be unmatched in quality, professionalism, respect and friendliness that you can only get from your local, hometown provider. We truly consider our customers part of the HCTC family!

One of the benefits of being a member of the HCTC family is having world-class broadband services in some of the most remote areas of our State. We believe that rural living doesn't require sacrificing connectivity to the world. You may have seen our tagline "Your World Connected." We view this statement as our responsibility and work hard to assure that you have the world of news, business, sports and entertainment at your fingertips.

Our management team and Board of Directors continue to strategically plan for the future and make the appropriate investments in our people and network to improve our services and extend our reach – to the most rural, hard to reach areas of our territory. To this end, HCTC increased its 2024 capital budget by more than 30% over 2023.

This sizable investment in our network will ensure that you receive unparalleled service while fueling the expansion of our service territory. Earlier this year, HCTC began offering service in the communities of Harper, Eldorado, and Big Lake. Market expansion is part of our overall growth strategy and key to the future success of our Cooperative.

More broadly, it is important to note that rural broadband has garnered much



attention from policy makers – apparent by recent legislation creating numerous broadband funding programs. Billions of federal dollars will be directed toward rural broadband deployment across our country, with Texas set to receive \$3.3 billion dollars from the Broadband Equity Access Deployment program. Additionally, Texas voters passed a constitutional amendment last November, creating the Broadband Infrastructure Fund which will provide \$1.5 billion in state dollars to fund broadband projects in Texas. HCTC is closely monitoring the potential opportunities associated with these funding mechanisms.

While we continue to focus on investments in our network and employees, we equally value the investments we make in our communities.

And though it's admirable to speak of one's commitment and responsibility to the community, words only go so far. At HCTC our action speaks louder. Through various community events and charitable donations, HCTC is a proud partner of our local schools, libraries, hospitals, first-responders and other community organizations that provide vital services to the residents in our area. We know that these organizations are the foundation of our community, and we are grateful to play a role in supporting the critical services provided by these groups.

Thank you again for your membership and support of your Cooperative - HCTC!

We deliver fast and reliable broadband as well as comprehensive telephone services.

