

SCHEDULE G

PAYROLL COST ANALYSES

KENTUCKY-AMERICAN WATER COMPANY

CASE NO: 2004-00103

Forecasted Test Period: FOR THE TWELVE MONTHS ENDED: NOVEMBER 2005

Base Period Update: FOR THE TWELVE MONTHS ENDED: JULY 2004

<u>Schedule</u>	<u>Description</u>
G-1	Payroll Costs
G-2	Payroll Analyses by Employee Classification
G-3	Executive Compensation

For electronic version, see KAW_SAPP_EX37G_091504.pdf

KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 2004-00103

PAYROLL COSTS
FOR THE TWELVE MONTHS ENDED: JULY 31, 2004
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

SCHEDULE G - 1
PAGE 1 of 1
Witness Responsible: C. D. Bush

DATA: X BASE PERIOD, X FORECASTED PERIOD
TYPE OF FILING: ___ ORIGINAL, X UPDATED, ___ REVISED
WORKPAPER REFERENCE NO(S): N/A

Line No.	Description	Total Company	Jurisdictional %	Jurisdictional Unadjusted	Adjustments	Jurisdictional Adjusted
1						
2						
3	Base Period:					
4	Total Salary	\$6,302,066	100.00%	\$6,302,066	\$0	\$6,302,066
5	Other Allowances and Compensation	(3,859)		(3,859)	0	(3,859)
6	Sub-total	6,298,207		6,298,207	0	6,298,207
7						
8	Employee Benefits:					
9	Pension	911,069		911,069	0	911,069
10	Group Insurance	1,976,805		1,976,805	0	1,976,805
11	ESOP Plan	50,084		50,084	0	50,084
12	401-K Plan	94,164		94,164	0	94,164
13	Sub-total	3,032,122		3,032,122	0	3,032,122
14						
15	Payroll Taxes:					
16	F.I.C.A.	465,557		465,557	0	465,557
17	Federal Unemployment	7,553		7,553	0	7,553
18	State Unemployment	6,377		6,377	0	6,377
19	Sub-total	479,487		479,487	0	479,487
20						
21	Total Compensation	\$9,809,817		\$9,809,816	\$0	\$9,809,816
22						
23						
24						
25	Forecasted Period:					
26	Total Salary	6,411,536	100.00%	6,411,536	0	6,411,536
27	Other Allowances and Compensation	229,146		229,146	0	229,146
28	Sub-total	6,640,682		6,640,682	0	6,640,682
29						
30	Employee Benefits:					
31	Pension	904,848		904,848	0	904,848
32	Group Insurance	1,724,407		1,724,407	0	1,724,407
33	ESOP Plan	46,783		46,783	0	46,783
34	401-K Plan	97,744		97,744	0	97,744
35	Sub-total	2,773,782		2,773,782	0	2,773,782
36						
37	Payroll Taxes:					
38	F.I.C.A.	502,592		502,592	0	502,592
39	Federal Unemployment	13,835		13,835	0	13,835
40	State Unemployment	9,942		9,942	0	9,942
41	Sub-total	526,369		526,369	0	526,369
42						
43	Total Compensation	\$9,940,833		\$9,940,833	\$0	\$9,940,833
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KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 2004-00103
PAYROLL ANALYSIS BY EMPLOYEE CLASSIFICATION
FOR THE TWELVE MONTHS ENDED: JULY 31, 2004
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

