Date: November 25th, 2019
To: City Council Members, Mayor and City Manager
Cc: Jeff Knoblauch, Assistant City Manager- Finance & Special Project
From: William Ersing, Broadband Manager
Re: Phone Service Summary

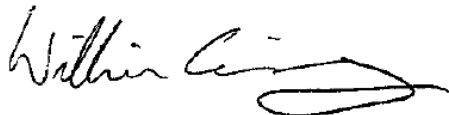## Summary of Velocity Voice Services

- Providing VOIP phone services for 4 years.
- 125 customers use VBB as their primary phone service (47% take rate)
- 448 phone lines active, a 34% increase in one year.
- 1061 phone numbers to Hudson customers, a 165% increase in one year.
- $134,887.10 total revenue for 2019.
- Customers range from small single line users to international high-volume users.
  - Examples:
    - Largest phone customer has 23 phone lines with over 176 phone numbers, generating $873.50 of monthly voice revenue.
    - Smallest customer uses Velocity Voice as the emergency line for their elevator.
    - Voice customers also use Velocity for everything from processing credit cards to receiving over 100 faxes a day.
- Over 1M phone calls will be made using Velocity Voice in 2019.
- Velocity customers made 107 emergency 911 calls to Hudson Dispatch.

Velocity Voice has continued to be a key revenue source as well as a strong driver of new customer adoption. Velocity is the trusted phone provider to multiple senior living facilities, manufacturing firms, professional offices, and retail establishments in Hudson. Almost half of all new customers will choose to switch their phone service to Velocity at the same time they sign up for internet. Lastly, we continue to see more customers with large 50-150 phone number accounts request service or include Velocity in the planning of their future phone upgrades.

Looking at the whole financial picture of the Velocity Voice offering, expenses for 2019 are $77,700.97 and revenue generated is $134,887.10, resulting in a profit of $57,186.13 for 2019 from January to November.

Please let me know should you have any questions.

Thank You,

William Ersing
City of Hudson, OH – Velocity Broadband