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March 5, 2004

Edward J. Cernic, Sr., Chairman
Greater Johnstown Water Authority
Johnstown, Pennsylvania

2003 OPERATIONS REPORT OF THE MANAGER

Once again the number of customers in the communities served by the Authority's system has declined. The City of Johnstown led the list with a loss of 78 customers. Five other municipalities showed a reduction from the previous year while six municipalities recorded gains. Upper Yoder Township had the largest gain with an increase of 12. Overall, the system had a net loss of 63 customers. Year 2003 continued a streak of 12 consecutive years of a declining number of customers served by the Authority.

The loss of customers and reduced consumption of the existing customers, resulted in reduced revenue to the Authority. Revenues from metered sales to residential, commercial, and industrial customers declined by 1%, 4%, and 6% respectively from the previous year. Sales to other public authorities was the only category to show a significant increase in revenues, increasing 6.6% over the previous year. Miscellaneous revenues were significantly lower in 2003 because of a delay in timber cutting on the watersheds. Payment for a large portion of the year's sale was recorded in January of 2004 and will boost the miscellaneous revenues in the current year.

Expenditures by the Authority on capital improvement projects were nearly triple the prior year's figure as a result of the start of construction on the new membrane filtration plant at the Saltlick Reservoir. Of a total \$4.5 million outlay of Authority funds, approximately \$3.1 million was spent on the Saltlick project. Funds expended on this project are being provided primarily from a Pennvest Loan in the amount of \$5.998 million which closed on August 14, 2003. A large portion of the current year's expenditure went to purchase the equipment from U. S. Filter, the successful bidder on the equipment supply portion of the project. Site work, foundation grouting, and the raw water pump station and piping accounted for most of the construction activity. When completed, the plant will increase the Authority's treatment capacity from 14.5 million gallons per day to 18.5 MGD and will enable the Authority to sell treated water to communities located to the North of the system boundaries. An agreement was signed with Ebensburg Water Authority which guarantees the purchase of a minimum of 60,000 gallons per day, beginning upon completion of the Saltlick Treatment Plant. This should generate approximately \$27,000 in revenue annually to the Authority. The sale of water outside of the boundaries of the present service area is critical to the financial health of the Authority. Implementation of an Agreement for the sale of water to the Conemaugh Township Municipal Authority that was entered into in 2002, was delayed through all of 2003. Purchase of water did begin early in 2004 and will benefit both systems by increasing revenues to Greater Johnstown while providing Conemaugh Township with a dependable source of supply. Annual revenue from these sales will also approximate \$27,000 plus reimbursement for pumping costs.

Three pipeline replacement projects were completed during 2003 at a total expenditure of \$653,000. The jobs were all within the City; on Wood Street, Ohio Street and Glenn Street. These projects were bid in the prior year but carried over into 2003 for completion. Two pipeline projects that were scheduled for 2003 were bid late in the year and construction was not started at year's end. Engineering work on spillway modifications on the Dalton Run and North Fork Reservoirs added approximately \$80,000 in expenditures. The 2002 bond issue in the amount of \$7.3 million is being used to fund these projects and future capital expenditures.

Routine capital expenditures included \$488,00 on service line renewals, primarily replacing old lead lines that were installed more than 50 years ago. Approximately \$65,000 was spent on fire hydrants renewals and \$42,000 on the purchase of new meters.

At the end of 2003, the Authority received a Vulnerability Assessment completed for the system facilities to comply with an EPA mandate. As a result of these studies, this Authority, as well as other Authorities throughout the country will need to address a new issue in prioritizing its capital expenditures. Management procedures are being revised to comply with recommendations of the report.

Unaccounted-for-water spiked early in 2003 and remained higher despite a strong effort to bring it back to its prior level. With the increasing age of hundreds of miles of mains and services, keeping this figure at an acceptable level is an unending task.

Rainfall for the year was well above average at 56.13 inches. The distribution of rainfall kept the Authority's reservoirs at near capacity throughout the year and there was no need to supplement those supplies with Quemahoning water. A carryover credit from prior years purchases fulfilled the water purchase agreement with the Cambria-Somerset Authority. This agreement requires this Authority to purchase a minimum of 360 million gallons of water annually and is effective through the year 2015.

Early in 2003 the Authority decided not to extend the Management Contract with Laurel and signed an Agreement with Resource Development and Management, Inc. The new Agreement transfers the operation and maintenance of the Authority's system to RDM on February 18, 2005. In order to continue to provide quality service to the customers of the Authority, it is important that a transition plan be developed to assure a smooth changeover. Laurel will work jointly with your new manager in implementing their plan.

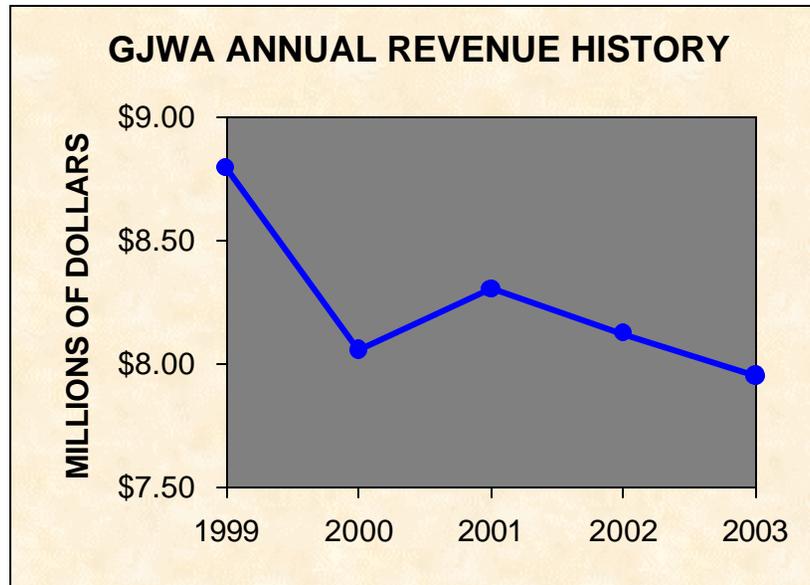
Laurel would again like to acknowledge the cooperation extended to us by the Authority members, the consulting engineer, accountant, solicitor and administrative assistant.



WILLIAM J. CVRKEL, President

OPERATING REVENUES

REVENUE SOURCE	2003	2002	2001	2000	1999
Metered Sales to Residential Customers	\$5,432,123	\$5,492,292	\$5,599,255	\$5,554,775	\$5,737,376
Metered Sales to Commercial Customers	947,993	985,877	1,000,955	968,966	1,034,501
Metered Sales to Industrial Customers	327,506	348,069	373,658	432,771	496,738
Flat-Rate Sales to Commercial Customers	15,170	12,130	14,440	17,712	16,180
Private Fire Protection	114,781	114,903	111,762	113,917	111,541
Public Fire Protection	206,752	206,256	205,483	205,601	206,212
Other Sales to Public Authorities	303,865	284,936	294,302	262,725	281,800
Sales to Other Water Utilities	89,640	86,383	89,099	88,471	93,450
Misc. Fees & Penalties	81,038	85,319	88,886	90,926	98,454
Backflow	236,381	237,928	237,266	233,212	233,642
Frozen Meter	8,270	3,630	4,075	2,285	-
Miscellaneous Revenues	188,224	266,104	285,835	86,830	483,910
TOTAL	\$7,951,743	\$8,123,827	\$8,305,016	\$8,058,191	\$8,793,804

