

SANDY HOOK WATER DISTRICT

**KENTUCKY PUBLIC SERVICE
COMMISSION REPORT**

DECEMBER 31, 2004

CLIENT'S COPY

**KENTUCKY PUBLIC SERVICE COMMISSION
 REPORT OF GROSS OPERATING REVENUES DERIVED FROM INTRA-KENTUCKY
 BUSINESS FOR THE YEAR ENDING DECEMBER 31, 20 04**

SANDY HOOK WATER DISTRICT (Utility Reporting) P.O. Box 726, SANDY HOOK, KY 41171 (Address)

FEIN # (Federal Employer Identification Number)

6 | 1 | - | 6 | 0 | 1 | 6 | 6 | 8 | 9

(DO NOT INCLUDE TAXES COLLECTED)

- (1) Gross Revenues of Electric Utility.....\$ _____
- (2) Gross Revenues of Gas Utility.....\$ _____
- (3) Gross Revenues of Water Utility.....\$ 374,069
- (4) Gross Revenues of Sewer Utility.....\$ _____
- (5) Other Operating Revenues.....\$ 13,060
- *** TOTAL GROSS REVENUES.....\$ 387,129**

OATH

State of KENTUCKY)
 County of ELLIOTT) ss.

JIMMY WHITT being duly sworn, states that he/she is
 (Officer)

CHAIRMAN of the SANDY HOOK WATER DISTRICT that the above
 (Official Title) (Utility Reporting)

report of gross revenues is in exact accordance with SANDY HOOK WATER DISTRICT, and that such
 (Utility Reporting)

books accurately show the gross revenues of: SANDY HOOK WATER DISTRICT, derived from
 (Utility Reporting)

Intra-Kentucky business for the calendar year ending December 31, 20 04.

 (Officer)

 (Title)

This the _____ day of _____, 20 _____

 (Notary Public)

 (County)

 (Commission Expires)

NOTE: ANY DIFFERENCE BETWEEN THE AMOUNT OF THE GROSS REVENUES SHOWN IN THE ANNUAL REPORT AND THE AMOUNT APPEARING ON THIS STATEMENT MUST BE RECONCILED ON THE REVERSE OF THIS REPORT.

Title Page

	Name of Respondent	Addr. Line 1	Addr. Line 2	City	State	Zip
Water Districts/Associations						
Annual Report of						
Respondent	SANDY HOOK WATER DISTRICT	P.O. BOX 726		SANDY HOOK	KY	41171

29200 Sandy Hook Water District 01/01/2004 - 12/31/2004

Principal Payment and Interest Information

	Amount	Yes/No	PSC Case No.
Amount of Principal Payment During Calendar Year			
Is Principal Current?			
Is Interest Current?			
Has all long-term debt been approved by the Public Service Commission?			

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Services Performed by Independent CPA

	Yes/No	A/C/R
Are your financial statements examined by a Certified Public Accountant?		
Enter Y for Yes or N for No	Y	
If yes, which service is performed?		
Enter an X on each appropriate line		
Audit		X
Compilation		
Review		

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Additional Requested Information

	Name	Electronic Info
Name of Utility and Web Address	SANDY HOOK WATER DISTRICT	
Contact Name and Email Address	JUDY STINSON	
	SHWATER@MRTC.COM	

Major Water Projects

	<p>Provide details about each major water project which is planned but has not yet been submitted for approval to the Public Service Commission.</p>
	<p>For the limited purpose of this report, a "Major Project" is defined as one which is not in the ordinary course of business, and will increase your current utilityplant by at least 20 percent.</p>
	<p>Brief Project Description: (improvement, replacement, building construction, expansion. If expansion, provide the estimated number of new customers).</p>
	<p>Projected Costs and Funding Sources/Amounts:</p>
	<p>Approval Status: (Application for financial assistance filed, but not approved; or application approved, but have not advertised for construction bids)</p>
	<p>Location: (community, area or nearby roads)</p>

History-Legal Name (Ref Page: 4)

1. Exact name of utility making this report. (Use the words "The", "Company" or "Incorporated" only when part of the corporate name.)	
	SANDY HOOK WATER DISTRICT

History-Location (Ref Page: 4)

	name	Address	city	state	zip	Phone
Give the location, including street and number, and TELEPHONE NUMBER of the principal office in KY.						
principal office in KY		P.O. BOX 726	SANDY HOOK	KY	41171	
Give name, title, address and TELEPHONE NUMBER of the officer						
to whom correspondence concerning this report should be addressed.						
	JIMMY WHITT, CHAIRMAN	SANDY HOOK WATER DISTRICT	SANDY HOOK	KY	41171	(606)738-6
Location where books are located	WATER DISTRICT OFFICE	SANDY HOOK	SANDY HOOK	KY		

