

**TIME TO RESTRUCTURE THE
UKRAINIAN NATIONAL ASSOCIATION
HERE'S WHY AND HOW**

Damian Olesnycky

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To Mom, Dad, and Andrew

You've given me much to be grateful for – far too much to mention in a short blurb – so
I'll just say thank you for the many discussions that contributed to this idea

&

To Roman Olesnyckyj

Your spirit and courage are an inspiration. Come home safe, brother

Preface

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Damian Olesnycky
damian.olesnycky@tufts.edu
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Executive Summary

The Ukrainian National Association (UNA) is a Ukrainian-American fraternal benefit society based in Parsippany, New Jersey. Founded in 1894 to help poor Ukrainian immigrants pay for funerals and support ailing family members, its mission is to preserve Ukrainian culture in North America and to provide its members with financial products and services, primarily in the form of life and disability insurance. During its first century of existence, the organization amassed a sizable membership base and a considerable amount of wealth by catering to three large waves of Ukrainian immigrants. The UNA harnessed its resources adeptly, founding numerous cultural institutions (referenced in this report as “fraternal activities”) and becoming a powerful advocate for Ukrainians worldwide. As a result, the association played a central role in the formation of the Ukrainian-American and Ukrainian-Canadian identities.

The past decade, however, has been a difficult stretch for the UNA. The insurance business, the association’s longtime economic motor, has been unprofitable since 2002 and has turned a loss for 8 of the last 12 years. Sales have fallen dramatically from mid-1990s levels and the business has been severely weighed down by its sponsorship of fraternal activities, which have generally cost about \$1 million per year to sustain. This has prompted an alarming reduction in the UNA’s overall wealth, forcing the association to liquidate real estate assets to keep itself afloat.

Reviving the insurance business would require a substantial and sustained boost in sales. But such a turnaround is unlikely – the association’s insurance products compete directly with the lower-priced, well-marketed offerings of large commercial insurance companies. This competitive disadvantage, faced by most other fraternal benefit societies, is a structural one about which there is very little management can do.

In this report, I forecast how long the UNA can survive in its current form as well as how long it could live under several alternative organizational structures. I estimate that, if nothing changes (the insurance business continues to be the sponsor and administrator of fraternal activities), the insurance business only has enough capital to survive for another five to thirteen years and that the fraternal activities can be sustained until 2022 at the longest. Further, if the UNA is unable to sell property it owns in Jersey City, New Jersey by 2010, the insurance business and the fraternal activities will both die the following year.

My recommendation for the future course of the UNA is to sell the insurance portfolio and to restructure into a cultural endowment dedicated to promoting and preserving the fraternal activities. I hold this opinion for three reasons. Firstly, according to my survivability estimates, the fraternal activities would live longest if the association were structured as an endowment. Such a restructuring would bring no hardship to owners of UNA insurance – their policies would merely be administered by a different (and probably a financially healthier) party at no additional cost. Secondly, with UNA management focused on the fraternal activities and no longer busy trying to turn around a structurally uncompetitive insurance business, the performance of the fraternal activities

would likely improve substantially. Thirdly, many Ukrainian-Americans make financial contributions to the UNA for the sake of preserving the fraternal activities. An endowment would not only be the most efficient and productive vehicle for these funds – it would also be the only one that, with enough support, would make it possible for the fraternal activities to live forever.

A Brief History and Overview of the Association

The Ukrainian National Association (UNA) is a Ukrainian-American fraternal benefit society¹ based in Parsippany, New Jersey. It was founded in 1894 in Shamokin, Pennsylvania by a group of community-leading Ukrainian priests who sought to provide burial expenses for the thousands of Ukrainian immigrants working in the region's coal mines. The miners were generally quite poor and their working conditions were extremely hazardous, so families risked losing everything in the common event of work-induced death or disability. The UNA mitigated this risk by pooling the savings of its membership and making payments to the disabled or the families of the deceased. With no commercial alternative available, this form of insurance was very popular and membership grew exponentially for the association's first few decades of existence² (see Exhibit A on the next page for a chronology of UNA membership).

UNA membership subsequently received two major boosts, one preceding and one following World War II, thanks to large waves of Ukrainian immigrants settling in the US during those years. These immigrants, poor and unaccustomed to American life, turned to readily-available UNA insurance to meet their financial needs, purchasing policies for their offspring as well. As a result, association membership grew until the 1970s and assets grew until the 1990s³. The UNA's sustained growth was achieved by essentially serving underserved insurance markets for over half a century. However, by the 1970s, competitive commercial alternatives had become available to the entire Ukrainian-American community, so UNA membership began to fall. This steady decline has carried on to the present day.

¹ A fraternal benefit society is a nonprofit mutual aid organization that provides for the payment of life, sick, accident or other benefits to its members or their dependents. Source: National Fraternal Congress of America Web Site

² [Kuropas](#) page 638

³ [Kuropas](#) page 617

Exhibit A: UNA Membership, Approximated by In-Force Insurance Certificates

Year	Membership	Year	Membership
1929	21,286	2007	40,000
1925	18,195	1994	63,853
1920	12,237	1990	70,063
1917	11,891	1986	77,964
1914	25,335	1982	83,409
1912	14,917	1978	87,655
1910	14,430	1974	89,119
1908	8,795	1970	89,107
1906	7,888	1966	86,059
1904	5,875	1962	81,441
1902	3,384	1958	72,438
1900	3,067	1954	70,221
1898	1,593	1950	56,983
1897	1,019	1946	45,720
1896	587	1941	38,167
1894	439	1937	30,335

Sources: Kuropas, UNA Management

The UNA was founded with other aims as well. It sought to promote enlightenment, personal growth, and national pride among its membership. It also looked to develop collective resistance to workplace exploitation – which was widespread at the time of its founding – and economic mobility through education⁴. The UNA’s support for its members and other North American Ukrainians evolved into many forms over the years, enduring even in difficult times such as the Great Depression, World War II, and Soviet defamation campaigns directed at the organization itself⁵. These initiatives outside of the insurance business undertaken by the organization came to be known as (and will be referenced henceforth in this report as) the UNA’s “fraternal activities”.

Through its promotion of national pride, the UNA played a central role in the formation of the Ukrainian-American and Ukrainian-Canadian identities⁶. In the 1890s, the UNA absorbed a Ukrainian language newspaper named *Svoboda* – Ukrainian for “freedom” – which not only became the association’s official organ, but also the voice of the Ukrainian-American community. In 1933, the UNA founded *The Ukrainian Weekly*, an English language newspaper that became another prominent and vital media forum for the Ukrainian diaspora. In 1952, the UNA purchased property in Kerhonkson, NY, that developed into *Soyuzivka*, a hallowed Ukrainian-American vacation retreat, cultural education center, and refuge for the elderly. In 1968, the association lent generous financial and marketing support to the creation of a Ukrainian Studies Chair Fund at Harvard University⁷. Each of these institutions has not only lived on, but continued shaping the Ukrainian-American experience, to this very day.

⁴ [Kuropas page 60](#)

⁵ [Kuropas page 369](#)

⁶ [Kuropas page 90](#)

⁷ [Kuropas page 479](#)

In addition to its roles as a pioneering insurance provider and successful institution-builder, the UNA has also served as a global political force. Since the start of the 20th century, the organization has been a major fundraiser and advocate for Ukrainians everywhere, championing countless educational, humanitarian, and political causes over time. Its achievements are too numerous to list in their entirety, but among them are: helping secure the release of several Ukrainian political prisoners before and during Soviet times, erecting a monument of Taras Shevchenko, the father of Ukraine's modern national spirit, in a public park in Washington DC, and co-sponsoring the publication of Robert Conquest's book *The Harvest of Sorrow*, which called worldwide attention to Ukraine's unspeakable suffering and death toll of six-million plus during the Soviet Union's forced famine of 1932-1933.

For an excellent and vastly more in-depth history of the UNA from its founding through the 1990s, see [Myron Kuropas'](#) *Ukrainian-American Citadel: The First One Hundred Years of the Ukrainian National Association*.

According to the UNA's by-laws, the organization's governance structure is as follows. The association's supreme authority is its quadrennial convention of delegates, each elected by their local branches but approved by an Executive Committee. At the convention, the delegates 1) elect a General Assembly to manage and oversee the association 2) enact strategy in the form of resolutions and recommendations 3) determine the General Assembly's compensation.

The General Assembly consists of:

- **3 Inside Executives who conduct the organization's day to day business.** This group includes a President, Secretary, and Treasurer who are paid, full-time employees.
- **3 Outside Executives who, with the Inside Executives, comprise an Executive Committee that can implement the objectives of the association by majority vote. The Executive Committee's powers are those conferred upon directors of a corporation in the state of New Jersey.** This group includes a Director for Canada, First Vice President, and Second Vice President. The Executive Committee convenes quarterly.
- **3 Auditors whose role is akin to a public company's audit committee financial experts.** This group meets once yearly to review the organization's financial statements and write up their conclusions. They are separate from the outside, professional auditors hired by the UNA.
- **11 Advisors who don't have power aside from what is asked of them by the Inside Executives.**

The entire General Assembly meets once yearly to have the Executive Committee report to them.

The UNA insurance business has traditionally functioned as the economic lifeblood of the association's fraternal activities. It not only provided the capital to start them up; it also continues spending a good deal of money (roughly \$1 million every year) to keep them running. Each one of the UNA fraternal activities – *Soyuzivka*, the two newspapers,

the youth activities, and the donations and scholarships – has operated as a cost center since 1995, if not much earlier. The fraternal activities do, however, have their own assets in a foundation called the Ukrainian National Foundation (UNF) controlled by the UNA. The UNF is a channel for donations to the fraternal activities as well as to other Ukrainian charitable causes. As of the end of 2006, the insurance business had \$62,172,684 in assets, while the UNF had about \$200,000⁸. The UNA also has a commercial real estate subsidiary called the Ukrainian National Urban Renewal Foundation (UNURF)⁹ and holds a controlling stake in a foundation that owns property in the Paulus Hook neighborhood of Jersey City, New Jersey.

⁸ Sources: UNA Financial Statements, UNA Management

⁹ The insurance business therefore has no real estate on its books

Recent Performance

The past decade has been a difficult stretch for the UNA. The insurance business, the association's longtime economic motor, has been unprofitable since 2002 and has turned a loss for 8 of the last 12 years. Sales have fallen dramatically from mid-1990s levels and the business has been severely weighed down by its sponsorship of fraternal activities, which have generally cost about \$1 million per year to sustain. This has resulted in a sizable reduction in the association's overall wealth that is much more pronounced in inflation-adjusted terms. The organization has, however, been successful on the cost side – it has substantially lowered the insurance business' expenses and kept a lid on expenses for fraternal activities.

Insurance revenues have a sales component (income from premium and annuity consideration payments) and an investing component (investment income). Investment income is highly dependent on sales; the more premiums and annuity considerations an insurance company receives from policyholders, the more capital it can invest and earn additional income from. The UNA's overall insurance revenues have fallen substantially from their mid-1990s levels. Sales have generally been volatile – performance in 2003 and 2004 was comparable to the mid-1990s while most other recent years were weak – but show a steady decline. Investment income has fluctuated with financial markets but has also gradually fallen as the association has had to dip into its asset base, thereby shrinking it, to service existing policies. See Exhibit B for full details on revenues.

On the cost side, contractual payments made to policyholders and beneficiaries are among a longstanding insurance company's biggest expenses. Mostly consisting of payouts on claims and cash redemptions of policies, these expenses are largely dependent on demographic forces. The UNA's contractual payments to policyholders and beneficiaries have fluctuated but have shown no discernable trend over the past decade. Insurance companies are required by regulators to maintain certificate reserves, a liability essentially equal to an insurance portfolio's estimated net present value, to guarantee their contractual obligations. Yearly changes in certificate reserves are recorded as an expense. For the UNA, this expense has been highly correlated with sales: large and positive during relatively good years and negative during relatively bad. Sales commissions, which are very small relative to other expenses, have shown a steady decline. The UNA has done an excellent job reducing insurance business expenses within its direct control (labeled "Other Expenses and Deductions" in Exhibit B), which are now substantially lower than they were in the mid-1990s. The association has also limited expenses for fraternal activities, spending roughly \$1 million every year over the past decade. See Exhibit B for full details on expenses.

Exhibit B: UNA Income Statement

	2006	2005	2004	2003	2002	2001
Premiums and Annuity Considerations	\$2,382,325	\$3,500,054	\$3,803,877	\$4,644,889	\$3,177,220	\$2,590,269
Net Investment Income	3,051,933	3,020,125	3,268,897	3,399,971	3,771,597	3,979,651
Total Insurance Business Revenue	\$5,434,258	\$6,520,179	\$7,072,774	\$8,044,860	\$6,948,817	\$6,569,920
Contractual Payments Made to Members / Beneficiaries	\$4,338,366	\$3,125,788	\$3,238,092	\$2,705,361	\$2,846,432	\$3,634,478
Increase (Decrease) in Reserves Required to Guarantee Contractual Obligations	(249,641)	1,424,829	2,309,686	3,253,777	1,525,534	(519,712)
Other Expenses and Deductions	1,991,186	2,273,523	2,260,056	3,025,559	1,888,920	1,991,320
Commissions on Premiums and Considerations	128,805	181,837	191,075	186,184	164,880	157,228
Total Insurance Business Expenses	\$6,208,716	\$7,005,977	\$7,998,909	\$9,170,881	\$6,425,766	\$5,263,314
UNA Insurance Business Net Income (Loss)	<u>(\$774,458)</u>	<u>(\$485,798)</u>	<u>(\$926,135)</u>	<u>(\$1,126,021)</u>	<u>\$523,051</u>	<u>\$1,306,606</u>
Soyuzivka Net Loss	\$635,404	\$607,480	\$619,657	\$387,892	\$720,518	\$653,956
Newspapers Net Loss *	335,071	341,106	229,019	165,543	248,688	135,536
Youth Activities Total Expenses	1,514	1,215	622	1,199	1,096	618
Donations and Scholarships Total Expenses	156,272	149,228	150,864	157,034	157,998	151,543
UNA Net Income (Loss)	<u>(\$1,902,719)</u>	<u>(\$1,584,827)</u>	<u>(\$1,926,297)</u>	<u>(\$1,837,689)</u>	<u>(\$605,249)</u>	<u>\$364,953</u>

* Revenue less Expenses (excluding printing plant depreciation)
Source: UNA Financial Statements

	2000	1999	1998	1997	1996	1995
Premiums and Annuity Considerations	\$2,410,759	\$1,904,892	\$2,420,278	\$2,708,807	\$4,374,220	\$4,810,054
Net Investment Income	4,286,608	4,107,373	4,339,681	3,954,748	4,925,809	5,005,019
Total Insurance Business Revenue	\$6,697,367	\$6,012,265	\$6,759,959	\$6,663,555	\$9,300,029	\$9,815,073
Contractual Payments Made to Members / Beneficiaries	\$4,717,830	\$3,426,652	\$3,973,330	\$3,786,545	\$4,166,633	\$3,570,582
Increase (Decrease) in Reserves Required to Guarantee Contractual Obligations	(1,501,720)	(477,759)	(454,649)	501,408	1,364,530	2,245,577
Other Expenses and Deductions	2,431,472	2,881,370	2,910,955	2,933,704	4,518,550	3,388,846
Commissions on Premiums and Considerations	234,940	339,033	397,254	306,597	242,977	302,495
Total Insurance Business Expenses	\$5,882,522	\$6,169,296	\$6,826,890	\$7,528,254	\$10,292,690	\$9,507,500
UNA Insurance Business Net Income (Loss)	<u>\$814,845</u>	<u>(\$157,031)</u>	<u>(\$66,931)</u>	<u>(\$864,699)</u>	<u>(\$992,661)</u>	<u>\$307,573</u>
Soyuzivka Net Loss	\$579,115	\$474,126	\$417,862	\$447,564	\$400,967	\$351,966
Newspapers Net Loss *	133,928	312,908	470,634	460,072	363,372	542,884
Youth Activities Total Expenses	1,596	782	1,781	2,886	2,086	1,452
Donations and Scholarships Total Expenses	171,603	135,497	282,567	293,524	229,106	197,069
UNA Net Income (Loss)	<u>(\$71,397)</u>	<u>(\$1,080,344)</u>	<u>(\$1,239,775)</u>	<u>(\$2,068,745)</u>	<u>(\$1,988,192)</u>	<u>(\$785,798)</u>

* Revenue less Expenses (excluding printing plant depreciation)
Source: UNA Financial Statements

Insurance companies, unlike their counterparts in other industries, have more assets than liabilities on their balance sheets. This is the case because the premium payments received from policyholders generally exceed the policies' estimated net present value (as reflected by certificate reserves). The amount by which assets exceed liabilities is called unassigned surplus and is a measure of insurance companies' financial health and wealth. Due to its persistent unprofitability and sponsorship of fraternal activities, the UNA has had to sell off commercial real estate assets, such as office buildings in Jersey City (sold

in 1997) and Parsippany, New Jersey (sold in June 2007), and dip into its unassigned surplus to service existing obligations. Whereas the UNA's insurance sales were once large enough to build wealth while supporting fraternal activities, for years now they have been insufficient to stem or reverse the organization's financial bleeding. See Exhibit C for full details on assets, liabilities, and unassigned surplus.

Exhibit C: UNA Condensed Balance Sheet

	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>
Total Insurance Business Assets	\$62,172,684	\$64,875,556	\$64,838,709	\$64,401,346	\$63,842,260	\$63,287,921
Certificate Reserves	\$57,054,915	\$57,303,557	\$55,897,281	\$53,587,595	\$50,305,766	\$48,780,232
Other Liabilities	2,266,136	3,308,677	3,680,313	4,516,779	7,701,119	7,460,939
Unassigned Surplus	2,851,633	4,263,322	5,261,115	6,296,972	5,835,375	7,046,750
Total Liabilities and Unassigned Surplus	\$62,172,684	\$64,875,556	\$64,838,709	\$64,401,346	\$63,842,260	\$63,287,921

Source: UNA Financial Statements

	<u>2000</u>	<u>1999</u>	<u>1998</u>	<u>1997</u>	<u>1996</u>	<u>1995</u>
Total Insurance Business Assets	\$64,125,430	\$66,368,413	\$67,513,201	\$69,016,005	\$65,051,720	\$73,366,868
Certificate Reserves	\$49,271,892	\$50,773,608	\$51,051,371	\$51,506,020	\$51,194,965	\$49,830,435
Other Liabilities	8,062,475	8,615,883	8,383,125	7,910,695	7,326,095	14,871,521
Unassigned Surplus	6,791,063	6,978,922	8,078,705	9,599,290	6,530,660	8,664,912
Total Liabilities and Unassigned Surplus	\$64,125,430	\$66,368,413	\$67,513,201	\$69,016,005	\$65,051,720	\$73,366,868

Source: UNA Financial Statements

The UNA's persistent financial trouble has had an unfortunate repercussion. Over time, it has dramatically reduced the organization's wealth – whether measured in assets or unassigned surplus – in nominal and inflation-adjusted terms (See Exhibit D: 'Size of Insurance Asset Base'). The association has always held its wealth in two forms: the insurance business and commercial real estate¹⁰. With the insurance business struggling in recent years, the UNA has had to sell off commercial real estate to service existing obligations. The insurance business assets and unassigned surplus therefore received a boost in 1997, when the UNA sold an office building in Jersey City, and in 2007, when the UNA sold its building in Parsippany¹¹.

¹⁰ Commercial real estate does not appear on the UNA's books because it has been structured as a subsidiary (UNURF)

¹¹ According to the UNA's 2006 Annual Statement to the New Jersey Insurance Department, this will boost the unassigned surplus of the insurance business by \$4.5 million

Exhibit D: Size of Insurance Asset Base

	UNA Insurance Business Assets	Inflation-Adjusted Insurance Business Assets *	UNA Insurance Business Unassigned Surplus	Inflation-Adjusted Unassigned Surplus *
2006	\$62,172,684	\$30,839,625	\$2,851,633	\$1,414,500
2005	64,875,556	33,218,411	4,263,322	2,182,961
2004	64,838,709	34,324,356	5,261,115	2,785,132
2003	64,401,346	35,000,732	6,296,972	3,422,267
2002	63,842,260	35,487,638	5,835,375	3,243,677
2001	63,287,921	35,735,698	7,046,750	3,978,967
2000	64,125,430	37,238,926	6,791,063	3,943,707
1999	66,368,413	39,836,983	6,978,922	4,189,029
1998	67,513,201	41,419,142	8,078,705	4,956,261
1997	69,016,005	43,000,626	9,599,290	5,980,866
1996	65,051,720	41,460,625	6,530,660	4,162,307
1995	73,366,868	48,140,990	\$8,664,912	\$5,685,638
1990	62,695,659	47,969,135	Unknown	Unknown
1986	54,764,484	49,967,595	Unknown	Unknown
1982	46,600,862	48,291,049	Unknown	Unknown
1978	41,638,521	63,862,762	Unknown	Unknown
1974	38,815,134	78,732,522	Unknown	Unknown
1970	\$35,000,000	\$90,206,186	Unknown	Unknown

* In July/August 1983 Dollars

Sources: UNA Financial Statements, Kuropas, US Bureau of Labor Statistics Consumer Price Index

There remains one last commercial real estate lifeline for the UNA: a property in the Paulus Hook neighborhood of downtown Jersey City, New Jersey, the sale of which could net the organization either \$9.5 or \$12 million¹². Selling it, however, will be tricky. Although the UNA controls 60% of the property's equity, a completely separate organization (Puertorriquenos Asociados for Community Organization, or "PACO") controls the rest. In addition, much of the property is dedicated to low-income housing, so a sale would require regulatory approval from the Jersey City Housing Authority. It is even unclear whether the insurance business can receive any proceeds from a sale – the UNF could end up as the required recipient – as this is a legal question that UNA management does not yet have an answer to. For full details of the Paulus Hook situation, please see "Competitive and Organizational Outlook".

¹² Potential proceeds of a sale according to UNA management, based on two separate bids received for the property

Competitive and Organizational Outlook

Competitive Outlook

The UNA faces a difficult road ahead. Reviving the insurance business would require a substantial and sustained boost in sales. But such a turnaround is unlikely – the association’s insurance products compete with the lower-priced, well-marketed offerings of large commercial insurance companies. This competitive disadvantage, faced by most other fraternal benefit societies, is a structural one about which there is very little management can do. Consequently, more losses or marginal profitability seem to lie ahead for the UNA’s insurance business.

According to UNA management, the association and other fraternal societies cannot compete on price against large insurance companies for a couple reasons. One is that these larger companies have more customers and thus have a much larger asset base to invest and generate income from. The other is that investments of fraternal insurance companies are more heavily regulated than those of commercial insurers, and additional compliance carries greater costs. Although price differentials between UNA policies and those of commercial competitors are not pronounced for face amounts less than \$100,000, these differentials widen with greater face amounts. The association will start pricing its policies lower upon adoption of an updated mortality table later this year, but this will not erase the structural price gap between UNA (as well as other fraternal) and commercial insurance.

Commercial alternatives to UNA insurance also enjoy a powerful sales channel when offered as part of workplace benefits packages. This hurts the UNA because many Ukrainian-Americans opt to buy their insurance inexpensively and conveniently through their employers. Moreover, the massive US life insurance industry now serves every Ukrainian-American customer segment (unlike during the association’s boom period from the late 19th to the mid-20th centuries), so every prospective UNA customer can buy a cheaper policy elsewhere.

Other fraternal benefit societies find themselves in the same predicament. David Brummond, the general counsel of the National Fraternal Congress of America, wrote in 2001 that fraternal benefit societies "are predominately 19th century institutions" and that "there is a risk that the fraternal benefit system will become a relic of the past."¹³

Bolstering sales has been the goal of UNA management since the mid-1980s¹⁴, but every new push to do so has failed to reverse the insurance business’ steady decline. The economic disadvantage of being a fraternal benefit society and the Ukrainian-American

¹³ [Fraternal Observer](#), October 2001

¹⁴ [Kuropas](#), page 616

community's gradual "dilution"¹⁵ are very difficult factors for the association to overcome.

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Organizational Outlook

The UNA is set to receive two boosts to its overall wealth in the coming years. This is important because the organization only has enough money to survive in its current state for another five to thirteen years¹⁶. One boost will come when it sells a conservation easement¹⁷ for (largely unutilized) forest land at *Soyuzivka* to the State of New York for about \$2 million¹⁸. Following the transaction, the land will function as a state park. UNA management plans to reinvest the proceeds from the easement sale into *Soyuzivka*. Another boost will come when the UNA sells its 60% equity stake in a property located in Paulus Hook, a neighborhood of downtown Jersey City, New Jersey, for either \$9.5 or \$12 million. Whether the UNA will use this money on the insurance business or on fraternal activities is unclear. This decision is subject to legal constraints as well as the actions of regulators and Puertorriquenos Asociados for Community Organization ("PACO") the organization that controls the rest of the property's equity.

The Paulus Hook property is structured as a tax-exempt charitable organizations under section 501(c)(3)¹⁹ of the US Internal Revenue Code. The UNA controls 60% of the equity in the organization, while PACO controls 40%. Much of the property is dedicated to low-income housing and is therefore subject to Jersey City's regulation. However, importantly, the property has a 1.5 acre parking lot that real estate developers would love to acquire (Paulus Hook is a prosperous, vibrant district directly across the Hudson River from Manhattan).

UNA management would like to sell the property and has received two formal bids for it. One would involve a developer acquiring the parking lot from the Paulus Hook organization for \$16 million, which would net the UNA about \$9.5 million. The other would involve a developer buying all of the Paulus Hook organization's equity for \$20 million, in which case the UNA would earn \$12 million. Both transactions would require PACO's agreement as well as regulatory approval, so the sale will take time and involve negotiations with multiple parties.

¹⁵ Meaning that in every generation of American-born Ukrainians, there are some who cease their involvement in the Ukrainian-American community. According to [Kuropas](#), this has been happening since the first wave of Ukrainian immigrants raised their offspring in the US in the early 20th century. It presumably gets harder for the UNA to reach out to people who no longer associate themselves with the Ukrainian-American community

¹⁶ For projections of the UNA's survivability, please see the next section, "Strategic Alternatives and Risks"

¹⁷ A conservation easement is a restriction placed on a piece of property to protect the resources (natural or man-made) associated with the parcel. An easement constitutes a legally binding agreement that prohibits certain types of development from taking place on the land. Source: Ohio State University Extension

¹⁸ UNA management's estimate

¹⁹ Contributions to 501(c)(3) organizations are tax-deductible. Source: IRS Web Site

What the UNA can and will do with the proceeds from the eventual sale is an open question. UNA management does not yet know whether it is legally permitted to transfer funds from the Paulus Hook entity to the insurance business, which is structured as a 501(c)(8)²⁰ nonprofit organization. If it turns out that the UNA is not permitted to transfer the sale proceeds into the insurance business, the association will deposit the funds into the UNF, a 501(c)(3) organization, for use on the fraternal activities.

Under the status quo – the insurance business as sponsor and administrator of the fraternal activities – the insurance business has enough capital to survive for another five to thirteen years²¹ and the fraternal activities can live until 2022 at the longest²² thanks to the recent sale of the UNA’s office building in Parsippany, New Jersey. If the organization were unable to sell its Paulus Hook property by 2010, the insurance business and fraternal activities would both die the following year. My projections of the UNA’s future performance and solvency are shown and explained in full detail in the next section of this report.

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Implications for the Future

The UNA has some hard choices ahead. It will have to decide whether to continue sponsoring fraternal activities, which, in tandem with its struggling insurance business, drain the association’s overall wealth at an alarming rate²³. It will also have to decide whether to try to find a way for the insurance business to receive the windfall from its eventual sale of the Paulus Hook property. The next section of this report will show that these choices have dramatic implications for how long the insurance business and the fraternal activities can survive. Both currently face serious danger in the near term, but there are viable strategic courses available to remedy this.

For projections and a discussion of the UNA’s strategic alternatives, please see the next section, “Strategic Alternatives and Risks”.

²⁰ Fraternal benefit societies’ and associations’ classification under US tax law. Contributions to 501(c)(8) organizations are not tax-deductible unless they are for 501(c)(3) purposes. Source: IRS Web Site

²¹ Assuming the UNF / fraternal activities receive \$9.5 million from a Paulus Hook property sale and do not need the sponsorship of the insurance business thereafter. From a legal prospective, this is the most likely scenario. This also assumes the New Jersey Banking and Insurance Commissioner would shut down or merge the UNA with another fraternal benefit society if the association’s unassigned surplus fell below \$2 million

²² Assumes the fraternal activities will go out of business if their fiscal year-end cash balance falls below the next year’s operating costs. In other words, the fraternal activities close down if they run out of money

²³ To be fair to the UNA insurance business, it should be noted that fraternal activities have been responsible for most of the whole enterprise’s losses during almost all recent fiscal years

Strategic Alternatives and Risks

Discussion of Strategic Alternatives

As it stands today, the UNA has a rapidly-disappearing unassigned surplus (a measure of liquid wealth for both the insurance business and the whole enterprise) that it has had to replenish by selling off commercial real estate. In addition, it is not clear whether US law allows for the proceeds from the association's future sale of its remaining real estate to be reinvested into the insurance business. Thus the insurance business, struggling and burdened by fraternal activity sponsorship, could be out of lifelines. UNA management recognizes that the status quo is unsustainable, so major changes are afoot. The only question is what will be done.

This section of the report presents five strategic plans the UNA could pursue going forward, along with the forecasted results and risks of each one. The next section offers a recommendation as to which one is best.

Before diving into the strategic alternatives, I offer a caveat and a clarification. In each of the scenarios, I treated the UNF / fraternal activities as a single, indivisible entity, rather than exploring scenarios whereby one fraternal activity is treated differently than another. This was done for the sake of simplicity, as, otherwise, the possibilities would have been too numerous to analyze. I also want to highlight the distinction between the UNA's "sponsorship" and its "administration" of fraternal activities. The UNA "sponsoring" fraternal activities means that the former pays the latter's operating costs. The UNA "administering" fraternal activities means that the former merely covers the latter's administrative costs (like auditing and legal fees, for example).

Strategic Alternative #1: The UNA insurance business continues sponsoring and administering the fraternal activities. UNA management, with the help of legal counsel, makes a successful push for the insurance business to receive the Paulus Hook property sale proceeds.

Strategic Alternative #2: The UNA insurance business continues sponsoring the fraternal activities until the UNF receives the Paulus Hook property sale proceeds, at which point the sponsorship stops. This implies that UNA management either does not push for the Paulus Hook sale proceeds to go to the insurance business or that their attempt to do so is unsuccessful. The UNA continues administering the fraternal activities beyond the Paulus Hook sale. **This is the status quo since it is not certain that the insurance business can receive the Paulus Hook sale proceeds, while it is certain that the UNF can.**

Strategic Alternative #3: The fraternal activities completely split off from the UNA insurance business in 2008. UNA management, with the help of legal counsel, makes a successful push for the insurance business to receive the Paulus Hook property sale proceeds.

Strategic Alternative #4: The fraternal activities completely split off from the UNA insurance business in 2008. The UNF receives the Paulus Hook property sale proceeds, which implies that UNA management either does not push for the Paulus Hook property sale proceeds to go to the insurance business or that their attempt to do so is unsuccessful.

Strategic Alternative #5: The UNA sells its insurance portfolio, restructures into an endowment dedicated to promoting and preserving the fraternal activities, and merges with the UNF. The new entity would be classified as a 501(c)(3) charitable organization under US tax law. It would employ a president to oversee the enterprise (the fraternal activities) as well as a professional investment manager²⁴. According to Ken Zerbe, a life insurance industry analyst with Morgan Stanley, life insurance portfolios are typically sold at about 2 times their statutory book value as a rule of thumb²⁵. Based on this multiple, I estimate that the UNA could earn almost \$2.9 million by selling its insurance business²⁶.

I developed income statement and balance sheet forecasts for the UNA under each strategic alternative. I assume that the UNA insurance business will die if its unassigned surplus falls below \$2 million and that the fraternal activities will die if their fiscal year-end cash balance falls below the next year's operating costs (i.e. they run out of money). Exhibit E shows my projections for how long the insurance business and the fraternal activities would survive under each scenario. These forecasts assume that the fraternal activities approximately maintain their current level of performance going forward²⁷.

Exhibit E: Survivability Projections for the UNA

	Strategic Alternative #1	Strategic Alternative #2	Strategic Alternative #3	Strategic Alternative #4	Strategic Alternative #5
Insurance Business Survives Until	2017	2020 or 2012	2063	2025	Sold in 2008
Fraternal Activities Survive Until	2020	2022 or 2021	2009	2018 or 2017	2027 or 2025

Note: Where there are two years listed in a box, the result depends on when the Paulus Hook property is sold. If Paulus Hook is sold in 2008, the organization survives until the year on the left (later in time). If Paulus Hook is sold in 2010, the organization survives until the year on the right (earlier in time).

²⁴ For specifics about the investment strategy for Strategic Alternative #5, see the section of this report titled, "Recommendation: The UNA Should Restructure into a Cultural Endowment"

²⁵ In the case of the UNA, which has no equity on its balance sheet (only liabilities and unassigned surplus), this multiple would apply to the unassigned surplus

²⁶ To be conservative, I estimated that the UNA could sell its life insurance portfolio for 1.75 times the portfolio's 2006 statutory book value (unassigned surplus). I also estimated that, after transaction fees, the UNA would net 1 times statutory book value from the sale

²⁷ For all of the details on my forecasting assumptions, see "Appendix I: Notes to Financial Statement Forecasts"

The results are intriguing. They show that the UNA's insurance business can live no longer than two decades unless it both splits off the fraternal activities in 2008 and receives the proceeds from the Paulus Hook sale. However, under this best-case scenario for the insurance business (Strategic Alternative #3), the fraternal activities would die two years from now. Under Strategic Alternatives #1 and #2, the fraternal activities would live relatively long, but would do so by basically riding the insurance business into the ground. The fraternal activities would live the longest under Strategic Alternative #5.

Now let us consider another dimension of possibilities. What if the performance of the fraternal activities improved? This is certainly conceivable – the UNA plans to build condominiums at *Soyuzivka* that would generate fees for the resort and the newspapers could turn their online presence into a new revenue stream from subscribers abroad. Also conceivable is that the fraternal activities' financial results could deteriorate (if, say, *Soyuzivka* were hit with terrible weather during the 4th of July and Labor Day for two years in a row). The performance of the fraternal activities has a negligible effect on how long the insurance business can survive²⁸. The fraternal activities, however, can considerably prolong or shorten their own existence depending on how they perform (See Exhibit F below)²⁹.

Exhibit F: Until When Would The Fraternal Activities Survive?

	Strategic Alternative #1	Strategic Alternative #2	Strategic Alternative #3	Strategic Alternative #4	Strategic Alternative #5
Fraternal Activities Performance Improves	2021	2031	2009	2023	2041
Fraternal Activities Performance Doesn't Change	2020	2022	2009	2018	2027
Fraternal Activities Performance Deteriorates	2019	2021	2009	2017	2025

Note: These results assume that the Paulus Hook property is sold in 2008

The results show that improved or worsened performance of the fraternal activities makes an appreciable impact on the fraternal activities' survival, especially under Strategic Alternatives #2 (the status quo), #4, and #5. Performance makes no difference under Strategic Alternative #3 since, with so little funding, the fraternal activities would die almost immediately anyway.

Let us consider yet another dimension of possibilities: donations to the organization. Due to the UNA's status as a 501(c)(8) nonprofit organization, individuals cannot make tax-deductible contributions to the insurance business. However, tax-deductible donations are routinely made to the UNF, a 501(c)(3) organization, for causes like *Soyuzivka*, the newspapers, and scholarship in Ukraine. What if donors sought to rescue the UNA from its coming demise? I also measured what the impact of donations would be on the fraternal activities' forecasted solvency (See Exhibit G below).

²⁸ See "Appendix III: Additional Notes"

²⁹ For more details on my forecasting assumptions, see "Appendix I: Notes to Financial Statement Forecasts"

Exhibit G: Until When Would The Fraternal Activities Survive?

	Strategic Alternative #1	Strategic Alternative #2	Strategic Alternative #3	Strategic Alternative #4	Strategic Alternative #5
With No Donations	2020	2022	2009	2018	2027
With \$500,000 in Donations	2020	2023	2009	2018	2027
With \$1,000,000 in Donations	2021	2023	2010	2019	2028
With \$11,000,000 in Donations	2032	2035	2018	2029	2050

Note: These results assume that the Paulus Hook property is sold in 2008 and that the fraternal activities maintain their current level of performance

The results show that donations, especially in large denominations, make a major difference in terms of how long the fraternal activities can live. Under each strategic alternative, the largest level of contribution adds a decade or more to the fraternal activities' life span.

The subsection titled "Full Presentation of Scenarios" of this report section presents a full listing of the UNA's forecasted life spans under the various strategic courses and scenarios. It reveals that the fraternal activities would, in every instance, live significantly longer under Strategic Alternative #5 than under any other strategic alternative. The subsection also highlights two more distinct advantages of Strategic Alternative #5. Firstly, it is the only strategic alternative that makes it possible for the UNA to live forever. Secondly, as the "Discussion of Risks" subsection below explains, it is the only strategic course that does not involve a risk to future claims of current UNA insurance policyholders.

One might point out that the strategic alternatives presented by this report do not consider major restructurings of the fraternal activities themselves, which, after all, have operated as cost centers for at least the last 12 years. There is a reason for this: the UNA has already been cutting the costs and looking to boost the revenues of the fraternal activities for many years now. Various measures have had different degrees of success, but profitability at these institutions has proven highly elusive. The scope for more drastic measures to make the fraternal activities financially self-sufficient – for example, turning *Soyuzivka* into a summer-only resort or eliminating the UNA's support for Ukrainian education – seems limited without sacrificing much of these institutions' essence. Therefore, the fraternal activities as we know them appear destined to remain cost centers; the question is to what degree.

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Discussion of Risks

There are three major risks involved in choosing (or maintaining) a strategic course for the UNA. One of them is risk to the claims of current insurance policyholders. If the insurance business, with its disappearing unassigned surplus, is on track to fail within a couple of decades, it is not unreasonable to fret about the organization's ability to service its existing obligations in the years to come. Even though regulators would presumably shut down or merge (with another organization) the UNA's insurance business if it ran

into trouble, this uncertainty still represents a risk. Only Strategic Alternative #5 avoids this uncertainty, as the UNA's insurance portfolio would end up in the hands of a suitor financially sound enough to acquire these assets.

Another major risk is general interest rate risk. The UNA insurance business currently has a sophisticated investment process, whereby it maintains a portfolio of debt and equity securities for which it pays for and receives professional investing advice. The UNF, on the other hand, keeps its cash in a high-yielding savings account³⁰, an arrangement which renders its investment income completely dependent on short-term interest rates. My forecasts assume that the UNF / fraternal activities will continue receiving a 5% yield, which is what they currently earn, on their invested capital. However, should the US economy slump and short-term interest rates drop, the fraternal activities' demise would be hastened (they would earn less investment income with which to sustain themselves into the future)³¹. Therefore, Strategic Alternatives #1, #2, #3, and #4 acutely face this risk, while #5 does to a much, much lower degree thanks to an investment strategy that makes heavy use of longer-term bonds³².

The final major risk is investment performance risk. With an individual, rather than, say, the US Federal Reserve, in charge of the UNA's investment portfolio performance, there is always a risk that asset allocation could be mismanaged and that securities could be chosen poorly. Of the strategic alternatives, #5 is the only one that directly exposes the UNF / fraternal activities to this risk. However, the insurance business also faces this risk, which it mitigates (as would the UNA under Strategic Alternative #5) using professional investing advice.

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³⁰ According to UNA management

³¹ In my view, the current upside to short-term US interest rates is very limited. As of May 2007, it appeared that the US Federal Reserve had helped corral inflationary pressures with its string of interest rate hikes that ended in mid-2006. Even if inflationary pressures return, I do not believe the Federal Reserve would drastically raise short-term rates given that US economic growth has been slowing in 2007

³² For specifics about the investment strategy for Strategic Alternative #5, see the section of this report titled "Restructuring"

How I Arrived at the UNA Life Spans

I assume that the UNA insurance business will die if its unassigned surplus falls below \$2 million.

Insurance Business Forecast Example

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
Premiums and Annuity Considerations	\$3,501,673	\$3,566,564	\$3,350,899	\$3,260,303	\$3,212,353	\$3,378,358
Net Investment Income	3,302,505	3,208,686	3,170,429	3,150,736	3,176,858	3,201,843
Total Insurance Business Revenue	\$6,804,178	\$6,775,250	\$6,521,328	\$6,411,038	\$6,389,210	\$6,580,201
Contractual Payments Made to Members / Beneficiaries	\$3,314,753	\$3,261,465	\$3,330,638	\$3,434,850	\$3,467,643	\$3,524,619
Increase (Decrease) in Reserves Required to Guarantee						
Contractual Obligations	1,141,304	1,225,536	945,589	827,990	765,748	981,233
Other Expenses and Deductions	2,238,427	2,279,612	2,344,727	2,231,255	2,226,455	2,218,610
Commissions on Premiums and Considerations	168,335	170,186	171,070	168,551	164,797	161,957
Total Insurance Business Expenses	\$6,862,819	\$6,936,799	\$6,792,024	\$6,662,647	\$6,624,643	\$6,886,420
UNA Insurance Business Net Income (Loss)	<u>(\$58,641)</u>	<u>(\$161,549)</u>	<u>(\$270,696)</u>	<u>(\$251,608)</u>	<u>(\$235,433)</u>	<u>(\$306,220)</u>
Soyuzivka Net Loss	\$635,000	\$635,000	\$635,000	\$635,000	\$0	\$0
Newspapers Net Loss *	292,371	292,371	292,371	292,371	0	0
Youth Activities Total Expenses	2,000	2,053	2,108	2,164	0	0
Donations and Scholarships Total Expenses	156,272	160,435	164,708	169,096	0	0
UNA Net Income (Loss)	<u>(\$1,144,284)</u>	<u>(\$1,251,408)</u>	<u>(\$1,364,883)</u>	<u>(\$1,350,239)</u>	<u>(\$235,433)</u>	<u>(\$306,220)</u>
Total Insurance Business Assets	<u>\$64,851,234</u>	<u>\$64,000,278</u>	<u>\$62,808,303</u>	<u>\$61,643,543</u>	<u>\$61,378,965</u>	<u>\$60,866,303</u>
Certificate Reserves	\$53,821,558	\$54,661,779	\$55,387,781	\$55,687,812	\$55,652,900	\$55,377,791
Other Liabilities	4,822,327	4,382,559	3,829,465	3,714,913	3,720,679	3,789,347
Unassigned Surplus	6,207,349	4,955,941	3,591,058	2,240,818	2,005,385	1,699,166
Total Liabilities and Unassigned Surplus	<u>\$64,851,234</u>	<u>\$64,000,278</u>	<u>\$62,808,303</u>	<u>\$61,643,543</u>	<u>\$61,378,965</u>	<u>\$60,866,303</u>
* Revenue less Expenses (excluding printing plant depreciation)						

I assume that the fraternal activities will die if their fiscal year-end cash balance falls below the next year's operating costs (i.e. they run out of money).

UNF / Fraternal Activities Forecast Example

	<u>2008</u>	<u>2009</u>	<u>2010</u>
UNF / Fraternal Activity Endowment Assets	\$2,000,000	\$722,452	(\$191,096)
Investment Income from Assets	\$100,000	\$36,123	(\$9,555)
Fundraising Income	0	0	0
UNF / Fraternal Activity Total Revenue	\$100,000	\$36,123	(\$9,555)
Rent	\$0	\$0	\$0
Salaries and Wages	150,000	153,996	158,098
Insured Benefit Plans for Employees	40,905	41,995	43,113
Legal Fees and Expenses	6,000	6,160	6,324
Fees of Public Accountants	25,000	25,666	26,350
Investment Management Fees	0	0	0
Travelling Expenses	10,000	10,266	10,540
Advertising	10,000	10,266	10,540
Postage, Express, Telegraph, and Telephone	15,000	15,400	15,810
Printing and Stationary	10,000	10,266	10,540
Rental of Equipment	20,000	20,533	21,080
Sundry General Expenses	5,000	5,133	5,270
Total Administrative Expenses	\$291,905	\$299,681	\$307,663
Soyuzivka Allocation	\$635,000	\$351,966	\$351,966
Newspapers Allocation *	292,371	135,536	135,536
Youth Activities Allocation	2,000	2,053	2,108
Donation and Scholarship Allocation	156,272	160,435	164,708
Total Fraternal Expenses	\$1,085,643	\$649,990	\$654,318
Residual Income (Reinvested into Endowment)	<u>(\$1,277,548)</u>	<u>(\$913,548)</u>	<u>(\$971,536)</u>
* Revenue less Expenses (excluding printing plant depreciation)			

Full Presentation of Scenarios

Strategic Alternative #1:
 - Assumes that UNF invested capital grows at 5% yearly
 - Insurance business folds in 2017 regardless of when Paulus Hook property sale takes place
 - Fraternal activities survive until the years displayed below

		\$0 in Donations	\$500,000 in Donations	\$1,000,000 in Donations	\$11,000,000 in Donations
Paulus Hook Sale by 2008	Fraternal Activities Performance Improves	2021	2021	2022	2041
	Fraternal Activities Performance Doesn't Change	2020	2020	2021	2032
	Fraternal Activities Performance Deteriorates	2019	2020	2020	2031
Paulus Hook Sale by 2010	Fraternal Activities Performance Improves	2021	2021	2022	2041
	Fraternal Activities Performance Doesn't Change	2020	2020	2021	2032
	Fraternal Activities Performance Deteriorates	2019	2020	2020	2031

Strategic Alternative #2:
 - Assumes that UNF invested capital grows at 5% yearly
 - Insurance business folds in 2020 if Paulus Hook property sold in 2008. Folds in 2012 if Paulus Hook property sold in 2010
 - Fraternal activities survive until the years displayed below

		\$0 in Donations	\$500,000 in Donations	\$1,000,000 in Donations	\$11,000,000 in Donations
Paulus Hook Sale by 2008	Fraternal Activities Performance Improves	2031	2032	2033	2059
	Fraternal Activities Performance Doesn't Change	2022	2023	2023	2035
	Fraternal Activities Performance Deteriorates	2021	2022	2022	2033
Paulus Hook Sale by 2010	Fraternal Activities Performance Improves	2028	2029	2030	2053
	Fraternal Activities Performance Doesn't Change	2021	2022	2022	2034
	Fraternal Activities Performance Deteriorates	2021	2021	2021	2032

Strategic Alternative #3:
 - Assumes that UNF invested capital grows at 5% yearly
 - Insurance business folds in 2063 regardless of when Paulus Hook property sale takes place
 - Fraternal activities survive until the years displayed below

		\$0 in Donations	\$500,000 in Donations	\$1,000,000 in Donations	\$11,000,000 in Donations
Paulus Hook Sale by 2008	Fraternal Activities Performance Improves	2009	2010	2010	2024
	Fraternal Activities Performance Doesn't Change	2009	2009	2010	2018
	Fraternal Activities Performance Deteriorates	2009	2009	2010	2018
Paulus Hook Sale by 2010	Fraternal Activities Performance Improves	2009	2010	2010	2024
	Fraternal Activities Performance Doesn't Change	2009	2009	2010	2018
	Fraternal Activities Performance Deteriorates	2009	2009	2010	2018

Strategic Alternative #4:
 - Assumes that UNF invested capital grows at 5% yearly
 - Insurance business folds in 2025 regardless of when Paulus Hook property sale takes place
 - Fraternal activities survive until the years displayed below

		\$0 in Donations	\$500,000 in Donations	\$1,000,000 in Donations	\$11,000,000 in Donations
Paulus Hook Sale by 2008	Fraternal Activities Performance Improves	2023	2024	2025	2045
	Fraternal Activities Performance Doesn't Change	2018	2018	2019	2029
	Fraternal Activities Performance Deteriorates	2017	2018	2018	2028
Paulus Hook Sale by 2010	Fraternal Activities Performance Improves	2022	2022	2023	2042
	Fraternal Activities Performance Doesn't Change	2017	2017	2018	2028
	Fraternal Activities Performance Deteriorates	2016	2017	2017	2027

Strategic Alternative #5:					
<ul style="list-style-type: none"> - Assumes that UNF invested capital grows at 7% yearly thanks to professional investment manager - Insurance business is sold in 2008 - Fraternal activities survive until the years displayed below 					
		\$0 in Donations	\$500,000 in Donations	\$1,000,000 in Donations	\$11,000,000 in Donations
Paulus Hook Sale by 2008	Fraternal Activities Performance Improves	2041	2043	2045	Forever *
	Fraternal Activities Performance Doesn't Change	2027	2027	2028	2050
	Fraternal Activities Performance Deteriorates	2025	2026	2027	2045
Paulus Hook Sale by 2010	Fraternal Activities Performance Improves	2036	2038	2040	Forever *
	Fraternal Activities Performance Doesn't Change	2025	2025	2026	2046
	Fraternal Activities Performance Deteriorates	2024	2024	2025	2041
* Means that endowment either grows into perpetuity or continues generating positive net income (income less total expenses) past 2050					

Recommendation: The UNA Should Restructure into a Cultural Endowment

The previous section of this report established that, by restructuring into a cultural endowment, the UNA would preserve its fraternal activities far longer than it could in any other form – perhaps even into perpetuity. This course for the association, Strategic Alternative #5, is also the only one that does not involve a risk to future claims of current UNA insurance policyholders. But a decision to change a venerable and vital institution like the UNA should be based on more than just numbers. In my view, any wholesale change to the UNA should be true to its mission, past and present, and congruent to the world in which Ukrainian-Americans live, present and future.

