



2004 Annual Report

Financial Highlights

	2004	2003	Change
ELECTRIC DEPARTMENT			
OPERATIONS			
Income	\$15,595,753	\$15,430,017	\$165,736
Expenses	12,665,734	12,134,795	530,939
Balance	2,930,019	3,295,222	(365,203)
FINANCE			
Capital Improvements	2,503,047	1,891,659	611,388
Loan Payment	360,000	350,000	10,000
Fund Balance Dec. 31	5,869,299	5,442,327	426,972
TOTAL METERS	5,958	5,938	20
TOTAL KWHRS (1)	244,074,170	228,483,300	15,590,870
PEAK DEMAND (kilowatts)	46,090	43,800	2,290
(1) Includes line loss and final bills			
WATER DEPARTMENT			
OPERATIONS			
Income	\$1,368,849	\$1,347,901	\$20,948
Expenses	1,268,214	1,111,074	157,140
Balance	100,635	236,827	(136,192)
FINANCE			
Capital Improvements	247,453	236,540	10,913
Fund Balance Dec. 31	362,948	509,766	(146,818)
TOTAL METERS	3,878	3,806	72
TOTAL GALLONS (2)	640,230,000	610,422,000	29,808,000
(2) Includes line loss and backwashes at the water plant			
COMMUNICATIONS DEPARTMENT			
OPERATIONS			
Income	\$1,482,753	\$2,038,158	\$(555,405)
Expenses	1,382,490	1,828,270	(445,780)
Balance	100,263	209,888	(190,625)
FINANCE			
Capital Improvements	170,049	139,015	31,034
Fund Balance Dec. 31	201,275	271,061	(69,786)
TOTAL CABLE TV CUSTOMERS	2,297	2,177	120
TOTAL INTERNET CUSTOMERS	1,250	1,071	179

► Letter from the Director

TO OUR CUSTOMERS

Since the 1890s, Bryan Municipal Utilities has met the city's needs for water and electricity. The utility was created to provide service to our community. This basic purpose continues to be the foundation of our business practices today. However, it is not all business as usual. The once predictable and reliable world of electricity is changing.

During the 1990s, electricity was deregulated in Ohio. As a result, electricity has become a commodity sold for whatever the market will bear. There has been little incentive to upgrade or build new transmission lines. Newly formed regional transmission companies have thus far only added another level of bureaucracy and cost. More than ever, municipal utilities need to band together to come up with strategic plans to continue providing low cost, reliable and safe utilities.

In this environment, one of Bryan Municipal Utilities' greatest challenges is keeping our electric rates low. Our contract with American Electric Power expires at the end of 2005. That contract is well below the current market price. When we entered into

that contract six years ago, power companies based their charges on their cost for generation and transmission plus a fair rate of return. We negotiated what we thought was a fair price. Now, power companies charge whatever the market price is, and market manipulation has caused those prices to be higher.

Power costs make up 60 percent of the electric department operating expenses. We updated our 10-year plan with current wholesale price estimates and found we need to raise rates by 18 percent. To help our customers with budgeting, the Board of Public Affairs voted in July to increase the rates six percent over a three-year period beginning in 2005. However, at the end of 2004, we were informed by Bryan City Council that they needed to keep 50 percent of the kWh tax. That equates to about \$400,000 less revenue for the electric department that will have to be recovered in the rates. Accordingly, another three percent increase in rates will probably be noticed later in 2005.

Throughout 2004, the electric department continued to focus on



converting old 4,160-volt lines to 12,470-volt lines to improve reliability and capacity. As part of this conversion, we started construction on a new Cherry Street Substation. All the utility departments have helped with this project. The water department contributed labor, excavators, backhoes and trucks. Dan Froelich came to Bryan from the Auglaize Hydroelectric Plant to help with the layout and initial construction. Power plant operators installed equipment. Our engineering department worked on the design of

the 69,000-volt line that will feed the substation. Doing this work ourselves has saved the electric department, and thus our customer-owners, money.

Along with the substation and regular projects, our water department was also busy working with painters to refurbish the ARO water tower. The BPA voted to stencil "BRYAN, Founded 1840" on the tower. The fresh paint gives the city a new look.

Auglaize Hydroelectric Plant employees were very busy. By the end of the year, they had all five generating units and a small exciter unit up and running. The plant had a record year in power production. We are beginning to realize the benefits of owning a hydroelectric plant.

The communications department continued to add Internet and cable TV customers. The department

network that it had not recovered before year-end. Overall, our balances are what we expected.

On a sad note, two members of the utility team, BPA member Bob Hoffman and Communications Technician Mike Costanzo, passed away. Bob served on the BPA for six years and was city Clerk-Treasurer for 28 years. He made a major contribution to the city of Bryan. Albert Horn was appointed to complete Bob's term on the board. Mike had also been with the utility for six years. He was instrumental in the design and construction of the city fiber optic communications system. He will be missed by the communications department and by all his friends at the utility.

THE UTILITY WAS CREATED TO PROVIDE SERVICE
TO OUR COMMUNITY. THIS BASIC PURPOSE
CONTINUES TO BE THE FOUNDATION OF OUR
BUSINESS PRACTICES TODAY.

