

BRYAN MUNICIPAL UTILITIES

Annual Report
2005



Maintaining core values; adapting to changing times

FINANCIAL HIGHLIGHTS

	2005	2004	Change
<i>Electric Department</i>			
OPERATIONS			
Income	\$17,096,266	\$15,595,753	\$1,500,513
Expenses	13,891,547	12,665,734	1,225,813
Balance	3,204,719	2,930,019	274,700
FINANCE			
Capital Improvements	1,663,835	2,503,047	(839,212)
Fund Balance Dec. 31	7,410,183	5,869,299	1,540,884
Total Meters	6,011	5,958	53
Total Kwhrs (1)	252,872,028	244,074,170	8,797,858
Peak Demand (kilowatts)	47,740	46,090	1,650
<i>(1) Includes line loss and final bills</i>			
<i>Water Department</i>			
OPERATIONS			
Income	\$1,452,655	\$1,368,849	\$83,806
Expenses	1,288,096	1,268,214	19,882
Balance	164,559	100,635	63,924
FINANCE			
Capital Improvements	144,348	247,453	(103,105)
Fund Balance Dec. 31	383,159	362,948	20,211
Total Meters	3,853	3,878	(25)
Total Gallons (2)	606,427,000	640,230,000	(33,803,000)
<i>(2) Includes line loss and water plant backwashes</i>			
<i>Communications Department</i>			
OPERATIONS			
Income	\$1,713,916	\$1,482,753	\$231,163
Expenses	1,663,151	1,382,490	280,661
Balance	50,765	100,263	(49,498)
FINANCE			
Capital Improvements	65,406	170,049	(104,643)
Fund Balance Dec. 31	186,634	201,275	(14,641)
Total Cable TV Customers	2,381	2,297	84
Total Internet Customers	1,323	1,250	73

LETTER FROM THE DIRECTOR

As a municipal utility, our responsibility is to look out for the interests of our customers. We set our rates to cover power supply and operating costs -- not to generate profits. As we face the challenges of the future, Bryan Municipal Utilities will continue to be a provider of safe, reliable power.



Stephen Casebere
Director of Utilities

In last year's annual report, I reported that we needed to enter into a new power supply contract because our current contract was expiring at the end of 2005. After months of negotiations, we entered into a two-year power supply deal that was a 110 percent increase over our last contract. Our last contract was well below the market, and we enjoyed the benefit of the low prices for seven years. However, it is difficult to accept what has happened to us in this new deregulated market.

Additionally, a decision by Bryan City Council at the end of 2005 to keep 100 percent of the kilowatt-hour tax equated to a reduction of \$857,000 in electric revenues. That amount had to be recovered and meant an additional five to six percent increase in the rates.

These days, electricity is a commodity that is sold for whatever the market will bear. Regional transmission companies have been formed, which has only added cost and one more level of bureaucracy. Deregulation has resulted in a dysfunctional market instead of the competitive market that legislators predicted. Even though we have entered into a two-year contract, our work has just begun. We need to do all we can to control power supply costs. That will be a focus of 2006 and beyond.

Last year we started a wind assessment project to determine the feasibility of building wind generation in our area. With the price of power now, the prospect of this project has improved. Another project we are looking at is landfill gas generation. We are in negotiations with the owners of the Williams County Landfill for gas rights. Both of these projects are considered green power like the Auglaize hydro plant.

The Auglaize Hydroelectric Plant had a good year despite drought conditions during much of the year. Our goal was to produce 10 million kWh, and we ended the year with 9.65 million kWh. The value of each kWh has increased by 110 percent in 2006 because every kWh we produce is one less we have to buy at market rates.

Even though we have entered into a two-year contract, our work has just begun. We need to do all we can to control power supply costs. That will be a focus of 2006 and beyond.

*As usual, our
balances are
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remain strong.*

The electric department continued to focus on the basic strategy of converting old 4,160-volt lines to 12,470-volt lines. The electric crews also helped construct the new Cherry Street Substation. Contractors, hired to install the 69kV line to the substation, have delayed the project well beyond the allotted time by the contract. We expect to energize the substation in the first quarter of 2006.

The water department updated the wellhead protection plan. They also continue to work with the MICHINDOH Sole Source Aquifer Group to petition the U.S EPA for a Sole Source Aquifer designation in order to protect our ground water resource. We depend on the aquifer as our sole source of drinking water. The Fountain City Water tower was painted this year. Our other water tower was painted last year, so we will not need to paint towers for 12 to 15 years.

The communications department continued to add Internet and cable TV customers and expand the Metropolitan Area Network and the Wide Area Network. Our networks are proving to be valuable resources for businesses, industries, schools and local governments.

Our balance sheets remain strong. The electric department fund balance increased by \$1,540,885 to \$7,410,183. The large increase was due to the increase in rates in 2005. Knowing that we would have to increase electric rates as a result of the new power supply contract, the Board of Public Affairs decided to spread the overall increase over three years. We will be using our cash reserves in 2006 to reduce the rate increase. The water fund balance increased \$20,211 to a level of \$383,158. The communications fund finished the year with a decrease of \$14,641 to a level of \$186,633. We had an unanticipated expenditure in the communications department of \$60,500 for a new fiber connection for our Internet, which cut into the fund balance. However, the expenditure is a good long-term investment that will pay for itself over time and allow much higher speeds and capacity on our communication systems. As usual, our balances are close to what we expected and remain strong.