29200 Sandy Hook Water District 01/01/2004 - 12/31/2004

History-Date Organized (Ref Page: 4)

Date of Organization	Date
	01011957

History-Laws of Organization (Ref Page: 4)

	List
If a consolidated or merger company, name all contingent and all merged companies. Give reference to charters or general laws governing each, and all amendments of same	N/A
Date and Authority for each consolidation and each merger.	N/A

History-Departments (Ref Page: 4)

List	WATER DISTRICT
State whether respondent is a water district or association	N/A
Name all operating departments other than water	

History - Counties (Ref Page: 5)

	County
List Counties in which you furnish water service	
	Elliott

Contacts (Ref Page: 6)

	Title	Last Name	First Name	Bus. Addr.	Salary	Term Expires
Person to send correspondence:	CHAIRMAN	WHITT	JIMMY	SANDY HOOK, KY		
Person who prepared this report						
Officers and Managers						
	CHAIRPERSON	WHITT	JIMMY	SANDY HOOK, KY	\$0.00	120106
	TREASURER	PRICHARD	L.C.	SANDY HOOK, KY	\$0.00	072706
	SECRETARY	PRICHARD	L.C.	SANDY HOOK, KY	\$0.00	072606
	COMMISSIONER	FANNIN	ARMETTA	SANDY HOOK, KY	\$0.00	080608
	COMMISSIONER	LYON	RALPH	SANDY HOOK, KY	\$0.00	060106
	COMMISSIONER	JESSIE	TAMMY	SANDY HOOK, KY	\$0.00	060107

Balance Sheet - Assets and Other Debits (Ref Page: 7)

	Previous Year	Current Year
UTILITY PLANT		
Utility Plant (101-106)	\$5,627,291.00	\$5,748,251.00
Less: Accumulated Depreciation and Amortization (108-10)	\$1,173,310.00	\$1,305,461.00
Net Plant	\$4,453,981.00	\$4,442,790.00
Utility Plant Acquisition Adjustments (Net) (114-115)		
Other Utility Plant Adjustments (116)	\$4,453,981.00	\$4,442,790.00
Total Net Utility Plant		
OTHER PROPERTY AND INVESTMENTS		
Nonutility Property (121)		
Less: Accumulated Depreciation and Amortization (122)	\$0.00	
Net Nonutility Property		
Investment in Associated Companies (123)		
Utility and Other Investments (124-125)		
Sinking Funds (126)		
Other Special Funds (127)	\$0.00	
Total Other Property and Investments		
CURRENT AND ACCRUED ASSETS	\$175,571.00	\$199,462.00
Cash (131)	\$74,429.00	\$57,833.00
Special Deposits (132)		
Other Special Deposits (133)		
Working Funds (134)		
Temporary Cash Investments (135)	\$29,325.00	\$30,565.00
Accounts and Notes Receivable, Less Accumulated Provision for Uncollectible Accounts (141-144)		
Accounts Receivable from Associated Companies (145)		
Notes Receivable from Associated Companies (146)		
Materials and Supplies (151-153)		
Stores Expense (161)	\$3,999.00	\$6,743.00
Prepayments (162)		
Accrued Interest and Dividends Receivable (171)		

Balance Sheet - Assets and Other Debits (Ref Page: 7)

	Previous Year	Current Year
Rents Receivable (172)		
Accrued Utility Revenues (173)		
Misc. Current and Accrued Assets (174)		\$294,603.00
Total Current and Accrued Assets	\$283,324.00	
DEFERRED DEBITS		
Unamortized Debt Discount and Expense (181)		
Extraordinary Property Losses (182)		
Preliminary Survey and Investigation Charges (183)		
Clearing Accounts (184)		
Temporary Facilities (185)		
Misc. Deferred Debits (186)		
Research and Development Expenditure (187)		
Total Deferred Debits	\$0.00	
TOTAL ASSETS AND OTHER DEBITS	\$4,737,305.00	\$4,737,393.00

Balance Sheet - Equity Capital and Liabilities (Ref Page: 9)

