



Article 38

Light Plant Expenditures & Payment in Lieu of Taxes

**Enterprise Fund Hearing
March 11, 2019**

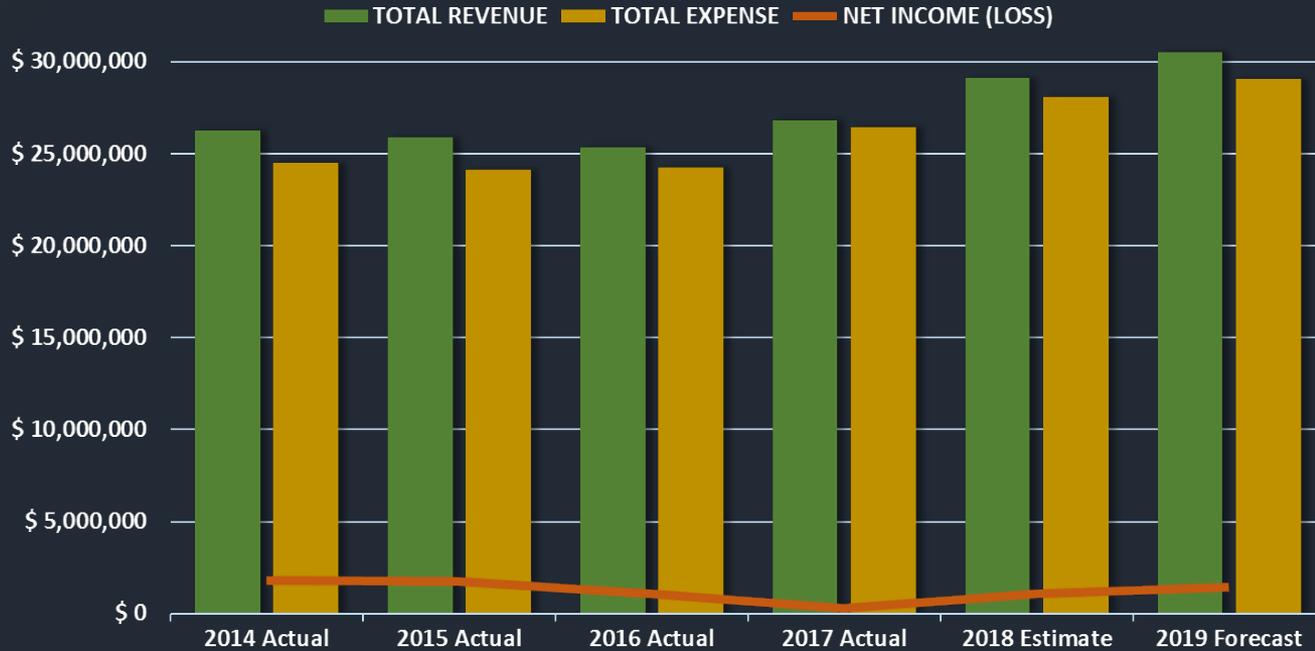


Article 38

To determine whether the Town will vote that the income from sales of electricity and from servicing and jobbing during the ensuing fiscal year, together with the balance of operating cash in the Light Plant Fund, be expended without further appropriation under the direction and control of the Town Manager for the expenses of the Light Plant for said fiscal year, as defined in Massachusetts General Laws c.164, sec.57; and/or for other plant extensions, enlargements, additions, renewals and reconstruction; and further, to authorize a transfer of \$452,000, or any other sum, from the Operating Fund of the Light Plant to be used by the Board of Assessors to reduce the tax levy for the fiscal year ending June 30, 2020; or take any other action relative thereto.