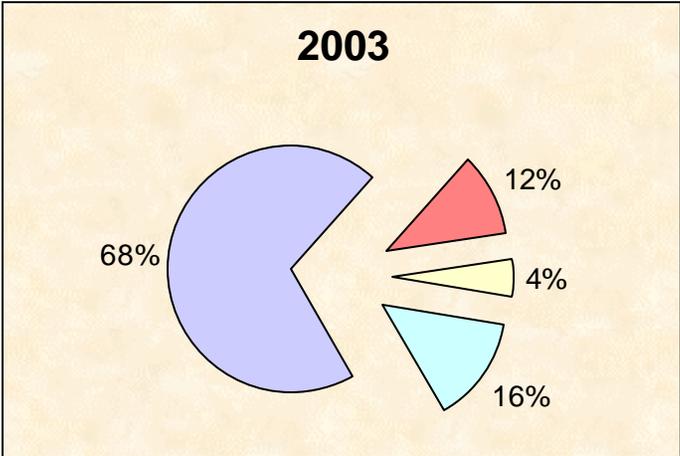
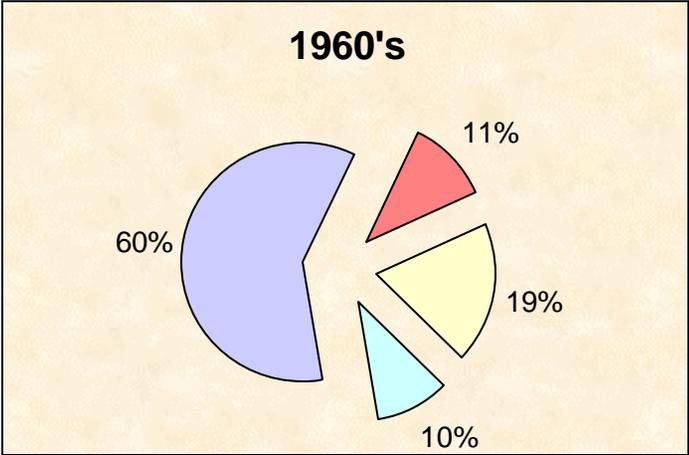


SOURCE OF REVENUE BY CUSTOMER CLASSIFICATION

CLASSIFICATION	PERCENT OF TOTAL OPERATING REVENUES		
	1960's	1990's	2003
Residential	60%	70%	68%
Commercial	11%	11%	12%
Industrial	19%	5%	4%
Other	10%	14%	16%
TOTAL	100%	100%	100%



Morrellville Pump Station

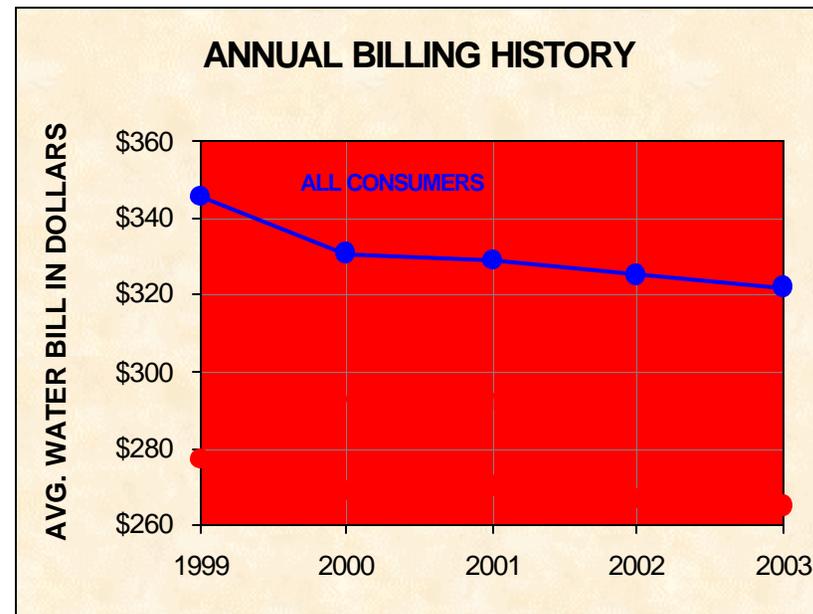
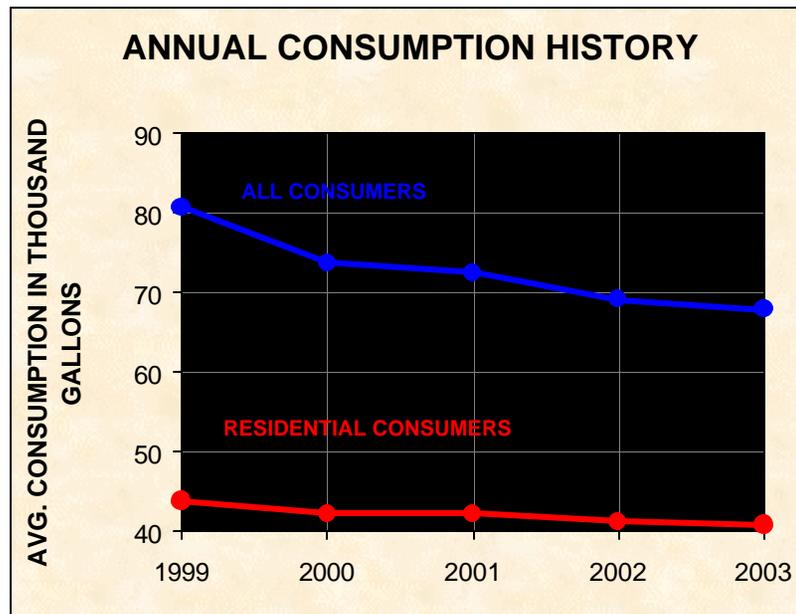


NUMBER OF CONSUMERS

	2003	2002	2001	2000	1999
BY CLASSIFICATION:					
Residential	20,519	20,571	20,648	20,664	20,704
Commercial	1,334	1,342	1,410	1,191	1,189
Industrial	71	73	75	107	106
Public	119	120	117	126	123
Other Utilities	2	2	2	2	2
TOTAL	22,045	22,108	22,252	22,090	22,124
BY SUPPLY SYSTEM:					
Gravity	9,048	9,264	9,351	9,681	9,716
Pumping	12,997	12,844	12,901	12,409	12,408
TOTAL	22,045	22,108	22,252	22,090	22,124
BY MUNICIPALITY:					
City of Johnstown	10,329	10,407	10,521	10,661	10,695
Westmont Borough	2,263	2,265	2,264	2,274	2,274
Dale Borough	567	569	575	564	566
Southmont Borough	1,000	998	1,000	949	948
Ferndale Borough	797	796	798	804	805
Brownstown Borough	370	370	374	375	374
Lorain Borough	370	369	371	358	357
East Conemaugh Borough	666	666	674	696	698
Franklin Borough	208	209	213	229	229
Upper Yoder Township	2,121	2,109	2,105	2,102	2,095
Lower Yoder Township	1,418	1,414	1,421	1,377	1,383
Stonycreek Township	890	892	896	622	621
West Taylor Township	333	334	330	367	367
East Taylor Township & Mineral Point	52	52	52	50	51
Conemaugh Township, Cambria County	7	7	7	7	7
Conemaugh Township, Somerset County	325	322	323	325	325
Middle Taylor Township	329	329	328	330	329
TOTAL	22,045	22,108	22,252	22,090	22,124

CONSUMER INFORMATION

RESIDENTIAL CONSUMERS		YEAR	ALL CONSUMERS	
Average Annual Consumption in M. Gallons	Average Annual Water Bill		Average Annual Consumption in M. Gallons	Average Annual Water Bill
43.8	\$277.11	1999	80.8	\$345.50
42.2	\$268.80	2000	73.8	\$330.82
42.3	\$270.05	2001	72.5	\$329.24
41.3	\$266.90	2002	69.2	\$325.29
40.8	\$264.74	2003	67.9	\$322.12



BILL ADJUSTMENTS

During 2003, 14 bills were presented to the Authority to consider for an adjustment. The aggregate billing of this group was adjusted to \$4,085.26 from the original billing total of \$7,435.50.

