



2009 ANNUAL REPORT

**BRYAN MUNICIPAL
UTILITIES**

**BRYAN MUNICIPAL UTILITIES IS DEDICATED
TO PROVIDING RELIABLE, AFFORDABLE
ELECTRIC, WATER AND COMMUNICATIONS
SERVICES, AND TO ENHANCING THE
QUALITY OF LIFE FOR OUR CUSTOMER/
OWNERS AND OUR COMMUNITY.**



FINANCIAL HIGHLIGHTS

| | 2009 | 2008 | Change |
|---|--------------------|--------------------|---------------------|
| Electric Department | | | |
| OPERATIONS | | | |
| Income | \$20,615,003 | \$21,242,998 | (\$627,995) |
| Expenses | 18,257,925 | 19,654,156 | (1,396,231) |
| Balance | 2,357,078 | 1,588,842 | 768,236 |
| FINANCE | | | |
| Capital Improvements | 1,381,597 | 997,150 | 384,447 |
| Debt Service | 340,000 | 700,000 | (360,000) |
| Fund Balance Dec. 31 ⁽¹⁾ | 6,720,138 | 6,090,241 | 629,897 |
| Total Meters | 6,037 | 6,034 | 3 |
| Total kWhrs ⁽²⁾ | 208,958,114 | 236,050,786 | (27,092,672) |
| Peak Demand (kilowatts) | 42,720 | 43,780 | (1,060) |
| <i>(1) \$5,584 transferred to Generator Maintenance Fund</i> | | | |
| <i>(2) Includes line loss and power plant use</i> | | | |
| Water Department | | | |
| OPERATIONS | | | |
| Income | \$1,677,370 | \$2,218,815 | (\$541,445) |
| Expenses | 1,331,758 | 1,253,673 | 78,085 |
| Balance | 345,612 | 965,142 | (619,530) |
| FINANCE | | | |
| Capital Improvements | 324,260 | 916,688 | (592,428) |
| Debt Service | 49,562 | 0 | 49,562 |
| Fund Balance Dec. 31 | 801,706 | 829,916 | (28,210) |
| Total Meters | 3,892 | 3,868 | 24 |
| Total Gallons ⁽¹⁾ | 462,925,000 | 501,394,000 | (38,469,000) |
| <i>(1) Includes line loss and backwashes at the water plant</i> | | | |
| Communications Department | | | |
| OPERATIONS | | | |
| Income | \$2,052,581 | \$2,838,195 | (\$785,614) |
| Expenses | 1,917,332 | 1,752,514 | 164,818 |
| Balance | 135,249 | 1,085,681 | (950,432) |
| FINANCE | | | |
| Capital Improvements | 467,728 | 396,616 | 71,112 |
| Debt Service | 104,000 | 104,000 | 0 |
| Fund Balance Dec. 31 | 517,286 | 953,765 | (436,479) |
| Total Cable TV Customers | 2,424 | 2,257 | 167 |
| Total Internet Customers | 1,370 | 1,343 | 27 |

COMMITTED TO PROVIDING RELIABLE AND EFFICIENT UTILITY SERVICES



Stephen Casebere
Director of Utilities

"2009 was the second year implementing our new power supply strategy. We were able to purchase some blocks of power for 2011, 2012 and 2013 at lower prices than we anticipated. This will help us stabilize rates."

TO OUR CUSTOMERS

2009

While the business climate has changed, our chief priorities have not. Bryan Municipal Utilities is committed to providing reliable and efficient services to our customers and a safe work environment for our employees. I am happy to report that no BMU employee had a lost time injury or accident on the job in 2009. Our overall safety performance is outstanding.

The health of our economy is inextricably linked to dependable, affordable electricity. Bryan Municipal Utilities is doing everything it can to keep costs down. 2009 was the second year implementing our new power supply strategy. We have diversified our power supply mix into many small contracts of different amounts and terms. With the downturn in the economy, the demand for electricity is down and so are the costs. We were able to purchase some blocks of power for 2011, 2012 and 2013 at lower prices than we anticipated. This will help us stabilize rates. We continue to look at ownership in different power projects to help stabilize power costs in the future.

The electric department completed one of its long-term projects in 2009. For many years, I have reported that the electric distribution crews continued to work on converting our electrical system from 4,160 to 12,470 volts. Now, I can say it is done. In 2009, crews converted the last of the old 4 kV system. The electric crews are proud of the accomplishment that comes from the completion of a multi-year project. The higher voltage makes for a much more efficient and robust system.

The electric department also has been constructing a switchyard in order to interconnect with First Energy. BMU has been pursuing a second source of power since the early 1980s. We finally have contracts in place and our crews are close to completing the construction. The interconnect will give us more reliability, more control of our voltage and more opportunities to generate power. The switchyard also allows us to isolate areas of our system in order to perform maintenance.

The water department constructed new water lines in the 100 and 200 blocks of West High Street and the 100 block of South Main Street. This completed water main replacement around the downtown square. Working on the main square in Bryan presented some scheduling challenges, but crews responded by working the night shift at times to lessen the disruption.