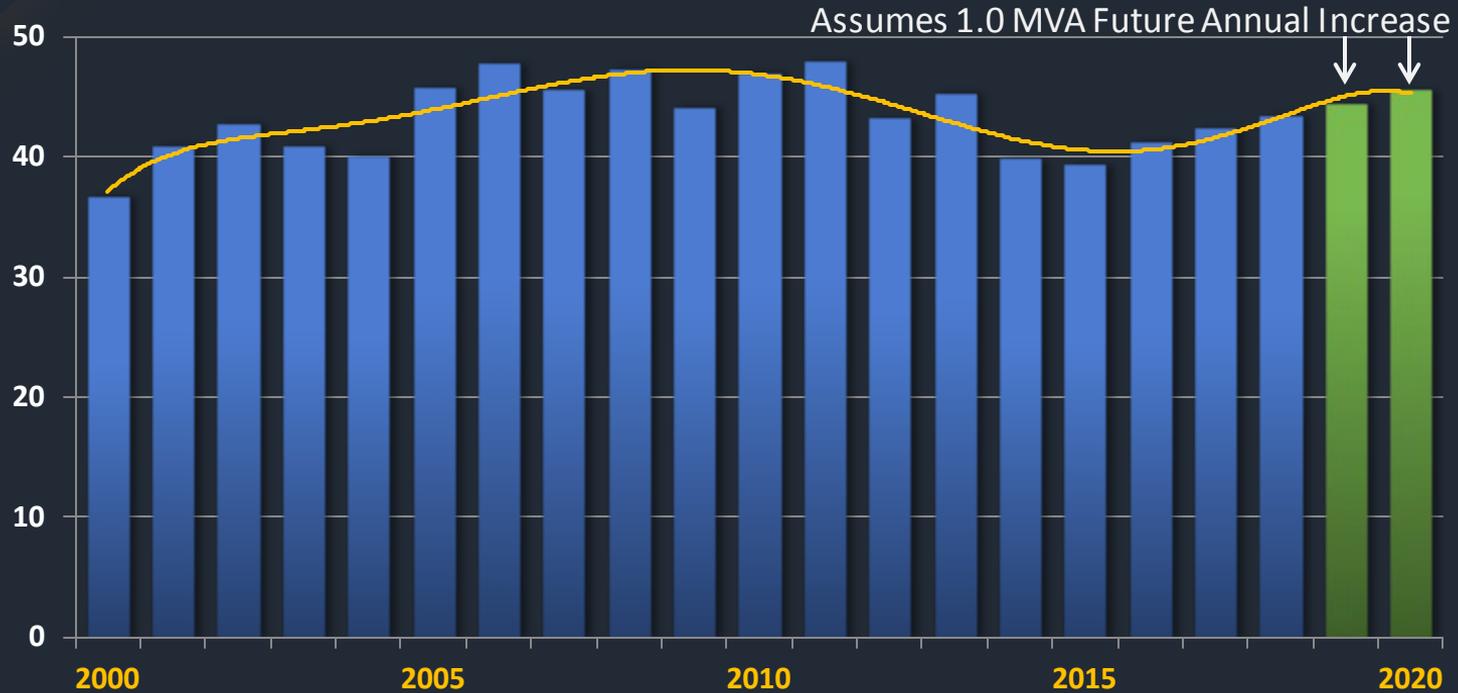


Light Plant Net Income (Loss)





System Demand (MVA)





