Actuarial Report
as of July 1, 2004, for the
Plan Year Ended June 30, 2005, and
for the St. Joseph Health Services
of Rhode Island Retirement Plan

October 2005

Employee Benefits Consulting

St. Joseph Health Services of Rhode Island
Retirement Plan

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	a. Minimum	$ 0	$ 0	17
	As % of Payroll	0%	0%	
	b. Recommended	$ 0	$ 0	17
	As % of Payroll	0%	0%	
2.	Actual Contribution	N/A	$ 0	10
3.	Normal Cost	$ 2,315,593	$ 2,224,769	16
	As % of Payroll	3.5%	3.4%	
4.	Market Value of Assets	$ 89,475,173	$ 80,687,937	8
5.	Valuation Assets	$ 95,454,328	$ 94,225,670	9
6.	Accrued Liability	$ 82,563,037	$ 75,632,790	16
7.	Unfunded Accrued Liability	$ (12,891,291)	$ (18,592,880)	16

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St. Joseph Health Services of Rhode Island
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B. Analysis of Scheduled Employer Contributions

No contribution is recommended under the Hospital's funding policy for the plan year beginning July 1, 2004.

C. Benefit Security

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1. Market Value of Assets	$ 89,475,173	$ 80,687,937	8
2. Present Value of Accrued Benefits[1]	66,950,823	60,221,708	18
3. Excess of [1] over [2]	$ 22,524,350	$ 20,466,229	
4. Ratio of [1] to [2]	133.6%	134.0%	
5. Assumed Discount Rate (used in [2])	7.75%	8.0%	

D. Valuation Data

	07/01/2004	07/01/2003	Page
1. Active Employees Submitted	1,701	1,690	13
2. Number of Employees Costed			
a. Active Employees	1,701	1,690	13
b. Retirees and Beneficiaries	545	508	14
c. Vested Terminations Transfers and Disabled	744	749	13
d. Total Employees Costed	2,990	2,947	
3. Payroll of Costed Employees	$66,168,929	$65,035,574	
Percent Increase	1.7%	14.3%	
4. Average Payroll of Costed Employees	$38,900	$38,483	
Percent Increase	1.1%	0.4%	

[1] The present value of accrued benefits is an estimate of the plan's liabilities, calculated assuming that accruals cease as of the valuation date and the plan is not terminated so that liabilities are determined using the plan's actuarial valuation assumptions.

St. Joseph Health Services of Rhode Island Retirement Plan

Part II. Actuarial Commentary

The recommended funding level used by the Hospital is determined in a manner consistent with the original minimum funding standards of ERISA. The recommended contribution is based on the Plan's Normal Cost plus an amortization of the Plan's unfunded liability. If the plan is projected to have no unfunded liability at the end of the Plan Year then no contribution is recommended. While the Plan is a church plan, and is not subject to the funding requirements of ERISA, the current funding policy follows the ERISA guidelines without regard to current liability calculations. The recommended contribution for the 2004 plan year is $0.

A primary actuarial objective of the Projected Unit Credit Cost Method is to choose actuarial assumptions so as to minimize net actuarial gains and losses over several years. For the past five years, the record of gains and losses has been as follows:

	Actuarial Gain (Loss) in Prior Plan Years		
Valuation Date	Asset Gain (Loss)	Liability Gain (Loss)	Total
07-01-2004	$ (3,187,752)	$ (354,490)	$ (3,542,242)
07-01-2003	$ (2,588,758)	$ 204,331	$ (2,384,427)
07-01-2002	$ 385,927	$ (499,691)	$ (113,764)
07-01-2001	$ 4,136,928	$ (1,780,190)	$ 2,356,738
07-01-2000	$ 7,037,762	$ (2,392,264)	$ 4,645,498

For the July 1, 2004 valuation, liability losses due primarily to more early retirements than expected was mostly offset by gains due to lower than expected salary increases. This net loss compounded with asset valuation return less than expected.

There were two changes to the actuarial assumptions: (1) the interest rate was lowered to 7.75% from 8.00%; and (2) the mortality table was updated to the RP2000 Table from the GAM 83 Table. Those changes increased the liability by $1,244,027 and the normal cost by $74,151.