In this section, I will argue that restructuring into a cultural endowment is the best way for the UNA to pursue its mission and to continue playing an important role in the lives of Ukrainian-Americans. I premise this by pointing out that the UNA's provision of insurance and other financial products, once a welfare-enhancing service for its members, is obsolete and no longer a benefit to Ukrainian-Americans (or anyone else, for that matter). Later in this section, I will also build on the strategic and quantitative case for a restructuring.

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In Terms of its Mission and Role in the Ukrainian-American Community

As stated in the current UNA by-laws, the association's mission is as follows:

- To promote unity, social relations, benevolence, and charity among Ukrainians and their descendants in the US and Canada
- To secure their moral and mental development and to educate them in the principals of free government and American institutions and laws
- To open, organize, and maintain schools, libraries, and other educational facilities for these purposes
- To arrange and provide for their entertainment and amusement
- To publish and circulate among them literary and educational publications and newspapers in the Ukrainian and English languages
- To provide and maintain an old-age home for its members
- To provide recreational, sport, cultural, and vacation facilities for its members, their families, and children
- To provide a fund for the relief of disabled and destitute members, their families, and descendants
- To contract with members to pay funeral expenses, death benefits, endowment benefits, annuity benefits, and such other forms of insurance benefits

Although Ukrainian-Americans live under much different circumstances than they did in 1894, the year of the UNA's founding, the organization's mission has changed little in spirit over time. According to [Kuropas](#)³³, its initial aims were:

- To help the ailing and to pay benefits after death
- To establish reading rooms and evening schools for adults
- To promote enlightenment among our people with the help of inexpensive publications, as it is being done in the old country
- To insist that Rusyns [who later became known as Ukrainians] become American citizens
- To organize political clubs and to take active part in elections
- To defend our people against sharks, crooks, and operators
- To establish a home to host cultural articles and books and to maintain relations with the old country

It is likely no coincidence that providing contracted disability and life insurance has moved from the top to the bottom of the UNA's mission statement since the organization's founding. In the late 19th and early 20th centuries, the UNA was providing a service otherwise unavailable to poor Ukrainians whose hazardous occupations (mostly coal mining³⁴) put families at risk of losing everything in the event of death or disability in the workplace. In the early-to-mid 20th century, the UNA's insurance offerings were a straightforward, readily-available option for the large waves of Ukrainians who came to the US just prior to and after World War II. Because its insurance products fit a need during both eras, the UNA was able to accumulate capital and sponsor activities to promote and preserve the Ukrainian-American identity.

Things are different now. As the commercial life insurance industry has expanded its reach into every segment of the US market, every Ukrainian-American can now readily buy life or disability insurance at a lower price (often in their workplace) than they can from the UNA. Many opt to do so, as evidenced by the UNA's drop in membership³⁵ from 89,119 in 1974³⁶ to less than 40,000 today³⁷. UNA insurance no longer serves a welfare-enhancing purpose for Ukrainian-Americans – it is, therefore, no longer needed.

The UNA fraternal activities are another matter. Once the miraculous byproduct of Ukrainians pooling their savings together to protect one another, they have since become vital organs of the Ukrainian-American experience and identity. Countless Ukrainians have socialized, studied, vacationed, met, and wed at *Soyuzivka*. The newspapers are the voice of Ukrainian diaspora and an invaluable forum for news, advocacy, and debate within this multinational community. UNA-sponsored sporting events bring joy and camaraderie to their participants. UNA educational initiatives perpetuate knowledge of

³³ [Kuropas](#), page 43

³⁴ [Kuropas](#), page 11

³⁵ As measured by the number of in-force certificates

³⁶ [Kuropas](#), page 638

³⁷ According to UNA management

the Ukrainian language in North America and support scholarship in Ukraine. In this sense, the UNA fits today's world and will fit tomorrow's as well.

Many Ukrainian-Americans treasure the fraternal activities, so they contribute to them by purchasing UNA insurance. But this is a terribly inefficient way to do so. US insurance businesses are costly to run for functional³⁸ and regulatory³⁹ reasons alike. To boot, according to UNA management, fraternal benefit societies have an even greater regulatory burden than do commercial providers. If the UNA restructured into an endowment, Ukrainian-Americans would be able to contribute to the fraternal activities in the most efficient and direct way possible.

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The Strategic and Quantitative Case for Doing So

This report has established that, by restructuring into a cultural endowment, the association would preserve its fraternal activities far longer than it could in any other form and would avoid any risk to future claims of current UNA insurance policyholders. But why else would a cultural endowment be superior to the UNA in any other form? There two quantifiable reasons.

One is strategic. If UNA management were not preoccupied with trying to turn around a structurally uncompetitive (as fraternal benefit societies are relative to commercial providers) insurance business, they could focus their attention on tasks like improving the performance of the fraternal activities⁴⁰, selling the Paulus Hook property as soon and for as much as possible, and fundraising. As Exhibit H at the end of this section illustrates, successful execution of these tasks, especially in tandem, would extend the future of the fraternal activities quite substantially.

Fundraising would be key – as Exhibits H and I indicate, large pledges could enable the UNA to live forever as an endowment. Seven-figure donation levels should not seem unrealistic. There are many people, myself included, who would gladly pledge thousands of dollars to a cogent plan to save our beloved fraternal activities. Multimillion dollar pledges could be sourced from Ukraine, where seven billionaires⁴¹ and many multimillionaires reside. Some of these oligarchs have been very philanthropically active

³⁸ According to the UNA's 2006 Annual Statement, actuarial and legal fees cost the association about \$225,000 for the year. This sum alone represents about half of what the UNA's administrative expenses would be if the organization were structured as an endowment. In addition, insurance companies are much more labor-intensive than an endowments are

³⁹ The US life insurance industry is regulated by state. As a result, the UNA incurs a great deal of compliance costs by servicing the scattered Ukrainian-American community

⁴⁰ For instance, by expediting the construction of condominiums at *Soyuzivka*, by turning the newspapers' online presence into a revenue stream, and by increasing the participation of the newest generation of Ukrainian-Americans in the fraternal activities

⁴¹ According to Forbes Magazine's latest tally: http://www.forbes.com/lists/2007/10/07billionaires_The-Worlds-Billionaires_CountryOfCitizen_20.html

as of late, and I can think of no better way for them to reward the diaspora's stalwart efforts and advocacy on behalf of the homeland for the last century.

The other reason why an endowment would be superior to the UNA in any other form is that a boost in insurance sales is highly unlikely to produce results as good as an endowment's. For example, if the UNA fully converted to an endowment in 2008 (by selling the insurance portfolio and the Paulus Hook property and reinvesting the proceeds⁴²) it would likely earn about \$830,000 that year before allocating money for the fraternal activities. The UNA insurance business, on the other hand, only surpassed this figure once over the past 12 years, falling far short of it for 10 of those 12 years. Hence, even during relatively strong years of sales, the insurance business cannot compete with the performance of invested assets. This illustrates a restructuring's superiority to the two-decade old strategy of boosting sales.

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This Idea is Not without Precedent

The idea of the association restructuring into a cultural endowment might seem completely new and radical, but the concept was actually floated as far back as 1990 by the sitting UNA President himself. At the UNA's quadrennial convention held in Baltimore that year, John Flis, the association's President from 1978-1990⁴³, explained that the UNA's wealth was increasing and that the association had amassed more than \$100 million in total assets. He then stated⁴⁴:

“The UNA must be alert and be in a position to readily recognize what changes in its organizational structure are called for as a result of changes in political or economic structures in Ukraine. We must be ready to adopt changes in the UNA purposes...changes which may be called for as a result of events taking place in Ukraine or here on the North American continent...A change in corporate organization for UNA is entirely possible in years to come. UNA could end up as a foundation, instead of a fraternal association, with a great deal of capital in its treasury, interest from which could be used for our national good or other purpose which a wise foundation directorate would consider worthy.”

⁴² For more detail on the proposed investment strategy of a UNA endowment, see the “Restructuring” section of this report

⁴³ [Kuropas](#)

⁴⁴ [Kuropas](#), page 617

Exhibit H: Strategic Alternative #5 Base Case Grid

<ul style="list-style-type: none"> - Assumes that UNF invested capital grows at 7% yearly thanks to professional investment manager - Insurance business is sold in 2008 - Fraternal activities survive until the years displayed below 					
		\$0 in Donations	\$500,000 in Donations	\$1,000,000 in Donations	\$11,000,000 in Donations
Paulus Hook Sale by 2008	Fraternal Activities Performance Improves	2041	2043	2045	Forever *
	Fraternal Activities Performance Doesn't Change	2027	2027	2028	2050
	Fraternal Activities Performance Deteriorates	2025	2026	2027	2045
Paulus Hook Sale by 2010	Fraternal Activities Performance Improves	2036	2038	2040	Forever *
	Fraternal Activities Performance Doesn't Change	2025	2025	2026	2046
	Fraternal Activities Performance Deteriorates	2024	2024	2025	2041
* Means that endowment either grows into perpetuity or continues generating positive net income (income less total expenses) past 2050					

Exhibit I: Strategic Alternative #5 with Greater Maximum Donation

		\$16,500,000 in Donations
Paulus Hook Sale by 2008	Fraternal Activities Performance Improves	Forever *
	Fraternal Activities Performance Doesn't Change	Forever *
	Fraternal Activities Performance Deteriorates	2068
Paulus Hook Sale by 2010	Fraternal Activities Performance Improves	Forever *
	Fraternal Activities Performance Doesn't Change	Forever *
	Fraternal Activities Performance Deteriorates	2060
* Means that endowment either grows into perpetuity or continues generating positive net income (income less total expenses) past 2050		

Restructuring

Procedural Plan of Action

The envisioned restructuring could only take place with the consent of UNA membership and in accordance with the by-laws of the association and the state laws of New Jersey⁴⁵. Per these requirements, I recommend the following plan of action to transform the UNA into a 501(c)(3) cultural endowment:

- I. The UNA could send out a letter and survey to each one of its members. The letter should state that the organization is conducting a strategic review and is considering selling its insurance portfolio to another insurer (and, in doing so, would restructure into a cultural endowment). It should make it clear that each insurance policy would be serviced regardless of the outcome at no additional cost – it would only be a question of by whom.

The survey could take two possible forms: 1) An up-or-down vote on my restructuring idea 2) Given that the UNA insurance business should be expected to at least pay for itself (but has not been able to), an up-or-down vote on the continuation of the insurance business.

The results of this survey would not have any legal implications according the UNA's by-laws, but it would be a powerful gauge of association membership interest in this idea.

- II. If the survey results indicate that membership supports the restructuring and/or does not regard the insurance business as necessary, then the UNA General Assembly should call a Special Convention⁴⁶ for the association's delegates to consider and vote on this proposal⁴⁷.
- III. At a Special Convention, the delegates would be presented with the restructuring plan⁴⁸ and vote on it. For the plan to pass, it would need to receive a two-thirds vote in favor⁴⁹.
- IV. If ratified, the plan would be sent to New Jersey's Secretary of State, Attorney General, and Commissioner of Banking and Insurance for approval. I am

⁴⁵ The state in which the UNA is incorporated

⁴⁶ Per the association by-laws, the General Assembly can call a Special Convention if three-fourths of its officers are in favor of doing so

⁴⁷ The UNA by-laws permit the alteration or amendment of UNA by-laws by mail-in vote (two-thirds of the delegates would have to vote in favor of any changes). However, according to N.J.S.A -Title 15A:12-4, the statute under which the UNA was incorporated, and N.J.S.A 17:44A-1 et seq., the statute governing fraternal benefit societies, this proposal would require a special meeting because the UNA in its current form, a 501(c)(8), would be dissolving and restructuring into a 501(c)(3).

⁴⁸ Required under N.J.S.A -Title 15A:12-4 and N.J.S.A 17:44A-1

⁴⁹ Required under the UNA's by-laws (for revision of the by-laws) as well as N.J.S.A -Title 15A:12-4 and N.J.S.A 17:44A-1 et seq. for the dissolution of the UNA in its current form

positive they would approve it since, by selling the insurance portfolio, there would be no questions about the organization's liabilities or coverage of insurance policies.

- V. Upon state approval, UNA management would hire a small to mid-market investment bank to carry out the sale of the insurance portfolio. After the sale and the necessary legal filings are made, the UNA will have been transformed.

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Organizational Plan of Action

If restructured into a cultural endowment, the new UNA would be changed in some ways and unaffected in others. The primary differences would be that the organization would no longer run an insurance business and that management would focus solely on the promotion and preservation of the fraternal activities. However, the association's governance structure and fraternal activities would remain intact.

The new management team would consist of a president, a treasurer (professional investment manager), and an administrative assistant. The president's job would be to oversee and boost the profitability of the fraternal activities while also fundraising for the organization. The treasurer's only function would be to prudently manage the UNA's assets by structuring and investing them to meet the organization's goals (see more on the treasurer's investment strategy in the next two paragraphs). The administrative assistant would serve primarily as an aid to the president but could perform other duties as well.

The treasurer's investment strategy would not be overly complicated. Given that the UNA could liquidate its "non-fraternal" assets and turn the proceeds as an endowment worth at least \$18.8 million, there is a perfect asset type to serve as the organization's base investment: medium investment grade corporate bonds. These bonds, considered appropriate for conservative investors, have yielded about 6.8% on average since mid-2001⁵⁰, a period spanning every stage of an economic cycle, and currently yield about 6.75% on average⁵¹. Applying a 6.8% yield to \$18.8 million in capital would generate \$1.3 million every year, which nearly meets a UNA endowment's base year expenses (about \$1.5 million). To increase the endowment's yield, the treasurer could also invest in some higher-yielding bonds of BB/Ba rating. Both grades have low annual default rates⁵², and, in addition to the treasurer's expertise, the professional investing advice received by the UNA would help ensure that no bad bonds are purchased.

These bond grades should serve as the endowment's base investments not only because of their suitable yield profile (see Exhibit J at the end of this section), but also because of the unsuitability of other asset types for the organization's needs. Treasury Bills/Notes/Bonds, Treasury Inflation-Protected Securities, and the highest quality

⁵⁰ Source: Economagic

⁵¹ As of 6/11/2007

⁵² .1% for medium investment grade and 1.1% for BB/Ba. Source: Standard & Poor's CreditPro

corporate bonds typically have too low a yield to cover the UNA's prospective expenses (see Exhibits K, L, M, N, and O). Equities not only have an insufficient yield in most cases, but also have much more volatile prices than do bonds. However, if the UNA were able to raise a large sum in donations, it would be wise to invest some of its endowment in equities because of their long-term appreciation potential. If the association could raise its average yearly return to 8% from 7%⁵³ using equities, it would be a major boost to the organization's survivability (see Exhibits P and Q).

Even if the UNA were restructured, the organization's governance structure would remain unchanged. The association's supreme authority would continue to be its delegate conventions. The delegates, elected by their branches, would still choose the General Assembly and enact strategy in the form of resolutions and recommendations. The General Assembly would have the same makeup and powers as before, but an additional Outside Executive would replace the Secretary (a position which will have been eliminated) on the Executive Committee. I believe it would be a good idea for the Executive Committee to adopt a process whereby it approves each year's budget by a three-fourths vote. In addition, the General Assembly could help the President with fundraising duties.

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Other Issues and Risks

One unfortunate consequence of a restructuring would be that the UNA would no longer need as large a workforce as it currently has. Although I genuinely feel for anyone whose position would be eliminated, previous sections of this report showed that the UNA cannot survive long in its current form anyway. The restructuring would certainly be a source of hardship for some, but these employees would have a long lead time to find a new position and their accumulated retirement benefits would be guaranteed⁵⁴.

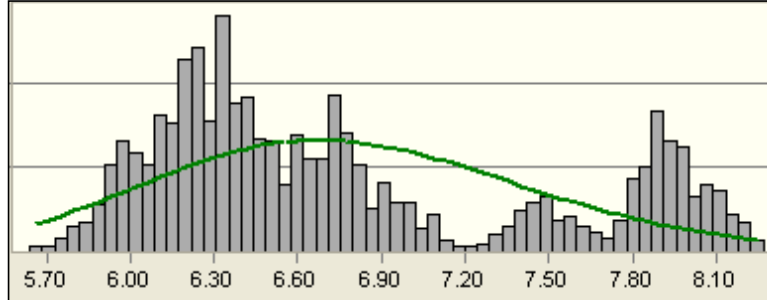
There is an additional risk that bears mentioning, one to which the UNA is currently exposed and would be as an endowment as well: credit event risk due to the ongoing leveraged buyout boom. When private equity firm purchases a company, as happens very often today, it typically loads up its acquisition with debt. If existing bondholders of the acquired company are not compensated, they lose out because the company's credit rating immediately moves to junk (often from investment grade). Whether structured as a fraternal insurance company or as an endowment, the UNA should be sure to buy bonds with covenants protecting them from such events.

⁵³ With 7% being the base case in Strategic Alternative #5

⁵⁴ Fortunately, the UNA's pension plan is substantially overfunded. Although the UNA has more than enough money to cover its defined-benefit pension obligations for both vested and unvested employees, I do not yet have a plan for who (perhaps a third party) could manage these assets in the case of a restructuring. I checked with numerous accounting, finance, and financial law professors, but was unable to find an answer. I am, however, confident that an investment bank selling the insurance business would know how to resolve this issue

Exhibit J

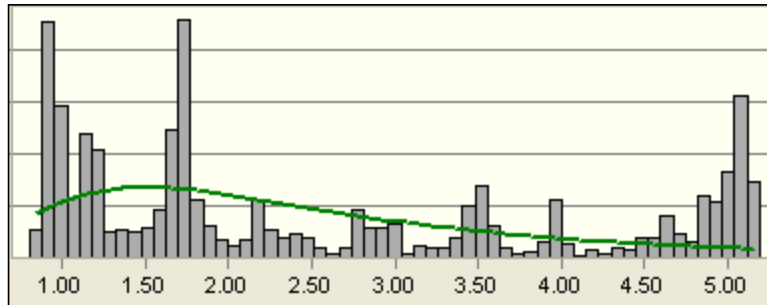
Yield of Moody's Seasoned Baa Corporate Bonds, 7/1/01 – 4/29/07, Daily



Source: Economagic

Exhibit K

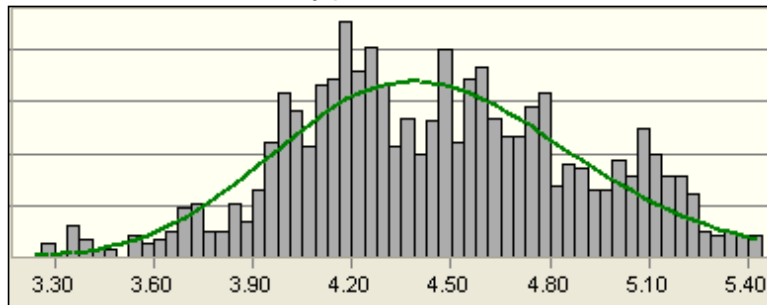
Yield of 3-month Treasury (Constant Maturity), 7/1/01 – 4/29/07, Daily



Source: Economagic

Exhibit L

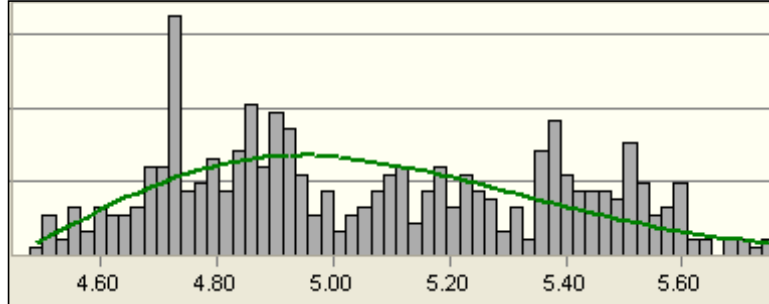
Yield of 10-year Treasury (Constant Maturity), 7/1/01 – 4/29/07, Daily



Source: Economagic

Exhibit M

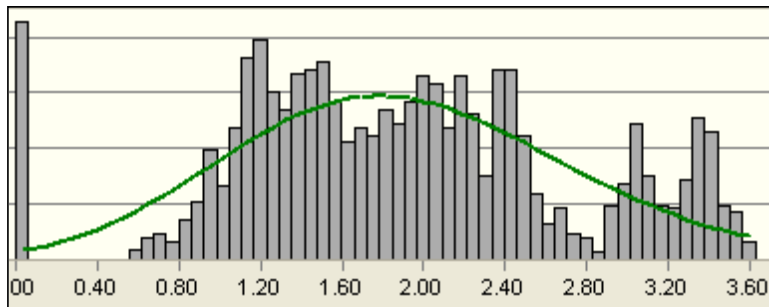
**Yield of 30-year Treasury
(Constant Maturity), 7/1/01 – 4/29/07, Daily**



Source: Economagic

Exhibit N

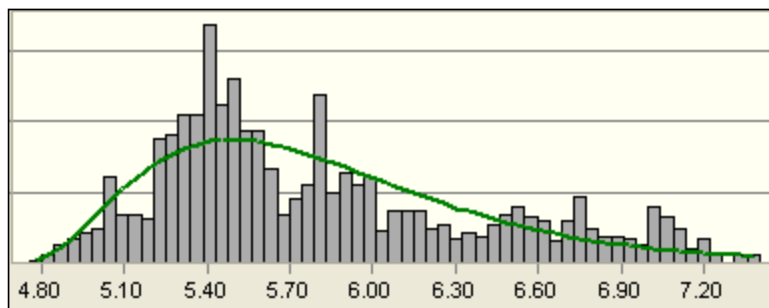
**Yield of 10-Year 4.25% Inflation-Indexed Note
(Due 1/15/2010), 7/1/01 – 4/29/07, Daily**



Source: Economagic

Exhibit O

**Yield of Moody's Seasoned Aaa
Corporate Bonds, 7/1/01 – 4/29/07, Daily**



Source: Economagic

Exhibit P: Strategic Alternative #5 Base Case Grid

<ul style="list-style-type: none"> - Assumes that UNF invested capital grows at 7% yearly thanks to professional investment manager - Insurance business is sold in 2008 - Fraternal activities survive until the years displayed below 					
		\$0 in Donations	\$500,000 in Donations	\$1,000,000 in Donations	\$11,000,000 in Donations
Paulus Hook Sale by 2008	Fraternal Activities Performance Improves	2041	2043	2045	Forever *
	Fraternal Activities Performance Doesn't Change	2027	2027	2028	2050
	Fraternal Activities Performance Deteriorates	2025	2026	2027	2045
Paulus Hook Sale by 2010	Fraternal Activities Performance Improves	2036	2038	2040	Forever *
	Fraternal Activities Performance Doesn't Change	2025	2025	2026	2046
	Fraternal Activities Performance Deteriorates	2024	2024	2025	2041
* Means that endowment either grows into perpetuity or continues generating positive net income (income less total expenses) past 2050					

Exhibit Q: Strategic Alternative #5 at 8% Yearly Capital Growth

		\$0 in Donations	\$500,000 in Donations	\$1,000,000 in Donations	\$11,000,000 in Donations
Paulus Hook Sale by 2008	Fraternal Activities Performance Improves	2058	2064	Forever *	Forever *
	Fraternal Activities Performance Doesn't Change	2029	2030	2032	Forever *
	Fraternal Activities Performance Deteriorates	2028	2028	2029	Forever *
Paulus Hook Sale by 2010	Fraternal Activities Performance Improves	2045	2049	2053	Forever *
	Fraternal Activities Performance Doesn't Change	2027	2028	2029	Forever *
	Fraternal Activities Performance Deteriorates	2025	2026	2027	2056
* Means that endowment either grows into perpetuity or continues generating positive net income (income less total expenses) past 2050					

Conclusion

On November 1, 1893, the association's founders, a group of pioneering Ukrainian priests based in Pennsylvania and New Jersey, published an article in *Svoboda* calling for the formation of a Ukrainian national organization in the US. It read:

“Just as a fish needs water, as the bird must have wings, as the thirsty need to drink and the hungry need bread, just as every one of us needs air, so do we Rusyns [the identity later to be renamed Ukrainians], scattered across this land need a national organization, namely such a brotherhood, such a national union that would embrace each and every Rusyn no matter where he lives. One man cannot lift a heavy stone, but when three or four men put their strength to it, the stone will soon be lifted. It is just as difficult for one man to rid himself of want and poverty, but with the help of a few he can do it. One man cannot help all, but all can easily help one man.”⁵⁵

Much has changed for Ukrainian-Americans since then. Most no longer live in poverty. Most no longer need their community's protection on the job or in their day-to-day activities. Very few must turn to Ukrainian-American organizations for death or disability insurance – these products, after all, can be found at better prices elsewhere.

Yet the collective identity the UNA did so much to forge lives on. It is alive in the fraternal institutions in which we congregate and through which we communicate. *Soyuzivka* gatherings, *Ukrainian Weekly* articles, and Ukrainian language courses define who we are; insurance policies do not. It is the fraternal activities, not contractual protection, that are now the Ukrainian-American home.

This report did three things. Firstly, it showed that, on the UNA's current course, neither the insurance business nor the fraternal activities have much time left to live. Next, arguing that the association's priority should be the fraternal activities, it proposed a detailed solution that would lengthen these institutions' existence for another generation – longer than possible under any other arrangement. The most important thing it did, however, was come up with a realistic way for the association to live forever. By selling the insurance business, the UNA could pursue this goal in the most focused and efficient way possible.

Another passage in the same 1893 *Svoboda* article read:

“If this idea, this thought, becomes a reality, future generations born in this land of the free will thank us and remember us kindly, and adorn our graves with flowers nursed by tears of joy and gratitude.”⁵⁶

The UNA's founding fathers were correct – we, the Ukrainian-Americans who came after them, do look back on their efforts kindly and with gratitude. But if we, today, do not

⁵⁵ [Kuropas](#), page 42

⁵⁶ [Kuropas](#), page 43

come to terms with economic reality and let their idea slip away, how will future generations remember us?

Glossary of Terms

Certificate Reserves – A liability an insurance company is required to maintain to guarantee its contractual obligations. The figure is essentially equal to an insurance portfolio’s estimated net present value.

Fraternal Activities / Fraternal Institutions – The Ukrainian cultural activities and institutions that the UNA administers and sponsors. These include *Soyuzivka*, a Ukrainian resort in Kerhonkson, New York, *The Ukrainian Weekly* and *Svoboda*, two of the Ukrainian diaspora’s most prominent newspapers, miscellaneous cultural activities for youths, and donations and scholarships for various Ukrainian educational causes.

Fraternal Benefit Society / A Fraternal – A nonprofit mutual aid organization that provides for the payment of life, sick, accident or other benefits to its members or their dependents.

Paulus Hook – The property / foundation in (the Paulus Hook neighborhood of) Jersey City, New Jersey in which the UNA holds a 60% controlling equity stake.

Strategic Alternative – A plan for how a company or organization could be structured in terms of its strategy, management, and operations. There are five strategic alternatives for the UNA presented in this report.

UNA / The Association / The Organization – Ukrainian National Association, the fraternal benefit society that is the focus of this report. Its members are people who have purchased life or disability insurance (or perhaps other financial products) from the organization. The UNA is a superstructure for multiple functions – it not only sells financial products, but also administers and sponsors Ukrainian cultural activities (referenced in this report as “fraternal activities”) and owns some commercial real estate.

Unassigned Surplus – The amount by which an insurance company’s assets exceed its liabilities. A key measure of the company’s financial health and wealth.

UNF – Ukrainian National Foundation, a foundation dedicated to promoting the UNA fraternal activities as well as other Ukrainian charitable causes. It is controlled by the UNA.

UNURF – The UNA’s commercial real estate subsidiary. The UNURF has owned and served as the management company for office buildings in Jersey City (sold in 1997) and Parsippany (sold in June 2007), New Jersey. With the Parsippany building’s sale, the UNA owns no more commercial real estate through the UNURF.

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Appendix I: Notes to Financial Statement Forecasts

I forecasted the UNA's performance and financial position under each strategic alternative and under a multitude of scenarios. Every forecast has two separate but interrelated components: the UNA insurance business' financial statements and the UNF / fraternal activities' financial statements. I treat the UNA insurance business and the UNF / fraternal activities as separate entities, but they interact in every strategic alternative and scenario.

The first subsection of this appendix explains the assumptions and calculations made in the projected financial statements of the UNA insurance business. The second subsection does the same for the projected financial statements of the UNF / fraternal activities. The third subsection highlights differences in the projections across the five strategic alternatives. The fourth and final subsection details how the projections differ across various scenarios.

I assume that the UNA insurance business will die if its unassigned surplus falls below \$2 million and that the fraternal activities will die if their fiscal year-end cash balance falls below the next year's operating costs (i.e. they run out of money).

"The rate of inflation" is referenced often in these notes to the financial statements. I used 2.7%, the average annual rate of consumer price inflation from 2001-2006 according to the US Bureau of Labor Statistics, as the future annual rate of inflation in my forecasts.

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Notes to UNA Insurance Business Financial Statement Forecasts

The following table is a snapshot of the income statement and balance sheet forecasts for the UNA insurance business. How I generated each line item is explained thereafter.

<u>Income Statement</u>	
	<u>2007 (F)</u>
Premiums and Annuity Considerations	\$3,501,673
Net Investment Income	3,302,505
Total Insurance Business Revenue	\$6,804,178
Contractual Payments Made to Members / Beneficiaries	\$3,314,753
Increase (Decrease) in Reserves Required to Guarantee Contractual Obligations	1,141,304
Other Expenses and Deductions	2,238,427
Commissions on Premiums and Considerations	168,335
Total Insurance Business Expenses	\$6,862,819
UNA Insurance Business Net Income (Loss)	<u>(\$58,641)</u>
Soyuzivka Net Loss	\$635,000
Newspapers Net Loss *	292,371
Youth Activities Total Expenses	2,000
Donations and Scholarships Total Expenses	156,272
UNA Net Income (Loss)	<u>(\$1,144,284)</u>
<u>Balance Sheet</u>	
Total Insurance Business Assets	<u>\$64,851,234</u>
Certificate Reserves	\$53,821,558
Other Liabilities	4,822,327
Unassigned Surplus	6,207,349
Total Liabilities and Unassigned Surplus	<u>\$64,851,234</u>
<u>Footnotes</u>	
(F) means forecasted	
* Revenue less Expenses (excluding printing plant depreciation)	

Premiums and Annuity Considerations: The trailing average of the last five years. Implicitly assumes that insurance sales will neither rise nor fall drastically over time.

Net Investment Income: The trailing average of the last five years. Implicitly assumes that investment income from insurance business assets will neither rise nor fall drastically over time.

Contractual Payments Made to Members / Beneficiaries: The trailing average of the last six years. Implicitly assumes that payments to members and beneficiaries will neither rise nor fall drastically over time.

Increase (Decrease) in Reserves Required to Guarantee Contractual Obligations: This figure is calculated as follows: Change in Reserves = $-\$3,404,087 + \text{Premiums and Annuity Considerations} * 1.3$.

Insurance sales and changes in the reserve have had a very high correlation (.88) since 1995. So, to generate a predictive model for changes in the reserve, I ran an ordinary least squares regression of yearly changes in reserves on yearly premiums and annuity considerations. The results, based on 12 observations, were very strong; the model's R-squared was .78, the intercept had a t-statistic of 4.66, and the premiums and annuity considerations coefficient had a t-statistic of 5.98.

Other Expenses and Deductions: The trailing average of the last six years. Implicitly assumes that other expenses and deductions will neither rise nor fall drastically over time.

Commissions on Premiums and Considerations: The trailing average of the last six years. Implicitly assumes that commissions on premiums and considerations will neither rise nor fall drastically over time.

Soyuzivka Net Loss: This figure varies greatly over time based on different strategic alternatives and scenarios – please see the third and fourth subsections of the appendix for a full explanation. However, regardless of strategic alternative and scenario, this value is assumed to be \$635,000 for 2007 because this was approximately what *Soyuzivka* lost in 2006.

Newspapers Net Loss: This figure also varies greatly over time based on different strategic alternatives and scenarios – please see the third and fourth subsections of the appendix for a full explanation. However, regardless of strategic alternative and scenario, this value is assumed to be \$292,371 for 2007. Although the newspapers' net loss in 2006 was \$335,071, I lowered the 2007 figure based on a space reduction underway at the offices of the UNA and newspapers⁵⁷.

Youth Activities Total Expenses: Regardless of strategic alternative and scenario, this value is assumed to be \$2,000 in 2007. If the insurance business continues paying this expense – it would no longer do so if the UNF / fraternal activities split off or merely began covering their own operating costs – it rises at the rate of inflation thereafter.

Donations and Scholarships Total Expenses: Regardless of strategic alternative and scenario, this value is assumed to be \$156,272 (its 2006 level) in 2007. If the insurance business continues paying this expense – it would no longer do so if the UNF / fraternal activities split off or merely began covering their own operating costs – it rises at the rate of inflation thereafter.

⁵⁷ According to UNA management, the newspapers account for 40% of the 17,000 square feet occupied by the UNA in its Parsippany, NJ building. By the end of the space reduction, the UNA will occupy 10,000 square feet. With yearly office rent and electricity priced at \$15.25 per square foot in the building (also according to UNA management), this represents a cost savings of \$42,700 per year for the newspapers.

Certificate Reserves: The trailing average of the last six years. Implicitly assumes that certificate reserves will neither rise nor fall drastically over time.

Other Liabilities: The trailing average of the last six years. Implicitly assumes that other liabilities will neither rise nor fall drastically over time.

Unassigned Surplus: The sum of the previous year's unassigned surplus and the current year's net income. But for two⁵⁸ of the past 11 years, changes in the insurance business' unassigned surplus have pretty much moved one-for-one with the profit or loss of the UNA enterprise (their correlation is .83).

Total Liabilities and Unassigned Surplus: The sum of the certificate reserves, other liabilities, and unassigned surplus.

Total Insurance Business Assets: Equal to total liabilities and unassigned surplus.

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⁵⁸ In 1997, the UNA closed on the sale of an office building in Jersey City, NJ, so the insurance business received a sizable boost to its unassigned surplus for a reason unrelated to the operational results of the UNA insurance business. In 2003, the insurance business had a highly unprofitable year, yet somehow the unassigned surplus rose – I treat that instance as an outlier

Notes to UNF / Fraternal Activities Financial Statement Forecasts

The following table is a snapshot of the income statement and balance sheet forecasts for the UNF / fraternal activities entity. How I generated each line item is explained thereafter.

In every case, the UNF / fraternal activities operate like an endowment, wherein invested assets generate income to pay for fraternal activity operating expenses. If the UNA were to pursue Strategic Alternative #5, all of the UNA enterprise's assets would be transferred to the UNF / fraternal activities endowment entity.

	2009
UNF / Fraternal Activity Endowment Assets	\$18,595,929
Investment Income from Assets	\$1,301,715
Fundraising Income	0
UNF / Fraternal Activity Total Revenue	\$1,301,715
Rent	\$31,312
Salaries and Wages	256,659
Insured Benefit Plans for Employees	69,991
Legal Fees and Expenses	6,160
Fees of Public Accountants	25,666
Investment Management Fees	41,065
Travelling Expenses	10,266
Advertising	10,266
Postage, Express, Telegraph, and Telephone	15,400
Printing and Stationary	10,266
Rental of Equipment	20,533
Sundry General Expenses	5,133
Total Administrative Expenses	\$502,719
Soyuzivka Allocation	\$351,966
Newspapers Allocation *	135,536
Youth Activities Allocation	\$2,053
Donation and Scholarship Allocation	160,435
Total Fraternal Expenses	\$649,990
Residual Income (Reinvested into Endowment)	<u>\$149,006</u>
* Revenue less Expenses (excluding printing plant depreciation)	

UNF / Fraternal Activity Endowment Assets: The amount of money the UNF / fraternal activities have in the bank; this money earns investment income. The starting amount (in 2008) depends on the strategic alternative and scenario.

Investment Income from Assets: The investment income the UNF / fraternal activities earn from their endowment assets. Because the endowment would primarily consist of

fixed-income investments, one can think of this as a savings account's interest income or a bond's yield. The interest rates / yields vary by strategic alternative.

Fundraising Income: The amount of money raised by the UNF / fraternal activities in a particular year. This varies by scenario.

UNF / Fraternal Activity Total Revenue: The sum of investment income and fundraising income. Does not take into account the revenue generated by *Soyuzivka* and the newspapers because, to be conservative, the forecasts assume that those activities will continue operating at a loss. Therefore, the allocations detailed below capture the net loss of each fraternal activity.

Rent: This would only be an expense to the UNF / fraternal activities if the UNA pursued Strategic Alternative #5. This is because the UNF / fraternal activities would become the sole UNA entity and its president, investment manager, and an assistant would need office space. If the UNF / fraternal activities were spun off from the UNA or if the UNA insurance business folded (thus the UNF / fraternal activities would have to stand on their own administratively), the new UNF / fraternal activities manager and his or her assistant could just work from home.

In the case of Strategic Alternative #5, rent would begin at \$30,500 (the Parsippany building's \$15.25 yearly rent per square foot x 20,000 square feet) in 2008 and rise at the rate of inflation thereafter.

Salaries and Wages: In 2008, the president of the UNF / fraternal activities would earn \$100,000 per year and his/her assistant would earn \$50,000. If there were also a Treasurer (only under Strategic Alternative #5), they would earn \$100,000 that year. The salaries rise at the rate of inflation thereafter.

Insured Benefit Plan for Employees: This expense is 27.27% of yearly salaries, as it has been at the UNA for some time⁵⁹.

Legal Fees and Expenses: The estimated amount of legal fees a UNF / fraternal activities endowment would need to pay. Based on what other comparable foundations pay for these services. Would cost \$6,000 in 2008 and rise at the rate of inflation thereafter.

Fees of Public Accountants: The estimated amount of accounting fees a UNF / fraternal activities endowment would need to pay. Based on what other comparable foundations⁶⁰ pay for these services. Would cost \$25,000 in 2008 and rise at the rate of inflation thereafter.

Investment Management Fees: The estimated amount of fees a UNF / fraternal activities endowment would need to pay for professional investing advice. This would

⁵⁹ Source: UNA Financial Statements

⁶⁰ Source: www.foundationcenter.org

only be an expense to the UNF / fraternal activities if the UNA pursued Strategic Alternative #5. Based on what the UNA currently pays for these services (\$4,000 per month⁶¹), it would cost \$48,000 in 2008 and rise at the rate of inflation thereafter.

If the UNF / fraternal activities were spun off from the UNA or if the UNA insurance business folded (thus the UNF / fraternal activities would have to stand on their own administratively), the new UNF / fraternal activities would just keep its money in a high-yielding savings account. It therefore would not incur investment management fees.

Traveling Expenses: The estimated amount a UNF / fraternal activities endowment would need for traveling expenses. Although the UNA currently spends about \$5,000 per year on this, a UNF / fraternal activities endowment would require more because of the organization's increased focus on fundraising. Would cost \$10,000 in 2008 and rise at the rate of inflation thereafter.

Advertising: The estimated amount a UNF / fraternal activities endowment would need for advertising expenses. Although the UNA currently spends about \$25,000 per year on this, a UNF / fraternal activities endowment would require much less because it would not be running an insurance business. Would cost \$10,000 in 2008 and rise at the rate of inflation thereafter.

Postage, Express, Telegraph, and Telephone: The estimated amount a UNF / fraternal activities endowment would need for postage, express, telegraph, and telephone. Although the UNA currently spends about \$25,000 per year on this, a UNF / fraternal activities endowment would require much less because it would not be running an insurance business. Would cost \$15,000 in 2008 and rise at the rate of inflation thereafter.

Printing and Stationary: The estimated amount a UNF / fraternal activities endowment would need for printing and stationary. Although the UNA currently spends about \$13,500 per year on this, a UNF / fraternal activities endowment would require less because it would not be running an insurance business. Would cost \$10,000 in 2008 and rise at the rate of inflation thereafter.

Rental of Equipment: The estimated amount a UNF / fraternal activities endowment would need for rental of equipment. Although the UNA currently spends about \$84,000 per year on this, a UNF / fraternal activities endowment would require much less because it would not be running an insurance business. Would cost \$20,000 in 2008 and rise at the rate of inflation thereafter.

Sundry General Expenses: The estimated amount a UNF / fraternal activities endowment would need for sundry general expenses. Although the UNA currently spends about \$15,000 per year on this, a UNF / fraternal activities endowment would require much less because it would not be running an insurance business. Would cost \$5,000 in 2008 and rise at the rate of inflation thereafter.

⁶¹ According to UNA management

Soyuzivka Allocation: This is the amount it costs to help fund *Soyuzivka's* operations in a particular year. Varies by scenario.

Newspapers Allocation: This is the amount it costs to help fund the newspapers' operations in a particular year. Varies by scenario.

Youth Activities Allocation: This is the amount that the UNF / fraternal activities would allocate to youth activities. Starts at \$2,000 in 2008 and rises at the rate of inflation thereafter.

Donation and Scholarship Allocation: This is the amount that the UNF / fraternal activities would allocate to donations and scholarships. Starts at \$156,272 in 2008 and rises at the rate of inflation thereafter.

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Differences in Projections across the Five Strategic Alternatives

Strategic Alternative #1: The UNA insurance business continues sponsoring and administering the fraternal activities. UNA management, with the help of legal counsel, makes a successful push for the insurance business to receive the Paulus Hook property sale proceeds.

In this case, the UNA continues sponsoring the fraternal activities (whose performance would remain about the same) until 2017, when the insurance business goes under. At that point, the UNF / fraternal activities will be on their own and will have to start paying most of the administrative costs described in the previous subsection. These administrative costs will have risen from their 2008 levels due to inflation. Also at that point, the UNF / fraternal activities' performance could improve, worsen, or remain the same. In each case, the fraternal activity allocations will have risen from levels of previous years due to inflation.

Strategic Alternative #2: The UNA insurance business continues sponsoring the fraternal activities until the UNF receives the Paulus Hook property sale proceeds, at which point the sponsorship stops. This implies that UNA management either does not push for the Paulus Hook sale proceeds to go to the insurance business or that their attempt to do so is unsuccessful. The UNA continues administering the fraternal activities beyond the Paulus Hook sale.

In this case, the UNA continues sponsoring the UNF / fraternal activities (whose performance would remain about the same) until either 2008 or 2010, whenever UNF / fraternal activities receive the Paulus Hook proceeds. At that point, the UNF / fraternal activities will be on their own as far as their operational costs are concerned. Their performance could improve, worsen, or remain the same.

Under this strategic alternative, the UNA insurance business would go under in 2020 if Paulus Hook were sold in 2008 or go under in 2012 if Paulus Hook were sold in 2010. At whichever date the insurance business goes under, the UNF / fraternal activities will have to start paying most of the administrative costs described in the previous subsection. These administrative costs will have risen from their 2008 levels due to inflation.

Strategic Alternative #3: The fraternal activities completely split off from the UNA insurance business in 2008. UNA management, with the help of legal counsel, makes a successful push for the insurance business to receive the Paulus Hook property sale proceeds.

In this case, the UNA splits off the UNF / fraternal activities in 2008 and stops paying both their operational and administrative costs. The UNF / fraternal activities will have to start paying these costs. Their performance could then improve, worsen, or remain the same.

Strategic Alternative #4: The fraternal activities completely split off from the UNA insurance business in 2008. The UNF receives the Paulus Hook property sale proceeds, which implies that UNA management either does not push for the Paulus Hook property sale proceeds to go to the insurance business or that their attempt to do so is unsuccessful.

In this case, the UNA splits off the UNF / fraternal activities in 2008 and stops paying both their operational and administrative costs. The UNF / fraternal activities will have to start paying these costs. Their performance could then improve, worsen, or remain the same.

Strategic Alternative #5: The UNA sells its insurance portfolio, restructures into an endowment dedicated to the promotion and preservation of the fraternal activities, and merges with the UNF. It would employ a president to oversee the enterprise (the fraternal activities) as well as a professional investment manager.

In this case, the UNF / fraternal activities become the whole UNA organization. The UNF / fraternal activities will have to start paying all of the administrative costs described in the previous subsection. The UNF / fraternal activities' performance could improve, worsen, or remain the same.

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Differences in Projections across the Various Scenarios

Fraternal Activities Performance Improves: *Soyuzivka's* net loss / allocation amounts to \$635,000 in 2008, but then drops to \$351,966 the next year and stays at that level until 2015, rising at the rate of inflation thereafter. The newspapers' net loss / allocation amounts to \$292,371 in 2008, but then drops to \$135,536 the next year and stays at that level until 2015, rising at the rate of inflation thereafter. The allocation to youth activities starts at \$2,000 in 2008 and rises at the rate of inflation thereafter. The allocation to donations and scholarships starts at \$156,272 in 2008 and rises at the rate of inflation thereafter.

Fraternal Activities Performance Doesn't Change: *Soyuzivka's* net loss / allocation amounts to \$635,000 in 2008 and remains at that level until 2012, rising at the rate of inflation thereafter. The newspapers' net loss / allocation amounts to \$292,371 in 2008 and remains at that level until 2012, rising at the rate of inflation thereafter. The allocation to youth activities starts at \$2,000 in 2008 and rises at the rate of inflation thereafter. The allocation to donations and scholarships starts at \$156,272 in 2008 and rises at the rate of inflation thereafter.