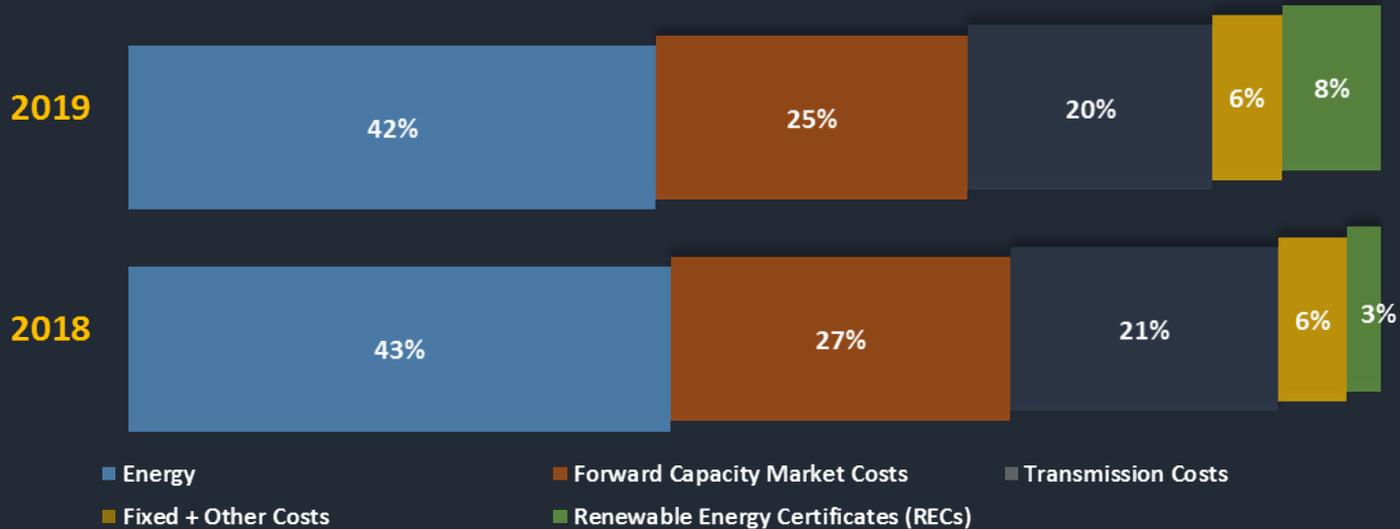
Electricity Sales Revenue





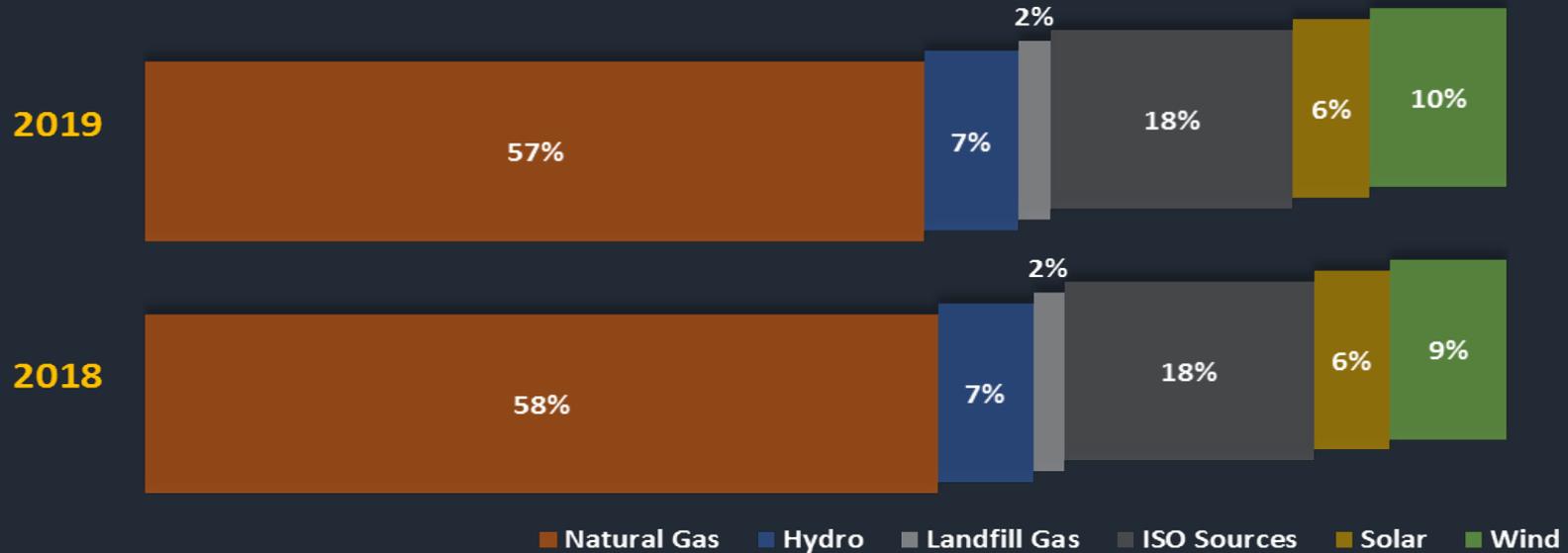
Purchased Power Costs

Total Cost of Power **2018** \$ 20,591,560 **2019** \$ 21,245,190



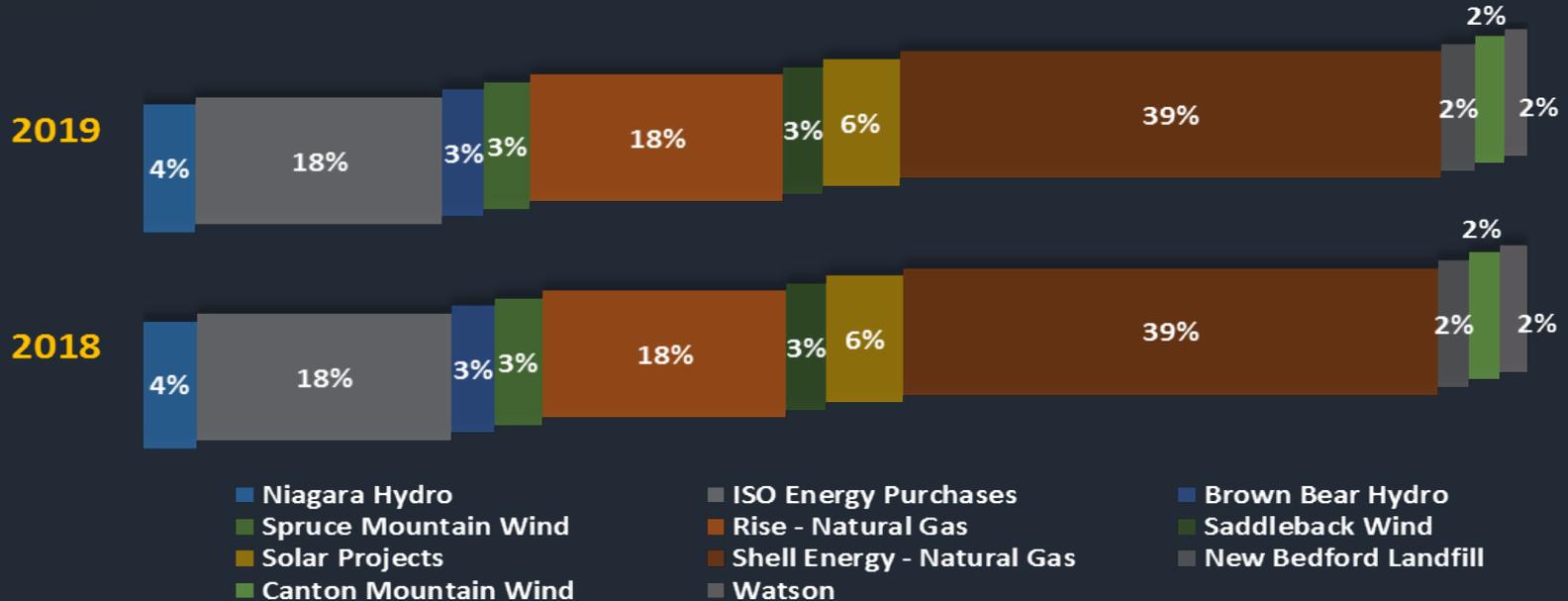


% of Purchased Power by Fuel Type



