

YOUNG MEN'S CHRISTIAN ASSOCIATION
RETIREMENT PLAN
EIGHTY-SECOND ANNUAL REPORT OF THE ACTUARY
PREPARED AS OF JUNE 30, 2004



August 13, 2004

Board of Trustees
Young Men's Christian Association Retirement Fund
140 Broadway – 28th Floor
New York, NY 10005-1197

Members of the Board of Trustees:

We have completed the annual actuarial valuation of the assets and liabilities of the Young Men's Christian Association Retirement Fund as of June 30, 2004.

This valuation indicates that at June 30, 2004 the Fund's net assets available for benefits aggregated \$3,703,128,712 while required reserve for benefits at that date totaled \$3,299,123,598. Therefore, at June 30, 2004 there was an actuarial surplus of \$404,005,114 which is the amount of the excess of assets over required reserves.

The Fund's investment and benefits horizons are long-term, and its investment approach, based on reasonable asset allocation strategies, should produce future investment returns to maintain the Fund over a long period of time. In our opinion, the Fund's financial condition, including cash flows, continues to be sound on a long-term basis.

In preparing this valuation, the Fund provided detailed information on the participants (active and inactive), retirees and beneficiaries. This data was combined with historical information compiled over the years, and was compared for reasonability and consistency. The assumptions used in the valuation are reviewed annually and, in our opinion, are reasonable and appropriate. The Fund's valuation reflects all provisions through the June 30, 2004 valuation date including interest credits of 6% through December 2004.

As in prior years we have authorized the Fund to publish our full report on the Fund's website at www.yretirement.org

Very truly yours,

(Signed) ROBERT C. SCHARBACH

Robert C. Scharbach
Principal, Consulting Actuary

RCS:kod
Enc.
v45410.doc

TABLE OF CONTENTS

<u>SECTION</u>	<u>ITEM</u>	<u>PAGE NO.</u>
I	Summary of Principal Results	1
II	Participant Data	3
III	Assets	4
IV	Comments on Valuation	5
V	Reconciliation of Actuarial Status	6
VI	Gain and Loss Analysis	7
VII	Plan Actuarial Experience	8
VIII	Sensitivity Analysis	11
IX	New York State Insurance Department	12
 <u>SCHEDULE</u>		
A	Valuation Balance Sheet	14
B	Outline of Actuarial Assumptions	15
C	Summary of the Main Plan Provisions as Interpreted for Valuation Purposes	17
D	Tables of Participant Data	23
E	Projection of Benefits and Contributions	30
F	Historical Summary of Assets, Required Reserves, Actuarial Status and Dividends	31

**YOUNG MEN'S CHRISTIAN ASSOCIATION RETIREMENT PLAN
EIGHTY-FIRST ANNUAL REPORT OF THE ACTUARY
PREPARED AS OF JUNE 30, 2004**

SECTION I – SUMMARY OF PRINCIPAL RESULTS

1. For convenience of reference, a summary of data used in the current and preceding valuations is shown below:

Valuation Date	June 30, 2004	June 30, 2003
Active participants		
Number of professionals	12,162	11,045
Annual compensation	\$ 591,972,009	\$ 521,092,000
Number of non-professionals	34,368	35,509
Annual compensation	\$ 633,765,328	\$ 615,578,309
Total number	46,530	46,554
Total annual compensation	\$ 1,225,737,337	\$ 1,136,670,309
Total average annual compensation	\$ 26,343	\$ 24,416
Transition participants		
Number of professionals	2,675	2,180
Number of non-professionals	7,924	9,035
Total	10,599	11,215
Excess leaves of absence	306	1,238
Deferred vested participants		
Number entitled to a Deferred Annuity	2,840	2,933
Number entitled to an Association Annuity	6,121	6,259
Total	8,961	9,192
Retired participants and beneficiaries*		
Number	8,193	7,904
Annual retirement allowances	\$ 107,260,116	\$ 101,670,888
Average annual retirement allowance	\$ 13,092	\$ 12,863
Death Benefit Only		
Number	565	555
Amount	\$ 3,299,798	1,570,497
Valuation Assets	\$ 3,703,128,712	\$ 3,269,528,176
Required Reserve	\$ 3,299,123,598	\$ 3,119,370,366
Actuarial Status – Surplus	\$ 404,005,114	\$ 150,157,810
Assets as a percent of Required Reserve	112.25%	104.81%

*The number of retired participants and beneficiaries included former spouses of participants with a QDRO.

2. Section VIII sets forth a sensitivity analysis based on three factors, potential mortality improvement, interest rates after retirement and lifetime interest credits.
3. Adjustments to the valuation results as of June 30, 2004 for purposes of the New York State Insurance Department are given in Section IX.
4. The actuarial assumptions are outlined in Schedule B and are the same assumptions as were used in the previous valuation except for administrative expenses. All assumptions have been revised in the last few years and are reasonable and appropriate. A comparison of actual experience with that predicted is shown in Section VII. Administrative Expenses of the Retirement Fund were previously estimated based on .75% of the compensation of active participants. This process was changed effective with the July 1, 2004 valuation. All plan expenses are assumed to be paid from earnings on the assets in excess of the return assumption in the valuation.
5. The valuation results reflect the interest credits of 6% for the period from January 1, 2004 through December 31, 2004 for all account balances and increased IRS maximum contributions and compensation limits.

Schedule C summarizes the provisions of the current Plan as interpreted for the valuation.
6. Schedule E sets forth a projection of benefits and contributions to the Plan. The benefits include refunds of contributions to participants and forfeitures as credits to Associations. The projections are based on the closed population on June 30, 2004 and do not reflect any new entrants. Since turnover is significant and the Plan has experienced significant growth over a long period of time, the projection is valid for the short term but will underestimate benefits and significantly underestimate contributions after a short period of time.

SECTION II – PARTICIPANT DATA

1. Participant data was furnished by the Fund. The data was reconciled between data as of June 30, 2003 and data as of June 30, 2004 and discrepancies were resolved. The Fund has made a continued concerted effort to disburse the account balance of those inactive participants and excess leaves of absence whose total account balance is under \$5,000 as well as alert participants of the option of taking their account balance as a lump sum where their association account balance is under \$15,000. This is demonstrated in an 8% reduction in the number of such inactive participants, excess leaves of absence and deferred vested participants. In addition, as a result of the plan participation change at some YMCA's from a 1 year to a 2 year wait, the number of active participants has not significantly changed since last year.
2. Tables 1A and 1B of Schedule D show fifth age and service distributions of the number, annual compensation and total account balances of active participants who were included in the valuation, Table 2 shows the number and total account balances of those on excess leave of absence, Table 3 shows a fifth age and service distribution of the total account balances of participants in transition who were included in the valuation, Table 4 displays the number and total account balances of deferred vested participants and former spouses of participants with a QDRO, while Tables 5 and 6 of Schedule D present the number and annual retirement allowances of retired participants, beneficiaries of deceased participants and former spouses receiving a benefit pursuant to a QDRO included in the valuation.

SECTION III – ASSETS

1. The amount of the assets taken into account in this valuation is based on information furnished by the YMCA Retirement Fund.
2. The market value of assets is reported as \$3,703,128,712. This reflects accrued interest and dividends declared but unpaid and amounts attributable to furniture, fixtures, office equipment and leaseholder improvements, which total \$6,957,818. Every year the return on the Valuation Assets is determined on a simplistic basis, assuming contributions and benefit payments are all made in the middle of the plan year on January 1. The return on Valuation Assets for the year ending June 30, 2004 on this basis is a return of 13.83% as developed below:

(a)	Market value at June 30, 2003	\$ 3,269,528,176
(b)	Contributions	158,189,813
(c)	Benefit payments	162,282,322
(d)	Fund Expenses	13,335,226
(e)	Market value at June 30, 2004	3,703,128,712
(f)	Net Yield for year = (e) – (a) – (b) + (c)+(d)	451,028,271
(g)	Annual rate of return = (f) / ½[(e) + (a) – (f)]	13.83%

We have not performed an analysis to determine if this return is better or worse than returns available in the market for the year ending June 30, 2004.

