

JULY 1, 2003 - JUNE 30, 2004  
**SUMMARY OF DETAIL ANALYSIS OF INVESTMENTS  
AND RELATED INCOME (AUDITED)**

No.	INVESTMENTS	MARKET VALUE 6/30/2003	MARKET VALUE 6/30/2004	MARKET VALUE AS A % OF TOTAL ASSETS 6/30/2004	02/04 GAIN (LOSS) AS A % OF TOTAL NET REALIZED/ UNREALIZED GAIN (LOSS)	2003/2004 NET REALIZED/ UNREALIZED GAIN (LOSS)	03/04 NET REALIZED/ UNREALIZED GAIN (LOSS) AS A % OF MARKET VALUE 6/30/2004
SEC. 14	Common & Preferred Stock (Publicly Traded)	\$1,133,546,173.19	\$1,367,079,021.39	54.217%	70.716%	\$247,071,866.36	18.07%
SEC. 15	Mutual Funds/Diversified	0.00	0.00	0.000%	0.000%	0.00	0.0%
SEC. 16	Insurance Company	0.00	0.00	0.000%	0.000%	0.00	0.0%
SEC. 17	Debt/Obligations	343,473,386.72	186,773,268.29	7.407%	0.434%	1,515,751.61	0.81%
SEC. 19	Equity-Real/Personal	233,951,850.64	229,549,956.41	9.104%	5.399%	18,863,213.59	8.22%
SEC. 20	Mortgages	100,898,670.49	131,588,823.10	5.219%	4.473%	15,628,263.86	11.88%
SEC. 20a	Small Bus. Investment-MI	32,094,696.41	37,326,358.49	1.480%	1.644%	5,742,301.15	15.38%
SEC. 20d	Basket Clause	234,881,239.94	342,015,886.97	13.564%	8.091%	28,269,721.90	8.27%
SEC. 20k	Foreign Securities**	259,871,998.19	262,242,380.42	10.400%	9.243%	32,293,335.19	12.31%
<b>TOTAL INVESTMENTS</b>		<b>\$2,338,718,015.58</b>	<b>\$2,556,575,695.07</b>	<b>101.391%</b>	<b>100.00%</b>	<b>\$349,384,453.66</b>	<b>13.67%</b>
	Cash	(4,364,483.89)	5,479,986.53	0.217%			
	Accounts Receivable	67,999,511.02	93,102,269.08	3.692%			
	Capital Assets	598,933.00	569,142.00	0.023%			
	Securities Lending Collateral	140,498,910.00	238,757,976.00	9.469%			
	Accounts Payable	(79,127,761.57)	(134,230,077.38)	-5.323%			
	Due from Brokers on Securities						
	Lending Collateral	(140,498,910.00)	(238,757,976.00)	-9.469%			
	Provision for Unrealized Losses	0.00	0.00	0.000%			
<b>TOTAL NET ASSETS</b>		<b>\$2,323,824,214.14</b>	<b>\$2,521,497,015.30</b>	<b>100.000%</b>			
	Less: Investment Expenses					12,801,412.19	
	Investment Gain Before Administrative Expenses					336,583,041.47	
	Less: Administrative Expenses					3,862,433.75	
<b>NET INVESTMENT GAIN (LOSS)</b>						<b>\$332,720,607.72</b>	

\*\* \$2,699,220.51 Foreign Currencies are part of Cash on the 6/30/03 Plante & Moran audited financial statement.

\$2,571,622.89 Foreign Currencies are part of Cash on the 6/30/04 Plante & Moran audited financial statement.