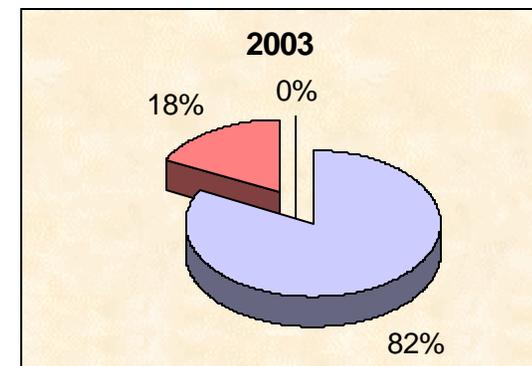
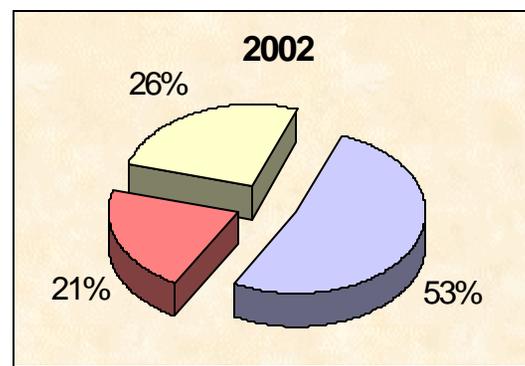
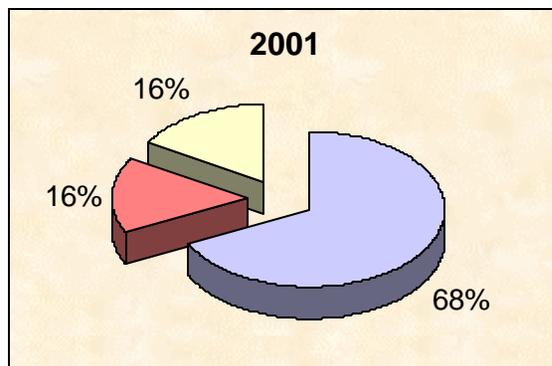
WATER SUPPLIED

RAW WATER SUPPLIED TO THE RIVERSIDE TREATMENT PLANT (Daily Average in Million of Gallons)

	NORTH FORK	DALTON RUN	QUEMAHONING	TOTAL
Allocation	7.250	2.250	5.400	
Yield	6.500	0.800	62.000	
Minimum Release	0.860	0.410	0.000	
Adjusted Yield	5.640	0.390	62.000	
2001 Amount	4.516	1.054	1.100	6.671
2002 Amount	3.331	1.347	1.655	6.333
2003 Amount	5.593	1.191	0.000	6.784
2001 Percentages	68%	16%	16%	100%
2002 Percentages	53%	21%	26%	100%
2003 Percentages	82%	18%	0%	100%



Decker Avenue Tank



PERCENT OF RAW WATER SUPPLIED TO RIVERSIDE BY SOURCE

TREATED WATER SUPPLIED

TREATED WATER (Daily Average in Million Gallons)

	TREATMENT PLANT	RED RUN WELL	MINERAL POINT WELL	TOTAL
Delivered Capacity	14.700	0.250	0.060	15.010
2001	6.271	0.095	0.010	6.376
2002	5.967	0.101	0.011	6.079
2003	6.487	0.112	0.011	6.610

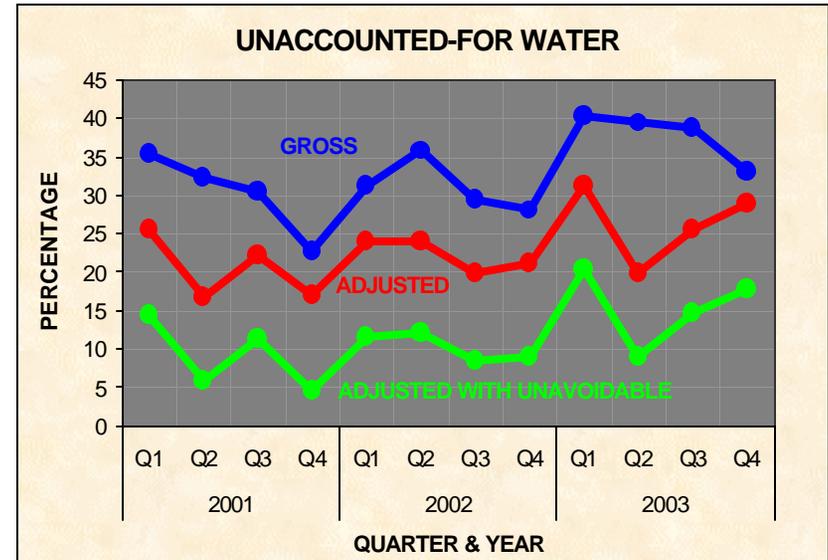
METERED CONSUMPTION (Daily Average in Million Gallons)

YEAR	DOMESTIC	COMMERCIAL	INDUSTRIAL	OTHER SALES	TOTAL
2001	2.402	0.819	0.680	0.535	4.436
2002	2.329	0.787	0.582	0.490	4.188
2003	2.294	0.741	0.537	0.530	4.102

UNACCOUNTED-FOR WATER

The percentage of Unaccounted-for water is the Metered Consumption related to the Treated Water delivered to the distribution system. The Gross Unaccounted-for water percentage includes unmetered water provided for fire protection purposes, flat-rate customers, water used for flushing and maintenance of water quality, and water lost through leakage. The Adjusted Unaccounted-for water percentage estimates known but unmetered losses. In 2001, we began calculating an adjusted percentage that includes an estimate for unavoidable joint leakage.

YEAR	GROSS	ADJUSTED	ADJ. WITH UNAVOIDABLE EST.
2001	30.2%	20.4%	9.0%
2002	31.1%	22.2%	10.3%
2003	37.9%	26.4%	15.4%



AVERAGE DAILY PUMPING
(Millions of Gallons)

SYSTEM	CAPACITY		YEAR				
	STORAGE	PUMPING*	2003	2002	2001	2000	1999
MILLCREEK	3.802	3.200	1.716	1.666	1.722	1.696	1.977
DALE	2.024	0.800	0.488	0.403	0.388	0.343	0.343
FRANKLIN	0.735	0.530	0.089	0.107	0.105	0.115	0.100
MORRELLVILLE	0.574	0.530	0.209	0.174	0.205	0.239	0.205
PROSPECT	0.458	0.450	0.101	0.108	0.101	0.087	0.089
MIDDLE TAYLOR	0.100	0.116	0.041	0.044	0.047	0.049	0.052
TENTH WARD	0.100	0.200	0.007	0.003	0.003	0.004	0.017
SADIE STREET	0.180	0.065	0.010	0.009	0.009	0.016	0.028
DECKER AVENUE**	0.055	0.046	0.002	0.002	0.002	0.002	0.007
UPPER YODER**	0.200	0.300	0.105	0.101	0.104	0.113	0.126
CROYLES	0.012	0.300	0.055	0.053	0.052	0.041	0.033
FERNWOOD DRIVE	0.065	0.093	0.002	0.002	0.002	0.002	-
VIEWMONT***	-	1.080	0.228	0.235	0.262	0.258	0.405
BELMONT**	0.127	0.204	0.019	0.015	-	-	-
TOTAL	8.432	7.914	3.072	2.922	3.002	2.965	3.382

* Pumping capacity is based on operating the larger of the pumps in each installation 80% of the off-peak load time and the smaller pump during the remaining off-peak load time.

** These systems are repumped systems.

*** Viewmont is a constant pressure pumping system with variable speed pumps and no storage capacity. It is also a repumped system.