	Previous Year	Current Year
EQUITY CAPITAL		
Appropriated Retained Earnings (214)		
Retained Earnings From Income before contributions (215.1)	(\$620,880.00)	(\$697,417.00)
Donated Capital (215.2)	\$4,042,202.00	\$4,141,105.00
Total Equity Capital	\$3,421,322.00	\$3,443,688.00
LONG-TERM DEBT		
Bonds (221)	\$1,301,300.00	\$1,275,700.00
Re-acquired Bonds (222)		
Advances from Associated Companies (223)		
Other Long-Term Debt (224)		
Total Long Term Debt	\$1,301,300.00	\$1,275,700.00
CURRENT AND ACCRUED LIABILITIES		
Accounts Payable (231)	\$890.00	\$786.00
Notes Payable (232)		
Accounts Payable to Associated Co. (233)		
Notes Payable to Associated Co (234)		
Customer Deposits (235)	\$11,601.00	\$13,701.00
Accrued Taxes (236)		
Accrued Interest (237)		
Matured Long-Term Debt (239)		
Matured Interest (240)		
Tax Collections Payable (241)		
Misc. Current and Accrued Liabilities (242)	\$2,192.00	\$3,518.00
Total Current and Accrued Liabilities	\$14,683.00	\$18,005.00
DEFERRED CREDITS		
Unamortized Premium on Debt (251)		
Advances for Construction (252)		
Other Deferred Credits (253)		
Total Deferred Credits	\$0.00	
OPERATING RESERVES		

Balance Sheet - Equity Capital and Liabilities (Ref Page: 9)

	Previous Year	Current Year
Accumulated Provision For:		
Property Insurance (261)		
Injuries and Damages (262)		
Pensions and Benefits (263)		
Miscellaneous Operating Reserves (265)		
Total Operating Reserves	\$0.00	
Total Equity Capital and Liabilities	\$4,737,305.00	\$4,737,393.00

Comparative Operating Statement (Ref Page: 11)

	Previous Year	Current Year
UTILITY OPERATING INCOME		
Operating Revenues (400)	\$383,408.00	\$387,129.00
Operating Expenses (401)	\$251,516.00	\$250,794.00
Depreciation Expenses (403)	\$134,955.00	\$132,151.00
Amortization of Utility Plant Acquisition Adjustment (406)		
Amortization Expense (407)		
Taxes Other Than Income (408.10-408.13)	\$25,765.00	\$22,464.00
Utility Operating Expenses	\$412,236.00	\$405,409.00
Utility Operating Income	(\$28,828.00)	(\$18,280.00)
Income From Utility Plant Leased to Others (413)		
Gains (Losses) from Disposition of Utility Property (414)		
Total Utility Operating Income	(\$28,828.00)	(\$18,280.00)
OTHER INCOME AND DEDUCTIONS		
Revenues From Merchandising, Jobbing and contract work (415)		
Costs and Expenses of Merchandising, Jobbing and Contract Work (416)		
Interest and Dividend Income (419)	\$594.00	\$576.00
Allowance for funds Used During Constructions (420)		
Nonutility Income (421)	\$2,623.00	\$4,253.00
Miscellaneous Nonutility Expenses (426)		
Total Other Income and Deductions	\$3,217.00	\$4,829.00
TAXES APPLICABLE TO OTHER INCOME		
Taxes Other Than Income (408.20)		
Total Taxes Applic. to Other Income		
INTEREST EXPENSE		
Interest Expense (427)	\$64,799.00	\$63,086.00
Amortization of Debt Discount and Exp. (428)		
Amortization of Premium on Debt (429)		
Total Interest Expense	\$64,799.00	\$63,086.00

Comparative Operating Statement (Ref Page: 11)

	Previous Year	Current Year
EXTRAORDINARY ITEMS		
Extraordinary Income (433)		
Extraordinary Deductions (434)		
Total Extraordinary Items	\$0.00	
NET INCOME BEFORE CONTRIBUTIONS	(\$90,410.00)	(\$76,537.00)

Statement of Retained Earnings 2002 (Ref Page: 12)

Description	Total
Appropriated Retained earnings (214) (state balance and purpose of each appropriated amount at year end:)	
Total Appropriated Retained Earnings	
Retained Earnings From Income Before Contributions (215.1)	
Balance beginning of year	(\$620,880.00)
Balance transferred from Net Income Before Contributions (435)	(\$76,537.00)
Changes to account:	
Appropriations of Retained Earnings (436)	
Adjustments to Retained Earnings (439) (requires Commission approval prior to use):	
Credits	
Debits	
Balance End of Year	(\$697,417.00)

Statement of Retained Earnings (cont. 215.2) (Ref Page: 12)

Description	Tapping Fees	Grants	Other	Total
Donated Capital (215.2)				
Balance Beginning of the Year				\$4,042,202.00
Credits				
Proceeds from capital contributions (432)	\$16,000.00	\$82,903.00		\$98,903.00
Other Credits (explain)				
Debits (explain - requires Commission Approval)				
Balance End of Year	\$16,000.00	\$82,903.00		\$4,141,105.00