This was an interesting year as far as new employees and new positions for existing employees. We hired our first human resource director, an executive secretary, an electric superintendent, a power plant supervisor, a power plant operator, and a water distribution operator. Also, the clerk treasurer resigned and the Board of Public Affairs and City Council filled that vacancy. I feel good about the additions to our team and the promotions that were made within our team. In this report you will see photos of our employees. I want to thank them and say that I am proud of all they do. They work hard to serve the community's needs for electric, water and communications utilities.

I want to thank all of our customer/owners as well and say that I am pleased to update you on the status of Bryan Municipal Utilities for the year 2005. We will continue to work hard for you.



Stephen Casebere
Director of Utilities

BOARD OF PUBLIC AFFAIRS

The present board members have more than 52 years of combined experience serving the community on the Board of Public Affairs. Pictured are Mary Burns, Lauren "Skip" Bechtol (front row); Al Horn, Chris Conti, and Tom Foster, chairman (back row).



The Bryan Board of Public Affairs can trace its history back to 1892 when a three-member Board of Waterworks Trustees was elected to oversee the construction of the new municipal water system. When Bryan formed an electric company in 1896, it was also put under management of the waterworks trustees. The board of trustees was abolished in 1902, and the village council operated the utilities until 1906 when the Board of Public Affairs was created to manage the municipal water and electric departments.

The Board of Public Affairs has served the city very well since those early days. The board has consistently looked at ways to increase the utility's independence by owning generation assets and constructing its own infrastructure. Bryan Municipal Utilities is envied by other communities for its low rates, owned assets and commitment to the future. The Board of Public Affairs is a time-tested tradition of excellence.

The present board members have more than 52 years of combined experience serving the community on the Board of Public Affairs. Tom Foster has served for the past 15 years. Lauren "Skip" Bechtol is in his ninth year and served previously for 10 years from 1974 to 1984. Mary Burns is in her ninth year while Chris Conti is in his eighth year. Al Horn was appointed to fill a vacancy in 2004 and was elected, along with Mary and Skip, for another four-year term in 2005. Chris and Tom were re-elected to new terms in 2003. Having a board with this much experience and continuity ensures Bryan Municipal Utilities is set to meet the challenges of the years to come.

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ELECTRIC DEPARTMENT



The Electric Department strives to deliver power safely and reliably. We are driven to succeed by the knowledge that people in our community rely on us so much. Our accomplishments and plans for the future demonstrate our commitment to continually improve our operations and service.

Dave Miller
Superintendent

4

In 2005, the electric department took several steps to prepare for future load management and infrastructure growth in our community.

Guided by our motto “Reliable, Local, Yours”, the Electric Department focuses on delivering reliable electric service to our customer/owners. This annual report spotlights some of the projects that enabled us to meet or exceed the goals of our motto. In addition, in 2005 the electric department took several steps to prepare for future load management and infrastructure growth in our community.

An important project that the electric department completed in 2005 was the replacement of 528 insulators on Bryan’s 138,000-volt Marquis Corridor incoming transmission line. The old insulators were 25 years old and showing signs of wear and deterioration. The new insulators are designed to be more durable, especially under wind stress. While replacing the insulators, all the poles were inspected and other repairs were made. Completion of the project significantly increased the life expectancy and reliability of the line.

Early in 2005, in conjunction with the other local municipal utilities, we began a conductor replacement project on the transmission line that is jointly owned by Bryan, Montpelier, Pioneer and Edgerton. The project called for an upgrade of the line to accommodate increased loading requirements of Chase Brass and Pioneer. Through the cooperative effort, we completed the project in three months.

In late January, we began the site work for the new Cherry Street Substation. In July, we installed laminated poles on South Main Street to County Road C. Laminated poles were chosen because of their superior strength, long life expectancy and modern appearance.

The electric crews completed many 4 kV to 12kV overhead to underground circuit conversions on South Beech, South Lynn, and South Portland Streets and Clover Road. We made these conversions to utilize the load sharing capabilities of the

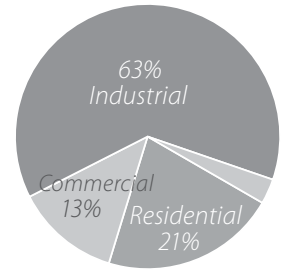
new Cherry Street Substation and to provide a more reliable power source for our customers. At the same time, we converted the old 4 kV circuit on East Perry Street to 12 kV. This upgrade improved our system reliability in that area and gave us the opportunity to better manage electrical loads and cut response times on localized outages.

We initiated the downtown lighting project on the Courthouse Square in early June. We replaced the lights with a modern version of historical lamps and poles that are compatible with our small town atmosphere. We also replaced all the electrical conduits and conductors. In addition to the lighting project, we upsized and rerouted the conductors that provide power to the Jubilee vendors. To provide a safer more reliable source of power for future uptown events, we elected to purchase a state-approved temporary meter base for the square.

Along with more than 2,000 other community-owned electric utilities, we once again celebrated Public Power Week in October. The utility held an open house at the Power Plant and lineworkers demonstrated their pole-climbing and pole-top rescue skills.

The electric department finished the year by decorating and lighting downtown Bryan for Christmas. Throughout the year, the department worked diligently to complete projects in a timely manner. The electric crew takes great pride in providing reliable electrical service to our customers and community.