GENERAL INFORMATION

DATE OF LOWEST RESERVOIR STORAGE		
	Date	Percent of Capacity
1999*	January 7	58.8
1999	November 25	66.0
2000	January 2	94.9
2001	November 23	52.8
2002**	January 1	73.3
2002	September 19	84.2
2003	February 2	98.6
Lowest Storage on Record		
1953	December 12	36.2
RECORD ANNUAL RAINFALL		
1996	HIGH	65.96 inches
1930	LOW	32.75 inches

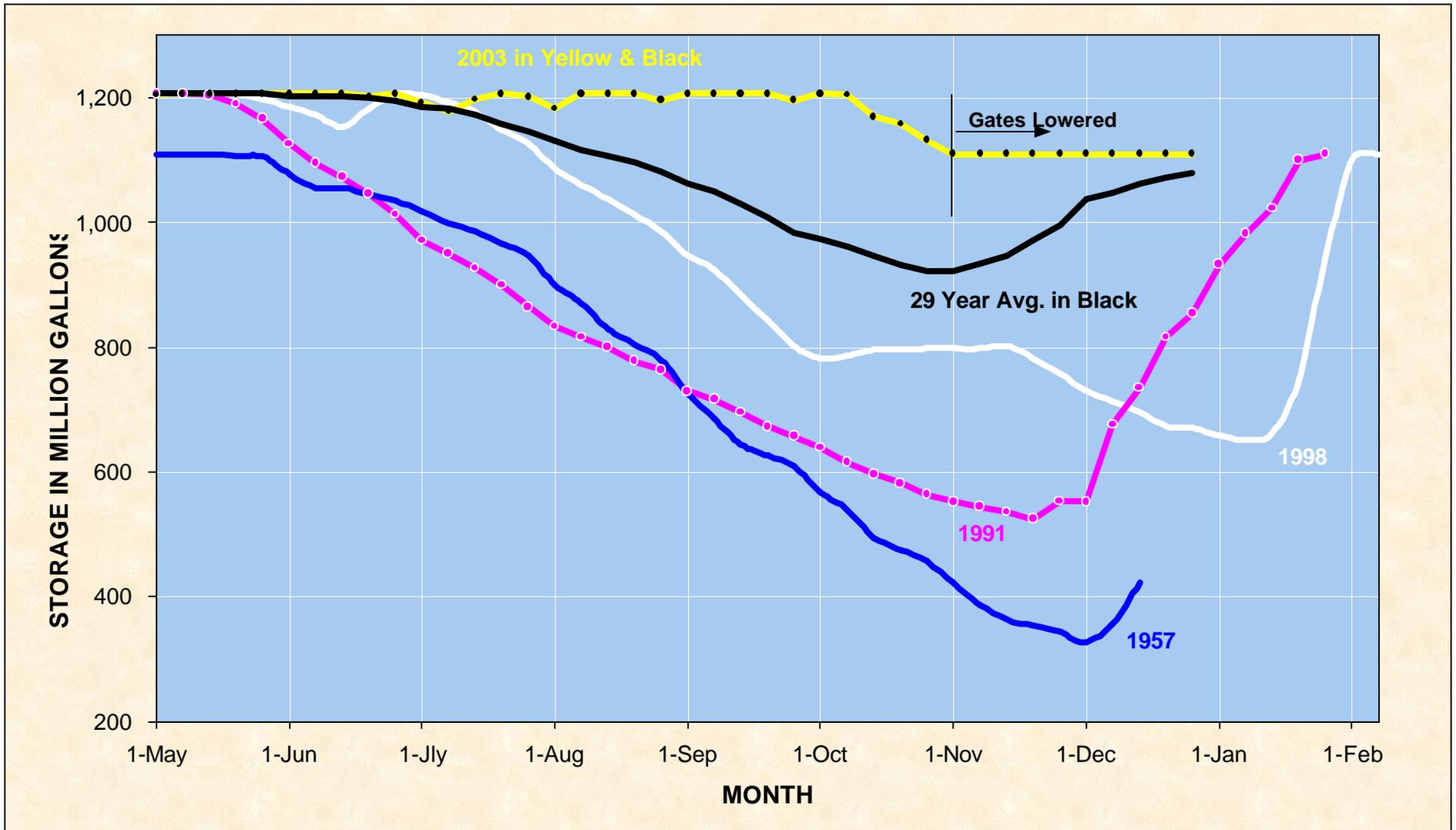
DATE OF HIGHEST FINISHED WATER DELIVERY[^]		
	Date	Million Gallons
1999	June 11	8.601
2000	May 12	7.944
2001	August 9	7.871
2002	July 18	7.581
2003	March 18	8.474
Highest on Record		
1959	June 30	22.500
ESTIMATED DELIVERY CAPACITY		
Treatment Plant Capacity		14.700

[^] Finished water includes water delivered from the Riverside Treatment Plant plus the Red Run & Mineral Point Wells.

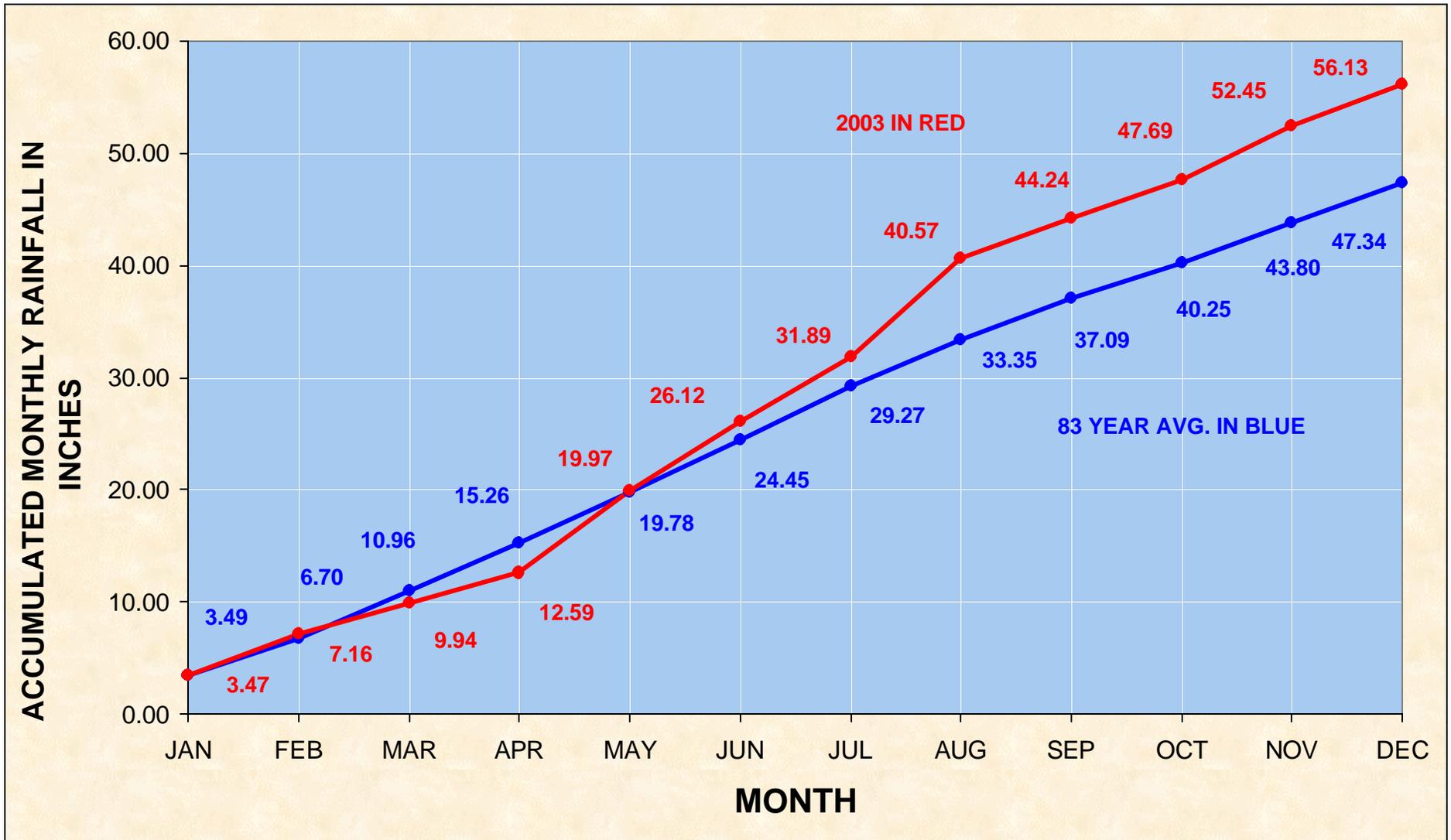
* Reservoirs did not begin recovery from 1998 drought until January 1999