Net Utility Plant (Accts. -106) (Ref Page: 13)

	Total
Utility Plant in Service (101)	\$5,708,331.00
Utility Plant Leased to Others (102)	
Property Held for Future Use (103)	
Utility Plant Purchased of Sold (104)	
Construction Work in Progress (105)	\$39,920.00
Completed Construction Not Classified (106)	
Total Utility Plant	\$5,748,251.00

Accumulated Depreciation (Acct. 108) (Ref Page: 13)

Description	Total
Balance First of Year	\$1,173,310.00
Credit during year	
Accruals Charged to Account 108.1	\$132,151.00
Accruals Charged to Account 108.2	
Accruals Charged to Account 108.3	
Accruals Charged to Other Accounts (specify)	
(specify)	
Salvage Value Recovered on Plant Retired	
Other Credits	
(specify)	
Total Credits	
Debits during year:	
Book Cost of Plant Retired	
Cost of Removal	
Other Debits	
(specify)	
Total Debits	
Balance at End of Year	\$1,305,461.00

Water Utility Plant Accounts (Ref Page: 14)

	Prev Year (c)	Additions (d)	Retirement (e)	Current Yr(f)	Intangible Plant (g)	Supply & Pump Plant (h)	Water Treatment (i)	Trans. and Distr. (j)	General Plant
Meters and Meter Installations (334)	\$2,965.00			\$2,965.00				\$2,965.00	
Hydrants (335)	\$1,054.00	\$1,054.00		\$1,054.00				\$1,054.00	
Backflow Prevention Devices (336)									
Other Plant and Misc. Equipment (339)	\$70,681.00	\$11,678.00		\$82,359.00				\$82,359.00	
Office Furniture and Equip. (340)	\$16,385.00			\$16,385.00					\$16,385.00
Transportation Equipment (341)	\$47,809.00			\$47,809.00					\$47,809.00
Stores Equipment (342)									
Tools, Shop and Garage Equip (343)									
Laboratory Equipment (344)									
Power Operated Equipment (345)									
Communication Equipment (346)									
Miscellaneous Equipment (347)									
Other Tangible Plant (348)									
Total Water Plant	\$5,627,291.00	\$81,040.00		\$5,708,331.00		\$175,772.00	\$421,499.00	\$5,046,866.00	\$64,194.00

29200 Sandy Hook Water District 01/01/2004 - 12/31/2004

Analysis of Accumulated Depreciation and Amortization by Primary Acct (Ref Page: 15)

	Balance Beg Yr (c)	Cr-Chg Dep Exp (d)	Other Credits (e)	Charges-Plant Ret (f)	Other Charges (g)	Balance End Yr (h)
Organization (301)						
Franchises (302)						
Land and Land Rights (303)	\$77,664.00	\$5,199.00				\$82,863.00
Structures and Improvements (304)						
Collecting and Impounding Reservoirs (305)						
Lake, River and Other Intakes (306)						\$27,474.00
Wells and Springs (307)	\$25,944.00	\$1,530.00				
Infiltration Galleries and Tunnels (308)						
Supply Mains (309)						
Power Generating Equipment (310)	\$71,185.00	\$6,086.00				\$77,271.00
Pumping Equipment (311)	\$210,341.00	\$11,028.00				\$221,369.00
Water Treatment Equipment (320)						
Distributions Reservoirs and Standpipes (330)	\$690,115.00	\$94,380.00				\$784,495.00
Transmission and Distribution Mains (331)						
Services (333)	\$2,964.00					\$2,964.00
Meters and Meter Installations (334)	\$1,054.00					\$1,054.00
Hydrants (335)						
Backflow Prevention Devices (336)	\$61,657.00	\$4,251.00				\$65,908.00
Other Plant and						

Analysis of Accumulated Depreciation and Amortization by Primary Acct (Ref Page: 15)

	Balance Beg. Yr (c)	Cr-Chg Dep Exp (d)	Other Credits (e)	Charges-Plant Ret (f)	Other Charges (g)	Balance End Yr (h)
Office Furniture and Equip. (340)	\$13,493.00	\$557.00				\$14,050.00
Transportation Equipment (341)	\$18,893.00	\$9,120.00				\$28,013.00
Stores Equipment (342)						
Tools, Shop and Garage Equip (343)						
Laboratory Equipment (344)						
Power Operated Equipment (345)						
Communication Equipment (346)						
Miscellaneous Equipment (347)						
Other Tangible Plant (348)						
Totals	\$1,173,310.00	\$132,151.00				\$1,305,461.00