Customer Class
% of 2005 Electric Usage



The electric crew is dedicated to keeping the power on. Members of the team (from left) are Kevin Rau, Adam Brandt, Brandon Suffel, John Caperton, A.J. Geren, Brian Carlin, Kyle Robinett, Kevin Vollmar, Jim Salisbury and Red Vollmar.



COMMUNICATIONS DEPARTMENT



When the Communications Department first started, we knew that we would be able to positively influence quality of life for the citizens of Bryan, but none of us could envision the similar impact we would have on so many other communities in northwest Ohio.

Jim Funderburg
Superintendent

6

Being the exclusive communications provider to area hotels allows us to showcase our services to potential new customers.

January 2005 began with snow cover throughout most of the county, but that did not stop a directional boring crew from installing the pathway needed for a new fiber network. The Williams County Engineering Department snowplow crew moved the snow and ice that covered the ground around County Road 15 so the boring crew could punch a fiber line under the road to the county engineer's office. By the end of the month, the county engineering facility was connected to the Williams County Courthouse in downtown Bryan. It was also networked to the engineering departments of the city of Bryan and Bryan Municipal Utilities. This connection was the first of what we expect to become a very robust Williams County fiber network.

This was the year that many travelers received their first exposure to Bryan Municipal Utilities Communications Department. Bryan residents traveling north on State Route 15 at the beginning of the year watched the new Holiday Inn Express take shape near the turnpike. Once the construction was completed, those staying at the motel were treated to Bryan Municipal Utilities Cable TV and high-speed Internet. The service consists of 87 channels, including five HBOs, and is quite robust for a motel. Our commercial cable and Internet package makes both services so affordable that as the year progressed, Ramada Inn in Holiday City and the Plaza Motel in Bryan added BMU communications services. The Colonial Manor in Bryan was the first motel to feature our service back in 2003. Many new Bryan residents start their lives in Bryan at one of these establishments. Being the exclusive communications provider to area hotels allows us to showcase our services to potential new customers.

Our Wide Area Network added new fiber connections to the north and the east in 2005. Bryan Medical Group connected their locations in Bryan, Archbold, and Montpelier via our fiber. Winzeler Stamping Company used our existing fiber in Montpelier to connect their manufacturing locations. The new Montpelier water

Our communications utility, known for dependable quality and reliable service, delivers cable television, Internet, and high-speed data. Some of the people responsible for our success include (from left) Tracy Goodwin, Mike Lyons, Elmer Baker and Eric Herman.



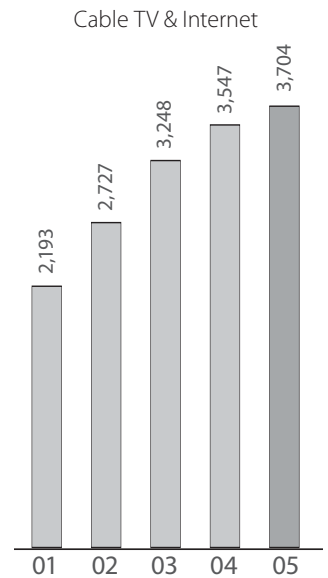
treatment facility jumped on to the fiber to allow Montpelier city workers to establish a fiber-based SCADA system in their town. At the close of the year, BMU coordinated testing the new Montpelier High School fiber link to Northwestern Ohio Buckeye Educational Council.

It was a very good fiber year for the Communications Department in our own city as well. We added new fiber connections at Daavlin, Isaac Property Co., Ramm Fence and New Era Ohio. Internet customers were treated to higher speed when BMU and Elantic Telecom established a new 45Mbps DS3 connection to Sprint. Our customers saw their connection speed jump from 512K to 4Mbps at no additional charge.

The Communications video department was also very busy during 2005. We established guidelines for both a PEG (public, education and government) access channel and a commercial access channel. The Bryan Board of Public Affairs reviewed the proposal and approved the plan. Bryan City Council requested that the Communications Department establish Channel 3 as the commercial access channel and Channel 4 as the PEG access channel.

In the summer, Bryan Ford Lincoln Mercury became the first customer to make use of the commercial channel by having BMU video produce a full 30-minute car show. As the year went on, Mary Stoller Realty became the first to produce a real estate program for Channel 3. Finally, we started airing the Bryan School Board meetings on a delayed basis on the public access Channel 4. In the fall, the Bryan Board of Public Affairs followed suit, and we started airing rebroadcasts of their meetings as well.

Continued Customer Growth



WATER DEPARTMENT



The city water department supplies nearly two million gallons of safe drinking water every day. We maintain nearly 70 miles of underground piping, seven wells, an iron removal water treatment plant, two elevated towers and 3,800 service connections. Additionally, we maintain about 470 fire hydrants throughout our city for reliable fire protection.

Norman Echler
Superintendent

Water department employees worked on a variety of projects requiring diverse talents this year. From the physical labor of using a hand shovel to the skills of operating heavy construction equipment, from researching a small piece of our history to embracing 21st century technology, from educating fourth grade students to meeting with senior citizens, the water department employees excelled on all assignments.

The water distribution crew installed 1,076 feet of new 12-inch water main on Fountain Grove Drive. This water main extension eliminated two dead-end lines thereby enhancing reliability, fire protection and water quality.