INVESTMENTS

SECTION NO.	INVESTMENTS	ESTIMATED MARKET VALUE 6/30/03	ESTIMATED MARKET VALUE 6/30/04	2003-2004 NET REALIZED/UNREALIZED GAIN (LOSS)
14	<b>Stock (Publicly Traded)</b>			
	Common & Preferred .....	1,114,802,793.81 .....	1,349,227,192.21 .....	245,359,392.48
	Mesirow Arbitrage Trust .....	18,743,379.38 .....	17,851,829.18 .....	1,509,956.26
	New England .....	0.00 .....	0.00 .....	202,517.62
	<b>Total Section 14 .....</b>	<b>1,133,546,173.19 .....</b>	<b>1,367,079,021.39 .....</b>	<b>247,071,866.36</b>
15	<b>Mutual Funds/Bonds</b>			
	TransAmerica T-2 .....	0.00 .....	0.00 .....	0.00
	<b>Total Section 15 .....</b>	<b>0.00 .....</b>	<b>0.00 .....</b>	<b>0.00</b>
16 B)	<b>Insurance Company/ General Accounts</b>			
	Gic .....	0.00 .....	0.00 .....	0.00
	<b>Total Section 16 .....</b>	<b>0.00 .....</b>	<b>0.00 .....</b>	<b>0.00</b>
17	<b>Debt/Obligations</b>			
	Bonds & Notes .....	123,851,470.07 .....	44,937,884.29 .....	(5,925,209.94)
	(Held by Custodians)			
	Short Term .....	142,673,003.34 .....	82,198,405.43 .....	5,913,388.07
	Mortgage Back Securities .....	76,948,913.31 .....	59,636,978.57 .....	1,527,573.48
	<b>Total Section 17 .....</b>	<b>343,473,386.72 .....</b>	<b>186,773,268.29 .....</b>	<b>1,515,751.61</b>

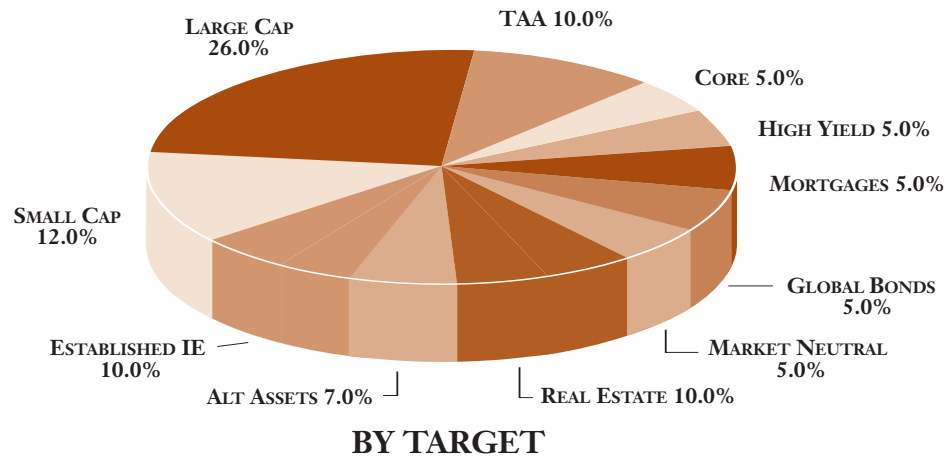
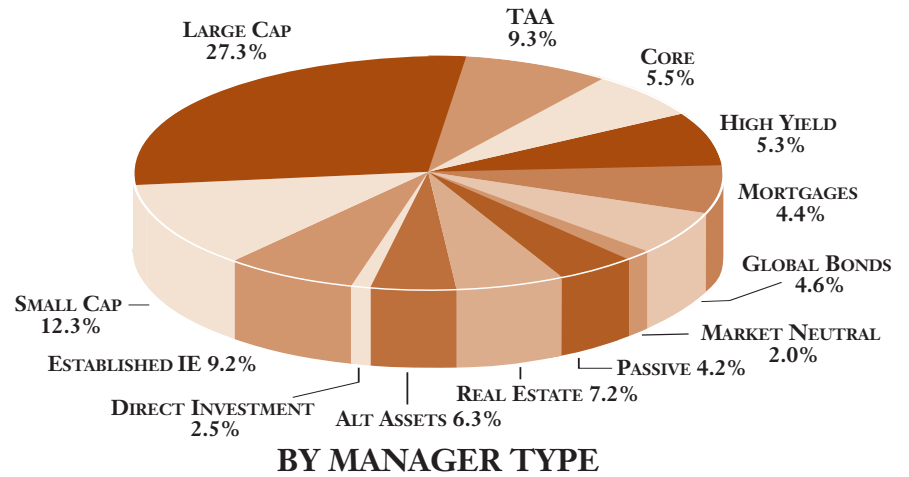
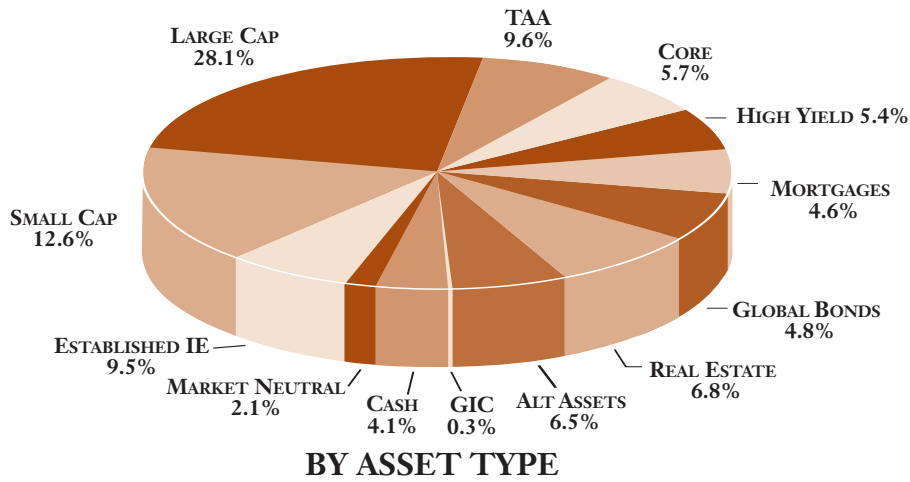
## INVESTMENTS CON'T