Representatives from area water departments and the BPA have joined with concerned citizens to focus efforts on protecting our water supply. The group aims to petition the U.S. EPA for a Sole Source Aquifer designation of our aquifer in order to protect our source of drinking water. The group named our aquifer the MICHINDOH Glacial Outwash Aquifer, and they formed a committee to prepare bylaws for a 501(c)3 organization with nonprofit status. Lou Pendleton, director of public relations, has been heading up the group and was named the first chairperson. Membership in the group is open to anyone who shares the group's purpose of keeping our drinking water safe.

spent much of the year on system maintenance and hooking up additional businesses and industries to our fiber network.

Our balance sheets remain strong. The electric fund balance increased by \$426,971 to \$5,869,298. The large increase was due to expenditures on the Cherry Street Substation and the Marquis Corridor not being expensed by the end of the year. The water fund showed a decrease of \$146,818 to a level of \$362,747. This was mainly due to repainting the Bryan Water Tower and lower than expected water sales. The communications fund decreased \$69,786 to a level of \$201,274. This department had construction costs in connecting businesses to our fiber

I am pleased to update you on the status of Bryan Municipal Utilities for the year 2004. We faced many challenges. We are committed to meeting the city's needs for electric, water and communications utilities. We work hard and do all we can to provide a valuable service to the residents of Bryan. I want to thank you, our customers, for your continued support. Together we can make Bryan a great community.



STEPHEN CASEBERE
DIRECTOR OF UTILITIES

► Board of Public Affairs

LAUREN L. BECHTOL



Members of the Board of Public Affairs are Bryan Municipal Utilities employees. However, unlike our fellow employees who report to department heads or the director of utilities, Board members report to the residents of Bryan and surrounding area. Our bosses are the customers of Bryan Municipal Utilities.

Each member of the Board is elected to a four-year term to represent the customers. If you receive a bill from BMU, then you also own a share in the company. As an owner of the utility, you have much to be proud of regarding this past year.

Annual reports are meant to inform shareholders of the challenges and achievements of the company during the past year. Annual reports also present an accounting of the company finances. These financial reports are particularly important. They reveal the fiscal strengths and weaknesses of the company and thus your investment performance. As with all investments, there are risks and rewards.

A past Bryan Municipal Utilities investment, the purchase and repair of the Auglaize Power Dam, paid valuable dividends in 2004. That investment is expected to continue paying dividends for years to come. The risks of investment in the communications department have decreased and the rewards, such as more local television programming and faster, more secure business networks, have increased. Our core utility services, the electric and water departments, performed as they have for over 100 years. They updated their business plans and continue to provide safe water and low cost, reliable electric power for the owners of the company.

In addition to reviewing the previous year, annual reports help us look toward the future. Our wholesale power supply contract with American Electric Power, which dates back to 1982 and renegotiated in 1998, expires at the end of 2005. Your Board of Public Affairs, with input from many sources, will have to choose a new power supplier and sign a new contract. That contract will affect the risks and rewards of your investments in Bryan Municipal Utilities. In the coming year, we encourage you, as owners of the company, to follow the progress and be involved.

Lauren L. Bechtol

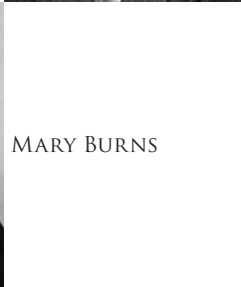
LAUREN L. BECHTOL
CHAIRMAN OF THE BOARD



ALBERT HORN



CHRISTOPHER CONTI



MARY BURNS



THOMAS FOSTER

► Electric Department



The Electric Distribution Department spent several months in 2004 rebuilding the East of Main Circuit and the West Alley east and west circuits. These three-phase distribution lines serve power to most of the downtown area. Converting the old 4,160-volt line to 12,470 volts improves the capacity and reliability of the circuit. Along with replacing aged and loaded conductors and transformers, the electric crews also corrected clearance distances with other utilities and the downtown buildings.

Rebuilding these circuits was also part of our preparation for the new Cherry Street Substation. When the new substation is completed, some of these circuits will be transferred over to the Cherry Street circuit. Customers on those circuits should experience improved power quality.



The electric department also extended a distribution line in the Bryan Industrial Park to accommodate future growth. In 2004, the city of Bryan completed a 50-acre expansion of its industrial park, making eight new industrial sites available. The new sites are complete with electric, water, sanitary and storm services and ready for occupancy.

With the closure of North Portland Street, lineworkers relocated the high-voltage electrical entrance for Spangler Candy Company and rerouted a three-phase distribution line. The department also assisted Continental Tire with a blown transformer and helped prevent a power interruption. Several other industrial customers expanded their facilities in 2004 and needed increased power capacity. The electric department provided larger transformers for Trim Trends, L.E. Smith, Industrial Steering, and Ramm Fence.



The electric department contributed 160 hours of labor and materials to the Williams County Fairgrounds expansion project. Bryan Municipal Utilities engineers designed the electrical component for the new campgrounds and made a materials list of all the electrical parts. BMU also completed the site staking using global positioning system. Bryan lineworkers installed 1,500 feet of three-phase 12,000-volt underground cable from the fairgrounds infield to the location of the new campsites.