The following illustration compares the major actuarial assumptions to aggregate measures of actual plan experience for the last plan year:

	Assumed	Actual				
		2004	2003	2002	2001	2000
Investment return, market value basis	N/A	14.9%	2.7%	(5.9%)	(1.9%)	12.3%
Investment return, asset valuation basis	8.0%	4.6%	5.1%	8.4%	13.8%	18.5%
Pension compensation increase per year on a comparable basis	4.0%	3.0%	5.1%	6.9%	6.9%	4.7%

Part III. Actuarial Certification

This report presents the results of the Actuarial Valuation for the St. Joseph Health Services of Rhode Island Retirement Plan as of July 1, 2004 for development of the recommended contribution as a church plan, disclosures under Statement of Financial Accounting Standards No. 35 (FAS 35) for the 2004/2005 plan year.

This report has been prepared using generally accepted actuarial practices and methods. The actuarial assumptions used in the calculations are individually reasonable and reasonable in aggregate.

Aon Consulting did not audit the employee data and financial information used in this valuation. On the basis of our review of this data, we believe that the information is sufficiently complete and reliable, and that it is appropriate for the purposes intended.

Actuarial computations under FAS 35 are for the purpose of disclosures in the Plan's financial statements. The calculations reported herein have been made on a basis consistent with our understanding of these accounting standards. Determinations for purposes other than meeting Employer financial accounting requirements or disclosures in the Plan's financial statements may be different from these results. Accordingly, additional determinations may be needed for other purposes, such as judging benefit security at termination.

This report is intended for the sole use of St. Joseph Health Services of Rhode Island. It is intended only to supply information for St. Joseph Health Services of Rhode Island to comply with the stated purposes of the report and may not be appropriate for other business purposes. Reliance on information contained in this report by anyone for other than the intended purposes puts the relying entity at risk of being misled because of confusion or failure to understand applicable assumptions, methodologies, or limitations of the report's conclusions. Accordingly, no person or entity, including St. Joseph Health Services of Rhode Island, should base any representations or warranties in any business agreement on any statements or conclusions contained in this report without the written consent of Aon Consulting.

The actuary whose signature appears below is a Member of the American Academy of Actuaries and meets the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained herein. They are available to answer any questions with regard to the matters enumerated in this report.

Aon's relationship with the Plan and the Plan Sponsor is strictly professional. There are no aspects of the relationship that may impair or appear to impair the objectivity of Aon's work.

Aon Consulting, Inc.

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Part IV. Valuation Method and Assumptions

A. Valuation Method

The method of valuation used for pension benefits is called the Projected Unit Credit Method. Under this method, actuarial gains and losses are reflected immediately through a change in the unfunded accrued liability. These gains and losses are amortized as a level dollar amount over the number of years necessary to comply with procedures for calculating minimum and maximum contributions.

Current liability is determined as the present value of all benefits accrued related to age, service, compensation, death or disability which are reasonably and reliably predictable.

B. Valuation of Assets

Valuation assets are determined by using a 5 year moving average asset valuation method. The valuation assets may not exceed 120% of market value, nor be less than 80%. All assets are placed in a trust fund with Bank of America as Trustee. The financial information used in this valuation was not audited by Aon Consulting.

C. Employees Included in the Calculations

All active employees who have met the plan's eligibility requirements as of the valuation date are included in the calculations. Former employees or their survivors who are entitled to an immediate or deferred benefit under the provisions of the plan are also included.

D. Actuarial Assumptions

1. Mortality:	RP – 2000 Mortality Table - Separate male and female rates.
2. Disability:	None.
3. Termination:	Select and ultimate rates were used. The rates are illustrated in the tables on the following pages.
4. Salary progression:	4% compounded annually.
5. Interest rate used for determining:	
a. Preretirement	7.75% compounded annually.
b. Postretirement	7.75% compounded annually.
6. Expenses:	None.

7. Retirement age:

Beginning at fifty-five, the following rates are assumed:

Age	Probability of Retirement
55	2.0%
56-59	0.8%
60-61	3.0%
62	15.0%
63	7.5%
64	10.0%
65	75.0%
66	80.0%
67	91.0%
68	100.0%

8. Social Security Taxable Wage Base increases: 4.0% compounded annually.

9. The following are examples of the probability that a participant will die or terminate within the year:

The termination rates below are ultimate rates after 10 years of service.

	Mortality		Termination	
Age	Male	Female	Male	Female
25	0.000366	0.000207	0.066	0.099
30	0.000444	0.000264	0.050	0.077
35	0.000773	0.000475	0.034	0.054
40	0.001079	0.000706	0.018	0.032
45	0.001508	0.001124	0.012	0.021
50	0.002138	0.001676	0.006	0.011
55	0.003624	0.002717	0.000	0.000

In addition to the above rates, the following rates based on service are included for participants with 10 or fewer years of service.