** Reservoirs were still recovering from 2001 drought on January 1, 2002

STORAGE AT NORTH FORK RESERVOIR



ACCUMULATED RAINFALL
2003 & 83-YEAR AVERAGE



2003 was 18.57% Above the 83-Year Average

GENERAL INFORMATION

PUBLIC FIRE HYDRANTS IN SERVICE BY MUNICIPALITY	
City of Johnstown	441
Brownstown Borough	17
Dale Borough	15
East Conemaugh Borough	26
Ferndale Borough	21
Franklin Borough	19
Lorain Borough	17
Southmont Borough	48
Westmont Borough	98
Lower Yoder Township	74
Stonycreek Township	25
Upper Yoder Township	108
West Taylor Township	38
Conemaugh Township, Somerset County	16
East Taylor Township, Mineral Point	1
Middle Taylor Township	31
TOTAL	995
Private Fire Hydrants	6
Private Sprinkler Systems	115
Public Fire Hydrants Installed During 2003	0

METERS IN SERVICE BY SIZE		
Size - in inches	Net Change In 2003	Number as of 12/31/03
5/8	(59)	20,657
3/4	(3)	832
1	(2)	271
1-1/2	2	117
2	(4)	81
3	1	10
4	2	56
6	0	16
8	0	5
TOTAL	(63)	22,045

GENERAL INFORMATION

WATER MAINS IN SERVICE			
Size in Inches	Feet as of 12-31-02	2003 Net Changes	Feet as of 12-31-03
3/4	467	-	467
1	6,389	-	6,389
1-1/4	962	-	962
1-1/2	11,848	-	11,848
2	16,882	-	16,882
3	1,487	-	1,487
4	145,063	(2,735)	142,328
6	612,814	(3,180)	609,634
8	428,098	5,177	433,275
10	15,763	-	15,763
12	106,922	460	107,382
16	55,208	-	55,208
20	69,028	-	69,028
24	58,915	-	58,915
30	18,643	-	18,643
36	2,832	-	2,832
TOTAL	1,551,321	(278)	1,551,043

RECORDED SERVICE LINES*			
Size in Inches	Number as of 12/31/02	2003 Net Changes	Number as of 12/31/03
1/2	27	-	27
5/8	4,364	(2)	4,362
3/4	4,874	9	4,883
1	1,026	2	1,028
1-1/4	119	-	119
1-1/2	154	2	156
2	177	-	177
4	58	-	58
6	39	1	40
8	7	-	7
Additional Curb Boxes	890	-	890
TOTAL	11,735	12	11,747
FIRE SERVICES	142	-	142

*This difference in the number of service lines and water meters in service results from all service lines prior to 1926 being put in by the consumer.

SUMMARY OF BACTERIOLOGICAL DATA

YEAR	NUMBER OF SAMPLES ANALYZED		AVERAGE TOTAL COUNT BACTERIA PER ML		
	Raw	Treated	Raw	Treated	% Reduced
1999	841	2,148	106	3.8	96
2000	647	1,908	61	4.1	93
2001	442	1,789	99	3.3	97
2002	462	1,819	119	5.4	95
2003	455	1,803	132	2.2	98

AVERAGE TOTAL & FECAL COLIFORM PER ML.

SURFACE SOURCES	RAW		TREATED	% REDUCED
Dalton	12.1	} Riverside*		
North Fork	4.6		0.0	100%
Quemahoning	Did not use			
GROUNDWATER SOURCES				
Red Run	0.0		0.0	100%
Mineral Point	0.0		0.0	100%

*Dalton, North Fork and Quemahoning waters are combined in treatment at Riverside

AVERAGE OF CHEMICAL ANALYSES

PARAMETER	SURFACE WATER SOURCES			MAXIMUM CONTAMINANT LEVEL	GROUND WATER SOURCES	
	DALTON	NORTH FORK	RIVERSIDE**		RED RUN WELL	MINERAL POINT WELL
Manganese	0.057	0.099	0.004	0.05 mg/l	0.005	0.065
PH	6.33	6.44	7.43	6.5-8.5	7.04	7.85
Turbidity	2.12	1.82	0.12	1 N.T.U.	0.15	0.12
Color	17.2	18.6	0.03	15 Units	0.36	1.69
Iron	0.069	0.079	0.012	0.30 mg/l	0.013	0.099
Alkalinity	5.4	7.5	16.4	*	20.9	212
Hardness	20.3	21.8	32.9	*	33.8	80.0
Sulfates	19.3	18.9	20.7	250 mg/l	19.7	0.8
Total Solids	63.3	57.8	75.3	500 mg/l	59.5	369.2
Antimony	NA	NA	NT	0.006 mg/l	NT	NT
Arsenic	NA	NA	NT	0.050 mg/l	NT	NT
Barium	NA	NA	NT	2. mg/l	NT	NT
Beryllium	NA	NA	NT	0.0040 mg/l	NT	NT
Cadmium	NA	NA	NT	0.005 mg/l	NT	NT
Calcium	17.4	18.3	28.9	*	33.3	78.8
Chromium	NA	NA	NT	0.1 mg/l	NT	NT
Copper	NA	NA	NT	1.3 mg/l	NT	NT
Cyanide	NA	NA	NT	0.2 mg/l	NT	NT
Fluoride	NA	NA	1.02	4. mg/l	0.96	0.96
Lead	NA	NA	NT	0.015 mg/l	NT	NT
Mercury	NA	NA	NT	0.002 mg/l	NT	NT
Nitrate	NA	NA	0.91	10. mg/l	0.75	0.61
Nitrite	NA	NA	NA	1. mg/l	NA	NA
Nickel	NA	NA	NT	0.1 mg/l	NT	NT
Selenium	NA	NA	NT	0.05 mg/l	NT	NT
Sodium	NA	NA	NT	20. mg/l	NT	NT
Thallium	NA	NA	NT	0.002 mg/l	NT	NT
Trihalomethanes	NA	NA	0.0367	0.080 mg/l	0.0036	0.0831
Haloacetic Acids	NA	NA	0.0354	0.060 mg/l	ND	0.0157
Gross Alpha	NA	NA	0.0	15.0 pic/l	0.0	0.0
Radon	NA	NA	NA	*	NT	NT
15 SOC's	NA	NA	ND	*	Waiver	Waiver
Radium 226	NA	NA	0.1	^	0.4	0.3
Radium 228	NA	NA	0.0	^	0.0	0.9
Uranium	NA	NA	<.001	.030 mg/l	<.001	<.001

< = Less than

* = No Maximum Contaminant Level

^ = Radium 226 + Radium 228 < 5 pic/l

** = Riverside is a combination of Dalton, North Fork and Quemahoning water

N.D. = None detected

N.T. = Not tested

N.A. = Not applicable – Raw water testing not required

AVERAGE OF CHEMICAL ANALYSES (Continued)