Water department crews removed and replaced the last two of the original 77 fire hydrants installed in 1892 as part of Bryan's first public water system. The hydrants were manufactured by the Bourbon Copper and Brass Company of Cincinnati, Ohio. The hydrants still worked but parts were no longer available as the company ceased operation in the mid-1900s. In addition, the water department upgraded three other hydrants to new models and added two more to the system.

The one million-gallon Fountain City water tower received a fresh coat of paint in 2005. A safety rail was added on top and the interior was washed down and inspected. Additionally, the BRYAN tower was drained and inspected as part of its 2004 painting warranty. The coating system of both water towers should now be in good shape for another 10 to 15 years.

We refurbished our 1986 dump truck by sandblasting the frame, making welding repairs as needed and adding a new coat of paint. This should provide us with a few more years of service from the truck.

The water department also received a semi-truck with tanker from the wastewater treatment plant that it no longer needed. We fixed up the truck and traded the tanker for a used lowboy trailer that can assist transporting heavy equipment.

Using a Geographic Information System (GIS) and a Global Positioning System (GPS), the engineering department has created an extremely useful water system map. To date, nearly 90 percent of the water mains, valves and hydrants have been located by GPS coordinates. Thousands of field sketches and other drawings have been scanned and linked electronically to the master water system map. This information is now quickly available to the field crews by way of portable computers. The GIS will also greatly assist in future project planning and all new record keeping.

Water treatment plant personnel continued to help with educational projects. We gave ground water model demonstrations at the Business and Industry Show in March and also participated in an educational day for fourth grade students.

Aside from their own projects, water department personnel assisted other departments with projects this past year. Water department crews cleared and stoned areas of the Marquis Corridor to make sure it was passable for all the trucks to perform a complete insulator change out. The corridor is the 10.5-mile electric transmission line that brings power to Bryan.

The water department also helped with earth moving at the Cherry Street Substation. We cut grade for the site, buried conduits, installed drainage and helped erect the concrete fence.

Our drinking water continues to meet or exceed all Ohio EPA criteria for public water systems. Efforts to protect our water source continue, and we take pride in delivering a safe and ample supply of drinking water to our community.

We take pride in delivering a safe and ample supply of drinking water to our community.

Working hard to deliver safe drinking water to our community are (from left) Jessi Elson, Josh Delarber, Bill Harter, Jeff Grant, Eugene Wilson and Gus Hulbert. Missing from photo is Clint Lyons.





Bryan Municipal Utilities has almost 40 megawatts of capacity from four generators providing standby generation during peak load demand, emergencies and transmission line maintenance. Staffing the Power Plant 24 hours a day, 365 days a year are (from left) Dick Long, Tom Lucas, Tom Shipley, Jay Zigler and Matt Struble. Missing from photo is Brent Hulbert.

POWER PLANT

In 2005, Power Plant personnel focused on several large projects. One of these projects was the new Cherry Street Substation. Power plant crews erected a concrete fence around the perimeter, connected all the control wiring, installed the lighting and grounding systems, and tested all the electrical equipment and initial oil. Power Plant crews also helped the electric department install and terminate all the exiting 12,000-volt and 69,000-volt circuits.

Another major project was reconditioning the cooling systems of the Nordberg and GE #6 generators. The cooling liquids for each machine had reached their age limit and needed to be replaced. Crews cleaned out all the coolant reservoirs and piping and filled the machines with new glycol. Power plant personnel also modified the old pipes in the plant to eliminate areas that were trapping air and slowing down flow. Project completion will result in lower running temperatures and more efficient operation of the generators.

As part of our Spill Prevention, Control and Countermeasure Plan, an internal inspection of the fuel tank located at the Power Plant was necessary. Tanker trucks were used to transfer approximately 62,500 gallons of fuel from the power plant to another holding tank located at the GT #2 site on County Road C. Once the tank was drained, contractors were hired to clean and inspect the inside walls and floor. They found multiple areas needing repair; they added an epoxy liner to bring the tank within requirements. After completing the repairs, we purchased approximately 75,000 gallons of fuel to replenish our stock for generation.

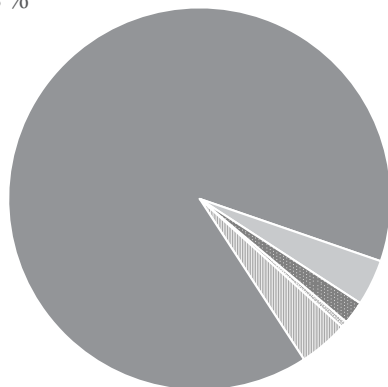
Several other annual inspections were completed as part of our preventive maintenance program. Infrared testing of all plant and substation equipment was done to look for any hot spots on our system. The utility decided to take this annual testing a step further this year and test the transmission lines that feed our system and all substations. Several areas of concern were identified in the facilities and on our lines. Power plant and electric crews made the necessary repairs. This testing and maintenance identifies problem areas that otherwise might go unnoticed and prevents possible outages. Another annual maintenance project is testing the oil of all electrical equipment. This year our own crew collected the samples and data to save on costs associated with contracted work. Lastly, the oil circuit breakers and transformers at the power plant and Curtin substation were sandblasted and painted.

As the electric department continues converting our system voltages from 4,160 volts to 12,470 volts, transformers and switchgear become obsolete. We gave the Baker Street transformer and switchgear to Continental Tire for use at their facility and sold the Daggett and Trevitt Street substation transformers to be rebuilt or used for parts.