Service	Rate
1	10%
2	9%
3	8%
4	7%
5	6%
6	5%
7	4%
8	3%
9	2%
10	1%

E. Changes in Actuarial Assumptions or Methods

The interest rate used to determine pre- and post-retirement liabilities was lowered to 7.75% from 8.00%.

The mortality tables used to determine pre-and post-retirement liabilities were changed to the gender-distinct RP-2000 Mortality Table from the gender-distinct GAM 83 Mortality Table.

F. Other Considerations

1. Participant salaries are limited to the IRC Section 401(a)(17) limit that was in effect as of the beginning of the plan year. Projected benefits are limited to the IRC Section 415(b) limit that was in effect as of the beginning of the plan year.

2. For the purpose of valuing death benefits, 100% of the participants are assumed to be married. Wives are assumed to be three years younger than their husbands.

3. Employees are assumed to work the same number of hours in all future years that they worked in the computation period preceding the valuation date.

4. Although we believe these to be accurate and complete, employee data supplied to us by the Employer and financial information supplied to us by the Trustee have not been audited by us.

5. We rely on the Employer to inform us of any former participants who have been rehired and lost prior service because of the length of their break in service. These employees may have participation requirements different from other new employees.

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Part V. Financial Statements

A. Statement of Income & Disbursements of the Trust Fund for the Plan Year Ending 06/30/2004

1. Fund Balance at Beginning of Year (market value, accrual basis)			$	80,687,937
2. Income				
a. Contributions received or receivable from employer for plan year ending June 30, 2004	$	0		
b. Earnings on investments		12,614,649		
c. Total Income			$	12,614,649
3. Disbursements				
a. Benefit payments directly to participants or their beneficiaries	$	2,994,186		
b. Administrative expenses		833,227		
c. Total Disbursements			$	3,827,413
4. Net Income (Disbursements)			$	8,787,236
5. Fund Balance at End of Year			$	89,475,173

B. Development of Actuarial Value of Assets

1.	Actuarial value as of 07/01/2003		$ 94,225,670
2.	Market value as of 07/01/2003		$ 80,687,937
3.	Employer contributions during the year		$ 0
4.	Benefit payments from 07/01/2003 to 06/30/2004		$ 2,994,186
5.	Expected interest at 8.0% through 06/30/2004		
a.	On [1]	$ 7,538,054	
b.	On [3]	0	
c.	On [4]	127,458	
d.	Net expected interest ([a] + [b] - [c])		$ 7,410,596
6.	Expected market value as of 06/30/2004 ([2] + [3] - [4] + [5d])		$ 85,104,347
7.	Actual market value as of 06/30/2004		$ 89,475,173
8.	Market value gain (loss) from 07/01/2003 to 06/30/2004 ([7] - [6])		$ 4,370,826
9.	Recognition of actuarial value gain (loss) amounts		

Plan Year Ending	Original Gain (Loss)	06/30/2004 Balance	Amount to Recognize on 07/01/2004
a. 06/30/2000	4,848,730	969,746	969,746
b. 06/30/2001	(8,008,613)	(3,203,445)	(1,601,722)
c. 06/30/2002	(12,078,648)	(7,247,188)	(2,415,730)
d. 06/30/2003	(5,071,056)	(4,056,845)	(1,014,211)
e. 06/30/2004	4,370,826	4,370,826	874,165
f. Total			($3,187,752)

10.	Actuarial value as of 07/01/2004([1] + [3] – [4] + [5d] + [9f])	$ 95,454,328
11.	Actuarial value as a percentage of market value	106.68%

C. Contributions for the Prior Plan Year

No contributions for the prior plan year are assumed to be made.

D. Contributions for the Current Plan Year

No contributions for the current plan year are assumed to have previously been made for purposes of this report.

Part VI. Summary of Principal Plan Provisions

The following summary describes plan provisions assumed in calculating the cost of your pension plan.

A. General Information

1. Original Effective Date: July 1, 1965
2. Effective Date of Last Amendment: July 1, 2001
3. Plan Year: July 1 to June 30
4. Employer Fiscal Year: October 1 to September 30
5. Employer ID Number: 05-0484597

B. Eligibility

All employees, who work more than 1,000 hours a year, are eligible to participate in the Plan on the first day of the month following the completion of one year of service.