The communications department was busy building a new system to roll out digital cable television. They started connecting customers with digital services at the end of the year. The BMU TV video crew continues to produce local programming for our community to enjoy.

Our balance sheets remain strong. The electric department fund balance increased by \$629,897 to \$6,720,138. The water department fund balance decreased by \$28,210 to \$801,706. Due to the expense of constructing a digital cable system, the communications department fund balance decreased by \$436,479 to \$517,286. Revenues were down in all the departments largely due to the economy and mild weather. However, we reduced expenditures, and we continue to look for ways to cut expenses.

Bryan Municipal Utilities was awarded an Electric System Improvement Award for a new electric SCADA system, an Innovation Award for building two separate primary circuits from two different substations for the Bryan hospital expansion project, two No Time Lost Safety Awards and two Hard Hat Safety Awards.

In 2009, Lauren "Skip" Bechtol decided not to seek another term on the Bryan Board of Public Affairs. He started his first term in 1974 and served until 1983. He was appointed to serve again in 1998 when the Board of Public Affairs went from three to five members. In all, he served more than 21 years over a span of 36 years and was involved with many utility developments. Probably the greatest accomplishment of the BPA during his terms was the construction of the Marquis Corridor and the switch from Toledo Edison to Ohio Power in 1982. This change saved the residents of Bryan well over \$1 million a year for more than 20 years. In 1983, discussions started on the value of a second interconnect. It is ironic that 27 years later in Skip's last year on the board, we have almost completed the second interconnect. We are grateful to Skip for all the years of service and leadership he contributed to the utility and the community.

I want to thank all of the BMU employees as well as the other city employees for working hard and working together. Due to the poor economy, we have not replaced workers who have retired or moved on. Our crews continue to do the job with fewer people.

I am pleased to update you on the status of Bryan Municipal Utilities in 2009. We will continue to be good stewards of our infrastructure and work hard for our city.



Stephen Casebere
Director of Utilities
Bryan Municipal Utilities

BOARD OF PUBLIC AFFAIRS

The Bryan Board of Public Affairs is a five-person board elected to oversee the operations of the community-owned utility. The full board meets twice monthly in open session and the meetings are broadcast on BMU TV.

The board keeps itself informed on a regular basis of utility services, financial position, and personnel. The BPA has four committees that meet once a month. At these meetings, management discusses all significant utility activities with the board.



FIVE-YEAR FINANCIAL SUMMARY

| | 2009 | 2008 | 2007 | 2006 | 2005 |
|-------------------------------------|--------------|--------------|--------------|--------------|--------------|
| Electric Department | | | | | |
| Income | \$20,615,003 | \$21,242,998 | \$21,935,801 | \$21,346,513 | \$17,096,266 |
| Expenses | 18,257,925 | 19,654,156 | 20,364,245 | 18,574,030 | 12,980,874 |
| Balance | \$2,357,078 | \$1,588,842 | \$1,571,556 | \$2,772,483 | \$4,115,392 |
| Capital Improvements | 1,381,597 | 997,150 | 623,468 | 1,313,848 | 1,663,835 |
| Debt Service | 340,000 | 700,000 | 700,000 | 700,000 | 900,000 |
| Fund Balance Dec. 31 ⁽¹⁾ | 6,720,138 | 6,090,241 | 6,204,999 | 8,164,369 | 7,410,183 |
| Meters | | | | | |
| Residential | 5,036 | 5,028 | 5,025 | 5,045 | 5,032 |
| Commercial | 729 | 732 | 726 | 714 | 710 |
| Industrial | 54 | 51 | 49 | 48 | 47 |
| Unbilled Services | 218 | 223 | 213 | 223 | 222 |
| Total Meters | 6,037 | 6,034 | 6,013 | 6,030 | 6,011 |
| kWhrs Used | | | | | |
| Residential | 45,263,010 | 48,193,970 | 48,461,380 | 46,578,130 | 50,223,105 |
| Commercial | 27,529,753 | 29,317,465 | 29,780,624 | 28,517,117 | 30,010,273 |
| Industrial | 116,590,540 | 136,584,329 | 142,445,165 | 143,700,767 | 146,866,274 |
| Unbilled Services | 8,326,450 | 8,504,649 | 8,184,055 | 7,554,595 | 7,246,521 |
| Total kWhrs ⁽²⁾ | 208,958,114 | 236,050,786 | 241,040,642 | 236,538,267 | 252,872,028 |
| Peak Demand (kilowatts) | 42,720 | 43,780 | 46,310 | 48,200 | 47,740 |