Finally, the Power Plant and Auglaize Hydroelectric Plant staff worked together to peak shave kilowatts off the total power supply bill. Power plant personnel monitored system usage in Bryan and then communicated to the hydroelectric plant the amount of generation needed to keep our peak down to a predetermined amount. Overall, we were able to avoid peak charges of more than \$210,000 in 2005.

The Power Plant and Auglaize Hydroelectric Plant staff worked together to peak shave kilowatts off the total power supply bill. Overall, we were able to avoid peak charges of more than \$210,000 in 2005.

American Electric Power
90.8 %



Auglaize Hydro Plant
3.8 %

Belleville Hydroelectric
3.2 %

N.Y. Power Authority
1.8 %

Bryan Power Plant
.4 %

2005 Generated and Purchased Power

AUGLAIZE HYDROELECTRIC PLANT

The year 2005 was the first full year of operating the Auglaize Hydroelectric Plant at full capacity. The plant has six generating units differing in size and design. This allows us to take advantage of varying water flows and utilize water that once was lost. The two largest units generate 1,100 kW; three other units at the plant generate 725 kW each. The smallest turbine, used for minimum flows, generates 160 kW. The full capacity output of the plant is 4,535 kW.

The original plan for the plant did not include a sixth unit, but the requirement to pass water through the dam at all times led us to install a small turbine to utilize the low flow water for generation. With five months of 2005 being quite dry, the unit performed even better than we had expected. The plant continued to generate at quite low flows.

Output was also higher than expected during average water flows. The three mid-size units generate most efficiently during normal flows when maintaining the water level. The two larger units operate more efficiently during high water periods. Twice last winter the water was extremely high, and the units performed very well. They were able to continue generating long after the other units had to be taken offline due to high water down river.

Even though 2005 was exceptionally dry, the Auglaize plant was still able to produce 9,647,920-kilowatt hours for the year. That was enough power to supply 946 average homes in the city of Bryan for an entire year. In addition, we utilized the Auglaize plant to hold down the metered peak electrical usage of the city. That saved additional money on the cost of electricity to the city.

The Auglaize crew completed two projects that reduced labor time and increase

Dan Froelich
Superintendent

As a publicly owned utility, we can make choices regarding the sources of our electric power. Consideration of our environment must be an important part of the decision-making. The Auglaize Hydroelectric Plant is an emission-free energy source that also generates income and helps stabilize wholesale power costs. Pictured are hydro plant operators (from left) Bob Ankney and Dan Froelich.

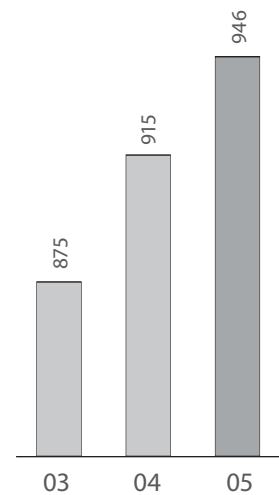


production. They built and installed a new head gate system, which gives plant personnel the ability to open and close the turbine head gates in less than a third of the time it took with the old machine. This allows units to come online quicker. The head gates can also be shut down quicker to conserve water for generation.

In 2005, the Board of Public Affairs purchased a used workboat for maintenance at the plant. Auglaize employees refurbished the boat and added a small crane. The workboat will reduce down time while installing flashboards and performing maintenance on the gates and racks.

In addition to normal operations and maintenance, the Auglaize employees constructed an equipment storage building and a concrete apron to allow the trash rake to be moved into the building. The final requirement of the Federal Energy Regulatory Commission to fill all the hollow bays in the dam with concrete was completed in 2005.

Number of Ave. Homes Powered by Auglaize Dam



UTILITIES OFFICE

Working in and out of the office on a wide variety of utility functions are (front row) Jay Smith, Jeff Schlosser, Jackie Huffman, Craig Preston, (back row) Roger Hamrick, Sylvia Ramos, Lou Pendleton, Melanie Kaiser, Karen Ford and Keira Myers.



ENGINEERING



The Engineering Department creates the design plans and estimates for every department at BMU. It also takes care of all underground utility locates and is developing a G.I.S. system for all departments in the field. The engineering team members are (front row) Nate Gardner, Suzan Hensley, (back row) Tom Wheeler, Bob Carter and Al Sullivan.

14

CLERK-TREASURER



The Clerk-Treasurer office is the place for new customers to start for electric, water, cable TV and Internet service. The clerk's office also processes utility billing and payments, disconnects, and address changes. An integral part of utility operations and customer service, the Clerk Treasurer team members are (from left) Lisa Rothenberger, Jaimi Scott, Mandy Frank, Melissa Jackson, Terri Bayliss, Sandra Bostater, Pat Buda, Laura Rode and Kay Reynolds.