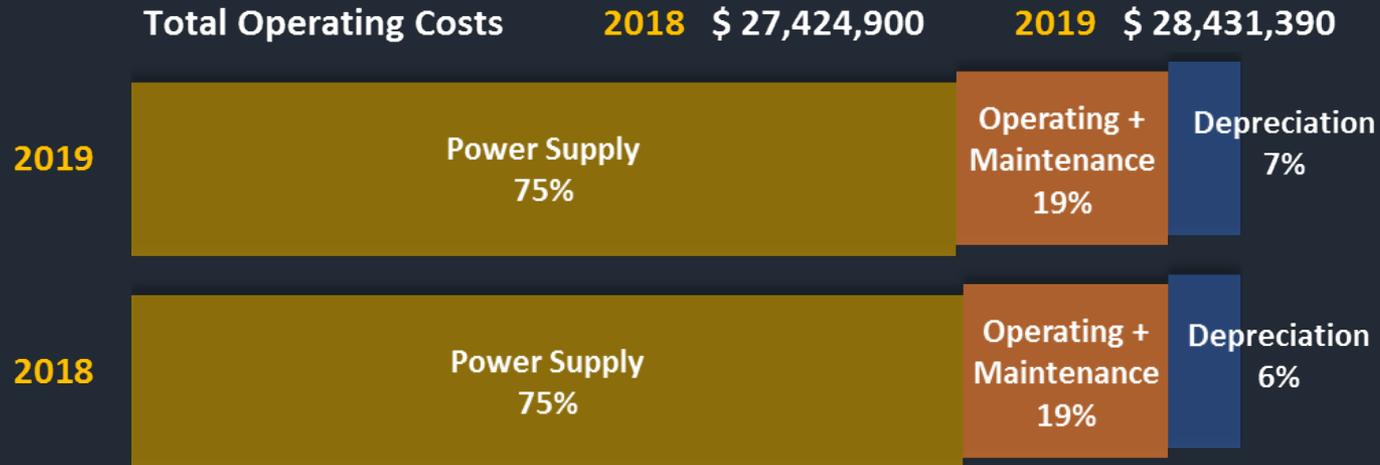


% of Purchased Power by Provider



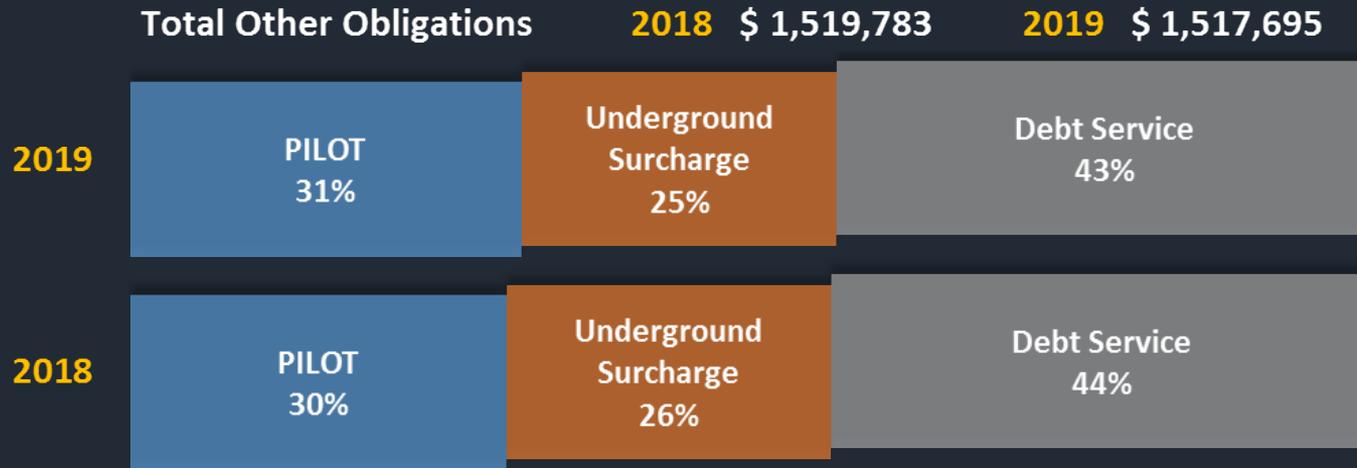


Operating Cost





Other Obligations





Capital Outlay

| | <u>2018</u> | <u>2019</u> |
|-----------------------------|---------------------|---------------------|
| Total Capital Outlay | \$ 2,216,950 | \$ 6,002,625 |
| Funded via ... | | |
| • Depreciation Fund | 1,889,250 | 1,602,625 |
| • Underground Fund | 327,700 | 1,400,000 |
| • Borrowing | | |
| ▪ SMART Grid Upgrade | --- | 3,000,000 |