Along with the utility engineering department, the electric department designed and installed a loop-fed underground electrical distribution system for the newly constructed Fountain City Inns and Villas north of town. Lineworkers also installed high-voltage electric cable and pad mount transformers to serve the new Kentucky Fried Chicken/A&W restaurant on South Main Street and the new Northwestern Credit Union on North Main Street.

In October, the utility celebrated Public Power Week by presenting lineworker demonstrations at Moore Park and giving guided tours of the Auglaize Hydroelectric Plant. The lineworkers demonstrated pole top rescue and climbing techniques.

Lineworkers installed new electrical services in several new subdivisions: East Village II, Union Place, Autumn Chase, Greystone, Greenfield, and Stone Creek. The department also converted some overhead lines to underground to reduce line clearance tree trimming and accessibility issues.

In 2004, the Bryan Development Corporation and the Chamber of Commerce requested new lighting fixtures for the downtown square. Utility engineers created the lighting plan, specified the parts, and prepared materials lists and estimates. The electric department will install the new lights in 2005.

The electric department finished the year decorating and lighting downtown Bryan for Christmas. This year, the guy wires that support the Christmas stringer lights had to be taken down while the courthouse was being refurbished. The utility purchased new guy wires and colored lights, and lineworkers installed them in November in time for Santa's arrival.

As always, the utility strives to provide the best service at the most competitive price possible. We are proud of our work and our contribution to the community of Bryan.



► Communications Department

For the Communications Department, the year 2004 was like being in the front car of Millennium Force at Cedar Point. We climbed to exciting heights and then nearly came off our seats on the way down. We barely had enough time to adjust to the difference.

In 2004, the communications department accomplished the planning, coordination and construction of many countywide

fiber connections for our customers. The first project was completed in May. Working with Montpelier electric crews and Ridgeville Telephone Company, we cleared a path for new fiber between all of the Farmers and Merchants State Bank locations in Northwest Ohio and RDSI Banking Systems in Defiance. Using the same fiber backbone that connects area schools, we were able to provide the two companies a fast, secure banking network.

As the year progressed, Edon State Bank also joined the fiber network to RDSI, and we started construction for a similar connection between all of the National Bank of Montpelier branches.

Banks were not the only businesses that shifted to light speed in 2004. Midway through the year, BMU reached an agreement with Williams County Public Libraries to connect all the branch libraries via our countywide fiber backbone. By the end of the year, the libraries had a very robust platform to support a new cataloging system and patrons enjoyed fast Internet connections at their local branches.

During the summer, we began construction of a fiber connection to Holiday City. When the Holiday Inn Express opened in the fall, every room and public area sported a BMU cable TV and Internet connection. The communications department also started negotiations to provide the same services to guests at the Ramada Inn. Construction there should be complete sometime in the first half of 2005.

While those projects took us to roller coaster heights, Father's Day 2004 brought us straight down. We received



a call from the Bryan Police Department alerting us that Communications Technician Mike Costanzo, one of the original members of the department, had been rushed to the Community Hospital of Williams County. He had suffered a massive heart attack while working at a customer's home. Our friend was lost to us forever. It has been months, and we still have not fully recovered from the loss on both business and personal levels. Mike meant a great deal to all of us, and we miss him everyday. Mike, who gave his all from the very first day, ended his time doing what he loved the most – working in the communications plant, solving a problem for a customer.

Another low occurred on Christmas morning just before 5 a.m. The uplink converter that allows all 1,200 cable modems in the city to talk to the Internet decided to go on Christmas break. Telephone calls poured in to our help desk, but to our dismay, we had to be Scrooge and inform everyone that repairs were going to take awhile. The replacement part had to be shipped from Canada to Chicago.

After a few hours persuading customs authorities in Chicago to release the part and a four-hour drive back home, we got the Internet back up at about 11 p.m. on December 29. That was the first major outage for the communications department. Thankfully, service to our 2,200 cable customers and all of the regional fiber network customers was not affected.

The thrills of the past year have ended. We look forward to a smoother ride in 2005.



► Water Department



Running a public water system involves many routine and repetitive tasks. However, there are always enough non-routine projects to keep things new and interesting. The Water Department addressed those combined tasks and projects during the past year.

Annual spring maintenance always includes hydrant flushing. The flushing process accomplishes several things. It removes any accumulated sediment from the mains to ensure high quality water. It also exercises all the fire hydrants to assure they are in good working order. We inspect each hydrant for any damage that might have occurred over the winter or any other maintenance that might be needed. Though it might look like a waste of water, annual flushing is a necessary task of good water system operation.



In 2004, we performed a leak detection survey of the entire water system. High-tech electronic equipment was used to listen for and detect underground leaks. The equipment is not only capable of hearing leaks; it can also pinpoint where they are, even if no

water is present on the surface. The water department has leak detection performed periodically to help reduce the amount of unaccounted water.

The 400,000-gallon BRYAN water tower, formerly painted with the ARO name, was taken out of service temporarily for needed welding repairs and a new paint job. The new paint should keep it protected and looking good for another 10 to 15 years.