TEAMWORK



Board of

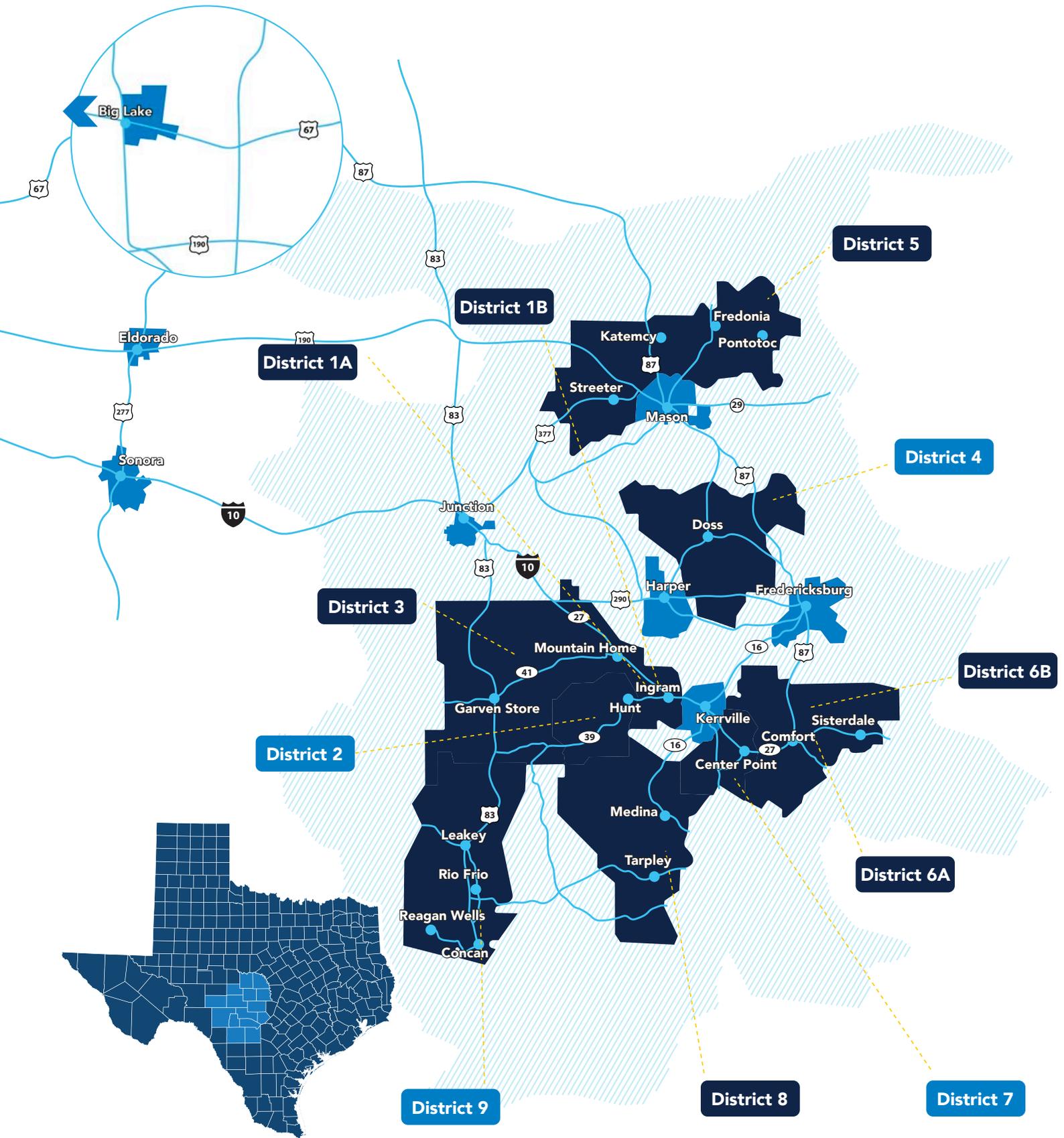
DIRECTOR



LEADERS



2024 DISTRICT MAP



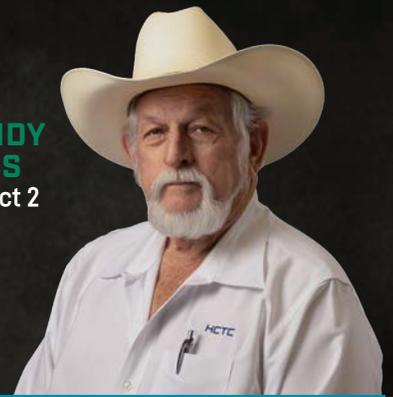
**ROBERT
TREES**
District #1A
Ingram



**KARI
SHORT**
District #1B
Ingram



**RANDY
BASS**
District 2
Hunt



**JIM
HAYNIE**
District 3
Mountain
Home/
Garven
Store



**STEVE
STENGEL**
District 4
Doss



**DORRIE
COOPER**
District 5
Fredonia,
Katemcy,
Pontotoc &
Streeter



**KATHY
BOHN**
District 6A
Comfort/
Sisterdale



**ANTHONY
BOHNERT**
District 6B
Comfort/
Sisterdale



**KARI
POTTER**
District 7
Center Point



**TRACY
CASTILLO**
District 8
Medina/
Tarpley



**LINDA
REAGOR**
District 9
Frio Canyon
(Includes Concan,
Leakey, Reagan Wells
and Rio Frio)





Kari Potter
PRESIDENT

PRESIDENT

A message from the

Good Evening Members, Friends, and Neighbors,

It's an honor to stand before you today as we reflect on another year of growth, progress, and community. HCTC has always been more than just a service provider—it's a cornerstone of this region, serving as a lifeline connecting our homes, schools, and businesses to the world.

