

CityLink Fiber-to-the-Home Project

Strategic Business Plan

City of Wadsworth, Ohio

Date: October 2025

Executive Summary

CityLink is Wadsworth's municipally owned telecommunications utility that provides Internet, Streaming TV, and VoIP phone services to roughly 6,000 households—serving about 15,000 residents. Operating entirely from user fees and **without tax support**, CityLink has been financially self-sustaining for nearly three decades. The department has not only covered its costs but also generated consistent operating surpluses, which have been strategically saved to fund long-term improvements. Those savings now finance the 2024–2026 Fiber-to-the-Home (FTTH) network upgrade without external debt.

CityLink's story is one of foresight, accountability, and community benefit. In plain terms, Wadsworth's residents are paying less and getting more because the City made the decision years ago to own its own broadband utility.

This plan demonstrates three key truths:

- **All residents benefit financially** because CityLink's presence forces national providers to lower their prices in Wadsworth.
- **CityLink's reserve drawdowns are intentional**—the City is using its savings to pay for fiber upgrades, not losing money.
- **The transition from Cable TV to Streaming TV** is a move aligned with a changing industry and transforms this unprofitable business segment into a growing, sustainable service.

CityLink's operations remain profitable overall. The FTTH project converts planned cash reserves into physical assets that will serve the community and the city for decades to come. This is not a bailout or a subsidy—it's a smart reinvestment in infrastructure that protects local control, expands service, and strengthens Wadsworth's competitive position.

1. Background and Mission

CityLink was established in 1996, long before most small cities had broadband access, to make sure Wadsworth residents, city utilities, and departments could receive affordable, high-quality communications services. Over time, the City built its own complete network—lines, headend facilities, and service centers—ensuring that revenues stayed in the community instead of going to shareholders elsewhere.

CityLink now offers three primary services:

- **Internet** – fast, reliable connections that outperform regional competitors.
- **Streaming Television** – a modern, cost-efficient replacement for cable TV.
- **VoIP Phone Service** – affordable and dependable calling with modern features.

City ownership guarantees several things: rates remain fair through competition, surpluses are reinvested locally, and customer service stays personal and responsive. CityLink’s mission has remained constant: to deliver reliable and affordable connectivity that improves daily life for every household and business in Wadsworth.

2. Why CityLink Matters to Every Resident

Even if a household doesn’t subscribe, CityLink’s existence saves them money. Competing national providers like Spectrum and AT&T must price their services lower in Wadsworth because CityLink offers high-quality alternatives.

Example: CityLink’s 500 Mbps plan costs about \$55/month. Similar packages in nearby towns without municipal broadband often cost \$75–\$85. That means CityLink customers—and even non-customers—enjoy roughly \$20–\$30 monthly savings on Internet service alone. When you add in TV bundles, the typical household saves another \$15–\$25 per month. Across 6,000 customers, this equals more than **\$1 million in annual savings for Wadsworth residents.**

These savings don’t just help individual families—they keep more money circulating within the local economy. Every dollar that stays here supports local businesses, civic programs, and future city improvements.

Internet Pricing Comparison (500 Mbps)