SCHEDULE G - 2
PAGE 1 of 6
Witness Responsible: C. D. Bush

DATA: X BASE PERIOD X FORECASTED PERIOD
TYPE OF FILING: ORIGINAL_X_UPDATED REVISED
WORKPAPER REFERENCE NO(S): N/A

Line No.	Description	1999	% Change	2000	% Change	2001	% Change	2002	% Change	2003	% Change	Base Period	% Change	Forecasted Period
1	Total Company													
2	Employee Hours:													
3	Straight-Time Hours	232,582.00	23.39%	286,981.00	5.65%	303,209.00	-0.30%	302,313.00	-6.71%	282,038.00	-5.17%	267,457.94	3.83%	277,704.00
4	Overtime Hours	11,372.00	45.52%	16,549.00	33.94%	22,165.00	-11.04%	19,719.00	1.32%	19,860.00	4.93%	20,964.25	-28.83%	14,899.00
5	Total Employee Hours	<u>243,954.00</u>	24.42%	<u>303,530.00</u>	24.42%	<u>325,374.00</u>	-11.04%	<u>322,032.00</u>	1.32%	<u>302,019.00</u>	-5.17%	<u>288,422.19</u>	3.83%	<u>292,603.00</u>
6	Ratio of Overtime Hours to Straight-Time Hours	<u>4.89%</u>	5.77%	<u>7.31%</u>	6.52%	<u>7.08%</u>	7.84%	<u>7.08%</u>	7.84%	<u>7.08%</u>	7.84%	<u>7.84%</u>	5.37%	<u>5.37%</u>
7	Labor Dollars:													
8	Straight-Time Dollars	4,903,858	18.20%	5,796,174	5.96%	6,141,707	4.07%	6,391,908	-0.09%	6,385,943	-10.27%	5,729,809	8.86%	6,237,410
9	Overtime Dollars	349,310	16.70%	407,650	42.77%	233,312	-1.00%	230,976	-41.98%	134,015	327.01%	572,257	-29.53%	403,272
10	Total Labor Dollars	<u>\$5,253,168</u>	18.10%	<u>\$6,203,824</u>	18.10%	<u>\$6,375,019</u>	-1.00%	<u>\$6,622,884</u>	-41.98%	<u>\$6,519,958</u>	327.01%	<u>\$6,302,066</u>	8.86%	<u>\$6,640,682</u>
11	Ratio of Overtime Dollars to Straight-Time Dollars	<u>7.12%</u>	7.03%	<u>3.80%</u>	3.80%	<u>3.80%</u>	3.80%	<u>3.61%</u>	2.10%	<u>2.10%</u>	2.10%	<u>9.99%</u>	6.47%	<u>6.47%</u>
12	O&M Labor Dollars	4,460,831	19.45%	5,352,223	3.20%	5,523,418	3.90%	5,738,627	-7.08%	5,332,151	-2.36%	5,206,192	2.64%	5,343,664
13	Ratio of Labor Dollars to Total Labor Dollars	<u>85.30%</u>	86.27%	<u>86.27%</u>	86.64%	<u>86.64%</u>	86.65%	<u>86.65%</u>	81.78%	<u>81.78%</u>	82.61%	<u>82.61%</u>	80.47%	<u>80.47%</u>
14	Total Employee Benefits	1,708,345	-13.93%	1,470,387	38.00%	2,029,169	-2.22%	1,984,217	17.87%	2,338,709	29.65%	3,032,122	-8.52%	2,773,782
15	Employee Benefits Expensed	1,526,380	-16.90%	1,268,477	38.60%	1,758,104	-2.21%	1,719,293	11.25%	1,912,643	30.96%	2,504,836	-10.89%	2,232,024
16	Ratio of Employee Benefits Expensed to Total Employee Benefits	<u>89.35%</u>	86.27%	<u>86.27%</u>	86.64%	<u>86.64%</u>	86.65%	<u>86.65%</u>	81.78%	<u>81.78%</u>	82.61%	<u>82.61%</u>	80.47%	<u>80.47%</u>
17	Total Payroll Taxes	493,379	12.54%	555,242	2.76%	570,564	-1.80%	560,296	-7.72%	517,033	-7.26%	479,488	9.78%	526,369
18	Payroll Taxes Expensed	447,468	7.05%	479,024	3.20%	494,346	-1.79%	485,488	-12.90%	422,840	-6.32%	398,105	6.93%	423,562
19	Ratio of Payroll Taxes Expensed to Total Payroll Taxes	<u>90.69%</u>	86.27%	<u>86.27%</u>	86.64%	<u>86.64%</u>	86.65%	<u>86.65%</u>	81.78%	<u>81.78%</u>	82.61%	<u>82.61%</u>	80.47%	<u>80.47%</u>
20	Average Employee Levels	<u>152</u>	-1.97%	<u>149</u>	-2.68%	<u>145</u>	-0.69%	<u>144</u>	-4.17%	<u>138</u>	-8.33%	<u>127</u>	5.14%	<u>133</u>
21	Year-End Employee Levels	<u>154</u>	-6.82%	<u>144</u>	1.05%	<u>145</u>	-1.38%	<u>143</u>	-9.77%	<u>133</u>	10.83%	<u>120</u>	10.83%	<u>133</u>

KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 2004-00103
PAYROLL ANALYSIS BY EMPLOYEE CLASSIFICATION
FOR THE TWELVE MONTHS ENDED: JULY 31, 2004
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