Fraternal Activities Performance Deteriorates: *Soyuzivka's* net loss / allocation amounts to \$635,000 in 2008 and rises at the rate of inflation thereafter. The newspapers' net loss / allocation amounts to \$292,371 in 2008 and rises at the rate of inflation thereafter. The allocation to youth activities starts at \$2,000 in 2008 and rises at the rate of inflation thereafter. The allocation to donations and scholarships starts at \$156,272 in 2008 and rises at the rate of inflation thereafter.

Paulus Hook Sale by 2008: Either the UNA or UNF / fraternal activities receive \$9.5 million in 2008.

Paulus Hook Sale by 2010: Either the UNA or UNF / fraternal activities receive \$9.5 million in 2010.

\$0 in Donations: No fundraising for the UNF / fraternal activities takes place whatsoever.

\$500,000 in Donations: \$500,000 is raised from, presumably, Ukrainian-Americans by the end of 2008.

\$1,000,000 in Donations: \$1,000,000 is raised from, presumably, Ukrainian-Americans by the end of 2008.

\$11,000,000 in Donations: \$1,000,000 is raised from, presumably, Ukrainian-Americans by the end of 2008. In addition, \$10,000,000 is raised from wealthy Ukrainians by the end of 2009.

Appendix II: Financial Statement Forecasts

The financial statement forecasts are organized by strategic alternative and year of the Paulus Hook property sale. A UNA insurance business forecast is provided for each one of these instances. They are then sorted by Fraternal Activity Performance and Donation Level. So the structure is as follows:

Strategic Alternative X, Property Sale by X

- Insurance Business Forecast
- Fraternal Activities Performance X, Donation Level X
 - o Fraternal Activities Forecast
- Fraternal Activities Performance Y, Donation Level Y
 - o Fraternal Activities Forecast
- Fraternal Activities Performance ..., Donation Level ...

Strategic Alternative Y, Property Sale by Y

- Insurance Business Forecast
- Fraternal Activities Performance X, Donation Level X
 - o Fraternal Activities Forecast
- Fraternal Activities Performance Y, Donation Level Y
 - o Fraternal Activities Forecast
- Fraternal Activities Performance ..., Donation Level ...

Strategic Alternative ..., Property Sale by ...

I assume that the UNA insurance business will die if its unassigned surplus falls below \$2 million and that the fraternal activities will die if their fiscal year-end cash balance falls below the next year's operating costs (i.e. they run out of money).

*Strategic Alternative #1, Paulus Hook Sale Proceeds go to UNA in 2008***Insurance Business Forecast**

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2017</u>
Premiums and Annuity Considerations	\$3,501,673	\$3,566,564	\$3,350,899	\$3,260,303	\$3,212,353	\$3,378,358	\$3,353,695	\$3,331,616
Net Investment Income	3,302,505	3,208,686	3,170,429	3,150,736	3,176,858	3,201,843	3,181,710	3,184,041
Total Insurance Business Revenue	\$6,804,178	\$6,775,250	\$6,521,328	\$6,411,038	\$6,389,210	\$6,580,201	\$6,535,405	\$6,515,657
Contractual Payments Made to Members / Beneficiaries	\$3,314,753	\$3,261,465	\$3,330,638	\$3,434,850	\$3,467,643	\$3,524,619	\$3,388,995	\$3,441,279
Increase (Decrease) in Reserves Required to Guarantee Contractual Obligations	1,141,304	1,225,536	945,589	827,990	765,748	981,233	949,219	920,559
Other Expenses and Deductions	2,238,427	2,279,612	2,344,727	2,231,255	2,226,455	2,218,610	2,256,515	2,243,119
Commissions on Premiums and Considerations	168,335	170,186	171,070	168,551	164,797	161,957	167,483	165,769
Total Insurance Business Expenses	\$6,862,819	\$6,936,799	\$6,792,024	\$6,662,647	\$6,624,643	\$6,886,420	\$6,762,211	\$6,770,725
UNA Insurance Business Net Income (Loss)	<u>(\$58,641)</u>	<u>(\$161,549)</u>	<u>(\$270,696)</u>	<u>(\$251,608)</u>	<u>(\$235,433)</u>	<u>(\$306,220)</u>	<u>(\$226,806)</u>	<u>(\$255,069)</u>
Soyuzivka Net Loss	\$635,000	\$635,000	\$635,000	\$635,000	\$635,000	\$635,000	\$651,915	\$724,201
Newspapers Net Loss *	292,371	292,371	292,371	292,371	292,371	292,371	300,159	333,442
Youth Activities Total Expenses	2,000	2,053	2,108	2,164	2,222	2,281	2,342	2,601
Donations and Scholarships Total Expenses	156,272	160,435	164,708	169,096	173,600	178,224	182,972	203,260
UNA Net Income (Loss)	<u>(\$1,144,284)</u>	<u>(\$1,251,408)</u>	<u>(\$1,364,883)</u>	<u>(\$1,350,239)</u>	<u>(\$1,338,626)</u>	<u>(\$1,414,096)</u>	<u>(\$1,364,193)</u>	<u>(\$1,518,573)</u>
Total Insurance Business Assets	<u>\$64,851,234</u>	<u>\$73,500,278</u>	<u>\$72,308,303</u>	<u>\$71,143,543</u>	<u>\$69,775,772</u>	<u>\$68,155,234</u>	<u>\$66,765,389</u>	<u>\$61,011,495</u>
Certificate Reserves	\$53,821,558	\$54,661,779	\$55,387,781	\$55,687,812	\$55,652,900	\$55,377,791	\$55,098,270	\$55,380,633
Other Liabilities	4,822,327	4,382,559	3,829,465	3,714,913	3,720,679	3,789,347	4,043,215	3,856,313
Unassigned Surplus	6,207,349	14,455,941	13,091,058	11,740,818	10,402,193	8,988,097	7,623,904	1,774,549
Total Liabilities and Unassigned Surplus	<u>\$64,851,234</u>	<u>\$73,500,278</u>	<u>\$72,308,303</u>	<u>\$71,143,543</u>	<u>\$69,775,772</u>	<u>\$68,155,234</u>	<u>\$66,765,389</u>	<u>\$61,011,495</u>

Fraternal Activities Forecast: Fraternal Activities Performance Improves, \$0 in Donations

	2008	2009	2010	2018	2019	2021	2022
UNF / Fraternal Activity Endowment Assets	\$2,000,000	\$2,100,000	\$2,205,000	\$3,257,789	\$2,307,635	\$171,210	(\$1,024,609)
Investment Income from Assets	\$100,000	\$105,000	\$110,250	\$162,889	\$115,382	\$8,561	(\$51,230)
Fundraising Income	0	0	0	0	0	0	0
UNF / Fraternal Activity Total Revenue	\$100,000	\$105,000	\$110,250	\$162,889	\$115,382	\$8,561	(\$51,230)
Rent	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Salaries and Wages	0	0	0	195,102	200,299	211,112	216,736
Insured Benefit Plans for Employees	0	0	0	53,204	54,622	57,570	59,104
Legal Fees and Expenses	0	0	0	7,804	8,012	8,444	8,669
Fees of Public Accountants	0	0	0	32,517	33,383	35,185	36,123
Investment Management Fees	0	0	0	0	0	0	0
Travelling Expenses	0	0	0	13,007	13,353	14,074	14,449
Advertising	0	0	0	13,007	13,353	14,074	14,449
Postage, Express, Telegraph, and Telephone	0	0	0	19,510	20,030	21,111	21,674
Printing and Stationary	0	0	0	13,007	13,353	14,074	14,449
Rental of Equipment	0	0	0	26,014	26,707	28,148	28,898
Sundry General Expenses	0	0	0	6,503	6,677	7,037	7,225
Total Administrative Expenses	\$0	\$0	\$0	\$379,676	\$389,789	\$410,832	\$421,775
Soyuzivka Allocation	\$0	\$0	\$0	\$380,848	\$390,993	\$412,101	\$423,078
Newspapers Allocation *	0	0	0	146,658	150,565	158,693	162,920
Youth Activities Allocation	0	0	0	2,601	2,671	2,815	2,890
Donation and Scholarship Allocation	0	0	0	203,260	208,675	219,940	225,798
Total Fraternal Expenses	\$0	\$0	\$0	\$733,368	\$752,903	\$793,548	\$814,686
Residual Income (Reinvested into Endowment)	\$100,000	\$105,000	\$110,250	(\$950,154)	(\$1,027,310)	(\$1,195,819)	(\$1,287,692)
* Revenue less Expenses (excluding printing plant depreciation)							

Fraternal Activities Forecast: Fraternal Activities Performance Improves, \$500,000 in Donations

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
UNF / Fraternal Activity Endowment Assets	\$2,000,000	\$2,600,000	\$2,730,000	\$4,033,453	\$3,122,082	\$2,135,494	\$1,069,138	(\$81,785)
Investment Income from Assets	\$100,000	\$130,000	\$136,500	\$201,673	\$156,104	\$106,775	\$53,457	(\$4,089)
Fundraising Income	500,000	0	0	0	0	0	0	0
UNF / Fraternal Activity Total Revenue	\$600,000	\$130,000	\$136,500	\$201,673	\$156,104	\$106,775	\$53,457	(\$4,089)
Rent	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Salaries and Wages	0	0	0	195,102	200,299	205,635	211,112	216,736
Insured Benefit Plans for Employees	0	0	0	53,204	54,622	56,077	57,570	59,104
Legal Fees and Expenses	0	0	0	7,804	8,012	8,225	8,444	8,669
Fees of Public Accountants	0	0	0	32,517	33,383	34,272	35,185	36,123
Investment Management Fees	0	0	0	0	0	0	0	0
Travelling Expenses	0	0	0	13,007	13,353	13,709	14,074	14,449
Advertising	0	0	0	13,007	13,353	13,709	14,074	14,449
Postage, Express, Telegraph, and Telephone	0	0	0	19,510	20,030	20,563	21,111	21,674
Printing and Stationary	0	0	0	13,007	13,353	13,709	14,074	14,449
Rental of Equipment	0	0	0	26,014	26,707	27,418	28,148	28,898
Sundry General Expenses	0	0	0	6,503	6,677	6,854	7,037	7,225
Total Administrative Expenses	\$0	\$0	\$0	\$379,676	\$389,789	\$400,172	\$410,832	\$421,775
Soyuzivka Allocation	\$0	\$0	\$0	\$380,848	\$390,993	\$401,408	\$412,101	\$423,078
Newspapers Allocation *	0	0	0	146,658	150,565	154,575	158,693	162,920
Youth Activities Allocation	0	0	0	2,601	2,671	2,742	2,815	2,890
Donation and Scholarship Allocation	0	0	0	203,260	208,675	214,233	219,940	225,798
Total Fraternal Expenses	\$0	\$0	\$0	\$733,368	\$752,903	\$772,958	\$793,548	\$814,686
Residual Income (Reinvested into Endowment)	\$600,000	\$130,000	\$136,500	(\$911,371)	(\$986,588)	(\$1,066,356)	(\$1,150,923)	(\$1,240,551)
* Revenue less Expenses (excluding printing plant depreciation)								

Fraternal Activities Forecast: Fraternal Activities Performance Improves, \$1,000,000 in Donations

	2008	2009	2018	2019	2021	2022	2023
UNF / Fraternal Activity Endowment Assets	\$2,000,000	\$3,100,000	\$4,809,117	\$3,936,530	\$1,967,067	\$861,040	(\$332,369)
Investment Income from Assets	\$100,000	\$155,000	\$240,456	\$196,826	\$98,353	\$43,052	(\$16,618)
Fundraising Income	1,000,000	0	0	0	0	0	0
UNF / Fraternal Activity Total Revenue	\$1,100,000	\$155,000	\$240,456	\$196,826	\$98,353	\$43,052	(\$16,618)
Rent	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Salaries and Wages	0	0	195,102	200,299	211,112	216,736	222,509
Insured Benefit Plans for Employees	0	0	53,204	54,622	57,570	59,104	60,678
Legal Fees and Expenses	0	0	7,804	8,012	8,444	8,669	8,900
Fees of Public Accountants	0	0	32,517	33,383	35,185	36,123	37,085
Investment Management Fees	0	0	0	0	0	0	0
Travelling Expenses	0	0	13,007	13,353	14,074	14,449	14,834
Advertising	0	0	13,007	13,353	14,074	14,449	14,834
Postage, Express, Telegraph, and Telephone	0	0	19,510	20,030	21,111	21,674	22,251
Printing and Stationary	0	0	13,007	13,353	14,074	14,449	14,834
Rental of Equipment	0	0	26,014	26,707	28,148	28,898	29,668
Sundry General Expenses	0	0	6,503	6,677	7,037	7,225	7,417
Total Administrative Expenses	\$0	\$0	\$379,676	\$389,789	\$410,832	\$421,775	\$433,010
Soyuzivka Allocation	\$0	\$0	\$380,848	\$390,993	\$412,101	\$423,078	\$434,348
Newspapers Allocation *	0	0	146,658	150,565	158,693	162,920	167,260
Youth Activities Allocation	0	0	2,601	2,671	2,815	2,890	2,967
Donation and Scholarship Allocation	0	0	203,260	208,675	219,940	225,798	231,813
Total Fraternal Expenses	\$0	\$0	\$733,368	\$752,903	\$793,548	\$814,686	\$836,387
Residual Income (Reinvested into Endowment)	\$1,100,000	\$155,000	(\$872,588)	(\$945,866)	(\$1,106,027)	(\$1,193,410)	(\$1,286,016)
* Revenue less Expenses (excluding printing plant depreciation)							

Fraternal Activities Forecast: Fraternal Activities Performance Improves, \$11,000,000 in Donations

	2008	2009	2010	2018	2019	2041	2042
UNF / Fraternal Activity Endowment Assets	\$2,000,000	\$3,100,000	\$13,255,000	\$19,583,672	\$19,449,812	\$1,031,326	(\$954,646)
Investment Income from Assets	\$100,000	\$155,000	\$662,750	\$979,184	\$972,491	\$51,566	(\$47,732)
Fundraising Income	1,000,000	10,000,000	0	0	0	0	0
UNF / Fraternal Activity Total Revenue	\$1,100,000	\$10,155,000	\$662,750	\$979,184	\$972,491	\$51,566	(\$47,732)
Rent	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Salaries and Wages	0	0	0	195,102	200,299	357,154	366,668
Insured Benefit Plans for Employees	0	0	0	53,204	54,622	97,396	99,990
Legal Fees and Expenses	0	0	0	7,804	8,012	14,286	14,667
Fees of Public Accountants	0	0	0	32,517	33,383	59,526	61,111
Investment Management Fees	0	0	0	0	0	0	0
Travelling Expenses	0	0	0	13,007	13,353	23,810	24,445
Advertising	0	0	0	13,007	13,353	23,810	24,445
Postage, Express, Telegraph, and Telephone	0	0	0	19,510	20,030	35,715	36,667
Printing and Stationary	0	0	0	13,007	13,353	23,810	24,445
Rental of Equipment	0	0	0	26,014	26,707	47,621	48,889
Sundry General Expenses	0	0	0	6,503	6,677	11,905	12,222
Total Administrative Expenses	\$0	\$0	\$0	\$379,676	\$389,789	\$695,034	\$713,548
Soyuzivka Allocation	\$0	\$0	\$0	\$380,848	\$390,993	\$697,181	\$715,752
Newspapers Allocation *	0	0	0	146,658	150,565	268,472	275,624
Youth Activities Allocation	0	0	0	2,601	2,671	4,762	4,889
Donation and Scholarship Allocation	0	0	0	203,260	208,675	372,088	382,000
Total Fraternal Expenses	\$0	\$0	\$0	\$733,368	\$752,903	\$1,342,504	\$1,378,265
Residual Income (Reinvested into Endowment)	\$1,100,000	\$10,155,000	\$662,750	(\$133,860)	(\$170,202)	(\$1,985,972)	(\$2,139,545)
* Revenue less Expenses (excluding printing plant depreciation)							

Fraternal Activities Forecast: Fraternal Activities Performance Doesn't Change, \$0 in Donations

	<u>2008</u>	<u>2009</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
UNF / Fraternal Activity Endowment Assets	\$2,000,000	\$2,100,000	\$3,257,789	\$1,749,326	\$120,918	(\$1,634,616)
Investment Income from Assets	\$100,000	\$105,000	\$162,889	\$87,466	\$6,046	(\$81,731)
Fundraising Income	0	0	0	0	0	0
UNF / Fraternal Activity Total Revenue	\$100,000	\$105,000	\$162,889	\$87,466	\$6,046	(\$81,731)
Rent	\$0	\$0	\$0	\$0	\$0	\$0
Salaries and Wages	0	0	195,102	200,299	205,635	211,112
Insured Benefit Plans for Employees	0	0	53,204	54,622	56,077	57,570
Legal Fees and Expenses	0	0	7,804	8,012	8,225	8,444
Fees of Public Accountants	0	0	32,517	33,383	34,272	35,185
Investment Management Fees	0	0	0	0	0	0
Travelling Expenses	0	0	13,007	13,353	13,709	14,074
Advertising	0	0	13,007	13,353	13,709	14,074
Postage, Express, Telegraph, and Telephone	0	0	19,510	20,030	20,563	21,111
Printing and Stationary	0	0	13,007	13,353	13,709	14,074
Rental of Equipment	0	0	26,014	26,707	27,418	28,148
Sundry General Expenses	0	0	6,503	6,677	6,854	7,037
Total Administrative Expenses	\$0	\$0	\$379,676	\$389,789	\$400,172	\$410,832
Soyuzivka Allocation	\$0	\$0	\$743,492	\$763,297	\$783,629	\$804,503
Newspapers Allocation *	0	0	342,324	351,442	360,804	370,415
Youth Activities Allocation	0	0	2,601	2,671	2,742	2,815
Donation and Scholarship Allocation	0	0	203,260	208,675	214,233	219,940
Total Fraternal Expenses	\$0	\$0	\$1,291,677	\$1,326,084	\$1,361,408	\$1,397,672
Residual Income (Reinvested into Endowment)	<u>\$100,000</u>	<u>\$105,000</u>	<u>(\$1,508,464)</u>	<u>(\$1,628,407)</u>	<u>(\$1,755,534)</u>	<u>(\$1,890,235)</u>
* Revenue less Expenses (excluding printing plant depreciation)						

Fraternal Activities Forecast: Fraternal Activities Performance Doesn't Change, \$500,000 in Donations

	2008	2009	2018	2019	2020	2021
UNF / Fraternal Activity Endowment Assets	\$2,000,000	\$2,600,000	\$4,033,453	\$2,563,773	\$976,088	(\$736,688)
Investment Income from Assets	\$100,000	\$130,000	\$201,673	\$128,189	\$48,804	(\$36,834)
Fundraising Income	500,000	0	0	0	0	0
UNF / Fraternal Activity Total Revenue	\$600,000	\$130,000	\$201,673	\$128,189	\$48,804	(\$36,834)
Rent	\$0	\$0	\$0	\$0	\$0	\$0
Salaries and Wages	0	0	195,102	200,299	205,635	211,112
Insured Benefit Plans for Employees	0	0	53,204	54,622	56,077	57,570
Legal Fees and Expenses	0	0	7,804	8,012	8,225	8,444
Fees of Public Accountants	0	0	32,517	33,383	34,272	35,185
Investment Management Fees	0	0	0	0	0	0
Travelling Expenses	0	0	13,007	13,353	13,709	14,074
Advertising	0	0	13,007	13,353	13,709	14,074
Postage, Express, Telegraph, and Telephone	0	0	19,510	20,030	20,563	21,111
Printing and Stationary	0	0	13,007	13,353	13,709	14,074
Rental of Equipment	0	0	26,014	26,707	27,418	28,148
Sundry General Expenses	0	0	6,503	6,677	6,854	7,037
Total Administrative Expenses	\$0	\$0	\$379,676	\$389,789	\$400,172	\$410,832
Soyuzivka Allocation	\$0	\$0	\$743,492	\$763,297	\$783,629	\$804,503
Newspapers Allocation *	0	0	342,324	351,442	360,804	370,415
Youth Activities Allocation	0	0	2,601	2,671	2,742	2,815
Donation and Scholarship Allocation	0	0	203,260	208,675	214,233	219,940
Total Fraternal Expenses	\$0	\$0	\$1,291,677	\$1,326,084	\$1,361,408	\$1,397,672
Residual Income (Reinvested into Endowment)	\$600,000	\$130,000	(\$1,469,680)	(\$1,587,685)	(\$1,712,776)	(\$1,845,339)
* Revenue less Expenses (excluding printing plant depreciation)						

Fraternal Activities Forecast: Fraternal Activities Performance Doesn't Change, \$1,000,000 in Donations

	2008	2009	2018	2019	2021	2022
UNF / Fraternal Activity Endowment Assets	\$2,000,000	\$3,100,000	\$4,809,117	\$3,378,220	\$161,240	(\$1,639,202)
Investment Income from Assets	\$100,000	\$155,000	\$240,456	\$168,911	\$8,062	(\$81,960)
Fundraising Income	1,000,000	0	0	0	0	0
UNF / Fraternal Activity Total Revenue	\$1,100,000	\$155,000	\$240,456	\$168,911	\$8,062	(\$81,960)
Rent	\$0	\$0	\$0	\$0	\$0	\$0
Salaries and Wages	0	0	195,102	200,299	211,112	216,736
Insured Benefit Plans for Employees	0	0	53,204	54,622	57,570	59,104
Legal Fees and Expenses	0	0	7,804	8,012	8,444	8,669
Fees of Public Accountants	0	0	32,517	33,383	35,185	36,123
Investment Management Fees	0	0	0	0	0	0
Travelling Expenses	0	0	13,007	13,353	14,074	14,449
Advertising	0	0	13,007	13,353	14,074	14,449
Postage, Express, Telegraph, and Telephone	0	0	19,510	20,030	21,111	21,674
Printing and Stationary	0	0	13,007	13,353	14,074	14,449
Rental of Equipment	0	0	26,014	26,707	28,148	28,898
Sundry General Expenses	0	0	6,503	6,677	7,037	7,225
Total Administrative Expenses	\$0	\$0	\$379,676	\$389,789	\$410,832	\$421,775
Soyuzivka Allocation	\$0	\$0	\$743,492	\$763,297	\$804,503	\$825,933
Newspapers Allocation *	0	0	342,324	351,442	370,415	380,282
Youth Activities Allocation	0	0	2,601	2,671	2,815	2,890
Donation and Scholarship Allocation	0	0	203,260	208,675	219,940	225,798
Total Fraternal Expenses	\$0	\$0	\$1,291,677	\$1,326,084	\$1,397,672	\$1,434,903
Residual Income (Reinvested into Endowment)	\$1,100,000	\$155,000	(\$1,430,897)	(\$1,546,963)	(\$1,800,442)	(\$1,938,638)
* Revenue less Expenses (excluding printing plant depreciation)						

Fraternal Activities Forecast: Fraternal Activities Performance Doesn't Change, \$11,000,000 in Donations

	2008	2009	2010	2018	2019	2032	2033
UNF / Fraternal Activity Endowment Assets	\$2,000,000	\$3,100,000	\$13,255,000	\$19,583,672	\$18,891,502	\$498,643	(\$1,891,373)
Investment Income from Assets	\$100,000	\$155,000	\$662,750	\$979,184	\$944,575	\$24,932	(\$94,569)
Fundraising Income	1,000,000	10,000,000	0	0	0	0	0
UNF / Fraternal Activity Total Revenue	\$1,100,000	\$10,155,000	\$662,750	\$979,184	\$944,575	\$24,932	(\$94,569)
Rent	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Salaries and Wages	0	0	0	195,102	200,299	281,904	289,414
Insured Benefit Plans for Employees	0	0	0	53,204	54,622	76,875	78,923
Legal Fees and Expenses	0	0	0	7,804	8,012	11,276	11,577
Fees of Public Accountants	0	0	0	32,517	33,383	46,984	48,236
Investment Management Fees	0	0	0	0	0	0	0
Travelling Expenses	0	0	0	13,007	13,353	18,794	19,294
Advertising	0	0	0	13,007	13,353	18,794	19,294
Postage, Express, Telegraph, and Telephone	0	0	0	19,510	20,030	28,190	28,941
Printing and Stationary	0	0	0	13,007	13,353	18,794	19,294
Rental of Equipment	0	0	0	26,014	26,707	37,587	38,588
Sundry General Expenses	0	0	0	6,503	6,677	9,397	9,647
Total Administrative Expenses	\$0	\$0	\$0	\$379,676	\$389,789	\$548,596	\$563,209
Soyuzivka Allocation	\$0	\$0	\$0	\$743,492	\$763,297	\$1,074,276	\$1,102,892
Newspapers Allocation *	0	0	0	342,324	351,442	494,626	507,801
Youth Activities Allocation	0	0	0	2,601	2,671	3,759	3,859
Donation and Scholarship Allocation	0	0	0	203,260	208,675	293,692	301,515
Total Fraternal Expenses	\$0	\$0	\$0	\$1,291,677	\$1,326,084	\$1,866,352	\$1,916,067
Residual Income (Reinvested into Endowment)	\$1,100,000	\$10,155,000	\$662,750	(\$692,169)	(\$771,299)	(\$2,390,016)	(\$2,573,845)
* Revenue less Expenses (excluding printing plant depreciation)							

Fraternal Activities Forecast: Fraternal Activities Performance Deteriorates, \$0 in Donations

	<u>2008</u>	<u>2009</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
UNF / Fraternal Activity Endowment Assets	\$2,000,000	\$2,100,000	\$3,257,789	\$1,628,927	(\$129,107)
Investment Income from Assets	\$100,000	\$105,000	\$162,889	\$81,446	(\$6,455)
Fundraising Income	0	0	0	0	0
UNF / Fraternal Activity Total Revenue	\$100,000	\$105,000	\$162,889	\$81,446	(\$6,455)
Rent	\$0	\$0	\$0	\$0	\$0
Salaries and Wages	0	0	195,102	200,299	205,635
Insured Benefit Plans for Employees	0	0	53,204	54,622	56,077
Legal Fees and Expenses	0	0	7,804	8,012	8,225
Fees of Public Accountants	0	0	32,517	33,383	34,272
Investment Management Fees	0	0	0	0	0
Travelling Expenses	0	0	13,007	13,353	13,709
Advertising	0	0	13,007	13,353	13,709
Postage, Express, Telegraph, and Telephone	0	0	19,510	20,030	20,563
Printing and Stationary	0	0	13,007	13,353	13,709
Rental of Equipment	0	0	26,014	26,707	27,418
Sundry General Expenses	0	0	6,503	6,677	6,854
Total Administrative Expenses	\$0	\$0	\$379,676	\$389,789	\$400,172
Soyuzivka Allocation	\$0	\$0	\$825,933	\$847,934	\$870,521
Newspapers Allocation *	0	0	380,282	390,411	400,811
Youth Activities Allocation	0	0	2,601	2,671	2,742
Donation and Scholarship Allocation	0	0	203,260	208,675	214,233
Total Fraternal Expenses	\$0	\$0	\$1,412,076	\$1,449,690	\$1,488,307
Residual Income (Reinvested into Endowment)	\$100,000	\$105,000	(\$1,628,862)	(\$1,758,033)	(\$1,894,934)
* Revenue less Expenses (excluding printing plant depreciation)					

Fraternal Activities Forecast: Fraternal Activities Performance Deteriorates, \$500,000 in Donations

	<u>2008</u>	<u>2009</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
UNF / Fraternal Activity Endowment Assets	\$2,000,000	\$2,600,000	\$4,033,453	\$2,443,374	\$726,063	(\$1,126,112)
Investment Income from Assets	\$100,000	\$130,000	\$201,673	\$122,169	\$36,303	(\$56,306)
Fundraising Income	500,000	0	0	0	0	0
UNF / Fraternal Activity Total Revenue	\$600,000	\$130,000	\$201,673	\$122,169	\$36,303	(\$56,306)
Rent	\$0	\$0	\$0	\$0	\$0	\$0
Salaries and Wages	0	0	195,102	200,299	205,635	211,112
Insured Benefit Plans for Employees	0	0	53,204	54,622	56,077	57,570
Legal Fees and Expenses	0	0	7,804	8,012	8,225	8,444
Fees of Public Accountants	0	0	32,517	33,383	34,272	35,185
Investment Management Fees	0	0	0	0	0	0
Travelling Expenses	0	0	13,007	13,353	13,709	14,074
Advertising	0	0	13,007	13,353	13,709	14,074
Postage, Express, Telegraph, and Telephone	0	0	19,510	20,030	20,563	21,111
Printing and Stationary	0	0	13,007	13,353	13,709	14,074
Rental of Equipment	0	0	26,014	26,707	27,418	28,148
Sundry General Expenses	0	0	6,503	6,677	6,854	7,037
Total Administrative Expenses	\$0	\$0	\$379,676	\$389,789	\$400,172	\$410,832
Soyuzivka Allocation	\$0	\$0	\$825,933	\$847,934	\$870,521	\$893,709
Newspapers Allocation *	0	0	380,282	390,411	400,811	411,488
Youth Activities Allocation	0	0	2,601	2,671	2,742	2,815
Donation and Scholarship Allocation	0	0	203,260	208,675	214,233	219,940
Total Fraternal Expenses	\$0	\$0	\$1,412,076	\$1,449,690	\$1,488,307	\$1,527,951
Residual Income (Reinvested into Endowment)	\$600,000	\$130,000	(\$1,590,079)	(\$1,717,311)	(\$1,852,176)	(\$1,995,089)
* Revenue less Expenses (excluding printing plant depreciation)						

Fraternal Activities Forecast: Fraternal Activities Performance Deteriorates, \$1,000,000 in Donations

	<u>2008</u>	<u>2009</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
UNF / Fraternal Activity Endowment Assets	\$2,000,000	\$3,100,000	\$4,809,117	\$3,257,821	\$1,581,233	(\$228,184)
Investment Income from Assets	\$100,000	\$155,000	\$240,456	\$162,891	\$79,062	(\$11,409)
Fundraising Income	1,000,000	0	0	0	0	0
UNF / Fraternal Activity Total Revenue	\$1,100,000	\$155,000	\$240,456	\$162,891	\$79,062	(\$11,409)
Rent	\$0	\$0	\$0	\$0	\$0	\$0
Salaries and Wages	0	0	195,102	200,299	205,635	211,112
Insured Benefit Plans for Employees	0	0	53,204	54,622	56,077	57,570
Legal Fees and Expenses	0	0	7,804	8,012	8,225	8,444
Fees of Public Accountants	0	0	32,517	33,383	34,272	35,185
Investment Management Fees	0	0	0	0	0	0
Travelling Expenses	0	0	13,007	13,353	13,709	14,074
Advertising	0	0	13,007	13,353	13,709	14,074
Postage, Express, Telegraph, and Telephone	0	0	19,510	20,030	20,563	21,111
Printing and Stationary	0	0	13,007	13,353	13,709	14,074
Rental of Equipment	0	0	26,014	26,707	27,418	28,148
Sundry General Expenses	0	0	6,503	6,677	6,854	7,037
Total Administrative Expenses	\$0	\$0	\$379,676	\$389,789	\$400,172	\$410,832
Soyuzivka Allocation	\$0	\$0	\$825,933	\$847,934	\$870,521	\$893,709
Newspapers Allocation *	0	0	380,282	390,411	400,811	411,488
Youth Activities Allocation	0	0	2,601	2,671	2,742	2,815
Donation and Scholarship Allocation	0	0	203,260	208,675	214,233	219,940
Total Fraternal Expenses	\$0	\$0	\$1,412,076	\$1,449,690	\$1,488,307	\$1,527,951
Residual Income (Reinvested into Endowment)	\$1,100,000	\$155,000	(\$1,551,296)	(\$1,676,589)	(\$1,809,417)	(\$1,950,192)
* Revenue less Expenses (excluding printing plant depreciation)						

Fraternal Activities Forecast: Fraternal Activities Performance Deteriorates, \$11,000,000 in Donations

	2008	2009	2010	2018	2019	2031	2032
UNF / Fraternal Activity Endowment Assets	\$2,000,000	\$3,100,000	\$13,255,000	\$19,583,672	\$18,771,104	\$250,596	(\$2,258,615)
Investment Income from Assets	\$100,000	\$155,000	\$662,750	\$979,184	\$938,555	\$12,530	(\$112,931)
Fundraising Income	1,000,000	10,000,000	0	0	0	0	0
UNF / Fraternal Activity Total Revenue	\$1,100,000	\$10,155,000	\$662,750	\$979,184	\$938,555	\$12,530	(\$112,931)
Rent	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Salaries and Wages	0	0	0	195,102	200,299	274,590	281,904
Insured Benefit Plans for Employees	0	0	0	53,204	54,622	74,881	76,875
Legal Fees and Expenses	0	0	0	7,804	8,012	10,984	11,276
Fees of Public Accountants	0	0	0	32,517	33,383	45,765	46,984
Investment Management Fees	0	0	0	0	0	0	0
Travelling Expenses	0	0	0	13,007	13,353	18,306	18,794
Advertising	0	0	0	13,007	13,353	18,306	18,794
Postage, Express, Telegraph, and Telephone	0	0	0	19,510	20,030	27,459	28,190
Printing and Stationary	0	0	0	13,007	13,353	18,306	18,794
Rental of Equipment	0	0	0	26,014	26,707	36,612	37,587
Sundry General Expenses	0	0	0	6,503	6,677	9,153	9,397
Total Administrative Expenses	\$0	\$0	\$0	\$379,676	\$389,789	\$534,361	\$548,596
Soyuzivka Allocation	\$0	\$0	\$0	\$825,933	\$847,934	\$1,162,431	\$1,193,396
Newspapers Allocation *	0	0	0	380,282	390,411	535,215	549,471
Youth Activities Allocation	0	0	0	2,601	2,671	3,661	3,759
Donation and Scholarship Allocation	0	0	0	203,260	208,675	286,072	293,692
Total Fraternal Expenses	\$0	\$0	\$0	\$1,412,076	\$1,449,690	\$1,987,379	\$2,040,318
Residual Income (Reinvested into Endowment)	\$1,100,000	\$10,155,000	\$662,750	(\$812,568)	(\$900,924)	(\$2,509,211)	(\$2,701,844)
* Revenue less Expenses (excluding printing plant depreciation)							

*Strategic Alternative #1, Paulus Hook Sale Proceeds go to UNA in 2010***Insurance Business Forecast**

	2007	2008	2009	2010	2011	2012	2013	2017
Premiums and Annuity Considerations	\$3,501,673	\$3,566,564	\$3,350,899	\$3,260,303	\$3,212,353	\$3,378,358	\$3,353,695	\$3,331,616
Net Investment Income	3,302,505	3,208,686	3,170,429	3,150,736	3,176,858	3,201,843	3,181,710	3,184,041
Total Insurance Business Revenue	\$6,804,178	\$6,775,250	\$6,521,328	\$6,411,038	\$6,389,210	\$6,580,201	\$6,535,405	\$6,515,657
Contractual Payments Made to Members / Beneficiaries	\$3,314,753	\$3,261,465	\$3,330,638	\$3,434,850	\$3,467,643	\$3,524,619	\$3,388,995	\$3,441,279
Increase (Decrease) in Reserves Required to Guarantee Contractual Obligations	1,141,304	1,225,536	945,589	827,990	765,748	981,233	949,219	920,559
Other Expenses and Deductions	2,238,427	2,279,612	2,344,727	2,231,255	2,226,455	2,218,610	2,256,515	2,243,119
Commissions on Premiums and Considerations	168,335	170,186	171,070	168,551	164,797	161,957	167,483	165,769
Total Insurance Business Expenses	\$6,862,819	\$6,936,799	\$6,792,024	\$6,662,647	\$6,624,643	\$6,886,420	\$6,762,211	\$6,770,725
UNA Insurance Business Net Income (Loss)	<u>(\$58,641)</u>	<u>(\$161,549)</u>	<u>(\$270,696)</u>	<u>(\$251,608)</u>	<u>(\$235,433)</u>	<u>(\$306,220)</u>	<u>(\$226,806)</u>	<u>(\$255,069)</u>
Soyuzivka Net Loss	\$635,000	\$635,000	\$635,000	\$635,000	\$635,000	\$635,000	\$651,915	\$724,201
Newspapers Net Loss *	292,371	292,371	292,371	292,371	292,371	292,371	300,159	333,442
Youth Activities Total Expenses	2,000	2,053	2,108	2,164	2,222	2,281	2,342	2,601
Donations and Scholarships Total Expenses	156,272	160,435	164,708	169,096	173,600	178,224	182,972	203,260
UNA Net Income (Loss)	<u>(\$1,144,284)</u>	<u>(\$1,251,408)</u>	<u>(\$1,364,883)</u>	<u>(\$1,350,239)</u>	<u>(\$1,338,626)</u>	<u>(\$1,414,096)</u>	<u>(\$1,364,193)</u>	<u>(\$1,518,573)</u>
Total Insurance Business Assets	<u>\$64,851,234</u>	<u>\$64,000,278</u>	<u>\$62,808,303</u>	<u>\$71,143,543</u>	<u>\$69,775,772</u>	<u>\$68,155,234</u>	<u>\$66,765,389</u>	<u>\$61,011,495</u>
Certificate Reserves	\$53,821,558	\$54,661,779	\$55,387,781	\$55,687,812	\$55,652,900	\$55,377,791	\$55,098,270	\$55,380,633
Other Liabilities	4,822,327	4,382,559	3,829,465	3,714,913	3,720,679	3,789,347	4,043,215	3,856,313
Unassigned Surplus	6,207,349	4,955,941	3,591,058	11,740,818	10,402,193	8,988,097	7,623,904	1,774,549
Total Liabilities and Unassigned Surplus	<u>\$64,851,234</u>	<u>\$64,000,278</u>	<u>\$62,808,303</u>	<u>\$71,143,543</u>	<u>\$69,775,772</u>	<u>\$68,155,234</u>	<u>\$66,765,389</u>	<u>\$61,011,495</u>
* Revenue less Expenses (excluding printing plant depreciation)								

Fraternal Activities Forecast: Fraternal Activities Performance Improves, \$0 in Donations

	2008	2009	2010	2018	2019	2021	2022
UNF / Fraternal Activity Endowment Assets	\$2,000,000	\$2,100,000	\$2,205,000	\$3,257,789	\$2,307,635	\$171,210	(\$1,024,609)
Investment Income from Assets	\$100,000	\$105,000	\$110,250	\$162,889	\$115,382	\$8,561	(\$51,230)
Fundraising Income	0	0	0	0	0	0	0
UNF / Fraternal Activity Total Revenue	\$100,000	\$105,000	\$110,250	\$162,889	\$115,382	\$8,561	(\$51,230)
Rent	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Salaries and Wages	0	0	0	195,102	200,299	211,112	216,736
Insured Benefit Plans for Employees	0	0	0	53,204	54,622	57,570	59,104
Legal Fees and Expenses	0	0	0	7,804	8,012	8,444	8,669
Fees of Public Accountants	0	0	0	32,517	33,383	35,185	36,123
Investment Management Fees	0	0	0	0	0	0	0
Travelling Expenses	0	0	0	13,007	13,353	14,074	14,449
Advertising	0	0	0	13,007	13,353	14,074	14,449
Postage, Express, Telegraph, and Telephone	0	0	0	19,510	20,030	21,111	21,674
Printing and Stationary	0	0	0	13,007	13,353	14,074	14,449
Rental of Equipment	0	0	0	26,014	26,707	28,148	28,898
Sundry General Expenses	0	0	0	6,503	6,677	7,037	7,225
Total Administrative Expenses	\$0	\$0	\$0	\$379,676	\$389,789	\$410,832	\$421,775
Soyuzivka Allocation	\$0	\$0	\$0	\$380,848	\$390,993	\$412,101	\$423,078
Newspapers Allocation *	0	0	0	146,658	150,565	158,693	162,920
Youth Activities Allocation	0	0	0	2,601	2,671	2,815	2,890
Donation and Scholarship Allocation	0	0	0	203,260	208,675	219,940	225,798
Total Fraternal Expenses	\$0	\$0	\$0	\$733,368	\$752,903	\$793,548	\$814,686
Residual Income (Reinvested into Endowment)	\$100,000	\$105,000	\$110,250	(\$950,154)	(\$1,027,310)	(\$1,195,819)	(\$1,287,692)
* Revenue less Expenses (excluding printing plant depreciation)							

Fraternal Activities Forecast: Fraternal Activities Performance Improves, \$500,000 in Donations

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
UNF / Fraternal Activity Endowment Assets	\$2,000,000	\$2,600,000	\$2,730,000	\$4,033,453	\$3,122,082	\$2,135,494	\$1,069,138	(\$81,785)
Investment Income from Assets	\$100,000	\$130,000	\$136,500	\$201,673	\$156,104	\$106,775	\$53,457	(\$4,089)
Fundraising Income	500,000	0	0	0	0	0	0	0
UNF / Fraternal Activity Total Revenue	\$600,000	\$130,000	\$136,500	\$201,673	\$156,104	\$106,775	\$53,457	(\$4,089)
Rent	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Salaries and Wages	0	0	0	195,102	200,299	205,635	211,112	216,736
Insured Benefit Plans for Employees	0	0	0	53,204	54,622	56,077	57,570	59,104
Legal Fees and Expenses	0	0	0	7,804	8,012	8,225	8,444	8,669
Fees of Public Accountants	0	0	0	32,517	33,383	34,272	35,185	36,123
Investment Management Fees	0	0	0	0	0	0	0	0
Travelling Expenses	0	0	0	13,007	13,353	13,709	14,074	14,449
Advertising	0	0	0	13,007	13,353	13,709	14,074	14,449
Postage, Express, Telegraph, and Telephone	0	0	0	19,510	20,030	20,563	21,111	21,674
Printing and Stationary	0	0	0	13,007	13,353	13,709	14,074	14,449
Rental of Equipment	0	0	0	26,014	26,707	27,418	28,148	28,898
Sundry General Expenses	0	0	0	6,503	6,677	6,854	7,037	7,225
Total Administrative Expenses	\$0	\$0	\$0	\$379,676	\$389,789	\$400,172	\$410,832	\$421,775
Soyuzivka Allocation	\$0	\$0	\$0	\$380,848	\$390,993	\$401,408	\$412,101	\$423,078
Newspapers Allocation *	0	0	0	146,658	150,565	154,575	158,693	162,920
Youth Activities Allocation	0	0	0	2,601	2,671	2,742	2,815	2,890
Donation and Scholarship Allocation	0	0	0	203,260	208,675	214,233	219,940	225,798
Total Fraternal Expenses	\$0	\$0	\$0	\$733,368	\$752,903	\$772,958	\$793,548	\$814,686
Residual Income (Reinvested into Endowment)	\$600,000	\$130,000	\$136,500	(\$911,371)	(\$986,588)	(\$1,066,356)	(\$1,150,923)	(\$1,240,551)
* Revenue less Expenses (excluding printing plant depreciation)								

Fraternal Activities Forecast: Fraternal Activities Performance Improves, \$1,000,000 in Donations

	2008	2009	2018	2019	2021	2022	2023
UNF / Fraternal Activity Endowment Assets	\$2,000,000	\$3,100,000	\$4,809,117	\$3,936,530	\$1,967,067	\$861,040	(\$332,369)
Investment Income from Assets	\$100,000	\$155,000	\$240,456	\$196,826	\$98,353	\$43,052	(\$16,618)
Fundraising Income	1,000,000	0	0	0	0	0	0
UNF / Fraternal Activity Total Revenue	\$1,100,000	\$155,000	\$240,456	\$196,826	\$98,353	\$43,052	(\$16,618)
Rent	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Salaries and Wages	0	0	195,102	200,299	211,112	216,736	222,509
Insured Benefit Plans for Employees	0	0	53,204	54,622	57,570	59,104	60,678
Legal Fees and Expenses	0	0	7,804	8,012	8,444	8,669	8,900
Fees of Public Accountants	0	0	32,517	33,383	35,185	36,123	37,085
Investment Management Fees	0	0	0	0	0	0	0
Travelling Expenses	0	0	13,007	13,353	14,074	14,449	14,834
Advertising	0	0	13,007	13,353	14,074	14,449	14,834
Postage, Express, Telegraph, and Telephone	0	0	19,510	20,030	21,111	21,674	22,251
Printing and Stationary	0	0	13,007	13,353	14,074	14,449	14,834
Rental of Equipment	0	0	26,014	26,707	28,148	28,898	29,668
Sundry General Expenses	0	0	6,503	6,677	7,037	7,225	7,417
Total Administrative Expenses	\$0	\$0	\$379,676	\$389,789	\$410,832	\$421,775	\$433,010
Soyuzivka Allocation	\$0	\$0	\$380,848	\$390,993	\$412,101	\$423,078	\$434,348
Newspapers Allocation *	0	0	146,658	150,565	158,693	162,920	167,260
Youth Activities Allocation	0	0	2,601	2,671	2,815	2,890	2,967
Donation and Scholarship Allocation	0	0	203,260	208,675	219,940	225,798	231,813
Total Fraternal Expenses	\$0	\$0	\$733,368	\$752,903	\$793,548	\$814,686	\$836,387
Residual Income (Reinvested into Endowment)	\$1,100,000	\$155,000	(\$872,588)	(\$945,866)	(\$1,106,027)	(\$1,193,410)	(\$1,286,016)
* Revenue less Expenses (excluding printing plant depreciation)							

Fraternal Activities Forecast: Fraternal Activities Performance Improves, \$11,000,000 in Donations

	2008	2009	2010	2018	2019	2041	2042
UNF / Fraternal Activity Endowment Assets	\$2,000,000	\$3,100,000	\$13,255,000	\$19,583,672	\$19,449,812	\$1,031,326	(\$954,646)
Investment Income from Assets	\$100,000	\$155,000	\$662,750	\$979,184	\$972,491	\$51,566	(\$47,732)
Fundraising Income	1,000,000	10,000,000	0	0	0	0	0
UNF / Fraternal Activity Total Revenue	\$1,100,000	\$10,155,000	\$662,750	\$979,184	\$972,491	\$51,566	(\$47,732)
Rent	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Salaries and Wages	0	0	0	195,102	200,299	357,154	366,668
Insured Benefit Plans for Employees	0	0	0	53,204	54,622	97,396	99,990
Legal Fees and Expenses	0	0	0	7,804	8,012	14,286	14,667
Fees of Public Accountants	0	0	0	32,517	33,383	59,526	61,111
Investment Management Fees	0	0	0	0	0	0	0
Travelling Expenses	0	0	0	13,007	13,353	23,810	24,445
Advertising	0	0	0	13,007	13,353	23,810	24,445
Postage, Express, Telegraph, and Telephone	0	0	0	19,510	20,030	35,715	36,667
Printing and Stationary	0	0	0	13,007	13,353	23,810	24,445
Rental of Equipment	0	0	0	26,014	26,707	47,621	48,889
Sundry General Expenses	0	0	0	6,503	6,677	11,905	12,222
Total Administrative Expenses	\$0	\$0	\$0	\$379,676	\$389,789	\$695,034	\$713,548
Soyuzivka Allocation	\$0	\$0	\$0	\$380,848	\$390,993	\$697,181	\$715,752
Newspapers Allocation *	0	0	0	146,658	150,565	268,472	275,624
Youth Activities Allocation	0	0	0	2,601	2,671	4,762	4,889
Donation and Scholarship Allocation	0	0	0	203,260	208,675	372,088	382,000
Total Fraternal Expenses	\$0	\$0	\$0	\$733,368	\$752,903	\$1,342,504	\$1,378,265
Residual Income (Reinvested into Endowment)	\$1,100,000	\$10,155,000	\$662,750	(\$133,860)	(\$170,202)	(\$1,985,972)	(\$2,139,545)
* Revenue less Expenses (excluding printing plant depreciation)							