"Employee" does not include temporary employees, persons employed on a part-time, retainer, or on a contract basis.

C. Service

Service shall equal total plan years of service with the Employer. Prior to July 1, 2001, a year of service was credited for each plan year in which an employee was an active participant in the plan and was paid for at least 1,000 hours. On July 1, 2001 the plan was amended to use elapsed time to determine service through July 1, 2001. Thereafter, the 1,000 hour rule will continue to be used.

D. Normal Retirement Date

Normal retirement date is the later of the first day of the month coincident with or next following the employee's attainment of age sixty-five and the fifth anniversary of his plan participation.

E. Normal Retirement Benefit

The amount of annual normal retirement benefit to be paid in monthly installments for life, based on credited service to normal retirement date, is:

1. Fifty percent of Final Average Earnings, less
2. Fifty percent of the Social Security Benefit

The above difference shall be multiplied by the ratio of the participant's credited service not in excess of 30 years over 30 years.

The annual retirement benefit can not be less than $48.00 multiplied by years of credited service, to a maximum of 30 years.

If an employee was a member on June 30, 1977, his benefit should not be less than the sum of (a) and (b) below:

(a) Future Service Benefit: 0.75% of Annual Earnings up to $4,800 plus 1.5% of Annual Earnings in excess of $4,800, for each year of future service.

(b) Past Service Benefit: 0.75% of Annual Earnings for each year of past service.

F. Delayed Retirement

A participant may continue in the employment of the Employer after his normal retirement date. In such event he will receive at actual retirement his accrued benefit calculated using service as of his actual retirement date.

G. Final Average Earnings

The average of the five highest consecutive Annual Earnings during the ten years immediately preceding employee's termination of employment.

"Annual Earnings" means the basic rate of compensation, excluding bonus payments, call time, overtime or any irregular payments. In no event shall compensation for any year exceed the IRC limit on annual compensation includable in a defined benefit plan ($205,000 for 2004).

H. Accrued Benefit

The accrued benefit at any time prior to a participant's normal retirement date shall be the projected normal retirement benefit based on credited service projected to normal retirement and Final Average Earnings as of the accrual date multiplied by a fraction. The numerator of this fraction is the number of years of credited service on the accrual date and the denominator is the projected number of years of credited service at the later of age 60 or 30 years of service, but, no later than normal retirement date. This fraction cannot exceed one. The plan was amended as of July 1, 2001 to change age 65 to age 60, for this purpose.

I. Early Retirement Benefit

Upon the completion of five years of continuous service and the attainment of age fifty-five, a participant may elect to retire. He may receive a monthly benefit for life beginning at his early retirement date equal to the benefit accrued at normal retirement date reduced by the following:

- First 60 months between early and normal retirement dates: 5/9% each month.
- Additional months prior to normal retirement date: 5/18% each month.
- If the participant has accumulated eighty-five points, computed as the sum of age and continuous service at termination (years and complete months), and has attained the age of fifty-five he may receive an unreduced monthly benefit for life beginning at this early retirement date equal to his benefit accrued at termination.

J. Death Benefit

In the event of the death of an active married participant who completed five years of service whose benefit payments have not commenced, it will be assumed that the participant had separated from service on the date of death, survived to the earliest retirement age, began receiving a joint and one-half survivor benefit based on the participant's vested accrued benefit, and died on the day after the earliest retirement date.

A spouse may elect a life annuity, a lump sum, or a reduced benefit payable anytime from when the participant would have reached age fifty-five.

K. Optional Methods of Settlement

The normal form of annuity for a participant is a monthly annuity payable for life.

In addition, a participant may elect other optional forms of payment such as a Ten Years Certain and Life Benefit annuity or a Joint and Survivor Benefit annuity payable for life with a reduced benefit to be continued for the lifetime of his beneficiary after his death.

All optional methods of settlement are actuarially equivalent to the normal form of annuity.

L. Amendment or Termination of Plan

The Employer reserves the right to amend or terminate the Plan at any time. If the plan is terminated, the plan assets will be distributed among the plan participants based upon a priority allocation procedure and the Employer shall be liable for any unfunded vested benefits to the extent required by law. Any funds remaining after satisfaction of all liabilities shall be returned as permissible to the Employer.