SECTION IV – COMMENTS ON VALUATION

Schedule A of this report contains the valuation balance sheet, which shows the present and prospective assets and liabilities of the Plan as of June 30, 2004.

The Required Reserves are shown by group. The account balance is equal to the sum of the balances in all accounts for each participant. Other liabilities reflect the value of annuity conversions, death and disability benefits in excess of the account balance, vested refunds, forfeitures-as-credits to Associations and flexamount benefits. Future contributions reflect participant and Association contributions.

The YMCA Retirement Fund continues to be in sound financial condition on a long-term basis. The Actuarial Surplus has grown due to positive investment experience during the last year. The Actuarial Surplus serves to cushion negative experience and when sufficient to provide excess interest credits and experience dividend checks.

SECTION V – RECONCILIATION OF ACTUARIAL STATUS

The Actuarial Surplus is the difference between the Valuation Assets and the Required Reserves. If this amount is negative then it is called an Actuarial (Deficit). The Actuarial Surplus is determined each year, and the reason for change in this amount is largely investment performance and benefit changes. A reconciliation for the period from June 30, 2003 to June 30, 2004 is as follows:

1. Actuarial surplus as of June 30, 2003	\$150,157,810
2. Plan Amendments - Interest Credits of 6% for 2004	(47,605,306)
3. Assumption change regarding plan expenses	51,973,943
4. Net gain (loss) (see Section VI of this Report)	<u>249,478,667</u>
5. Actuarial Surplus as of June 30, 2004	\$404,005,114

SECTION VI – GAIN AND LOSS ANALYSIS

Actuarial gains and losses arise when actual results vary from those expected by the actuarial assumptions. An analysis of the amounts of experience gains and (losses) by major component during the current and previous years is as follows:

ATTRIBUTABLE TO	YEAR ENDED June 30, 2004	YEAR ENDED June 30, 2003
Investments experience	\$ 272,822,400	\$ (110,602,258)
Administrative expenses over assumed costs	(4,476,197)	(5,867,990)
New participants	5,403,230	(15,629,345)
Net actuarial experience (balance)	(24,270,766)	12,102,631
Total net gain (loss)	\$ 249,478,667	\$ (119,996,962)

The net experience gain or (loss) for the last ten years is as follows:

Year Ended	Gain or (Loss)
June 30, 2004	\$ 249,478,667
June 30, 2003	\$ (119,996,962)
June 30, 2002	\$ (365,466,026)
June 30, 2001	\$ (333,569,714)
June 30, 2000	\$ 221,164,618
June 30, 1999	\$ 64,499,274
June 30, 1998	\$ 337,587,395
June 30, 1997	\$ 227,208,528
June 30, 1996	\$ 161,425,466
June 30, 1995	\$ 176,104,877

It should be noted that there will be gains and losses every year. Over time the objective of the actuarial process is to minimize the cumulative net gains and losses. Over the last 5 year period the net is a loss of about \$348 million or an average loss of about \$70 million per year. Over the last 10 years the net is a gain of about \$618 million or an average gain of about \$62 million per year

SECTION VII – PLAN ACTUARIAL EXPERIENCE

Records maintained of the actual experience of active participants, transition participants, deferred vested participants, retired participants and beneficiaries are compared with that expected on the basis of the tables outlined in Schedule B. As a result, deviations in the experience from that anticipated will be noted and any adjustments believed necessary will be brought to the attention of the Board.

1. Decremental experience (expected and actual) during the year ended June 30, 2004 as well as a comparison with experience for the years ending June 30, 2003 and June 30, 2002 is as follows:

Criteria	Expected	Actual	Ratio A/E 2003-2004	Ratio A/E 2002-2003	Ratio A/E 2001-2002
(a)	(b)	(c)	(c) ÷ (b)		
Withdrawal from Active Service					
• Less than 5 years of service	5,562	6,107	1.10	.94	.93
• 5 to 10 years of service	2,185	1,830	.84	.91	.96
• 10 or more years of service	721	663	.92	1.03	1.11
Eligible for retirement (Age 60 or age 55 and 5 years of service)	1,298	820*	.63	.59	.79
Disability retirement (5 or more years of participation and disabled)	13	4	.31	.45	.90
Death before retirement	72	42	.58	.56	.84
Death after retirement	261	304	1.16	1.16	1.14

* Of which 241 actually started to collect an annual allowance and all others were considered deferred or received lump sums. Those who had previously retired and were already receiving an annuity were not counted above.

2. Average age is reviewed to determine the percent who retire immediately upon termination or those who defer retirement to a time subsequent to termination from service. (Only participants who were retirement eligible as of the beginning of the Plan year were included in this analysis.) This is summarized and compared to results for the last 2 years as follows:

Age At Termination	Number who Deferred Retirement	Number who Retired Immediately	Total	Percent Who Retired Immediately		
				2003-2004	2002-2003	2001-2002
55-59	121	112	233	48%	48%	41%
60-61	55	95	150	63%	60%	58%
62-64	45	116	161	72%	67%	72%
65-69	34	126	160	79%	76%	75%
70+	25	91	116	78%	76%	72%

3. The average age at time of collecting an annuity for those participants who were in deferred or transition status as of June 30, 2003 is compared to the last 2 years as follows:

Age at Annuity Commencement	Number 2003-2004	Number 2002-2003	Number 2001-2002
55-59	96	72	114
60-64	99	84	90
65-69	26	28	58
70+	17	11	9

Therefore the average age at collection in the past year, for those who had deferred their annuity is about 61 (and was age 62 for the prior 2 years). These numbers do not reflect those who took a lump sum.

4. Compensation increased approximately 8.8% during 2003 for the closed group of 37,066 surviving actives as of June 30, 2003 and June 30, 2004 which was approximately 6.3% more than anticipated by the salary increase assumption.

5. The actual experience is expected to be different from that predicted during any one year period. This is a result of hiring patterns, economic conditions and other factors. However, over several years it is expected to be close to that expected, or changes will be proposed.

SECTION VIII – SENSITIVITY ANALYSIS

The results of the valuation are primarily dependent upon the actual rates of return on plan assets, plan provisions and assumptions. The valuation results are based on the current assumptions and plan provisions and there is no experience to date that would warrant any change but we have shown the sensitivity in the Required Reserve to a change in certain assumptions or plan provisions as follows:

- Mortality Table: the Required Reserve would increase by about \$76.7 million for a one year setback in the postretirement mortality table. Annuity conversion rates have not been changed.
- Interest Rates – the rate of 6.5% is used for the period after retirement. The Required Reserve would increase by about \$160.1 million if this rate was lowered to 6.0% or would decrease by about \$148.5 million if the rate was increased to 7.0%.
- Interest Credit on Participant Accounts – the interest credit is 5% for contributions prior to December 31, 1995 and at 3% for contributions after December 31, 1995. If the credit was permanently increased by .5% the Required Reserve would increase as follows:

Contributions prior to December 31, 1995	5.0% to 5.5%	\$ 56.3 million
Contributions after December 31, 1995	3.0% to 3.5%	\$110.6 million

The Board of Trustees has already granted an interest credit of 6% on all accounts through December 31, 2004.