Fraternal Activities Forecast: Fraternal Activities Performance Doesn't Change, \$0 in Donations

	<u>2008</u>	<u>2009</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
UNF / Fraternal Activity Endowment Assets	\$2,000,000	\$2,100,000	\$3,257,789	\$1,749,326	\$120,918	(\$1,634,616)
Investment Income from Assets	\$100,000	\$105,000	\$162,889	\$87,466	\$6,046	(\$81,731)
Fundraising Income	0	0	0	0	0	0
UNF / Fraternal Activity Total Revenue	\$100,000	\$105,000	\$162,889	\$87,466	\$6,046	(\$81,731)
Rent	\$0	\$0	\$0	\$0	\$0	\$0
Salaries and Wages	0	0	195,102	200,299	205,635	211,112
Insured Benefit Plans for Employees	0	0	53,204	54,622	56,077	57,570
Legal Fees and Expenses	0	0	7,804	8,012	8,225	8,444
Fees of Public Accountants	0	0	32,517	33,383	34,272	35,185
Investment Management Fees	0	0	0	0	0	0
Travelling Expenses	0	0	13,007	13,353	13,709	14,074
Advertising	0	0	13,007	13,353	13,709	14,074
Postage, Express, Telegraph, and Telephone	0	0	19,510	20,030	20,563	21,111
Printing and Stationary	0	0	13,007	13,353	13,709	14,074
Rental of Equipment	0	0	26,014	26,707	27,418	28,148
Sundry General Expenses	0	0	6,503	6,677	6,854	7,037
Total Administrative Expenses	\$0	\$0	\$379,676	\$389,789	\$400,172	\$410,832
Soyuzivka Allocation	\$0	\$0	\$743,492	\$763,297	\$783,629	\$804,503
Newspapers Allocation *	0	0	342,324	351,442	360,804	370,415
Youth Activities Allocation	0	0	2,601	2,671	2,742	2,815
Donation and Scholarship Allocation	0	0	203,260	208,675	214,233	219,940
Total Fraternal Expenses	\$0	\$0	\$1,291,677	\$1,326,084	\$1,361,408	\$1,397,672
Residual Income (Reinvested into Endowment)	<u>\$100,000</u>	<u>\$105,000</u>	<u>(\$1,508,464)</u>	<u>(\$1,628,407)</u>	<u>(\$1,755,534)</u>	<u>(\$1,890,235)</u>
* Revenue less Expenses (excluding printing plant depreciation)						

Fraternal Activities Forecast: Fraternal Activities Performance Doesn't Change, \$500,000 in Donations

	2008	2009	2018	2019	2020	2021
UNF / Fraternal Activity Endowment Assets	\$2,000,000	\$2,600,000	\$4,033,453	\$2,563,773	\$976,088	(\$736,688)
Investment Income from Assets	\$100,000	\$130,000	\$201,673	\$128,189	\$48,804	(\$36,834)
Fundraising Income	500,000	0	0	0	0	0
UNF / Fraternal Activity Total Revenue	\$600,000	\$130,000	\$201,673	\$128,189	\$48,804	(\$36,834)
Rent	\$0	\$0	\$0	\$0	\$0	\$0
Salaries and Wages	0	0	195,102	200,299	205,635	211,112
Insured Benefit Plans for Employees	0	0	53,204	54,622	56,077	57,570
Legal Fees and Expenses	0	0	7,804	8,012	8,225	8,444
Fees of Public Accountants	0	0	32,517	33,383	34,272	35,185
Investment Management Fees	0	0	0	0	0	0
Travelling Expenses	0	0	13,007	13,353	13,709	14,074
Advertising	0	0	13,007	13,353	13,709	14,074
Postage, Express, Telegraph, and Telephone	0	0	19,510	20,030	20,563	21,111
Printing and Stationary	0	0	13,007	13,353	13,709	14,074
Rental of Equipment	0	0	26,014	26,707	27,418	28,148
Sundry General Expenses	0	0	6,503	6,677	6,854	7,037
Total Administrative Expenses	\$0	\$0	\$379,676	\$389,789	\$400,172	\$410,832
Soyuzivka Allocation	\$0	\$0	\$743,492	\$763,297	\$783,629	\$804,503
Newspapers Allocation *	0	0	342,324	351,442	360,804	370,415
Youth Activities Allocation	0	0	2,601	2,671	2,742	2,815
Donation and Scholarship Allocation	0	0	203,260	208,675	214,233	219,940
Total Fraternal Expenses	\$0	\$0	\$1,291,677	\$1,326,084	\$1,361,408	\$1,397,672
Residual Income (Reinvested into Endowment)	\$600,000	\$130,000	(\$1,469,680)	(\$1,587,685)	(\$1,712,776)	(\$1,845,339)
* Revenue less Expenses (excluding printing plant depreciation)						

Fraternal Activities Forecast: Fraternal Activities Performance Doesn't Change, \$1,000,000 in Donations

	2008	2009	2018	2019	2021	2022
UNF / Fraternal Activity Endowment Assets	\$2,000,000	\$3,100,000	\$4,809,117	\$3,378,220	\$161,240	(\$1,639,202)
Investment Income from Assets	\$100,000	\$155,000	\$240,456	\$168,911	\$8,062	(\$81,960)
Fundraising Income	1,000,000	0	0	0	0	0
UNF / Fraternal Activity Total Revenue	\$1,100,000	\$155,000	\$240,456	\$168,911	\$8,062	(\$81,960)
Rent	\$0	\$0	\$0	\$0	\$0	\$0
Salaries and Wages	0	0	195,102	200,299	211,112	216,736
Insured Benefit Plans for Employees	0	0	53,204	54,622	57,570	59,104
Legal Fees and Expenses	0	0	7,804	8,012	8,444	8,669
Fees of Public Accountants	0	0	32,517	33,383	35,185	36,123
Investment Management Fees	0	0	0	0	0	0
Travelling Expenses	0	0	13,007	13,353	14,074	14,449
Advertising	0	0	13,007	13,353	14,074	14,449
Postage, Express, Telegraph, and Telephone	0	0	19,510	20,030	21,111	21,674
Printing and Stationary	0	0	13,007	13,353	14,074	14,449
Rental of Equipment	0	0	26,014	26,707	28,148	28,898
Sundry General Expenses	0	0	6,503	6,677	7,037	7,225
Total Administrative Expenses	\$0	\$0	\$379,676	\$389,789	\$410,832	\$421,775
Soyuzivka Allocation	\$0	\$0	\$743,492	\$763,297	\$804,503	\$825,933
Newspapers Allocation *	0	0	342,324	351,442	370,415	380,282
Youth Activities Allocation	0	0	2,601	2,671	2,815	2,890
Donation and Scholarship Allocation	0	0	203,260	208,675	219,940	225,798
Total Fraternal Expenses	\$0	\$0	\$1,291,677	\$1,326,084	\$1,397,672	\$1,434,903
Residual Income (Reinvested into Endowment)	\$1,100,000	\$155,000	(\$1,430,897)	(\$1,546,963)	(\$1,800,442)	(\$1,938,638)
* Revenue less Expenses (excluding printing plant depreciation)						

Fraternal Activities Forecast: Fraternal Activities Performance Doesn't Change, \$11,000,000 in Donations

	2008	2009	2010	2018	2019	2032	2033
UNF / Fraternal Activity Endowment Assets	\$2,000,000	\$3,100,000	\$13,255,000	\$19,583,672	\$18,891,502	\$498,643	(\$1,891,373)
Investment Income from Assets	\$100,000	\$155,000	\$662,750	\$979,184	\$944,575	\$24,932	(\$94,569)
Fundraising Income	1,000,000	10,000,000	0	0	0	0	0
UNF / Fraternal Activity Total Revenue	\$1,100,000	\$10,155,000	\$662,750	\$979,184	\$944,575	\$24,932	(\$94,569)
Rent	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Salaries and Wages	0	0	0	195,102	200,299	281,904	289,414
Insured Benefit Plans for Employees	0	0	0	53,204	54,622	76,875	78,923
Legal Fees and Expenses	0	0	0	7,804	8,012	11,276	11,577
Fees of Public Accountants	0	0	0	32,517	33,383	46,984	48,236
Investment Management Fees	0	0	0	0	0	0	0
Travelling Expenses	0	0	0	13,007	13,353	18,794	19,294
Advertising	0	0	0	13,007	13,353	18,794	19,294
Postage, Express, Telegraph, and Telephone	0	0	0	19,510	20,030	28,190	28,941
Printing and Stationary	0	0	0	13,007	13,353	18,794	19,294
Rental of Equipment	0	0	0	26,014	26,707	37,587	38,588
Sundry General Expenses	0	0	0	6,503	6,677	9,397	9,647
Total Administrative Expenses	\$0	\$0	\$0	\$379,676	\$389,789	\$548,596	\$563,209
Soyuzivka Allocation	\$0	\$0	\$0	\$743,492	\$763,297	\$1,074,276	\$1,102,892
Newspapers Allocation *	0	0	0	342,324	351,442	494,626	507,801
Youth Activities Allocation	0	0	0	2,601	2,671	3,759	3,859
Donation and Scholarship Allocation	0	0	0	203,260	208,675	293,692	301,515
Total Fraternal Expenses	\$0	\$0	\$0	\$1,291,677	\$1,326,084	\$1,866,352	\$1,916,067
Residual Income (Reinvested into Endowment)	\$1,100,000	\$10,155,000	\$662,750	(\$692,169)	(\$771,299)	(\$2,390,016)	(\$2,573,845)
* Revenue less Expenses (excluding printing plant depreciation)							

Fraternal Activities Forecast: Fraternal Activities Performance Deteriorates, \$0 in Donations

	2008	2009	2018	2019	2020
UNF / Fraternal Activity Endowment Assets	\$2,000,000	\$2,100,000	\$3,257,789	\$1,628,927	(\$129,107)
Investment Income from Assets	\$100,000	\$105,000	\$162,889	\$81,446	(\$6,455)
Fundraising Income	0	0	0	0	0
UNF / Fraternal Activity Total Revenue	\$100,000	\$105,000	\$162,889	\$81,446	(\$6,455)
Rent	\$0	\$0	\$0	\$0	\$0
Salaries and Wages	0	0	195,102	200,299	205,635
Insured Benefit Plans for Employees	0	0	53,204	54,622	56,077
Legal Fees and Expenses	0	0	7,804	8,012	8,225
Fees of Public Accountants	0	0	32,517	33,383	34,272
Investment Management Fees	0	0	0	0	0
Travelling Expenses	0	0	13,007	13,353	13,709
Advertising	0	0	13,007	13,353	13,709
Postage, Express, Telegraph, and Telephone	0	0	19,510	20,030	20,563
Printing and Stationary	0	0	13,007	13,353	13,709
Rental of Equipment	0	0	26,014	26,707	27,418
Sundry General Expenses	0	0	6,503	6,677	6,854
Total Administrative Expenses	\$0	\$0	\$379,676	\$389,789	\$400,172
Soyuzivka Allocation	\$0	\$0	\$825,933	\$847,934	\$870,521
Newspapers Allocation *	0	0	380,282	390,411	400,811
Youth Activities Allocation	0	0	2,601	2,671	2,742
Donation and Scholarship Allocation	0	0	203,260	208,675	214,233
Total Fraternal Expenses	\$0	\$0	\$1,412,076	\$1,449,690	\$1,488,307
Residual Income (Reinvested into Endowment)	\$100,000	\$105,000	(\$1,628,862)	(\$1,758,033)	(\$1,894,934)
* Revenue less Expenses (excluding printing plant depreciation)					

Fraternal Activities Forecast: Fraternal Activities Performance Deteriorates, \$500,000 in Donations

	<u>2008</u>	<u>2009</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
UNF / Fraternal Activity Endowment Assets	\$2,000,000	\$2,600,000	\$4,033,453	\$2,443,374	\$726,063	(\$1,126,112)
Investment Income from Assets	\$100,000	\$130,000	\$201,673	\$122,169	\$36,303	(\$56,306)
Fundraising Income	500,000	0	0	0	0	0
UNF / Fraternal Activity Total Revenue	\$600,000	\$130,000	\$201,673	\$122,169	\$36,303	(\$56,306)
Rent	\$0	\$0	\$0	\$0	\$0	\$0
Salaries and Wages	0	0	195,102	200,299	205,635	211,112
Insured Benefit Plans for Employees	0	0	53,204	54,622	56,077	57,570
Legal Fees and Expenses	0	0	7,804	8,012	8,225	8,444
Fees of Public Accountants	0	0	32,517	33,383	34,272	35,185
Investment Management Fees	0	0	0	0	0	0
Travelling Expenses	0	0	13,007	13,353	13,709	14,074
Advertising	0	0	13,007	13,353	13,709	14,074
Postage, Express, Telegraph, and Telephone	0	0	19,510	20,030	20,563	21,111
Printing and Stationary	0	0	13,007	13,353	13,709	14,074
Rental of Equipment	0	0	26,014	26,707	27,418	28,148
Sundry General Expenses	0	0	6,503	6,677	6,854	7,037
Total Administrative Expenses	\$0	\$0	\$379,676	\$389,789	\$400,172	\$410,832
Soyuzivka Allocation	\$0	\$0	\$825,933	\$847,934	\$870,521	\$893,709
Newspapers Allocation *	0	0	380,282	390,411	400,811	411,488
Youth Activities Allocation	0	0	2,601	2,671	2,742	2,815
Donation and Scholarship Allocation	0	0	203,260	208,675	214,233	219,940
Total Fraternal Expenses	\$0	\$0	\$1,412,076	\$1,449,690	\$1,488,307	\$1,527,951
Residual Income (Reinvested into Endowment)	\$600,000	\$130,000	(\$1,590,079)	(\$1,717,311)	(\$1,852,176)	(\$1,995,089)
* Revenue less Expenses (excluding printing plant depreciation)						

Fraternal Activities Forecast: Fraternal Activities Performance Deteriorates, \$1,000,000 in Donations

	<u>2008</u>	<u>2009</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
UNF / Fraternal Activity Endowment Assets	\$2,000,000	\$3,100,000	\$4,809,117	\$3,257,821	\$1,581,233	(\$228,184)
Investment Income from Assets	\$100,000	\$155,000	\$240,456	\$162,891	\$79,062	(\$11,409)
Fundraising Income	1,000,000	0	0	0	0	0
UNF / Fraternal Activity Total Revenue	\$1,100,000	\$155,000	\$240,456	\$162,891	\$79,062	(\$11,409)
Rent	\$0	\$0	\$0	\$0	\$0	\$0
Salaries and Wages	0	0	195,102	200,299	205,635	211,112
Insured Benefit Plans for Employees	0	0	53,204	54,622	56,077	57,570
Legal Fees and Expenses	0	0	7,804	8,012	8,225	8,444
Fees of Public Accountants	0	0	32,517	33,383	34,272	35,185
Investment Management Fees	0	0	0	0	0	0
Travelling Expenses	0	0	13,007	13,353	13,709	14,074
Advertising	0	0	13,007	13,353	13,709	14,074
Postage, Express, Telegraph, and Telephone	0	0	19,510	20,030	20,563	21,111
Printing and Stationary	0	0	13,007	13,353	13,709	14,074
Rental of Equipment	0	0	26,014	26,707	27,418	28,148
Sundry General Expenses	0	0	6,503	6,677	6,854	7,037
Total Administrative Expenses	\$0	\$0	\$379,676	\$389,789	\$400,172	\$410,832
Soyuzivka Allocation	\$0	\$0	\$825,933	\$847,934	\$870,521	\$893,709
Newspapers Allocation *	0	0	380,282	390,411	400,811	411,488
Youth Activities Allocation	0	0	2,601	2,671	2,742	2,815
Donation and Scholarship Allocation	0	0	203,260	208,675	214,233	219,940
Total Fraternal Expenses	\$0	\$0	\$1,412,076	\$1,449,690	\$1,488,307	\$1,527,951
Residual Income (Reinvested into Endowment)	\$1,100,000	\$155,000	(\$1,551,296)	(\$1,676,589)	(\$1,809,417)	(\$1,950,192)
* Revenue less Expenses (excluding printing plant depreciation)						

Fraternal Activities Forecast: Fraternal Activities Performance Deteriorates, \$11,000,000 in Donations

	2008	2009	2010	2018	2019	2031	2032
UNF / Fraternal Activity Endowment Assets	\$2,000,000	\$3,100,000	\$13,255,000	\$19,583,672	\$18,771,104	\$250,596	(\$2,258,615)
Investment Income from Assets	\$100,000	\$155,000	\$662,750	\$979,184	\$938,555	\$12,530	(\$112,931)
Fundraising Income	1,000,000	10,000,000	0	0	0	0	0
UNF / Fraternal Activity Total Revenue	\$1,100,000	\$10,155,000	\$662,750	\$979,184	\$938,555	\$12,530	(\$112,931)
Rent	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Salaries and Wages	0	0	0	195,102	200,299	274,590	281,904
Insured Benefit Plans for Employees	0	0	0	53,204	54,622	74,881	76,875
Legal Fees and Expenses	0	0	0	7,804	8,012	10,984	11,276
Fees of Public Accountants	0	0	0	32,517	33,383	45,765	46,984
Investment Management Fees	0	0	0	0	0	0	0
Travelling Expenses	0	0	0	13,007	13,353	18,306	18,794
Advertising	0	0	0	13,007	13,353	18,306	18,794
Postage, Express, Telegraph, and Telephone	0	0	0	19,510	20,030	27,459	28,190
Printing and Stationary	0	0	0	13,007	13,353	18,306	18,794
Rental of Equipment	0	0	0	26,014	26,707	36,612	37,587
Sundry General Expenses	0	0	0	6,503	6,677	9,153	9,397
Total Administrative Expenses	\$0	\$0	\$0	\$379,676	\$389,789	\$534,361	\$548,596
Soyuzivka Allocation	\$0	\$0	\$0	\$825,933	\$847,934	\$1,162,431	\$1,193,396
Newspapers Allocation *	0	0	0	380,282	390,411	535,215	549,471
Youth Activities Allocation	0	0	0	2,601	2,671	3,661	3,759
Donation and Scholarship Allocation	0	0	0	203,260	208,675	286,072	293,692
Total Fraternal Expenses	\$0	\$0	\$0	\$1,412,076	\$1,449,690	\$1,987,379	\$2,040,318
Residual Income (Reinvested into Endowment)	\$1,100,000	\$10,155,000	\$662,750	(\$812,568)	(\$900,924)	(\$2,509,211)	(\$2,701,844)
* Revenue less Expenses (excluding printing plant depreciation)							

*Strategic Alternative #2, Paulus Hook Sale Proceeds go to UNF in 2008***Insurance Business Forecast**

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2019</u>	<u>2020</u>
Premiums and Annuity Considerations	\$3,501,673	\$3,566,564	\$3,350,899	\$3,315,982	\$3,316,954
Net Investment Income	3,302,505	3,208,686	3,170,429	3,180,234	3,181,018
Total Insurance Business Revenue	\$6,804,178	\$6,775,250	\$6,521,328	\$6,496,216	\$6,497,972
Contractual Payments Made to Members / Beneficiaries	\$3,314,753	\$3,261,465	\$3,330,638	\$3,422,262	\$3,427,807
Increase (Decrease) in Reserves Required to Guarantee Contractual Obligations	1,141,304	1,225,536	945,589	900,265	901,527
Other Expenses and Deductions	2,238,427	2,279,612	2,344,727	2,250,444	2,249,433
Commissions on Premiums and Considerations	168,335	170,186	171,070	166,593	166,444
Total Insurance Business Expenses	\$6,862,819	\$6,936,799	\$6,792,024	\$6,739,564	\$6,745,210
UNA Insurance Business Net Income (Loss)	<u>(\$58,641)</u>	<u>(\$161,549)</u>	<u>(\$270,696)</u>	<u>(\$243,348)</u>	<u>(\$247,238)</u>
Soyuzivka Net Loss	\$635,000	\$635,000	\$0	\$0	\$0
Newspapers Net Loss *	292,371	292,371	0	0	0
Youth Activities Total Expenses	2,000	2,053	0	0	0
Donations and Scholarships Total Expenses	156,272	160,435	0	0	0
UNA Net Income (Loss)	<u>(\$1,144,284)</u>	<u>(\$1,251,408)</u>	<u>(\$270,696)</u>	<u>(\$243,348)</u>	<u>(\$247,238)</u>
Total Insurance Business Assets	<u>\$64,851,234</u>	<u>\$64,000,278</u>	<u>\$63,902,491</u>	<u>\$61,400,800</u>	<u>\$61,166,984</u>
Certificate Reserves	\$53,821,558	\$54,661,779	\$55,387,781	\$55,328,166	\$55,366,482
Other Liabilities	4,822,327	4,382,559	3,829,465	3,893,848	3,868,953
Unassigned Surplus	6,207,349	4,955,941	4,685,245	2,178,786	1,931,548
Total Liabilities and Unassigned Surplus	<u>\$64,851,234</u>	<u>\$64,000,278</u>	<u>\$63,902,491</u>	<u>\$61,400,800</u>	<u>\$61,166,984</u>
* Revenue less Expenses (excluding printing plant depreciation)					

Fraternal Activities Forecast: Fraternal Activities Performance Improves, \$0 in Donations

	2008	2009	2015	2016	2021	2031	2032
UNF / Fraternal Activity Endowment Assets	\$11,500,000	\$12,075,000	\$11,688,620	\$11,595,300	\$10,754,129	\$597,396	(\$939,249)
Investment Income from Assets	\$575,000	\$603,750	\$584,431	\$579,765	\$537,706	\$29,870	(\$46,962)
Fundraising Income	0	0	0	0	0	0	0
UNF / Fraternal Activity Total Revenue	\$575,000	\$603,750	\$584,431	\$579,765	\$537,706	\$29,870	(\$46,962)
Rent	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Salaries and Wages	0	0	0	0	211,112	274,590	281,904
Insured Benefit Plans for Employees	0	0	0	0	57,570	74,881	76,875
Legal Fees and Expenses	0	0	0	0	8,444	10,984	11,276
Fees of Public Accountants	0	0	0	0	35,185	45,765	46,984
Investment Management Fees	0	0	0	0	0	0	0
Travelling Expenses	0	0	0	0	14,074	18,306	18,794
Advertising	0	0	0	0	14,074	18,306	18,794
Postage, Express, Telegraph, and Telephone	0	0	0	0	21,111	27,459	28,190
Printing and Stationary	0	0	0	0	14,074	18,306	18,794
Rental of Equipment	0	0	0	0	28,148	36,612	37,587
Sundry General Expenses	0	0	0	0	7,037	9,153	9,397
Total Administrative Expenses	\$0	\$0	\$0	\$0	\$410,832	\$534,361	\$548,596
Soyuzivka Allocation	\$0	\$351,966	\$351,966	\$361,341	\$412,101	\$536,012	\$550,290
Newspapers Allocation *	0	135,536	135,536	139,146	158,693	206,409	211,907
Youth Activities Allocation	0	2,053	2,404	2,468	2,815	3,661	3,759
Donation and Scholarship Allocation	0	160,435	187,846	192,849	219,940	286,072	293,692
Total Fraternal Expenses	\$0	\$649,990	\$677,752	\$695,805	\$793,548	\$1,032,154	\$1,059,648
Residual Income (Reinvested into Endowment)	<u>\$575,000</u>	<u>(\$46,240)</u>	<u>(\$93,321)</u>	<u>(\$116,040)</u>	<u>(\$666,673)</u>	<u>(\$1,536,645)</u>	<u>(\$1,655,206)</u>

* Revenue less Expenses (excluding printing plant depreciation)

Fraternal Activities Forecast: Fraternal Activities Performance Improves, \$500,000 in Donations

	2008	2009	2015	2016	2021	2032	2033
UNF / Fraternal Activity Endowment Assets	\$11,500,000	\$12,575,000	\$12,358,668	\$12,298,850	\$11,652,057	\$596,512	(\$981,905)
Investment Income from Assets	\$575,000	\$628,750	\$617,933	\$614,942	\$582,603	\$29,826	(\$49,095)
Fundraising Income	500,000	0	0	0	0	0	0
UNF / Fraternal Activity Total Revenue	\$1,075,000	\$628,750	\$617,933	\$614,942	\$582,603	\$29,826	(\$49,095)
Rent	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Salaries and Wages	0	0	0	0	211,112	281,904	289,414
Insured Benefit Plans for Employees	0	0	0	0	57,570	76,875	78,923
Legal Fees and Expenses	0	0	0	0	8,444	11,276	11,577
Fees of Public Accountants	0	0	0	0	35,185	46,984	48,236
Investment Management Fees	0	0	0	0	0	0	0
Travelling Expenses	0	0	0	0	14,074	18,794	19,294
Advertising	0	0	0	0	14,074	18,794	19,294
Postage, Express, Telegraph, and Telephone	0	0	0	0	21,111	28,190	28,941
Printing and Stationary	0	0	0	0	14,074	18,794	19,294
Rental of Equipment	0	0	0	0	28,148	37,587	38,588
Sundry General Expenses	0	0	0	0	7,037	9,397	9,647
Total Administrative Expenses	\$0	\$0	\$0	\$0	\$410,832	\$548,596	\$563,209
Soyuzivka Allocation	\$0	\$351,966	\$351,966	\$361,341	\$412,101	\$550,290	\$564,948
Newspapers Allocation *	0	135,536	135,536	139,146	158,693	211,907	217,552
Youth Activities Allocation	0	2,053	2,404	2,468	2,815	3,759	3,859
Donation and Scholarship Allocation	0	160,435	187,846	192,849	219,940	293,692	301,515
Total Fraternal Expenses	\$0	\$649,990	\$677,752	\$695,805	\$793,548	\$1,059,648	\$1,087,874
Residual Income (Reinvested into Endowment)	\$1,075,000	(\$21,240)	(\$59,818)	(\$80,863)	(\$621,777)	(\$1,578,418)	(\$1,700,178)
* Revenue less Expenses (excluding printing plant depreciation)							

Fraternal Activities Forecast: Fraternal Activities Performance Improves, \$1,000,000 in Donations

	2008	2009	2015	2016	2021	2033	2034
UNF / Fraternal Activity Endowment Assets	\$11,500,000	\$13,075,000	\$13,028,716	\$13,002,400	\$12,549,985	\$630,645	(\$988,906)
Investment Income from Assets	\$575,000	\$653,750	\$651,436	\$650,120	\$627,499	\$31,532	(\$49,445)
Fundraising Income	1,000,000	0	0	0	0	0	0
UNF / Fraternal Activity Total Revenue	\$1,575,000	\$653,750	\$651,436	\$650,120	\$627,499	\$31,532	(\$49,445)
Rent	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Salaries and Wages	0	0	0	0	211,112	289,414	297,123
Insured Benefit Plans for Employees	0	0	0	0	57,570	78,923	81,025
Legal Fees and Expenses	0	0	0	0	8,444	11,577	11,885
Fees of Public Accountants	0	0	0	0	35,185	48,236	49,520
Investment Management Fees	0	0	0	0	0	0	0
Travelling Expenses	0	0	0	0	14,074	19,294	19,808
Advertising	0	0	0	0	14,074	19,294	19,808
Postage, Express, Telegraph, and Telephone	0	0	0	0	21,111	28,941	29,712
Printing and Stationary	0	0	0	0	14,074	19,294	19,808
Rental of Equipment	0	0	0	0	28,148	38,588	39,616
Sundry General Expenses	0	0	0	0	7,037	9,647	9,904
Total Administrative Expenses	\$0	\$0	\$0	\$0	\$410,832	\$563,209	\$578,211
Soyuzivka Allocation	\$0	\$351,966	\$351,966	\$361,341	\$412,101	\$564,948	\$579,997
Newspapers Allocation *	0	135,536	135,536	139,146	158,693	217,552	223,347
Youth Activities Allocation	0	2,053	2,404	2,468	2,815	3,859	3,962
Donation and Scholarship Allocation	0	160,435	187,846	192,849	219,940	301,515	309,547
Total Fraternal Expenses	\$0	\$649,990	\$677,752	\$695,805	\$793,548	\$1,087,874	\$1,116,852
Residual Income (Reinvested into Endowment)	\$1,575,000	\$3,760	(\$26,316)	(\$45,685)	(\$576,881)	(\$1,619,551)	(\$1,744,509)
* Revenue less Expenses (excluding printing plant depreciation)							

Fraternal Activities Forecast: Fraternal Activities Performance Improves, \$11,000,000 in Donations

	<u>2008</u>	<u>2009</u>	<u>2016</u>	<u>2021</u>	<u>2059</u>	<u>2060</u>
UNF / Fraternal Activity Endowment Assets	\$11,500,000	\$13,075,000	\$26,403,356	\$29,653,379	\$157,248	(\$3,105,387)
Investment Income from Assets	\$575,000	\$653,750	\$1,320,168	\$1,482,669	\$7,862	(\$155,269)
Fundraising Income	1,000,000	10,000,000	0	0	0	0
UNF / Fraternal Activity Total Revenue	\$1,575,000	\$10,653,750	\$1,320,168	\$1,482,669	\$7,862	(\$155,269)
Rent	\$0	\$0	\$0	\$0	\$0	\$0
Salaries and Wages	0	0	0	211,112	573,276	588,547
Insured Benefit Plans for Employees	0	0	0	57,570	156,332	160,497
Legal Fees and Expenses	0	0	0	8,444	22,931	23,542
Fees of Public Accountants	0	0	0	35,185	95,546	98,091
Investment Management Fees	0	0	0	0	0	0
Travelling Expenses	0	0	0	14,074	38,218	39,236
Advertising	0	0	0	14,074	38,218	39,236
Postage, Express, Telegraph, and Telephone	0	0	0	21,111	57,328	58,855
Printing and Stationary	0	0	0	14,074	38,218	39,236
Rental of Equipment	0	0	0	28,148	76,437	78,473
Sundry General Expenses	0	0	0	7,037	19,109	19,618
Total Administrative Expenses	\$0	\$0	\$0	\$410,832	\$1,115,615	\$1,145,332
Soyuzivka Allocation	\$0	\$351,966	\$361,341	\$412,101	\$1,119,061	\$1,148,870
Newspapers Allocation *	0	135,536	139,146	158,693	430,931	442,410
Youth Activities Allocation	0	2,053	2,468	2,815	7,644	7,847
Donation and Scholarship Allocation	0	160,435	192,849	219,940	597,247	613,156
Total Fraternal Expenses	\$0	\$649,990	\$695,805	\$793,548	\$2,154,883	\$2,212,283
Residual Income (Reinvested into Endowment)	\$1,575,000	\$10,003,760	\$624,363	\$278,289	(\$3,262,635)	(\$3,512,885)
* Revenue less Expenses (excluding printing plant depreciation)						

Fraternal Activities Forecast: Fraternal Activities Performance Doesn't Change, \$0 in Donations

	2008	2009	2013	2021	2022	2023
UNF / Fraternal Activity Endowment Assets	\$11,500,000	\$12,075,000	\$9,952,493	\$2,905,018	\$1,241,765	(\$552,825)
Investment Income from Assets	\$575,000	\$603,750	\$497,625	\$145,251	\$62,088	(\$27,641)
Fundraising Income	0	0	0	0	0	0
UNF / Fraternal Activity Total Revenue	\$575,000	\$603,750	\$497,625	\$145,251	\$62,088	(\$27,641)
Rent	\$0	\$0	\$0	\$0	\$0	\$0
Salaries and Wages	0	0	0	211,112	216,736	222,509
Insured Benefit Plans for Employees	0	0	0	57,570	59,104	60,678
Legal Fees and Expenses	0	0	0	8,444	8,669	8,900
Fees of Public Accountants	0	0	0	35,185	36,123	37,085
Investment Management Fees	0	0	0	0	0	0
Travelling Expenses	0	0	0	14,074	14,449	14,834
Advertising	0	0	0	14,074	14,449	14,834
Postage, Express, Telegraph, and Telephone	0	0	0	21,111	21,674	22,251
Printing and Stationary	0	0	0	14,074	14,449	14,834
Rental of Equipment	0	0	0	28,148	28,898	29,668
Sundry General Expenses	0	0	0	7,037	7,225	7,417
Total Administrative Expenses	\$0	\$0	\$0	\$410,832	\$421,775	\$433,010
Soyuzivka Allocation	\$0	\$635,000	\$651,915	\$804,503	\$825,933	\$847,934
Newspapers Allocation *	0	292,371	300,159	370,415	380,282	390,411
Youth Activities Allocation	0	2,053	2,281	2,815	2,890	2,967
Donation and Scholarship Allocation	0	160,435	178,224	219,940	225,798	231,813
Total Fraternal Expenses	\$0	\$1,089,859	\$1,132,579	\$1,397,672	\$1,434,903	\$1,473,125
Residual Income (Reinvested into Endowment)	\$575,000	(\$486,109)	(\$634,954)	(\$1,663,253)	(\$1,794,590)	(\$1,933,777)
* Revenue less Expenses (excluding printing plant depreciation)						

Fraternal Activities Forecast: Fraternal Activities Performance Doesn't Change, \$500,000 in Donations

	2008	2009	2013	2021	2023	2024
UNF / Fraternal Activity Endowment Assets	\$11,500,000	\$12,575,000	\$10,560,247	\$3,802,947	\$437,141	(\$1,447,137)
Investment Income from Assets	\$575,000	\$628,750	\$528,012	\$190,147	\$21,857	(\$72,357)
Fundraising Income	500,000	0	0	0	0	0
UNF / Fraternal Activity Total Revenue	\$1,075,000	\$628,750	\$528,012	\$190,147	\$21,857	(\$72,357)
Rent	\$0	\$0	\$0	\$0	\$0	\$0
Salaries and Wages	0	0	0	211,112	222,509	228,436
Insured Benefit Plans for Employees	0	0	0	57,570	60,678	62,295
Legal Fees and Expenses	0	0	0	8,444	8,900	9,137
Fees of Public Accountants	0	0	0	35,185	37,085	38,073
Investment Management Fees	0	0	0	0	0	0
Travelling Expenses	0	0	0	14,074	14,834	15,229
Advertising	0	0	0	14,074	14,834	15,229
Postage, Express, Telegraph, and Telephone	0	0	0	21,111	22,251	22,844
Printing and Stationary	0	0	0	14,074	14,834	15,229
Rental of Equipment	0	0	0	28,148	29,668	30,458
Sundry General Expenses	0	0	0	7,037	7,417	7,615
Total Administrative Expenses	\$0	\$0	\$0	\$410,832	\$433,010	\$444,545
Soyuzivka Allocation	\$0	\$635,000	\$651,915	\$804,503	\$847,934	\$870,521
Newspapers Allocation *	0	292,371	300,159	370,415	390,411	400,811
Youth Activities Allocation	0	2,053	2,281	2,815	2,967	3,046
Donation and Scholarship Allocation	0	160,435	178,224	219,940	231,813	237,988
Total Fraternal Expenses	\$0	\$1,089,859	\$1,132,579	\$1,397,672	\$1,473,125	\$1,512,365
Residual Income (Reinvested into Endowment)	\$1,075,000	(\$461,109)	(\$604,567)	(\$1,618,357)	(\$1,884,278)	(\$2,029,267)
* Revenue less Expenses (excluding printing plant depreciation)						

Fraternal Activities Forecast: Fraternal Activities Performance Doesn't Change, \$1,000,000 in Donations

	2008	2009	2013	2021	2023	2024
UNF / Fraternal Activity Endowment Assets	\$11,500,000	\$13,075,000	\$11,168,000	\$4,700,875	\$1,427,107	(\$407,673)
Investment Income from Assets	\$575,000	\$653,750	\$558,400	\$235,044	\$71,355	(\$20,384)
Fundraising Income	1,000,000	0	0	0	0	0
UNF / Fraternal Activity Total Revenue	\$1,575,000	\$653,750	\$558,400	\$235,044	\$71,355	(\$20,384)
Rent	\$0	\$0	\$0	\$0	\$0	\$0
Salaries and Wages	0	0	0	211,112	222,509	228,436
Insured Benefit Plans for Employees	0	0	0	57,570	60,678	62,295
Legal Fees and Expenses	0	0	0	8,444	8,900	9,137
Fees of Public Accountants	0	0	0	35,185	37,085	38,073
Investment Management Fees	0	0	0	0	0	0
Travelling Expenses	0	0	0	14,074	14,834	15,229
Advertising	0	0	0	14,074	14,834	15,229
Postage, Express, Telegraph, and Telephone	0	0	0	21,111	22,251	22,844
Printing and Stationary	0	0	0	14,074	14,834	15,229
Rental of Equipment	0	0	0	28,148	29,668	30,458
Sundry General Expenses	0	0	0	7,037	7,417	7,615
Total Administrative Expenses	\$0	\$0	\$0	\$410,832	\$433,010	\$444,545
Soyuzivka Allocation	\$0	\$635,000	\$651,915	\$804,503	\$847,934	\$870,521
Newspapers Allocation *	0	292,371	300,159	370,415	390,411	400,811
Youth Activities Allocation	0	2,053	2,281	2,815	2,967	3,046
Donation and Scholarship Allocation	0	160,435	178,224	219,940	231,813	237,988
Total Fraternal Expenses	\$0	\$1,089,859	\$1,132,579	\$1,397,672	\$1,473,125	\$1,512,365
Residual Income (Reinvested into Endowment)	\$1,575,000	(\$436,109)	(\$574,179)	(\$1,573,461)	(\$1,834,780)	(\$1,977,294)
* Revenue less Expenses (excluding printing plant depreciation)						

Fraternal Activities Forecast: Fraternal Activities Performance Doesn't Change, \$11,000,000 in Donations

	<u>2008</u>	<u>2009</u>	<u>2013</u>	<u>2021</u>	<u>2035</u>	<u>2036</u>
UNF / Fraternal Activity Endowment Assets	\$11,500,000	\$13,075,000	\$22,744,250	\$21,804,268	\$1,754,369	(\$771,031)
Investment Income from Assets	\$575,000	\$653,750	\$1,137,212	\$1,090,213	\$87,718	(\$38,552)
Fundraising Income	1,000,000	10,000,000	0	0	0	0
UNF / Fraternal Activity Total Revenue	\$1,575,000	\$10,653,750	\$1,137,212	\$1,090,213	\$87,718	(\$38,552)
Rent	\$0	\$0	\$0	\$0	\$0	\$0
Salaries and Wages	0	0	0	211,112	305,038	313,163
Insured Benefit Plans for Employees	0	0	0	57,570	83,184	85,400
Legal Fees and Expenses	0	0	0	8,444	12,202	12,527
Fees of Public Accountants	0	0	0	35,185	50,840	52,194
Investment Management Fees	0	0	0	0	0	0
Travelling Expenses	0	0	0	14,074	20,336	20,878
Advertising	0	0	0	14,074	20,336	20,878
Postage, Express, Telegraph, and Telephone	0	0	0	21,111	30,504	31,316
Printing and Stationary	0	0	0	14,074	20,336	20,878
Rental of Equipment	0	0	0	28,148	40,672	41,755
Sundry General Expenses	0	0	0	7,037	10,168	10,439
Total Administrative Expenses	\$0	\$0	\$0	\$410,832	\$593,613	\$609,426
Soyuzivka Allocation	\$0	\$635,000	\$651,915	\$804,503	\$1,162,431	\$1,193,396
Newspapers Allocation *	0	292,371	300,159	370,415	535,215	549,471
Youth Activities Allocation	0	2,053	2,281	2,815	4,067	4,176
Donation and Scholarship Allocation	0	160,435	178,224	219,940	317,792	326,257
Total Fraternal Expenses	\$0	\$1,089,859	\$1,132,579	\$1,397,672	\$2,019,505	\$2,073,300
Residual Income (Reinvested into Endowment)	\$1,575,000	\$9,563,891	\$4,633	(\$718,291)	(\$2,525,400)	(\$2,721,277)
* Revenue less Expenses (excluding printing plant depreciation)						

Fraternal Activities Forecast: Fraternal Activities Performance Deteriorates, \$0 in Donations

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2021</u>	<u>2022</u>
UNF / Fraternal Activity Endowment Assets	\$11,500,000	\$12,075,000	\$11,564,188	\$10,998,147	\$1,411,405	(\$456,808)
Investment Income from Assets	\$575,000	\$603,750	\$578,209	\$549,907	\$70,570	(\$22,840)
Fundraising Income	0	0	0	0	0	0
UNF / Fraternal Activity Total Revenue	\$575,000	\$603,750	\$578,209	\$549,907	\$70,570	(\$22,840)
Rent	\$0	\$0	\$0	\$0	\$0	\$0
Salaries and Wages	0	0	0	0	211,112	216,736
Insured Benefit Plans for Employees	0	0	0	0	57,570	59,104
Legal Fees and Expenses	0	0	0	0	8,444	8,669
Fees of Public Accountants	0	0	0	0	35,185	36,123
Investment Management Fees	0	0	0	0	0	0
Travelling Expenses	0	0	0	0	14,074	14,449
Advertising	0	0	0	0	14,074	14,449
Postage, Express, Telegraph, and Telephone	0	0	0	0	21,111	21,674
Printing and Stationary	0	0	0	0	14,074	14,449
Rental of Equipment	0	0	0	0	28,148	28,898
Sundry General Expenses	0	0	0	0	7,037	7,225
Total Administrative Expenses	\$0	\$0	\$0	\$0	\$410,832	\$421,775
Soyuzivka Allocation	\$0	\$651,915	\$669,280	\$687,108	\$893,709	\$917,515
Newspapers Allocation *	0	300,159	308,155	316,363	411,488	422,449
Youth Activities Allocation	0	2,053	2,108	2,164	2,815	2,890
Donation and Scholarship Allocation	0	160,435	164,708	169,096	219,940	225,798
Total Fraternal Expenses	\$0	\$1,114,562	\$1,144,251	\$1,174,731	\$1,527,951	\$1,568,652
Residual Income (Reinvested into Endowment)	\$575,000	(\$510,812)	(\$566,041)	(\$624,824)	(\$1,868,213)	(\$2,013,268)
* Revenue less Expenses (excluding printing plant depreciation)						

Fraternal Activities Forecast: Fraternal Activities Performance Deteriorates, \$500,000 in Donations

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
UNF / Fraternal Activity Endowment Assets	\$11,500,000	\$12,575,000	\$12,089,188	\$2,309,333	\$486,016	(\$1,480,110)
Investment Income from Assets	\$575,000	\$628,750	\$604,459	\$115,467	\$24,301	(\$74,006)
Fundraising Income	500,000	0	0	0	0	0
UNF / Fraternal Activity Total Revenue	\$1,075,000	\$628,750	\$604,459	\$115,467	\$24,301	(\$74,006)
Rent	\$0	\$0	\$0	\$0	\$0	\$0
Salaries and Wages	0	0	0	211,112	216,736	222,509
Insured Benefit Plans for Employees	0	0	0	57,570	59,104	60,678
Legal Fees and Expenses	0	0	0	8,444	8,669	8,900
Fees of Public Accountants	0	0	0	35,185	36,123	37,085
Investment Management Fees	0	0	0	0	0	0
Travelling Expenses	0	0	0	14,074	14,449	14,834
Advertising	0	0	0	14,074	14,449	14,834
Postage, Express, Telegraph, and Telephone	0	0	0	21,111	21,674	22,251
Printing and Stationary	0	0	0	14,074	14,449	14,834
Rental of Equipment	0	0	0	28,148	28,898	29,668
Sundry General Expenses	0	0	0	7,037	7,225	7,417
Total Administrative Expenses	\$0	\$0	\$0	\$410,832	\$421,775	\$433,010
Soyuzivka Allocation	\$0	\$651,915	\$669,280	\$893,709	\$917,515	\$941,956
Newspapers Allocation *	0	300,159	308,155	411,488	422,449	433,702
Youth Activities Allocation	0	2,053	2,108	2,815	2,890	2,967
Donation and Scholarship Allocation	0	160,435	164,708	219,940	225,798	231,813
Total Fraternal Expenses	\$0	\$1,114,562	\$1,144,251	\$1,527,951	\$1,568,652	\$1,610,437
Residual Income (Reinvested into Endowment)	\$1,075,000	(\$485,812)	(\$539,791)	(\$1,823,316)	(\$1,966,127)	(\$2,117,453)
* Revenue less Expenses (excluding printing plant depreciation)						

Fraternal Activities Forecast: Fraternal Activities Performance Deteriorates, \$1,000,000 in Donations

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
UNF / Fraternal Activity Endowment Assets	\$11,500,000	\$13,075,000	\$12,614,188	\$3,207,261	\$1,428,841	(\$490,144)
Investment Income from Assets	\$575,000	\$653,750	\$630,709	\$160,363	\$71,442	(\$24,507)
Fundraising Income	1,000,000	0	0	0	0	0
UNF / Fraternal Activity Total Revenue	\$1,575,000	\$653,750	\$630,709	\$160,363	\$71,442	(\$24,507)
Rent	\$0	\$0	\$0	\$0	\$0	\$0
Salaries and Wages	0	0	0	211,112	216,736	222,509
Insured Benefit Plans for Employees	0	0	0	57,570	59,104	60,678
Legal Fees and Expenses	0	0	0	8,444	8,669	8,900
Fees of Public Accountants	0	0	0	35,185	36,123	37,085
Investment Management Fees	0	0	0	0	0	0
Travelling Expenses	0	0	0	14,074	14,449	14,834
Advertising	0	0	0	14,074	14,449	14,834
Postage, Express, Telegraph, and Telephone	0	0	0	21,111	21,674	22,251
Printing and Stationary	0	0	0	14,074	14,449	14,834
Rental of Equipment	0	0	0	28,148	28,898	29,668
Sundry General Expenses	0	0	0	7,037	7,225	7,417
Total Administrative Expenses	\$0	\$0	\$0	\$410,832	\$421,775	\$433,010
Soyuzivka Allocation	\$0	\$651,915	\$669,280	\$893,709	\$917,515	\$941,956
Newspapers Allocation *	0	300,159	308,155	411,488	422,449	433,702
Youth Activities Allocation	0	2,053	2,108	2,815	2,890	2,967
Donation and Scholarship Allocation	0	160,435	164,708	219,940	225,798	231,813
Total Fraternal Expenses	\$0	\$1,114,562	\$1,144,251	\$1,527,951	\$1,568,652	\$1,610,437
Residual Income (Reinvested into Endowment)	\$1,575,000	(\$460,812)	(\$513,541)	(\$1,778,420)	(\$1,918,985)	(\$2,067,955)
* Revenue less Expenses (excluding printing plant depreciation)						

Fraternal Activities Forecast: Fraternal Activities Performance Deteriorates, \$11,000,000 in Donations