Accumulated Amortization (Acct. 110) (Ref Page: 16)

Description	Total
Balance First of Year	\$0.00
Credit during year	
Accruals Charged to Account 110.1	
Accruals Charged to Account 110.2	
Other Credits	
(specify)	
Total Credits	
Debits during year:	
Book Cost of Plant Retired	
Other Debits	
(specify)	
Total Debits	
Balance end of Year	\$0.00

Utility Plant Acquisition Adjustments (Accts. 114-115) (Ref Page: 16)

Description	Total
Acquisition Adjustments (114) (specify)	
Total Plant Acquisition Adjustments	
Accumulated Amortization (115) (specify)	
Total Accumulated Amortization	
Net Acquisition Adjustments	\$0.00

Investments and Special Funds (Ref Page: 17)

Description (a)	Face or Par Value (b)	Year End Book Cost
Investment in Associated Companies (123)		\$0.00
Total Investment in Associated Companies		\$0.00
Utility Investments (124)		\$0.00
Total Utility Investments		\$0.00
Other Investments (125)		\$0.00
Total Other Investments		\$0.00
Sinking Funds (126)	\$0.00	\$0.00
Total Sinking Funds		\$0.00
Other Special Funds (127)		\$0.00
Total Other Special Funds	\$0.00	\$0.00

Accounts and Notes Receivable - Net (Accts 141-144) (Ref Page: 18)

Description	Total
Accounts and Notes Receivable	
Customer Accounts Receivable (141)	\$30,565.00
Other Accounts Receivable (142)	
Total Other Accounts Receivable	
Notes Receivable (144)	
Total Notes Receivable	\$30,565.00
Total Accounts and Notes Receivable	
Accumulated Provision for Uncollectible Accounts (143)	
Balance First of Year	
Add:	
Provision for uncollectibles for current year	
Collections of account previously written off	
Other	
(specify)	
Total Additions	
Deduct accounts written off during year:	
Other	
(specify)	
Total Deductions	
Balance end of Year	
Total Accounts and Notes Receivable - Net	\$30,565.00

Materials and Supplies (151-153) (Ref Page: 19)

	Total	
Plant Materials and Supplies (151)		\$0.00
Merchandise (152)		\$0.00
Other Materials and Supplies (153)		\$0.00
Total Materials and Supplies		\$0.00

Prepayments (Acct. 162) (Ref Page: 19)

	Description	Total
Prepaid Insurance		\$5,785.00
Prepaid Rents		
Prepaid Interest		
Prepaid Taxes		
Other Prepayments		\$958.00
(Specify)	PREPAID COMPUTER MAINTENANCE	
Total Prepayments		\$6,743.00

Miscellaneous Deferred Debits (Acct. 186) (Ref Page: 20)

	Total
Miscellaneous Deferred Debits (186)	
Deferred Rate Case Expense (186.1)	
Other Deferred Debits (186.2)	
Regulatory Assets (186.3)	
Total Miscellaneous Deferred Debits	\$0.00

Unamortized Debt Discount and Expense and Premium on Debt (Accts 181 and 251) (Ref Page: 20)

Description	Amt Written Off during year	Year End Balance
Unamortized Debt Discount and Expense (181)		
Total Unamortized Debt Discount and Expense		
Unamortized Premium on Debt (251)	\$0.00	\$0.00
Total Unamortized Premium on Debt	\$0.00	\$0.00

Extraordinary Property Losses (Acct. 182) (Ref Page: 21)

	Description	Total
Extraordinary Property Losses (182)		
(Specify)		
Total Extraordinary Property Losses		\$0.00

Advances for Construction (Acct. 252) (Ref Page: 21)

	Total
Balance First of Year	
Add credits during year	
Deduct charges during year	
Balance end of year	\$0.00

Long Term Debt (Ref Page: 22)

Description of Obligation (a)	Issue Date (b)	Mature Date (c)	Interest Expense for Year Rate (d)	Interest Expense for Year Amount (e)	Principal per Balance Sheet Date (f)
			0		
Total			0		\$0.00

Bonds - Account 221 (Ref Page: 23)

Par Value of Actual Issue (1)	Cash Realized on Actual Issue (2)	Par Val of Amt. Held by or for Respondent (3)	Actually Outstanding at Close of Year (4)	Interest During Year Accrued (5)	Interest During Year Actually Paid (6)
\$181,000.00			\$31,000.00	\$1,425.00	\$1,425.00
\$237,000.00			\$205,000.00	\$13,060.00	\$13,000.00
\$316,000.00			\$263,000.00	\$13,400.00	\$13,400.00
\$70,000.00			\$60,700.00	\$3,090.00	\$3,090.00
\$259,000.00			\$232,000.00	\$10,597.00	\$10,597.00
\$495,000.00			\$484,000.00	\$21,580.00	\$21,550.00
\$1,558,000.00			\$1,275,700.00	\$63,062.00	\$63,062.00
Total					