The water distribution system was extended about 2,566 feet to the north of the city on State Route 15 to serve the new medical facilities that are planned in that area. Winzeler Drive in the Bryan Industrial Park was extended to County Road D, and we extended the water mains roughly 1,637 feet. The water system was also extended around the corner of County Road C and County Road 15 to serve a new church presently under construction. We replaced and upgraded the water main on Beech Street, from High Street to Center Street, with 1,415 feet of new 12-inch waterline.

We have seven wells that supply water to the city. Periodic well cleaning and

rehabilitation is a necessary function of maintaining an adequate supply of water. This year, we rehabilitated Well #7 and installed a new pump.

Insurance Services Office (ISO) conducted a detailed inspection of the water system and fire department to rate fire fighting capabilities. Forty percent of the rating comes directly from the water system – its ability to supply water, main line sizes, fire hydrant types and testing and inspection records. The water system scored 37.88 out of 40. The combined scores of the fire and water departments kept Bryan at a Class III rating, among the top 3.4 percent nationally. Most insurance companies use the ISO rating to set rates for residential, commercial and industrial fire insurance. This rating gives all of us reasonable property insurance rates.

Water department personnel must continually keep up with new and existing rules and regulations. As part of the Homeland Security Act, the water department completed a Vulnerability Assessment on the public water system and drafted an Emergency Response Plan. We also updated our Risk Management Plan that relates to the safe use and handling of the chlorine that we use for disinfection. This year, we also completed the protective strategies portion of our Wellhead/Source Water Protection Plan. Finally, we continue working with other local water departments and concerned citizens to protect our water supply by petitioning the U.S. EPA for a Sole Source Aquifer designation.



► Auglaize Hydroelectric Plant

In 2004, the Auglaize Hydroelectric Plant had another record year of generation, producing 9,330,521-kilowatt hours or enough to supply 950 average homes in the city of Bryan for an entire year.

During the first half of the year, only the three original units were generating. In May, the plant employees brought a 140-kilowatt generator on line to be used primarily for low river flow periods. The output from this unit has reached as high as 165 kilowatts per hour. With diligent work and

assistance from all the utility departments, the operators were able to add two large generators in July. Each of these units can generate up to 1,200 kilowatts per hour. One of these large units replaced the unit that was damaged by fire. The unit that was installed is capable of more output and is more efficient.

After completing the installation of the three rebuilt units, the operators disassembled one of the original units. The generator was removed and sent to a company to be cleaned and coated. The bearings were replaced, the turbine was disassembled and all the worn parts repaired or replaced. This unit was out of service for approximately three months while this work was performed. During the overhaul, we found the gates that allow water into the turbines were in poor shape. We have purchased the necessary steel, and the operators have been building and replacing the gates as time permits.

A couple other projects were completed in 2004. As part of the original requirements of the Federal Energy Regulatory Commission, we filled all the open bays of the spillway with mass concrete. Again, this was completed by the operators with assistance of other utility employees. Materials from other projects were used to build the forms to complete the concrete pours.

This fall, the small generating unit plugged up with leaves, so the operators built and installed a different rack to catch debris.

The Auglaize plant has six generating units differing in size



and design. The design of the units and the engineering allows us to take advantage of varying water flows and utilize water that once was lost. The smallest unit can generate during low flows and the larger units can generate during high tail waters.

The plant is operating at full capacity for the first time since the early 1960s when Toledo Edison closed the plant. The two large units generate 1,200 kW. The smaller turbine, used for minimum flows, generates 140 kW. Three other units at the plant generate 725 kW each, for a full capacity output of 4,715 kW.

Electricity generated by the Auglaize plant goes through the substation at the dam to boost the voltage and then is put on American Electric Power's distribution grid. BMU meters

everything the hydro plant generates, and AEP subtracts that amount from the meter reading in Bryan.

With six units now available to generate, we are focusing our efforts on the most efficient use of water. There are several variables that affect the output – the amount of water flowing, number of units running, amount of debris coming down the river, environmental restrictions, and ice to name only a few.

In 2005, we plan to study how to get the greatest return on our investment in the plant. We will look at options for selling the power in the market, selling capacity and peak shaving. As the cost of power goes up, the value of our generation increases. We are looking forward to the coming years of generation.



► Power Plant



Substation and electrical system reliability are two areas of importance for Bryan Municipal Utilities. In order to maintain system reliability, studies and analyses are performed to assess the current state of the system and anticipate future needs.

In 2003, the utility identified the need for a new substation to replace the current Cherry Street Substation. The new substation will allow load growth for areas south and east of the city and increase reliability for Daggett, Baker and Curtin Substations.



During 2004, the utility completed a number of steps for the new substation: land purchase; soil testing and grading; ground grid and conduit installation; concrete foundations for steel support structures; concrete drive; and foundations for the control building, voltage regulators, transformer and circuit breakers. The substation project has required approximately 256 cubic yards of concrete, 850 tons of stone and 14 tons of fill.

Other substation projects in 2004 included annual oil testing of the

equipment, infrared testing, and repairing oil leaks. The following equipment was sandblasted and painted: five circuit breakers and one transformer at Baker Street Substation, five circuit breakers and all transformers at Lorntz Substation, six circuit breakers at Daggett Substation, and two transformers at the power plant.