FIVE-YEAR SUMMARY

	2005	2004	2003	2002	2001
<i>Electric Department</i>					
FINANCES					
Income	\$17,096,266	\$15,595,753	\$15,430,017	\$14,408,660	\$15,493,281
Expenses	13,891,547	12,665,734	12,134,795	12,240,372	12,639,985
Balance	\$3,204,719	\$2,930,019	\$3,295,222	\$2,168,288	\$2,853,296
Capital Improvements	1,663,835	2,503,047	1,891,659	1,650,468	2,342,718
Fund Balance Dec. 31	7,410,183	5,869,299	5,442,327	3,771,772	3,253,951
METERS					
Residential	5,032	4,991	4,983	4,945	4,892
Commercial	710	709	711	704	707
Industrial	47	45	43	42	42
Unbilled Services	222	213	201	198	197
AMP-Ohio	0	0	0	0	1
Total Meters	6,011	5,958	5,938	5,889	5,839
KWHRS USED					
Residential	50,223,105	49,369,581	48,569,920	49,049,241	45,915,090
Commercial	30,010,273	28,428,620	29,689,127	29,727,432	30,418,806
Industrial	146,866,274	146,757,439	132,016,348	140,458,216	137,135,627
Unbilled Services	7,246,521	8,197,911	5,851,719	5,578,536	6,948,823
AMP-Ohio	0	0	0	0	88,000
Total kWhrs (1)	252,872,028	244,074,170	228,483,300	237,904,898	231,430,822
PEAK DEMAND (kilowatts)	47,740	46,090	43,800	48,700	42,700

(1) Includes line loss and final bills

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<i>Water Department</i>					
FINANCES					
Income	\$1,452,655	\$1,368,849	\$1,347,901	\$1,381,146	\$1,396,270
Expenses	1,288,096	1,268,214	1,111,074	1,029,656	1,212,993
Balance	\$164,559	\$100,635	\$236,827	\$351,490	\$183,277
Capital Improvements	144,348	247,453	236,540	357,005	324,208
Fund Balance Dec. 31	383,159	362,948	509,766	509,479	514,994
METERS					
Residential	3,164	3179	3,117	3,084	3,052
Commercial & Industrial	637	651	643	637	640
Unbilled Services	52	48	46	45	41
Total Meters	3,853	3,878	3,806	3,766	3,733
GALLONS USED					
Residential	173,257,131	168,387,516	170,460,224	180,656,212	176,312,072
Commercial & Industrial	283,130,185	282,328,860	285,023,156	332,040,192	306,448,120
Unbilled Services	12,793,904	13,660,956	8,959,045	11,544,759	11,829,996
Total Gallons (2)	606,427,000	640,230,000	610,422,000	672,340,000	638,763,135

(2) Includes line loss and water plant backwashes

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<i>Communications Department</i>					
FINANCES					
Income	\$1,713,916	\$1,482,753	\$2,038,158	\$1,466,952	\$749,543
Expenses	1,663,151	1,382,490	1,828,270	1,076,784	670,506
Balance	\$50,765	\$100,263	\$209,888	\$390,168	\$79,037
Capital Improvements	65,406	170,049	139,015	73,060	474
Fund Balance Dec. 31	186,634	201,275	271,061	467,181	226,838
CUSTOMERS					
Cable TV	2,381	2,297	2,177	1,928	1,755
Internet	1,323	1,250	1,071	799	438
Total Customers	3,704	3,547	3,248	2,727	2,193

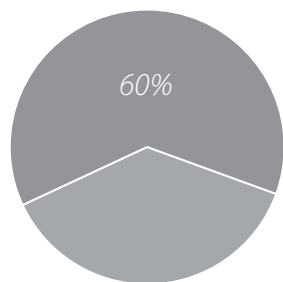
ELECTRIC

2005 Operating Income and Expenses

Operating Income:	
Charges for Services	\$15,691,563
Other Operating Income	<u>252,054</u>
Total Operating Income	\$15,943,617
Other Income:	
Interest Income	\$191,319
Hydroelectric Plant Insurance Settlement	
Kilowatt Hour Tax Transfer	487,956
Other Miscellaneous Income	<u>473,374</u>
Total Other Income	<u>\$1,152,650</u>
Total Income	\$17,096,266
Operating Expenses:	
Purchase Power	\$7,250,646
Power Plant Operations	1,308,162
Distribution Operations	1,364,583
Billing and Accounting	234,618
Customer Service and Administration	803,108
Maintenance	135,665
Board of Public Affairs	36,958
Electric Communications	526,600
Hydroelectric Plant Operations	273,509
Interest and Fees on AMP-Ohio Loan	<u>114,262</u>
Total Operating Expenses	\$12,048,111
Other Expenses:	
Principal on AMP-Ohio Loan	\$900,000
Kilowatt Hour Tax to State of Ohio	75,676
Kilowatt Hour Tax to General Fund	857,087
Transfer to Generator Maintenance Fund	<u>10,673</u>
Total Other Expenses	<u>\$1,843,436</u>
Total Expenses	\$13,891,547
Balance Available for Debt Service and Capital Improvements	\$3,204,719
Capital Improvements	
Power Plant	\$767,310
Distribution	554,992
Customer Service and Administration	98,713
Electric Maintenance Shop	7,344
Electric Communications	150,653
Hydroelectric Plant	<u>84,823</u>
Total Capital Improvements	\$1,663,835
Debt Service: (1)	
Balance - January 1, 2004	\$6,740,000
Principal Payment	<u>\$900,000</u>
Balance - December 31, 2005	\$5,840,000

16

Power Supply Costs
% of 2005 Operating Expenses



(1) As of December 31, 2005, the electric utility has a \$5.84 million outstanding loan with AMP-Ohio. This loan was used for Auglaize Hydroelectric Plant upgrades, communications system outside plant and other electric system improvements.