Schedule of Bond Maturities (Ref Page: 23)

Bond Numbers (7)	Maturity Date (8)	Interest Rate (9)	Principal Amt (10)	Amounts Paid (11)	Remaining Bonds Outstanding (12)
1-6	2005	0	\$25,600.00	\$25,600.00	\$0.00
	2006	0	\$28,100.00		\$28,100.00
	2007	0	\$29,200.00		\$29,200.00
	2008	0	\$29,200.00		\$29,200.00
	2009	0	\$32,300.00		\$32,300.00
	2010	0	\$24,300.00		\$24,300.00
	2011	0	\$25,400.00		\$25,400.00
	2012	0	\$28,000.00		\$28,000.00
	2013	0	\$28,600.00		\$28,600.00
	2014	0	\$29,100.00		\$29,100.00
	2015	0	\$31,200.00		\$31,200.00
	2016	0	\$33,300.00		\$33,300.00
	2017	0	\$34,400.00		\$34,400.00
	2018	0	\$37,500.00		\$37,500.00
	2019	0	\$38,100.00		\$38,100.00
	2020	0	\$41,200.00		\$41,200.00
	2021	0	\$43,300.00		\$43,300.00
	2022	0	\$44,900.00		\$44,900.00
	2023	0	\$48,600.00		\$48,600.00
	2024	0	\$50,200.00		\$50,200.00
	2025	0	\$53,300.00		\$53,300.00
	2026	0	\$56,500.00		\$56,500.00
	2027	0	\$58,100.00		\$58,100.00
	2028	0	\$61,700.00		\$61,700.00
	2029	0	\$46,900.00		\$46,900.00
	2030	0	\$48,100.00		\$48,100.00
	2031	0	\$33,300.00		\$33,300.00
	2032	0	\$34,400.00		\$34,400.00
	2033	0	\$32,000.00		\$32,000.00
	2034	0	\$34,000.00		\$34,000.00

Notes Payable (Accts 232 and 234) (Ref Page: 24)

Description	Nominal Date of Issue	Date of Maturity	Int. Rate	Int. Payment	Principal Amt Per Bal Sheet
Account 232 - Notes Payable				0	
Total Account 232					
Account 234 - Notes Payable to Associated Companies				0	\$0.00
Total Account 234					

Accounts Payable to Associated Companies (Acct. 233) (Ref Page: 24)

Description	Total
Show Payable to Each Associated Company Separately	
(Specify)	
Total	\$0.00

	Total
Balance First of Year	\$0.00
Accruals Charged:	
Utility regulatory assessment fees (408.10)	\$662.00
Property taxes (408.11)	
Payroll taxes (employer's portion) (408.12)	\$9,509.00
Other taxes and licenses (408.13)	\$12,293.00
Taxes other than income, other income and deductions (408.20)	
Total taxes accrued	\$22,464.00
Taxes paid during year:	
Utility regulatory assessment fees (408.10)	\$662.00
Property taxes (408.11)	
Payroll taxes (employer's portion) (408.12)	\$9,509.00
Other taxes and licenses (408.13)	\$12,293.00
Taxes other than income, other income and deductions (408.20)	
Total Taxes Paid	\$22,464.00
Balance end of year	\$0.00

	Description of Debt (a)	Balance Beg of Year (b)	Interest Accrued(c)	Interest Paid (d)	Balance End of Year (e)
Long Term Debt:					
	N/P - RECDS 91-01		\$1,425.00	\$1,425.00	\$0.00
	N/P - RECDS 91-03		\$13,000.00	\$13,000.00	\$0.00
	N/P - RECDS 91-04		\$13,400.00	\$13,400.00	\$0.00
	N/P - RECDS 91-06		\$3,090.00	\$3,090.00	\$0.00
Notes Payable:					
	N/P - RECDS 91-07		\$10,597.00	\$10,597.00	\$0.00
	N/P - RECDS 91-10		\$21,550.00	\$21,550.00	\$0.00
Customer Deposits:					
			\$24.00	\$24.00	\$0.00
Other:					
Total Acct. No 237			\$63,086.00	\$63,086.00	\$0.00

Miscellaneous Current and Accrued Liabilities (Acct. 242) (Ref Page: 26)