	2008	2009	2010	2021	2033	2034
UNF / Fraternal Activity Endowment Assets	\$11,500,000	\$13,075,000	\$22,614,188	\$20,310,655	\$1,209,108	(\$1,388,312)
Investment Income from Assets	\$575,000	\$653,750	\$1,130,709	\$1,015,533	\$60,455	(\$69,416)
Fundraising Income	1,000,000	10,000,000	0	0	0	0
UNF / Fraternal Activity Total Revenue	\$1,575,000	\$10,653,750	\$1,130,709	\$1,015,533	\$60,455	(\$69,416)
Rent	\$0	\$0	\$0	\$0	\$0	\$0
Salaries and Wages	0	0	0	211,112	289,414	297,123
Insured Benefit Plans for Employees	0	0	0	57,570	78,923	81,025
Legal Fees and Expenses	0	0	0	8,444	11,577	11,885
Fees of Public Accountants	0	0	0	35,185	48,236	49,520
Investment Management Fees	0	0	0	0	0	0
Travelling Expenses	0	0	0	14,074	19,294	19,808
Advertising	0	0	0	14,074	19,294	19,808
Postage, Express, Telegraph, and Telephone	0	0	0	21,111	28,941	29,712
Printing and Stationary	0	0	0	14,074	19,294	19,808
Rental of Equipment	0	0	0	28,148	38,588	39,616
Sundry General Expenses	0	0	0	7,037	9,647	9,904
Total Administrative Expenses	\$0	\$0	\$0	\$410,832	\$563,209	\$578,211
Soyuzivka Allocation	\$0	\$651,915	\$669,280	\$893,709	\$1,225,185	\$1,257,821
Newspapers Allocation *	0	300,159	308,155	411,488	564,108	579,134
Youth Activities Allocation	0	2,053	2,108	2,815	3,859	3,962
Donation and Scholarship Allocation	0	160,435	164,708	219,940	301,515	309,547
Total Fraternal Expenses	\$0	\$1,114,562	\$1,144,251	\$1,527,951	\$2,094,666	\$2,150,463
Residual Income (Reinvested into Endowment)	\$1,575,000	\$9,539,188	(\$13,541)	(\$923,250)	(\$2,597,420)	(\$2,798,090)
* Revenue less Expenses (excluding printing plant depreciation)						

*Strategic Alternative #2, Paulus Hook Sale Proceeds go to UNF in 2010***Insurance Business Forecast**

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
Premiums and Annuity Considerations	\$3,501,673	\$3,566,564	\$3,350,899	\$3,260,303	\$3,212,353	\$3,378,358
Net Investment Income	3,302,505	3,208,686	3,170,429	3,150,736	3,176,858	3,201,843
Total Insurance Business Revenue	\$6,804,178	\$6,775,250	\$6,521,328	\$6,411,038	\$6,389,210	\$6,580,201
Contractual Payments Made to Members / Beneficiaries	\$3,314,753	\$3,261,465	\$3,330,638	\$3,434,850	\$3,467,643	\$3,524,619
Increase (Decrease) in Reserves Required to Guarantee Contractual Obligations	1,141,304	1,225,536	945,589	827,990	765,748	981,233
Other Expenses and Deductions	2,238,427	2,279,612	2,344,727	2,231,255	2,226,455	2,218,610
Commissions on Premiums and Considerations	168,335	170,186	171,070	168,551	164,797	161,957
Total Insurance Business Expenses	\$6,862,819	\$6,936,799	\$6,792,024	\$6,662,647	\$6,624,643	\$6,886,420
UNA Insurance Business Net Income (Loss)	<u>(\$58,641)</u>	<u>(\$161,549)</u>	<u>(\$270,696)</u>	<u>(\$251,608)</u>	<u>(\$235,433)</u>	<u>(\$306,220)</u>
Soyuzivka Net Loss	\$635,000	\$635,000	\$635,000	\$635,000	\$0	\$0
Newspapers Net Loss *	292,371	292,371	292,371	292,371	0	0
Youth Activities Total Expenses	2,000	2,053	2,108	2,164	0	0
Donations and Scholarships Total Expenses	156,272	160,435	164,708	169,096	0	0
UNA Net Income (Loss)	<u>(\$1,144,284)</u>	<u>(\$1,251,408)</u>	<u>(\$1,364,883)</u>	<u>(\$1,350,239)</u>	<u>(\$235,433)</u>	<u>(\$306,220)</u>
Total Insurance Business Assets	<u>\$64,851,234</u>	<u>\$64,000,278</u>	<u>\$62,808,303</u>	<u>\$61,643,543</u>	<u>\$61,378,965</u>	<u>\$60,866,303</u>
Certificate Reserves	\$53,821,558	\$54,661,779	\$55,387,781	\$55,687,812	\$55,652,900	\$55,377,791
Other Liabilities	4,822,327	4,382,559	3,829,465	3,714,913	3,720,679	3,789,347
Unassigned Surplus	6,207,349	4,955,941	3,591,058	2,240,818	2,005,385	1,699,166
Total Liabilities and Unassigned Surplus	<u>\$64,851,234</u>	<u>\$64,000,278</u>	<u>\$62,808,303</u>	<u>\$61,643,543</u>	<u>\$61,378,965</u>	<u>\$60,866,303</u>
* Revenue less Expenses (excluding printing plant depreciation)						

Fraternal Activities Forecast: Fraternal Activities Performance Improves, \$0 in Donations

	2008	2010	2011	2013	2015	2028	2029
UNF / Fraternal Activity Endowment Assets	\$2,000,000	\$11,705,000	\$12,290,250	\$12,194,977	\$11,379,405	\$401,330	(\$1,026,320)
Investment Income from Assets	\$100,000	\$585,250	\$614,513	\$609,749	\$568,970	\$20,066	(\$51,316)
Fundraising Income	0	0	0	0	0	0	0
UNF / Fraternal Activity Total Revenue	\$100,000	\$585,250	\$614,513	\$609,749	\$568,970	\$20,066	(\$51,316)
Rent	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Salaries and Wages	0	0	0	171,071	180,306	253,766	260,526
Insured Benefit Plans for Employees	0	0	0	46,651	49,170	69,202	71,045
Legal Fees and Expenses	0	0	0	6,843	7,212	10,151	10,421
Fees of Public Accountants	0	0	0	28,512	30,051	42,294	43,421
Investment Management Fees	0	0	0	0	0	0	0
Travelling Expenses	0	0	0	11,405	12,020	16,918	17,368
Advertising	0	0	0	11,405	12,020	16,918	17,368
Postage, Express, Telegraph, and Telephone	0	0	0	17,107	18,031	25,377	26,053
Printing and Stationary	0	0	0	11,405	12,020	16,918	17,368
Rental of Equipment	0	0	0	22,809	24,041	33,835	34,737
Sundry General Expenses	0	0	0	5,702	6,010	8,459	8,684
Total Administrative Expenses	\$0	\$0	\$0	\$332,910	\$350,882	\$493,837	\$506,992
Soyuzivka Allocation	\$0	\$0	\$351,966	\$351,966	\$351,966	\$495,363	\$508,558
Newspapers Allocation *	0	0	135,536	135,536	135,536	190,756	195,837
Youth Activities Allocation	0	0	2,164	2,281	2,404	3,384	3,474
Donation and Scholarship Allocation	0	0	169,096	178,224	187,846	264,377	271,419
Total Fraternal Expenses	\$0	\$0	\$658,762	\$668,007	\$677,752	\$953,879	\$979,287
Residual Income (Reinvested into Endowment)	\$100,000	\$585,250	(\$44,249)	(\$391,169)	(\$459,664)	(\$1,427,649)	(\$1,537,595)
* Revenue less Expenses (excluding printing plant depreciation)							

Fraternal Activities Forecast: Fraternal Activities Performance Improves, \$500,000 in Donations

	2008	2010	2011	2013	2015	2029	2030
UNF / Fraternal Activity Endowment Assets	\$2,000,000	\$12,230,000	\$12,841,500	\$12,802,730	\$12,049,453	\$300,329	(\$1,170,933)
Investment Income from Assets	\$100,000	\$611,500	\$642,075	\$640,137	\$602,473	\$15,016	(\$58,547)
Fundraising Income	500,000	0	0	0	0	0	0
UNF / Fraternal Activity Total Revenue	\$600,000	\$611,500	\$642,075	\$640,137	\$602,473	\$15,016	(\$58,547)
Rent	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Salaries and Wages	0	0	0	171,071	180,306	260,526	267,465
Insured Benefit Plans for Employees	0	0	0	46,651	49,170	71,045	72,938
Legal Fees and Expenses	0	0	0	6,843	7,212	10,421	10,699
Fees of Public Accountants	0	0	0	28,512	30,051	43,421	44,578
Investment Management Fees	0	0	0	0	0	0	0
Travelling Expenses	0	0	0	11,405	12,020	17,368	17,831
Advertising	0	0	0	11,405	12,020	17,368	17,831
Postage, Express, Telegraph, and Telephone	0	0	0	17,107	18,031	26,053	26,747
Printing and Stationary	0	0	0	11,405	12,020	17,368	17,831
Rental of Equipment	0	0	0	22,809	24,041	34,737	35,662
Sundry General Expenses	0	0	0	5,702	6,010	8,684	8,916
Total Administrative Expenses	\$0	\$0	\$0	\$332,910	\$350,882	\$506,992	\$520,497
Soyuzivka Allocation	\$0	\$0	\$351,966	\$351,966	\$351,966	\$508,558	\$522,104
Newspapers Allocation *	0	0	135,536	135,536	135,536	195,837	201,053
Youth Activities Allocation	0	0	2,164	2,281	2,404	3,474	3,566
Donation and Scholarship Allocation	0	0	169,096	178,224	187,846	271,419	278,649
Total Fraternal Expenses	\$0	\$0	\$658,762	\$668,007	\$677,752	\$979,287	\$1,005,373
Residual Income (Reinvested into Endowment)	\$600,000	\$611,500	(\$16,687)	(\$360,781)	(\$426,161)	(\$1,471,263)	(\$1,584,417)
* Revenue less Expenses (excluding printing plant depreciation)							

Fraternal Activities Forecast: Fraternal Activities Performance Improves, \$1,000,000 in Donations

	2008	2010	2011	2013	2015	2030	2031
UNF / Fraternal Activity Endowment Assets	\$2,000,000	\$12,755,000	\$13,392,750	\$13,410,483	\$12,719,501	\$222,048	(\$1,292,720)
Investment Income from Assets	\$100,000	\$637,750	\$669,638	\$670,524	\$635,975	\$11,102	(\$64,636)
Fundraising Income	1,000,000	0	0	0	0	0	0
UNF / Fraternal Activity Total Revenue	\$1,100,000	\$637,750	\$669,638	\$670,524	\$635,975	\$11,102	(\$64,636)
Rent	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Salaries and Wages	0	0	0	171,071	180,306	267,465	274,590
Insured Benefit Plans for Employees	0	0	0	46,651	49,170	72,938	74,881
Legal Fees and Expenses	0	0	0	6,843	7,212	10,699	10,984
Fees of Public Accountants	0	0	0	28,512	30,051	44,578	45,765
Investment Management Fees	0	0	0	0	0	0	0
Travelling Expenses	0	0	0	11,405	12,020	17,831	18,306
Advertising	0	0	0	11,405	12,020	17,831	18,306
Postage, Express, Telegraph, and Telephone	0	0	0	17,107	18,031	26,747	27,459
Printing and Stationary	0	0	0	11,405	12,020	17,831	18,306
Rental of Equipment	0	0	0	22,809	24,041	35,662	36,612
Sundry General Expenses	0	0	0	5,702	6,010	8,916	9,153
Total Administrative Expenses	\$0	\$0	\$0	\$332,910	\$350,882	\$520,497	\$534,361
Soyuzivka Allocation	\$0	\$0	\$351,966	\$351,966	\$351,966	\$522,104	\$536,012
Newspapers Allocation *	0	0	135,536	135,536	135,536	201,053	206,409
Youth Activities Allocation	0	0	2,164	2,281	2,404	3,566	3,661
Donation and Scholarship Allocation	0	0	169,096	178,224	187,846	278,649	286,072
Total Fraternal Expenses	\$0	\$0	\$658,762	\$668,007	\$677,752	\$1,005,373	\$1,032,154
Residual Income (Reinvested into Endowment)	\$1,100,000	\$637,750	\$10,876	(\$330,393)	(\$392,659)	(\$1,514,768)	(\$1,631,151)
* Revenue less Expenses (excluding printing plant depreciation)							

Fraternal Activities Forecast: Fraternal Activities Performance Improves, \$11,000,000 in Donations

	2008	2009	2010	2011	2013	2015	2053	2054
UNF / Fraternal Activity Endowment Assets	\$2,000,000	\$3,100,000	\$22,755,000	\$23,892,750	\$24,986,733	\$25,482,317	\$1,130,633	(\$1,606,094)
Investment Income from Assets	\$100,000	\$155,000	\$1,137,750	\$1,194,638	\$1,249,337	\$1,274,116	\$56,532	(\$80,305)
Fundraising Income	1,000,000	10,000,000	0	0	0	0	0	0
UNF / Fraternal Activity Total Revenue	\$1,100,000	\$10,155,000	\$1,137,750	\$1,194,638	\$1,249,337	\$1,274,116	\$56,532	(\$80,305)
Rent	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Salaries and Wages	0	\$0	\$0	\$0	\$171,071	\$180,306	\$489,623	\$502,665
Insured Benefit Plans for Employees	0	0	0	0	46,651	49,170	133,520	137,077
Legal Fees and Expenses	0	\$0	0	0	6,843	7,212	19,585	20,107
Fees of Public Accountants	0	\$0	0	0	28,512	30,051	81,604	83,777
Investment Management Fees	0	\$0	0	0	0	0	0	0
Travelling Expenses	0	\$0	0	0	11,405	12,020	32,642	33,511
Advertising	0	\$0	0	0	11,405	12,020	32,642	33,511
Postage, Express, Telegraph, and Telephone	0	\$0	0	0	17,107	18,031	48,962	50,266
Printing and Stationary	0	\$0	0	0	11,405	12,020	32,642	33,511
Rental of Equipment	0	\$0	0	0	22,809	24,041	65,283	67,022
Sundry General Expenses	0	0	0	0	5,702	6,010	16,321	16,755
Total Administrative Expenses	\$0	\$0	\$0	\$0	\$332,910	\$350,882	\$952,822	\$978,203
Soyuzivka Allocation	\$0	\$0	\$0	\$351,966	\$351,966	\$351,966	\$955,765	\$981,224
Newspapers Allocation *	0	0	0	135,536	135,536	135,536	\$368,048	\$377,852
Youth Activities Allocation	0	\$0	\$0	\$2,164	\$2,281	\$2,404	\$6,528	\$6,702
Donation and Scholarship Allocation	0	0	0	169,096	178,224	187,846	510,095	523,683
Total Fraternal Expenses	\$0	\$0	\$0	\$658,762	\$668,007	\$677,752	\$1,840,437	\$1,889,461
Residual Income (Reinvested into Endowment)	\$1,100,000	\$10,155,000	\$1,137,750	\$535,876	\$248,419	\$245,482	(\$2,736,727)	(\$2,947,969)
* Revenue less Expenses (excluding printing plant depreciation)								

Fraternal Activities Forecast: Fraternal Activities Performance Doesn't Change, \$0 in Donations

	<u>2008</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2021</u>	<u>2022</u>
UNF / Fraternal Activity Endowment Assets	\$2,000,000	\$11,705,000	\$12,290,250	\$11,806,132	\$11,293,246	\$1,417,621	(\$320,003)
Investment Income from Assets	\$100,000	\$585,250	\$614,513	\$590,307	\$564,662	\$70,881	(\$16,000)
Fundraising Income	0	0	0	0	0	0	0
UNF / Fraternal Activity Total Revenue	\$100,000	\$585,250	\$614,513	\$590,307	\$564,662	\$70,881	(\$16,000)
Rent	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Salaries and Wages	0	0	0	0	171,071	211,112	216,736
Insured Benefit Plans for Employees	0	0	0	0	46,651	57,570	59,104
Legal Fees and Expenses	0	0	0	0	6,843	8,444	8,669
Fees of Public Accountants	0	0	0	0	28,512	35,185	36,123
Investment Management Fees	0	0	0	0	0	0	0
Travelling Expenses	0	0	0	0	11,405	14,074	14,449
Advertising	0	0	0	0	11,405	14,074	14,449
Postage, Express, Telegraph, and Telephone	0	0	0	0	17,107	21,111	21,674
Printing and Stationary	0	0	0	0	11,405	14,074	14,449
Rental of Equipment	0	0	0	0	22,809	28,148	28,898
Sundry General Expenses	0	0	0	0	5,702	7,037	7,225
Total Administrative Expenses	\$0	\$0	\$0	\$0	\$332,910	\$410,832	\$421,775
Soyuzivka Allocation	\$0	\$0	\$635,000	\$635,000	\$651,915	\$804,503	\$825,933
Newspapers Allocation *	0	0	292,371	292,371	300,159	370,415	380,282
Youth Activities Allocation	0	0	2,164	2,222	2,281	2,815	2,890
Donation and Scholarship Allocation	0	0	169,096	173,600	178,224	219,940	225,798
Total Fraternal Expenses	\$0	\$0	\$1,098,631	\$1,103,193	\$1,132,579	\$1,397,672	\$1,434,903
Residual Income (Reinvested into Endowment)	\$100,000	\$585,250	(\$484,118)	(\$512,886)	(\$900,827)	(\$1,737,623)	(\$1,872,678)
* Revenue less Expenses (excluding printing plant depreciation)							

Fraternal Activities Forecast: Fraternal Activities Performance Doesn't Change, \$500,000 in Donations

	<u>2008</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2022</u>	<u>2023</u>
UNF / Fraternal Activity Endowment Assets	\$2,000,000	\$12,230,000	\$12,841,500	\$12,384,944	\$11,900,999	\$622,822	(\$1,202,715)
Investment Income from Assets	\$100,000	\$611,500	\$642,075	\$619,247	\$595,050	\$31,141	(\$60,136)
Fundraising Income	500,000	0	0	0	0	0	0
UNF / Fraternal Activity Total Revenue	\$600,000	\$611,500	\$642,075	\$619,247	\$595,050	\$31,141	(\$60,136)
Rent	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Salaries and Wages	0	0	0	0	171,071	216,736	222,509
Insured Benefit Plans for Employees	0	0	0	0	46,651	59,104	60,678
Legal Fees and Expenses	0	0	0	0	6,843	8,669	8,900
Fees of Public Accountants	0	0	0	0	28,512	36,123	37,085
Investment Management Fees	0	0	0	0	0	0	0
Travelling Expenses	0	0	0	0	11,405	14,449	14,834
Advertising	0	0	0	0	11,405	14,449	14,834
Postage, Express, Telegraph, and Telephone	0	0	0	0	17,107	21,674	22,251
Printing and Stationary	0	0	0	0	11,405	14,449	14,834
Rental of Equipment	0	0	0	0	22,809	28,898	29,668
Sundry General Expenses	0	0	0	0	5,702	7,225	7,417
Total Administrative Expenses	\$0	\$0	\$0	\$0	\$332,910	\$421,775	\$433,010
Soyuzivka Allocation	\$0	\$0	\$635,000	\$635,000	\$651,915	\$825,933	\$847,934
Newspapers Allocation *	0	0	292,371	292,371	300,159	380,282	390,411
Youth Activities Allocation	0	0	2,164	2,222	2,281	2,890	2,967
Donation and Scholarship Allocation	0	0	169,096	173,600	178,224	225,798	231,813
Total Fraternal Expenses	\$0	\$0	\$1,098,631	\$1,103,193	\$1,132,579	\$1,434,903	\$1,473,125
Residual Income (Reinvested into Endowment)	\$600,000	\$611,500	(\$456,556)	(\$483,946)	(\$870,439)	(\$1,825,537)	(\$1,966,271)
* Revenue less Expenses (excluding printing plant depreciation)							

Fraternal Activities Forecast: Fraternal Activities Performance Doesn't Change, \$1,000,000 in Donations

	2008	2010	2011	2012	2013	2022	2023
UNF / Fraternal Activity Endowment Assets	\$2,000,000	\$12,755,000	\$13,392,750	\$12,963,757	\$12,508,752	\$1,565,646	(\$212,749)
Investment Income from Assets	\$100,000	\$637,750	\$669,638	\$648,188	\$625,438	\$78,282	(\$10,637)
Fundraising Income	1,000,000	0	0	0	0	0	0
UNF / Fraternal Activity Total Revenue	\$1,100,000	\$637,750	\$669,638	\$648,188	\$625,438	\$78,282	(\$10,637)
Rent	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Salaries and Wages	0	0	0	0	171,071	216,736	222,509
Insured Benefit Plans for Employees	0	0	0	0	46,651	59,104	60,678
Legal Fees and Expenses	0	0	0	0	6,843	8,669	8,900
Fees of Public Accountants	0	0	0	0	28,512	36,123	37,085
Investment Management Fees	0	0	0	0	0	0	0
Travelling Expenses	0	0	0	0	11,405	14,449	14,834
Advertising	0	0	0	0	11,405	14,449	14,834
Postage, Express, Telegraph, and Telephone	0	0	0	0	17,107	21,674	22,251
Printing and Stationary	0	0	0	0	11,405	14,449	14,834
Rental of Equipment	0	0	0	0	22,809	28,898	29,668
Sundry General Expenses	0	0	0	0	5,702	7,225	7,417
Total Administrative Expenses	\$0	\$0	\$0	\$0	\$332,910	\$421,775	\$433,010
Soyuzivka Allocation	\$0	\$0	\$635,000	\$635,000	\$651,915	\$825,933	\$847,934
Newspapers Allocation *	0	0	292,371	292,371	300,159	380,282	390,411
Youth Activities Allocation	0	0	2,164	2,222	2,281	2,890	2,967
Donation and Scholarship Allocation	0	0	169,096	173,600	178,224	225,798	231,813
Total Fraternal Expenses	\$0	\$0	\$1,098,631	\$1,103,193	\$1,132,579	\$1,434,903	\$1,473,125
Residual Income (Reinvested into Endowment)	\$1,100,000	\$637,750	(\$428,993)	(\$455,005)	(\$840,052)	(\$1,778,396)	(\$1,916,773)
* Revenue less Expenses (excluding printing plant depreciation)							

Fraternal Activities Forecast: Fraternal Activities Performance Doesn't Change, \$11,000,000 in Donations

	2008	2009	2010	2011	2013	2034	2035
UNF / Fraternal Activity Endowment Assets	\$2,000,000	\$3,100,000	\$22,755,000	\$23,892,750	\$24,085,002	\$1,290,229	(\$1,190,577)
Investment Income from Assets	\$100,000	\$155,000	\$1,137,750	\$1,194,638	\$1,204,250	\$64,511	(\$59,529)
Fundraising Income	1,000,000	10,000,000	0	0	0	0	0
UNF / Fraternal Activity Total Revenue	\$1,100,000	\$10,155,000	\$1,137,750	\$1,194,638	\$1,204,250	\$64,511	(\$59,529)
Rent	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Salaries and Wages	0	0	0	0	171,071	297,123	305,038
Insured Benefit Plans for Employees	0	0	0	0	46,651	81,025	83,184
Legal Fees and Expenses	0	0	0	0	6,843	11,885	12,202
Fees of Public Accountants	0	0	0	0	28,512	49,520	50,840
Investment Management Fees	0	0	0	0	0	0	0
Travelling Expenses	0	0	0	0	11,405	19,808	20,336
Advertising	0	0	0	0	11,405	19,808	20,336
Postage, Express, Telegraph, and Telephone	0	0	0	0	17,107	29,712	30,504
Printing and Stationary	0	0	0	0	11,405	19,808	20,336
Rental of Equipment	0	0	0	0	22,809	39,616	40,672
Sundry General Expenses	0	0	0	0	5,702	9,904	10,168
Total Administrative Expenses	\$0	\$0	\$0	\$0	\$332,910	\$578,211	\$593,613
Soyuzivka Allocation	\$0	\$0	\$0	\$635,000	\$651,915	\$1,132,271	\$1,162,431
Newspapers Allocation *	0	0	0	292,371	300,159	521,328	535,215
Youth Activities Allocation	0	0	0	2,164	2,281	3,962	4,067
Donation and Scholarship Allocation	0	0	0	169,096	178,224	309,547	317,792
Total Fraternal Expenses	\$0	\$0	\$0	\$1,098,631	\$1,132,579	\$1,967,107	\$2,019,505
Residual Income (Reinvested into Endowment)	\$1,100,000	\$10,155,000	\$1,137,750	\$96,007	(\$261,239)	(\$2,480,806)	(\$2,672,647)
* Revenue less Expenses (excluding printing plant depreciation)							

Fraternal Activities Forecast: Fraternal Activities Performance Deteriorates, \$0 in Donations

	<u>2008</u>	<u>2010</u>	<u>2011</u>	<u>2013</u>	<u>2021</u>	<u>2022</u>
UNF / Fraternal Activity Endowment Assets	\$2,000,000	\$11,705,000	\$12,290,250	\$11,110,510	\$47,805	(\$1,888,587)
Investment Income from Assets	\$100,000	\$585,250	\$614,513	\$555,526	\$2,390	(\$94,429)
Fundraising Income	0	0	0	0	0	0
UNF / Fraternal Activity Total Revenue	\$100,000	\$585,250	\$614,513	\$555,526	\$2,390	(\$94,429)
Rent	\$0	\$0	\$0	\$0	\$0	\$0
Salaries and Wages	0	0	0	171,071	211,112	216,736
Insured Benefit Plans for Employees	0	0	0	46,651	57,570	59,104
Legal Fees and Expenses	0	0	0	6,843	8,444	8,669
Fees of Public Accountants	0	0	0	28,512	35,185	36,123
Investment Management Fees	0	0	0	0	0	0
Travelling Expenses	0	0	0	11,405	14,074	14,449
Advertising	0	0	0	11,405	14,074	14,449
Postage, Express, Telegraph, and Telephone	0	0	0	17,107	21,111	21,674
Printing and Stationary	0	0	0	11,405	14,074	14,449
Rental of Equipment	0	0	0	22,809	28,148	28,898
Sundry General Expenses	0	0	0	5,702	7,037	7,225
Total Administrative Expenses	\$0	\$0	\$0	\$332,910	\$410,832	\$421,775
Soyuzivka Allocation	\$0	\$0	\$687,108	\$724,201	\$893,709	\$917,515
Newspapers Allocation *	0	0	316,363	333,442	411,488	422,449
Youth Activities Allocation	0	0	2,164	2,281	2,815	2,890
Donation and Scholarship Allocation	0	0	169,096	178,224	219,940	225,798
Total Fraternal Expenses	\$0	\$0	\$1,174,731	\$1,238,148	\$1,527,951	\$1,568,652
Residual Income (Reinvested into Endowment)	\$100,000	\$585,250	(\$560,218)	(\$1,015,533)	(\$1,936,393)	(\$2,084,857)
* Revenue less Expenses (excluding printing plant depreciation)						

Fraternal Activities Forecast: Fraternal Activities Performance Deteriorates, \$500,000 in Donations

	<u>2008</u>	<u>2010</u>	<u>2011</u>	<u>2013</u>	<u>2021</u>	<u>2022</u>
UNF / Fraternal Activity Endowment Assets	\$2,000,000	\$12,230,000	\$12,841,500	\$11,718,264	\$945,734	(\$945,763)
Investment Income from Assets	\$100,000	\$611,500	\$642,075	\$585,913	\$47,287	(\$47,288)
Fundraising Income	500,000	0	0	0	0	0
UNF / Fraternal Activity Total Revenue	\$600,000	\$611,500	\$642,075	\$585,913	\$47,287	(\$47,288)
Rent	\$0	\$0	\$0	\$0	\$0	\$0
Salaries and Wages	0	0	0	171,071	211,112	216,736
Insured Benefit Plans for Employees	0	0	0	46,651	57,570	59,104
Legal Fees and Expenses	0	0	0	6,843	8,444	8,669
Fees of Public Accountants	0	0	0	28,512	35,185	36,123
Investment Management Fees	0	0	0	0	0	0
Travelling Expenses	0	0	0	11,405	14,074	14,449
Advertising	0	0	0	11,405	14,074	14,449
Postage, Express, Telegraph, and Telephone	0	0	0	17,107	21,111	21,674
Printing and Stationary	0	0	0	11,405	14,074	14,449
Rental of Equipment	0	0	0	22,809	28,148	28,898
Sundry General Expenses	0	0	0	5,702	7,037	7,225
Total Administrative Expenses	\$0	\$0	\$0	\$332,910	\$410,832	\$421,775
Soyuzivka Allocation	\$0	\$0	\$687,108	\$724,201	\$893,709	\$917,515
Newspapers Allocation *	0	0	316,363	333,442	411,488	422,449
Youth Activities Allocation	0	0	2,164	2,281	2,815	2,890
Donation and Scholarship Allocation	0	0	169,096	178,224	219,940	225,798
Total Fraternal Expenses	\$0	\$0	\$1,174,731	\$1,238,148	\$1,527,951	\$1,568,652
Residual Income (Reinvested into Endowment)	\$600,000	\$611,500	(\$532,656)	(\$985,145)	(\$1,891,496)	(\$2,037,716)
* Revenue less Expenses (excluding printing plant depreciation)						

Fraternal Activities Forecast: Fraternal Activities Performance Deteriorates, \$1,000,000 in Donations

	2008	2010	2011	2012	2013	2021	2022
UNF / Fraternal Activity Endowment Assets	\$2,000,000	\$12,755,000	\$13,392,750	\$12,887,657	\$12,326,017	\$1,843,662	(\$2,938)
Investment Income from Assets	\$100,000	\$637,750	\$669,638	\$644,383	\$616,301	\$92,183	(\$147)
Fundraising Income	1,000,000	0	0	0	0	0	0
UNF / Fraternal Activity Total Revenue	\$1,100,000	\$637,750	\$669,638	\$644,383	\$616,301	\$92,183	(\$147)
Rent	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Salaries and Wages	0	0	0	0	171,071	211,112	216,736
Insured Benefit Plans for Employees	0	0	0	0	46,651	57,570	59,104
Legal Fees and Expenses	0	0	0	0	6,843	8,444	8,669
Fees of Public Accountants	0	0	0	0	28,512	35,185	36,123
Investment Management Fees	0	0	0	0	0	0	0
Travelling Expenses	0	0	0	0	11,405	14,074	14,449
Advertising	0	0	0	0	11,405	14,074	14,449
Postage, Express, Telegraph, and Telephone	0	0	0	0	17,107	21,111	21,674
Printing and Stationary	0	0	0	0	11,405	14,074	14,449
Rental of Equipment	0	0	0	0	22,809	28,148	28,898
Sundry General Expenses	0	0	0	0	5,702	7,037	7,225
Total Administrative Expenses	\$0	\$0	\$0	\$0	\$332,910	\$410,832	\$421,775
Soyuzivka Allocation	\$0	\$0	\$687,108	\$705,411	\$724,201	\$893,709	\$917,515
Newspapers Allocation *	0	0	316,363	324,790	333,442	411,488	422,449
Youth Activities Allocation	0	0	2,164	2,222	2,281	2,815	2,890
Donation and Scholarship Allocation	0	0	169,096	173,600	178,224	219,940	225,798
Total Fraternal Expenses	\$0	\$0	\$1,174,731	\$1,206,023	\$1,238,148	\$1,527,951	\$1,568,652
Residual Income (Reinvested into Endowment)	\$1,100,000	\$637,750	(\$505,093)	(\$561,640)	(\$954,757)	(\$1,846,600)	(\$1,990,574)
* Revenue less Expenses (excluding printing plant depreciation)							

Fraternal Activities Forecast: Fraternal Activities Performance Deteriorates, \$11,000,000 in Donations

	2008	2009	2010	2011	2013	2032	2033
UNF / Fraternal Activity Endowment Assets	\$2,000,000	\$3,100,000	\$22,755,000	\$23,892,750	\$23,902,267	\$1,284,945	(\$1,239,721)
Investment Income from Assets	\$100,000	\$155,000	\$1,137,750	\$1,194,638	\$1,195,113	\$64,247	(\$61,986)
Fundraising Income	1,000,000	10,000,000	0	0	0	0	0
UNF / Fraternal Activity Total Revenue	\$1,100,000	\$10,155,000	\$1,137,750	\$1,194,638	\$1,195,113	\$64,247	(\$61,986)
Rent	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Salaries and Wages	0	0	0	0	171,071	281,904	289,414
Insured Benefit Plans for Employees	0	0	0	0	46,651	76,875	78,923
Legal Fees and Expenses	0	0	0	0	6,843	11,276	11,577
Fees of Public Accountants	0	0	0	0	28,512	46,984	48,236
Investment Management Fees	0	0	0	0	0	0	0
Travelling Expenses	0	0	0	0	11,405	18,794	19,294
Advertising	0	0	0	0	11,405	18,794	19,294
Postage, Express, Telegraph, and Telephone	0	0	0	0	17,107	28,190	28,941
Printing and Stationary	0	0	0	0	11,405	18,794	19,294
Rental of Equipment	0	0	0	0	22,809	37,587	38,588
Sundry General Expenses	0	0	0	0	5,702	9,397	9,647
Total Administrative Expenses	\$0	\$0	\$0	\$0	\$332,910	\$548,596	\$563,209
Soyuzivka Allocation	\$0	\$0	\$0	\$687,108	\$724,201	\$1,193,396	\$1,225,185
Newspapers Allocation *	0	0	0	316,363	333,442	549,471	564,108
Youth Activities Allocation	0	0	0	2,164	2,281	3,759	3,859
Donation and Scholarship Allocation	0	0	0	169,096	178,224	293,692	301,515
Total Fraternal Expenses	\$0	\$0	\$0	\$1,174,731	\$1,238,148	\$2,040,318	\$2,094,666
Residual Income (Reinvested into Endowment)	\$1,100,000	\$10,155,000	\$1,137,750	\$19,907	(\$375,945)	(\$2,524,666)	(\$2,719,861)
* Revenue less Expenses (excluding printing plant depreciation)							

*Strategic Alternative #3, Paulus Hook Sale Proceeds go to UNA in 2008***Insurance Business Forecast**

	2007	2008	2009	2010	2062	2063
Premiums and Annuity Considerations	\$3,501,673	\$3,566,564	\$3,350,899	\$3,260,303	\$3,319,365	\$3,319,365
Net Investment Income	3,302,505	3,208,686	3,170,429	3,150,736	3,181,226	3,181,226
Total Insurance Business Revenue	\$6,804,178	\$6,775,250	\$6,521,328	\$6,411,038	\$6,500,591	\$6,500,591
Contractual Payments Made to Members / Beneficiaries	\$3,314,753	\$3,261,465	\$3,330,638	\$3,434,850	\$3,431,187	\$3,431,187
Increase (Decrease) in Reserves Required to Guarantee Contractual Obligations	1,141,304	1,225,536	945,589	827,990	904,656	904,656
Other Expenses and Deductions	2,238,427	2,279,612	2,344,727	2,231,255	2,247,657	2,247,657
Commissions on Premiums and Considerations	168,335	170,186	171,070	168,551	166,279	166,279
Total Insurance Business Expenses	\$6,862,819	\$6,936,799	\$6,792,024	\$6,662,647	\$6,749,779	\$6,749,779
UNA Insurance Business Net Income (Loss)	(\$58,641)	(\$161,549)	(\$270,696)	(\$251,608)	(\$249,188)	(\$249,188)
Soyuzivka Net Loss	\$635,000	\$0	\$0	\$0	\$0	\$0
Newspapers Net Loss *	292,371	0	0	0	0	0
Youth Activities Total Expenses	2,000	0	0	0	0	0
Donations and Scholarships Total Expenses	156,272	0	0	0	0	0
UNA Net Income (Loss)	(\$1,144,284)	(\$161,549)	(\$270,696)	(\$251,608)	(\$249,188)	(\$249,188)
Total Insurance Business Assets	\$64,851,234	\$74,590,137	\$74,492,350	\$74,426,220	\$61,285,349	\$61,036,162
Certificate Reserves	\$53,821,558	\$54,661,779	\$55,387,781	\$55,687,812	\$55,361,474	\$55,361,474
Other Liabilities	4,822,327	4,382,559	3,829,465	3,714,913	3,870,237	3,870,237
Unassigned Surplus	6,207,349	15,545,800	15,275,104	15,023,495	2,053,639	1,804,451
Total Liabilities and Unassigned Surplus	\$64,851,234	\$74,590,137	\$74,492,350	\$74,426,220	\$61,285,349	\$61,036,162
* Revenue less Expenses (excluding printing plant depreciation)						

Fraternal Activities Forecast: Fraternal Activities Performance Improves, \$0 in Donations

	2008	2009	2010
UNF / Fraternal Activity Endowment Assets	\$2,000,000	\$722,452	(\$191,096)
Investment Income from Assets	\$100,000	\$36,123	(\$9,555)
Fundraising Income	0	0	0
UNF / Fraternal Activity Total Revenue	\$100,000	\$36,123	(\$9,555)
Rent	\$0	\$0	\$0
Salaries and Wages	150,000	153,996	158,098
Insured Benefit Plans for Employees	40,905	41,995	43,113
Legal Fees and Expenses	6,000	6,160	6,324
Fees of Public Accountants	25,000	25,666	26,350
Investment Management Fees	0	0	0
Travelling Expenses	10,000	10,266	10,540
Advertising	10,000	10,266	10,540
Postage, Express, Telegraph, and Telephone	15,000	15,400	15,810
Printing and Stationary	10,000	10,266	10,540
Rental of Equipment	20,000	20,533	21,080
Sundry General Expenses	5,000	5,133	5,270
Total Administrative Expenses	\$291,905	\$299,681	\$307,663
Soyuzivka Allocation	\$635,000	\$351,966	\$351,966
Newspapers Allocation *	292,371	135,536	135,536
Youth Activities Allocation	2,000	2,053	2,108
Donation and Scholarship Allocation	156,272	160,435	164,708
Total Fraternal Expenses	\$1,085,643	\$649,990	\$654,318
Residual Income (Reinvested into Endowment)	<u>(\$1,277,548)</u>	<u>(\$913,548)</u>	<u>(\$971,536)</u>
* Revenue less Expenses (excluding printing plant depreciation)			

Fraternal Activities Forecast: Fraternal Activities Performance Improves, \$500,000 in Donations

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
UNF / Fraternal Activity Endowment Assets	\$2,000,000	\$1,222,452	\$333,904	(\$611,382)
Investment Income from Assets	\$100,000	\$61,123	\$16,695	(\$30,569)
Fundraising Income	500,000	0	0	0
UNF / Fraternal Activity Total Revenue	\$600,000	\$61,123	\$16,695	(\$30,569)
Rent	\$0	\$0	\$0	\$0
Salaries and Wages	150,000	153,996	158,098	162,309
Insured Benefit Plans for Employees	40,905	41,995	43,113	44,262
Legal Fees and Expenses	6,000	6,160	6,324	6,492
Fees of Public Accountants	25,000	25,666	26,350	27,051
Investment Management Fees	0	0	0	0
Travelling Expenses	10,000	10,266	10,540	10,821
Advertising	10,000	10,266	10,540	10,821
Postage, Express, Telegraph, and Telephone	15,000	15,400	15,810	16,231
Printing and Stationary	10,000	10,266	10,540	10,821
Rental of Equipment	20,000	20,533	21,080	21,641
Sundry General Expenses	5,000	5,133	5,270	5,410
Total Administrative Expenses	\$291,905	\$299,681	\$307,663	\$315,859
Soyuzivka Allocation	\$635,000	\$351,966	\$351,966	\$351,966
Newspapers Allocation *	292,371	135,536	135,536	135,536
Youth Activities Allocation	2,000	2,053	2,108	2,164
Donation and Scholarship Allocation	156,272	160,435	164,708	169,096
Total Fraternal Expenses	\$1,085,643	\$649,990	\$654,318	\$658,762
Residual Income (Reinvested into Endowment)	<u>(\$777,548)</u>	<u>(\$888,548)</u>	<u>(\$945,286)</u>	<u>(\$1,005,190)</u>
* Revenue less Expenses (excluding printing plant depreciation)				

Fraternal Activities Forecast: Fraternal Activities Performance Improves, \$1,000,000 in Donations

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
UNF / Fraternal Activity Endowment Assets	\$2,000,000	\$1,722,452	\$858,904	(\$60,132)
Investment Income from Assets	\$100,000	\$86,123	\$42,945	(\$3,007)
Fundraising Income	1,000,000	0	0	0
UNF / Fraternal Activity Total Revenue	\$1,100,000	\$86,123	\$42,945	(\$3,007)
Rent	\$0	\$0	\$0	\$0
Salaries and Wages	150,000	153,996	158,098	162,309
Insured Benefit Plans for Employees	40,905	41,995	43,113	44,262
Legal Fees and Expenses	6,000	6,160	6,324	6,492
Fees of Public Accountants	25,000	25,666	26,350	27,051
Investment Management Fees	0	0	0	0
Travelling Expenses	10,000	10,266	10,540	10,821
Advertising	10,000	10,266	10,540	10,821
Postage, Express, Telegraph, and Telephone	15,000	15,400	15,810	16,231
Printing and Stationary	10,000	10,266	10,540	10,821
Rental of Equipment	20,000	20,533	21,080	21,641
Sundry General Expenses	5,000	5,133	5,270	5,410
Total Administrative Expenses	\$291,905	\$299,681	\$307,663	\$315,859
Soyuzivka Allocation	\$635,000	\$351,966	\$351,966	\$351,966
Newspapers Allocation *	292,371	135,536	135,536	135,536
Youth Activities Allocation	2,000	2,053	2,108	2,164
Donation and Scholarship Allocation	156,272	160,435	164,708	169,096
Total Fraternal Expenses	\$1,085,643	\$649,990	\$654,318	\$658,762
Residual Income (Reinvested into Endowment)	<u>(\$277,548)</u>	<u>(\$863,548)</u>	<u>(\$919,036)</u>	<u>(\$977,627)</u>
* Revenue less Expenses (excluding printing plant depreciation)				

Fraternal Activities Forecast: Fraternal Activities Performance Improves, \$11,000,000 in Donations

	2008	2009	2010	2015	2016	2024	2025
UNF / Fraternal Activity Endowment Assets	\$2,000,000	\$1,722,452	\$10,858,904	\$8,407,098	\$7,798,819	\$520,515	(\$756,671)
Investment Income from Assets	\$100,000	\$86,123	\$542,945	\$420,355	\$389,941	\$26,026	(\$37,834)
Fundraising Income	1,000,000	10,000,000	0	0	0	0	0
UNF / Fraternal Activity Total Revenue	\$1,100,000	\$10,086,123	\$542,945	\$420,355	\$389,941	\$26,026	(\$37,834)
Rent	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Salaries and Wages	150,000	153,996	158,098	180,306	185,109	228,436	234,521
Insured Benefit Plans for Employees	40,905	41,995	43,113	49,170	50,479	62,295	63,954
Legal Fees and Expenses	6,000	6,160	6,324	7,212	7,404	9,137	9,381
Fees of Public Accountants	25,000	25,666	26,350	30,051	30,852	38,073	39,087
Investment Management Fees	0	0	0	0	0	0	0
Travelling Expenses	10,000	10,266	10,540	12,020	12,341	15,229	15,635
Advertising	10,000	10,266	10,540	12,020	12,341	15,229	15,635
Postage, Express, Telegraph, and Telephone	15,000	15,400	15,810	18,031	18,511	22,844	23,452
Printing and Stationary	10,000	10,266	10,540	12,020	12,341	15,229	15,635
Rental of Equipment	20,000	20,533	21,080	24,041	24,681	30,458	31,269
Sundry General Expenses	5,000	5,133	5,270	6,010	6,170	7,615	7,817
Total Administrative Expenses	\$291,905	\$299,681	\$307,663	\$350,882	\$360,229	\$444,545	\$456,386
Soyuzivka Allocation	\$635,000	\$351,966	\$351,966	\$351,966	\$361,341	\$445,918	\$457,796
Newspapers Allocation *	292,371	135,536	135,536	135,536	139,146	171,715	176,289
Youth Activities Allocation	2,000	2,053	2,108	2,404	2,468	3,046	3,127
Donation and Scholarship Allocation	156,272	160,435	164,708	187,846	192,849	237,988	244,327
Total Fraternal Expenses	\$1,085,643	\$649,990	\$654,318	\$677,752	\$695,805	\$858,667	\$881,539
Residual Income (Reinvested into Endowment)	<u>(\$277,548)</u>	<u>\$9,136,452</u>	<u>(\$419,036)</u>	<u>(\$608,279)</u>	<u>(\$666,093)</u>	<u>(\$1,277,186)</u>	<u>(\$1,375,759)</u>
* Revenue less Expenses (excluding printing plant depreciation)							

Fraternal Activities Forecast: Fraternal Activities Performance Remains Unchanged, \$0 in Donations

	2008	2009	2010
UNF / Fraternal Activity Endowment Assets	\$2,000,000	\$722,452	(\$630,965)
Investment Income from Assets	\$100,000	\$36,123	(\$31,548)
Fundraising Income	0	0	0
UNF / Fraternal Activity Total Revenue	\$100,000	\$36,123	(\$31,548)
Rent	\$0	\$0	\$0
Salaries and Wages	150,000	153,996	158,098
Insured Benefit Plans for Employees	40,905	41,995	43,113
Legal Fees and Expenses	6,000	6,160	6,324
Fees of Public Accountants	25,000	25,666	26,350
Investment Management Fees	0	0	0
Travelling Expenses	10,000	10,266	10,540
Advertising	10,000	10,266	10,540
Postage, Express, Telegraph, and Telephone	15,000	15,400	15,810
Printing and Stationary	10,000	10,266	10,540
Rental of Equipment	20,000	20,533	21,080
Sundry General Expenses	5,000	5,133	5,270
Total Administrative Expenses	\$291,905	\$299,681	\$307,663
Soyuzivka Allocation	\$635,000	\$635,000	\$635,000
Newspapers Allocation *	292,371	292,371	292,371
Youth Activities Allocation	2,000	2,053	2,108
Donation and Scholarship Allocation	156,272	160,435	164,708
Total Fraternal Expenses	\$1,085,643	\$1,089,859	\$1,094,187
Residual Income (Reinvested into Endowment)	<u>(\$1,277,548)</u>	<u>(\$1,353,417)</u>	<u>(\$1,433,399)</u>
* Revenue less Expenses (excluding printing plant depreciation)			

Fraternal Activities Forecast: Fraternal Activities Performance Remains Unchanged, \$500,000 in Donations

	<u>2008</u>	<u>2009</u>	<u>2010</u>
UNF / Fraternal Activity Endowment Assets	\$2,000,000	\$1,222,452	(\$105,965)
Investment Income from Assets	\$100,000	\$61,123	(\$5,298)
Fundraising Income	500,000	0	0
UNF / Fraternal Activity Total Revenue	\$600,000	\$61,123	(\$5,298)
Rent	\$0	\$0	\$0
Salaries and Wages	150,000	153,996	158,098
Insured Benefit Plans for Employees	40,905	41,995	43,113
Legal Fees and Expenses	6,000	6,160	6,324
Fees of Public Accountants	25,000	25,666	26,350
Investment Management Fees	0	0	0
Travelling Expenses	10,000	10,266	10,540
Advertising	10,000	10,266	10,540
Postage, Express, Telegraph, and Telephone	15,000	15,400	15,810
Printing and Stationary	10,000	10,266	10,540
Rental of Equipment	20,000	20,533	21,080
Sundry General Expenses	5,000	5,133	5,270
Total Administrative Expenses	\$291,905	\$299,681	\$307,663
Soyuzivka Allocation	\$635,000	\$635,000	\$635,000
Newspapers Allocation *	292,371	292,371	292,371
Youth Activities Allocation	2,000	2,053	2,108
Donation and Scholarship Allocation	156,272	160,435	164,708
Total Fraternal Expenses	\$1,085,643	\$1,089,859	\$1,094,187
Residual Income (Reinvested into Endowment)	<u>(\$777,548)</u>	<u>(\$1,328,417)</u>	<u>(\$1,407,149)</u>
* Revenue less Expenses (excluding printing plant depreciation)			

Fraternal Activities Forecast: Fraternal Activities Performance Remains Unchanged, \$1,000,000 in Donations