SECTION No.	INVESTMENTS	ESTIMATED MARKET VALUE 6/30/03	ESTIMATED MARKET VALUE 6/30/04	2003-2004 NET REALIZED/UNREALIZED GAIN (LOSS)
19	<b>Equity – Real &amp; Personal</b>			
(1)	<b>REITS</b>			
	RREEF .....	20,949,477.00	21,673,269.00	2,091,303.33
	WELLS .....	20,620,748.30	20,000,000.00	822,673.74
	Arch Street (Lend Lease) .....	7,276,997.00	8,934,113.00	1,462,035.42
	Inland Retail REIT .....	10,700,000.00	10,700,000.00	889,522.54
	Midland Multifamily REIT .....	20,000,000.00	16,348,273.00	(1,724,417.69)
	<b>Life Insurance Companies</b>			
	Prudential Property .....	9,988,241.96	10,461,176.62	1,176,518.36
	UBS Asset Mgt .....	11,100,603.15	12,172,851.03	1,072,247.88
	AEW (New England) .....	0.00	0.00	4,770.00
	<b>Total Section 19 (1)</b> .....	<b>100,636,067.41</b>	<b>100,289,682.65</b>	<b>5,794,653.58</b>
(2)	<b>Including 501 (C) 25 Corps.:</b>			
	- Unleveraged:			
	Equity Direct .....	68,511,819.15	70,761,616.27	7,104,927.15
	- Leveraged:			
	CAP-Bank West .....	8,046,668.00	7,210,223.00	(627,150.79)
	<b>Limited Partnerships:</b>			
	Walton Street II .....	10,226,872.00	8,296,948.00	1,215,917.20
	Walton Street III .....	10,916,118.00	10,601,719.00	1,655,742.83
	Walton Street IV .....	0.00	655,475.00	116,391.44
	Westbrook .....	10,607,227.00	9,712,946.00	2,626,550.00
	Lend Lease (ERE Yarmouth) .....	13,974,718.08	9,890,195.49	(122,613.20)
	<b>Others:</b>			
	JP Morgan Asset Mgt .....	11,032,361.00	12,131,151.00	1,098,795.38
	<b>Total Section 19 (2)</b> .....	<b>133,315,783.23</b>	<b>129,260,273.76</b>	<b>13,068,560.01</b>
	<b>Total Section 19 (1) &amp; (2)</b> .....	<b>233,951,850.64</b>	<b>229,549,956.41</b>	<b>18,863,213.59</b>
20	<b>Mortgages</b>			
	Direct & Participating .....	44,739,244.98	30,321,857.93	8,369,578.30
	Construction Loans .....	16,159,425.51	59,369,525.17	1,323,338.54
	Midland-Mahgt (Trust) .....	40,000,000.00	41,897,440.00	5,935,347.02
	<b>Total Section 20</b> .....	<b>100,898,670.49</b>	<b>131,588,823.10</b>	<b>15,628,263.86</b>