Maintenance projects at the power plant included replacing some electrical wiring at GT-1 that had been heat damaged due to an exhaust system leak. The damage was not as extensive as first thought and repairs went quicker than expected. The torque converter on the starting motor at GT-2 failed and had to be rebuilt. Also, changes were

made to the GT-2 instrumentation to connect it to the SCADA system. It can now be remotely started from the power plant.

In order to prevent overfilling the black start fuel tanks at GT-1 and GT-2 and a possible fuel oil spill, power plant personnel installed a spring loaded lever-arm valve in the fuel fill line. This requires the operator to hold the valve open manually while filling.

As part of the compliance requirements for our Spill Prevention, Control and Countermeasure Plan, an internal inspection of the 150,000-gallon fuel tank at GT-2 was necessary. In order to inspect the tank, approximately 70,000 gallons of fuel were transferred to GT-1 fuel tank. The inside of GT-2 tank was cleaned and inspected per American Petroleum Institute guidelines. Tank repairs were recommended to bring it within API requirements.

Repairs completed at the beginning of 2005 included patching the bottom of GT-2 tank in 24 places, caulking the foundation, replacing the threaded couplings welded through the wall of the tank with flange fittings,

and testing the liquid level gauge. Replacing the threaded couplings with flanged fittings also meant replacing the existing threaded fire safety valves and drain valve.

During a monthly test run of GE #6 generator, the unit dropped offline while at full load. When the unit was restarted, a knocking sound came from the gearbox. Some of the gear teeth had been deformed as a result of dropping offline at full load. Power plant personnel were able to file the teeth and repair the damage.

Finally, power plant personnel completed repairs to the Nordberg diesel generator and the closed loop cooling system.

We anticipate completing construction of the Cherry Street Substation in spring 2005. We also plan to implement spill containment for existing equipment at all the substations to meet the requirements of our Spill Prevention, Control and Countermeasure Plan. In the coming year, we plan to rebuild the compressors and test the batteries for the DC backup system for all the generators.



Five-Year Summary

	2004	2003	2002	2001	2000
ELECTRIC DEPARTMENT					
FINANCES					
Income	\$15,595,753	\$15,430,017	\$14,408,660	\$15,493,281	\$17,684,800
Expenses	<u>12,665,734</u>	<u>12,134,795</u>	<u>12,240,372</u>	<u>12,639,985</u>	<u>13,258,315</u>
Balance	\$2,930,019	\$3,295,222	\$2,168,288	\$2,853,296	\$4,426,485
Capital Improvements	2,503,047	1,891,659	1,650,468	2,342,718	2,907,046
Fund Balance Dec. 31	5,869,299	5,442,327	3,771,772	3,253,951	4,293,373
METERS					
Residential	4,991	4,983	4,945	4,892	4,778
Commercial	709	711	704	707	694
Industrial	45	43	42	42	41
Unbilled Services	213	201	198	197	133
AMP-Ohio	<u>0</u>	<u>0</u>	<u>0</u>	<u>1</u>	<u>1</u>
TOTAL METERS	5,958	5,938	5,889	5,839	5,647
KWHRS USED					
Residential	49,369,581	48,569,920	49,049,241	45,915,090	41,957,508
Commercial	28,428,620	29,689,127	29,727,432	30,418,806	30,613,240
Industrial	146,757,439	132,016,348	140,458,216	137,135,627	173,984,950
Unbilled Services	8,197,911	5,851,719	5,578,536	6,948,823	8,845,339
AMP-Ohio	<u>0</u>	<u>0</u>	<u>0</u>	<u>88,000</u>	<u>804,000</u>
TOTAL KWHRS (1)	244,074,170	228,483,300	237,904,898	231,430,822	266,582,442
PEAK DEMAND (kilowatts)	46,090	43,800	48,700	42,700	51,800