SCHEDULE G - 2
PAGE 5 of 6
Witness Responsible: C. D. Bush

DATA: X_BASE PERIOD X_FORECASTED PERIOD
TYPE OF FILING: ORIGINAL_X_UPDATED REVISED
WORKPAPER REFERENCE NO(S): N/A

Line No.	Description	1999	% Change	2000	% Change	2001	% Change	2002	% Change	2003	% Change	Base Period	% Change	Forecasted Period
2	Administrative & General													
4	Employee Hours:													
5	Straight-Time Hours	52,509.00	4.18%	54,704.00	-5.76%	51,544.00	-18.77%	41,868.00	-30.99%	28,892.00	-10.96%	25,726.70	-0.17%	25,683.00
6	Overtime Hours	313.00	242.81%	1,073.00	179.31%	2,997.00	-44.41%	1,666.00	-45.38%	910.00	-9.76%	821.18	-47.76%	429.00
7	Total Employee Hours	52,822.00	5.59%	55,777.00		54,541.00		43,534.00		29,802.00		26,547.88		26,112.00
10	Ratio of Overtime Hours to Straight-Time Hours	0.60%	1.96%		5.81%		3.98%		3.15%		3.19%		1.67%	
14	Labor Dollars:													
15	Straight-Time Dollars	\$1,572,134	-3.42%	\$1,518,353	-12.92%	\$1,322,257	-2.75%	\$1,285,938	-8.96%	\$1,170,672	-32.26%	\$793,057	-19.99%	\$951,606
16	Overtime Dollars	24,883	14.89%	28,687	153.05%	72,338	-38.52%	44,474	-47.99%	23,133	-6.85%	21,547	-46.82%	11,458
17	Total Labor Dollars	\$1,597,017	-3.14%	\$1,546,940		\$1,394,596		\$1,330,412		\$1,193,805		\$814,604		\$963,064
20	Ratio of Overtime Dollars to Straight-Time Dollars	1.58%	1.88%		5.47%		3.46%		1.98%		2.72%		1.20%	
24	O&M Labor Dollars	1,597,017		1,546,940		1,394,596		1,330,412		1,193,805		814,604		963,064
25	Ratio of Labor Dollars to Total Labor Dollars	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
28	Total Employee Benefits	544,018	-3.14%	526,960	-9.85%	475,064	-16.10%	398,592	-7.43%	428,218	7.43%	277,492	18.23%	328,065
30	Employee Benefits Expensed	544,018	-3.14%	526,960	-9.85%	475,064	-16.10%	398,592	-7.43%	428,218	7.43%	277,492	18.23%	328,065
31	Ratio of Employee Benefits Expensed to Total Employee Benefits	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
35	Total Payroll Taxes	159,482	-13.19%	138,451	-9.85%	124,816	-9.82%	112,553	-15.89%	94,669	-34.53%	61,978	23.17%	76,337
36	Payroll Taxes Expensed	159,482	-13.19%	138,451	-9.85%	124,816	-9.82%	112,553	-15.89%	94,669	-34.53%	61,978	23.17%	76,337
37	Ratio of Payroll Taxes Expensed to Total Payroll Taxes	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
40	Average Employee Levels	28	0.00%	28	-3.57%	27	29.63%	35	2.86%	36	-30.56%	25	40.00%	35
43	Year-End Employee Levels	38	-19.74%	31	-1.64%	30	-13.33%	26	-7.69%	24	8.33%	26	3.85%	27

KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 2004-00103
EXECUTIVE COMPENSATION
FOR THE TWELVE MONTHS ENDED: JULY 31, 2004
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

SCHEDULE G--3
PAGE 1 of 3
Witness Responsible: C. D. Bush

DATA: _X_ BASE PERIOD _X_ FORECASTED PERIOD
TYPE OF FILING: _ ORIGINAL _X_ UPDATED ___ REVISED
WORKPAPER REFERENCE NO(S): N/A

Line No.	Description	Total Company	Jurisdictional %	Jurisdictional Unadjusted	Adjustments	Jurisdictional Adjusted
1						
2						
3	Title of Executive: President					
4						
5						
6	Base Period:					
7	Total Salary	\$166,277	100.00%	\$166,277	\$0	\$166,277
8	Other Allowances and Compensation	26,282		26,282	0	26,282
9	Sub-total	192,559		192,559	0	192,559
10	Employee Benefits:					
11	Pension	24,038		24,038	0	24,038
12	Group Insurance	15,627		15,627	0	15,627
13	ESOP Plan	4,157		4,157	0	4,157
14	401-K Plan	3,326		3,326	0	3,326
15	Sub-total	47,148		47,148	0	47,148
16						
17	Payroll Taxes:					
18	F.I.C.A.	7,179		7,179	0	7,179
19	Federal Unemployment	56		56	0	56
20	State Unemployment	40		40	0	40
21	Sub-total	7,275		7,275	0	7,275
22						
23	Total Compensation	\$246,982		\$246,982	\$0	\$246,982
24						
25						
26						
27	Forecasted Period:					
28	Total Salary	\$173,268	100.00%	\$173,268	\$0	\$173,268
29	Other Allowances and Compensation	37,132		37,132	0	37,132
30	Sub-total	210,400		210,400	0	210,400
31	Employee Benefits:					
32	Pension	24,453		24,453	0	24,453
33	Group Insurance	12,965		12,965	0	12,965
34	ESOP Plan	4,332		4,332	0	4,332
35	401-K Plan	3,465		3,465	0	3,465
36	Sub-total	45,215		45,215	0	45,215
37						
38	Payroll Taxes:					
39	F.I.C.A.	7,448		7,448	0	7,448
40	Federal Unemployment	56		56	0	56
41	State Unemployment	40		40	0	40
42	Sub-total	7,544		7,544	0	7,544
43						
44	Total Compensation	\$263,159		\$263,159	\$0	\$263,159
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KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 2004-00703
EXECUTIVE COMPENSATION
FOR THE TWELVE MONTHS ENDED: JULY 31, 2004
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