INVESTMENTS CON'T

SECTION No.	INVESTMENTS	ESTIMATED MARKET VALUE 6/30/03	ESTIMATED MARKET VALUE 6/30/04	2003-2004 NET REALIZED/UNREALIZED GAIN (LOSS)
<b>20a</b>	<b>Small Business Investment</b>			
	TouchStone .....	6,823,471.00	14,380,223.00	1,601,852.00
	Peninsula Capital .....	5,532,318.94	3,783,140.02	872,729.15
	Princeton Capital .....	973,024.47	973,024.47	(39,600.00)
	Windpoint III .....	6,775,556.00	5,576,302.00	5,591,596.00
	Windpoint IV .....	8,740,856.00	7,603,618.00	(1,537,880.00)
	Windpoint V .....	3,249,470.00	5,010,051.00	(746,396.00)
	<b>Total Section 20a</b> .....	<b>32,094,696.41</b>	<b>37,326,358.49</b>	<b>5,742,301.15</b>
<b>20d</b>	<b>Miscellaneous</b>			
	Credit Suisse .....	57,491,047.73	71,936,666.32	6,659,105.81
	Mount Lucas .....	21,702,535.68	22,875,425.47	1,172,889.79
	Columbia Management .....	0.00	47,766,465.18	5,195,806.45
	Transamerica .....	0.00	866,250.00	1,439,649.22
	Blue Rock Capital .....	0.00	20,036,734.00	156,332.43
	Fidelity Management Trust .....	0.00	9,823,413.72	76,645.13
	Salus Capital Management .....	0.00	20,533,054.71	160,204.87
	Bear Stearns Constellation .....	3,819,723.00	6,292,404.00	473,026.03
	John Hancock .....	6,397,234.26	4,229,249.11	1,755,191.93
	Reams Asset Management .....	11,293,157.00	2,620,683.95	182,828.70
	Mesirow Arbitrage Trust .....	4,314,378.04	7,336,418.75	620,534.25
	CDO Fund II .....	14,624,437.00	13,739,341.00	701,925.00
	CAPRI Select Income .....	22,933,744.00	18,084,284.00	3,425,403.00
	Greenwich Street .....	8,536,555.00	9,137,247.00	1,028,378.00
	MHR Fund .....	11,860,247.00	10,310,319.00	20,861.00
	MHR Fund II .....	4,633,744.00	4,908,418.00	929,618.00
	Life Care Communities .....	43,577,779.23	43,313,848.76	0.00
	Midland CAPREIT Tera Venture .....	0.00	0.00	0.00
	CITICORP Venture Capital .....	5,525,627.00	4,991,140.00	2,114,734.00
	Everest Energy .....	15,797,143.00	20,797,143.00	0.00
	CAPRI Credit Enhancement .....	0.00	0.00	1,989,583.29
	US Power Fund .....	2,373,888.00	2,417,381.00	167,005.00
	<b>Total Section 20d</b> .....	<b>234,881,239.94</b>	<b>342,015,886.97</b>	<b>28,269,721.90</b>
<b>20k</b>	<b>Foreign Securities</b>			
	Foreign Stocks .....	163,646,531.27	204,589,391.65	6,508,064.31
	Foreign Bonds .....	93,526,246.41	55,081,365.88	(259,657.45)
	Foreign Currencies .....	2,699,220.51	2,571,622.89	26,044,928.33
	<b>Total Section 20k</b> .....	<b>259,871,998.19</b>	<b>262,242,380.42</b>	<b>32,293,335.19</b>
	<b>TOTAL ASSETS</b> .....	<b>2,338,718,015.58</b>	<b>2,556,575,695.07</b>	<b>349,384,453.66</b>