(1) Includes line loss and final bills

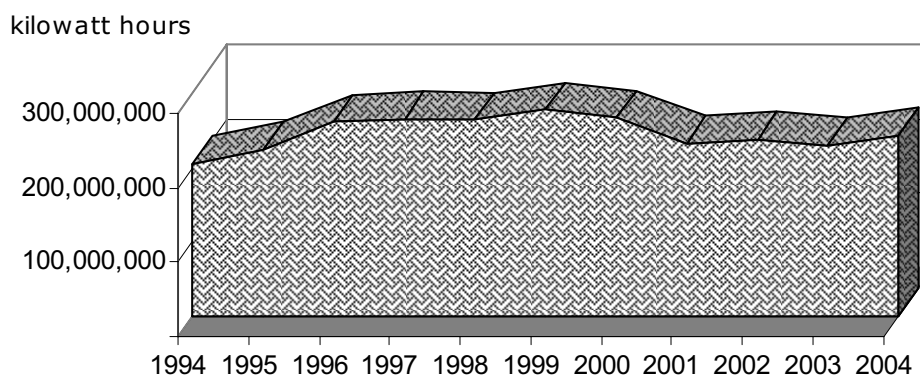
WATER DEPARTMENT

FINANCES					
Income	\$1,368,849	\$1,347,901	\$1,381,146	\$1,396,270	\$1,310,513
Expenses	<u>1,268,214</u>	<u>1,111,074</u>	<u>1,029,656</u>	<u>1,212,993</u>	<u>1,062,159</u>
Balance	\$100,635	\$236,827	\$351,490	\$183,277	\$248,354
Capital Improvements	247,453	236,540	357,005	324,208	302,110
Fund Balance Dec. 31	362,948	509,766	509,479	514,994	655,925
METERS					
Residential	3179	3,117	3,084	3,052	2,974
Commercial & Industrial	651	643	637	640	643
Unbilled Services	<u>48</u>	<u>46</u>	<u>45</u>	<u>41</u>	<u>39</u>
TOTAL METERS	3,878	3,806	3,766	3,733	3,656
GALLONS USED					
Residential	168,387,516	170,460,224	180,656,212	176,312,072	173,375,724
Commercial & Industrial	282,328,860	285,023,156	332,040,192	306,448,120	284,620,596
Unbilled Services	<u>13,660,956</u>	<u>8,959,045</u>	<u>11,544,759</u>	<u>11,829,996</u>	<u>9,654,912</u>
TOTAL GALLONS (2)	640,230,000	610,422,000	672,340,000	638,763,135	619,725,000

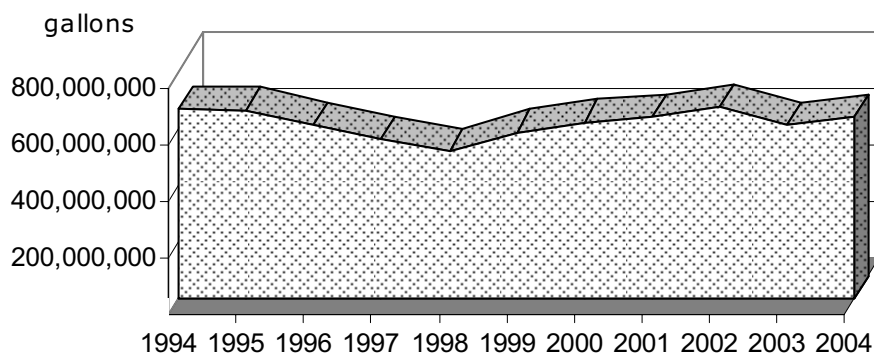
(2) Includes line loss and backwashes at the water plant

Ten-Year Trend

ELECTRIC USAGE



WATER USAGE



Electric

2004 OPERATING INCOME AND EXPENSES

OPERATING INCOME:	
Charges for Services	\$14,260,633
Other Operating Income	<u>240,516</u>
Total Operating Income	\$14,501,149
OTHER INCOME:	
Interest Income	\$64,996
Kilowatt Hour Tax Transfer	792,128
Other Miscellaneous Income	<u>237,480</u>
Total Other Income	<u>\$1,094,604</u>
TOTAL INCOME	\$15,595,753
OPERATING EXPENSES:	
Purchased Power	\$6,829,349
Power Plant Operations	1,135,542
Distribution Operations	1,407,227
Billing and Accounting	212,067
Customer Service and Administration	687,840
Maintenance	132,481
Board of Public Affairs	31,729
Electric Communications	477,070
Hydroelectric Plant Operations	348,310
Interest and Fees on AMP-Ohio Loans	<u>118,599</u>
Total Operating Expenses	\$11,380,214
OTHER EXPENSES:	
AMP-Ohio Loan Principal	\$360,000
Kilowatt Hour Tax to State of Ohio	79,550
Kilowatt Hour Tax to General Fund	836,749
Transfer to Generator Maintenance Fund	<u>9,221</u>
Total Other Expenses	<u>\$1,285,520</u>
TOTAL EXPENSES	\$12,665,734
BALANCE AVAILABLE FOR DEBT SERVICE AND CAPITAL IMPROVEMENTS	\$2,930,019
CAPITAL IMPROVEMENTS:	
Power Plant	\$1,096,244
Distribution	359,909
Billing and Accounting	6,539
Customer Service and Administration	296,479
Electric Communications	286,978
Hydroelectric Plant	<u>456,898</u>
Total Capital Improvements	\$2,503,047
DEBT SERVICE: (1)	
Balance January 1, 2003	\$7,100,000
Principal Payment	<u>360,000</u>
Balance December 31, 2004	\$6,740,000

(1) As of December 31, 2004, the electric utility has \$6.74 million in outstanding loans with AMP-Ohio. These loans were used for Auglaize Hydroelectric Plant upgrades, communications system outside plant and other electric system improvements.