(1) Includes \$5,584 transferred to Generator Maintenance Fund

(2) Includes line loss and power plant use

Water Department

| | | | | | |
|-------------------------------------|-------------|-------------|-------------|-------------|-------------|
| Income | \$1,677,370 | \$2,218,815 | \$1,752,826 | \$1,500,132 | \$1,452,655 |
| Expenses | 1,331,758 | 1,253,673 | 1,295,930 | 1,204,533 | 1,288,096 |
| Balance | \$345,612 | \$965,142 | \$456,896 | \$295,599 | \$164,559 |
| Capital Improvements | 324,260 | 916,688 | 128,921 | 225,271 | 144,348 |
| Debt Service | 49,562 | 0 | 0 | 0 | 0 |
| Fund Balance Dec. 31 | 801,706 | 829,916 | 781,462 | 453,487 | 383,159 |
| Meters | | | | | |
| Residential | 3,199 | 3,181 | 3,218 | 3,201 | 3,164 |
| Commercial and Industrial | 650 | 644 | 657 | 641 | 637 |
| Unbilled Services | 43 | 43 | 48 | 58 | 52 |
| Total Meters | 3,892 | 3,868 | 3,923 | 3,900 | 3,853 |
| Gallons Used | | | | | |
| Residential | 154,712,580 | 164,060,336 | 171,470,024 | 164,724,560 | 173,257,131 |
| Commercial and Industrial | 224,865,256 | 254,149,456 | 283,154,652 | 262,113,412 | 283,130,185 |
| Unbilled Services | 16,663,383 | 17,086,640 | 16,544,500 | 12,886,872 | 12,793,904 |
| Total Gallons ⁽¹⁾ | 462,925,000 | 501,394,000 | 553,363,910 | 519,604,000 | 606,427,000 |

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

Communications Department

| | | | | | |
|------------------------|-------------|-------------|-------------|-------------|-------------|
| Income | \$2,052,581 | \$2,838,195 | \$2,052,528 | \$1,840,556 | \$1,713,916 |
| Expenses | 1,917,332 | 1,752,514 | 1,774,039 | 1,629,698 | 1,559,151 |
| Balance | \$135,249 | \$1,085,681 | \$278,489 | \$210,858 | \$154,765 |
| Capital Improvements | 467,728 | 396,616 | 64,684 | 34,597 | 65,406 |
| Debt Service | 104,000 | 104,000 | 104,000 | 104,000 | 104,000 |
| Fund Balance Dec. 31 | 517,286 | 953,765 | 368,700 | 258,895 | 186,634 |
| Customers | | | | | |
| Cable TV | 2,424 | 2,257 | 2,315 | 2,502 | 2,381 |
| Internet | 1,370 | 1,343 | 1,419 | 1,450 | 1,323 |
| Total Customers | 3,794 | 3,600 | 3,734 | 3,952 | 3,704 |

ELECTRIC DEPARTMENT

The Electric Department continues to work diligently to keep operational expenses down while still providing reliable power for the citizens of Bryan. In 2009, the department processed more than 1,552 customer service work orders as well as planned, engineered, and completed 22 major capital projects.



Brian Carlin
Superintendent

"Our primary objectives this year were to construct a new switchyard to interconnect with First Energy for backup power and complete our system voltage conversions for greater capacity and better reliability."

One of the more visible capital projects was constructing a 69,000-volt interconnect switchyard on the east side of Bryan. We began the project in January 2009 with several design and feasibility studies to determine possible construction routes and identify any system switching issues. In early February, the Board of Public Affairs approved the plans recommended by our management team and electrical engineering firm to build the new interconnection with First Energy on East High Street near County Road 15.75.

The project commanded a large amount of time and resources from the electric department. By utilizing our employees' experience and technical skills, we achieved considerable savings and were able to complete most of the project work interdepartmentally. The switchyard is approximately 95 percent complete with a tentative commissioning date in early spring 2010.

In addition to the switchyard project, the electric department replaced three 138,000-volt and three 69,000-volt bushings on the west 50MVA station transformers at Lorntz Substation. We upgraded a set of 138,000-volt oil control breaker bus switches as well. We also replaced all the conductors, poles, and hardware on the 34,500-volt, three-phase line from the Power Plant on Emmet Street to the intersection of South Allen and East South Streets. This preliminary work will allow us to upgrade the line voltage to 69,000-volts in the future.

Electric department crews completed a primary metering upgrade and three-phase line extension for Minteq International. We also installed new primary services to the Sonic Restaurant, Krill Funeral Home, Harborside Health Care, and Time Warner Cable headend. We installed new streetlights along Cherry Street, Butler Street, Cardinal Drive, and East Mulberry Street from the 100 block to North Union Street.

In our constant effort to improve energy efficiency, we investigated the feasibility of



BACK UP POWER SUPPLY

Lineworker Brandon Suffel hangs new conductors from the 69kV loop to the new switchyard pole-off structures.

installing an Advance Metering Network and energy efficient streetlights, security lights and floodlights. The initial projected energy savings are encouraging, and we hope to begin implementation in 2010.

Certainly, 2009 was a very busy and productive year for the electric department. We managed and completed all of our projects emphasizing job planning, productivity, and overall operational efficiency. We look forward to the challenges of 2010 and will continue to manage the department in a manner that benefits the citizens of Bryan.

WATER DEPARTMENT

Even with a struggling economy, the water department continues to focus on system improvements and the continuous cycle of annual maintenance. We are dedicated to operating a safe and reliable water system.



Norm Echler
Superintendent

"All public water systems are required to prepare a Source Water Protection Plan. A key component of this plan includes educating the public to assist in the ongoing protection of the drinking water supply."