This past year has been marked by tremendous strides in expanding our fiber internet solutions. We're proud to say that HCTC has continued to roll out high-speed fiber across our almost 3,000 square mile service area, bringing faster, more reliable internet to even the most remote corners of our community. In a world where connectivity is no longer a luxury but a necessity, this expansion ensures that our members have the tools they need to thrive.

One of the most exciting developments in recent years is the rise of Artificial Intelligence (AI) and its growing impact on our daily lives. From smart home devices to personalized online experiences, AI is transforming how we interact with technology. Whether it's running AI-driven applications, supporting smart farming initiatives, or enhancing business operations, HCTC's network is built to ensure that our members can fully embrace the benefits of AI without interruption.

Our designation as a Smart Rural Community is a testament to our dedication to innovation. We've leveraged this status to not only enhance our infrastructure but also to attract new opportunities and partnerships that benefit our communities. We're excited about our new partnership with area schools to promote Esports programs. Esports is more than just a game; it's a growing industry that offers students opportunities in technology,

teamwork, and leadership. By supporting these programs, HCTC is investing in the future of our youth, helping to prepare them for the challenges and opportunities of tomorrow.

At the heart of everything we do is our commitment to you—our members. We understand that excellent service isn't just about technology; it's about people. We've continued to focus on delivering a top-tier customer experience, ensuring that every interaction you have with HCTC is positive, helpful, and tailored to your needs. Whether you're calling our support team or attending one of our community events, our goal is to make sure you feel valued and heard.

None of our achievements would be possible without the strong, competent staff that powers HCTC every day. Their dedication, expertise, and unwavering commitment to excellence are what truly make us stand out. They are the heartbeat of our cooperative, and it's their hard work that ensures we continue to meet and exceed the expectations of our members.

As we look to the future, we're filled with optimism and a deep sense of purpose. On behalf of my fellow board members, I want to extend our heartfelt thanks to each of you for placing your trust in HCTC. Your support and confidence in us is what drives our continued success. Here's to another year of growth, connection, and community.

CONSOLIDATED RESULTS

BALANCE SHEET

Current Assets	27,995,456
Non-Current Assets	88,073,296
Total Assets	116,068,752
Current Liabilities	6,013,265
Long-Term Debt, Less Current Maturities	2,834,151
Other Liabilities & Deferred Credits	9,499,388
Members' Equity	97,721,948
Total Liabilities & Members' Equity	116,068,752

***Through December 31, 2023.**

The above consolidated balance sheet and statement of operations were prepared from the audited financial statements of Hill Country Telephone Cooperative, Inc. for distribution to its members. The above statements do not include all disclosures that might be required for fair presentation in conformity with accounting principles generally accepted in the United States of America. Complete financial statements with the unqualified report of Independent Certified Public Accountants are on file at the Cooperative's office in Ingram, Texas.

OLIDATED ULTS

STATEMENT OF OPERATIONS

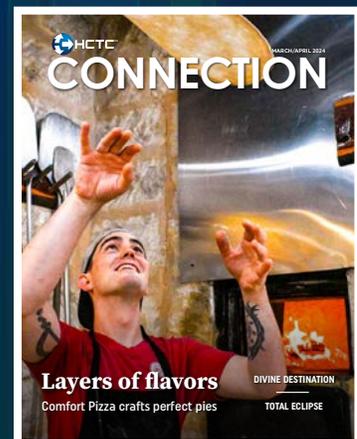
Operating Revenues	45,433,526
Operating Expenses	(36,449,535)
Net Operating Income	8,983,991
Non-Operating Expense, Net	535,292
Net Margin Before Taxes	9,519,283
Income Tax Expense	(1,707,651)
Net Margin	7,811,632

THE CONNECTION MAGAZINE

takes a dive into the communities we serve featuring artists, destination spots, restaurants, small and local businesses, and more.

How do you get a copy?