ELECTRIC

2005 Fund Transactions and Balances

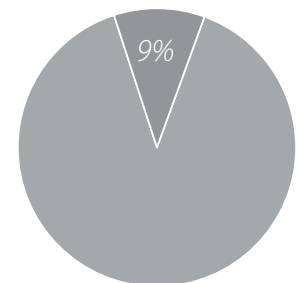
	Balance Dec. 31, 2004	Income	Expenditures	Capital	Balance Dec. 31, 2005
Electric Fund	\$5,869,299	\$17,096,266	\$13,891,547	\$1,663,835	\$7,410,183
Utility Deposit Fund	133,198	41,175	36,959	0	137,414
Generator Maintenance	66,764	10,673	0	0	77,437
Total	\$6,069,261	\$17,148,114	\$13,928,506	\$1,663,835	\$7,625,034

POWER

2005 Power Production Data

Gross Kilowatt Hours Generated by Power Plant	922,700
Gross Kilowatt Hours Generated by Auglaize Hydro	9,647,920
Total Gross Kilowatt Hours Generated	10,570,620
Kilowatt Hours Purchased from:	
American Electric Power (AEP)	229,721,457
Belleville Hydroelectric Project (JV5)	8,050,440
New York Power Authority (NYPA)	4,529,511
Total Gross Kilowatt Hours Purchased	242,301,408
Gross Generated and Purchased Kilowatt Hours	252,872,028
Customer Metered Kilowatt Hours	237,088,376
Power Plant Use	1,415,200
Kilowatt Hour Line Loss (5.68%)	14,368,452
Total Metered and Line Loss	252,872,028

Green Power
% of 2005 Power Supply



WATER

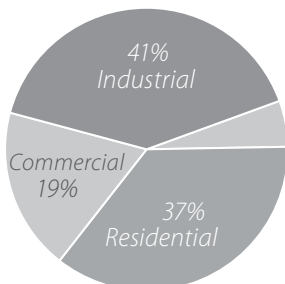
2005 Operating Income and Expenses

Operating Income:	
Charges for Services	\$1,419,247
Other Operating Income	<u>9,741</u>
Total Operating Income	\$1,428,988
Other Income:	
Interest Income	\$13,573
Other Miscellaneous Income	<u>10,093</u>
Total Other Income	<u>23,666</u>
Total Income	\$1,452,655
Operating Expenses:	
Supply and Distribution	\$1,014,034
Billing and Accounting	75,159
Customer Service and Administration	<u>198,903</u>
Total Expenses	<u>\$1,288,096</u>
Balance Available for Debt Service and Capital Improvements	\$164,559
Capital Improvements:	
Supply and Distribution	\$77,890
Customer Service and Administration	<u>66,458</u>
Total Capital Improvements	\$144,348

2005 Fund Transactions and Balances

	Balance Dec. 31, 2004	Income	Expenditures	Capital	Balance Dec. 31, 2005
Water Fund	\$362,948	\$1,452,655	\$1,288,096	\$144,348	\$383,159
Utility Deposit Fund	<u>133,198</u>	<u>41,175</u>	<u>36,959</u>	<u>0</u>	<u>137,414</u>
Total	\$496,146	\$1,493,830	\$1,325,055	\$144,348	\$520,573

Customer Class
% of 2005 Water Usage



2005 Water Production Data

	Meters	Gallon Used
Residential	3,164	173,257,131
Commercial & Industrial	637	283,130,185
City of Bryan (Unbilled Service)	52	12,793,904
Bulk Water & Hydrant Meter Water	-	205,963
Filter Backwash/Production Water	<u>-</u>	<u>6,985,410</u>
Total	3,853	476,372,593
Line Flushing & Losses (21%)		<u>130,054,407</u>
Total Metered and Line Loss in Gallons		606,427,000

COMMUNICATIONS

2005 Operating Income and Expenses

Operating Income:	
Charges for Services	\$1,630,512
Other Operating Income	<u>6,442</u>
Total Operating Income	\$1,636,954
Other Income:	
Interest Income	\$5,652
Other Miscellaneous Income	<u>71,310</u>
Total Other Income	<u>\$76,962</u>
Total Income	\$1,713,916
Operating Expenses:	
Supply and Distribution	\$1,467,209
Billing and Accounting	58,350
Interest on Electric Department Loan	33,592
Principal on Electric Department Loan	<u>104,000</u>
Total Expenses	\$1,663,151
Balance Available for Debt Service and Capital Improvements	\$50,765
Capital Improvements	\$65,406
Debt Service (1)	
Balance – January 1, 2004	\$1,976,000
Principal Payment	<u>104,000</u>
Balance – December 31, 2005	\$1,872,000

19

(1) As of December 31, 2005, the communications utility has a \$1.872 million outstanding loan with the Electric Department. This loan was used for Communications Department start-up expenses, headend, and other electronic equipment.