In 2009, we installed 1,340 feet of new 12-inch water main in the 100 and 200 blocks of West High Street and the 100 block of South Main Street. This project completed a three-year effort to replace the water mains on all four sides of the Courthouse Square. The old lines dated back to 1892 through 1920. Approximately 450 feet of new 8-inch water main were installed as part of the city's improvements to the 100 block of North Myers Street. Additionally, the water crews installed 345 feet of new 8-inch water main in the 400 block of East Wilson Street.

In conjunction with the Bryan Fire Department, we continued a multi-year effort to retrofit all of the fire hydrants in Bryan with new Storz connectors on the pumper nozzles. These new connectors assure quick quarter turn connections for fire hoses as well as a standard connection from city to city so mutual aid can assist without special equipment.

Seven artesian wells supply the city with water for its daily needs. We routinely monitor these wells and flow test them annually. This testing helps us know if the wells are producing and operating properly. We found it was time to clean and rehabilitate Well #6, and we did so in the first quarter of the year.

We also replaced the media in the aerator at the water treatment plant. This media breaks the water down into small particles to aid in removing naturally occurring gases in our well water and oxidizes the iron for removal by the sand and gravel filters.

Annual spring maintenance always includes the operation and inspection of every fire hydrant in the city. We also inspect them again in the fall to make sure they are ready for winter. Bryan's system contains nearly 1,400 isolation valves to maintain, and crews exercise a portion of these valves on a rotating schedule. Any problems identified by these routine operations of hydrants and valves are quickly scheduled for repair. We are proud of the fact that it is rare to have a fire hydrant that is out of service in our city.

The tough economic times right now are reflected in our annual financials shown on other pages in this report. Revenue and new service installations were down. Despite this fact, we are committed to finding ways to keep up with capital improvements and maintaining the



FOCUS ON SAFE WATER

public water system in good working order. We still have several miles of 100-year-old pipe in operation, and we strive to keep our water main replacement program ongoing.

In October, we received word from the U.S. EPA that it plans to approve our petition to designate the MICHINDOH Glacial Aquifer as a Sole Source Aquifer, and a period for public comment has been scheduled. Nearly 385,000 people in portions of nine counties in the tri-state area depend on this groundwater for their only source of drinking water. It is our responsibility as a public water supplier to educate the public and raise awareness of how valuable this resource is to the area. Through prevention, education and participation, we can help guarantee an abundant supply of safe drinking water for our future.

Engineering Assistant Bob Carter and Water Supervisor Nate Gardner look on as the water crew prepares to install a new fire hydrant on South Main Street.

COMMUNICATIONS DEPARTMENT

The year 2009 could be referred to as the Year of Digital for the Communications Department. In 2009, we met the challenge of providing new digital cable television programming for our customers. We are very happy with the digital picture quality and the entertainment choices we are now able to offer our customers.



Joe Ferrell
Superintendent

"The Communications Department continues to add new cable programming for our customers, as well as provide high speed Internet and fiber network service in Bryan and Williams County."

Implementation of digital services had been in discussion for some time, and we began the planning in 2008. With the success of the hospital fiber project in 2008, we had the funding to purchase and install the digital headend and infrastructure needed to launch the new, advanced services. The digital project came in two stages. The first was the conversion of all broadcast television stations from analog to digital transmission. The original date to change to the new digital format was extended to June 2009. We completed the purchase and installation of the new equipment ahead of schedule and made the switch on the correct date.

The second stage was by far the largest, most time consuming effort of the year. It involved extensive engineering, planning, and communication to get the equipment specified, ordered, installed, and activated. We have now installed a state-of-the-art digital headend for our system, and in December, we began to connect set-top equipment to existing premium customers' television sets.

The new digital lineup offers many programming choices such as family, reality, news, sports and music. We have an assortment of HD programs and plan to add more in the future. Our next step will be to add Pay Per View services to the system. Our customers will be able to purchase Pay Per View programming and sporting events directly from their homes at any time.

We also worked on several other projects during 2009. These included fiber for SCADA monitoring at Daggett Substation, the new interconnection switchyard, and the Wastewater Treatment Plant. We worked with Community Hospitals and Wellness Centers to provide them with backup fiber connectivity and cable television within their newly expanded facility.

We installed a permanent connection point to interface our video department equipment into the Bryan High School football field press booth and sidelines for video production of



DIGITAL CABLE TV ARRIVES

Communications Technician Todd Stimpfle moves a pallet of just-delivered set-top boxes to begin upgrading customers to digital cable TV.

the football games. This has increased the speed with which we can edit the games and place them on our BMU TV Channel 3.

The past year was quite busy for the Communications Department not only with digital cable TV but also with many other utility and city projects. We continue to focus on efficiency, the reliability of our cable TV and fiber networks, and providing our community with superior customer service.

POWER PLANT

In 2009, the power plant was involved in several key generation runs and a SCADA upgrade project that improved our electrical distribution system operations and monitoring.



Matt Killion
Superintendent

"In 2009, we met key generation requirements with our power plant generators, which will help lower our customers' electric bills."