SECTION IX – NEW YORK STATE INSURANCE DEPARTMENT

Three separate asset accounts are maintained for purposes of reporting to the New York State Insurance Department. These accounts are simply an allocation of the plan assets to the plan liabilities by type. The asset accounts are known as the Annuity Reserve Account, Participant's Reserve Account and Association Reserve Account. The following comments on the valuation are pertinent:

1. **Annuity Reserve Account** - The Annuity Reserve Account is set equal to the present value of all benefits attributable to retired participants and beneficiaries currently receiving an annuity. On June 30, 2004, the liabilities of the Annuity Reserve Account amounted to \$1,077,111,026. As of the same date, the assets of the Annuity Reserve Account amounted to \$1,077,111,026 after a transfer of \$12,477,610 from the Association Reserve Account to set the account in balance.
2. **Participant's Reserve Account** - The Participant's Reserve Account consists of all contributions made by or for participants plus interest thereon. When the annuities become payable, the reserves are transferred to the Annuity Reserve Account. On the valuation date the Participant's Reserve Account had assets equal to the liabilities of \$903,660,656.
3. **Association Reserve Account** - The Association Reserve Account is the account to which all other assets are allocated for actives, transition or deferred vested participants. These assets cover liabilities which reflect the annuity conversion, death and disability benefits in excess of the Account Balance, and flexamount benefits. The account as of June 30, 2004 is equal to \$2,063,095,711, which reflects a transfer of \$12,477,610 to the Annuity Reserve Account.
4. **Assets** - Solely for New York State Insurance Department purposes, the Assets are differentiated from the Valuation Assets because of the requirement that fixed income securities are valued at amortized cost, and not as their current market value under the Valuation Assets, and assets on account of furniture and fixtures are not admitted in the Insurance Department Assets. In addition, liabilities which are accrued but unpaid as of the valuation date are included in the assets. These liabilities include an accrued operating liability of \$352,700,387 as of June 30, 2004. The comparable amount as of June 30, 2003 was \$63,414,970. This results in a net increase in the assets

from \$3,703,128,712 to \$4,043,867,393 for reporting requirements under the New York State Insurance Department.

SCHEDULE A

**VALUATION BALANCE SHEET SHOWING THE
ASSETS AND LIABILITIES OF THE
YOUNG MEN'S CHRISTIAN ASSOCIATION RETIREMENT PLAN
AS OF JUNE 30, 2004 AND JUNE 30, 2003**

Valuation Date	June 30, 2004	June 30, 2003
Retired participants and beneficiaries now drawing allowances	\$ 1,077,111,026	\$ 1,022,462,579
Deferred vested participants:		
Account balances	\$ 413,799,018	\$ 400,831,759
Other liabilities	<u>75,252,973</u>	<u>77,288,261</u>
Total liabilities	\$ 489,051,991	\$ 478,120,020
Transition participants:		
Account balances	\$ 270,567,366	\$ 229,398,993
Other liabilities	<u>37,539,923</u>	<u>13,031,116</u>
	\$ 308,107,289	\$ 242,430,109
Excess leaves of absence – Account balances	\$ 3,122,473	\$ 3,608,095
Active participants:		
Account balances	\$ 1,443,529,419	\$ 1,352,878,893
Other liabilities	728,405,353	693,531,018
Future contributions	<u>(773,909,259)</u>	<u>(673,660,348)</u>
Net liability	\$ 1,398,025,513	\$ 1,372,749,563
Additional Required Reserves due to 6% Interest Credits for 2004	\$ 23,705,306	N/A
Required Reserves	\$ 3,299,123,598	\$ 3,119,370,366
Valuation Assets	\$ 3,703,128,712	\$ 3,269,528,176
Actuarial Surplus	\$ 404,005,114	\$ 150,157,810
Valuation Assets as a Percent of Required Reserves	112.25%	104.81%

SCHEDULE B**OUTLINE OF ACTUARIAL ASSUMPTIONS**

INTEREST DISCOUNT RATE: 5.0% per annum, compounded annually for the period before retirement and 6.5% per annum, compounded annually, used for the period after retirement.

SEPARATIONS FROM ACTIVE SERVICE: Representative values of the assumed annual rates of death, disability, termination from service and retirement are as follows:

Age	Annual Rates of			Age	Annual Rates of		
	Death		Disability		Death		Disability
	Male	Female			Male	Female	
21	.07%	.02%	.02%	50	.22%	.14%	.11%
25	.07	.02	.02	55	.35	.21	.23
30	.06	.02	.02	60	.64	.32	
35	.07	.04	.02	65	1.24	.66	
40	.10	.06	.02	69	2.00	1.22	
45	.14	.09	.04				

Age	Select Termination Rates by Years of Vesting Service						Annual Rates of Retirement			
	1	2	3	4	5 to 9	10+	Age	Rate	Age	Rate
Professional										
21	40%	35%	33%	30%	--	--	55	13%	64	30%
25	32	31	28	25	23%	17%	56	10	65	45
30	29	28	25	23	18	13	57	8	66	20
35	24	23	22	19	15	8	58	9	67	20
40	20	19	18	17	14	7	59	15	68	20
45	19	18	17	15	13	6	60	17	69	20
50	18	17	16	13	12	5	61	20	70	100
55	17	16	15	12	11	5	62	25		
59	16	15	14	11	N/A	N/A	63	20		
Non-Professional										
21	41%	37%	34%	32%	30%	--	55	13%	64	20%
25	40	36	33	31	29	20%	56	10	65	40
30	33	32	30	25	22	18	57	8	66	25
35	30	28	24	21	18	14	58	8	67	15
40	28	26	19	18	16	10	59	9	68	15
45	26	24	19	17	15	9	60	10	69	15
50	24	21	17	16	13	8	61	13	70	100
55	23	19	16	15	11	7	62	25		
59	22	18	15	14	N/A	N/A	63	15		

Note: At no time is more than one rate of termination or retirement effective.

SALARY INCREASES: Representative values of the assumed annual rates of future salary increase are as follows:

Age	Annual Rate of Salary Increase	Age	Annual Rate of Salary Increase
21	7.2%	50	1.3%
25	5.4	55	1.1
30	3.8	60	0.9
35	2.9	65	0.8
40	2.1	69	0.7
45	1.6		

DEATHS AFTER RETIREMENT: The 1995 Buck Mortality Table for males and females was used for calculating reserves for the period after service retirement. A special table was used for the period after disability retirement.

FLEXAMOUNT BENEFIT AFTER RETIREMENT: Assumed that 25% of the flexamount benefits will be paid as a lump sum settlement at death and 75% will be used to purchase an annuity at retirement.

FUTURE ADMINISTRATIVE EXPENSES: Paid by earnings on the assets in excess of the valuation rate.

IRC SECTION 401(a)(17) COMPENSATION LIMIT: Amounts applicable as of the start of the plan year are not assumed to change in the future. The limit in effect for plan years beginning on the valuation date is \$205,000.

LUMP SUMS: Participants are assumed to receive lump sum settlements if their participant's individual account balance is less than \$10,000 or from the SERP Plan if they are eligible for such plan.

ANNUITY STARTING DATE: Of those terminating who are eligible to collect an immediate annuity and are less than age 62, it is assumed that 60% start to collect immediately, and the remaining 40% will collect at age 62. Those age 62 and older are assumed to start collecting an annuity immediately after termination.

SCHEDULE C

SUMMARY OF THE MAIN PROVISIONS OF THE RETIREMENT PLAN AS INTERPRETED FOR VALUATION PURPOSES

1 - DEFINITIONS

"Normal retirement date" is the first day of the calendar month coincident with or next following the date on which the participant attains age 60.

"Compensation" means the regular annual salary or wages of a participant paid each calendar year by the employing Association, inclusive of bonuses, vacation pay, sick leave pay, disability pay and severance pay considered as a part of such salary or wages, as certified to the Retirement Fund Board by the employing Association. Annual compensation cannot exceed the IRC Section 401(a)(17) indexed compensation limit. SERP Plan compensation reflects only amounts in excess of this limit.