Effective Return

| | <u>2018</u> | <u>2019</u> |
|------------------|------------------------|------------------------|
| Effective Return | \$ 1,051,795 1.68 % | \$ 1,446,205 2.31 % |
| • Total Revenue | 29,133,395 | 30,530,220 |
| • Total Expenses | 28,081,600 | 29,084,015 |



Strategic Plan





ARTICLE 38

Telecommunications Operations



Internet Service Offering

- Offered to residents and businesses since 2014
- Speeds from 35 Mbps to 400 Mbps are available
- Capable of 1 Gbps service to customers
- Over 1200 customers connected in January 2019
- Rates compare favorably to other suppliers
- Details at www.concordma.gov/broadband



Internet Policies

Privacy

- We don't collect or share customer data with anyone

Net Neutrality

- All traffic is handled equally

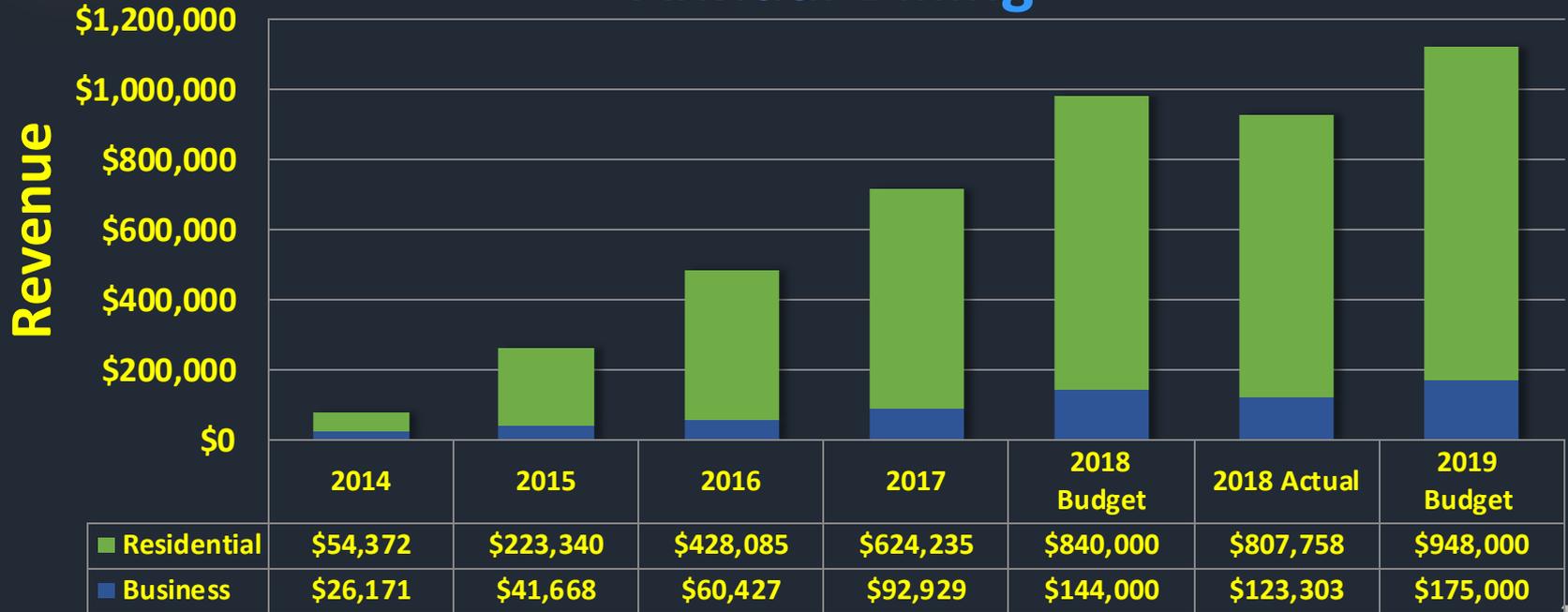


2018 Results