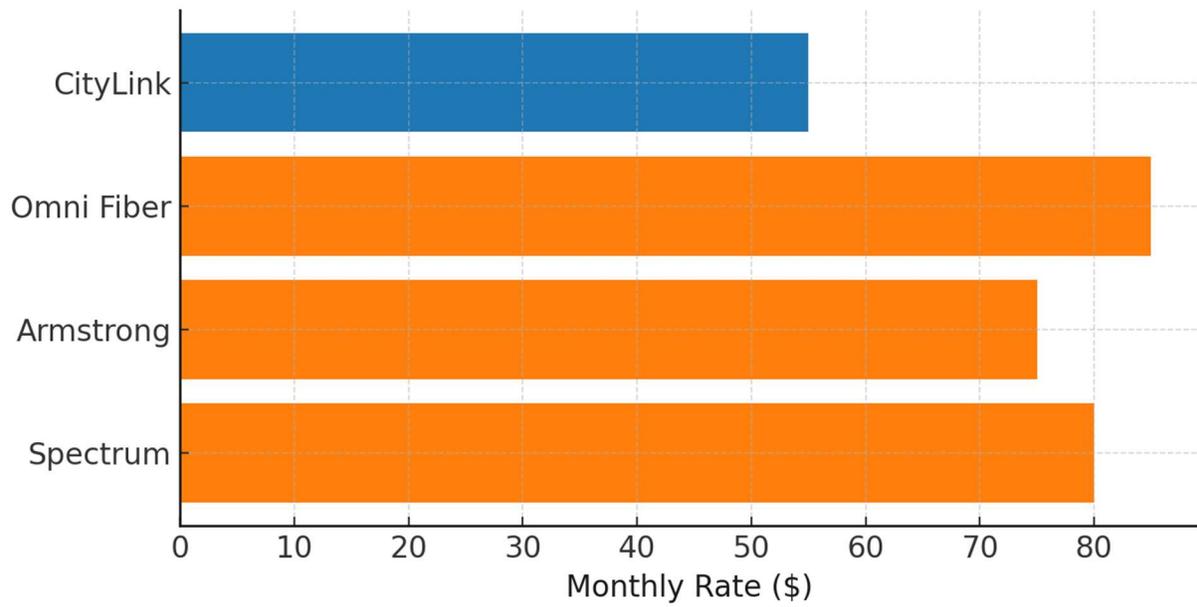


Figure 1 – Internet Pricing Comparison

Bundle Pricing Comparison (TV + Internet)

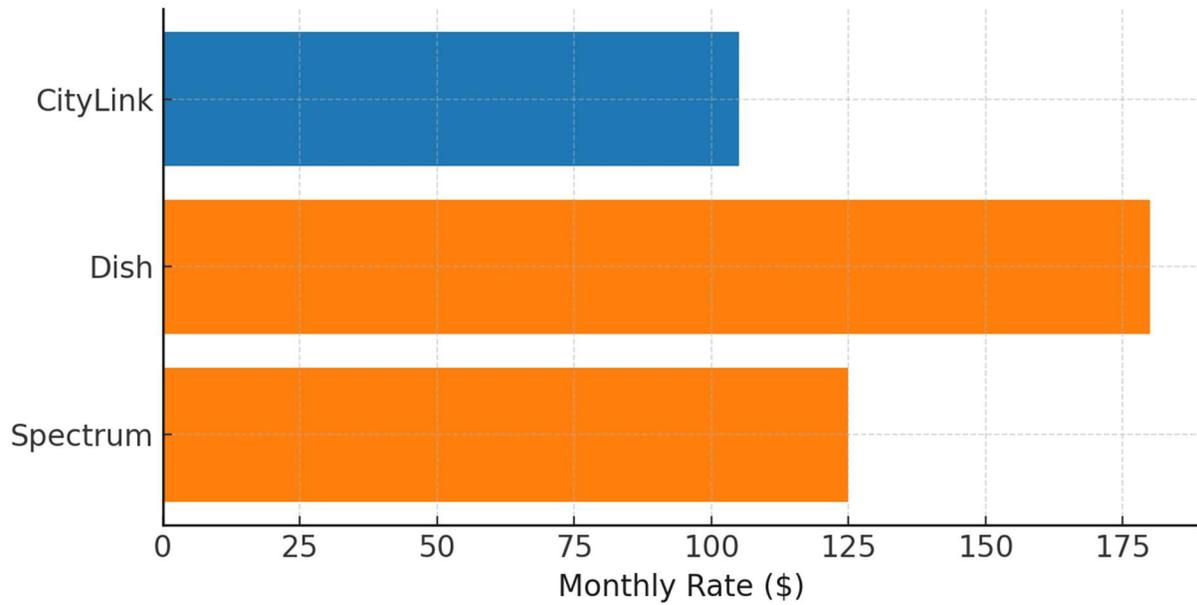


Figure 2 – Bundle Pricing Comparison

3. The FTTH Upgrade: Building for the Next 30 Years

The Fiber-to-the-Home (FTTH) upgrade represents CityLink’s largest reinvestment since its founding. Construction began in 2023 and will be completed by 2026. The \$10 million project replaces aging coaxial lines with modern fiber that can deliver multi-gigabit speeds, higher reliability, and lower maintenance costs.

The City funded the project entirely through internal reserves—**no borrowing, no bonds, and no tax dollars**. That means CityLink remains debt-free even as it builds a state-of-the-art system.