"Service" means in general all service as an employee after the attainment of age 18.

"Actuarial equivalent" means a benefit of equal value when computed upon the basis of such mortality tables and interest rates as shall be adopted from time to time by the Retirement Fund Board for use under the Retirement Plan.

2 - PARTICIPATION

Attainment of age 21 and the completion of 12 months of service starting on date of employment or any anniversary thereof, during which the employee first completes 1,000 hours of service. As of January 1, 2003, Associations had the option to require 1,000 hours of service in each of two 12-month periods commencing on date of employment or any anniversary thereof, and then provide immediate vesting. An employee who had attained age 60 at the time of employment is eligible to elect to become a participant.

3 – PURCHASE RATES

For pre-1996 contributions and post-1995 interest credits at the normal 5.0% rate, purchase rates are based on the 1951 Group Annuity Male Mortality Table rated back 3 years at an interest rate of 8.0%. For post-1995 contributions, pre-1996 interest credits above the normal 5.0% rate, for calculating disability retirement allowances and for funds rolled over after March 1, 2003 and held by the Fund for 10 or more years, purchase rates are based on the 1995 Buck Mortality Table weighted 50% male/50% female at an interest rate of 7.0%. For funds rolled over after March 1, 2003 and withdrawn within 10 years, an interest rate of 5.0% is used instead of 7.0% in the determination of purchase rates.

4- PARTICIPANT AND ASSOCIATION ACCOUNTS

Accounts are credited with interest credits as set forth in the Plan document and as agreed to by the Board of Trustees. The Plan proscribes that interest credits be at a level of 5.0% for contributions deposited prior to December 31, 1995. The Board of Trustees has set forth an interest credit of 3.0% for all contributions deposited after December 31, 1995 beginning January 1, 2004. However, solely for the 2004 calendar year, the Board of Trustees has granted an interest credit of 6.0% on all accounts.

5 - BENEFITS

Normal Retirement Allowance

Conditions for Allowance	A participant may retire upon reaching normal retirement date
Amount of Allowance	The normal retirement allowance is an annuity, which is the actuarial equivalent of the sum of the participant's accounts on the effective date of the allowance.

Early Retirement Allowance

Conditions for Allowance	Age 55 and 5 years of service.
Amount of Allowance	The early retirement allowance is an annuity, which is the actuarial equivalent of the sum of the participant's accounts on the effective date of the allowance.

Deferred Vested Retirement Allowance

Conditions for Allowance	3 years of service except immediate vesting for Associations that elected a two-year waiting period for participation.
Amount of Allowance	The deferred vested retirement allowance is an annuity which is the actuarial equivalent of the sum of the participant's accounts on the effective date of the allowance, which is at any time on or after age 55 if the participant had 5 years of service at termination. If the participant had less than 5 years of service at termination, the effective date of the allowance is at any time on or after age 60.

Forfeitures

The portion of a nonvested participant's individual account that is forfeited is applied as a credit against future Association payments or applied to pay administrative expenses as follows:

- The portion forfeited attributable to Association payments is applied as a credit to future Association payments required with respect to the Association that employed such participant while the contributions were made to which the credits apply.
- The portion forfeited attributable to earnings on such Association payments is applied to pay administrative expenses of the Plan.

Disability Retirement Allowance

Conditions for Allowance	5 years of participation and physically or mentally incapacitated for duty before reaching age 60.
Conditions for Allowance	The disability retirement allowance consists of: <ul style="list-style-type: none"> • A participant annuity which is the actuarial equivalent of the participant's accumulated regular and additional payments on the effective date of the allowance; and • An Association annuity which, together with the portion of the participant annuity attributable to regular participant payments, is sufficient to produce a benefit equal to the amount of his normal retirement allowance attributable to regular participant and regular Association payments to which the participant would have been entitled had service been continued to age 60, as if such regular payments had been made on the basis of average compensation for the five years of participation next prior to the effective date of the disability allowance; and • An Association annuity which is the actuarial equivalent of the participant's additional Association payments on the effective date of the allowance.

Pre-Retirement Death Benefits

Condition for Benefit Upon the death of a participant before retirement while in Association employment, or while on the transition list, or after leaving service on a deferred vested retirement allowance and before the first due date of payment, a benefit is payable.

Amount of Benefit The benefit, which is paid in a lump sum to the beneficiary designated or to the participant's estate, consists of:

- The total amount of the participant's accumulated regular and additional payments at the date of death; and
- An Association benefit, if any, computed as follows:
 - (a). If the participant had less than 5 years of participation at the time of death, and provided such participant had 12 or more monthly regular participant payments due and paid, the amount of such death benefit is equal to 10 times the amount of the regular participant payments due and paid during the 12 consecutive months immediately prior to the month in which death occurred.
 - (b). If the participant had 5 or more years of participation at the time of death, the amount payable is equal to 20 times such regular participant payments.

A duly nominated beneficiary may elect to convert the lump sum death benefit, in whole or in part, to a life annuity which is the actuarial equivalent of the lump sum otherwise payable.

In lieu of the above death benefit payable to the beneficiary of a deceased participant who is vested or who has attained age 60, the beneficiary may elect to convert the participant's accounts, in whole or in part, into a single life annuity which is the actuarial equivalent of the reserves.

Normal Form of Benefit

- Married participant - 50% joint and survivor annuity.
- Not married participant - lifetime annuity.

Options at Retirement

Subject to spousal consent, if applicable:

- Lifetime annuity.
- Joint and survivor annuity.
- A lump sum settlement if the participant's individual account is less than \$15,000.

Flexamount Benefit for Retired Participants

Upon the death of a retired participant, the designated beneficiary or estate is paid an amount equal to the annual amount of the retirement allowance without optional modification, exclusive of any part thereof attributable to additional participant or Association payments, and reduced by any amounts paid while living, as described below.

A participant may elect, within 60 days after the date of the first payment of the retirement allowance to receive up to 90% of the Association death benefit described above in the form of an additional annuity under the same optional form as the retirement allowance.

In addition to the death benefit described above, any lump sum Association death benefit coverage the retired participant had as an active participant (*i.e.*, 10 or 20 times, as the case may be, the regular participant payments due and paid during the 12 months preceding death) is continued, on the diminishing basis as computed by that formula, after the participant's retirement; the actual additional amount payable, however, is the excess of said formula benefit over the regular death benefit granted at retirement as described in said first paragraph.

A surviving spouse may elect to receive the aforesaid lump sum death benefit otherwise payable as a life annuity of equivalent actuarial value provided such lump sum is greater than \$5,000 at the time of death of the retired participant.

Refund of Participant Payments

A participant who severs employment before being eligible for any retirement allowance is entitled to receive, in a lump sum, the accumulated regular and additional participant payments.

A participant who is eligible for any retirement allowance may elect to receive, in a lump sum, the accumulated regular and additional participant payments at retirement, in lieu of a participant annuity, subject to spousal consent.

6 - CONTRIBUTIONS

Normal Retirement Allowance

Conditions for Allowance	A participant may retire upon reaching normal retirement date
Amount of Allowance	The normal retirement allowance is an annuity, which is the actuarial equivalent of the sum of the participant's accounts on the effective date of the allowance.

By Participants

3%, 4% or 5% of compensation as specified in an agreement made by the participating Association and the Board. Payments are to be continued as long as the participant is in active service.

A participant may elect to contribute additional amounts to provide additional annuity benefits.

By Associations

140% of each participant's regular contribution.

A participating Association may elect to make additional Association payments on behalf of all of its participating employees to provide for additional annuity benefits.

SERP Plan Contributions

12% of compensation in excess of the IRS compensation limit for employees of the Fund up to the statutory limit.