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
UNF / Fraternal Activity Endowment Assets	\$2,000,000	\$1,722,452	\$419,035	(\$961,864)
Investment Income from Assets	\$100,000	\$86,123	\$20,952	(\$48,093)
Fundraising Income	1,000,000	0	0	0
UNF / Fraternal Activity Total Revenue	\$1,100,000	\$86,123	\$20,952	(\$48,093)
Rent	\$0	\$0	\$0	\$0
Salaries and Wages	150,000	153,996	158,098	162,309
Insured Benefit Plans for Employees	40,905	41,995	43,113	44,262
Legal Fees and Expenses	6,000	6,160	6,324	6,492
Fees of Public Accountants	25,000	25,666	26,350	27,051
Investment Management Fees	0	0	0	0
Travelling Expenses	10,000	10,266	10,540	10,821
Advertising	10,000	10,266	10,540	10,821
Postage, Express, Telegraph, and Telephone	15,000	15,400	15,810	16,231
Printing and Stationary	10,000	10,266	10,540	10,821
Rental of Equipment	20,000	20,533	21,080	21,641
Sundry General Expenses	5,000	5,133	5,270	5,410
Total Administrative Expenses	\$291,905	\$299,681	\$307,663	\$315,859
Soyuzivka Allocation	\$635,000	\$635,000	\$635,000	\$635,000
Newspapers Allocation *	292,371	292,371	292,371	292,371
Youth Activities Allocation	2,000	2,053	2,108	2,164
Donation and Scholarship Allocation	156,272	160,435	164,708	169,096
Total Fraternal Expenses	\$1,085,643	\$1,089,859	\$1,094,187	\$1,098,631
Residual Income (Reinvested into Endowment)	<u>(\$277,548)</u>	<u>(\$1,303,417)</u>	<u>(\$1,380,899)</u>	<u>(\$1,462,583)</u>
* Revenue less Expenses (excluding printing plant depreciation)				

Fraternal Activities Forecast: Fraternal Activities Performance Remains Unchanged, \$11,000,000 in Donations

	2008	2009	2010	2012	2013	2018	2019
UNF / Fraternal Activity Endowment Assets	\$2,000,000	\$1,722,452	\$10,419,035	\$8,600,553	\$7,603,116	\$1,184,782	(\$427,332)
Investment Income from Assets	\$100,000	\$86,123	\$520,952	\$430,028	\$380,156	\$59,239	(\$21,367)
Fundraising Income	1,000,000	10,000,000	0	0	0	0	0
UNF / Fraternal Activity Total Revenue	\$1,100,000	\$10,086,123	\$520,952	\$430,028	\$380,156	\$59,239	(\$21,367)
Rent	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Salaries and Wages	150,000	153,996	158,098	166,633	171,071	195,102	200,299
Insured Benefit Plans for Employees	40,905	41,995	43,113	45,441	46,651	53,204	54,622
Legal Fees and Expenses	6,000	6,160	6,324	6,665	6,843	7,804	8,012
Fees of Public Accountants	25,000	25,666	26,350	27,772	28,512	32,517	33,383
Investment Management Fees	0	0	0	0	0	0	0
Travelling Expenses	10,000	10,266	10,540	11,109	11,405	13,007	13,353
Advertising	10,000	10,266	10,540	11,109	11,405	13,007	13,353
Postage, Express, Telegraph, and Telephone	15,000	15,400	15,810	16,663	17,107	19,510	20,030
Printing and Stationary	10,000	10,266	10,540	11,109	11,405	13,007	13,353
Rental of Equipment	20,000	20,533	21,080	22,218	22,809	26,014	26,707
Sundry General Expenses	5,000	5,133	5,270	5,554	5,702	6,503	6,677
Total Administrative Expenses	\$291,905	\$299,681	\$307,663	\$324,272	\$332,910	\$379,676	\$389,789
Soyuzivka Allocation	\$635,000	\$635,000	\$635,000	\$635,000	\$651,915	\$743,492	\$763,297
Newspapers Allocation *	292,371	292,371	292,371	292,371	300,159	342,324	351,442
Youth Activities Allocation	2,000	2,053	2,108	2,222	2,281	2,601	2,671
Donation and Scholarship Allocation	156,272	160,435	164,708	173,600	178,224	203,260	208,675
Total Fraternal Expenses	\$1,085,643	\$1,089,859	\$1,094,187	\$1,103,193	\$1,132,579	\$1,291,677	\$1,326,084
Residual Income (Reinvested into Endowment)	(\$277,548)	\$8,696,583	(\$880,899)	(\$997,437)	(\$1,085,333)	(\$1,612,114)	(\$1,737,240)
* Revenue less Expenses (excluding printing plant depreciation)							

Fraternal Activities Forecast: Fraternal Activities Performance Deteriorates, \$0 in Donations

	<u>2008</u>	<u>2009</u>	<u>2010</u>
UNF / Fraternal Activity Endowment Assets	\$2,000,000	\$722,452	(\$655,668)
Investment Income from Assets	\$100,000	\$36,123	(\$32,783)
Fundraising Income	0	0	0
UNF / Fraternal Activity Total Revenue	\$100,000	\$36,123	(\$32,783)
Rent	\$0	\$0	\$0
Salaries and Wages	150,000	153,996	158,098
Insured Benefit Plans for Employees	40,905	41,995	43,113
Legal Fees and Expenses	6,000	6,160	6,324
Fees of Public Accountants	25,000	25,666	26,350
Investment Management Fees	0	0	0
Travelling Expenses	10,000	10,266	10,540
Advertising	10,000	10,266	10,540
Postage, Express, Telegraph, and Telephone	15,000	15,400	15,810
Printing and Stationary	10,000	10,266	10,540
Rental of Equipment	20,000	20,533	21,080
Sundry General Expenses	5,000	5,133	5,270
Total Administrative Expenses	\$291,905	\$299,681	\$307,663
Soyuzivka Allocation	\$635,000	\$651,915	\$669,280
Newspapers Allocation *	292,371	300,159	308,155
Youth Activities Allocation	2,000	2,053	2,108
Donation and Scholarship Allocation	156,272	160,435	164,708
Total Fraternal Expenses	\$1,085,643	\$1,114,562	\$1,144,251
Residual Income (Reinvested into Endowment)	<u>(\$1,277,548)</u>	<u>(\$1,378,120)</u>	<u>(\$1,484,698)</u>
* Revenue less Expenses (excluding printing plant depreciation)			

Fraternal Activities Forecast: Fraternal Activities Performance Deteriorates, \$500,000 in Donations

	2008	2009	2010
UNF / Fraternal Activity Endowment Assets	\$2,000,000	\$1,222,452	(\$130,668)
Investment Income from Assets	\$100,000	\$61,123	(\$6,533)
Fundraising Income	500,000	0	0
UNF / Fraternal Activity Total Revenue	\$600,000	\$61,123	(\$6,533)
Rent	\$0	\$0	\$0
Salaries and Wages	150,000	153,996	158,098
Insured Benefit Plans for Employees	40,905	41,995	43,113
Legal Fees and Expenses	6,000	6,160	6,324
Fees of Public Accountants	25,000	25,666	26,350
Investment Management Fees	0	0	0
Travelling Expenses	10,000	10,266	10,540
Advertising	10,000	10,266	10,540
Postage, Express, Telegraph, and Telephone	15,000	15,400	15,810
Printing and Stationary	10,000	10,266	10,540
Rental of Equipment	20,000	20,533	21,080
Sundry General Expenses	5,000	5,133	5,270
Total Administrative Expenses	\$291,905	\$299,681	\$307,663
Soyuzivka Allocation	\$635,000	\$651,915	\$669,280
Newspapers Allocation *	292,371	300,159	308,155
Youth Activities Allocation	2,000	2,053	2,108
Donation and Scholarship Allocation	156,272	160,435	164,708
Total Fraternal Expenses	\$1,085,643	\$1,114,562	\$1,144,251
Residual Income (Reinvested into Endowment)	<u>(\$777,548)</u>	<u>(\$1,353,120)</u>	<u>(\$1,458,448)</u>
* Revenue less Expenses (excluding printing plant depreciation)			

Fraternal Activities Forecast: Fraternal Activities Performance Deteriorates, \$1,000,000 in Donations

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
UNF / Fraternal Activity Endowment Assets	\$2,000,000	\$1,722,452	\$394,332	(\$1,037,865)
Investment Income from Assets	\$100,000	\$86,123	\$19,717	(\$51,893)
Fundraising Income	1,000,000	0	0	0
UNF / Fraternal Activity Total Revenue	\$1,100,000	\$86,123	\$19,717	(\$51,893)
Rent	\$0	\$0	\$0	\$0
Salaries and Wages	150,000	153,996	158,098	162,309
Insured Benefit Plans for Employees	40,905	41,995	43,113	44,262
Legal Fees and Expenses	6,000	6,160	6,324	6,492
Fees of Public Accountants	25,000	25,666	26,350	27,051
Investment Management Fees	0	0	0	0
Travelling Expenses	10,000	10,266	10,540	10,821
Advertising	10,000	10,266	10,540	10,821
Postage, Express, Telegraph, and Telephone	15,000	15,400	15,810	16,231
Printing and Stationary	10,000	10,266	10,540	10,821
Rental of Equipment	20,000	20,533	21,080	21,641
Sundry General Expenses	5,000	5,133	5,270	5,410
Total Administrative Expenses	\$291,905	\$299,681	\$307,663	\$315,859
Soyuzivka Allocation	\$635,000	\$651,915	\$669,280	\$687,108
Newspapers Allocation *	292,371	300,159	308,155	316,363
Youth Activities Allocation	2,000	2,053	2,108	2,164
Donation and Scholarship Allocation	156,272	160,435	164,708	169,096
Total Fraternal Expenses	\$1,085,643	\$1,114,562	\$1,144,251	\$1,174,731
Residual Income (Reinvested into Endowment)	<u>(\$277,548)</u>	<u>(\$1,328,120)</u>	<u>(\$1,432,198)</u>	<u>(\$1,542,483)</u>
* Revenue less Expenses (excluding printing plant depreciation)				

Fraternal Activities Forecast: Fraternal Activities Performance Deteriorates, \$11,000,000 in Donations

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2018</u>	<u>2019</u>
UNF / Fraternal Activity Endowment Assets	\$2,000,000	\$1,722,452	\$10,394,332	\$230,942	(\$1,549,263)
Investment Income from Assets	\$100,000	\$86,123	\$519,717	\$11,547	(\$77,463)
Fundraising Income	1,000,000	10,000,000	0	0	0
UNF / Fraternal Activity Total Revenue	\$1,100,000	\$10,086,123	\$519,717	\$11,547	(\$77,463)
Rent	\$0	\$0	\$0	\$0	\$0
Salaries and Wages	150,000	153,996	158,098	195,102	200,299
Insured Benefit Plans for Employees	40,905	41,995	43,113	53,204	54,622
Legal Fees and Expenses	6,000	6,160	6,324	7,804	8,012
Fees of Public Accountants	25,000	25,666	26,350	32,517	33,383
Investment Management Fees	0	0	0	0	0
Travelling Expenses	10,000	10,266	10,540	13,007	13,353
Advertising	10,000	10,266	10,540	13,007	13,353
Postage, Express, Telegraph, and Telephone	15,000	15,400	15,810	19,510	20,030
Printing and Stationary	10,000	10,266	10,540	13,007	13,353
Rental of Equipment	20,000	20,533	21,080	26,014	26,707
Sundry General Expenses	5,000	5,133	5,270	6,503	6,677
Total Administrative Expenses	\$291,905	\$299,681	\$307,663	\$379,676	\$389,789
Soyuzivka Allocation	\$635,000	\$651,915	\$669,280	\$825,933	\$847,934
Newspapers Allocation *	292,371	300,159	308,155	380,282	390,411
Youth Activities Allocation	2,000	2,053	2,108	2,601	2,671
Donation and Scholarship Allocation	156,272	160,435	164,708	203,260	208,675
Total Fraternal Expenses	\$1,085,643	\$1,114,562	\$1,144,251	\$1,412,076	\$1,449,690
Residual Income (Reinvested into Endowment)	<u>(\$277,548)</u>	<u>\$8,671,880</u>	<u>(\$932,198)</u>	<u>(\$1,780,205)</u>	<u>(\$1,916,943)</u>
* Revenue less Expenses (excluding printing plant depreciation)					

*Strategic Alternative #3, Paulus Hook Sale Proceeds go to UNA in 2010***Insurance Business Forecast**

	2007	2008	2009	2010	2011	2062	2063
Premiums and Annuity Considerations	\$3,501,673	\$3,566,564	\$3,350,899	\$3,260,303	\$3,212,353	\$3,319,365	\$3,319,365
Net Investment Income	3,302,505	3,208,686	3,170,429	3,150,736	3,176,858	3,181,226	3,181,226
Total Insurance Business Revenue	\$6,804,178	\$6,775,250	\$6,521,328	\$6,411,038	\$6,389,210	\$6,500,591	\$6,500,591
Contractual Payments Made to Members / Beneficiaries	\$3,314,753	\$3,261,465	\$3,330,638	\$3,434,850	\$3,467,643	\$3,431,187	\$3,431,187
Increase (Decrease) in Reserves Required to Guarantee							
Contractual Obligations	1,141,304	1,225,536	945,589	827,990	765,748	904,656	904,656
Other Expenses and Deductions	2,238,427	2,279,612	2,344,727	2,231,255	2,226,455	2,247,657	2,247,657
Commissions on Premiums and Considerations	168,335	170,186	171,070	168,551	164,797	166,279	166,279
Total Insurance Business Expenses	\$6,862,819	\$6,936,799	\$6,792,024	\$6,662,647	\$6,624,643	\$6,749,779	\$6,749,779
UNA Insurance Business Net Income (Loss)	(\$58,641)	(\$161,549)	(\$270,696)	(\$251,608)	(\$235,433)	(\$249,188)	(\$249,188)
Soyuzivka Net Loss	\$635,000	\$0	\$0	\$0	\$0	\$0	\$0
Newspapers Net Loss *	292,371	0	0	0	0	0	0
Youth Activities Total Expenses	2,000	0	0	0	0	0	0
Donations and Scholarships Total Expenses	156,272	0	0	0	0	0	0
UNA Net Income (Loss)	(\$1,144,284)	(\$161,549)	(\$270,696)	(\$251,608)	(\$235,433)	(\$249,188)	(\$249,188)
Total Insurance Business Assets	\$64,851,234	\$65,090,137	\$64,992,350	\$74,426,220	\$74,161,642	\$61,285,349	\$61,036,162
Certificate Reserves	\$53,821,558	\$54,661,779	\$55,387,781	\$55,687,812	\$55,652,900	\$55,361,474	\$55,361,474
Other Liabilities	4,822,327	4,382,559	3,829,465	3,714,913	3,720,679	3,870,237	3,870,237
Unassigned Surplus	6,207,349	6,045,800	5,775,104	15,023,495	14,788,062	2,053,639	1,804,451
Total Liabilities and Unassigned Surplus	\$64,851,234	\$65,090,137	\$64,992,350	\$74,426,220	\$74,161,642	\$61,285,349	\$61,036,162
* Revenue less Expenses (excluding printing plant depreciation)							

Fraternal Activities Forecast: Fraternal Activities Performance Improves, \$0 in Donations

	2008	2009	2010
UNF / Fraternal Activity Endowment Assets	\$2,000,000	\$722,452	(\$191,096)
Investment Income from Assets	\$100,000	\$36,123	(\$9,555)
Fundraising Income	0	0	0
UNF / Fraternal Activity Total Revenue	\$100,000	\$36,123	(\$9,555)
Rent	\$0	\$0	\$0
Salaries and Wages	150,000	153,996	158,098
Insured Benefit Plans for Employees	40,905	41,995	43,113
Legal Fees and Expenses	6,000	6,160	6,324
Fees of Public Accountants	25,000	25,666	26,350
Investment Management Fees	0	0	0
Travelling Expenses	10,000	10,266	10,540
Advertising	10,000	10,266	10,540
Postage, Express, Telegraph, and Telephone	15,000	15,400	15,810
Printing and Stationary	10,000	10,266	10,540
Rental of Equipment	20,000	20,533	21,080
Sundry General Expenses	5,000	5,133	5,270
Total Administrative Expenses	\$291,905	\$299,681	\$307,663
Soyuzivka Allocation	\$635,000	\$351,966	\$351,966
Newspapers Allocation *	292,371	135,536	135,536
Youth Activities Allocation	2,000	2,053	2,108
Donation and Scholarship Allocation	156,272	160,435	164,708
Total Fraternal Expenses	\$1,085,643	\$649,990	\$654,318
Residual Income (Reinvested into Endowment)	<u>(\$1,277,548)</u>	<u>(\$913,548)</u>	<u>(\$971,536)</u>
* Revenue less Expenses (excluding printing plant depreciation)			

Fraternal Activities Forecast: Fraternal Activities Performance Improves, \$500,000 in Donations

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
UNF / Fraternal Activity Endowment Assets	\$2,000,000	\$1,222,452	\$333,904	(\$611,382)
Investment Income from Assets	\$100,000	\$61,123	\$16,695	(\$30,569)
Fundraising Income	500,000	0	0	0
UNF / Fraternal Activity Total Revenue	\$600,000	\$61,123	\$16,695	(\$30,569)
Rent	\$0	\$0	\$0	\$0
Salaries and Wages	150,000	153,996	158,098	162,309
Insured Benefit Plans for Employees	40,905	41,995	43,113	44,262
Legal Fees and Expenses	6,000	6,160	6,324	6,492
Fees of Public Accountants	25,000	25,666	26,350	27,051
Investment Management Fees	0	0	0	0
Travelling Expenses	10,000	10,266	10,540	10,821
Advertising	10,000	10,266	10,540	10,821
Postage, Express, Telegraph, and Telephone	15,000	15,400	15,810	16,231
Printing and Stationary	10,000	10,266	10,540	10,821
Rental of Equipment	20,000	20,533	21,080	21,641
Sundry General Expenses	5,000	5,133	5,270	5,410
Total Administrative Expenses	\$291,905	\$299,681	\$307,663	\$315,859
Soyuzivka Allocation	\$635,000	\$351,966	\$351,966	\$351,966
Newspapers Allocation *	292,371	135,536	135,536	135,536
Youth Activities Allocation	2,000	2,053	2,108	2,164
Donation and Scholarship Allocation	156,272	160,435	164,708	169,096
Total Fraternal Expenses	\$1,085,643	\$649,990	\$654,318	\$658,762
Residual Income (Reinvested into Endowment)	<u>(\$777,548)</u>	<u>(\$888,548)</u>	<u>(\$945,286)</u>	<u>(\$1,005,190)</u>
* Revenue less Expenses (excluding printing plant depreciation)				

Fraternal Activities Forecast: Fraternal Activities Performance Improves, \$1,000,000 in Donations

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
UNF / Fraternal Activity Endowment Assets	\$2,000,000	\$1,722,452	\$858,904	(\$60,132)
Investment Income from Assets	\$100,000	\$86,123	\$42,945	(\$3,007)
Fundraising Income	1,000,000	0	0	0
UNF / Fraternal Activity Total Revenue	\$1,100,000	\$86,123	\$42,945	(\$3,007)
Rent	\$0	\$0	\$0	\$0
Salaries and Wages	150,000	153,996	158,098	162,309
Insured Benefit Plans for Employees	40,905	41,995	43,113	44,262
Legal Fees and Expenses	6,000	6,160	6,324	6,492
Fees of Public Accountants	25,000	25,666	26,350	27,051
Investment Management Fees	0	0	0	0
Travelling Expenses	10,000	10,266	10,540	10,821
Advertising	10,000	10,266	10,540	10,821
Postage, Express, Telegraph, and Telephone	15,000	15,400	15,810	16,231
Printing and Stationary	10,000	10,266	10,540	10,821
Rental of Equipment	20,000	20,533	21,080	21,641
Sundry General Expenses	5,000	5,133	5,270	5,410
Total Administrative Expenses	\$291,905	\$299,681	\$307,663	\$315,859
Soyuzivka Allocation	\$635,000	\$351,966	\$351,966	\$351,966
Newspapers Allocation *	292,371	135,536	135,536	135,536
Youth Activities Allocation	2,000	2,053	2,108	2,164
Donation and Scholarship Allocation	156,272	160,435	164,708	169,096
Total Fraternal Expenses	\$1,085,643	\$649,990	\$654,318	\$658,762
Residual Income (Reinvested into Endowment)	<u>(\$277,548)</u>	<u>(\$863,548)</u>	<u>(\$919,036)</u>	<u>(\$977,627)</u>
* Revenue less Expenses (excluding printing plant depreciation)				

Fraternal Activities Forecast: Fraternal Activities Performance Improves, \$11,000,000 in Donations

	2008	2009	2010	2015	2016	2024	2025
UNF / Fraternal Activity Endowment Assets	\$2,000,000	\$1,722,452	\$10,858,904	\$8,407,098	\$7,798,819	\$520,515	(\$756,671)
Investment Income from Assets	\$100,000	\$86,123	\$542,945	\$420,355	\$389,941	\$26,026	(\$37,834)
Fundraising Income	1,000,000	10,000,000	0	0	0	0	0
UNF / Fraternal Activity Total Revenue	\$1,100,000	\$10,086,123	\$542,945	\$420,355	\$389,941	\$26,026	(\$37,834)
Rent	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Salaries and Wages	150,000	153,996	158,098	180,306	185,109	228,436	234,521
Insured Benefit Plans for Employees	40,905	41,995	43,113	49,170	50,479	62,295	63,954
Legal Fees and Expenses	6,000	6,160	6,324	7,212	7,404	9,137	9,381
Fees of Public Accountants	25,000	25,666	26,350	30,051	30,852	38,073	39,087
Investment Management Fees	0	0	0	0	0	0	0
Travelling Expenses	10,000	10,266	10,540	12,020	12,341	15,229	15,635
Advertising	10,000	10,266	10,540	12,020	12,341	15,229	15,635
Postage, Express, Telegraph, and Telephone	15,000	15,400	15,810	18,031	18,511	22,844	23,452
Printing and Stationary	10,000	10,266	10,540	12,020	12,341	15,229	15,635
Rental of Equipment	20,000	20,533	21,080	24,041	24,681	30,458	31,269
Sundry General Expenses	5,000	5,133	5,270	6,010	6,170	7,615	7,817
Total Administrative Expenses	\$291,905	\$299,681	\$307,663	\$350,882	\$360,229	\$444,545	\$456,386
Soyuzivka Allocation	\$635,000	\$351,966	\$351,966	\$351,966	\$361,341	\$445,918	\$457,796
Newspapers Allocation *	292,371	135,536	135,536	135,536	139,146	171,715	176,289
Youth Activities Allocation	2,000	2,053	2,108	2,404	2,468	3,046	3,127
Donation and Scholarship Allocation	156,272	160,435	164,708	187,846	192,849	237,988	244,327
Total Fraternal Expenses	\$1,085,643	\$649,990	\$654,318	\$677,752	\$695,805	\$858,667	\$881,539
Residual Income (Reinvested into Endowment)	<u>(\$277,548)</u>	<u>\$9,136,452</u>	<u>(\$419,036)</u>	<u>(\$608,279)</u>	<u>(\$666,093)</u>	<u>(\$1,277,186)</u>	<u>(\$1,375,759)</u>
* Revenue less Expenses (excluding printing plant depreciation)							

Fraternal Activities Forecast: Fraternal Activities Performance Remains Unchanged, \$0 in Donations

	2008	2009	2010
UNF / Fraternal Activity Endowment Assets	\$2,000,000	\$722,452	(\$630,965)
Investment Income from Assets	\$100,000	\$36,123	(\$31,548)
Fundraising Income	0	0	0
UNF / Fraternal Activity Total Revenue	\$100,000	\$36,123	(\$31,548)
Rent	\$0	\$0	\$0
Salaries and Wages	150,000	153,996	158,098
Insured Benefit Plans for Employees	40,905	41,995	43,113
Legal Fees and Expenses	6,000	6,160	6,324
Fees of Public Accountants	25,000	25,666	26,350
Investment Management Fees	0	0	0
Travelling Expenses	10,000	10,266	10,540
Advertising	10,000	10,266	10,540
Postage, Express, Telegraph, and Telephone	15,000	15,400	15,810
Printing and Stationary	10,000	10,266	10,540
Rental of Equipment	20,000	20,533	21,080
Sundry General Expenses	5,000	5,133	5,270
Total Administrative Expenses	\$291,905	\$299,681	\$307,663
Soyuzivka Allocation	\$635,000	\$635,000	\$635,000
Newspapers Allocation *	292,371	292,371	292,371
Youth Activities Allocation	2,000	2,053	2,108
Donation and Scholarship Allocation	156,272	160,435	164,708
Total Fraternal Expenses	\$1,085,643	\$1,089,859	\$1,094,187
Residual Income (Reinvested into Endowment)	<u>(\$1,277,548)</u>	<u>(\$1,353,417)</u>	<u>(\$1,433,399)</u>
* Revenue less Expenses (excluding printing plant depreciation)			

Fraternal Activities Forecast: Fraternal Activities Performance Remains Unchanged, \$500,000 in Donations

	2008	2009	2010
UNF / Fraternal Activity Endowment Assets	\$2,000,000	\$1,222,452	(\$105,965)
Investment Income from Assets	\$100,000	\$61,123	(\$5,298)
Fundraising Income	500,000	0	0
UNF / Fraternal Activity Total Revenue	\$600,000	\$61,123	(\$5,298)
Rent	\$0	\$0	\$0
Salaries and Wages	150,000	153,996	158,098
Insured Benefit Plans for Employees	40,905	41,995	43,113
Legal Fees and Expenses	6,000	6,160	6,324
Fees of Public Accountants	25,000	25,666	26,350
Investment Management Fees	0	0	0
Travelling Expenses	10,000	10,266	10,540
Advertising	10,000	10,266	10,540
Postage, Express, Telegraph, and Telephone	15,000	15,400	15,810
Printing and Stationary	10,000	10,266	10,540
Rental of Equipment	20,000	20,533	21,080
Sundry General Expenses	5,000	5,133	5,270
Total Administrative Expenses	\$291,905	\$299,681	\$307,663
Soyuzivka Allocation	\$635,000	\$635,000	\$635,000
Newspapers Allocation *	292,371	292,371	292,371
Youth Activities Allocation	2,000	2,053	2,108
Donation and Scholarship Allocation	156,272	160,435	164,708
Total Fraternal Expenses	\$1,085,643	\$1,089,859	\$1,094,187
Residual Income (Reinvested into Endowment)	<u>(\$777,548)</u>	<u>(\$1,328,417)</u>	<u>(\$1,407,149)</u>
* Revenue less Expenses (excluding printing plant depreciation)			

Fraternal Activities Forecast: Fraternal Activities Performance Remains Unchanged, \$1,000,000 in Donations

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
UNF / Fraternal Activity Endowment Assets	\$2,000,000	\$1,722,452	\$419,035	(\$961,864)
Investment Income from Assets	\$100,000	\$86,123	\$20,952	(\$48,093)
Fundraising Income	1,000,000	0	0	0
UNF / Fraternal Activity Total Revenue	\$1,100,000	\$86,123	\$20,952	(\$48,093)
Rent	\$0	\$0	\$0	\$0
Salaries and Wages	150,000	153,996	158,098	162,309
Insured Benefit Plans for Employees	40,905	41,995	43,113	44,262
Legal Fees and Expenses	6,000	6,160	6,324	6,492
Fees of Public Accountants	25,000	25,666	26,350	27,051
Investment Management Fees	0	0	0	0
Travelling Expenses	10,000	10,266	10,540	10,821
Advertising	10,000	10,266	10,540	10,821
Postage, Express, Telegraph, and Telephone	15,000	15,400	15,810	16,231
Printing and Stationary	10,000	10,266	10,540	10,821
Rental of Equipment	20,000	20,533	21,080	21,641
Sundry General Expenses	5,000	5,133	5,270	5,410
Total Administrative Expenses	\$291,905	\$299,681	\$307,663	\$315,859
Soyuzivka Allocation	\$635,000	\$635,000	\$635,000	\$635,000
Newspapers Allocation *	292,371	292,371	292,371	292,371
Youth Activities Allocation	2,000	2,053	2,108	2,164
Donation and Scholarship Allocation	156,272	160,435	164,708	169,096
Total Fraternal Expenses	\$1,085,643	\$1,089,859	\$1,094,187	\$1,098,631
Residual Income (Reinvested into Endowment)	<u>(\$277,548)</u>	<u>(\$1,303,417)</u>	<u>(\$1,380,899)</u>	<u>(\$1,462,583)</u>
* Revenue less Expenses (excluding printing plant depreciation)				

Fraternal Activities Forecast: Fraternal Activities Performance Remains Unchanged, \$11,000,000 in Donations

	2008	2009	2010	2012	2013	2018	2019
UNF / Fraternal Activity Endowment Assets	\$2,000,000	\$1,722,452	\$10,419,035	\$8,600,553	\$7,603,116	\$1,184,782	(\$427,332)
Investment Income from Assets	\$100,000	\$86,123	\$520,952	\$430,028	\$380,156	\$59,239	(\$21,367)
Fundraising Income	1,000,000	10,000,000	0	0	0	0	0
UNF / Fraternal Activity Total Revenue	\$1,100,000	\$10,086,123	\$520,952	\$430,028	\$380,156	\$59,239	(\$21,367)
Rent	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Salaries and Wages	150,000	153,996	158,098	166,633	171,071	195,102	200,299
Insured Benefit Plans for Employees	40,905	41,995	43,113	45,441	46,651	53,204	54,622
Legal Fees and Expenses	6,000	6,160	6,324	6,665	6,843	7,804	8,012
Fees of Public Accountants	25,000	25,666	26,350	27,772	28,512	32,517	33,383
Investment Management Fees	0	0	0	0	0	0	0
Travelling Expenses	10,000	10,266	10,540	11,109	11,405	13,007	13,353
Advertising	10,000	10,266	10,540	11,109	11,405	13,007	13,353
Postage, Express, Telegraph, and Telephone	15,000	15,400	15,810	16,663	17,107	19,510	20,030
Printing and Stationary	10,000	10,266	10,540	11,109	11,405	13,007	13,353
Rental of Equipment	20,000	20,533	21,080	22,218	22,809	26,014	26,707
Sundry General Expenses	5,000	5,133	5,270	5,554	5,702	6,503	6,677
Total Administrative Expenses	\$291,905	\$299,681	\$307,663	\$324,272	\$332,910	\$379,676	\$389,789
Soyuzivka Allocation	\$635,000	\$635,000	\$635,000	\$635,000	\$651,915	\$743,492	\$763,297
Newspapers Allocation *	292,371	292,371	292,371	292,371	300,159	342,324	351,442
Youth Activities Allocation	2,000	2,053	2,108	2,222	2,281	2,601	2,671
Donation and Scholarship Allocation	156,272	160,435	164,708	173,600	178,224	203,260	208,675
Total Fraternal Expenses	\$1,085,643	\$1,089,859	\$1,094,187	\$1,103,193	\$1,132,579	\$1,291,677	\$1,326,084
Residual Income (Reinvested into Endowment)	(\$277,548)	\$8,696,583	(\$880,899)	(\$997,437)	(\$1,085,333)	(\$1,612,114)	(\$1,737,240)
* Revenue less Expenses (excluding printing plant depreciation)							

Fraternal Activities Forecast: Fraternal Activities Performance Deteriorates, \$0 in Donations

	2008	2009	2010
UNF / Fraternal Activity Endowment Assets	\$2,000,000	\$722,452	(\$655,668)
Investment Income from Assets	\$100,000	\$36,123	(\$32,783)
Fundraising Income	0	0	0
UNF / Fraternal Activity Total Revenue	\$100,000	\$36,123	(\$32,783)
Rent	\$0	\$0	\$0
Salaries and Wages	150,000	153,996	158,098
Insured Benefit Plans for Employees	40,905	41,995	43,113
Legal Fees and Expenses	6,000	6,160	6,324
Fees of Public Accountants	25,000	25,666	26,350
Investment Management Fees	0	0	0
Travelling Expenses	10,000	10,266	10,540
Advertising	10,000	10,266	10,540
Postage, Express, Telegraph, and Telephone	15,000	15,400	15,810
Printing and Stationary	10,000	10,266	10,540
Rental of Equipment	20,000	20,533	21,080
Sundry General Expenses	5,000	5,133	5,270
Total Administrative Expenses	\$291,905	\$299,681	\$307,663
Soyuzivka Allocation	\$635,000	\$651,915	\$669,280
Newspapers Allocation *	292,371	300,159	308,155
Youth Activities Allocation	2,000	2,053	2,108
Donation and Scholarship Allocation	156,272	160,435	164,708
Total Fraternal Expenses	\$1,085,643	\$1,114,562	\$1,144,251
Residual Income (Reinvested into Endowment)	<u>(\$1,277,548)</u>	<u>(\$1,378,120)</u>	<u>(\$1,484,698)</u>
* Revenue less Expenses (excluding printing plant depreciation)			

Fraternal Activities Forecast: Fraternal Activities Performance Deteriorates, \$500,000 in Donations

	<u>2008</u>	<u>2009</u>	<u>2010</u>
UNF / Fraternal Activity Endowment Assets	\$2,000,000	\$1,222,452	(\$130,668)
Investment Income from Assets	\$100,000	\$61,123	(\$6,533)
Fundraising Income	500,000	0	0
UNF / Fraternal Activity Total Revenue	\$600,000	\$61,123	(\$6,533)
Rent	\$0	\$0	\$0
Salaries and Wages	150,000	153,996	158,098
Insured Benefit Plans for Employees	40,905	41,995	43,113
Legal Fees and Expenses	6,000	6,160	6,324
Fees of Public Accountants	25,000	25,666	26,350
Investment Management Fees	0	0	0
Travelling Expenses	10,000	10,266	10,540
Advertising	10,000	10,266	10,540
Postage, Express, Telegraph, and Telephone	15,000	15,400	15,810
Printing and Stationary	10,000	10,266	10,540
Rental of Equipment	20,000	20,533	21,080
Sundry General Expenses	5,000	5,133	5,270
Total Administrative Expenses	\$291,905	\$299,681	\$307,663
Soyuzivka Allocation	\$635,000	\$651,915	\$669,280
Newspapers Allocation *	292,371	300,159	308,155
Youth Activities Allocation	2,000	2,053	2,108
Donation and Scholarship Allocation	156,272	160,435	164,708
Total Fraternal Expenses	\$1,085,643	\$1,114,562	\$1,144,251
Residual Income (Reinvested into Endowment)	<u>(\$777,548)</u>	<u>(\$1,353,120)</u>	<u>(\$1,458,448)</u>
* Revenue less Expenses (excluding printing plant depreciation)			

Fraternal Activities Forecast: Fraternal Activities Performance Deteriorates, \$1,000,000 in Donations

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
UNF / Fraternal Activity Endowment Assets	\$2,000,000	\$1,722,452	\$394,332	(\$1,037,865)
Investment Income from Assets	\$100,000	\$86,123	\$19,717	(\$51,893)
Fundraising Income	1,000,000	0	0	0
UNF / Fraternal Activity Total Revenue	\$1,100,000	\$86,123	\$19,717	(\$51,893)
Rent	\$0	\$0	\$0	\$0
Salaries and Wages	150,000	153,996	158,098	162,309
Insured Benefit Plans for Employees	40,905	41,995	43,113	44,262
Legal Fees and Expenses	6,000	6,160	6,324	6,492
Fees of Public Accountants	25,000	25,666	26,350	27,051
Investment Management Fees	0	0	0	0
Travelling Expenses	10,000	10,266	10,540	10,821
Advertising	10,000	10,266	10,540	10,821
Postage, Express, Telegraph, and Telephone	15,000	15,400	15,810	16,231
Printing and Stationary	10,000	10,266	10,540	10,821
Rental of Equipment	20,000	20,533	21,080	21,641
Sundry General Expenses	5,000	5,133	5,270	5,410
Total Administrative Expenses	\$291,905	\$299,681	\$307,663	\$315,859
Soyuzivka Allocation	\$635,000	\$651,915	\$669,280	\$687,108
Newspapers Allocation *	292,371	300,159	308,155	316,363
Youth Activities Allocation	2,000	2,053	2,108	2,164
Donation and Scholarship Allocation	156,272	160,435	164,708	169,096
Total Fraternal Expenses	\$1,085,643	\$1,114,562	\$1,144,251	\$1,174,731
Residual Income (Reinvested into Endowment)	<u>(\$277,548)</u>	<u>(\$1,328,120)</u>	<u>(\$1,432,198)</u>	<u>(\$1,542,483)</u>
* Revenue less Expenses (excluding printing plant depreciation)				

Fraternal Activities Forecast: Fraternal Activities Performance Deteriorates, \$11,000,000 in Donations

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2018</u>	<u>2019</u>
UNF / Fraternal Activity Endowment Assets	\$2,000,000	\$1,722,452	\$10,394,332	\$230,942	(\$1,549,263)
Investment Income from Assets	\$100,000	\$86,123	\$519,717	\$11,547	(\$77,463)
Fundraising Income	1,000,000	10,000,000	0	0	0
UNF / Fraternal Activity Total Revenue	\$1,100,000	\$10,086,123	\$519,717	\$11,547	(\$77,463)
Rent	\$0	\$0	\$0	\$0	\$0
Salaries and Wages	150,000	153,996	158,098	195,102	200,299
Insured Benefit Plans for Employees	40,905	41,995	43,113	53,204	54,622
Legal Fees and Expenses	6,000	6,160	6,324	7,804	8,012
Fees of Public Accountants	25,000	25,666	26,350	32,517	33,383
Investment Management Fees	0	0	0	0	0
Travelling Expenses	10,000	10,266	10,540	13,007	13,353
Advertising	10,000	10,266	10,540	13,007	13,353
Postage, Express, Telegraph, and Telephone	15,000	15,400	15,810	19,510	20,030
Printing and Stationary	10,000	10,266	10,540	13,007	13,353
Rental of Equipment	20,000	20,533	21,080	26,014	26,707
Sundry General Expenses	5,000	5,133	5,270	6,503	6,677
Total Administrative Expenses	\$291,905	\$299,681	\$307,663	\$379,676	\$389,789
Soyuzivka Allocation	\$635,000	\$651,915	\$669,280	\$825,933	\$847,934
Newspapers Allocation *	292,371	300,159	308,155	380,282	390,411
Youth Activities Allocation	2,000	2,053	2,108	2,601	2,671
Donation and Scholarship Allocation	156,272	160,435	164,708	203,260	208,675
Total Fraternal Expenses	\$1,085,643	\$1,114,562	\$1,144,251	\$1,412,076	\$1,449,690
Residual Income (Reinvested into Endowment)	<u>(\$277,548)</u>	<u>\$8,671,880</u>	<u>(\$932,198)</u>	<u>(\$1,780,205)</u>	<u>(\$1,916,943)</u>
* Revenue less Expenses (excluding printing plant depreciation)					

*Strategic Alternative #4, Paulus Hook Sale Proceeds go to UNF in 2008***Insurance Business Forecast**

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2024</u>	<u>2025</u>
Premiums and Annuity Considerations	\$3,501,673	\$3,566,564	\$3,350,899	\$3,318,640	\$3,319,171
Net Investment Income	3,302,505	3,208,686	3,170,429	3,181,093	3,181,265
Total Insurance Business Revenue	\$6,804,178	\$6,775,250	\$6,521,328	\$6,499,733	\$6,500,436
Contractual Payments Made to Members / Beneficiaries	\$3,314,753	\$3,261,465	\$3,330,638	\$3,430,825	\$3,429,815
Increase (Decrease) in Reserves Required to Guarantee					
Contractual Obligations	1,141,304	1,225,536	945,589	903,715	904,405
Other Expenses and Deductions	2,238,427	2,279,612	2,344,727	2,247,839	2,248,162
Commissions on Premiums and Considerations	168,335	170,186	171,070	166,278	166,336
Total Insurance Business Expenses	\$6,862,819	\$6,936,799	\$6,792,024	\$6,748,657	\$6,748,718
UNA Insurance Business Net Income (Loss)	(\$58,641)	(\$161,549)	(\$270,696)	(\$248,924)	(\$248,282)
Soyuzivka Net Loss	\$635,000	\$0	\$0	\$0	\$0
Newspapers Net Loss *	292,371	0	0	0	0
Youth Activities Total Expenses	2,000	0	0	0	0
Donations and Scholarships Total Expenses	156,272	0	0	0	0
UNA Net Income (Loss)	(\$1,144,284)	(\$161,549)	(\$270,696)	(\$248,924)	(\$248,282)
Total Insurance Business Assets	\$64,851,234	\$65,090,137	\$64,992,350	\$61,251,113	\$61,005,284
Certificate Reserves	\$53,821,558	\$54,661,779	\$55,387,781	\$55,355,534	\$55,358,914
Other Liabilities	4,822,327	4,382,559	3,829,465	3,873,357	3,872,430
Unassigned Surplus	6,207,349	6,045,800	5,775,104	2,022,221	1,773,939
Total Liabilities and Unassigned Surplus	\$64,851,234	\$65,090,137	\$64,992,350	\$61,251,113	\$61,005,284
* Revenue less Expenses (excluding printing plant depreciation)					

Fraternal Activities Forecast: Fraternal Activities Performance Improves, \$0 in Donations

	2008	2009	2015	2016	2023	2024
UNF / Fraternal Activity Endowment Assets	\$11,500,000	\$10,697,452	\$7,671,641	\$7,026,589	\$618,073	(\$620,421)
Investment Income from Assets	\$575,000	\$534,873	\$383,582	\$351,329	\$30,904	(\$31,021)
Fundraising Income	0	0	0	0	0	0
UNF / Fraternal Activity Total Revenue	\$575,000	\$534,873	\$383,582	\$351,329	\$30,904	(\$31,021)
Rent	\$0	\$0	\$0	\$0	\$0	\$0
Salaries and Wages	150,000	153,996	180,306	185,109	222,509	228,436
Insured Benefit Plans for Employees	40,905	41,995	49,170	50,479	60,678	62,295
Legal Fees and Expenses	6,000	6,160	7,212	7,404	8,900	9,137
Fees of Public Accountants	25,000	25,666	30,051	30,852	37,085	38,073
Investment Management Fees	0	0	0	0	0	0
Travelling Expenses	10,000	10,266	12,020	12,341	14,834	15,229
Advertising	10,000	10,266	12,020	12,341	14,834	15,229
Postage, Express, Telegraph, and Telephone	15,000	15,400	18,031	18,511	22,251	22,844
Printing and Stationary	10,000	10,266	12,020	12,341	14,834	15,229
Rental of Equipment	20,000	20,533	24,041	24,681	29,668	30,458
Sundry General Expenses	5,000	5,133	6,010	6,170	7,417	7,615
Total Administrative Expenses	\$291,905	\$299,681	\$350,882	\$360,229	\$433,010	\$444,545
Soyuzivka Allocation	\$635,000	\$351,966	\$351,966	\$361,341	\$434,348	\$445,918
Newspapers Allocation *	292,371	135,536	135,536	139,146	167,260	171,715
Youth Activities Allocation	2,000	2,053	2,404	2,468	2,967	3,046
Donation and Scholarship Allocation	156,272	160,435	187,846	192,849	231,813	237,988
Total Fraternal Expenses	\$1,085,643	\$649,990	\$677,752	\$695,805	\$836,387	\$858,667
Residual Income (Reinvested into Endowment)	<u>(\$802,548)</u>	<u>(\$414,798)</u>	<u>(\$645,052)</u>	<u>(\$704,705)</u>	<u>(\$1,238,494)</u>	<u>(\$1,334,232)</u>
* Revenue less Expenses (excluding printing plant depreciation)						

Fraternal Activities Forecast: Fraternal Activities Performance Improves, \$500,000 in Donations

	<u>2008</u>	<u>2009</u>	<u>2015</u>	<u>2016</u>	<u>2024</u>	<u>2025</u>
UNF / Fraternal Activity Endowment Assets	\$11,500,000	\$11,197,452	\$8,341,688	\$7,730,139	\$419,043	(\$863,216)
Investment Income from Assets	\$575,000	\$559,873	\$417,084	\$386,507	\$20,952	(\$43,161)
Fundraising Income	500,000	0	0	0	0	0
UNF / Fraternal Activity Total Revenue	\$1,075,000	\$559,873	\$417,084	\$386,507	\$20,952	(\$43,161)
Rent	\$0	\$0	\$0	\$0	\$0	\$0
Salaries and Wages	150,000	153,996	180,306	185,109	228,436	234,521
Insured Benefit Plans for Employees	40,905	41,995	49,170	50,479	62,295	63,954
Legal Fees and Expenses	6,000	6,160	7,212	7,404	9,137	9,381
Fees of Public Accountants	25,000	25,666	30,051	30,852	38,073	39,087
Investment Management Fees	0	0	0	0	0	0
Travelling Expenses	10,000	10,266	12,020	12,341	15,229	15,635
Advertising	10,000	10,266	12,020	12,341	15,229	15,635
Postage, Express, Telegraph, and Telephone	15,000	15,400	18,031	18,511	22,844	23,452
Printing and Stationary	10,000	10,266	12,020	12,341	15,229	15,635
Rental of Equipment	20,000	20,533	24,041	24,681	30,458	31,269
Sundry General Expenses	5,000	5,133	6,010	6,170	7,615	7,817
Total Administrative Expenses	\$291,905	\$299,681	\$350,882	\$360,229	\$444,545	\$456,386
Soyuzivka Allocation	\$635,000	\$351,966	\$351,966	\$361,341	\$445,918	\$457,796
Newspapers Allocation *	292,371	135,536	135,536	139,146	171,715	176,289
Youth Activities Allocation	2,000	2,053	2,404	2,468	3,046	3,127
Donation and Scholarship Allocation	156,272	160,435	187,846	192,849	237,988	244,327
Total Fraternal Expenses	\$1,085,643	\$649,990	\$677,752	\$695,805	\$858,667	\$881,539
Residual Income (Reinvested into Endowment)	<u>(\$302,548)</u>	<u>(\$389,798)</u>	<u>(\$611,549)</u>	<u>(\$669,527)</u>	<u>(\$1,282,259)</u>	<u>(\$1,381,086)</u>
* Revenue less Expenses (excluding printing plant depreciation)						

Fraternal Activities Forecast: Fraternal Activities Performance Improves, \$1,000,000 in Donations

	<u>2008</u>	<u>2009</u>	<u>2015</u>	<u>2016</u>	<u>2025</u>	<u>2026</u>
UNF / Fraternal Activity Endowment Assets	\$11,500,000	\$11,697,452	\$9,011,736	\$8,433,689	\$228,221	(\$1,098,293)
Investment Income from Assets	\$575,000	\$584,873	\$450,587	\$421,684	\$11,411	(\$54,915)
Fundraising Income	1,000,000	0	0	0	0	0
UNF / Fraternal Activity Total Revenue	\$1,575,000	\$584,873	\$450,587	\$421,684	\$11,411	(\$54,915)
Rent	\$0	\$0	\$0	\$0	\$0	\$0
Salaries and Wages	150,000	153,996	180,306	185,109	234,521	240,768
Insured Benefit Plans for Employees	40,905	41,995	49,170	50,479	63,954	65,658
Legal Fees and Expenses	6,000	6,160	7,212	7,404	9,381	9,631
Fees of Public Accountants	25,000	25,666	30,051	30,852	39,087	40,128
Investment Management Fees	0	0	0	0	0	0
Travelling Expenses	10,000	10,266	12,020	12,341	15,635	16,051
Advertising	10,000	10,266	12,020	12,341	15,635	16,051
Postage, Express, Telegraph, and Telephone	15,000	15,400	18,031	18,511	23,452	24,077
Printing and Stationary	10,000	10,266	12,020	12,341	15,635	16,051
Rental of Equipment	20,000	20,533	24,041	24,681	31,269	32,102
Sundry General Expenses	5,000	5,133	6,010	6,170	7,817	8,026
Total Administrative Expenses	\$291,905	\$299,681	\$350,882	\$360,229	\$456,386	\$468,543
Soyuzivka Allocation	\$635,000	\$351,966	\$351,966	\$361,341	\$457,796	\$469,990
Newspapers Allocation *	292,371	135,536	135,536	139,146	176,289	180,985
Youth Activities Allocation	2,000	2,053	2,404	2,468	3,127	3,210
Donation and Scholarship Allocation	156,272	160,435	187,846	192,849	244,327	250,836
Total Fraternal Expenses	\$1,085,643	\$649,990	\$677,752	\$695,805	\$881,539	\$905,021
Residual Income (Reinvested into Endowment)	\$197,452	(\$364,798)	(\$578,047)	(\$634,350)	(\$1,326,514)	(\$1,428,479)
* Revenue less Expenses (excluding printing plant depreciation)						