SCHEDULE G-3
PAGE 2 of 3
Witness Responsible: C. D. Bush

DATA: X BASE PERIOD X FORECASTED PERIOD
TYPE OF FILING: ORIGINAL X UPDATED REVISED
WORKPAPER REFERENCE NO(S): N/A

Line No.	Description	Total Company	Jurisdictional %	Jurisdictional Unadjusted	Adjustments	Jurisdictional Adjusted
1						
2						
3	Title of Executive: Vice President Operations					
4						
5						
6	Base Period:					
7	Total Salary		100.00%	\$0	\$0	\$0
8	Other Allowances and Compensation			0	0	0
9	Sub-total	0		0	0	0
10	Employees Benefits:					
11	Pension	0		0	0	0
12	Group Insurance	0		0	0	0
13	ESOP Plan	0		0	0	0
14	401-K Plan	0		0	0	0
15	Sub-total	0		0	0	0
16	Payroll Taxes:					
17	F.I.C.A.					
18	Federal Unemployment			0	0	0
19	State Unemployment			0	0	0
20	Sub-total	0		0	0	0
21						
22						
23	Total Compensation	\$0		\$0	\$0	\$0
24						
25						
26						
27	Forecasted Period:					
28	Total Salary		100.00%	\$0	\$0	\$0
29	Other Allowances and Compensation			0	0	0
30	Sub-total	0		0	0	0
31	Employees Benefits:					
32	Pension	0		0	0	0
33	Group Insurance	0		0	0	0
34	ESOP Plan	0		0	0	0
35	401-K Plan	0		0	0	0
36	Sub-total	0		0	0	0
37	Payroll Taxes:					
38	F.I.C.A.					
39	Federal Unemployment			0	0	0
40	State Unemployment			0	0	0
41	Sub-total	0		0	0	0
42						
43						
44	Total Compensation	\$0		\$0	\$0	\$0
45						
46						
47						
48						
49						
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KENTUCKY-AMERICAN WATER COMPANY
CASE NO: 2004-00103
EXECUTIVE COMPENSATION
FOR THE TWELVE MONTHS ENDED: JULY 31, 2004
FOR THE TWELVE MONTHS ENDED: NOVEMBER 30, 2005

SCHEDULE G - 3
PAGE 3 of 3
Witness Responsible: C. D. Bush

DATA: X, BASE PERIOD, X, FORECASTED PERIOD
TYPE OF FILING: ORIGINAL, X, UPDATED, REVISED
WORKPAPER REFERENCE NO(S): N/A

Line No.	Description	Total Company	Jurisdictional %	Jurisdictional Unadjusted	Adjustments	Jurisdictional Adjusted
1						
2						
3	Title of Executive: Vice President Treasurer and Comptroller					
4						
5	Base Period:					
6	Total Salary	0	100.00%	\$0	\$0	\$0
7	Other Allowances and Compensation	0		0	0	0
8	Sub-total	0		0	0	0
9						
10	Employee Benefits:					
11	Pension	0		0	0	0
12	Group Insurance	0		0	0	0
13	ESOP Plan	0		0	0	0
14	401-K Plan	0		0	0	0
15	Sub-total	0		0	0	0
16						
17	Payroll Taxes:					
18	F.I.C.A.	0		0	0	0
19	Federal Unemployment	0		0	0	0
20	State Unemployment	0		0	0	0
21	Sub-total	0		0	0	0
22						
23	Total Compensation	\$0		\$0	\$0	\$0
24						
25						
26						
27	Forecasted Period:					
28	Total Salary	0	100.00%	\$0	\$0	\$0
29	Other Allowances and Compensation	0		0	0	0
30	Sub-total	0		0	0	0
31						
32	Employee Benefits:					
33	Pension	0		0	0	0
34	Group Insurance	0		0	0	0
35	ESOP Plan	0		0	0	0
36	401-K Plan	0		0	0	0
37	Sub-total	0		0	0	0
38						
39	Payroll Taxes:					
40	F.I.C.A.	0		0	0	0
41	Federal Unemployment	0		0	0	0
42	State Unemployment	0		0	0	0
43	Sub-total	0		0	0	0
44	Total Compensation	\$0		\$0	\$0	\$0
45						
46						
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49						
50						