**ASSET ALLOCATION**  
AS OF 6/30/2004



## INVESTMENT MANAGERS

<b>ARONSON+JOHNSON+ORTIZ</b> ..... \$50.7 M <b>PHILADELPHIA, PENNSYLVANIA</b> Manages a portfolio of large capitalization value equities.	<b>CAPOZZOLI ADVISORY FOR PENSIONS</b> .....\$59.3 M <b>FARMINGTON HILLS, MICHIGAN</b> Performance-based real estate advisor. Real estate assets under management include commercial office buildings, retail shopping centers and mortgages.
<b>ASSOCIATED ESTATES REALTY CORPORATION</b> ..... \$18.4 M <b>CLEVELAND, OHIO</b> A real estate advisor which provides investment and asset management services. Investment philosophy is based on in-depth research to target optimal markets.	<b>CAPRI CAPITAL</b> ..... \$61.4 M <b>CHICAGO, ILLINOIS</b> A real estate advisor which specializes in multifamily and commercial property mortgages.
<b>ATLANTA CAPITAL MANAGEMENT</b> ..... \$94.2 M <b>ATLANTA, GEORGIA</b> Manages a portfolio of common stocks diversified across all ranges of market capitalization.	<b>COLUMBIA MANAGEMENT Co.</b> ..... \$57.9 M <b>PORTLAND, OREGON</b> Manages a portfolio of high yield bonds whose credit quality is at or slightly below the bottom of investment grade.
<b>BLACKROCK FINANCIAL MANAGEMENT</b> <b>NEW YORK, NEW YORK</b> Manages the Board's short-term cash investments using a process which focuses on sector rotation and security selection without reliance on interest rate forecasting to deliver superior returns.	<b>COOKE &amp; BIELER</b> ..... \$50.5 M <b>PHILADELPHIA, PENNSYLVANIA</b> Manages a portfolio of large capitalization value equities.
<b>BLUE ROCK</b> ..... \$20.0 M <b>MINNEAPOLIS, MINNESOTA</b> Manages a market neutral fund which is designed to produce a positive investment return above the risk free rate regardless of whether the US equity markets are rising or falling.	<b>CREDIT SUISSE</b> ..... \$76.7 M <b>NEW YORK, NEW YORK</b> Manages a fixed income portfolio consisting of high yield (below investment grade) bonds utilizing an investment process which relies on in-depth credit analysis coupled with sector analysis to select undervalued securities.
<b>BRANDYWINE ASSET MANAGEMENT</b> ..... \$64.6 M <b>WILMINGTON, DELAWARE</b> Manages a portfolio of domestic and international bonds.	

## INVESTMENT MANAGERS CON'T

<b>EARNEST PARTNERS</b> .....	<b>\$90.4 M</b>	<b>MACKAY SHIELDS</b> .....	<b>\$90.4 M</b>
<b>ATLANTA, GEORGIA</b>		<b>NEW YORK, NEW YORK</b>	
Manages a small capitalization equity portfolio with a value orientation.		Manages a large-cap growth portfolio using a process that combines quantitative discipline and sound fundamental judgment into a strict investment policy.	
<b>EDGAR LOMAX</b> .....	<b>\$114.1 M</b>	<b>MELLON CAPITAL</b> .....	<b>\$236.3 M</b>
<b>SPRINGFIELD, VIRGINIA</b>		<b>SAN FRANCISCO, CA</b>	
Manages a large-capitalization equity portfolio favoring companies having value as opposed to growth characteristics.		Manages a global tactical asset allocation portfolio which is designed to out perform the stock and bond markets by shifting the allocation between stocks and bonds when certain proprietary quantitative models which determine that one asset class is relatively over or under valued relative to the other.	
<b>FIDELITY MARKET NEUTRAL</b> .....	<b>\$9.8 M</b>	<b>MOUNT LUCAS MANAGEMENT</b> .....	<b>\$22.9M</b>
<b>BOSTON, MASSACHUSETTS</b>		<b>PRINCETON, NEW JERSEY</b>	
Manages a market neutral portfolio		Manages a portfolio of futures positions on commodities, currencies and financial instruments.	
<b>GLOBALT</b> .....	<b>\$64.8 M</b>	<b>MUNIMAE MIDLAND</b> .....	<b>\$148.1 M</b>
<b>ATLANTA, GEORGIA</b>		<b>CLEARWATER, FLORIDA</b>	
Manages a large-cap equity portfolio for which the primary investment focus is U.S. companies with significant exposure to global opportunities.		A real estate advisor which specializes in multifamily construction loans as well as intermediate and long-term mortgages. Management style is very conservative with a focus on specialized market segments.	
<b>GRANTHAM, MAYO, VAN OTTERLOO</b> .....	<b>\$53.8 M</b>		
<b>BOSTON, MASSACHUSETTS</b>			
Manages a portfolio of domestic and international bonds.			
<b>JOHN HANCOCK</b> .....	<b>\$33.7 M</b>		
<b>BOSTON, MASSACHUSETTS</b>			
Manages a bond portfolio which seeks to maximize returns through broad diversification by industry sector.			
<b>JULIUS BAER INVESTMENT MANAGEMENT</b> .....	<b>\$131.4 M</b>		
<b>NEW YORK, NEW YORK</b>			
Manages an international equity portfolio			