- **Subscriptions & Revenue**
 - Both grew about 26% from 2017
- **Financial Results**
 - 2017 Revenue \$764,996 and Net Income \$72,984
 - Estimated 2018 Revenue \$994,719 and Net Income \$109,818
- **Added a Network Engineer to the Staff**
- **Added Wi-Fi Mesh (Extender) to Service Offering**



Concord Light Broadband Annual Billing



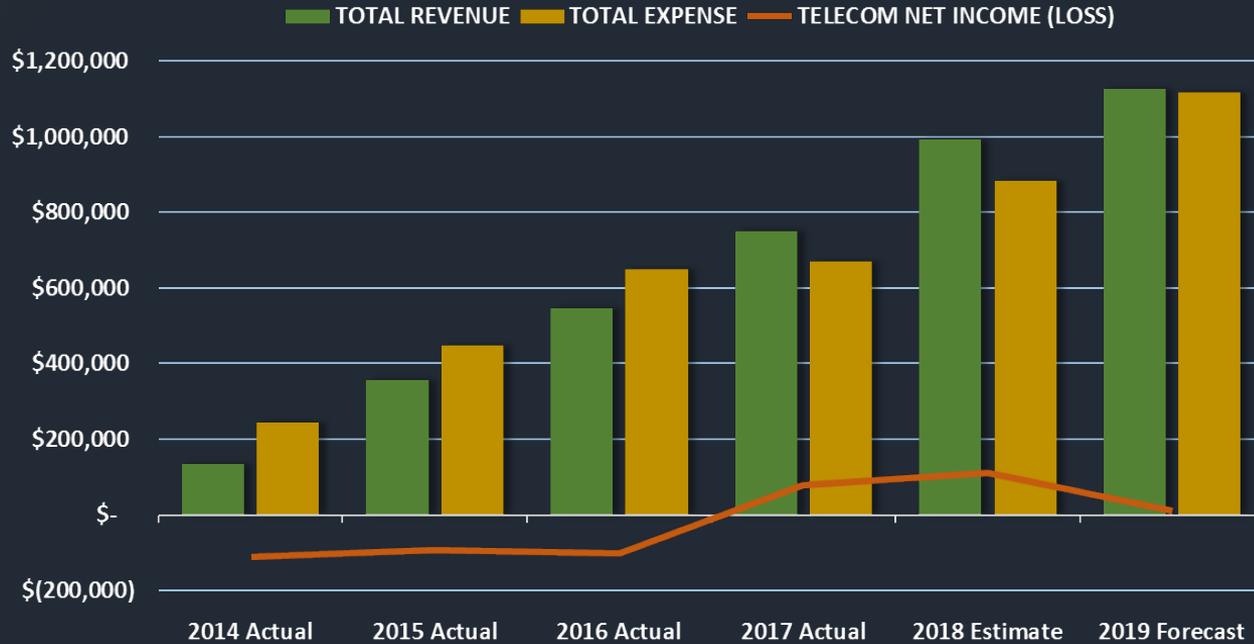


2019 Budget Plans

- **Subscriptions & Revenue increase about 19%**
- **2019 Revenue \$1,128,108 and Net Income \$9,221**
- **Hire Telecommunications Director**
- **Hire a fourth Telecommunications Technician**
 - Add a vehicle and tools as needed to expand support
- **Begin capital program to support 10 Gbps Services**
 - Year 1 of 2-3 year capital investment cycle



Telecom Net Income (Loss)





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