PARAMETER	RIVERSIDE	RED RUN	MINERAL POINT WELL	MAXIMUM CONTAMINANT LEVEL	UNITS
VOLATILE ORGANIC CHEMICALS:					
Benzene	N.D.	N.D.	N.D.	0.005	mg/l
Carbon Tetrachloride	N.D.	N.D.	N.D.	0.005	mg/l
1,2-Dichloroethane	N.D.	N.D.	N.D.	0.005	mg/l
o-Dichlorobenzene	N.D.	N.D.	N.D.	0.6	mg/l
Para-Dichlorobenzene	N.D.	N.D.	N.D.	0.075	mg/l
1,1-Dichloroethylene	N.D.	N.D.	N.D.	0.007	mg/l
cis-1,2-Dichloroethylene	N.D.	N.D.	N.D.	0.07	mg/l
trans-1,2-Dichloroethylene	N.D.	N.D.	N.D.	0.1	mg/l
Dichloromethane	N.D.	N.D.	N.D.	0.005	mg/l
1,2- Dichloropropane	N.D.	N.D.	N.D.	0.005	mg/l
Ethylbenzene	N.D.	N.D.	N.D.	0.7	mg/l
Monochlorobenzene	N.D.	N.D.	N.D.	0.1	mg/l
Styrene	N.D.	N.D.	N.D.	0.1	mg/l
Tetrachloroethylene	N.D.	N.D.	N.D.	0.005	mg/l
Toluene	N.D.	N.D.	N.D.	1.	mg/l
1,2,4-Trichlorobenzene	N.D.	N.D.	N.D.	0.07	mg/l
1,1,1-Trichloroethane	N.D.	N.D.	N.D.	0.2	mg/l
1,1,2-Trichloroethane	N.D.	N.D.	N.D.	0.005	mg/l
Trichloroethylene	N.D.	N.D.	N.D.	0.005	mg/l
Vinyl Chloride	N.D.	N.D.	N.D.	0.002	mg/l
Xylenes (total)	N.D.	N.D.	N.D.	10.	mg/l
MTBE [^]	N.D.	N.T.	N.T.	*	mg/l
Unregulated Contaminants	N.D.	N.T.	N.T.	*	mg/l

- * = No Maximum Contaminant Level
- [^] = MTBE tested with Unregulated Contaminants
- N.D. = None detected
- N.T. = Not tested

REVENUES DERIVED FROM AUTHORITY PROPERTIES

TIMBER REVENUES

OPERATOR	WATERSHED	TRACT	BOARD FEET	AMOUNT
Kern Bros. Lumber Company	North Fork	Peterson	198,615	\$ 77,515.75
Kern Bros. Lumber Company	North Fork	Boswell Lumber	30,000	12,000.00
Georgia – Pacific	North Fork	Gardill	16,781	14,230.60
Brookville Wood Products	North Fork	Alwine	58,509	46,734.34
TOTAL			303,905	\$150,480.69

Average Price Per Thousand Board Feet - \$495.16

RIGHTS OF WAY, LEASE & ROYALTY FEES

OPERATOR	WATERSHED	DESCRIPTION	AMOUNT
Dominion Peoples	Red Run	Gas Storage on 1579.2 acres	\$ 3,158.00
Dominion Peoples	Red Run	Annual Road Rental	50.00
T & F Exploration	Saltlick	Royalty Revenues on Castine Well	760.55
TOTAL			\$ 3,968.55

OPERATING EXPENSES

PUBLIC UTILITY ACCOUNTS					
SOURCE OF SUPPLY			CUSTOMER ACCOUNTING AND COLLECTING		
701	Operation Supervision and Engineering	\$17,343	780	Supervision	\$30,085
702	Operation Labor	135,532	781	Contracts, Orders, Meter Reading & Collections	202,356
703	Operation Supplies and Expenses	7,948	782	Billing and Accounting	158,108
704	Maintenance Supervision and Engineering	6,504		TOTAL	\$390,549
705	Maintenance of Source of Supply Plant	79,824	ADMINISTRATION AND GENERAL		
	TOTAL	\$247,152	791	General Office Salaries	\$309,713
POWER AND PUMPING			792	Expenses of Officers & Office Employees	18,602
721	Operation Supervision and Engineering	\$14,091	793	General Office Supplies and Expenses	127,610
722	Operation Labor	119,539	795	Special Services	6,111
724	Supplies and Expenses	5,078	798	Insurance	128,222
725	Maintenance Supervision and Engineering	9,757	799	Injuries and Damages	45,657
726	Maintenance of Structures and Improvements	21,333	800	Employees' Welfare Expenses and Pensions	433,575
727	Maintenance of Power and Pumping Equipment	27,996	801	Miscellaneous General Expenses	128,511
729	Power Purchased or Transferred	0	802	Maintenance of General Property	154,923
	TOTAL	\$197,794	808	Rent	87,431
PURIFICATION AND LABORATORY				TOTAL	\$1,440,356
741	Operation Supervision and Engineering	\$6,539			
742	Purification and Laboratory Labor	28,905		SUBTOTAL	\$3,193,336
743	Purification and Lab Supplies and Expenses	17,773			
744	Maintenance Supervision and Engineering	6,430		Depreciation	54,753
745	Maintenance of Structures and Improvements	22,558			
746	Maintenance of Purification and Lab Equipment	402		Payroll Taxes	172,875
	TOTAL	\$82,609			
TRANSMISSION AND DISTRIBUTION					
751	Operation Supervision and Engineering	\$58,524		TOTAL OPERATING COSTS:	
752	Departmental Office Expenses	45,772		Basic Management Agreement	\$3,420,964
753	Operation of Lines, Hydrants & Storage Facilities	203,419			
754	Operation of Meters	65,379			
756	Maintenance Supervision and Engineering	32,522		RIVERSIDE TREATMENT PLANT:	
757	Maintenance of Structures and Improvements	18,352		Maintenance and Supervision	\$197,107
758	Maintenance of Mains	120,663		Breakdown Maintenance	18,669
759	Maintenance of Other Distribution Plant	290,246			
	TOTAL	\$834,876		Total Riverside Treatment Plant	\$215,776

UTILITY PLANT IN SERVICE - ADJUSTMENT BY YEAR

Year	Gross Capitol Expenditures	Less Contributions in Aid of Construction	Less Government Contributions	Actual Authority Investment
	Annual Average	Annual Average	Annual Average	Annual Average
First 10 yrs. Of Authority Operation 1964-1973	\$ 166,700	\$ 30,039	\$ 10,230	\$ 126,431
1974	260,395	21,568	-	238,827
1975	231,869	54,696	-	177,173
1976	266,221	52,767	-	213,454
1977	1,442,659	54,596	1,026,016	362,047
1978	1,147,656	92,143	526,942	528,571
1979	1,787,795	171,985	738,821	876,989
1980	1,988,091	189,767	885,639	912,685
1981	1,817,654	219,399	800,973	797,282
1982	3,564,062	148,228	1,973,912	1,441,922
1983	1,653,332	28,357	111,175	1,513,800
1984	1,797,800	44,025	-	1,753,775
1985	2,158,472	224,445	-	1,934,027
1986	2,983,242	38,087	-	2,945,155
1987	1,537,181	297,938	-	1,239,243
1988	944,808	209,053	-	735,755
1989	1,392,427	96,689	-	1,295,738
1990	4,455,249	313,747	-	4,141,502
1991	6,189,578	193,028	163,839	5,832,711
1992	4,878,575	113,644	150,782	4,614,149
1993	4,943,867	114,298	28,958	4,800,611
1994	6,025,700	87,364	48,696	5,889,640
1995	2,880,409	160,090	-	2,720,319
1996	2,095,363	40,891	-	2,054,472
1997	2,231,745	39,025	-	2,192,720
1998	1,889,148	90,861	-	1,798,287
1999	1,876,227	124,494	-	1,751,733
2000	3,017,667	253,817	-	2,763,850
2001	1,975,733	234,251	-	1,741,482
2002	1,825,101	190,504	-	1,634,597
2003	4,564,378	43,533	-	4,520,845
40-Year Average	\$1,887,235	\$106,092	\$163,951	\$1,617,192

UTILITY PLANT IN SERVICE

Summary of Adjustments by Greater Johnstown Water Authority as of December 31, 2003