Description	Balance End Year
KENTUCKY EMPLOYER	\$523.00
FICA AND FEDERAL WITHHOLDING	\$2,626.00
ACCRUED SALES TAX	\$275.00
DUE TO COUNTY	\$94.00
Total Miscellaneous Current and Accrued Liabilities	\$3,518.00

Regulatory Commission Expense (Acct 666 and 667) (Ref Page: 26)

Description of Case (Docket No.) (a)	Total Incurred During Year (b)	Amt Transferred to Acct 186.1 (c)	Expensed During Year Acct (d)	Expensed During Year Amount (e)
	\$0.00		\$0.00	\$0.00
Total				

Water Operating Revenue (Ref Page: 27)

	Beginning Year Customers	Year End Customers	Amount
Operating Revenues			
Unmetered Water Revenue (460)	0	0	\$0.00
Metered Water Revenue (461)			
Sales to Residential Customers (461.1)	1,032	1,052	\$304,737.00
Sales to Commercial Customers (461.2)	84	84	\$69,332.00
Sales to Industrial Customers (461.3)	0	0	\$0.00
Sales to Public Authorities (461.4)	0	0	\$0.00
Sales to Multiple Family Dwellings (461.5)	0	0	\$0.00
Sales through Bulk Loading Stations (461.6)	0	0	\$0.00
Total Metered Sales	1,116	1,136	\$0.00
Fire Protection Revenue (462)			
Public Fire Protection (462.1)	0	0	\$0.00
Private Fire Protection (462.2)	0	0	\$0.00
Total Fire Protection Revenue	0	0	\$0.00
Other Sales to Public Authorities (464)	0	0	\$0.00
Sales to Irrigation Customers (465)	0	0	\$0.00
Sales for Resale (466)	0	0	\$0.00
Interdepartmental Sales (467)	0	0	\$0.00
Total Sales of Water	1,116	1,136	\$374,069.00
Other Water Revenues			
Guaranteed Revenues (469)	0	0	\$0.00
Forfeited Discounts (470)			\$0.00
Miscellaneous Service Revenues (471)			\$0.00
Rents from Water Property (472)			\$0.00
Interdepartments Rents (473)			\$0.00
Other Water Revenues (474)			\$0.00
Total Other Water Revenues			\$13,060.00
Total Water Operating Revenues			\$387,129.00

29200 Sandy Hook Water District 01/01/2004 - 12/31/2004

Water Utility Expense Accounts (Ref Page: 28)

Current Year (c)	Supply and Exp- Op. (d)	Supply and Exp- Maint. (e)	Water Treatment Exp- Op. (f)	Water Treatment Exp- Maint. (g)	Trans and Dist. Exp-Op (h)	Trans and Dist. Exp-Maint. (i)	Customer Accts Exp. (j)	Admin and Gen Exp.
\$250,794.00					\$114,224.00		\$1,345.00	\$135,225.00
Total								

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Pumping and Water Statistics - part one (Ref Page: 29)

	Water Purchased For Resale (Omit 000 \$) (b)	Water Pumped from Wells (Omit 000 \$) (c)	Total Water Pumped and Purchased (Omit 000 \$) (d)	Water Sold To Customers (Omit 000 \$) (e)
January		6,015		4,494
February		5,486		4,040
March		5,319		4,188
April		5,029		4,606
May		5,975		4,477
June		5,790		4,559
July		5,953		4,489
August		5,852		4,421
September		6,135		4,691
October		5,354		3,995
November		5,223		4,537
December		5,596		4,691
Total for the year		67,727		53,188

Pumping and Water Statistics - part two (Ref Page: 29)

	Gallons	Date
Maximum Gallons pumped by all methods in any one day (Omit 000's)	250	06/04/2004
Minimum Gallons pumped by all methods in any one day (Omit 000's)	81	04/03/2004

04/03/2004

Pumping and Water Statistics - part three (Ref Page: 29)

	List
If water is purchased indicate the following:	
Vendor	N/A
Point of Delivery	
If water is sold to other water utilities for redistribution,	
list names of such utilities below:	N/A

Sales For Resale (466) (Ref Page: 30)

Company	Gallons (Omit 000's)	Avg. Rate Per 1000 Gallons (Cents)	Amount
	0	\$0.00	\$0.00
Total	0		\$0.00

Water Statistics (Ref Page: 30)