Fraternal Activities Forecast: Fraternal Activities Performance Improves, \$11,000,000 in Donations

	2008	2009	2015	2016	2045	2046
UNF / Fraternal Activity Endowment Assets	\$11,500,000	\$11,697,452	\$21,774,552	\$21,834,646	\$701,114	(\$1,527,297)
Investment Income from Assets	\$575,000	\$584,873	\$1,088,728	\$1,091,732	\$35,056	(\$76,365)
Fundraising Income	1,000,000	10,000,000	0	0	0	0
UNF / Fraternal Activity Total Revenue	\$1,575,000	\$10,584,873	\$1,088,728	\$1,091,732	\$35,056	(\$76,365)
Rent	\$0	\$0	\$0	\$0	\$0	\$0
Salaries and Wages	150,000	153,996	180,306	185,109	396,757	407,325
Insured Benefit Plans for Employees	40,905	41,995	49,170	50,479	108,196	111,078
Legal Fees and Expenses	6,000	6,160	7,212	7,404	15,870	16,293
Fees of Public Accountants	25,000	25,666	30,051	30,852	66,126	67,888
Investment Management Fees	0	0	0	0	0	0
Travelling Expenses	10,000	10,266	12,020	12,341	26,450	27,155
Advertising	10,000	10,266	12,020	12,341	26,450	27,155
Postage, Express, Telegraph, and Telephone	15,000	15,400	18,031	18,511	39,676	40,733
Printing and Stationary	10,000	10,266	12,020	12,341	26,450	27,155
Rental of Equipment	20,000	20,533	24,041	24,681	52,901	54,310
Sundry General Expenses	5,000	5,133	6,010	6,170	13,225	13,578
Total Administrative Expenses	\$291,905	\$299,681	\$350,882	\$360,229	\$772,102	\$792,669
Soyuzivka Allocation	\$635,000	\$351,966	\$351,966	\$361,341	\$774,487	\$795,117
Newspapers Allocation *	292,371	135,536	135,536	139,146	298,242	306,186
Youth Activities Allocation	2,000	2,053	2,404	2,468	5,290	5,431
Donation and Scholarship Allocation	156,272	160,435	187,846	192,849	413,347	424,357
Total Fraternal Expenses	\$1,085,643	\$649,990	\$677,752	\$695,805	\$1,491,365	\$1,531,091
Residual Income (Reinvested into Endowment)	\$197,452	\$9,635,202	\$60,094	\$35,698	(\$2,228,412)	(\$2,400,125)
* Revenue less Expenses (excluding printing plant depreciation)						

Fraternal Activities Forecast: Fraternal Activities Performance Doesn't Change, \$0 in Donations

	<u>2008</u>	<u>2012</u>	<u>2013</u>	<u>2018</u>	<u>2019</u>
UNF / Fraternal Activity Endowment Assets	\$11,500,000	\$7,965,238	\$6,936,035	\$333,398	(\$1,321,285)
Investment Income from Assets	\$575,000	\$398,262	\$346,802	\$16,670	(\$66,064)
Fundraising Income	0	0	0	0	0
UNF / Fraternal Activity Total Revenue	\$575,000	\$398,262	\$346,802	\$16,670	(\$66,064)
Rent	\$0	\$0	\$0	\$0	\$0
Salaries and Wages	150,000	166,633	171,071	195,102	200,299
Insured Benefit Plans for Employees	40,905	45,441	46,651	53,204	54,622
Legal Fees and Expenses	6,000	6,665	6,843	7,804	8,012
Fees of Public Accountants	25,000	27,772	28,512	32,517	33,383
Investment Management Fees	0	0	0	0	0
Travelling Expenses	10,000	11,109	11,405	13,007	13,353
Advertising	10,000	11,109	11,405	13,007	13,353
Postage, Express, Telegraph, and Telephone	15,000	16,663	17,107	19,510	20,030
Printing and Stationary	10,000	11,109	11,405	13,007	13,353
Rental of Equipment	20,000	22,218	22,809	26,014	26,707
Sundry General Expenses	5,000	5,554	5,702	6,503	6,677
Total Administrative Expenses	\$291,905	\$324,272	\$332,910	\$379,676	\$389,789
Soyuzivka Allocation	\$635,000	\$635,000	\$651,915	\$743,492	\$763,297
Newspapers Allocation *	292,371	292,371	300,159	342,324	351,442
Youth Activities Allocation	2,000	2,222	2,281	2,601	2,671
Donation and Scholarship Allocation	156,272	173,600	178,224	203,260	208,675
Total Fraternal Expenses	\$1,085,643	\$1,103,193	\$1,132,579	\$1,291,677	\$1,326,084
Residual Income (Reinvested into Endowment)	<u>(\$802,548)</u>	<u>(\$1,029,203)</u>	<u>(\$1,118,687)</u>	<u>(\$1,654,683)</u>	<u>(\$1,781,938)</u>
* Revenue less Expenses (excluding printing plant depreciation)					

Fraternal Activities Forecast: Fraternal Activities Performance Doesn't Change, \$500,000 in Donations

	<u>2008</u>	<u>2012</u>	<u>2013</u>	<u>2018</u>	<u>2019</u>
UNF / Fraternal Activity Endowment Assets	\$11,500,000	\$8,544,050	\$7,543,788	\$1,109,062	(\$506,838)
Investment Income from Assets	\$575,000	\$427,203	\$377,189	\$55,453	(\$25,342)
Fundraising Income	500,000	0	0	0	0
UNF / Fraternal Activity Total Revenue	\$1,075,000	\$427,203	\$377,189	\$55,453	(\$25,342)
Rent	\$0	\$0	\$0	\$0	\$0
Salaries and Wages	150,000	166,633	171,071	195,102	200,299
Insured Benefit Plans for Employees	40,905	45,441	46,651	53,204	54,622
Legal Fees and Expenses	6,000	6,665	6,843	7,804	8,012
Fees of Public Accountants	25,000	27,772	28,512	32,517	33,383
Investment Management Fees	0	0	0	0	0
Travelling Expenses	10,000	11,109	11,405	13,007	13,353
Advertising	10,000	11,109	11,405	13,007	13,353
Postage, Express, Telegraph, and Telephone	15,000	16,663	17,107	19,510	20,030
Printing and Stationary	10,000	11,109	11,405	13,007	13,353
Rental of Equipment	20,000	22,218	22,809	26,014	26,707
Sundry General Expenses	5,000	5,554	5,702	6,503	6,677
Total Administrative Expenses	\$291,905	\$324,272	\$332,910	\$379,676	\$389,789
Soyuzivka Allocation	\$635,000	\$635,000	\$651,915	\$743,492	\$763,297
Newspapers Allocation *	292,371	292,371	300,159	342,324	351,442
Youth Activities Allocation	2,000	2,222	2,281	2,601	2,671
Donation and Scholarship Allocation	156,272	173,600	178,224	203,260	208,675
Total Fraternal Expenses	\$1,085,643	\$1,103,193	\$1,132,579	\$1,291,677	\$1,326,084
Residual Income (Reinvested into Endowment)	<u>(\$302,548)</u>	<u>(\$1,000,263)</u>	<u>(\$1,088,300)</u>	<u>(\$1,615,900)</u>	<u>(\$1,741,216)</u>
* Revenue less Expenses (excluding printing plant depreciation)					

Fraternal Activities Forecast: Fraternal Activities Performance Doesn't Change, \$1,000,000 in Donations

	<u>2008</u>	<u>2012</u>	<u>2013</u>	<u>2019</u>	<u>2020</u>
UNF / Fraternal Activity Endowment Assets	\$11,500,000	\$9,122,863	\$8,151,541	\$307,609	(\$1,392,884)
Investment Income from Assets	\$575,000	\$456,143	\$407,577	\$15,380	(\$69,644)
Fundraising Income	1,000,000	0	0	0	0
UNF / Fraternal Activity Total Revenue	\$1,575,000	\$456,143	\$407,577	\$15,380	(\$69,644)
Rent	\$0	\$0	\$0	\$0	\$0
Salaries and Wages	150,000	166,633	171,071	200,299	205,635
Insured Benefit Plans for Employees	40,905	45,441	46,651	54,622	56,077
Legal Fees and Expenses	6,000	6,665	6,843	8,012	8,225
Fees of Public Accountants	25,000	27,772	28,512	33,383	34,272
Investment Management Fees	0	0	0	0	0
Travelling Expenses	10,000	11,109	11,405	13,353	13,709
Advertising	10,000	11,109	11,405	13,353	13,709
Postage, Express, Telegraph, and Telephone	15,000	16,663	17,107	20,030	20,563
Printing and Stationary	10,000	11,109	11,405	13,353	13,709
Rental of Equipment	20,000	22,218	22,809	26,707	27,418
Sundry General Expenses	5,000	5,554	5,702	6,677	6,854
Total Administrative Expenses	\$291,905	\$324,272	\$332,910	\$389,789	\$400,172
Soyuzivka Allocation	\$635,000	\$635,000	\$651,915	\$763,297	\$783,629
Newspapers Allocation *	292,371	292,371	300,159	351,442	360,804
Youth Activities Allocation	2,000	2,222	2,281	2,671	2,742
Donation and Scholarship Allocation	156,272	173,600	178,224	208,675	214,233
Total Fraternal Expenses	\$1,085,643	\$1,103,193	\$1,132,579	\$1,326,084	\$1,361,408
Residual Income (Reinvested into Endowment)	\$197,452	(\$971,322)	(\$1,057,912)	(\$1,700,493)	(\$1,831,224)
* Revenue less Expenses (excluding printing plant depreciation)					

Fraternal Activities Forecast: Fraternal Activities Performance Doesn't Change, \$11,000,000 in Donations

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2013</u>	<u>2029</u>	<u>2030</u>
UNF / Fraternal Activity Endowment Assets	\$11,500,000	\$11,697,452	\$20,892,785	\$19,727,791	\$1,664,806	(\$483,759)
Investment Income from Assets	\$575,000	\$584,873	\$1,044,639	\$986,390	\$83,240	(\$24,188)
Fundraising Income	1,000,000	10,000,000	0	0	0	0
UNF / Fraternal Activity Total Revenue	\$1,575,000	\$10,584,873	\$1,044,639	\$986,390	\$83,240	(\$24,188)
Rent	\$0	\$0	\$0	\$0	\$0	\$0
Salaries and Wages	150,000	153,996	158,098	171,071	260,526	267,465
Insured Benefit Plans for Employees	40,905	41,995	43,113	46,651	71,045	72,938
Legal Fees and Expenses	6,000	6,160	6,324	6,843	10,421	10,699
Fees of Public Accountants	25,000	25,666	26,350	28,512	43,421	44,578
Investment Management Fees	0	0	0	0	0	0
Travelling Expenses	10,000	10,266	10,540	11,405	17,368	17,831
Advertising	10,000	10,266	10,540	11,405	17,368	17,831
Postage, Express, Telegraph, and Telephone	15,000	15,400	15,810	17,107	26,053	26,747
Printing and Stationary	10,000	10,266	10,540	11,405	17,368	17,831
Rental of Equipment	20,000	20,533	21,080	22,809	34,737	35,662
Sundry General Expenses	5,000	5,133	5,270	5,702	8,684	8,916
Total Administrative Expenses	\$291,905	\$299,681	\$307,663	\$332,910	\$506,992	\$520,497
Soyuzivka Allocation	\$635,000	\$635,000	\$635,000	\$651,915	\$992,807	\$1,019,252
Newspapers Allocation *	292,371	292,371	292,371	300,159	457,115	469,291
Youth Activities Allocation	2,000	2,053	2,108	2,281	3,474	3,566
Donation and Scholarship Allocation	156,272	160,435	164,708	178,224	271,419	278,649
Total Fraternal Expenses	\$1,085,643	\$1,089,859	\$1,094,187	\$1,132,579	\$1,724,814	\$1,770,759
Residual Income (Reinvested into Endowment)	\$197,452	\$9,195,333	(\$357,211)	(\$479,100)	(\$2,148,566)	(\$2,315,444)
* Revenue less Expenses (excluding printing plant depreciation)						

Fraternal Activities Forecast: Fraternal Activities Performance Deteriorates, \$0 in Donations

	2008	2009	2017	2018
UNF / Fraternal Activity Endowment Assets	\$11,500,000	\$10,697,452	\$1,071,258	(\$620,442)
Investment Income from Assets	\$575,000	\$534,873	\$53,563	(\$31,022)
Fundraising Income	0	0	0	0
UNF / Fraternal Activity Total Revenue	\$575,000	\$534,873	\$53,563	(\$31,022)
Rent	\$0	\$0	\$0	\$0
Salaries and Wages	150,000	153,996	190,040	195,102
Insured Benefit Plans for Employees	40,905	41,995	51,824	53,204
Legal Fees and Expenses	6,000	6,160	7,602	7,804
Fees of Public Accountants	25,000	25,666	31,673	32,517
Investment Management Fees	0	0	0	0
Travelling Expenses	10,000	10,266	12,669	13,007
Advertising	10,000	10,266	12,669	13,007
Postage, Express, Telegraph, and Telephone	15,000	15,400	19,004	19,510
Printing and Stationary	10,000	10,266	12,669	13,007
Rental of Equipment	20,000	20,533	25,339	26,014
Sundry General Expenses	5,000	5,133	6,335	6,503
Total Administrative Expenses	\$291,905	\$299,681	\$369,824	\$379,676
Soyuzivka Allocation	\$635,000	\$651,915	\$804,503	\$825,933
Newspapers Allocation *	292,371	300,159	370,415	380,282
Youth Activities Allocation	2,000	2,053	2,534	2,601
Donation and Scholarship Allocation	156,272	160,435	197,986	203,260
Total Fraternal Expenses	\$1,085,643	\$1,114,562	\$1,375,438	\$1,412,076
Residual Income (Reinvested into Endowment)	<u>(\$802,548)</u>	<u>(\$879,370)</u>	<u>(\$1,691,700)</u>	<u>(\$1,822,774)</u>
* Revenue less Expenses (excluding printing plant depreciation)				

Fraternal Activities Forecast: Fraternal Activities Performance Deteriorates, \$500,000 in Donations

	<u>2008</u>	<u>2009</u>	<u>2018</u>	<u>2019</u>
UNF / Fraternal Activity Endowment Assets	\$11,500,000	\$11,197,452	\$155,222	(\$1,628,769)
Investment Income from Assets	\$575,000	\$559,873	\$7,761	(\$81,438)
Fundraising Income	500,000	0	0	0
UNF / Fraternal Activity Total Revenue	\$1,075,000	\$559,873	\$7,761	(\$81,438)
Rent	\$0	\$0	\$0	\$0
Salaries and Wages	150,000	153,996	195,102	200,299
Insured Benefit Plans for Employees	40,905	41,995	53,204	54,622
Legal Fees and Expenses	6,000	6,160	7,804	8,012
Fees of Public Accountants	25,000	25,666	32,517	33,383
Investment Management Fees	0	0	0	0
Travelling Expenses	10,000	10,266	13,007	13,353
Advertising	10,000	10,266	13,007	13,353
Postage, Express, Telegraph, and Telephone	15,000	15,400	19,510	20,030
Printing and Stationary	10,000	10,266	13,007	13,353
Rental of Equipment	20,000	20,533	26,014	26,707
Sundry General Expenses	5,000	5,133	6,503	6,677
Total Administrative Expenses	\$291,905	\$299,681	\$379,676	\$389,789
Soyuzivka Allocation	\$635,000	\$651,915	\$825,933	\$847,934
Newspapers Allocation *	292,371	300,159	380,282	390,411
Youth Activities Allocation	2,000	2,053	2,601	2,671
Donation and Scholarship Allocation	156,272	160,435	203,260	208,675
Total Fraternal Expenses	\$1,085,643	\$1,114,562	\$1,412,076	\$1,449,690
Residual Income (Reinvested into Endowment)	<u>(\$302,548)</u>	<u>(\$854,370)</u>	<u>(\$1,783,991)</u>	<u>(\$1,920,918)</u>
* Revenue less Expenses (excluding printing plant depreciation)				

Fraternal Activities Forecast: Fraternal Activities Performance Deteriorates, \$1,000,000 in Donations

	<u>2008</u>	<u>2009</u>	<u>2018</u>	<u>2019</u>
UNF / Fraternal Activity Endowment Assets	\$11,500,000	\$11,697,452	\$930,886	(\$814,322)
Investment Income from Assets	\$575,000	\$584,873	\$46,544	(\$40,716)
Fundraising Income	1,000,000	0	0	0
UNF / Fraternal Activity Total Revenue	\$1,575,000	\$584,873	\$46,544	(\$40,716)
Rent	\$0	\$0	\$0	\$0
Salaries and Wages	150,000	153,996	195,102	200,299
Insured Benefit Plans for Employees	40,905	41,995	53,204	54,622
Legal Fees and Expenses	6,000	6,160	7,804	8,012
Fees of Public Accountants	25,000	25,666	32,517	33,383
Investment Management Fees	0	0	0	0
Travelling Expenses	10,000	10,266	13,007	13,353
Advertising	10,000	10,266	13,007	13,353
Postage, Express, Telegraph, and Telephone	15,000	15,400	19,510	20,030
Printing and Stationary	10,000	10,266	13,007	13,353
Rental of Equipment	20,000	20,533	26,014	26,707
Sundry General Expenses	5,000	5,133	6,503	6,677
Total Administrative Expenses	\$291,905	\$299,681	\$379,676	\$389,789
Soyuzivka Allocation	\$635,000	\$651,915	\$825,933	\$847,934
Newspapers Allocation *	292,371	300,159	380,282	390,411
Youth Activities Allocation	2,000	2,053	2,601	2,671
Donation and Scholarship Allocation	156,272	160,435	203,260	208,675
Total Fraternal Expenses	\$1,085,643	\$1,114,562	\$1,412,076	\$1,449,690
Residual Income (Reinvested into Endowment)	\$197,452	(\$829,370)	(\$1,745,208)	(\$1,880,196)
* Revenue less Expenses (excluding printing plant depreciation)				

Fraternal Activities Forecast: Fraternal Activities Performance Deteriorates, \$11,000,000 in Donations

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2028</u>	<u>2029</u>
UNF / Fraternal Activity Endowment Assets	\$11,500,000	\$11,697,452	\$20,868,082	\$410,759	(\$1,899,202)
Investment Income from Assets	\$575,000	\$584,873	\$1,043,404	\$20,538	(\$94,960)
Fundraising Income	1,000,000	10,000,000	0	0	0
UNF / Fraternal Activity Total Revenue	\$1,575,000	\$10,584,873	\$1,043,404	\$20,538	(\$94,960)
Rent	\$0	\$0	\$0	\$0	\$0
Salaries and Wages	150,000	153,996	158,098	253,766	260,526
Insured Benefit Plans for Employees	40,905	41,995	43,113	69,202	71,045
Legal Fees and Expenses	6,000	6,160	6,324	10,151	10,421
Fees of Public Accountants	25,000	25,666	26,350	42,294	43,421
Investment Management Fees	0	0	0	0	0
Travelling Expenses	10,000	10,266	10,540	16,918	17,368
Advertising	10,000	10,266	10,540	16,918	17,368
Postage, Express, Telegraph, and Telephone	15,000	15,400	15,810	25,377	26,053
Printing and Stationary	10,000	10,266	10,540	16,918	17,368
Rental of Equipment	20,000	20,533	21,080	33,835	34,737
Sundry General Expenses	5,000	5,133	5,270	8,459	8,684
Total Administrative Expenses	\$291,905	\$299,681	\$307,663	\$493,837	\$506,992
Soyuzivka Allocation	\$635,000	\$651,915	\$669,280	\$1,074,276	\$1,102,892
Newspapers Allocation *	292,371	300,159	308,155	494,626	507,801
Youth Activities Allocation	2,000	2,053	2,108	3,384	3,474
Donation and Scholarship Allocation	156,272	160,435	164,708	264,377	271,419
Total Fraternal Expenses	\$1,085,643	\$1,114,562	\$1,144,251	\$1,836,662	\$1,885,586
Residual Income (Reinvested into Endowment)	\$197,452	\$9,170,630	(\$408,510)	(\$2,309,962)	(\$2,487,538)
* Revenue less Expenses (excluding printing plant depreciation)					

*Strategic Alternative #4, Paulus Hook Sale Proceeds go to UNF in 2010***Insurance Business Forecast**

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2024</u>	<u>2025</u>
Premiums and Annuity Considerations	\$3,501,673	\$3,566,564	\$3,350,899	\$3,318,640	\$3,319,171
Net Investment Income	3,302,505	3,208,686	3,170,429	3,181,093	3,181,265
Total Insurance Business Revenue	\$6,804,178	\$6,775,250	\$6,521,328	\$6,499,733	\$6,500,436
Contractual Payments Made to Members / Beneficiaries	\$3,314,753	\$3,261,465	\$3,330,638	\$3,430,825	\$3,429,815
Increase (Decrease) in Reserves Required to Guarantee					
Contractual Obligations	1,141,304	1,225,536	945,589	903,715	904,405
Other Expenses and Deductions	2,238,427	2,279,612	2,344,727	2,247,839	2,248,162
Commissions on Premiums and Considerations	168,335	170,186	171,070	166,278	166,336
Total Insurance Business Expenses	\$6,862,819	\$6,936,799	\$6,792,024	\$6,748,657	\$6,748,718
UNA Insurance Business Net Income (Loss)	(\$58,641)	(\$161,549)	(\$270,696)	(\$248,924)	(\$248,282)
Soyuzivka Net Loss	\$635,000	\$0	\$0	\$0	\$0
Newspapers Net Loss *	292,371	0	0	0	0
Youth Activities Total Expenses	2,000	0	0	0	0
Donations and Scholarships Total Expenses	156,272	0	0	0	0
UNA Net Income (Loss)	(\$1,144,284)	(\$161,549)	(\$270,696)	(\$248,924)	(\$248,282)
Total Insurance Business Assets	\$64,851,234	\$65,090,137	\$64,992,350	\$61,251,113	\$61,005,284
Certificate Reserves	\$53,821,558	\$54,661,779	\$55,387,781	\$55,355,534	\$55,358,914
Other Liabilities	4,822,327	4,382,559	3,829,465	3,873,357	3,872,430
Unassigned Surplus	6,207,349	6,045,800	5,775,104	2,022,221	1,773,939
Total Liabilities and Unassigned Surplus	\$64,851,234	\$65,090,137	\$64,992,350	\$61,251,113	\$61,005,284
* Revenue less Expenses (excluding printing plant depreciation)					

Fraternal Activities Forecast: Fraternal Activities Performance Improves, \$0 in Donations

	2008	2009	2010	2015	2016	2022	2023
UNF / Fraternal Activity Endowment Assets	\$2,000,000	\$722,452	\$9,308,904	\$6,428,861	\$5,721,671	\$17,508	(\$1,218,078)
Investment Income from Assets	\$100,000	\$36,123	\$465,445	\$321,443	\$286,084	\$875	(\$60,904)
Fundraising Income	0	0	0	0	0	0	0
UNF / Fraternal Activity Total Revenue	\$100,000	\$36,123	\$465,445	\$321,443	\$286,084	\$875	(\$60,904)
Rent	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Salaries and Wages	150,000	153,996	158,098	180,306	185,109	216,736	222,509
Insured Benefit Plans for Employees	40,905	41,995	43,113	49,170	50,479	59,104	60,678
Legal Fees and Expenses	6,000	6,160	6,324	7,212	7,404	8,669	8,900
Fees of Public Accountants	25,000	25,666	26,350	30,051	30,852	36,123	37,085
Investment Management Fees	0	0	0	0	0	0	0
Travelling Expenses	10,000	10,266	10,540	12,020	12,341	14,449	14,834
Advertising	10,000	10,266	10,540	12,020	12,341	14,449	14,834
Postage, Express, Telegraph, and Telephone	15,000	15,400	15,810	18,031	18,511	21,674	22,251
Printing and Stationary	10,000	10,266	10,540	12,020	12,341	14,449	14,834
Rental of Equipment	20,000	20,533	21,080	24,041	24,681	28,898	29,668
Sundry General Expenses	5,000	5,133	5,270	6,010	6,170	7,225	7,417
Total Administrative Expenses	\$291,905	\$299,681	\$307,663	\$350,882	\$360,229	\$421,775	\$433,010
Soyuzivka Allocation	\$635,000	\$351,966	\$351,966	\$351,966	\$361,341	\$423,078	\$434,348
Newspapers Allocation *	292,371	135,536	135,536	135,536	139,146	162,920	167,260
Youth Activities Allocation	2,000	2,053	2,108	2,404	2,468	2,890	2,967
Donation and Scholarship Allocation	156,272	160,435	164,708	187,846	192,849	225,798	231,813
Total Fraternal Expenses	\$1,085,643	\$649,990	\$654,318	\$677,752	\$695,805	\$814,686	\$836,387
Residual Income (Reinvested into Endowment)	<u>(\$1,277,548)</u>	<u>(\$913,548)</u>	<u>(\$496,536)</u>	<u>(\$707,191)</u>	<u>(\$769,951)</u>	<u>(\$1,235,586)</u>	<u>(\$1,330,302)</u>
* Revenue less Expenses (excluding printing plant depreciation)							

Fraternal Activities Forecast: Fraternal Activities Performance Improves, \$500,000 in Donations

	2008	2009	2010	2015	2016	2022	2023
UNF / Fraternal Activity Endowment Assets	\$2,000,000	\$1,222,452	\$9,833,904	\$7,098,909	\$6,425,221	\$960,333	(\$228,112)
Investment Income from Assets	\$100,000	\$61,123	\$491,695	\$354,945	\$321,261	\$48,017	(\$11,406)
Fundraising Income	500,000	0	0	0	0	0	0
UNF / Fraternal Activity Total Revenue	\$600,000	\$61,123	\$491,695	\$354,945	\$321,261	\$48,017	(\$11,406)
Rent	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Salaries and Wages	150,000	153,996	158,098	180,306	185,109	216,736	222,509
Insured Benefit Plans for Employees	40,905	41,995	43,113	49,170	50,479	59,104	60,678
Legal Fees and Expenses	6,000	6,160	6,324	7,212	7,404	8,669	8,900
Fees of Public Accountants	25,000	25,666	26,350	30,051	30,852	36,123	37,085
Investment Management Fees	0	0	0	0	0	0	0
Travelling Expenses	10,000	10,266	10,540	12,020	12,341	14,449	14,834
Advertising	10,000	10,266	10,540	12,020	12,341	14,449	14,834
Postage, Express, Telegraph, and Telephone	15,000	15,400	15,810	18,031	18,511	21,674	22,251
Printing and Stationary	10,000	10,266	10,540	12,020	12,341	14,449	14,834
Rental of Equipment	20,000	20,533	21,080	24,041	24,681	28,898	29,668
Sundry General Expenses	5,000	5,133	5,270	6,010	6,170	7,225	7,417
Total Administrative Expenses	\$291,905	\$299,681	\$307,663	\$350,882	\$360,229	\$421,775	\$433,010
Soyuzivka Allocation	\$635,000	\$351,966	\$351,966	\$351,966	\$361,341	\$423,078	\$434,348
Newspapers Allocation *	292,371	135,536	135,536	135,536	139,146	162,920	167,260
Youth Activities Allocation	2,000	2,053	2,108	2,404	2,468	2,890	2,967
Donation and Scholarship Allocation	156,272	160,435	164,708	187,846	192,849	225,798	231,813
Total Fraternal Expenses	\$1,085,643	\$649,990	\$654,318	\$677,752	\$695,805	\$814,686	\$836,387
Residual Income (Reinvested into Endowment)	<u>(\$777,548)</u>	<u>(\$888,548)</u>	<u>(\$470,286)</u>	<u>(\$673,688)</u>	<u>(\$734,773)</u>	<u>(\$1,188,445)</u>	<u>(\$1,280,803)</u>
* Revenue less Expenses (excluding printing plant depreciation)							

Fraternal Activities Forecast: Fraternal Activities Performance Improves, \$1,000,000 in Donations

	2008	2009	2010	2015	2016	2023	2024
UNF / Fraternal Activity Endowment Assets	\$2,000,000	\$1,722,452	\$10,358,904	\$7,768,957	\$7,128,771	\$761,854	(\$469,451)
Investment Income from Assets	\$100,000	\$86,123	\$517,945	\$388,448	\$356,439	\$38,093	(\$23,473)
Fundraising Income	1,000,000	0	0	0	0	0	0
UNF / Fraternal Activity Total Revenue	\$1,100,000	\$86,123	\$517,945	\$388,448	\$356,439	\$38,093	(\$23,473)
Rent	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Salaries and Wages	150,000	153,996	158,098	180,306	185,109	222,509	228,436
Insured Benefit Plans for Employees	40,905	41,995	43,113	49,170	50,479	60,678	62,295
Legal Fees and Expenses	6,000	6,160	6,324	7,212	7,404	8,900	9,137
Fees of Public Accountants	25,000	25,666	26,350	30,051	30,852	37,085	38,073
Investment Management Fees	0	0	0	0	0	0	0
Travelling Expenses	10,000	10,266	10,540	12,020	12,341	14,834	15,229
Advertising	10,000	10,266	10,540	12,020	12,341	14,834	15,229
Postage, Express, Telegraph, and Telephone	15,000	15,400	15,810	18,031	18,511	22,251	22,844
Printing and Stationary	10,000	10,266	10,540	12,020	12,341	14,834	15,229
Rental of Equipment	20,000	20,533	21,080	24,041	24,681	29,668	30,458
Sundry General Expenses	5,000	5,133	5,270	6,010	6,170	7,417	7,615
Total Administrative Expenses	\$291,905	\$299,681	\$307,663	\$350,882	\$360,229	\$433,010	\$444,545
Soyuzivka Allocation	\$635,000	\$351,966	\$351,966	\$351,966	\$361,341	\$434,348	\$445,918
Newspapers Allocation *	292,371	135,536	135,536	135,536	139,146	167,260	171,715
Youth Activities Allocation	2,000	2,053	2,108	2,404	2,468	2,967	3,046
Donation and Scholarship Allocation	156,272	160,435	164,708	187,846	192,849	231,813	237,988
Total Fraternal Expenses	\$1,085,643	\$649,990	\$654,318	\$677,752	\$695,805	\$836,387	\$858,667
Residual Income (Reinvested into Endowment)	(\$277,548)	(\$863,548)	(\$444,036)	(\$640,186)	(\$699,596)	(\$1,231,305)	(\$1,326,684)
* Revenue less Expenses (excluding printing plant depreciation)							

Fraternal Activities Forecast: Fraternal Activities Performance Improves, \$11,000,000 in Donations

	2008	2009	2010	2015	2016	2042	2043
UNF / Fraternal Activity Endowment Assets	\$2,000,000	\$1,722,452	\$20,358,904	\$20,531,773	\$20,529,727	\$1,810,403	(\$190,890)
Investment Income from Assets	\$100,000	\$86,123	\$1,017,945	\$1,026,589	\$1,026,486	\$90,520	(\$9,545)
Fundraising Income	1,000,000	10,000,000	0	0	0	0	0
UNF / Fraternal Activity Total Revenue	\$1,100,000	\$10,086,123	\$1,017,945	\$1,026,589	\$1,026,486	\$90,520	(\$9,545)
Rent	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Salaries and Wages	150,000	153,996	158,098	180,306	185,109	366,668	376,435
Insured Benefit Plans for Employees	40,905	41,995	43,113	49,170	50,479	99,990	102,654
Legal Fees and Expenses	6,000	6,160	6,324	7,212	7,404	14,667	15,057
Fees of Public Accountants	25,000	25,666	26,350	30,051	30,852	61,111	62,739
Investment Management Fees	0	0	0	0	0	0	0
Travelling Expenses	10,000	10,266	10,540	12,020	12,341	24,445	25,096
Advertising	10,000	10,266	10,540	12,020	12,341	24,445	25,096
Postage, Express, Telegraph, and Telephone	15,000	15,400	15,810	18,031	18,511	36,667	37,644
Printing and Stationary	10,000	10,266	10,540	12,020	12,341	24,445	25,096
Rental of Equipment	20,000	20,533	21,080	24,041	24,681	48,889	50,191
Sundry General Expenses	5,000	5,133	5,270	6,010	6,170	12,222	12,548
Total Administrative Expenses	\$291,905	\$299,681	\$307,663	\$350,882	\$360,229	\$713,548	\$732,555
Soyuzivka Allocation	\$635,000	\$351,966	\$351,966	\$351,966	\$361,341	\$715,752	\$734,818
Newspapers Allocation *	292,371	135,536	135,536	135,536	139,146	275,624	282,966
Youth Activities Allocation	2,000	2,053	2,108	2,404	2,468	4,889	5,019
Donation and Scholarship Allocation	156,272	160,435	164,708	187,846	192,849	382,000	392,175
Total Fraternal Expenses	\$1,085,643	\$649,990	\$654,318	\$677,752	\$695,805	\$1,378,265	\$1,414,978
Residual Income (Reinvested into Endowment)	(\$277,548)	\$9,136,452	\$55,964	(\$2,045)	(\$29,548)	(\$2,001,293)	(\$2,157,078)

* Revenue less Expenses (excluding printing plant depreciation)

Fraternal Activities Forecast: Fraternal Activities Performance Doesn't Change, \$0 in Donations

	<u>2008</u>	<u>2010</u>	<u>2012</u>	<u>2013</u>	<u>2017</u>	<u>2018</u>
UNF / Fraternal Activity Endowment Assets	\$2,000,000	\$8,869,035	\$6,891,678	\$5,808,797	\$497,822	(\$1,105,274)
Investment Income from Assets	\$100,000	\$443,452	\$344,584	\$290,440	\$24,891	(\$55,264)
Fundraising Income	0	0	0	0	0	0
UNF / Fraternal Activity Total Revenue	\$100,000	\$443,452	\$344,584	\$290,440	\$24,891	(\$55,264)
Rent	\$0	\$0	\$0	\$0	\$0	\$0
Salaries and Wages	150,000	158,098	166,633	171,071	190,040	195,102
Insured Benefit Plans for Employees	40,905	43,113	45,441	46,651	51,824	53,204
Legal Fees and Expenses	6,000	6,324	6,665	6,843	7,602	7,804
Fees of Public Accountants	25,000	26,350	27,772	28,512	31,673	32,517
Investment Management Fees	0	0	0	0	0	0
Travelling Expenses	10,000	10,540	11,109	11,405	12,669	13,007
Advertising	10,000	10,540	11,109	11,405	12,669	13,007
Postage, Express, Telegraph, and Telephone	15,000	15,810	16,663	17,107	19,004	19,510
Printing and Stationary	10,000	10,540	11,109	11,405	12,669	13,007
Rental of Equipment	20,000	21,080	22,218	22,809	25,339	26,014
Sundry General Expenses	5,000	5,270	5,554	5,702	6,335	6,503
Total Administrative Expenses	\$291,905	\$307,663	\$324,272	\$332,910	\$369,824	\$379,676
Soyuzivka Allocation	\$635,000	\$635,000	\$635,000	\$651,915	\$724,201	\$743,492
Newspapers Allocation *	292,371	292,371	292,371	300,159	333,442	342,324
Youth Activities Allocation	2,000	2,108	2,222	2,281	2,534	2,601
Donation and Scholarship Allocation	156,272	164,708	173,600	178,224	197,986	203,260
Total Fraternal Expenses	\$1,085,643	\$1,094,187	\$1,103,193	\$1,132,579	\$1,258,163	\$1,291,677
Residual Income (Reinvested into Endowment)	<u>(\$1,277,548)</u>	<u>(\$958,399)</u>	<u>(\$1,082,881)</u>	<u>(\$1,175,049)</u>	<u>(\$1,603,096)</u>	<u>(\$1,726,617)</u>
* Revenue less Expenses (excluding printing plant depreciation)						

Fraternal Activities Forecast: Fraternal Activities Performance Doesn't Change, \$500,000 in Donations

	<u>2008</u>	<u>2010</u>	<u>2012</u>	<u>2013</u>	<u>2017</u>	<u>2018</u>
UNF / Fraternal Activity Endowment Assets	\$2,000,000	\$9,394,035	\$7,470,491	\$6,416,550	\$1,236,550	(\$329,610)
Investment Income from Assets	\$100,000	\$469,702	\$373,525	\$320,828	\$61,827	(\$16,481)
Fundraising Income	500,000	0	0	0	0	0
UNF / Fraternal Activity Total Revenue	\$600,000	\$469,702	\$373,525	\$320,828	\$61,827	(\$16,481)
Rent	\$0	\$0	\$0	\$0	\$0	\$0
Salaries and Wages	150,000	158,098	166,633	171,071	190,040	195,102
Insured Benefit Plans for Employees	40,905	43,113	45,441	46,651	51,824	53,204
Legal Fees and Expenses	6,000	6,324	6,665	6,843	7,602	7,804
Fees of Public Accountants	25,000	26,350	27,772	28,512	31,673	32,517
Investment Management Fees	0	0	0	0	0	0
Travelling Expenses	10,000	10,540	11,109	11,405	12,669	13,007
Advertising	10,000	10,540	11,109	11,405	12,669	13,007
Postage, Express, Telegraph, and Telephone	15,000	15,810	16,663	17,107	19,004	19,510
Printing and Stationary	10,000	10,540	11,109	11,405	12,669	13,007
Rental of Equipment	20,000	21,080	22,218	22,809	25,339	26,014
Sundry General Expenses	5,000	5,270	5,554	5,702	6,335	6,503
Total Administrative Expenses	\$291,905	\$307,663	\$324,272	\$332,910	\$369,824	\$379,676
Soyuzivka Allocation	\$635,000	\$635,000	\$635,000	\$651,915	\$724,201	\$743,492
Newspapers Allocation *	292,371	292,371	292,371	300,159	333,442	342,324
Youth Activities Allocation	2,000	2,108	2,222	2,281	2,534	2,601
Donation and Scholarship Allocation	156,272	164,708	173,600	178,224	197,986	203,260
Total Fraternal Expenses	\$1,085,643	\$1,094,187	\$1,103,193	\$1,132,579	\$1,258,163	\$1,291,677
Residual Income (Reinvested into Endowment)	<u>(\$777,548)</u>	<u>(\$932,149)</u>	<u>(\$1,053,941)</u>	<u>(\$1,144,662)</u>	<u>(\$1,566,160)</u>	<u>(\$1,687,834)</u>
* Revenue less Expenses (excluding printing plant depreciation)						

Fraternal Activities Forecast: Fraternal Activities Performance Doesn't Change, \$1,000,000 in Donations

	<u>2008</u>	<u>2010</u>	<u>2012</u>	<u>2013</u>	<u>2018</u>	<u>2019</u>
UNF / Fraternal Activity Endowment Assets	\$2,000,000	\$9,919,035	\$8,049,303	\$7,024,304	\$446,054	(\$1,202,996)
Investment Income from Assets	\$100,000	\$495,952	\$402,465	\$351,215	\$22,303	(\$60,150)
Fundraising Income	1,000,000	0	0	0	0	0
UNF / Fraternal Activity Total Revenue	\$1,100,000	\$495,952	\$402,465	\$351,215	\$22,303	(\$60,150)
Rent	\$0	\$0	\$0	\$0	\$0	\$0
Salaries and Wages	150,000	158,098	166,633	171,071	195,102	200,299
Insured Benefit Plans for Employees	40,905	43,113	45,441	46,651	53,204	54,622
Legal Fees and Expenses	6,000	6,324	6,665	6,843	7,804	8,012
Fees of Public Accountants	25,000	26,350	27,772	28,512	32,517	33,383
Investment Management Fees	0	0	0	0	0	0
Travelling Expenses	10,000	10,540	11,109	11,405	13,007	13,353
Advertising	10,000	10,540	11,109	11,405	13,007	13,353
Postage, Express, Telegraph, and Telephone	15,000	15,810	16,663	17,107	19,510	20,030
Printing and Stationary	10,000	10,540	11,109	11,405	13,007	13,353
Rental of Equipment	20,000	21,080	22,218	22,809	26,014	26,707
Sundry General Expenses	5,000	5,270	5,554	5,702	6,503	6,677
Total Administrative Expenses	\$291,905	\$307,663	\$324,272	\$332,910	\$379,676	\$389,789
Soyuzivka Allocation	\$635,000	\$635,000	\$635,000	\$651,915	\$743,492	\$763,297
Newspapers Allocation *	292,371	292,371	292,371	300,159	342,324	351,442
Youth Activities Allocation	2,000	2,108	2,222	2,281	2,601	2,671
Donation and Scholarship Allocation	156,272	164,708	173,600	178,224	203,260	208,675
Total Fraternal Expenses	\$1,085,643	\$1,094,187	\$1,103,193	\$1,132,579	\$1,291,677	\$1,326,084
Residual Income (Reinvested into Endowment)	<u>(\$277,548)</u>	<u>(\$905,899)</u>	<u>(\$1,025,000)</u>	<u>(\$1,114,274)</u>	<u>(\$1,649,050)</u>	<u>(\$1,776,023)</u>
* Revenue less Expenses (excluding printing plant depreciation)						

Fraternal Activities Forecast: Fraternal Activities Performance Doesn't Change, \$11,000,000 in Donations

	2008	2009	2010	2012	2013	2028	2029
UNF / Fraternal Activity Endowment Assets	\$2,000,000	\$1,722,452	\$19,919,035	\$19,074,303	\$18,600,554	\$1,312,464	(\$795,811)
Investment Income from Assets	\$100,000	\$86,123	\$995,952	\$953,715	\$930,028	\$65,623	(\$39,791)
Fundraising Income	1,000,000	10,000,000	0	0	0	0	0
UNF / Fraternal Activity Total Revenue	\$1,100,000	\$10,086,123	\$995,952	\$953,715	\$930,028	\$65,623	(\$39,791)
Rent	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Salaries and Wages	150,000	153,996	158,098	166,633	171,071	253,766	260,526
Insured Benefit Plans for Employees	40,905	41,995	43,113	45,441	46,651	69,202	71,045
Legal Fees and Expenses	6,000	6,160	6,324	6,665	6,843	10,151	10,421
Fees of Public Accountants	25,000	25,666	26,350	27,772	28,512	42,294	43,421
Investment Management Fees	0	0	0	0	0	0	0
Travelling Expenses	10,000	10,266	10,540	11,109	11,405	16,918	17,368
Advertising	10,000	10,266	10,540	11,109	11,405	16,918	17,368
Postage, Express, Telegraph, and Telephone	15,000	15,400	15,810	16,663	17,107	25,377	26,053
Printing and Stationary	10,000	10,266	10,540	11,109	11,405	16,918	17,368
Rental of Equipment	20,000	20,533	21,080	22,218	22,809	33,835	34,737
Sundry General Expenses	5,000	5,133	5,270	5,554	5,702	8,459	8,684
Total Administrative Expenses	\$291,905	\$299,681	\$307,663	\$324,272	\$332,910	\$493,837	\$506,992
Soyuzivka Allocation	\$635,000	\$635,000	\$635,000	\$635,000	\$651,915	\$967,047	\$992,807
Newspapers Allocation *	292,371	292,371	292,371	292,371	300,159	445,254	457,115
Youth Activities Allocation	2,000	2,053	2,108	2,222	2,281	3,384	3,474
Donation and Scholarship Allocation	156,272	160,435	164,708	173,600	178,224	264,377	271,419
Total Fraternal Expenses	\$1,085,643	\$1,089,859	\$1,094,187	\$1,103,193	\$1,132,579	\$1,680,062	\$1,724,814
Residual Income (Reinvested into Endowment)	<u>(\$277,548)</u>	<u>\$8,696,583</u>	<u>(\$405,899)</u>	<u>(\$473,750)</u>	<u>(\$535,462)</u>	<u>(\$2,108,276)</u>	<u>(\$2,271,597)</u>
* Revenue less Expenses (excluding printing plant depreciation)							

Fraternal Activities Forecast: Fraternal Activities Performance Deteriorates, \$0 in Donations

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2016</u>	<u>2017</u>
UNF / Fraternal Activity Endowment Assets	\$2,000,000	\$722,452	\$8,844,332	\$1,334,355	(\$298,907)
Investment Income from Assets	\$100,000	\$36,123	\$442,217	\$66,718	(\$14,945)
Fundraising Income	0	0	0	0	0
UNF / Fraternal Activity Total Revenue	\$100,000	\$36,123	\$442,217	\$66,718	(\$14,945)
Rent	\$0	\$0	\$0	\$0	\$0
Salaries and Wages	150,000	153,996	158,098	185,109	190,040
Insured Benefit Plans for Employees	40,905	41,995	43,113	50,479	51,824
Legal Fees and Expenses	6,000	6,160	6,324	7,404	7,602
Fees of Public Accountants	25,000	25,666	26,350	30,852	31,673
Investment Management Fees	0	0	0	0	0
Travelling Expenses	10,000	10,266	10,540	12,341	12,669
Advertising	10,000	10,266	10,540	12,341	12,669
Postage, Express, Telegraph, and Telephone	15,000	15,400	15,810	18,511	19,004
Printing and Stationary	10,000	10,266	10,540	12,341	12,669
Rental of Equipment	20,000	20,533	21,080	24,681	25,339
Sundry General Expenses	5,000	5,133	5,270	6,170	6,335
Total Administrative Expenses	\$291,905	\$299,681	\$307,663	\$360,229	\$369,824
Soyuzivka Allocation	\$635,000	\$651,915	\$669,280	\$783,629	\$804,503
Newspapers Allocation *	292,371	300,159	308,155	360,804	370,415
Youth Activities Allocation	2,000	2,053	2,108	2,468	2,534
Donation and Scholarship Allocation	156,272	160,435	164,708	192,849	197,986
Total Fraternal Expenses	\$1,085,643	\$1,114,562	\$1,144,251	\$1,339,751	\$1,375,438
Residual Income (Reinvested into Endowment)	<u>(\$1,277,548)</u>	<u>(\$1,378,120)</u>	<u>(\$1,009,698)</u>	<u>(\$1,633,262)</u>	<u>(\$1,760,208)</u>
* Revenue less Expenses (excluding printing plant depreciation)					

Fraternal Activities Forecast: Fraternal Activities Performance Deteriorates, \$500,000 in Donations