Part VII. Supporting Data

A. Reconciliation of Plan Participants

1. Active Participants

Active Participants as of July 1, 2003		1,690
Data Corrections	0	
To Terminated Vested Status	(32)	
Non-Vested Terminations	(132)	
Rehire	36	
Transfer In from Per Diem	13	
Transfer Out to Per Diem	(9)	
To Retired Status	(21)	
Cashed Out	(1)	
New Participants	157	
Net Change		11
Active Participants as of July 1, 2004		1,701

2. Terminated Vested Participants, Disableds and Per Diem

Terminated Vested Participants, Disableds and Per Diem as of July 1, 2003		749
Data Corrections	(6)	
Return to Active Status	(16)	
To Retired Status	(23)	
From Active Status	41	
Deceased	(1)	
Net Change		(5)
Terminated Vested Participants, Disableds and Per Diem as of July 1, 2004		744

3. Retirees and Beneficiaries

Retirees and Beneficiaries as of July 1, 2003		508
Data Corrections	4	
Deceased	(11)	
From Active Status	21	
From Terminated Vested Status	23	
Cashed Out	(1)	
Return to Active Status	(2)	
New Beneficiary	3	
Net Change		37
Retirees and Beneficiaries as of July 1, 2004		545

B. Summary Statistics on Costed Employees

1. Active Employees:

	Number of Employees	Average Age at Hire	Average Past Service	Average Attained Age
07/01/2004	1,701	32.5	13.6	46.1
07/01/2003	1,690	32.2	13.3	45.5

2. Vested Terminations, Deferred Disableds and Per Diem:

	Number of Employees	Average Attained Age	Average Annual Benefit ($)
07/01/2004	744	48.5	2,705
07/01/2003	749	47.9	2,686

3. Retirees and Beneficiaries:

	Number of Employees	Average Attained Age	Average Annual Benefit ($)
07/01/2004	545	71.5	5,257
07/01/2003	508	71.6	4,791

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C. Schedule of Data for Active Costed Participants

	Number and Average Salary[2] of Participants with Years of Credited Service										
Age	Under 1	1 to 4	5 to 9	10 to 14	15 to 19	20 to 24	25 to 29	30 to 34	35 to 39	40 and Up	Total
15 – 19	9 -	7 -	- -	- -	- -	- -	- -	- -	- -	- -	16 -
20 – 24	16 -	54 -	6 -	- -	- -	- -	- -	- -	- -	- -	76 -
25 – 29	14 -	55 -	7 -	1 -	- -	- -	- -	- -	- -	- -	77 -
30 – 34	17 -	66 -	28 -	10 -	3 -	- -	- -	1 -	- -	- -	125 -
35 – 39	19 -	88 -	28 -	23 -	30 -	2 -	- -	- -	- -	- -	190 -
40 – 44	12 -	68 -	33 -	27 -	34 -	34 -	11 -	- -	- -	- -	219 -
45 – 49	20 -	65 -	36 -	33 -	36 -	53 -	56 -	11 -	- -	- -	310 -
50 – 54	9	62 -	30 -	22 -	25 -	33 -	37 -	80 -	10 -	- -	308 -
55 – 59	4 -	42 -	16 -	17 -	18 -	23 -	27 -	30 -	33 -	- -	210 -
60 – 64	3 -	16 -	6 -	9 -	16 -	23 -	17 -	13 -	15 -	6 -	124 -
65 – 69	3 -	2 -	2 -	2 -	5 -	4 -	3 -	2 -	1 -	5 -	29 -
70 +	- -	4 -	2 -	3 -	2 -	1 -	1 -	1 -	2 -	1 -	17 -
All Ages	126 -	529 -	194 -	147 -	169 -	173 -	152 -	138 -	61 -	12 -	1,701 -

Average Age: 46.12 **Average Service: 13.62**

2 Salaries are limited by the IRC section 401(a)(17) limits.

Part VIII. Appendices

A. Development of Unfunded Actuarial Liability

1. Unfunded accrued liability as of July 1, 2003			$	(18,592,880)
2. Increases in the obligation in [1]				
a. Normal cost due July 1, 2003	$	2,224,769		
b. Interest at 8.0% on unfunded accrued liability and normal cost for one year		(1,309,449)		
c. Change in actuarial assumptions		1,244,027		
d. Total increases			$	2,159,347
3. Decreases in the obligation in [1]				
a. Employer contributions for year	$	0		
b. Interest at 8.0% on Employer contributions from date paid to June 30, 2004		0		
c. Actuarial (gains)/losses		3,542,242		
d. Total decreases			$	3,542,242
4. Unfunded accrued liability as of July 1, 2004			$	(12,891,291)[3]
5. Valuation assets as of July 1, 2004			$	95,454,328
6. Accrued liability as of July 1, 2004			$	82,563,037