Maximum Annual Addition

The maximum annual addition on behalf of a participant is not to exceed the lesser of (i) \$41,000 (adjusted for increases in the cost of living in accordance with IRS regulations), or (ii) 100% of compensation, where annual addition means the sum of the Association payments and Participant payments during any Plan year.

**SCHEDULE D
TABLE 1A**

**Distribution of Active Participants by Fifth Age and Service Groupings
with Number, Annual Compensation, and Average Annual Compensation
as of June 30, 2004**

Age	Years of Vesting Service							Total	Percentage of Total	
	0 to 5	6 to 10	11 to 15	16 to 20	21 to 25	26 to 30	31+		Individual	Cumulative
21 to 25	4,600	580						5,180	11.13%	11.13%
	\$ 71,170,311	\$ 9,511,477						\$ 80,681,788		
	\$ 15,472	\$ 16,399						\$ 15,576		
26 to 30	5,091	1,892	166					7,149	15.36%	26.50%
	\$ 109,774,464	\$ 42,605,649	\$ 3,959,749					\$ 156,339,862		
	\$ 21,562	\$ 22,519	\$ 23,854					\$ 21,869		
31 to 35	3,374	2,139	731	72				6,316	13.57%	40.07%
	\$ 79,507,750	\$ 59,826,355	\$ 22,884,732	\$ 2,327,011				\$ 164,545,848		
	\$ 23,565	\$ 27,969	\$ 31,306	\$ 32,320				\$ 26,052		
36 to 40	2,610	1,602	970	267	33			5,482	11.78%	51.85%
	\$ 61,863,117	\$ 44,308,523	\$ 36,140,650	\$ 11,170,254	\$ 1,203,430			\$ 154,685,974		
	\$ 23,702	\$ 27,658	\$ 37,258	\$ 41,836	\$ 36,468			\$ 28,217		
41 to 45	2,500	1,731	877	620	193	10		5,931	12.75%	64.60%
	\$ 58,491,919	\$ 44,926,871	\$ 28,364,597	\$ 30,517,773	\$ 9,191,106	\$ 305,049		\$ 171,797,315		
	\$ 23,397	\$ 25,954	\$ 32,343	\$ 49,222	\$ 47,622	\$ 30,505		\$ 28,966		
46 to 50	2,015	1,564	945	593	385	114	10	5,626	12.09%	76.69%
	\$ 48,179,071	\$ 40,019,430	\$ 29,487,407	\$ 24,958,036	\$ 24,553,316	\$ 7,879,063	559,475	\$ 175,635,798		
	\$ 23,910	\$ 25,588	\$ 31,204	\$ 42,088	\$ 63,775	\$ 69,115	55,948	\$ 31,219		
51 to 55	1,538	1,151	736	519	280	260	70	4,554	9.79%	86.48%
	\$ 37,463,454	\$ 29,776,190	\$ 21,161,254	\$ 20,298,303	\$ 15,197,952	\$ 21,620,296	\$ 5,620,525	\$ 151,137,974		
	\$ 24,359	\$ 25,870	\$ 28,752	\$ 39,110	\$ 54,278	\$ 83,155	\$ 80,293	\$ 33,188		
56 to 60	1,088	764	490	361	220	124	111	3,158	6.79%	93.26%
	\$ 26,936,872	\$ 18,710,757	\$ 14,269,758	\$ 12,469,424	\$ 10,020,088	\$ 8,499,051	\$ 10,873,910	\$ 101,779,860		
	\$ 24,758	\$ 24,491	\$ 29,122	\$ 34,541	\$ 45,546	\$ 68,541	\$ 97,963	\$ 32,229		
61 to 65	627	394	313	178	103	56	54	1,725	3.71%	96.97%
	\$ 12,593,473	\$ 9,111,746	\$ 8,071,978	\$ 6,048,912	\$ 3,279,294	\$ 2,884,506	\$ 4,764,457	\$ 46,754,366		
	\$ 20,085	\$ 23,126	\$ 25,789	\$ 33,983	\$ 31,838	\$ 51,509	\$ 88,231	\$ 27,104		
66 to 70	328	218	118	54	27	17	12	774	1.66%	98.64%
	\$ 5,234,637	\$ 3,986,710	\$ 2,472,702	\$ 1,311,052	\$ 656,956	\$ 579,484	\$ 292,053	\$ 14,533,594		
	\$ 15,959	\$ 18,288	\$ 20,955	\$ 24,279	\$ 24,332	\$ 34,087	\$ 24,338	\$ 18,777		
71+	209	225	118	48	15	6	14	635	1.36%	100.00%
	\$ 2,483,881	\$ 2,781,962	\$ 1,487,053	\$ 582,409	\$ 231,077	\$ 64,949	\$ 213,627	\$ 7,844,958		
	\$ 11,885	\$ 12,364	\$ 12,602	\$ 12,134	\$ 15,405	\$ 10,825	\$ 15,259	\$ 12,354		
Total	23,980	12,260	5,464	2,712	1,256	587	271	46,530	100.00%	100.00%
	\$ 513,698,949	\$ 305,565,670	\$ 168,299,880	\$ 109,683,174	\$ 64,333,219	\$ 41,832,398	\$ 22,324,047	\$ 1,225,737,337		
	\$ 21,422	\$ 24,924	\$ 30,802	\$ 40,444	\$ 51,221	\$ 71,265	\$ 82,377	\$ 26,343		
Percentage of Total										
Individual	51.54%	26.35%	11.74%	5.83%	2.70%	1.26%	0.58%	100.00%		
Cumulative	51.54%	77.89%	89.63%	95.46%	98.16%	99.42%	100.00%	100.00%		

TABLE 1B

Distribution of Active Participants by Fifth Age and Service Groupings
with Number, Account Balance, and Average Account Balance
as of June 30, 2004