The first generation run occurred during the extreme cold of January when American Municipal Power, our energy supplier, called on us to provide generation. By running generation at the time when American Electric Power, our transmission operator, hit its maximum supply demand, we reduced Bryan's demand by 28.35 MW. As a result, Bryan Municipal Utilities will realize a savings of \$483,084 in transmission costs, which will be reflected in customers' bills in 2010.

The next key generation run took place in June as a test of our generation capacity. BMU is paid capacity credits for generation that can be used at peak times. Power plant operators started three gas turbine generating units and maintained 33 MW for a one-hour test period. We passed the test and will realize a credit of \$97,000 in our electric rates for 2010. BMU also has a capacity contract with AMP for 32 MW. That contract pays \$864,000, which is credited to the power supply bill and lowers electric rates by that amount.

In order to make needed repairs to our main 138,000-volt Lorntz substation, the power plant crews brought the gas turbines online and totally isolated the city from the AEP electrical supply. With the generators supplying power to the city, we were able to de-energize the substation to replace a main isolation switch and replace the degrading 50 MVA transformer bushings. The power plant ran generation for more than 16 hours for the isolation.

A new SCADA (Scan Control And Data Acquisition) system was installed in the electrical distribution system in 2009. The SCADA system monitors all seven of our substations and will sound an alarm on any faults or when energy readings fall outside of a preset range. With the SCADA system, plant operators are able to direct electric crews to the proper feeder location during trips or faults. This will decrease the time of outages. The SCADA system also provides a means to log data from the distribution system to help with power quality issues and determine the cause of an outage.

While working on the installation of the SCADA, three other projects were completed.



Power Plant Electrician Tom Wheeler monitors incoming power at Lorntz Substation using the new SCADA system.

We moved all of the feeder protection relays into the associated breaker control cabinet in order to reduce wiring and confusion during outages. In addition, we upgraded all of the protection relays to the latest firmware to bring them up to proper standards and communication protocols. We also installed new differential protection relays on the distribution transformer to allow the SCADA system to monitor the condition and operation of the transformers.

We look forward to 2010 to continue our efforts to provide generation at key times in order to reduce the energy costs for BMU customers. We plan to continue improving our SCADA system and tap into the benefits of accurate stored data to improve overall system reliability.

AUGLAIZE HYDROELECTRIC PLANT

Auglaize Fast Facts

- The Auglaize Hydroelectric Plant is located on the Auglaize River, just south of Defiance, Ohio.
- The original dam was built in 1912 by Auglaize Power Company at a cost of \$500,000.
- The City of Bryan purchased the plant for \$1.12 million in 1996.
- The Auglaize plant has six generating units differing in size and design. The full capacity output of the plant is 4,535 kW.
- The hydro dam provides about 4 percent of Bryan's power needs.
- Hydroelectric power is an emission-free energy source. The Auglaize plant avoids air emissions of 23,800,000 pounds of carbon dioxide, 138,000 pounds of sulphur dioxide, and 64,000 pounds of oxides of nitrogen pollutants every year.
- About 10 percent of Bryan's load is supplied by clean, renewable hydroelectric power.

The Auglaize Hydroelectric Plant made the most of what Mother Nature gave us in 2009. The annual water flows in the Auglaize River for 2009 were 42 percent lower than 2008 and were the lowest since 2002. However, we were able to generate 7,520,802 kWh in 2009, which is only 31 percent less than in 2008 and enough energy to supply 737 average homes with electricity for a year. In addition, since hydro power comes from an emission-free, renewable source, this energy offsets the consumption of power generated from coal that would have produced tons of the greenhouse gas carbon dioxide.

The Auglaize dam is a run-of-the-river generating facility, meaning the natural flow and elevation drop of the river is used to generate electricity. We do not have the ability to store much water during the dry months that usually occur in late summer. However, we do try to maintain a small pool of water behind our flashboards so that if needed, we can meet our generation obligations during periods of high electrical demand.

In 2009, Bryan Municipal Utilities claimed 4,100 kW capacity from the Auglaize, and on June 5, we were required to test our claimed generating capacity. We put all five main generators at the plant online for one hour using the pooled water and averaged 4,000 kWh. As a result, BMU will be credited with \$217,446 in 2010 for available generating capacity.

Along with generation, we continue to work on projects at the plant. The power plant crews removed the damaged runner on generating unit #6. The runner is the water wheel that produces rotational power from the flow of water. It was damaged when a wicket gate pin failed while in operation. The crews removed all of the lower power producing components such as the runner, wicket gates, head cover and shafting. We believe that this runner and associated equipment was original to the plant and could be 1912 vintage. A hydroelectric repair company found a used runner and matched it with our equipment, refurbished the remaining equipment, and returned it to us the last week of December.

We also made repairs to the lower governor hydraulic cylinders of unit #4. These cylinders control the flow of water to the runner and operate under 20 feet of water. The cylinders were drifting, which caused unit #4 to slowly reduce power output over time. With the repairs, it holds the power level setting.

