

notes to consolidated financial statements

The components of SERP expense and a summary of significant assumptions are as follows:

Fiscal Year	2003	2002	2001
Service cost	\$819	\$1,447	\$1,092
Interest cost	3,420	3,537	2,668
Amortization of adjustments	1,444	2,941	1,821
Total SERP expense	\$5,683	\$7,925	\$5,581
Assumption percentages:			
Discount rate	6.25%	7.00%	7.25%
Rate of compensation increase	4.00%	4.00%	5.00%
Measurement date	10/31/03	10/31/02	12/1/01

Note 5: Interest Expense, Net

The components of interest expense, net are as follows:

Fiscal Year	2003	2002	2001
Short-term debt	\$652	\$677	\$3,741
Long-term debt	99,866	89,850	83,225
Total interest expense	100,518	90,527	86,966
Less:			
Interest income	(5,981)	(4,254)	(1,545)
Capitalized interest	(3,585)	(4,352)	(10,383)
Interest expense, net	\$90,952	\$81,921	\$75,038

Note 6: Income Taxes

Income tax expense consists of the following:

Fiscal Year	2003	2002	2001
Current income taxes:			
Federal	\$118,559	\$76,901	\$58,122
State and local	15,516	10,633	6,142
Total current income taxes	134,075	87,534	64,264
Deferred income taxes:			
Current	(7,904)	(4,225)	(7,217)
Non-current	29,129	8,732	22,753
Total deferred income taxes	21,225	4,507	15,536
Total before cumulative effect of accounting change	155,300	92,041	79,800
Deferred income taxes on cumulative effect of accounting change	—	(8,541)	—
Total income taxes	\$155,300	\$83,500	\$79,800