Project Partners:

- *Aspen Smart Networks* – Program Management
- *Gudenkauf, Inc.* – Construction Contractor

By late 2025, nearly a third of all homes in Wadsworth will have access to fiber. Full completion is scheduled for 2027.

FTTH Project Progress: Homes Passed vs. Installations

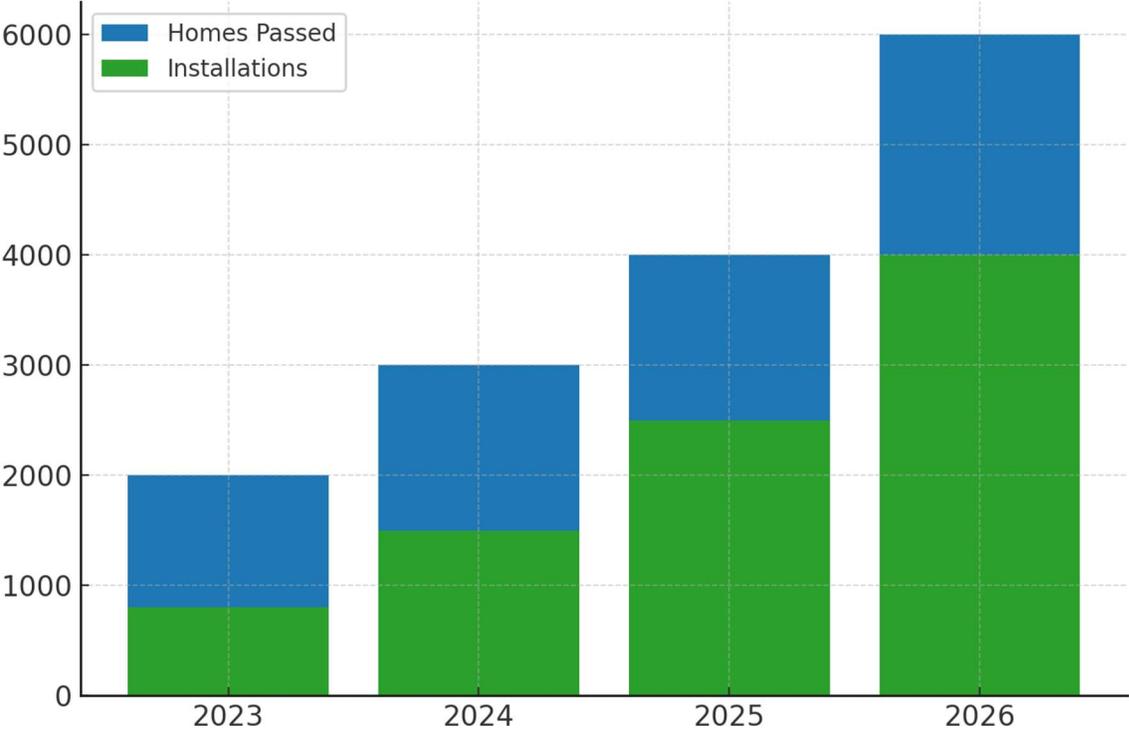


Figure 3 – Homes Passed vs. Installations

Year	Major Milestones
2023	Construction mobilization, node design, and material procurement.
2024	Aerial and underground fiber placement in western and downtown zones.
2025-26	Residential conversions accelerate; streaming platform expansion.
2027	Project completion and system optimization.
2027–2028	Financial recovery period and network capacity upgrades.

CityLink’s existing ownership of poles, conduits, and fiber routes saves millions of dollars compared to what a private company would spend to build the same network. Comparable projects by private carriers in similar-sized cities typically exceed \$18–22 million.