Age	Years of Vesting Service							Total	Percentage of Total	
	0 to 5	6 to 10	11 to 15	16 to 20	21 to 25	26 to 30	31+		Individual	Cumulative
21 to 25	4,600	580						5,180	11.13%	11.13%
	\$ 9,791,639	\$ 2,497,023						\$ 12,288,662		
	\$ 2,129	\$ 4,305						\$ 2,372		
26 to 30	5,091	1,892	166					7,149	15.36%	26.50%
	\$ 23,741,590	\$ 22,255,175	\$ 2,685,122					\$ 48,681,887		
	\$ 4,663	\$ 11,763	\$ 16,175					\$ 6,810		
31 to 35	3,374	2,139	731	72				6,316	13.57%	40.07%
	\$ 19,804,337	\$ 42,602,221	\$ 24,881,061	\$ 2,805,312				\$ 90,092,931		
	\$ 5,870	\$ 19,917	\$ 34,037	\$ 38,963				\$ 14,264		
36 to 40	2,610	1,602	970	267	33			5,482	11.78%	51.85%
	\$ 15,540,344	\$ 32,856,594	\$ 49,804,714	\$ 21,416,375	\$ 2,352,830			\$ 121,970,857		
	\$ 5,954	\$ 20,510	\$ 51,345	\$ 80,211	\$ 71,298			\$ 22,249		
41 to 45	2,500	1,731	877	620	193	10		5,931	12.75%	64.60%
	\$ 15,105,189	\$ 32,639,094	\$ 41,201,306	\$ 73,102,650	\$ 27,866,498	\$ 1,141,988		\$ 191,056,725		
	\$ 6,042	\$ 18,856	\$ 46,980	\$ 117,908	\$ 144,386	\$ 114,199		\$ 32,213		
46 to 50	2,015	1,564	945	593	385	114	10	5,626	12.09%	76.69%
	\$ 12,650,069	\$ 31,275,094	\$ 42,659,552	\$ 61,576,471	\$ 83,991,660	\$ 34,763,566	\$ 1,768,172	\$ 268,684,584		
	\$ 6,278	\$ 19,997	\$ 45,142	\$ 103,839	\$ 218,160	\$ 304,944	\$ 176,817	\$ 47,758		
51 to 55	1,538	1,151	736	519	280	260	70	4,554	9.79%	86.48%
	\$ 11,572,904	\$ 24,996,914	\$ 33,127,719	\$ 49,240,822	\$ 57,088,522	\$ 111,234,106	\$ 35,907,363	\$ 323,168,350		
	\$ 7,525	\$ 21,718	\$ 45,010	\$ 94,876	\$ 203,888	\$ 427,823	\$ 512,962	\$ 70,964		
56 to 60	1,088	764	490	361	220	124	111	3,158	6.79%	93.26%
	\$ 8,677,413	\$ 17,831,642	\$ 24,993,283	\$ 33,220,258	\$ 38,563,852	\$ 46,056,359	\$ 75,190,995	\$ 244,533,802		
	\$ 7,976	\$ 23,340	\$ 51,007	\$ 92,023	\$ 175,290	\$ 371,422	\$ 677,396	\$ 77,433		
61 to 65	627	394	313	178	103	56	54	1,725	3.71%	96.97%
	\$ 3,927,795	\$ 8,319,108	\$ 14,735,436	\$ 19,030,421	\$ 13,497,190	\$ 14,719,201	\$ 39,448,087	\$ 113,677,238		
	\$ 6,264	\$ 21,114	\$ 47,078	\$ 106,912	\$ 131,041	\$ 262,843	\$ 730,520	\$ 65,900		
66 to 70	328	218	118	54	27	17	12	774	1.66%	98.64%
	\$ 1,628,143	\$ 4,134,004	\$ 4,481,223	\$ 3,714,368	\$ 1,742,885	\$ 3,432,542	\$ 2,274,554	\$ 21,407,719		
	\$ 4,964	\$ 18,963	\$ 37,976	\$ 68,785	\$ 64,551	\$ 201,914	\$ 189,546	\$ 27,659		
71+	209	225	118	48	15	6	14	635	1.36%	100.00%
	\$ 766,344	\$ 2,250,032	\$ 1,992,165	\$ 1,152,664	\$ 500,934	\$ 333,733	\$ 970,792	\$ 7,966,664		
	\$ 3,667	\$ 10,000	\$ 16,883	\$ 24,014	\$ 33,396	\$ 55,622	\$ 69,342	\$ 12,546		
Total	23,980	12,260	5,464	2,712	1,256	587	271	46,530	100.00%	100.00%
	\$ 123,205,767	\$ 221,656,901	\$ 240,561,581	\$ 265,259,341	\$ 225,604,371	\$ 211,681,495	\$ 155,559,963	\$ 1,443,529,419		
	\$ 5,138	\$ 18,080	\$ 44,027	\$ 97,809	\$ 179,621	\$ 360,616	\$ 574,022	\$ 31,024		
Percentage of Total										
Individual	51.54%	26.35%	11.74%	5.83%	2.70%	1.26%	0.58%	100.00%		
Cumulative	51.54%	77.89%	89.63%	95.46%	98.16%	99.42%	100.00%	100.00%		

TABLE 2

**Distribution of Excess Leaves of Absence by Fifth Age
Less Than 5 Years of Service
as of June 30, 2004**

Age	Number	Percentage of Total	Account Balance	Average Account Balance
31 to 35	16	5.23%	98,843	6,178
36 to 40	63	20.59%	471,272	7,481
41 to 45	72	23.53%	732,060	10,168
46 to 50	60	19.61%	549,846	9,164
51 to 55	44	14.38%	630,929	14,339
56 to 60	35	11.44%	500,779	14,308
61 to 65	11	3.59%	103,107	9,373
66 to 70	4	1.31%	33,004	8,251
71 +	1	0.33%	2,633	2,633
Total	306	100.00%	\$ 3,122,473	\$ 10,204

Range of Account Balance

0 - 1,000	4	1.31%	\$ 1,235	\$ 309
1,000 - 5,000	3	0.98%	6,289	2,096
5,000 - 10,000	213	69.61%	1,517,335	7,124
10,000 - 20,000	68	22.22%	909,076	13,369
20,000 +	18	5.88%	688,538	38,252
Total	306	99.99%	\$ 3,122,473	\$ 10,204



TABLE 3

**Distribution of Participants in Transition by Fifth Age and Service Groupings
with Number, Account Balance, and Average Account Balance
as of June 30, 2004**

Age	Years of Vesting Service						Total	Percentage of Total	
	0 to 5	6 to 10	11 to 15	16 to 20	21 to 25	26+		Individual	Cumulative
21 to 25	525	45					570	5.38%	5.38%
	\$ 746,131	\$ 188,006					\$ 934,137		
	\$ 1,421	\$ 4,178					\$ 1,639		
26 to 30	1,264	411	20				1,695	15.99%	21.36%
	\$ 4,930,457	\$ 3,310,214	\$ 209,345				\$ 8,450,016		
	\$ 3,901	\$ 8,054	\$ 10,467				\$ 4,985		
31 to 35	944	804	132	9			1,889	17.82%	39.18%
	\$ 6,490,429	\$ 13,397,148	\$ 3,097,027	\$ 297,540			\$ 23,282,144		
	\$ 6,875	\$ 16,663	\$ 23,462	\$ 33,060			\$ 12,325		
36 to 40	593	649	230	28	1		1,501	14.16%	53.34%
	\$ 5,362,959	\$ 15,466,167	\$ 10,991,414	\$ 1,606,397	\$ 16,916		\$ 33,443,853		
	\$ 9,044	\$ 23,831	\$ 47,789	\$ 57,371	\$ 16,916		\$ 22,281		
41 to 45	469	547	264	79	19	2	1,380	13.02%	66.36%
	\$ 4,798,613	\$ 13,221,567	\$ 15,047,431	\$ 8,350,343	\$ 2,167,520	\$ 232,527	\$ 43,818,001		
	\$ 10,232	\$ 24,171	\$ 56,998	\$ 105,701	\$ 114,080	\$ 116,264	\$ 31,752		
46 to 50	343	526	228	109	41	5	1,252	11.81%	78.16%
	\$ 2,747,553	\$ 11,845,010	\$ 13,659,266	\$ 12,791,627	\$ 9,902,034	\$ 573,249	\$ 51,518,739		
	\$ 8,010	\$ 22,519	\$ 59,909	\$ 117,354	\$ 241,513	\$ 114,650	\$ 41,149		
51 to 55	284	406	215	98	55	30	1,088	10.26%	88.43%
	\$ 3,568,288	\$ 10,118,080	\$ 12,028,949	\$ 10,008,758	\$ 14,891,883	\$ 11,173,879	\$ 61,789,837		
	\$ 12,564	\$ 24,921	\$ 55,949	\$ 102,130	\$ 270,762	\$ 372,463	\$ 56,792		
56 to 60	185	246	122	63	22	14	652	6.15%	94.58%
	\$ 2,410,801	\$ 6,161,013	\$ 8,317,978	\$ 6,778,147	\$ 3,696,369	\$ 4,804,555	\$ 32,168,863		
	\$ 13,031	\$ 25,045	\$ 68,180	\$ 107,590	\$ 168,017	\$ 343,183	\$ 49,339		
61 to 65	141	104	66	21	16	8	356	3.36%	97.93%
	\$ 1,048,148	\$ 2,302,389	\$ 2,814,196	\$ 1,058,121	\$ 1,486,786	\$ 3,921,147	\$ 12,630,787		
	\$ 7,434	\$ 22,138	\$ 42,639	\$ 50,387	\$ 92,924	\$ 490,143	\$ 35,480		
66 to 70	94	52	12	4	3	2	167	1.58%	99.51%
	\$ 650,784	\$ 720,768	\$ 328,406	\$ 295,891	\$ 193,284	\$ 50,508	\$ 2,239,641		
	\$ 6,923	\$ 13,861	\$ 27,367	\$ 73,973	\$ 64,428	\$ 25,254	\$ 13,411		
71+	28	13	4	3	3	1	52	0.49%	100.00%
	\$ 72,764	\$ 93,580	\$ 39,163	\$ 27,665	\$ 53,922	\$ 4,255	\$ 291,349		
	\$ 2,599	\$ 7,198	\$ 9,791	\$ 9,222	\$ 17,974	\$ 4,255	\$ 5,603		
Total	4,870	3,803	1,293	414	160	62	10,602	100.00%	100.00%
	\$ 32,826,927	\$ 76,823,942	\$ 66,533,175	\$ 41,214,489	\$ 32,408,714	\$ 20,760,120	\$ 270,567,367		
	\$ 6,741	\$ 20,201	\$ 51,456	\$ 99,552	\$ 202,554	\$ 334,841	\$ 25,520		
Percentage of Total									
Individual	45.93%	35.88%	12.20%	3.90%	1.51%	0.58%	100.00%		
Cumulative	45.93%	81.81%	94.01%	97.91%	99.42%	100.00%	100.00%		

