

KENTUCKY-AMERICAN ANNUAL BUSINESS PLAN 2008				
	DESCRIPTION	2004 Plan	2005 Plan	
1	OPERATING REVENUES			1
2	Water	44,652,025	45,511,113	2
3	Sewer	301,517	358,492	3
4	Other	1,114,681	1,115,605	4
5	Management			5
6	Total	46,068,223	46,985,210	6
7	OPERATING EXPENSES			7
8	Labor	5,606,473	5,774,669	8
9	Purchased Water	351,774	351,774	9
10	Fuel & Power	2,152,615	2,176,255	10
11	Chemicals	1,389,574	1,432,350	11
12	Waste Disposal	177,979	241,726	12
13	Management Fees	3,236,268	3,535,080	13
14	Group Insurance	1,597,893	1,680,720	14
15	Pensions	1,063,160	962,592	15
16	Regulatory Expense	0	0	16
17	Insur. Oth. Than Group	536,887	570,174	17
18	Customer Accounting	982,319	1,006,565	18
19	Rents	109,234	111,617	19
20	General Office Expense	359,053	358,306	20
21	Miscellaneous	3,007,943	3,591,940	21
22	Other	1,199,535	1,297,190	22
23	Total O&M	21,770,707	23,090,959	23
24	Depreciation	6,256,526	6,947,685	24
25	Amortization	673,596	673,596	25
26	General Taxes	2,368,897	2,382,637	26
27	Total Operating Exp.	31,069,726	33,094,877	27
28	Utility Operating Income	14,998,497	13,890,333	28
29	OTHER INC & DEDUCT			29
30	Nonoperating Rent. Inc.			30
31	Dividend Income-Common			31
32	-Preferred	0	0	32
33	Interest Income	0	0	33
34	AFUDC - Equity	289,394	104,286	34
36	M & J & Miscell Income	29,974	30,199	36
37	Gain (Loss) on Dispos.	0	0	37
39	Tot. Other Inc. 36-44	319,368	134,485	39
40	Misc. Amortization	1,494	1,494	40
42	Misc. Other Deductions	345,433	345,854	42
43	General Taxes	0		43
44	Tot. Oth. Deducts 46-51	346,927	347,348	44
45	Tot. Oth. Inc Net 45-52	(27,559)	(212,863)	45
46	Income Before Taxes and I	14,970,938	13,677,470	46
47	INTEREST CHARGES			47
48	Interest Long Term Dbt	4,790,600	4,951,246	48
49	Amort Of Debt Expense	82,290	80,235	49
50	Int Short Term Bank Dbt	241,492	392,435	50
51	Other Interest Expense	0	0	51
52	AFUDC - Debt	(138,045)	(49,746)	52
53	Total Interest Expense	4,976,337	5,374,170	53
54	Income Before Taxes	9,994,601	8,303,300	54
55	State Income Taxes	878,096	729,331	55
56	Federal Income Taxes	3,275,340	2,732,488	56
57	State Income Taxes	(28,555)	(26,042)	57
58	Federal Income Taxes	(111,149)	(101,365)	58
59	Total Income Taxes	4,013,732	3,334,413	59
60	NET INCOME 54-61	5,980,869	4,968,887	60
61	Preferred Dividends	527,295	524,135	61
62	Net Income Common Stock	5,453,574	4,444,752	62
63	Total Common Equity	64,368,411	65,446,745	63
64	Return On Common Equity	8.47%	6.79%	64
65	Common Dividends	4,035,488	3,366,418	65