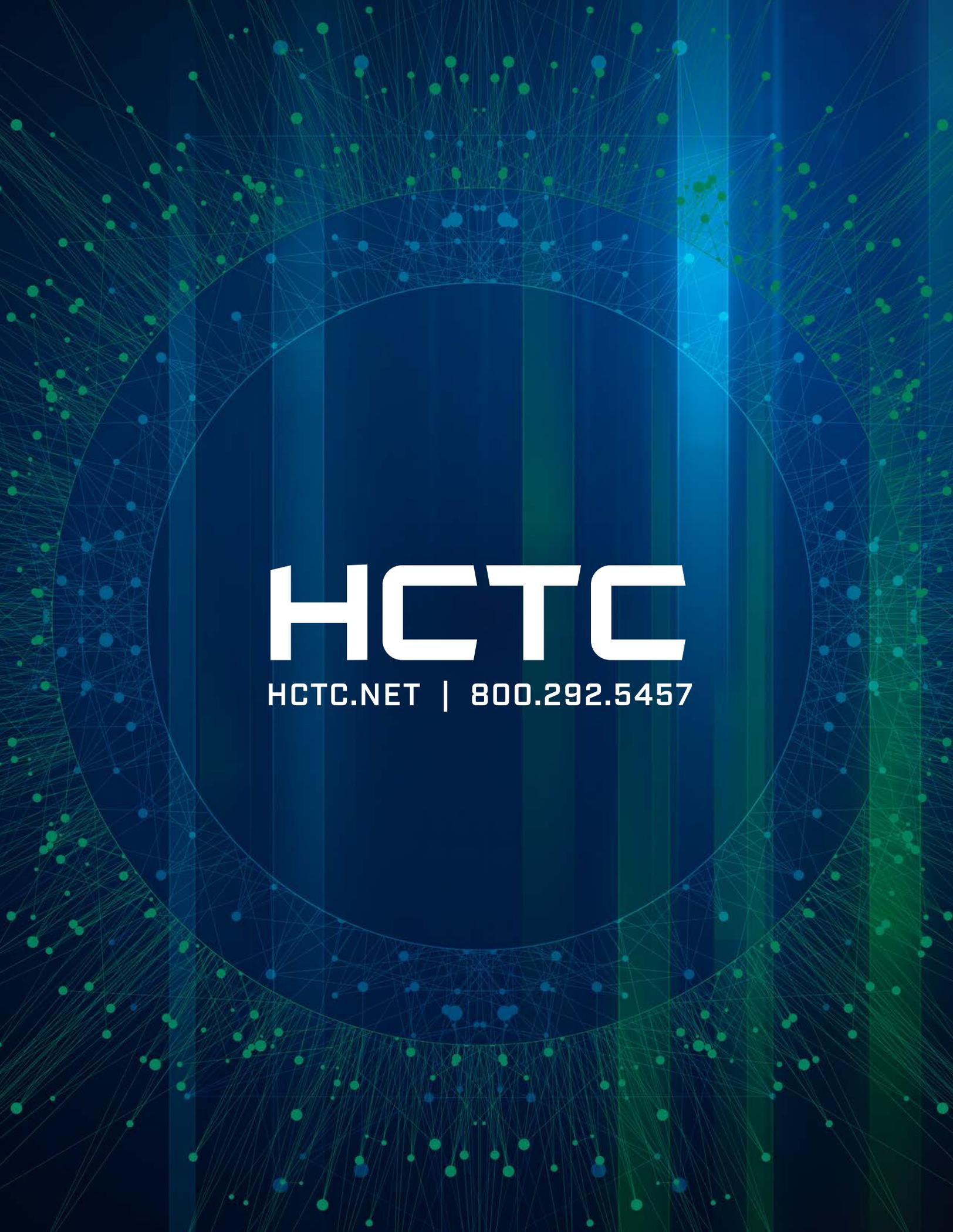
The magazine is mailed out to our members bi-monthly. Keep an eye out for our next issue in November.



Employee SERVICE Awards



Thank you for your years of dedication and hard work.



HCTC

HCTC.NET | 800.292.5457