INVESTMENT MANAGERS CON'T

<p><b>PALISADES</b> ..... \$25.3 M  <b>SANTA MONICA, CALIFORNIA</b>                      Manages a portfolio of large capitalization value equities.</p>	<p><b>SEIZART</b> ..... \$25.5 M  <b>BIRMINGHAM, MICHIGAN</b>                      Manages a portfolio of large capitalization value equities.</p>
<p><b>PIEDMONT INVESTMENT ADVISORS</b> ..... \$5.4 M  <b>DURHAM, NORTH CAROLINA</b>                      Manages an enhanced S&amp;P 500 index fund</p>	<p><b>TRANSAMERICAN INVESTMENT SERVICES</b> ..\$32.2 M  <b>LOS ANGELES, CALIFORNIA</b>                      Manages a domestic fixed income portfolio employing a research-driven approach to deliver superior returns by selecting undervalued quality bonds falling within specific maturity guidelines.</p>
<p><b>PIMCO</b> ..... \$38.3 M  <b>NEW YORK, NEW YORK</b>                      Manages an enhanced S&amp;P 500 index fund</p>	<p><b>TT INTERNATIONAL</b> ..... \$102.2 M  <b>LONDON, ENGLAND</b>                      Manages an international equity portfolio using an investment process which prioritizes country selection ahead of company selection.</p>
<p><b>PZENA INVESTMENT MANAGEMENT</b> ..... \$89.3 M  <b>NEW YORK, NEW YORK</b>                      Manages a small-cap value equity portfolio that utilizes a bottom-up investment approach for security selection.</p>	<p><b>UBS GLOBAL</b> ..... \$68.2 M  <b>CHICAGO, ILLINOIS</b>                      Manages a portfolio of small capitalization growth equities.</p>
<p><b>REAMS ASSET MANAGEMENT</b> ..... \$75.3 M  <b>NORTHBROOK, ILLINOIS</b>                      Manages a core fixed income portfolio using an investment process that combines active duration and yield curve management with bottom-up issue selection.</p>	<p><b>UNION HERITAGE</b> ..... \$20.1 M  <b>DETROIT, MICHIGAN</b>                      Manages a large-capitalization equity portfolio using an investment process designed to select companies whose relative value is not fully reflected in the current market price.</p>
<p><b>RHUMBLINE ADVISORS</b> ..... \$63.1 M  <b>BOSTON, MASSACHUSETTS</b>                      Manages both a capitalization weighted and equal weighted S&amp;P 500 index fund.</p>	<p><b>WESTFIELD CAPITAL MANAGEMENT</b> ..... \$64.7 M  <b>BOSTON, MASSACHUSETTS</b>                      Manages a portfolio of small capitalization growth equities.</p>
<p><b>SALUS CAPITAL MANAGEMENT</b>..... \$20.5 M  <b>LOS ANGELES, CALIFORNIA</b>                      Manages a market neutral fund which is designed to produce a positive investment return above the risk free rate regardless of whether the US equity markets are rising or falling.</p>	