We anticipate continued improvements in 2010. Installing the repaired unit #6 will be our first priority. Another large project planned for 2010 will be to rewind unit #5, which will increase its generating capacity from 650 kW to 800 kW. The power plant crews are eager to get started on these projects and improve the operations of the Auglaize plant in 2010.



CLEAN GREEN HYDRO POWER

Power Plant employees install flashboards on the crest of the Auglaize Dam to increase the pool of water reserved for generation.

ELECTRIC DEPARTMENT

Operating Income and Expenses

| | |
|--|---------------------------|
| Operating Income: | |
| Charges for Services | \$19,964,526 |
| Other Operating Income | 262,446 |
| Total Operating Income | <u>\$20,226,972</u> |
| Other Income: | |
| Interest Income | \$21,353 |
| Other Miscellaneous Income | 366,678 |
| Total Other Income | <u>\$388,031</u> |
| Total Income | \$20,615,003 |
| Operating Expenses: | |
| Purchase Power | \$13,297,558 |
| Power Plant Operations | 881,456 |
| Distribution Operations | 1,312,670 |
| Billing and Accounting | 287,623 |
| Customer Service and Administration | 859,506 |
| Maintenance | 78,342 |
| Board of Public Affairs | 49,064 |
| Electric Communications | 423,225 |
| Hydroelectric Plant Operations | 163,373 |
| Interest and Fees on AMP-Ohio Loan | 105,438 |
| Total Operating Expenses | <u>\$17,458,255</u> |
| Other Expenses: | |
| Kilowatt Hour Tax to State of Ohio | 68,392 |
| Kilowatt Hour Tax to General Fund | 731,278 |
| Total Other Expenses | <u>\$799,670</u> |
| Total Expenses | \$18,257,925 |
| Balance Available for Capital Improvements and Debt Service | <u>\$2,357,078</u> |
| Capital Improvements | |
| Power Plant | 231,950 |
| Distribution | 946,104 |
| Billing and Accounting | 8,787 |
| Customer Service and Administration | 102,342 |
| Electric Maintenance Shop | 2,463 |
| Electric Communications | 33,458 |
| Hydroelectric Plant | 54,396 |
| Board of Public Affairs | 2,097 |
| Total Capital Improvements | <u>\$1,381,597</u> |
| Debt Service: ⁽¹⁾ | |
| Balance - January 1, 2009 | \$3,740,000 |
| Principal Payment | <u>\$340,000</u> |
| Balance - December 31, 2009 | <u>\$3,400,000</u> |
| Transfer to Generator Maintenance Fund | \$5,584 |

(1) Loans for Auglaize Hydroelectric Plant upgrades, communications system outside plant and other electric system improvements

Fund Transactions and Balances

| | Balance Dec. 31, 2008 | Income | Expenses | Capital | Debt Service | Balance Dec. 31, 2009 |
|-----------------------|--------------------------|---------------------|---------------------|--------------------|------------------|--------------------------|
| Electric Fund | \$6,090,241 | \$20,615,003 | \$18,257,925 | \$1,381,597 | \$340,000 | \$6,720,138* |
| Utility Deposit Fund | 140,580 | 40,273 | 37,928 | 0 | 0 | 142,925 |
| Generator Maintenance | 95,794 | 5,584 | 0 | 0 | 0 | 101,378 |
| Total | \$6,326,615 | \$20,660,860 | \$18,295,853 | \$1,381,597 | \$340,000 | \$6,964,441 |

* Includes \$5,584 transferred to Generator Maintenance Fund

Power Production Data

| | |
|--|--------------------|
| Gross Kilowatt Hours Generated by Power Plant | 524,051 |
| Gross Kilowatt Hours Generated by Auglaize Hydro | 7,520,802 |
| Total Gross Kilowatt Hours Generated | 8,044,853 |
| Kilowatt Hours Purchased from: | |
| American Municipal Power (AMP) | 186,320,789 |
| Belleville Hydroelectric Project (JV5) | 8,050,440 |
| New York Power Authority (NYPA) | 6,542,032 |
| Total of Gross Kilowatt Hours Purchased | 200,913,261 |
| Gross Generated and Purchased Kilowatt Hours | 208,958,114 |
| Customer Metered Kilowatt Hours | 197,709,753 |
| Power Plant Use | 1,103,571 |
| Kilowatt Hour Line Loss (4.85%) | 10,144,790 |
| Total Metered and Line Loss | 208,958,114 |

WATER DEPARTMENT

Operating Income and Expenses

| | |
|--|----------------------|
| Operating Income: | |
| Charges for Services | \$1,649,579 |
| Other Operating Income | <u>6,824</u> |
| Total Operating Income | \$1,656,403 |
| Other Income: | |
| Interest Income | \$3,010 |
| Other Miscellaneous Income | <u>17,957</u> |
| Total Other Income | <u>20,967</u> |
| Total Income | \$1,677,370 |
| Operating Expenses: | |
| Supply and Distribution | \$976,655 |
| Billing and Accounting | 90,536 |
| Customer Service and Administration | 245,486 |
| Interest on Electric Department Loan | <u>19,081</u> |
| Total Expenses | \$1,331,758 |
| Balance Available for Debt Service and Capital Improvements | \$345,612 |
| Capital Improvements: | |
| Supply and Distribution | \$293,960 |
| Billing and Accounting | 4,350 |
| Customer Service and Administration | <u>25,950</u> |
| Total Capital Improvements | \$324,260 |
| Debt service ⁽¹⁾ | |
| Balance – January 1, 2009 | \$495,620 |
| Principal Payment | <u>49,562</u> |
| Balance – December 31, 2009 | \$446,058 |