Years Since Active	Number	Account Balance	Avg. Acc. Balance
0	2,768	\$ 49,674,270	\$ 17,946
1	1,559	48,554,895	31,145
2	1,338	35,814,492	26,767
3	1,441	41,980,391	29,133
4	1,324	35,171,140	26,564
5	1,081	29,126,973	26,944
6	1,091	30,245,206	27,722
Total	10,602	\$ 270,567,367	\$ 25,520

Range of Account Balance

	Number	Account Balance	Avg. Acc. Balance
0 - 5,000	3,408	\$ 5,344,641	\$ 1,568
5,000 - 10,000	1,850	13,394,737	7,240
10,000 - 20,000	2,131	30,736,503	14,424
20,000 - 50,000	1,991	62,578,120	31,430
50,000 - 100,000	724	50,418,818	69,639
100,000 +	498	108,094,548	217,057
Total	10,602	\$ 270,567,367	\$ 25,520

TABLE 4

**Distribution of Deferred Vested Participants by Fifth Age Groupings
with Number, Account Balance, and Average Account Balance
as of June 30, 2004**

Age	Former Employees Entitled To Future Benefits			Former Spouses Of Participants Entitled To Benefits Under A QDRO		
	Number	Account Balance	Average Account Balance	Number	Account Balance	Average Account Balance
20 to 24				2	\$ 34,052	\$ 17,026
25 to 29	65	\$ 271,494	\$ 4,177	1	4,675	4,675
30 to 34	618	6,497,652	10,514	1	8,514	8,514
35 to 39	1,207	24,628,433	20,405	12	201,681	16,807
40 to 44	1,716	57,979,352	33,788	26	1,431,780	55,068
45 to 49	1,814	83,452,409	46,005	43	3,246,431	75,498
50 to 54	1,750	107,628,192	61,502	31	2,765,083	89,196
55 to 59	1,069	73,945,426	69,173	25	3,554,243	142,170
60 to 64	439	36,219,337	82,504	4	737,954	184,489
65 to 69	107	8,180,708	76,455			
70 to 74	20	216,183	10,809			
75+	11	91,250	8,295			
Total	8,816	\$399,110,436	\$ 45,271	145	\$ 11,984,413	\$ 82,651

Range of Account Balance

0 - 5,000	725	\$ 2,226,128	\$ 3,071	3	\$ 9,106	\$ 3,035
5,000 - 10,000	901	6,725,201	7,464	11	78,693	7,154
10,000 - 20,000	1,684	25,589,080	15,195	25	397,649	15,906
20,000 - 50,000	3,426	107,398,181	31,348	33	1,038,099	31,458
50,000 - 100,000	1,217	85,119,606	69,942	34	2,408,569	70,840
100,000 +	863	172,052,240	199,365	39	8,052,297	206,469
Total	8,816	\$399,110,436	\$ 45,271	145	\$ 11,984,413	\$ 82,651

TABLE 5

**Distribution by Age of the Number,
Annual Retirement Allowance, and Average Annual Retirement Allowance
of Retired Participants
as of June 30, 2004**

Age	Age Retirement				Disability Retirement			
	Number	Allowance	Average	Death Benefit	Number	Allowance	Average	Death Benefit
30 to 34					1	\$ 20,532	\$ 20,532	\$ 1,922
35 to 39					3	73,163	24,388	25,781
40 to 44					11	278,262	25,297	51,000
45 to 49					9	167,553	18,617	40,281
50 to 54	2	\$ 15,195	\$ 7,598	\$ 2,918	15	346,853	23,124	113,820
55 to 59	476	8,198,262	17,223	1,498,114	26	278,712	10,720	158,741
60 to 64	1,091	17,788,588	16,305	3,263,375	23	396,712	17,248	219,724
65 to 69	1,561	23,053,756	14,769	5,129,542	14	222,664	15,905	36,986
70 to 74	1,420	18,047,850	12,710	4,537,708	11	99,486	9,044	22,653
75 to 79	1,166	15,801,131	13,552	4,978,030	6	53,176	8,863	17,870
80 to 84	676	6,837,030	10,114	2,413,794	2	16,165	8,083	1,337
85 to 89	362	2,884,961	7,970	911,256	4	32,570	8,143	11,628
90 to 94	151	1,215,914	8,052	305,478				
95 to 99	38	286,128	7,530	55,479				
100+	2	5,308	2,654	3,080				
Total	6,945	\$94,134,123	\$ 13,554	\$ 23,098,773	125	\$ 1,985,848	\$ 15,887	\$ 701,746
Option								
Life Annuity	3,929	\$34,780,829	\$ 8,852		69	\$ 997,831	\$ 14,461	
J & S	3,020	\$59,353,293	\$ 19,653		56	\$ 988,019	\$ 17,643	

TABLE 6

**Distribution by Age of the Number, Annual Retirement Allowance,
and Average Annual Retirement Allowance of Beneficiaries
of Deceased Participants under option or who have elected to receive
the Death Benefit in the form of an Annuity and those entitled
to a benefit under a QDRO as of June 30, 2004**

Age	Number	Allowance	Average
to 19	3	\$ 2,866	\$ 955
20 to 24	3	26,803	8,934
25 to 29	8	21,469	2,684
30 to 34	13	51,049	3,927
35 to 39	10	98,319	9,832
40 to 44	21	104,145	4,959
45 to 49	24	192,616	8,026
50 to 54	52	603,071	11,598
55 to 59	70	607,687	8,681
60 to 64	84	1,070,322	12,742
65 to 69	97	1,223,412	12,612
70 to 74	110	1,484,982	13,500
75 to 79	153	1,823,045	11,915
80 to 84	174	1,540,028	8,851
85 to 89	158	1,178,148	7,457
90 to 94	100	853,923	8,539
95 to 99	36	215,089	5,975
100+	7	43,358	6,194
Total	1,123	\$ 11,140,332	\$ 9,920

In addition, there are 303 deceased non retirees with unpaid account balances of \$2,704,171 in participant and Association accounts and 262 deceased retirees with unpaid death benefits of \$595,627.