Electric

2004 FUND TRANSACTIONS AND BALANCES

	ADJUSTED BALANCE Dec. 31, 2003	INCOME	EXPENDITURES	CAPITAL	BALANCE Dec. 31, 2004
Electric Fund	\$5,442,327	\$15,595,753	\$12,665,734	\$2,503,047	\$5,869,299
Utility Deposit Fund	138,117	78,418	82,620	0	133,915
Generator Maintenance	57,543	9,221	0	0	66,764
TOTAL	\$5,637,987	\$15,683,391	\$12,748,354	\$2,503,047	\$6,069,977

Power

2004 POWER PRODUCTION DATA

Gross Kilowatt Hours Generated by Power Plant	915,000
Gross Kilowatt Hours Generated by Auglaize Hydro	<u>9,330,521</u>
TOTAL GROSS KILOWATT HOURS GENERATED	10,245,521
Kilowatt Hours Purchased from:	
American Electric Power (AEP)	221,243,362
Belleville Hydroelectric Project (JV5)	8,072,496
New York Power Authority (NYPA)	<u>4,512,791</u>
TOTAL OF GROSS KILOWATT HOURS PURCHASED	<u>233,828,649</u>
Gross Generated and Purchased Kilowatt Hours	244,074,170
Customer Metered Kilowatt Hours	231,466,151
Power Plant Use	1,287,400
Kilowatt Hour Line Loss (4.6%)	<u>11,320,619</u>
TOTAL METERED AND LINE LOSS	244,074,170

Water

2004 OPERATING INCOME AND EXPENSES

OPERATING INCOME:	
Charges for Services	\$1,346,306
Other Operating Income	<u>15,652</u>
Total Operating Income	\$1,361,958
OTHER INCOME:	
Interest Income	\$5,581
Other Miscellaneous Income	<u>1,310</u>
Total Other Income	<u>6,891</u>
TOTAL INCOME	\$1,368,849
OPERATING EXPENSES:	
Supply and Distribution	\$1,009,581
Billing and Accounting	83,479
Customer Service and Administration	<u>175,154</u>
TOTAL EXPENSES	<u>\$1,268,214</u>
BALANCE AVAILABLE FOR DEBT SERVICE AND CAPITAL IMPROVEMENTS	\$100,635
CAPITAL IMPROVEMENTS:	
Supply and Distribution	\$223,949
Billing and Accounting	3,102
Customer Service and Administration	<u>20,402</u>
Total Capital Improvements	\$247,453

2004 FUND TRANSACTIONS AND BALANCES

	BALANCE Dec. 31, 2003	INCOME	EXPENDITURES	BALANCE CAPITAL Dec. 31, 2004	BALANCE Dec. 31, 2004
Water Fund	\$509,766	\$1,368,849	\$1,268,214	\$247,453	\$362,948
Utility Deposit Fund	<u>138,117</u>	<u>78,418</u>	<u>82,620</u>	<u>0</u>	<u>133,915</u>
TOTAL	\$647,883	\$1,447,267	\$1,350,834	\$247,453	\$496,863

2004 WATER PRODUCTION DATA

	METERS	GALLONS USED
Residential	3,179	168,387,516
Commercial & Industrial	651	282,328,860
City of Bryan Free Service	48	13,660,956
Bulk Water & Hydrant Meter Water	-	<u>214,500</u>
Filter Backwash Water	-	<u>2,520,825</u>
TOTAL	3,878	467,112,657
Line Flushing, Losses, Fire Fighting (27%)		<u>173,117,343</u>
TOTAL METERED AND LINE LOSS IN GALLONS		640,230,000

Communications

2004 OPERATING INCOME AND EXPENSES

OPERATING INCOME:		
Charges for Services		\$1,413,938
Other Operating Income		<u>11,840</u>
Total Operating Income		\$1,425,778
OTHER INCOME:		
Interest Income		\$3,052
Other Miscellaneous Income		<u>53,923</u>
Total Other Income		<u>\$56,975</u>
TOTAL INCOME		\$1,482,753
OPERATING EXPENSES:		
Supply and Distribution		\$1,337,820
Billing and Accounting		<u>44,670</u>
TOTAL EXPENSES		\$1,382,490
BALANCE AVAILABLE FOR DEBT SERVICE AND CAPITAL IMPROVEMENTS		\$100,263
CAPITAL IMPROVEMENTS:		
Total Capital Improvements		\$170,049

2004 FUND TRANSACTIONS AND BALANCES

	ADJUSTED BALANCE Dec. 31, 2003	INCOME	EXPENDITURES	CAPITAL	BALANCE Dec. 31, 2004
Operations	<u>\$271,061</u>	<u>\$1,482,753</u>	<u>\$1,382,490</u>	<u>\$170,049</u>	<u>\$201,275</u>
TOTAL	\$271,061	\$1,482,753	\$1,382,490	\$170,049	\$201,275

2004 CUSTOMER DATA

	Cable TV	Internet
Residential	2,235	1118
Commercial/Industrial	50	116
City of Bryan	<u>12</u>	<u>16</u>
TOTAL	2,297	1,250

Unbilled Services

UTILITIES

	ELECTRICITY	WATER	COMMUNICATIONS
Street and Security Lights	\$114,572	\$0	\$0
Utility Departments, Building & Facilities	173,780	8,575	7,476
Parks, Pools & Other Recreational Areas	47,468	13,539	0
Bryan Community Center	4,514	212	0
Municipal Departments, Buildings & Facilities	182,366	11,220	32,616
County and EMS	1,951	193	0
Traffic Signals	7,391	0	0
Bryan City Schools	1,478	0	30,660
Day in the Park, Jubilee	570	100	0
Other	40,820	3,089	0
UNBILLED UTILITIES	\$574,910	\$36,928	\$70,752