(1) Loan for Water Department Wellfield purchase

Fund Transactions and Balances

| | Balance Dec. 31, 2008 | Income | Expenditures | Capital | Debt Service | Balance Dec. 31, 2009 |
|----------------------|--------------------------|--------------------|--------------------|------------------|-----------------|--------------------------|
| Water Fund | \$829,916 | \$1,677,370 | \$1,331,758 | \$324,260 | \$49,562 | \$801,706 |
| Utility Deposit Fund | 140,580 | 40,273 | 37,928 | 0 | 0 | 142,925 |
| Total | \$970,496 | \$1,717,643 | \$1,369,686 | \$324,260 | \$49,562 | \$944,631 |

Water Production Data

| | Meters | Gallons Used |
|---|--------------|--------------------|
| Residential | 3,199 | 154,712,580 |
| Commercial & Industrial | 650 | 224,865,256 |
| City of Bryan (Unbilled Service) | 43 | 16,663,383 |
| Bulk Water & Hydrant Meter Water | - | 637,818 |
| Filter Backwash/Production Water | - | <u>2,427,300</u> |
| Total | 3,892 | 399,306,337 |
| Line Flushing & Losses (13.7%) | | <u>63,618,663</u> |
| Total Metered and Line Loss in Gallons | | 462,925,000 |

COMMUNICATIONS DEPARTMENT

Operating Income and Expenses

| | |
|--|---------------------------|
| Operating Income: | |
| Charges for Services | \$2,001,984 |
| Other Operating Income | <u>39,346</u> |
| Total Operating Income | \$2,041,330 |
| Other Income: | |
| Interest Income | \$2,775 |
| Other Miscellaneous Income | <u>8,476</u> |
| Total Other Income | <u>\$11,251</u> |
| Total Income | \$2,052,581 |
| Operating Expenses: | |
| Supply and Distribution | \$1,809,072 |
| Billing and Accounting | 71,210 |
| Interest on Electric Department Loan | 37,050 |
| Total Expenses | <u>\$1,917,332</u> |
| Balance Available for Capital Improvements and Debt Service | \$135,249 |
| Capital Improvements | \$467,728 |
| Debt Service ⁽¹⁾ | |
| Balance – January 1, 2009 | \$1,560,000 |
| Principal Payment | <u>104,000</u> |
| Balance – December 31, 2009 | \$1,456,000 |

(1) Loan for Communications Department start-up expenses, headend, and other electronic equipment

Fund Transactions and Balances

| | Balance Dec. 31, 2008 | Income | Expenditures | Capital | Debt Service | Balance Dec. 31, 2009 |
|---------------------|--------------------------|--------------------|--------------------|------------------|------------------|--------------------------|
| Communications Fund | <u>\$953,765</u> | <u>\$2,052,581</u> | <u>\$1,917,332</u> | <u>\$467,728</u> | <u>\$104,000</u> | <u>\$517,286</u> |

Customer Data

| | Cable TV | Internet | Fiber |
|-------------------------|--------------|--------------|-----------|
| Residential | 2,346 | 1,232 | 0 |
| Commercial & Industrial | 64 | 122 | 13 |
| Unbilled Services | <u>14</u> | <u>16</u> | <u>13</u> |
| Total | 2,424 | 1,370 | 26 |

UNBILLED SERVICES

Utilities

| | ELECTRICITY | WATER | COMMUNICATIONS |
|---|------------------|-----------------|------------------|
| Street and Security Lights | \$156,490 | \$0 | \$0 |
| Utility Departments, Building & Facilities | 207,580 | 8,214 | 69,840 |
| Parks, Pools & Other Recreational Areas | 64,139 | 18,686 | 0 |
| Bryan Community Center | 6,837 | 269 | 1,230 |
| Municipal Departments, Buildings & Facilities | 296,830 | 25,589 | 94,650 |
| County and EMS | 3,967 | 237 | 14,040 |
| Traffic Signals | 10,341 | 0 | 0 |
| Bryan City Schools | 2,473 | 0 | 31,350 |
| Day in the Park, Jubilee, Christmas Lights | 1,153 | 580 | 0 |
| Other | 454 | 0 | 0 |
| Unbilled Utilities | \$750,264 | \$53,575 | \$211,110 |

Electric Services

| | |
|---|------------------|
| Maintenance Services (Labor and Equipment) Provided | |
| Street Light Installation and Maintenance | \$15,121 |
| All Other City Services and Civic Organizations | 7,000 |
| Total Unbilled Maintenance (Labor) Provided including Equipment | \$22,121 |
| Materials Provided | |
| New Street Lights and Replacements | \$55,652 |
| All Other City Services and Civic Organizations | 12,354 |
| Total Unbilled Materials Provided | \$68,006 |
| Unbilled Electricity | \$750,264 |
| Total Unbilled Labor, Materials, and Electricity | \$840,391 |