	Gallons (Omit 000's)	Percent
1. Water Produced, Purchased and Distributed		
2. Water Produced	67,727	
3. Water Purchased		
4. Total Produced and Purchased	67,727	
6. Water Sales:		
7. Residential	42,059	
8. Commercial	11,129	
9. Industrial		
10. Bulk Loading Stations		
11. Resale		
12. Other Sales		
13. Total Water Sales	53,188	
15. Other Water Used		
16. Utility/water treatment plant		
17. Wastewater plant		
18. System flushing		
19. Fire department		
20. Other		
21. Total Other Water Used	7,410	
23. Water Loss:		
24. Tank Overflows		
25. Line Breaks		
26. Line Leaks		
27. Other		
28. Total Line Loss	7,129	
Note: Line 13 + Line 21 + Line 28 must equal Line 4		
32. Water Loss Percentage		10.5000
33. Line 28 divided by Line 4		

Plant Statistics (Ref Page: 31)

Give the following information		30 - 6"
Number of fire hydrants, by size		6 - 4 1/2"
Number of private fire hydrants, by size		NONE
If produced whether water supply is river, impounded streams, well, springs, artificial lake, or collector well		5 DRILLED WELLS
If produced whether supply is by gravity, pumping or a combination		PUMPING AND GRAVITY
Type, capacity, and elevation of reservoirs at overflow and ground level	(A) 161,000 GALLON WATER TANK (TOWN) OVERFLOW ELEVATION=954.0' FLOOR ELEVATION=920.0' (B) 100,000 GALLON TANK (WRIGLEY) OVERFLOW ELEVATION=1047.0' FLOOR ELEVATION= 1000.0' (C) 100,000 GALLON WATER TANK (DEHART) OVERFLOW ELEVATION= 1272.0' GROUND ELEVATION= 1112.0' (D) 150,000 GALLON TANK (CEMETARY) OVERFLOW ELEVATION= 1047.0' FLOOR ELEVATION= 920.0'	
Miles of main by size and kind	30 MILES 2" WATER LINES 21.43 MILES 6" PVC WATER LINES 2.70 MILES 6" PI WATER LINES	29.0 MILES 3" PVC WATER LINES 37.0 MILES 6" PVC WATER LINES 1.20 MILES 8" PVC WATER LINES
Types of filters: gravity or pressure, number of units and total rated in capacity in gal. per min.		PRESSURE; 2 UNITS; 240 GPM
Type of disinfectant, number of units and capacity in pounds per 24 hours		2 CHLORINE GAS CHLORINATORS WITH 20LBS. CAPACITY PER 24 HOURS.
Station Equipment. List each pump giving type and capacity. HP of driving unit and character of driving unit (steam/electric/int. combustion) also whether pump is high/ low duty		2 HIGH PRESSURE 20 H.P., 175 GPM 1 BACKWASH PUMP 20 H.P., 175 GPM 5 WELLS PUMPS - (3) 7.5 H.P. AND (2) 10 H.P.
Quantity of fuel used: coal in lbs., gas in cu. ft., oil in gals., and electric in KWH		ELECTRIC 38,520
Give description and total cost of any sizable additions or retirements to plant and service outside the normal system of growth for the period covered by this report		1 ADDITION WELL, COST OF \$33,426.00
Capacity of clear well		30,000 GALLONS
Peak month, in gallons of water sold		SEPTEMBER 2004 - 4,691,510
Peak day, in gallons of water sold		JUNE 4 2004 - 250,000

Plant Statistics - Part B (Ref Page: 31)

Type	Well
Choose one to indicate the type of Water Supply	

Plant Statistics - Part C (Ref Page: 31)

Type	Combination
Choose one to indicate the type of Water Supply Method	

OATH

Commonwealth of KENTUCKY)
County of ELLIOTT) ss:

JIMMY WHITT makes oath and says
(Name of Officer)

that he/she is CHAIRMAN of
(Official title of officer)

SANDY HOOK WATER DISTRICT
(Exact legal title or name of respondent)

that it is his/her duty to have supervision over the books of account of the respondent and to control the manner in which such books are kept; that he/she knows that such books have, during the period covered by the foregoing report, been kept in good faith in accordance with the accounting and other orders of the Public Service Commission of Kentucky, effective during the said period; that he/she has carefully examined the said report and to the best of his/her knowledge and belief the entries contained in the said report have, so far as they relate to matters of account, been accurately taken from the said books of account and are in exact accordance therewith; that he/she believes that all other statements of fact contained in the said report are true; and that the said report is a correct and complete statement of the business and affairs of the above-named respondent during the period of time from and including

JANUARY 1, 20 04, to and including DECEMBER 31, 20 04

J. Whitt
(Signature of Officer)

Subscribed and sworn to before me, Notary Public, in and for the State and County named in the above this 31 day of Dec., 2004

(Apply Seal Here)

My Commission expires 8-03-06

Judy Stone
(Signature of officer authorized to administer oath)