FTTH Project Budget vs. Actual (\$ Millions)

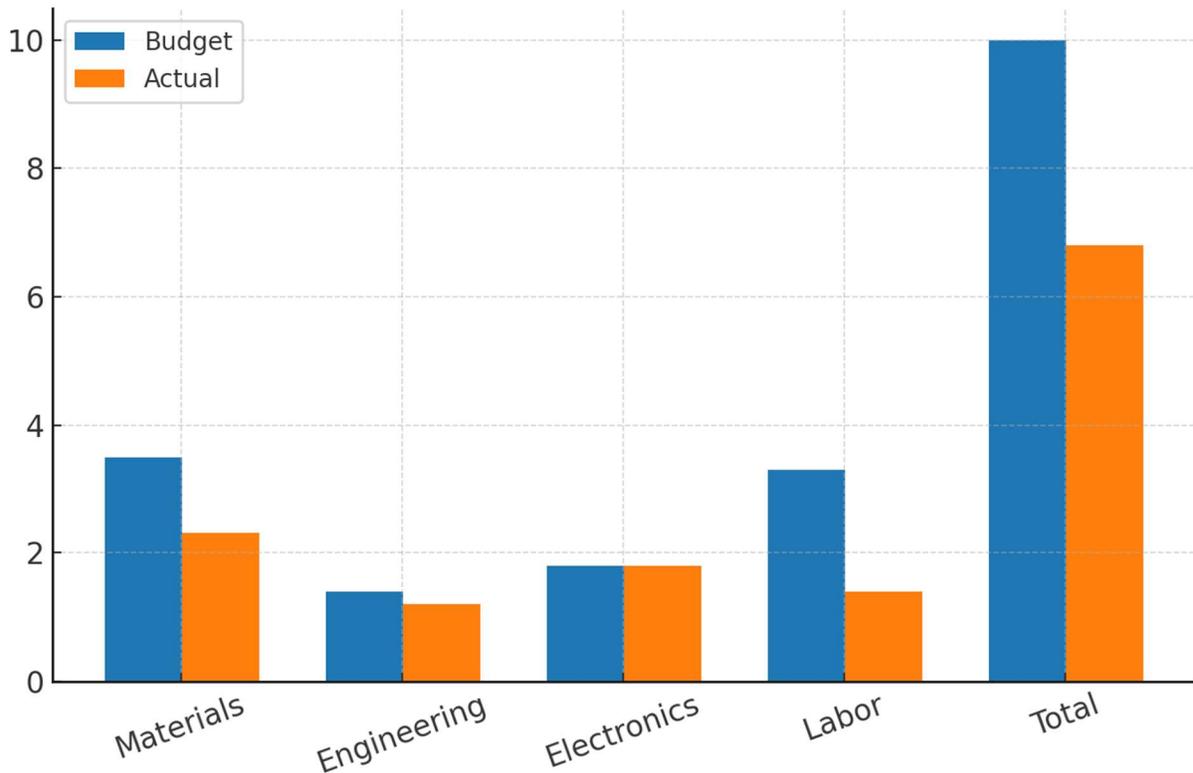


Figure 5 – FTTH Project Budget vs. Actual

4. Financial Performance: Smart Planning, Strong Position

CityLink operates as a fully self-sustaining enterprise. Annual surpluses from the operating fund (Fund 605) are regularly transferred into the capital fund (Fund 650), where they accumulate to support long-term improvements. The FTTH project represents the planned use of those savings—turning financial reserves into a long-lived asset.

Between 2023 and 2026, fund balances naturally decline as project spending peaks. Starting in 2027, reduced content costs and stable Internet revenues rebuild those balances. By 2028, CityLink will have fully restored its reserves while operating on a more efficient, lower-cost platform.

Why the Drawdown Isn't a Loss

Using reserves for infrastructure is like using savings to remodel your home. You're not losing money—you're increasing value and lowering future expenses.

CityLink's cash-funded model means no debt service, no interest costs, and no risk to the City's General Fund.

Table 1. Combined Fund Balances – Telecom Funds 605 & 650 (2023–2028)

Year	Beginning Balance	Revenues	Internal Borrowing	Operating Expenses	Project Costs	Ending Balance
2023	\$5,546,000	\$6,851,848	\$600,000	\$5,842,308	\$1,281,871	\$5,873,669
2024	\$5,873,669	\$6,844,056	—	\$7,211,527	\$1,534,755	\$3,971,443
2025	\$3,971,443	\$7,018,238	—	\$7,142,938	\$2,717,934	\$1,128,809
2026	\$1,128,809	\$7,481,700	—	\$7,179,065	\$746,420	\$685,024
2027	\$685,024	\$7,595,135	(\$420,000)	\$6,500,185	—	\$1,779,994
2028	\$1,779,994	\$7,632,000	—	\$6,160,850	—	\$2,831,124