Water Services

| | |
|---|------------------|
| Maintenance Services (Labor) Provided | |
| Installation and Services to City Facilities | \$404 |
| Installation and Maintenance of Fire Hydrants | 18,022 |
| Equipment | 6,986 |
| Total Unbilled Maintenance (Labor) Provided including Equipment | \$25,412 |
| Materials Provided | |
| Water Lines and Services to City Facilities | \$300 |
| New Fire Hydrants and Replacements | 31,341 |
| Total Unbilled Materials Provided | \$31,641 |
| Unbilled Water | \$53,575 |
| Total Unbilled Labor, Materials, and Water | \$110,628 |

Communications Services

| | |
|---|------------------|
| Maintenance Services (Labor) Provided | |
| Installation and Services to City Facilities | \$3,626 |
| Installation and Services to Bryan City Schools Facilities | 1,085 |
| Total Unbilled Maintenance (Labor) Provided including Equipment | \$4,711 |
| Materials Provided | |
| Cable and Accessories for Services to City Facilities | 1,470 |
| Cable and Accessories for Services to Bryan City Schools | 250 |
| Total Unbilled Materials Provided | \$1,720 |
| Unbilled Communications | \$211,110 |
| Total Unbilled Labor, Materials, and Communications | \$217,541 |

Total Unbilled Utility Services **\$1,168,560**

BMU PERSONNEL

| Employee | Title | Years of Service |
|--------------------|---|------------------|
| Bayliss, Terri | Account Clerk II | 11 |
| Bostater, Sandy | Assistant Office Manager | 18 |
| Brandt, Adam | Lineworker Supervisor | 14 |
| Buda, Patricia | Deputy Clerk-Treasurer | 21 |
| Caperton, John | Warehouse Worker II | 10 |
| Carlin, Brian | Superintendent of Electric Distribution | 15 |
| Carter, Bob | Utility Engineering Assistant I | 4 |
| Casebere, Stephen | Director of Utilities | 21 |
| Echler, Norm | Superintendent of Water | 24 |
| Elson, Jessi | Water Treatment Plant Operator II | 10 |
| Ferrell, Joe | Superintendent of Communications | 2 |
| Ford, Karen | Utility Purchasing Agent | 9 |
| Frank, Mandy | Account Clerk II | 9 |
| Gardner, Nathan | Water Supervisor | 5 |
| Geren, AJ | Meter Technician II | 12 |
| Goodwin, Tracy | Communications Supervisor | 4 |
| Grant, Jeff | Water Distribution Operator III | 22 |
| Hamrick, Roger | Customer Service Worker II | 23 |
| Harter, Bill | Water Treatment Plant Operator I | 20 |
| Hartman, Scott | Laborer II | 3 |
| Hensley, Suzan | Utility Engineering Assistant III | 14 |
| Herman, Eric | Videographer | 4 |
| Hosler, Michelle | Account Clerk I | 1 |
| Hulbert, Brent | Power Plant Operator II | 12 |
| Hulbert, Brett | Water Distribution Operator III | 18 |
| Kaiser, Melanie | Utility Account Clerk II | 10 |
| Killion, Matt | Power Production Superintendent | 1 |
| Ladd, Susan | Utility Secretary II | 8 |
| Long, Richard | Power Plant Operator II | 16 |
| Lucas, Tommy | Lineworker III | 8 |
| Lyons, Mike | Communications Technician II | 8 |
| Moore, Ken | Senior Network Engineer | 1 |
| Myers, Keira | Account Clerk III | 13 |
| Parker, James | Utility Locator | 2 |
| Pendleton, Lou | Director of Public Relations | 9 |
| Perry, Jackie | Human Resources Director | 4 |
| Preston, Craig | Assistant Director of Utilities | 14 |
| Ramos, Sylvia | Executive Secretary | 4 |
| Rau, Kevin | Lineworker III | 17 |
| Reynolds, Kay | Account Clerk III | 21 |
| Robinett, Kyle | Lineworker III | 25 |
| Rode, Laura | Clerk- Treasurer | 4 |
| Rothenberger, Lisa | Account Clerk II | 16 |
| Salsbury, James | Lineworker III | 25 |
| Shipley, Tom | Power Plant Operator III | 24 |
| Smith, Jay | Meter Reader | 16 |
| Smith, Shane | Lineworker Trainee | 1 |
| Stimpfle, Todd | Communications Technician I | 3 |
| Suffel, Brandon | Lineworker I | 5 |
| Sullivan, Al | Utility Engineering Supervisor | 15 |
| Vollmar, Kevin | Mechanic III | 22 |
| Wheeler, Tom | Electrician II | 10 |
| Wilde, Patrick | Communications Technician I | 2 |
| Wilson, Eugene | Water Distribution Operator II | 10 |
| Wisler, Sue | Account Clerk I | 2 |
| Zigler, Jay | Power Plant Operator II | 6 |

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