ACCOUNT	Balance 12-31-02	2003 Additions	2003 Contributions in Aid of Construction	2003 Retirements	Net Increase Or (Decrease)	Balance 12-31-03
301 - ORGANIZATION	\$ 4,466	\$ 0	\$ 0	\$ 0	\$ 0	4,466
311 - LAND AND LAND RIGHTS	1,050,646	1,000	(1,000)	0	0	1,050,646
312 - STRUCTURES / IMPROVEMENTS	33,695,246	1,972,269	0	(4,592)	1,967,677	35,662,923
316 - ELECTRIC PUMPING EQUIPMENT	1,067,792	53,670	0	0	53,670	1,121,462
317 - OIL ENGINE PUMPING EQUIPMENT	345,660	0	0	0	0	345,660
319 - GASOLINE PUMPING EQUIPMENT	7,904	0	0	0	0	7,904
320 - PURIFICATION SYSTEM	3,867,041	1,166,359	0	(192)	1,166,167	5,033,208
321 - LABORATORY EQUIPMENT	52,411	0	0	0	0	52,411
322 - MAINS AND ACCESSORIES	24,732,887	731,331	0	(6,836)	724,495	25,457,382
323 - SERVICES	8,731,663	488,132	36,620	(10,672)	514,080	9,245,743
324 - METERS	3,610,380	42,099	2,625	(6,262)	38,462	3,648,842
325 - FIRE HYDRANTS	1,383,438	65,451	5,288	(7,067)	63,672	1,447,110
328 - OFFICE FURNITURE / EQUIPMENT	120,763	0	0	0	0	120,763
333 - COMMUNICATION EQUIPMENT	9,031	0	0	0	0	9,031
334 - MISCELLANEOUS EQUIPMENT	36,842	534	0	0	534	37,376
TOTAL	\$78,716,170	4,520,845	43,533	(35,621)	4,528,757	83,244,927

UTILITY PLANT IN SERVICE

Additions by Greater Johnstown Water Authority in 2003

ACCOUNT 311 - LAND AND LAND RIGHTS

4 - Transmission and Distribution Land and Rights of Way

Right-of-way and easement costs for Adamy and Pilot \$ 1,000 \$ 1,000

ACCOUNT 312 - STRUCTURES AND IMPROVEMENTS

3 - Purification Buildings

Red Run Treatment Building

Additional costs to install fiberglass doors with frames 1,120
Install new heater 545

Upper Yoder Pump Station

Install new heating unit 640

Saltlick Water Treatment Plant

Construction, electrical and engineering costs 1,879,037

5 - Distribution Reservoirs and Standpipes

Belmont Heights Tank

Additional costs to install tank level transmitter, conduit and phone lines 238

Middle Taylor Tank

Install steel security gate at entrance 1,520

Viewmont Tank

1 - Manmarc level transmitter 1GP10-A22C1F-MI7 824

11 - Collecting and Impounding Reservoirs

Dalton Run Reservoir

Additional engineering costs rendered in connection with the evaluation of spillway capacity 68,784

Saltlick Reservoir

Additional cost to install exterior grade wooden siding on the storage building 1,782

ACCOUNT 312 - STRUCTURES AND IMPROVEMENTS (Continued)

11 - Collecting and Impounding Reservoirs (Continued)

North Fork Reservoir

Install security lighting at reservoir \$ 630

Additional engineering costs rendered in connection with the evaluation of spillway capacity 10,811

15 - Other Water Source Structures

Dalton Run Storage Building

1 - 9'-7" Steel Overhead Door with vinyl weatherstrip 2,388

Millcreek Caretaker's House

Replace toilet in basement 303

North Fork Caretaker's House

Additional costs to install two fuel oil storage tanks outside 3,647 \$1,972,269

ACCOUNT 316 - ELECTRIC PUMPING EQUIPMENT

Dale/Middle Taylor/Franklin/Prospect/Millcreek Pump Stations

Install necessary equipment to allow the security system to alarm continuously until reset 741

Saltlick Pump Station

Electrical and engineering costs 49,164

Riverside Treatment Plant

1 - Bristol Babcock Controller Model #3755-A-110000,
and refurbished CPU cards 3,765 53,670

ACCOUNT 320 - PURIFICATION SYSTEM

Red Run Building

1 - U20755 Chlorine vacuum pressure relief valve 386

Saltlick Water Treatment Plant

Membrane Filtration system and engineering costs 1,165,973 1,166,359

ACCOUNT 322 - MAINS AND ACCESSORIES

Wood Street, 7 th Ward	1,844' - 8" PVC Pipe		
Ohio Street, 17 th Ward	39' - 6" PVC Pipe	\$	193,123
	1,062' - 8" PVC Pipe		
	460' - 12" PVC Pipe		301,229
Glenn Street, 20 th Ward	2,271' - 8" PVC Pipe		158,520
Benscreek Operating Station to Camoset Village, Upper Yoder Township	Engineering Costs		9,322
Cummins and Arthur Streets, Dale Borough	Install 6" Valve		2,999
Amherst and Woodmont Roads, Westmont Borough	Engineering Costs		26,866
Franklin Street at Wilshire Boulevard, Conemaugh Township, Somerset County	Install 6" Valve		3,112
Fender Lane & Meadow Drive, Upper Yoder Twp.	Engineering Costs		15,793
Mabel Street, Conemaugh Township, Somerset County	Install 1¼" Blowoff		1,366
Somerset Street near Menoher Boulevard, 5 th Ward	Install 1¼" Blowoff		2,598
Cliff Street, Dale Borough	Install 1½" By-pass regulator		292
Railroad Street, 9 th Ward	Engineering Costs		2,720
Fairfield Avenue, 18 th Ward	Additional Costs		1,439
Grazier Street, Lower Yoder Township	Relocate existing fire flow regulator		10,919
Neil Street and Eisenhower Boulevard, Stonycreek Township	Install 1¼" Blowoff		1,033
			<u>1,033</u>
		\$	731,331

ACCOUNT 323 - SERVICES

201 - ¾- inch Copper			334,986
1 - ¾- inch Plastic			1,445
65 - 1- inch Copper			<u>151,701</u>
			488,132

ACCOUNT 324 - METERS

100 - ? - inch Sensus Remote Register			12,259
50 - ¾- inch Sensus			6,226
50 - 1- inch Sensus			7,741
12 - 1½- inch Sensus			3,979
6 - 2- inch Sensus			2,761
2 - 4- inch/Compound Sensus			5,338
2 - 4- inch Sensus			<u>3,795</u>
			42,099

ACCOUNT 325 - FIRE HYDRANTS

Leon Street at Long Alley, Southmont Borough	Hydrant (Renewal)	\$ 2,563	
Pickering Street at Drexel Avenue, Westmont Borough	Hydrant (Renewal)	2,405	
Menoher Highway at St. Clair Road, Westmont Borough	Hydrant (Renewal)	2,620	
Pine Street at Birch Street, Franklin Borough	Hydrant (Renewal)	3,202	
Solomon Street above Wissinger Street, Stonycreek Twp.	Hydrant (Renewal)	3,499	
Glenwood Avenue at Austin Street, Ferndale Borough	Hydrant (Renewal)	3,013	
James Street near Ash Street, 7 th Ward	Hydrant (Renewal)	2,602	
Jacob Street near Central Avenue, 17 th Ward	Hydrant (Renewal)	2,226	
Beacon Street at Court Alley, Southmont Borough	Hydrant (Renewal)	2,411	
Bedford Street at Long Street, Stonycreek Township	Hydrant (Renewal)	1,521	
Sauers Avenue at Burley Street, Lower Yoder Township	Hydrant (Renewal)	2,208	
Viewmont Avenue at Ellsworth Avenue, Westmont Borough	Hydrant (Renewal)	2,831	
Southmont Boulevard at Lorain Street, 8 th Ward	Hydrant (Renewal)	3,390	
King Street near Dahlia Street, Southmont Borough	Hydrant (Renewal)	3,349	
Bluff Street, Southmont Borough	Hydrant (Renewal)	3,024	
Menoher Boulevard at Stanford Avenue, Westmont Borough	Hydrant (Renewal)	3,020	
Mabel Street at Thoburn Street, Southmont Borough	Additional Costs	27	
Crest Avenue and Wertz Road, Stonycreek Township	Hydrant (Renewal)	2,320	
Intersection of Somerset Street, Millcreek Road and Menoher Boulevard, 5 th Ward	Hydrant cost difference	(932)	
Bay Street at Linwood Avenue, Stonycreek Township	Hydrant (Renewal)	2,681	
Linden Avenue at Frederick Street, 17 th Ward	Hydrant (Renewal)	1,951	
Ebensburg Road at Jet Alley, 13 th Ward	Additional Costs	636	
Riffith Street and Price Street, Stonycreek Township	Hydrant/Lateral (Renewal)	2,046	
Laurel Avenue at Garfield Street, 20 th Ward	Hydrant/Lateral (Renewal)	3,638	
Ohio Street and Forest Avenue, 17 th Ward	Lateral (Renewal)	1,200	
Glenn Street and Orange Avenue, 20 th Ward	Hydrant/Lateral (Renewal)	2,000	
Chandler Avenue at Glenn Street, 20 th Ward	Hydrant/Lateral (Renewal)	2,000	
Wood Street south of Poplar Street, 7 th Ward	Hydrant/Lateral (New)	2,000	
Wood Street south of Hickory Street, 7 th Ward	Hydrant/Lateral (New)	<u>2,000</u>	\$ 65,451