2005 Fund Transactions and Balances

	Balance Dec. 31, 2004	Income	Expenditures	Capital	Balance Dec. 31, 2005
Communications Fund	<u>\$201,275</u>	<u>\$1,713,916</u>	<u>\$1,663,151</u>	<u>\$65,406</u>	<u>\$186,634</u>

2005 Customer Data

	Cable TV	Internet
Residential	2,312	1189
Commercial & Industrial	57	118
Unbilled Services	<u>12</u>	<u>16</u>
Total	2,381	1,323

UNBILLED SERVICES

Utilities

	ELECTRICITY	WATER	COMMUNICATIONS
Street and Security Lights	\$118,342	\$0	\$0
Utility Departments, Building & Facilities	88,314	1,061	39,600
Parks, Pools & Other Recreational Areas	46,073	13,378	0
Bryan Community Center	5,218	217	0
Municipal Departments, Buildings & Facilities	179,157	18,446	18,094
County and EMS	1,918	181	0
Traffic Signals	8,071	0	0
Bryan City Schools	1,758	0	23,184
Day in the Park, Jubilee	718	100	0
Other	2,410	0	0
Unbilled Utilities	\$451,979	\$33,383	\$80,878

Electric Services

Maintenance Services (Labor) Provided:		
Street Light Installation and Maintenance		\$12,083
All other city services		35,085
Equipment		<u>34,653</u>
Total Unbilled Maintenance (Labor) Provided including Equipment		\$81,821
Materials Provided:		
New Street Lights and Replacements		\$18,121
All other City Services		<u>50,730</u>
Total Unbilled Materials Provided		\$68,851
Unbilled Electricity		\$451,979
Total Unbilled Labor, Materials, and Electricity		\$602,651

Water Services

Maintenance Services (Labor) Provided:		
Installation and Services to City Facilities		\$1,846
Installation and Maintenance of Fire Hydrants		23,802
Equipment		<u>7,136</u>
Total Unbilled Maintenance (Labor) Provided including Equipment		\$32,784
Materials Provided:		
Water Lines and Services to City Facilities		\$449
New Fire Hydrants and Replacements		<u>16,339</u>
Total Unbilled Materials Provided		\$16,788
Unbilled Water		\$33,383
Total Unbilled Labor, Materials, and Water		\$82,955

Communications Services

Maintenance Services (Labor) Provided	\$500
Materials Provided	\$150
Unbilled Communications	<u>\$80,878</u>
Total Unbilled Labor, Materials, and Communications	\$81,528

Total Unbilled Utility Services **\$767,134**

PERSONNEL

<u>Employee</u>	<u>Title</u>	<u>Years of Service</u>
Baker, Elmer	Communications Technician II	6
Bayliss, Terri	Account Clerk II	7
Bostater, Sandy	Assistant Office Manager	14
Brandt, Adam	Lineworker III	10
Buda, Patricia	Deputy Clerk-Treasurer	17
Caperton, John	Warehouse Worker II	6
Carlin, Brian	Lineworker III	11
Carter, Bob	Utility Locator / Engineering Assistant	0
Casebere, Stephen	Director of Utilities	17
Delarber, Josh	Water Distribution Operator II	0
Echler, Norm	Superintendent of Water	20
Elson, Jessi	Water Treatment Plant Operator I	6
Ford, Karen	Purchasing Agent	5
Frank, Mandy	Account Clerk I	5
Froelich, Dan	Superintendent of Auglaize Hydro Plant	4
Funderburg, Jim	Superintendent of Communications	7
Gardner, Nathan	Utility Engineering Assistant I	1
Geren, AJ	Meter Technician I	8
Grant, Jeff	Water Distribution Operator III	18
Goodwin, Tracy	Communications Supervisor	1
Hamrick, Roger	Customer Service Worker II	19
Harter, Bill	Water Treatment Plant Operator I	16
Hensley, Suzan	Utility Engineering Assistant III	10
Herman, Eric	Videographer	1
Huffman, Jackie	Human Resources Director	1
Hulbert, Brent	Power Plant Operator I	8
Hulbert, Brett	Water Distribution Operator II	14
Jackson, Melissa	Account Clerk II	8
Kaiser, Melanie	Utility Account Clerk II	6
Ladd, Susan	Utility Secretary II	4
Long, Richard	Power Plant Operator II	12
Lucas, Tommy	Power Plant Operator II	4
Lyons, Clint	Water Distribution Supervisor	31
Lyons, Mike	Communications Technician I	4
Miller, Dave	Electric Distribution Superintendent	27
Myers, Keira	Account Clerk III	9
Olson, Dave	Technical Director	5
Pendleton, Lou	Director of Public Relations	5
Preston, Craig	Assistant Director of Utilities	10
Ramos, Sylvia	Executive Secretary	0
Rau, Kevin	Lineworker III	13
Reynolds, Kay	Account Clerk III	17
Robinett, Kyle	Lineworker III	21
Rode, Laura	Clerk-Treasurer	0
Rothenberger, Lisa	Account Clerk II	12
Salsbury, Jim	Lineworker III	21
Schlosser, Jeff	Laborer II	30
Shiple, Tom	Power Plant Operator III	20
Smith, Jay	Meter Reader	12
Struble, Matt	Power Plant Supervisor	10
Suffel, Brandon	Lineworker Trainee	1
Sullivan, Al	Utility Engineering Supervisor	11
Vollmar, Kevin	Mechanic III	18
Vollmar, Robert	Mechanic III	18
Wheeler, Tom	Utility Engineering Assistant II	6
Wilson, Gene	Water Distribution Operator II	6
Zigler, Jay	Power Plant Operator II	2

CONTACT INFORMATION

Phone

Utility Office: 419-633-6100

After Hours Service: 419-633-6150

Communications: 419-633-6130

Internet Help Desk: 419-633-0900

Fax: 419-636-8026

Internet

Email: utility@cityofbryan.com

Web Site: www.cityofbryan.net

BRYAN MUNICIPAL UTILITIES

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