SCHEDULE E

Projection of Benefits and Contributions
Based on the Closed Population as of June 30, 2004
(millions of dollars)

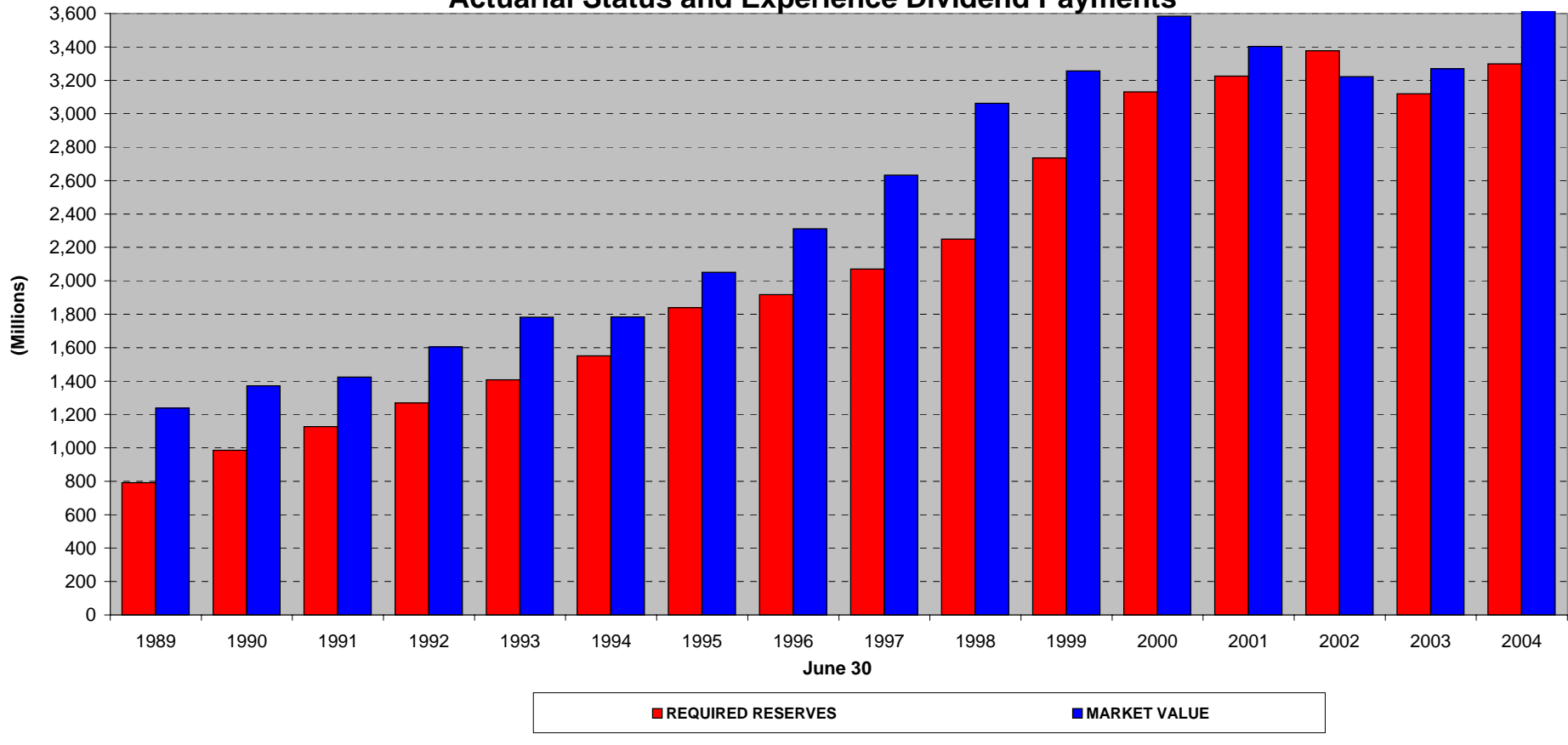
Period	Benefits				Contributions
	Actives	Inactives	Retired	Total	
July 1, 2004 - June 30, 2005	\$50.3	\$38.4	\$107.8	\$196.4	\$125.5
July 1, 2005 - June 30, 2006	45.3	26.0	104.9	176.3	107.5
July 1, 2006 - June 30, 2007	43.8	28.0	102.4	174.2	93.7
July 1, 2007 - June 30, 2008	44.4	26.7	99.9	171.1	82.7
July 1, 2008 - June 30, 2009	47.1	25.1	97.4	169.7	73.5
July 1, 2009 - June 30, 2010	51.8	20.3	94.7	166.8	65.8
July 1, 2010 - June 30, 2011	58.2	22.1	92.0	172.3	59.2
July 1, 2011 - June 30, 2012	66.2	26.0	89.3	181.5	53.4
July 1, 2012 - June 30, 2013	75.5	31.1	86.5	193.0	48.2
July 1, 2013 - June 30, 2014	85.4	36.5	83.6	205.5	43.6
July 1, 2014 - June 30, 2019	117.0	49.8	74.2	241.0	32.1
July 1, 2019 - June 30, 2024	167.9	69.8	57.4	295.1	17.9
July 1, 2024 - June 30, 2029	204.7	81.2	40.5	326.5	9.1
July 1, 2029 - June 30, 2034	222.9	80.4	25.5	328.8	4.0
July 1, 2034 - June 30, 2039	223.2	68.8	14.0	306.0	1.4
July 1, 2039 - June 30, 2044	200.4	52.4	6.6	259.5	0.4
July 1, 2044 - June 30, 2049	158.0	36.1	2.7	196.9	0.1
July 1, 2049 - June 30, 2054	112.7	22.1	1.1	135.9	
July 1, 2054 - June 30, 2059	73.6	11.6	0.4	85.6	
July 1, 2059 - June 30, 2064	43.0	5.1	0.2	48.3	
July 1, 2064 - June 30, 2069	21.8	1.8	0.1	23.6	
July 1, 2069 - June 30, 2074	9.1	0.4		9.6	
July 1, 2074 - June 30, 2079	2.9	0.1		3.0	
July 1, 2079 - June 30, 2084	0.6			0.7	

Note 1: Over the first 10 years, a one year period is used. Beginning in 2014, a 5 year period is used and the amount shown is the annual average over the 5 year period.

Note 2: Future voluntary contributions and the benefits associated with those contributions have not been reflected above.



Historical Summary of Assets, Required Reserves, Actuarial Status and Experience Dividend Payments



Valuation Year	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
Required Reserves (RR)	\$791	\$985	\$1,128	\$1,269	\$1,407	\$1,550	\$1,839	\$1,917	\$2,070	\$2,249	\$2,735	\$3,131	\$3,225	\$3,377	\$3,119	\$3,299
Actuarial Surplus / (Deficit)	447	387	295	336	375	234	212	395	563	813	521	453	178	(155)	150	404
Market Value (MV)	1,238	1,372	1,423	1,605	1,782	1,784	2,051	2,312	2,633	3,062	3,256	3,584	3,403	3,222	3,269	3,703
MV as a % of RR	157%	139%	126%	126%	127%	115%	112%	121%	127%	136%	119%	114%	106%	95%	105%	112%
Experience Dividend Payments (amounts in millions)																
Actives	36.6	119.0	52.4	59.0	46.1	46.5	23.6	31.7	32.3	69.8	85.6	103.0	89.9	50.0	0.0	47.6
Retirees	<u>8.1</u>	<u>39.0</u>	<u>47.9</u>	<u>15.4</u>	<u>14.9</u>	<u>11.5</u>	<u>4.9</u>	<u>5.4</u>	<u>8.7</u>	<u>18.1</u>	<u>22.5</u>	<u>28.1</u>	<u>15.4</u>	<u>7.2</u>	<u>0.0</u>	<u>0.0</u>
Total	44.7	158.0	100.3	74.4	61.0	58.0	28.5	37.1	41.0	87.9	108.1	131.1	105.3	57.2	0.0	47.6