Telecom Fund 605 Ending Balance Trend (\$ Millions)

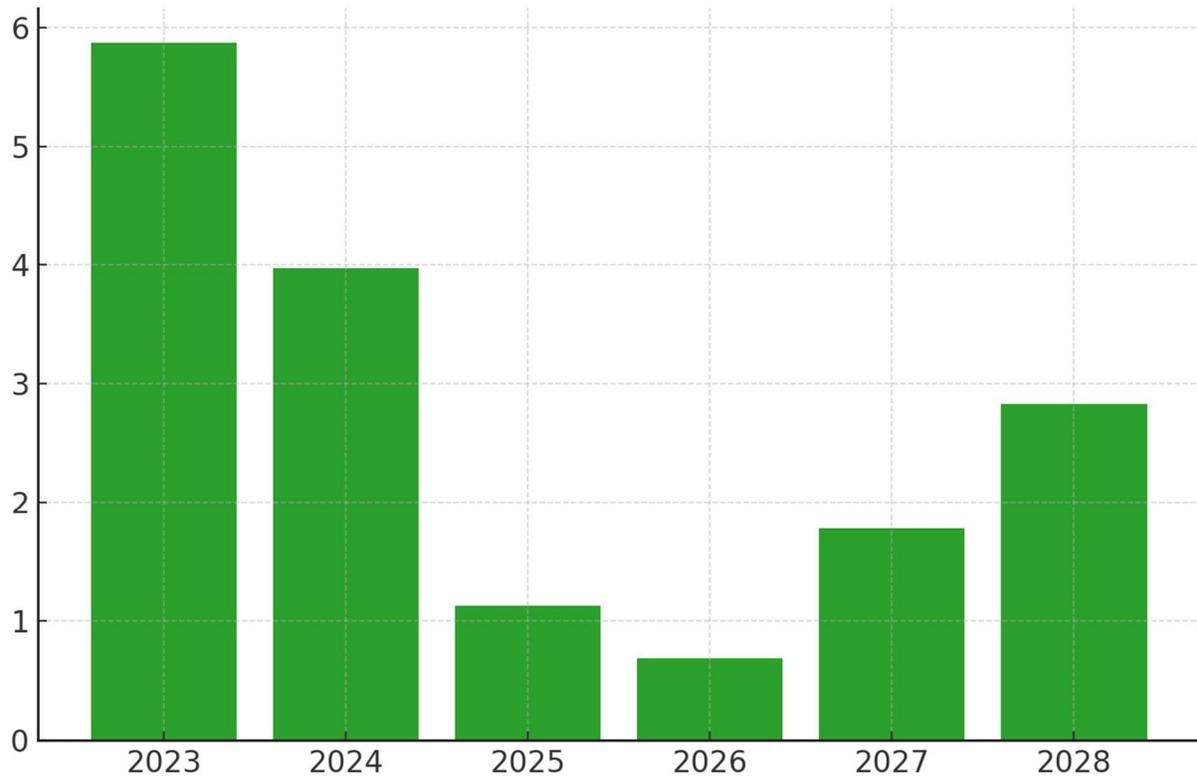


Figure 4 – From 2023–2026, fund balances decline as construction peaks; from 2027 forward, lower content costs and continued surpluses rebuild reserves.

5. The Economics of CityLink’s Service Lines

CityLink’s business model includes three interconnected services:

- **Internet** – consistently profitable and growing.
- **Streaming TV** – replacing cable TV, improving margins by reducing content fees.
- **VoIP Phone** – stable, low-overhead service that complements Internet bundles.

The television service line generated losses due to skyrocketing national content costs. Rather than abandon the service, CityLink pivoted its business model to embrace the changing industry trend and proactively transitioned to streaming delivery—a change that reduces programming costs by nearly \$1 million per year and produces a six-year project payback.