ELECTRIC SERVICES

MAINTENANCE SERVICES (LABOR) PROVIDED

Street Light Installation and Maintenance	\$4,135
All other city services	17,771
Equipment	<u>22,853</u>
Unbilled Maintenance (Labor) Provided including Equipment	\$44,759

MATERIALS PROVIDED

New Street Lights and Replacements	\$3,567
All other city services	<u>1,819</u>
Unbilled Materials Provided	\$5,386
UNBILLED ELECTRICITY	\$574,910
TOTAL UNBILLED LABOR, MATERIALS, AND ELECTRICITY	\$625,055

WATER SERVICES

MAINTENANCE SERVICES (LABOR) PROVIDED

Installation and Services to City Facilities	\$2,225
Installation and Maintenance of Fire Hydrants	<u>26,665</u>
Unbilled Maintenance (Labor) Provided	\$28,890

MATERIALS PROVIDED

Water Lines and Services to City Facilities	\$2,353
New Fire Hydrants and Replacements	<u>28,964</u>
Unbilled Materials Provided	\$31,317
UNBILLED WATER	\$36,928
TOTAL UNBILLED LABOR, MATERIALS, AND WATER	\$97,135

COMMUNICATIONS SERVICES

MAINTENANCE SERVICES (LABOR) PROVIDED

MATERIALS PROVIDED	\$0
TOTAL UNBILLED LABOR, MATERIALS, AND COMMUNICATIONS	\$70,752

TOTAL UNBILLED UTILITY SERVICES

\$792,942

Personnel

BRYAN MUNICIPAL UTILITIES

EMPLOYEE	TITLE	YEARS OF SERVICE		EMPLOYEE	TITLE	YEARS OF SERVICE
Baker, Elmer	Communications Technician II	5	▼	Ladd, Susan	Utility Secretary II	3
Bayliss, Terri	Account Clerk II	6		Livengood, Jim	Power Plant Operator III	25
Bostater, Sandy	Assistant Office Manager	13		Long, Richard	Power Plant Operator II	11
Brandt, Adam	Lineworker III	9		Lucas, Tommy	Power Plant Operator II	3
Buda, Patricia	Deputy Clerk-Treasurer	16		Lyons, Clint	Water Distribution Supervisor	30
Caperton, John	Warehouse Worker II	5		Lyons, Mike	Communications Technician I	3
Carlin, Brian	Lineworker III	10		Miller, Dave	Electric Distribution Supervisor	26
Casebere, Stephen	Director of Utilities	16		Myers, Keira	Utility Office Manager	8
Echler, Norm	Superintendent of Water	19		Olson, Dave	Technical Director	4
Elson, Jessi	Water Treatment Plant Operator I	5		Pendleton, Lou	Director of Public Relations	4
Ford, Karen	Purchasing Agent	4		Preston, Craig	Assistant Director of Utilities	9
Frank, Mandy	Account Clerk I	4		Rau, Kevin	Lineworker III	12
Froelich, Dan	Superintendent of Auglaize Hydro Plant	3		Reynolds, Kay	Account Clerk III	16
Funderburg, Jim	Superintendent of Communications	6		Robinett, Kyle	Lineworker III	20
Gardner, Nathan	Utility Engineering Assistant I	0		Rothenberger, Lisa	Account Clerk II	11
Geesey, Clark	Lineworker I	0		Salsbury, James	Lineworker III	20
Geren, AJ	Meter Technician I	7		Schlosser, Jeff	Laborer II	29
Grant, Jeff	Water Distribution Operator III	17		Seele, John	Clerk-Treasurer	5
Goodwin, Tracy	Communications Supervisor	0		Shiple, Tom	Power Plant Operator III	19
Hamrick, Roger	Customer Service Worker II	18		Smith, Jay	Meter Reader	11
Harter, Bill	Water Treatment Plant Operator I	15		Struble, Matt	Substation Technician III	9
Hensley, Suzan	Utility Engineering Assistant III	9		Suffel, Brandon	Lineworker Trainee	0
Herman, Eric	Videographer	0		Sullivan, Al	Utility Engineering Supervisor	10
Hulbert, Brett	Water Distribution Operator II	13		Vollmar, Kevin	Mechanic III	17
Jackson, Melissa	Account Clerk II	7		Vollmar, Robert	Mechanic III	17
Kaiser, Melanie	Utility Account Clerk II	5		Wheeler, Tom	Electrician II	5
Klemencic, Joe	Lineworker III	0		Wilson, Gene	Water Distribution Operator II	5
Koch, Karen	Account Clerk II	6		Zigler, Jay	Power Plant Operator I	1

► Contact Information

▼ PHONE

Utility Office: 419-636-1559

After Hours Service: 419-636-0866

Communications: 419-633-3031

Internet Help Desk: 419-633-0900

Fax: 419-636-8026

▲ INTERNET

Email: utility@cityofbryan.com

Web Site: www.cityofbryan.net

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BRYAN MUNICIPAL UTILITIES

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POSTAL CUSTOMER