ACCOUNT 334 - MISCELLANEOUS EQUIPMENT

<u>Sampling Station at Fernwood Drive Tank</u>			
1 – Frost Free Yard Hydrant		<u>534</u>	<u>534</u>
			\$4,520,845

UTILITY PLANT IN SERVICE

Contribution in Aid of Construction During 2003

ACCOUNT 311 - LAND AND LAND RIGHTS

Costs inadvertently charged to this account for right-of-ways and easements	\$ (1,000)	\$ (1,000)
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ACCOUNT 323 - SERVICES

New Services

16 - ¾-inch Copper	19,050	
2 - 1-inch Copper	1,100	
2 - 1½-inch Copper	4,772	
1 - 2-inch Copper	2,000	
1 - 6-inch Ductile Iron	10,076	
Credit costs on 8-inch Ductile Iron	<u>(378)</u>	36,620

ACCOUNT 324 - METERS

5 - Meter Pits		2,625
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ACCOUNT 325 - FIRE HYDRANTS

Napoleon and Somerset Streets, 6 th Ward	Damaged by truck	\$ 3,150	
Central Avenue at Suppes Avenue, 8 th Ward	Gr. Johnstown School District	<u>2,138</u>	\$ <u>5,288</u>
			\$ 43,533

UTILITY PLANT IN SERVICE

Retirements by Greater Johnstown Water Authority During 2003

ACCOUNT 312 - STRUCTURES AND IMPROVEMENTS

2 - Power and Pumping Structures

Upper Yoder Pump Station

Existing heater

\$ 110

3 - Purification Structures

Red Run Chlorination Station

Existing heater, 5KW, 240 volts

308

Entry doors and frames on building

2,041

5 - Distribution Reservoirs and Standpipes

Westmont Underground Tank

Cable railing on tank

8

Middle Taylor Tank

Level transmitter

253

Steel door on tank vault

462

Upper Yoder Tank

Level transmitter

1,057

15 - Other Water Source Structures

Dalton Run Caretaker's House

Wooden garage door on the storage building

110

Millcreek Caretaker's House

Toilet in basement

20

North Fork Caretaker's House

Fuel storage tanks in basement

223

\$ 4,592

ACCOUNT 320 - PURIFICATION SYSTEM

Red Run Chlorine Station

Chlorine vacuum pressure relief valve

\$ 192

\$ 192

ACCOUNT 322 - MAINS AND ACCESSORIES

Long Street, Stonycreek Township	1 - 1½" Blowoff	324	
Cliff Street, Dale Borough	1 - 1½" Pressure Reducing Valve	320	
Franklin Street at Wilshire Boulevard, Conemaugh Township, Somerset County	1 - 6" Valve	55	
Intersection of Cummins and Arthur Streets, Dale Borough	1 - 6" Valve	20	
Hay Avenue, 8 th Ward	248' - 6" Cast Iron Pipe	560	
	1 - 6" Valve	24	
	1 - Valve Box	7	
Glenn Street, 20 th Ward	1,629' - 6" C.I. Pipe	1,819	
	432' - 4" C.I. Pipe	295	
	2 - 4" Valves	14	
	9 - 6" Valves	125	
	2 - 8" Valves	37	
Ohio Street, 17 th Ward	1,231' - 6" C.I. Pipe	989	
	3 - 4" Valves	21	
	7 - 6" Valves	86	
	2 - 8" Valves	77	
Wood Street, 7 th Ward	1,779' - 4" C.I. Pipe	1,429	
	15' - 6" C. I. Pipe	45	
	5 - 4" Valves	45	
	3 - 6" Valves	47	
Franklin Street at Mulberry Street, 8 th Ward	95' - 6" C.I. Pipe	69	
	1 - 6" Valve	12	
	1 - Valve Box	17	
Franklin Street near Southmont Boulevard, 8 th Ward	524' - 4" C.I. Pipe	396	
	1 - Valve Box	<u>3</u>	6,836

ACCOUNT 323 - SERVICES

25 - ? - inch Lead	\$ 1,585	
10 - ¾- inch Lead	510	
14 - ¾- inch Copper	7,035	
1 - 1- inch Lead	147	
2 - 1- inch Copper	592	
1 - 1¼- inch Lead	135	
1 - 2- inch Copper	335	
9 - Curb Boxes	<u>333</u>	\$ 10,672

ACCOUNT 324 - METERS

56 - ? - inch Trident	717	
2 - ? - inch Hersey	59	
53 - ? - inch Rockwell	1,695	
21 - ? - inch Sensus	803	
20 - ? - inch Badger	1,197	
9 - ¾- inch Trident	155	
9 - ¾- inch Rockwell	513	
5 - 1- inch Trident	117	
2 - 1- inch Rockwell	159	
1 - 1- inch Badger	88	
1 - 1½- inch Trident	25	
1 - 2- inch Rockwell/Disc	304	
1 - 2- inch Trident	187	
1 - 4- inch Trident/Compound	<u>243</u>	6,262

ACCOUNT 325 - FIRE HYDRANTS

3 - 5-inch Matthews SH ₂	618	
23 - 5-inch Darling SH ₂	6,062	
3 - 6-inch C.I. Laterals	372	
1 - 6-inch Lateral Valve	<u>15</u>	<u>7,067</u>
		\$ 35,621

THE GROWTH OF THE UTILITY PLANT IN SERVICE

BASED ON ORIGINAL COST

Capital Account	At Acquisition February 12, 1964	At Present December 31, 2003
301 - ORGANIZATION	\$ -	\$ 4,466
311 - LAND AND LAND RIGHTS	796,818	1,050,646
312 - STRUCTURES AND IMPROVEMENTS	3,624,268	35,662,923
316 - ELECTRIC PUMPING EQUIPMENT	221,636	1,121,462
317 - OIL ENGINE PUMPING EQUIPMENT	-	345,660
319 - GASOLINE PUMPING EQUIPMENT	-	7,904
320 - PURIFICATION SYSTEM	43,464	5,033,208
321 - LABORATORY EQUIPMENT	-	52,411
322 - MAINS AND ACCESSORIES	4,338,710	25,457,382
323 - SERVICES	764,633	9,245,743
324 - METERS	386,078	3,648,842
325 - FIRE HYDRANTS	216,602	1,447,110
328 - OFFICE FURNITURE AND EQUIPMENT	-	120,763
333 - COMMUNICATION EQUIPMENT	-	9,031
334 - MISCELLANEOUS EQUIPMENT	-	37,376
TOTAL	\$10,392,209	\$83,244,927

Net Increase - \$ 72,852,818