B. Statement of Normal Cost and Accrued Liability

Valuation Date		July 1, 2004		July 1, 2003
1. Normal cost as of the valuation date	$	2,315,593	$	2,224,769
2. Accrued liability as of the valuation date				
a. For costed active Participants	$	49,771,820	$	46,809,034
b. For retired employees and beneficiaries		25,688,839		21,683,215
c. For vested terminations, deferred disableds and transfers		7,102,378		7,140,532
d. Total accrued liability	$	82,563,037	$	75,632,790

[3] The Unfunded accrued liability is not less than zero for funding purposes. The value shown here is for the purpose of calculating the actuarial experience gain or loss.

C. Recommended Contributions

		07/01/2004		07/01/2003
1. Recommended Minimum Contribution				
a. Normal Cost	$	2,315,593	$	2,224,769
b. Amortization Charges		0		0
c. Amortization Credits		0		0
d. Interest		179,458		177,982
e. Subtotal	$	2,495,051	$	2,402,751
f. Actuarial funding level				
i. Accrued liability	$	82,563,037	$	75,632,790
ii. Normal cost		2,315,543		2,224,769
iii. Lesser of Market Value and Actuarial Value of Assets	$	89,475,173	$	80,687,937
iv. Projected end of year funding level	$	(4,952,829)	$	(3,056,808)
g. Recommended Minimum	$	0	$	0
2. Recommended Maximum				
a. Normal Cost	$	2,315,593	$	2,224,769
b. 10 Year Amortization of Unfunded Actuarial Liability		0		0
c. Interest		179,458		177,982
d. Subtotal	$	2,495,051	$	2,402,751
e. Recommended Maximum [minimum of (2d) and (1g), not less than 0]	$	0	$	0

D. Plan Accounting (FASB No. 35)

All of the information presented in this section is prepared in accordance with the requirements of FASB No. 35. The information is appropriate for inclusion in the plan's financial statements. It is not appropriate for disclosure in the Employer's financial statements or for other purposes. We are not aware of any relationship between Aon Consulting and the Employer or the plan that would impair or appear to impair our objectivity.

1. Basis of Calculations

   Unless otherwise noted below, the information in this section is based upon the same actuarial assumptions, plan provisions, and employee data that are described in Parts IV, VI, and VIII of this report, respectively. Plan assets are valued at their fair market value.

   a. Actuarial assumptions: Same as Part IV, except:

      Salary scale: None

   b. Plan provisions: Same as Part VI.

   c. Employee data: Same as Part VIII.

2. Present Value of Accumulated Plan Benefits as of July 1, 2004

		Number of Participants		Present Value
a.	Vested benefits for			
	(1) Retired employees and beneficiaries	545	$	25,688,839
	(2) Terminated, transferred and disabled employees with deferred vested benefits	744		7,102,378
	(3) Fully vested employees	1,057		31,857,889
	(4) Total vested	2,346	$	64,649,106
b.	Nonvested benefits	644		2,301,717
c.	Total present value of accumulated plan benefits	2,990	$	69,950,823
d.	Net assets available for benefits (market value, accrual basis) as of the valuation date		$	89,475,173
e.	Unfunded present value of accumulated plan benefits = excess of [c] over [d]		$	(22,524,350)
f.	Unfunded present value of vested accumulated plan benefits = excess of [a] over [d]		$	(24,826,067)

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3. Change in Present Value of Accumulated Plan Benefits

a.	Present value of accumulated plan benefits as of July 1, 2003		$ 60,221,708
b.	Increase attributable to		
	(1) Benefits accumulated and (gain)/loss	$ 4,232,580	
	(2) Benefits paid	(2,994,186)	
	(3) Plan amendment	0	
	(4) Change in actuarial assumptions	800,442	
	(5) Interest	4,690,279	
	(6) Total		$ 6,729,115
c.	Present value of accumulated plan benefits as of July 1, 2004		$ 66,950,823

4. Changes in the Past Year

The mortality table and interest rate were changed as detailed in the assumptions section of this report.

The above information is prepared in accordance with the requirements of FASB No. 35, based on assumptions selected for that purpose.