FTTH Payback Curve: Investment vs. Savings (\$ Millions)

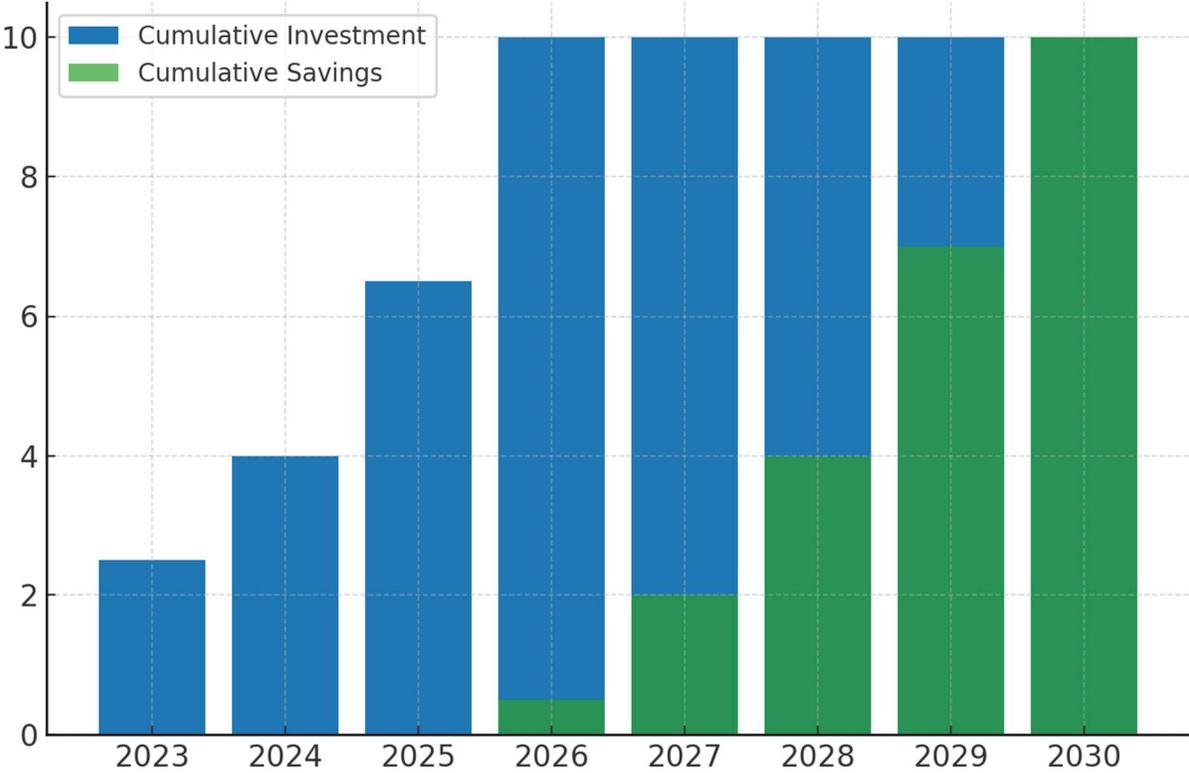


Figure 6 – FTTH Payback Curve

By 2028, each streaming subscriber will contribute positively to CityLink’s bottom line.

6. Customer Choice and Community Impact

CityLink's advantage goes well beyond price. Customers choose CityLink because it offers the **best combination of products, services, and overall value** available anywhere. The service is reliable, the support team is local, and the experience is personal. Residents can stop by the downtown office, talk with familiar staff, and get problems resolved quickly—something national providers simply can't match.

Community Benefits

- Lower costs for all residents
- Local jobs and reinvestment
- Economic development readiness
- Support for education, telehealth, and remote work
- Reliable and scalable support for city utilities and support services

CityLink doesn't just connect homes—it connects people, businesses, and neighborhoods. Every network improvement strengthens Wadsworth, keeping dollars local and ensuring modern communications remain accessible to everyone.

CityLink's benefits extend far beyond direct customers

- Every household in Wadsworth pays **lower market rates** because competitors are forced to match CityLink pricing.
- CityLink provides **local customer support** and rapid response—delivered by neighbors serving neighbors.
- The fiber system enhances **economic development readiness**, providing high-speed service for businesses, schools, city utilities and services, and healthcare providers.

CityLink thrives because residents have a **choice, and thousands freely choose the City's service year after year—not from obligation, but because they recognize its reliability, fair rates, and local accountability.**

Choice and competition—not restriction—drive innovation and protect consumers. CityLink ensures every household has access to a fair, affordable, high-quality alternative in the marketplace. When residents are free to choose, **everyone wins.**

This same commitment to openness and communication forms the foundation of CityLink's Marketing and Outreach Strategy in the next section.

7. Marketing & Outreach Strategy

CityLink promotes awareness and education, not flashy ads. Residents trust transparent communication and results they can see. CityLink’s marketing strategy builds on community trust and emphasizes education, visibility, and measurable progress. The goal is to ensure every resident understands the advantages of fiber service and the savings available by choosing CityLink.

The department continues to focus on community engagement through WCTV programming, social media updates, and participation in local events like the Blue Tip Festival. These outreach efforts make CityLink more visible, approachable, and trusted.

Strategic Objectives

- Reinforce public confidence in CityLink’s long-term value.
- Accelerate household conversions to fiber and streaming services.
- Strengthen customer loyalty through consistent communication and service transparency.
- Expand awareness among business and institutional users.

Key Action Items & Timeline

Timeframe	Action Item	Deliverable
Q4 2025	Launch “CityLink Fiber Now” awareness campaign using bill inserts, social media, and WCTV features.	2 short video spots; printed insert mailed with November bill.
Q1 2026	Implement neighborhood open-house events in new fiber zones; offer streaming setup assistance.	4 community sessions; signup and satisfaction reports.
Q2 2026	Introduce a referral-rewards program to encourage word-of-mouth sign-ups.	Program guidelines; tracking dashboard for referrals.
Q3 2026	Release the annual “CityLink By the Numbers” fact sheet summarizing rates, savings, and progress.	Public fact sheet; Council presentation materials.
Q4 2026 – 2027	Evaluate campaign impact; adjust messaging to highlight network completion and improved reliability.	Post-campaign metrics report; updated outreach plan.

CityLink’s marketing strategy emphasizes community connection, measurable engagement, and evidence-based outreach.

Objectives

- Expand customer adoption of fiber-based Internet.
- Transition legacy cable customers to Streaming TV.
- Promote awareness that CityLink is self-funded and community-owned.
- Demonstrate measurable savings and value to residents and council.

Key Messages

- “Built by Wadsworth. Owned by You.”
- “Streaming Saves Money—Same Content, Smarter Delivery.”
- “Fiber Internet: Built Once, Good for Decades.”

Outreach Channels

- Targeted direct mail timed to construction zones.
- Monthly “CityLink Updates” in utility bills.
- WCTV programs featuring customer stories.
- Social media announcements and community spotlights.
- Pop-up booths at local events, including Blue Tip Festival and First Fridays.

Risks and Mitigation Strategies

Risk	Mitigation Strategy
Weather or supply delays	Maintain inventory buffers and flexible scheduling.
Competitor underpricing	Focus on local service quality and bundled value.
Public misinformation	Publish quarterly fact sheets and data dashboards.
Rapid technology change	Invest in modular, scalable network components.

8. Long-Term Outlook: 2025–2030

By 2027, CityLink will complete its full FTTH build and transition the majority of video subscribers to streaming.

Looking beyond, the department will explore:

- **Dark fiber leasing** for businesses and institutions.
- **Smart City applications** that use fiber connectivity for traffic, safety, and utility optimization.
- **Partnerships** with educational and healthcare institutions to enhance local service capacity.

Key Metrics to Track:

- Homes passed and installations completed
- Streaming adoption and churn rates
- Fund balances and annual surpluses
- Average revenue per user (ARPU) and service reliability metrics

9. Governance and Consumer Choice

CityLink’s continued operation protects consumer choice. If the service were eliminated, residents would be forced to rely entirely on national carriers, facing higher prices and reduced accountability.

Wadsworth’s ownership model ensures local control, transparent pricing, and public accountability—values that no investor-owned external company can match. Council’s support for CityLink is not just a financial decision; it’s a commitment to preserving fair access to modern communications for every household.

10. Conclusion

CityLink is not a financial burden—it is a community asset. The FTTH project represents exactly what the City planned years ago: using accumulated surpluses to upgrade the system, lower future costs, and build lasting infrastructure.

By 2028, CityLink will operate one of Ohio’s most advanced municipal broadband networks, providing faster, more reliable service at lower cost—all while rebuilding its savings. Every dollar spent on this project stays in Wadsworth, strengthening local jobs, technology, and civic pride.

CityLink proves that local ownership works: it keeps prices fair, ensures accountability, and delivers value to every resident, every day.