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2017</u>	<u>2018</u>
UNF / Fraternal Activity Endowment Assets	\$2,000,000	\$1,222,452	\$9,369,332	\$439,821	(\$1,283,450)
Investment Income from Assets	\$100,000	\$61,123	\$468,467	\$21,991	(\$64,173)
Fundraising Income	500,000	0	0	0	0
UNF / Fraternal Activity Total Revenue	\$600,000	\$61,123	\$468,467	\$21,991	(\$64,173)
Rent	\$0	\$0	\$0	\$0	\$0
Salaries and Wages	150,000	153,996	158,098	190,040	195,102
Insured Benefit Plans for Employees	40,905	41,995	43,113	51,824	53,204
Legal Fees and Expenses	6,000	6,160	6,324	7,602	7,804
Fees of Public Accountants	25,000	25,666	26,350	31,673	32,517
Investment Management Fees	0	0	0	0	0
Travelling Expenses	10,000	10,266	10,540	12,669	13,007
Advertising	10,000	10,266	10,540	12,669	13,007
Postage, Express, Telegraph, and Telephone	15,000	15,400	15,810	19,004	19,510
Printing and Stationary	10,000	10,266	10,540	12,669	13,007
Rental of Equipment	20,000	20,533	21,080	25,339	26,014
Sundry General Expenses	5,000	5,133	5,270	6,335	6,503
Total Administrative Expenses	\$291,905	\$299,681	\$307,663	\$369,824	\$379,676
Soyuzivka Allocation	\$635,000	\$651,915	\$669,280	\$804,503	\$825,933
Newspapers Allocation *	292,371	300,159	308,155	370,415	380,282
Youth Activities Allocation	2,000	2,053	2,108	2,534	2,601
Donation and Scholarship Allocation	156,272	160,435	164,708	197,986	203,260
Total Fraternal Expenses	\$1,085,643	\$1,114,562	\$1,144,251	\$1,375,438	\$1,412,076
Residual Income (Reinvested into Endowment)	<u>(\$777,548)</u>	<u>(\$1,353,120)</u>	<u>(\$983,448)</u>	<u>(\$1,723,271)</u>	<u>(\$1,855,924)</u>
* Revenue less Expenses (excluding printing plant depreciation)					

Fraternal Activities Forecast: Fraternal Activities Performance Deteriorates, \$1,000,000 in Donations

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2017</u>	<u>2018</u>
UNF / Fraternal Activity Endowment Assets	\$2,000,000	\$1,722,452	\$9,894,332	\$1,178,549	(\$507,786)
Investment Income from Assets	\$100,000	\$86,123	\$494,717	\$58,927	(\$25,389)
Fundraising Income	1,000,000	0	0	0	0
UNF / Fraternal Activity Total Revenue	\$1,100,000	\$86,123	\$494,717	\$58,927	(\$25,389)
Rent	\$0	\$0	\$0	\$0	\$0
Salaries and Wages	150,000	153,996	158,098	190,040	195,102
Insured Benefit Plans for Employees	40,905	41,995	43,113	51,824	53,204
Legal Fees and Expenses	6,000	6,160	6,324	7,602	7,804
Fees of Public Accountants	25,000	25,666	26,350	31,673	32,517
Investment Management Fees	0	0	0	0	0
Travelling Expenses	10,000	10,266	10,540	12,669	13,007
Advertising	10,000	10,266	10,540	12,669	13,007
Postage, Express, Telegraph, and Telephone	15,000	15,400	15,810	19,004	19,510
Printing and Stationary	10,000	10,266	10,540	12,669	13,007
Rental of Equipment	20,000	20,533	21,080	25,339	26,014
Sundry General Expenses	5,000	5,133	5,270	6,335	6,503
Total Administrative Expenses	\$291,905	\$299,681	\$307,663	\$369,824	\$379,676
Soyuzivka Allocation	\$635,000	\$651,915	\$669,280	\$804,503	\$825,933
Newspapers Allocation *	292,371	300,159	308,155	370,415	380,282
Youth Activities Allocation	2,000	2,053	2,108	2,534	2,601
Donation and Scholarship Allocation	156,272	160,435	164,708	197,986	203,260
Total Fraternal Expenses	\$1,085,643	\$1,114,562	\$1,144,251	\$1,375,438	\$1,412,076
Residual Income (Reinvested into Endowment)	<u>(\$277,548)</u>	<u>(\$1,328,120)</u>	<u>(\$957,198)</u>	<u>(\$1,686,335)</u>	<u>(\$1,817,141)</u>
* Revenue less Expenses (excluding printing plant depreciation)					

Fraternal Activities Forecast: Fraternal Activities Performance Deteriorates, \$11,000,000 in Donations

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2027</u>	<u>2028</u>
UNF / Fraternal Activity Endowment Assets	\$2,000,000	\$1,722,452	\$19,894,332	\$321,281	(\$1,932,686)
Investment Income from Assets	\$100,000	\$86,123	\$994,717	\$16,064	(\$96,634)
Fundraising Income	1,000,000	10,000,000	0	0	0
UNF / Fraternal Activity Total Revenue	\$1,100,000	\$10,086,123	\$994,717	\$16,064	(\$96,634)
Rent	\$0	\$0	\$0	\$0	\$0
Salaries and Wages	150,000	153,996	158,098	247,182	253,766
Insured Benefit Plans for Employees	40,905	41,995	43,113	67,406	69,202
Legal Fees and Expenses	6,000	6,160	6,324	9,887	10,151
Fees of Public Accountants	25,000	25,666	26,350	41,197	42,294
Investment Management Fees	0	0	0	0	0
Travelling Expenses	10,000	10,266	10,540	16,479	16,918
Advertising	10,000	10,266	10,540	16,479	16,918
Postage, Express, Telegraph, and Telephone	15,000	15,400	15,810	24,718	25,377
Printing and Stationary	10,000	10,266	10,540	16,479	16,918
Rental of Equipment	20,000	20,533	21,080	32,958	33,835
Sundry General Expenses	5,000	5,133	5,270	8,239	8,459
Total Administrative Expenses	\$291,905	\$299,681	\$307,663	\$481,024	\$493,837
Soyuzivka Allocation	\$635,000	\$651,915	\$669,280	\$1,046,403	\$1,074,276
Newspapers Allocation *	292,371	300,159	308,155	481,792	494,626
Youth Activities Allocation	2,000	2,053	2,108	3,296	3,384
Donation and Scholarship Allocation	156,272	160,435	164,708	257,517	264,377
Total Fraternal Expenses	\$1,085,643	\$1,114,562	\$1,144,251	\$1,789,008	\$1,836,662
Residual Income (Reinvested into Endowment)	<u>(\$277,548)</u>	<u>\$8,671,880</u>	<u>(\$457,198)</u>	<u>(\$2,253,968)</u>	<u>(\$2,427,134)</u>
* Revenue less Expenses (excluding printing plant depreciation)					

*Strategic Alternative #5, Paulus Hook Sale Takes Place in 2008***Fraternal Activities Forecast: Fraternal Activities Performance Improves, \$0 in Donations**

	2008	2009	2015	2016	2041	2042
UNF / Fraternal Activity Endowment Assets	\$18,851,633	\$18,595,929	\$19,359,732	\$19,448,551	\$678,486	(\$1,782,454)
Investment Income from Assets	\$1,319,614	\$1,301,715	\$1,355,181	\$1,361,399	\$47,494	(\$124,772)
Fundraising Income	0	0	0	0	0	0
UNF / Fraternal Activity Total Revenue	\$1,319,614	\$1,301,715	\$1,355,181	\$1,361,399	\$47,494	(\$124,772)
Rent	\$30,500	\$31,312	\$36,662	\$37,639	\$72,621	\$74,556
Salaries and Wages	250,000	256,659	300,511	308,515	595,257	611,114
Insured Benefit Plans for Employees	68,175	69,991	81,949	84,132	162,327	166,651
Legal Fees and Expenses	6,000	6,160	7,212	7,404	14,286	14,667
Fees of Public Accountants	25,000	25,666	30,051	30,852	59,526	61,111
Investment Management Fees	40,000	41,065	48,082	49,362	95,241	97,778
Travelling Expenses	10,000	10,266	12,020	12,341	23,810	24,445
Advertising	10,000	10,266	12,020	12,341	23,810	24,445
Postage, Express, Telegraph, and Telephone	15,000	15,400	18,031	18,511	35,715	36,667
Printing and Stationary	10,000	10,266	12,020	12,341	23,810	24,445
Rental of Equipment	20,000	20,533	24,041	24,681	47,621	48,889
Sundry General Expenses	5,000	5,133	6,010	6,170	11,905	12,222
Total Administrative Expenses	\$489,675	\$502,719	\$588,610	\$604,289	\$1,165,931	\$1,196,988
Soyuzivka Allocation	\$635,000	\$351,966	\$351,966	\$361,341	\$697,181	\$715,752
Newspapers Allocation *	292,371	135,536	135,536	\$139,146	\$268,472	\$275,624
Youth Activities Allocation	2,000	\$2,053	\$2,404	\$2,468	\$4,762	\$4,889
Donation and Scholarship Allocation	156,272	160,435	187,846	192,849	372,088	382,000
Total Fraternal Expenses	\$1,085,643	\$649,990	\$677,752	\$695,805	\$1,342,504	\$1,378,265
Residual Income (Reinvested into Endowment)	(\$255,704)	\$149,006	\$88,819	\$61,304	(\$2,460,940)	(\$2,700,025)
* Revenue less Expenses (excluding printing plant depreciation)						

Fraternal Activities Forecast: Fraternal Activities Performance Improves, \$500,000 in Donations

	2008	2009	2015	2016	2043	2044
UNF / Fraternal Activity Endowment Assets	\$18,851,633	\$19,095,929	\$20,110,097	\$20,251,442	\$506,578	(\$2,101,813)
Investment Income from Assets	\$1,319,614	\$1,336,715	\$1,407,707	\$1,417,601	\$35,460	(\$147,127)
Fundraising Income	500,000	0	0	0	0	0
UNF / Fraternal Activity Total Revenue	\$1,819,614	\$1,336,715	\$1,407,707	\$1,417,601	\$35,460	(\$147,127)
Rent	\$30,500	\$31,312	\$36,662	\$37,639	\$76,542	\$78,581
Salaries and Wages	250,000	256,659	300,511	308,515	627,392	644,104
Insured Benefit Plans for Employees	68,175	69,991	81,949	84,132	171,090	175,647
Legal Fees and Expenses	6,000	6,160	7,212	7,404	15,057	15,458
Fees of Public Accountants	25,000	25,666	30,051	30,852	62,739	64,410
Investment Management Fees	40,000	41,065	48,082	49,362	100,383	103,057
Travelling Expenses	10,000	10,266	12,020	12,341	25,096	25,764
Advertising	10,000	10,266	12,020	12,341	25,096	25,764
Postage, Express, Telegraph, and Telephone	15,000	15,400	18,031	18,511	37,644	38,646
Printing and Stationary	10,000	10,266	12,020	12,341	25,096	25,764
Rental of Equipment	20,000	20,533	24,041	24,681	50,191	51,528
Sundry General Expenses	5,000	5,133	6,010	6,170	12,548	12,882
Total Administrative Expenses	\$489,675	\$502,719	\$588,610	\$604,289	\$1,228,873	\$1,261,607
Soyuzivka Allocation	\$635,000	\$351,966	\$351,966	\$361,341	\$734,818	\$754,392
Newspapers Allocation *	292,371	135,536	135,536	139,146	282,966	290,503
Youth Activities Allocation	2,000	2,053	2,404	2,468	5,019	5,153
Donation and Scholarship Allocation	156,272	160,435	187,846	192,849	392,175	402,622
Total Fraternal Expenses	\$1,085,643	\$649,990	\$677,752	\$695,805	\$1,414,978	\$1,452,670
Residual Income (Reinvested into Endowment)	\$244,296	\$184,006	\$141,345	\$117,506	(\$2,608,391)	(\$2,861,403)
* Revenue less Expenses (excluding printing plant depreciation)						

Fraternal Activities Forecast: Fraternal Activities Performance Improves, \$1,000,000 in Donations

	<u>2008</u>	<u>2009</u>	<u>2015</u>	<u>2016</u>	<u>2045</u>	<u>2046</u>
UNF / Fraternal Activity Endowment Assets	\$18,851,633	\$19,595,929	\$20,860,462	\$21,054,333	\$748,755	(\$1,985,410)
Investment Income from Assets	\$1,319,614	\$1,371,715	\$1,460,232	\$1,473,803	\$52,413	(\$138,979)
Fundraising Income	1,000,000	0	0	0	0	0
UNF / Fraternal Activity Total Revenue	\$2,319,614	\$1,371,715	\$1,460,232	\$1,473,803	\$52,413	(\$138,979)
Rent	\$30,500	\$31,312	\$36,662	\$37,639	\$80,674	\$82,823
Salaries and Wages	250,000	256,659	300,511	308,515	661,261	678,876
Insured Benefit Plans for Employees	68,175	69,991	81,949	84,132	180,326	185,129
Legal Fees and Expenses	6,000	6,160	7,212	7,404	15,870	16,293
Fees of Public Accountants	25,000	25,666	30,051	30,852	66,126	67,888
Investment Management Fees	40,000	41,065	48,082	49,362	105,802	108,620
Travelling Expenses	10,000	10,266	12,020	12,341	26,450	27,155
Advertising	10,000	10,266	12,020	12,341	26,450	27,155
Postage, Express, Telegraph, and Telephone	15,000	15,400	18,031	18,511	39,676	40,733
Printing and Stationary	10,000	10,266	12,020	12,341	26,450	27,155
Rental of Equipment	20,000	20,533	24,041	24,681	52,901	54,310
Sundry General Expenses	5,000	5,133	6,010	6,170	13,225	13,578
Total Administrative Expenses	\$489,675	\$502,719	\$588,610	\$604,289	\$1,295,213	\$1,329,714
Soyuzivka Allocation	\$635,000	\$351,966	\$351,966	\$361,341	\$774,487	\$795,117
Newspapers Allocation *	292,371	135,536	135,536	139,146	298,242	306,186
Youth Activities Allocation	2,000	2,053	2,404	2,468	5,290	5,431
Donation and Scholarship Allocation	156,272	160,435	187,846	192,849	413,347	424,357
Total Fraternal Expenses	\$1,085,643	\$649,990	\$677,752	\$695,805	\$1,491,365	\$1,531,091
Residual Income (Reinvested into Endowment)	\$744,296	\$219,006	\$193,871	\$173,709	(\$2,734,165)	(\$2,999,784)
* Revenue less Expenses (excluding printing plant depreciation)						

Fraternal Activities Forecast: Fraternal Activities Performance Improves, \$11,000,000 in Donations

	2008	2009	2010	2015	2016	2050	...
UNF / Fraternal Activity Endowment Assets	\$18,851,633	\$19,595,929	\$29,814,936	\$34,885,979	\$36,061,636	\$133,953,043	
Investment Income from Assets	\$1,319,614	\$1,371,715	\$2,087,045	\$2,442,019	\$2,524,315	\$9,376,713	
Fundraising Income	1,000,000	10,000,000	0	0	0	0	
UNF / Fraternal Activity Total Revenue	\$2,319,614	\$11,371,715	\$2,087,045	\$2,442,019	\$2,524,315	\$9,376,713	
Rent	\$30,500	\$31,312	\$32,147	\$36,662	\$37,639	\$92,007	
Salaries and Wages	250,000	256,659	263,496	300,511	308,515	754,152	
Insured Benefit Plans for Employees	68,175	69,991	71,855	81,949	84,132	205,657	
Legal Fees and Expenses	6,000	6,160	6,324	7,212	7,404	18,100	
Fees of Public Accountants	25,000	25,666	26,350	30,051	30,852	75,415	
Investment Management Fees	40,000	41,065	42,159	48,082	49,362	120,664	
Travelling Expenses	10,000	10,266	10,540	12,020	12,341	30,166	
Advertising	10,000	10,266	10,540	12,020	12,341	30,166	
Postage, Express, Telegraph, and Telephone	15,000	15,400	15,810	18,031	18,511	45,249	
Printing and Stationary	10,000	10,266	10,540	12,020	12,341	30,166	
Rental of Equipment	20,000	20,533	21,080	24,041	24,681	60,332	
Sundry General Expenses	5,000	5,133	5,270	6,010	6,170	15,083	
Total Administrative Expenses	\$489,675	\$502,719	\$516,110	\$588,610	\$604,289	\$1,477,157	
Soyuzivka Allocation	\$635,000	\$351,966	\$351,966	\$351,966	\$361,341	\$883,283	
Newspapers Allocation *	292,371	135,536	135,536	135,536	139,146	340,137	
Youth Activities Allocation	2,000	2,053	2,108	2,404	2,468	6,033	
Donation and Scholarship Allocation	156,272	160,435	164,708	187,846	192,849	471,411	
Total Fraternal Expenses	\$1,085,643	\$649,990	\$654,318	\$677,752	\$695,805	\$1,700,864	
Residual Income (Reinvested into Endowment)	\$744,296	\$10,219,006	\$916,617	\$1,175,657	\$1,224,220	\$6,198,692	

* Revenue less Expenses (excluding printing plant depreciation)

Fraternal Activities Forecast: Fraternal Activities Performance Doesn't Change, \$0 in Donations

	<u>2008</u>	<u>2009</u>	<u>2012</u>	<u>2013</u>	<u>2027</u>	<u>2028</u>
UNF / Fraternal Activity Endowment Assets	\$18,851,633	\$18,595,929	\$17,605,964	\$17,191,217	\$119,194	(\$2,315,857)
Investment Income from Assets	\$1,319,614	\$1,301,715	\$1,232,418	\$1,203,385	\$8,344	(\$162,110)
Fundraising Income	0	0	0	0	0	0
UNF / Fraternal Activity Total Revenue	\$1,319,614	\$1,301,715	\$1,232,418	\$1,203,385	\$8,344	(\$162,110)
Rent	\$30,500	\$31,312	\$33,882	\$34,784	\$50,260	\$51,599
Salaries and Wages	250,000	256,659	277,721	285,119	411,970	422,943
Insured Benefit Plans for Employees	68,175	69,991	75,734	77,752	112,344	115,337
Legal Fees and Expenses	6,000	6,160	6,665	6,843	9,887	10,151
Fees of Public Accountants	25,000	25,666	27,772	28,512	41,197	42,294
Investment Management Fees	40,000	41,065	44,435	45,619	65,915	67,671
Travelling Expenses	10,000	10,266	11,109	11,405	16,479	16,918
Advertising	10,000	10,266	11,109	11,405	16,479	16,918
Postage, Express, Telegraph, and Telephone	15,000	15,400	16,663	17,107	24,718	25,377
Printing and Stationary	10,000	10,266	11,109	11,405	16,479	16,918
Rental of Equipment	20,000	20,533	22,218	22,809	32,958	33,835
Sundry General Expenses	5,000	5,133	5,554	5,702	8,239	8,459
Total Administrative Expenses	\$489,675	\$502,719	\$543,972	\$558,462	\$806,925	\$828,419
Soyuzivka Allocation	\$635,000	\$635,000	\$635,000	\$651,915	\$941,956	\$967,047
Newspapers Allocation *	292,371	292,371	292,371	300,159	433,702	445,254
Youth Activities Allocation	2,000	2,053	2,222	2,281	3,296	3,384
Donation and Scholarship Allocation	156,272	160,435	173,600	178,224	257,517	264,377
Total Fraternal Expenses	\$1,085,643	\$1,089,859	\$1,103,193	\$1,132,579	\$1,636,470	\$1,680,062
Residual Income (Reinvested into Endowment)	<u>(\$255,704)</u>	<u>(\$290,863)</u>	<u>(\$414,747)</u>	<u>(\$487,656)</u>	<u>(\$2,435,051)</u>	<u>(\$2,670,591)</u>
* Revenue less Expenses (excluding printing plant depreciation)						

Fraternal Activities Forecast: Fraternal Activities Performance Doesn't Change, \$500,000 in Donations

	<u>2008</u>	<u>2009</u>	<u>2012</u>	<u>2013</u>	<u>2027</u>	<u>2028</u>
UNF / Fraternal Activity Endowment Assets	\$18,851,633	\$19,095,929	\$18,218,486	\$17,846,615	\$1,809,160	(\$507,594)
Investment Income from Assets	\$1,319,614	\$1,336,715	\$1,275,294	\$1,249,263	\$126,641	(\$35,532)
Fundraising Income	500,000	0	0	0	0	0
UNF / Fraternal Activity Total Revenue	\$1,819,614	\$1,336,715	\$1,275,294	\$1,249,263	\$126,641	(\$35,532)
Rent	\$30,500	\$31,312	\$33,882	\$34,784	\$50,260	\$51,599
Salaries and Wages	250,000	256,659	277,721	285,119	411,970	422,943
Insured Benefit Plans for Employees	68,175	69,991	75,734	77,752	112,344	115,337
Legal Fees and Expenses	6,000	6,160	6,665	6,843	9,887	10,151
Fees of Public Accountants	25,000	25,666	27,772	28,512	41,197	42,294
Investment Management Fees	40,000	41,065	44,435	45,619	65,915	67,671
Travelling Expenses	10,000	10,266	11,109	11,405	16,479	16,918
Advertising	10,000	10,266	11,109	11,405	16,479	16,918
Postage, Express, Telegraph, and Telephone	15,000	15,400	16,663	17,107	24,718	25,377
Printing and Stationary	10,000	10,266	11,109	11,405	16,479	16,918
Rental of Equipment	20,000	20,533	22,218	22,809	32,958	33,835
Sundry General Expenses	5,000	5,133	5,554	5,702	8,239	8,459
Total Administrative Expenses	\$489,675	\$502,719	\$543,972	\$558,462	\$806,925	\$828,419
Soyuzivka Allocation	\$635,000	\$635,000	\$635,000	\$651,915	\$941,956	\$967,047
Newspapers Allocation *	292,371	292,371	292,371	300,159	433,702	445,254
Youth Activities Allocation	2,000	2,053	2,222	2,281	3,296	3,384
Donation and Scholarship Allocation	156,272	160,435	173,600	178,224	257,517	264,377
Total Fraternal Expenses	\$1,085,643	\$1,089,859	\$1,103,193	\$1,132,579	\$1,636,470	\$1,680,062
Residual Income (Reinvested into Endowment)	\$244,296	(\$255,863)	(\$371,871)	(\$441,778)	(\$2,316,754)	(\$2,544,012)
* Revenue less Expenses (excluding printing plant depreciation)						

Fraternal Activities Forecast: Fraternal Activities Performance Doesn't Change, \$1,000,000 in Donations

	<u>2008</u>	<u>2009</u>	<u>2012</u>	<u>2013</u>	<u>2028</u>	<u>2029</u>
UNF / Fraternal Activity Endowment Assets	\$18,851,633	\$19,595,929	\$18,831,007	\$18,502,013	\$1,300,670	(\$1,116,764)
Investment Income from Assets	\$1,319,614	\$1,371,715	\$1,318,171	\$1,295,141	\$91,047	(\$78,173)
Fundraising Income	1,000,000	0	0	0	0	0
UNF / Fraternal Activity Total Revenue	\$2,319,614	\$1,371,715	\$1,318,171	\$1,295,141	\$91,047	(\$78,173)
Rent	\$30,500	\$31,312	\$33,882	\$34,784	\$51,599	\$52,974
Salaries and Wages	250,000	256,659	277,721	285,119	422,943	434,210
Insured Benefit Plans for Employees	68,175	69,991	75,734	77,752	115,337	118,409
Legal Fees and Expenses	6,000	6,160	6,665	6,843	10,151	10,421
Fees of Public Accountants	25,000	25,666	27,772	28,512	42,294	43,421
Investment Management Fees	40,000	41,065	44,435	45,619	67,671	69,474
Travelling Expenses	10,000	10,266	11,109	11,405	16,918	17,368
Advertising	10,000	10,266	11,109	11,405	16,918	17,368
Postage, Express, Telegraph, and Telephone	15,000	15,400	16,663	17,107	25,377	26,053
Printing and Stationary	10,000	10,266	11,109	11,405	16,918	17,368
Rental of Equipment	20,000	20,533	22,218	22,809	33,835	34,737
Sundry General Expenses	5,000	5,133	5,554	5,702	8,459	8,684
Total Administrative Expenses	\$489,675	\$502,719	\$543,972	\$558,462	\$828,419	\$850,486
Soyuzivka Allocation	\$635,000	\$635,000	\$635,000	\$651,915	\$967,047	\$992,807
Newspapers Allocation *	292,371	292,371	292,371	300,159	445,254	457,115
Youth Activities Allocation	2,000	2,053	2,222	2,281	3,384	3,474
Donation and Scholarship Allocation	156,272	160,435	173,600	178,224	264,377	271,419
Total Fraternal Expenses	\$1,085,643	\$1,089,859	\$1,103,193	\$1,132,579	\$1,680,062	\$1,724,814
Residual Income (Reinvested into Endowment)	\$744,296	(\$220,863)	(\$328,994)	(\$395,900)	(\$2,417,434)	(\$2,653,474)
* Revenue less Expenses (excluding printing plant depreciation)						

Fraternal Activities Forecast: Fraternal Activities Performance Doesn't Change, \$11,000,000 in Donations

	2008	2009	2010	2012	2013	2050	2051
UNF / Fraternal Activity Endowment Assets	\$18,851,633	\$19,595,929	\$29,375,067	\$30,280,007	\$30,752,443	\$2,363,361	(\$1,944,084)
Investment Income from Assets	\$1,319,614	\$1,371,715	\$2,056,255	\$2,119,601	\$2,152,671	\$165,435	(\$136,086)
Fundraising Income	1,000,000	10,000,000	0	0	0	0	0
UNF / Fraternal Activity Total Revenue	\$2,319,614	\$11,371,715	\$2,056,255	\$2,119,601	\$2,152,671	\$165,435	(\$136,086)
Rent	\$30,500	\$31,312	\$32,147	\$33,882	\$34,784	\$92,007	\$94,457
Salaries and Wages	250,000	256,659	263,496	277,721	285,119	754,152	774,241
Insured Benefit Plans for Employees	68,175	69,991	71,855	75,734	77,752	205,657	211,135
Legal Fees and Expenses	6,000	6,160	6,324	6,665	6,843	18,100	18,582
Fees of Public Accountants	25,000	25,666	26,350	27,772	28,512	75,415	77,424
Investment Management Fees	40,000	41,065	42,159	44,435	45,619	120,664	123,878
Travelling Expenses	10,000	10,266	10,540	11,109	11,405	30,166	30,970
Advertising	10,000	10,266	10,540	11,109	11,405	30,166	30,970
Postage, Express, Telegraph, and Telephone	15,000	15,400	15,810	16,663	17,107	45,249	46,454
Printing and Stationary	10,000	10,266	10,540	11,109	11,405	30,166	30,970
Rental of Equipment	20,000	20,533	21,080	22,218	22,809	60,332	61,939
Sundry General Expenses	5,000	5,133	5,270	5,554	5,702	15,083	15,485
Total Administrative Expenses	\$489,675	\$502,719	\$516,110	\$543,972	\$558,462	\$1,477,157	\$1,516,505
Soyuzivka Allocation	\$635,000	\$635,000	\$635,000	\$635,000	\$651,915	\$1,724,345	\$1,770,277
Newspapers Allocation *	292,371	292,371	292,371	292,371	300,159	793,934	815,083
Youth Activities Allocation	2,000	2,053	2,108	2,222	2,281	6,033	6,194
Donation and Scholarship Allocation	156,272	160,435	164,708	173,600	178,224	471,411	483,968
Total Fraternal Expenses	\$1,085,643	\$1,089,859	\$1,094,187	\$1,103,193	\$1,132,579	\$2,995,723	\$3,075,522
Residual Income (Reinvested into Endowment)	\$744,296	\$9,779,137	\$445,958	\$472,436	\$461,630	(\$4,307,445)	(\$4,728,113)

* Revenue less Expenses (excluding printing plant depreciation)

Fraternal Activities Forecast: Fraternal Activities Performance Deteriorates, \$0 in Donations

	<u>2008</u>	<u>2009</u>	<u>2025</u>	<u>2026</u>
UNF / Fraternal Activity Endowment Assets	\$18,851,633	\$18,595,929	\$1,591,677	(\$759,876)
Investment Income from Assets	\$1,319,614	\$1,301,715	\$111,417	(\$53,191)
Fundraising Income	0	0	0	0
UNF / Fraternal Activity Total Revenue	\$1,319,614	\$1,301,715	\$111,417	(\$53,191)
Rent	\$30,500	\$31,312	\$47,686	\$48,956
Salaries and Wages	250,000	256,659	390,869	401,281
Insured Benefit Plans for Employees	68,175	69,991	106,590	109,429
Legal Fees and Expenses	6,000	6,160	9,381	9,631
Fees of Public Accountants	25,000	25,666	39,087	40,128
Investment Management Fees	40,000	41,065	62,539	64,205
Travelling Expenses	10,000	10,266	15,635	16,051
Advertising	10,000	10,266	15,635	16,051
Postage, Express, Telegraph, and Telephone	15,000	15,400	23,452	24,077
Printing and Stationary	10,000	10,266	15,635	16,051
Rental of Equipment	20,000	20,533	31,269	32,102
Sundry General Expenses	5,000	5,133	7,817	8,026
Total Administrative Expenses	\$489,675	\$502,719	\$765,595	\$785,988
Soyuzivka Allocation	\$635,000	\$651,915	\$992,807	\$1,019,252
Newspapers Allocation *	292,371	300,159	457,115	469,291
Youth Activities Allocation	2,000	2,053	3,127	3,210
Donation and Scholarship Allocation	156,272	160,435	244,327	250,836
Total Fraternal Expenses	\$1,085,643	\$1,114,562	\$1,697,376	\$1,742,589
Residual Income (Reinvested into Endowment)	<u>(\$255,704)</u>	<u>(\$315,565)</u>	<u>(\$2,351,553)</u>	<u>(\$2,581,769)</u>
* Revenue less Expenses (excluding printing plant depreciation)				

Fraternal Activities Forecast: Fraternal Activities Performance Deteriorates, \$500,000 in Donations

	<u>2008</u>	<u>2009</u>	<u>2026</u>	<u>2027</u>
UNF / Fraternal Activity Endowment Assets	\$18,851,633	\$19,095,929	\$819,532	(\$1,651,679)
Investment Income from Assets	\$1,319,614	\$1,336,715	\$57,367	(\$115,618)
Fundraising Income	500,000	0	0	0
UNF / Fraternal Activity Total Revenue	\$1,819,614	\$1,336,715	\$57,367	(\$115,618)
Rent	\$30,500	\$31,312	\$48,956	\$50,260
Salaries and Wages	250,000	256,659	401,281	411,970
Insured Benefit Plans for Employees	68,175	69,991	109,429	112,344
Legal Fees and Expenses	6,000	6,160	9,631	9,887
Fees of Public Accountants	25,000	25,666	40,128	41,197
Investment Management Fees	40,000	41,065	64,205	65,915
Travelling Expenses	10,000	10,266	16,051	16,479
Advertising	10,000	10,266	16,051	16,479
Postage, Express, Telegraph, and Telephone	15,000	15,400	24,077	24,718
Printing and Stationary	10,000	10,266	16,051	16,479
Rental of Equipment	20,000	20,533	32,102	32,958
Sundry General Expenses	5,000	5,133	8,026	8,239
Total Administrative Expenses	\$489,675	\$502,719	\$785,988	\$806,925
Soyuzivka Allocation	\$635,000	\$651,915	\$1,019,252	\$1,046,403
Newspapers Allocation *	292,371	300,159	469,291	481,792
Youth Activities Allocation	2,000	2,053	3,210	3,296
Donation and Scholarship Allocation	156,272	160,435	250,836	257,517
Total Fraternal Expenses	\$1,085,643	\$1,114,562	\$1,742,589	\$1,789,008
Residual Income (Reinvested into Endowment)	\$244,296	(\$280,565)	(\$2,471,210)	(\$2,711,550)
* Revenue less Expenses (excluding printing plant depreciation)				

Fraternal Activities Forecast: Fraternal Activities Performance Deteriorates, \$1,000,000 in Donations

	<u>2008</u>	<u>2009</u>	<u>2027</u>	<u>2028</u>
UNF / Fraternal Activity Endowment Assets	\$18,851,633	\$19,595,929	\$38,288	(\$2,554,965)
Investment Income from Assets	\$1,319,614	\$1,371,715	\$2,680	(\$178,848)
Fundraising Income	1,000,000	0	0	0
UNF / Fraternal Activity Total Revenue	\$2,319,614	\$1,371,715	\$2,680	(\$178,848)
Rent	\$30,500	\$31,312	\$50,260	\$51,599
Salaries and Wages	250,000	256,659	411,970	422,943
Insured Benefit Plans for Employees	68,175	69,991	112,344	115,337
Legal Fees and Expenses	6,000	6,160	9,887	10,151
Fees of Public Accountants	25,000	25,666	41,197	42,294
Investment Management Fees	40,000	41,065	65,915	67,671
Travelling Expenses	10,000	10,266	16,479	16,918
Advertising	10,000	10,266	16,479	16,918
Postage, Express, Telegraph, and Telephone	15,000	15,400	24,718	25,377
Printing and Stationary	10,000	10,266	16,479	16,918
Rental of Equipment	20,000	20,533	32,958	33,835
Sundry General Expenses	5,000	5,133	8,239	8,459
Total Administrative Expenses	\$489,675	\$502,719	\$806,925	\$828,419
Soyuzivka Allocation	\$635,000	\$651,915	\$1,046,403	\$1,074,276
Newspapers Allocation *	292,371	300,159	481,792	494,626
Youth Activities Allocation	2,000	2,053	3,296	3,384
Donation and Scholarship Allocation	156,272	160,435	257,517	264,377
Total Fraternal Expenses	\$1,085,643	\$1,114,562	\$1,789,008	\$1,836,662
Residual Income (Reinvested into Endowment)	<u>\$744,296</u>	<u>(\$245,565)</u>	<u>(\$2,593,252)</u>	<u>(\$2,843,929)</u>
* Revenue less Expenses (excluding printing plant depreciation)				

Fraternal Activities Forecast: Fraternal Activities Performance Deteriorates, \$11,000,000 in Donations

	2008	2009	2010	2045	2046
UNF / Fraternal Activity Endowment Assets	\$18,851,633	\$19,595,929	\$29,350,364	\$644,773	(\$3,476,882)
Investment Income from Assets	\$1,319,614	\$1,371,715	\$2,054,525	\$45,134	(\$243,382)
Fundraising Income	1,000,000	10,000,000	0	0	0
UNF / Fraternal Activity Total Revenue	\$2,319,614	\$11,371,715	\$2,054,525	\$45,134	(\$243,382)
Rent	\$30,500	\$31,312	\$32,147	\$80,674	\$82,823
Salaries and Wages	250,000	256,659	263,496	661,261	678,876
Insured Benefit Plans for Employees	68,175	69,991	71,855	180,326	185,129
Legal Fees and Expenses	6,000	6,160	6,324	15,870	16,293
Fees of Public Accountants	25,000	25,666	26,350	66,126	67,888
Investment Management Fees	40,000	41,065	42,159	105,802	108,620
Travelling Expenses	10,000	10,266	10,540	26,450	27,155
Advertising	10,000	10,266	10,540	26,450	27,155
Postage, Express, Telegraph, and Telephone	15,000	15,400	15,810	39,676	40,733
Printing and Stationary	10,000	10,266	10,540	26,450	27,155
Rental of Equipment	20,000	20,533	21,080	52,901	54,310
Sundry General Expenses	5,000	5,133	5,270	13,225	13,578
Total Administrative Expenses	\$489,675	\$502,719	\$516,110	\$1,295,213	\$1,329,714
Soyuzivka Allocation	\$635,000	\$651,915	\$669,280	\$1,679,604	\$1,724,345
Newspapers Allocation *	292,371	300,159	308,155	773,335	793,934
Youth Activities Allocation	2,000	2,053	2,108	5,290	5,431
Donation and Scholarship Allocation	156,272	160,435	164,708	413,347	424,357
Total Fraternal Expenses	\$1,085,643	\$1,114,562	\$1,144,251	\$2,871,576	\$2,948,067
Residual Income (Reinvested into Endowment)	\$744,296	\$9,754,435	\$394,165	(\$4,121,654)	(\$4,521,163)
* Revenue less Expenses (excluding printing plant depreciation)					

*Strategic Alternative #5, Paulus Hook Sale Takes Place in 2010***Fraternal Activities Forecast: Fraternal Activities Performance Improves, \$0 in Donations**

	2008	2009	2010	2015	2016	2036	2037
UNF / Fraternal Activity Endowment Assets	\$9,351,633	\$8,430,929	\$17,368,386	\$17,429,049	\$17,382,721	\$1,967,561	(\$94,176)
Investment Income from Assets	\$654,614	\$590,165	\$1,215,787	\$1,220,033	\$1,216,790	\$137,729	(\$6,592)
Fundraising Income	0	0	0	0	0	0	0
UNF / Fraternal Activity Total Revenue	\$654,614	\$590,165	\$1,215,787	\$1,220,033	\$1,216,790	\$137,729	(\$6,592)
Rent	\$30,500	\$31,312	\$32,147	\$36,662	\$37,639	\$63,676	\$65,373
Salaries and Wages	250,000	256,659	263,496	300,511	308,515	521,938	535,841
Insured Benefit Plans for Employees	68,175	69,991	71,855	81,949	84,132	142,333	146,124
Legal Fees and Expenses	6,000	6,160	6,324	7,212	7,404	12,527	12,860
Fees of Public Accountants	25,000	25,666	26,350	30,051	30,852	52,194	53,584
Investment Management Fees	40,000	41,065	42,159	48,082	49,362	83,510	85,735
Travelling Expenses	10,000	10,266	10,540	12,020	12,341	20,878	21,434
Advertising	10,000	10,266	10,540	12,020	12,341	20,878	21,434
Postage, Express, Telegraph, and Telephone	15,000	15,400	15,810	18,031	18,511	31,316	32,150
Printing and Stationary	10,000	10,266	10,540	12,020	12,341	20,878	21,434
Rental of Equipment	20,000	20,533	21,080	24,041	24,681	41,755	42,867
Sundry General Expenses	5,000	5,133	5,270	6,010	6,170	10,439	10,717
Total Administrative Expenses	\$489,675	\$502,719	\$516,110	\$588,610	\$604,289	\$1,022,321	\$1,049,553
Soyuzivka Allocation	\$635,000	\$351,966	\$351,966	\$351,966	\$361,341	\$611,308	\$627,592
Newspapers Allocation *	292,371	135,536	135,536	135,536	139,146	235,404	241,675
Youth Activities Allocation	2,000	2,053	2,108	2,404	2,468	4,176	4,287
Donation and Scholarship Allocation	156,272	160,435	164,708	187,846	192,849	326,257	334,948
Total Fraternal Expenses	\$1,085,643	\$649,990	\$654,318	\$677,752	\$695,805	\$1,177,145	\$1,208,501
Residual Income (Reinvested into Endowment)	<u>(\$920,704)</u>	<u>(\$562,544)</u>	<u>\$45,359</u>	<u>(\$46,328)</u>	<u>(\$83,304)</u>	<u>(\$2,061,736)</u>	<u>(\$2,264,646)</u>
* Revenue less Expenses (excluding printing plant depreciation)							

Fraternal Activities Forecast: Fraternal Activities Performance Improves, \$500,000 in Donations

	2008	2009	2010	2015	2016	2038	2039
UNF / Fraternal Activity Endowment Assets	\$9,351,633	\$8,930,929	\$17,903,386	\$18,179,414	\$18,185,612	\$1,198,307	(\$1,036,015)
Investment Income from Assets	\$654,614	\$625,165	\$1,253,237	\$1,272,559	\$1,272,993	\$83,881	(\$72,521)
Fundraising Income	500,000	0	0	0	0	0	0
UNF / Fraternal Activity Total Revenue	\$1,154,614	\$625,165	\$1,253,237	\$1,272,559	\$1,272,993	\$83,881	(\$72,521)
Rent	\$30,500	\$31,312	\$32,147	\$36,662	\$37,639	\$67,114	\$68,902
Salaries and Wages	250,000	256,659	263,496	300,511	308,515	550,115	564,769
Insured Benefit Plans for Employees	68,175	69,991	71,855	81,949	84,132	150,016	154,012
Legal Fees and Expenses	6,000	6,160	6,324	7,212	7,404	13,203	13,554
Fees of Public Accountants	25,000	25,666	26,350	30,051	30,852	55,011	56,477
Investment Management Fees	40,000	41,065	42,159	48,082	49,362	88,018	90,363
Travelling Expenses	10,000	10,266	10,540	12,020	12,341	22,005	22,591
Advertising	10,000	10,266	10,540	12,020	12,341	22,005	22,591
Postage, Express, Telegraph, and Telephone	15,000	15,400	15,810	18,031	18,511	33,007	33,886
Printing and Stationary	10,000	10,266	10,540	12,020	12,341	22,005	22,591
Rental of Equipment	20,000	20,533	21,080	24,041	24,681	44,009	45,181
Sundry General Expenses	5,000	5,133	5,270	6,010	6,170	11,002	11,295
Total Administrative Expenses	\$489,675	\$502,719	\$516,110	\$588,610	\$604,289	\$1,077,510	\$1,106,212
Soyuzivka Allocation	\$635,000	\$351,966	\$351,966	\$351,966	\$361,341	\$644,309	\$661,472
Newspapers Allocation *	292,371	135,536	135,536	135,536	139,146	248,112	254,721
Youth Activities Allocation	2,000	2,053	2,108	2,404	2,468	4,401	4,518
Donation and Scholarship Allocation	156,272	160,435	164,708	187,846	192,849	343,870	353,030
Total Fraternal Expenses	\$1,085,643	\$649,990	\$654,318	\$677,752	\$695,805	\$1,240,693	\$1,273,742
Residual Income (Reinvested into Endowment)	(\$420,704)	(\$527,544)	\$82,809	\$6,197	(\$27,102)	(\$2,234,321)	(\$2,452,475)
* Revenue less Expenses (excluding printing plant depreciation)							

Fraternal Activities Forecast: Fraternal Activities Performance Improves, \$1,000,000 in Donations

	2008	2009	2010	2015	2016	2040	2041
UNF / Fraternal Activity Endowment Assets	\$9,351,633	\$9,430,929	\$18,438,386	\$18,929,780	\$18,988,502	\$584,067	(\$1,818,398)
Investment Income from Assets	\$654,614	\$660,165	\$1,290,687	\$1,325,085	\$1,329,195	\$40,885	(\$127,288)
Fundraising Income	1,000,000	0	0	0	0	0	0
UNF / Fraternal Activity Total Revenue	\$1,654,614	\$660,165	\$1,290,687	\$1,325,085	\$1,329,195	\$40,885	(\$127,288)
Rent	\$30,500	\$31,312	\$32,147	\$36,662	\$37,639	\$70,737	\$72,621
Salaries and Wages	250,000	256,659	263,496	300,511	308,515	579,813	595,257
Insured Benefit Plans for Employees	68,175	69,991	71,855	81,949	84,132	158,115	162,327
Legal Fees and Expenses	6,000	6,160	6,324	7,212	7,404	13,916	14,286
Fees of Public Accountants	25,000	25,666	26,350	30,051	30,852	57,981	59,526
Investment Management Fees	40,000	41,065	42,159	48,082	49,362	92,770	95,241
Travelling Expenses	10,000	10,266	10,540	12,020	12,341	23,193	23,810
Advertising	10,000	10,266	10,540	12,020	12,341	23,193	23,810
Postage, Express, Telegraph, and Telephone	15,000	15,400	15,810	18,031	18,511	34,789	35,715
Printing and Stationary	10,000	10,266	10,540	12,020	12,341	23,193	23,810
Rental of Equipment	20,000	20,533	21,080	24,041	24,681	46,385	47,621
Sundry General Expenses	5,000	5,133	5,270	6,010	6,170	11,596	11,905
Total Administrative Expenses	\$489,675	\$502,719	\$516,110	\$588,610	\$604,289	\$1,135,679	\$1,165,931
Soyuzivka Allocation	\$635,000	\$351,966	\$351,966	\$351,966	\$361,341	\$679,092	\$697,181
Newspapers Allocation *	292,371	135,536	135,536	135,536	139,146	261,507	268,472
Youth Activities Allocation	2,000	2,053	2,108	2,404	2,468	4,639	4,762
Donation and Scholarship Allocation	156,272	160,435	164,708	187,846	192,849	362,434	372,088
Total Fraternal Expenses	\$1,085,643	\$649,990	\$654,318	\$677,752	\$695,805	\$1,307,671	\$1,342,504
Residual Income (Reinvested into Endowment)	\$79,296	(\$492,544)	\$120,259	\$58,723	\$29,101	(\$2,402,465)	(\$2,635,722)
* Revenue less Expenses (excluding printing plant depreciation)							

Fraternal Activities Forecast: Fraternal Activities Performance Improves, \$11,000,000 in Donations

	2008	2009	2010	2015	2016	2050	...
UNF / Fraternal Activity Endowment Assets	\$9,351,633	\$9,430,929	\$28,438,386	\$32,955,297	\$33,995,806	\$113,339,953	
Investment Income from Assets	\$654,614	\$660,165	\$1,990,687	\$2,306,871	\$2,379,706	\$7,933,797	
Fundraising Income	1,000,000	10,000,000	0	0	0	0	
UNF / Fraternal Activity Total Revenue	\$1,654,614	\$10,660,165	\$1,990,687	\$2,306,871	\$2,379,706	\$7,933,797	
Rent	\$30,500	\$31,312	\$32,147	\$36,662	\$37,639	\$92,007	
Salaries and Wages	250,000	256,659	263,496	300,511	308,515	754,152	
Insured Benefit Plans for Employees	68,175	69,991	71,855	81,949	84,132	205,657	
Legal Fees and Expenses	6,000	6,160	6,324	7,212	7,404	18,100	
Fees of Public Accountants	25,000	25,666	26,350	30,051	30,852	75,415	
Investment Management Fees	40,000	41,065	42,159	48,082	49,362	120,664	
Travelling Expenses	10,000	10,266	10,540	12,020	12,341	30,166	
Advertising	10,000	10,266	10,540	12,020	12,341	30,166	
Postage, Express, Telegraph, and Telephone	15,000	15,400	15,810	18,031	18,511	45,249	
Printing and Stationary	10,000	10,266	10,540	12,020	12,341	30,166	
Rental of Equipment	20,000	20,533	21,080	24,041	24,681	60,332	
Sundry General Expenses	5,000	5,133	5,270	6,010	6,170	15,083	
Total Administrative Expenses	\$489,675	\$502,719	\$516,110	\$588,610	\$604,289	\$1,477,157	
Soyuzivka Allocation	\$635,000	\$351,966	\$351,966	\$351,966	\$361,341	\$883,283	
Newspapers Allocation *	292,371	135,536	135,536	135,536	139,146	340,137	
Youth Activities Allocation	2,000	2,053	2,108	2,404	2,468	6,033	
Donation and Scholarship Allocation	156,272	160,435	164,708	187,846	192,849	471,411	
Total Fraternal Expenses	\$1,085,643	\$649,990	\$654,318	\$677,752	\$695,805	\$1,700,864	
Residual Income (Reinvested into Endowment)	\$79,296	\$9,507,456	\$820,259	\$1,040,509	\$1,079,612	\$4,755,776	

* Revenue less Expenses (excluding printing plant depreciation)

Fraternal Activities Forecast: Fraternal Activities Performance Doesn't Change, \$0 in Donations

	2008	2009	2010	2012	2013	2025	2026
UNF / Fraternal Activity Endowment Assets	\$9,351,633	\$8,430,929	\$16,928,517	\$16,029,952	\$15,504,884	\$551,531	(\$1,728,108)
Investment Income from Assets	\$654,614	\$590,165	\$1,184,996	\$1,122,097	\$1,085,342	\$38,607	(\$120,968)
Fundraising Income	0	0	0	0	0	0	0
UNF / Fraternal Activity Total Revenue	\$654,614	\$590,165	\$1,184,996	\$1,122,097	\$1,085,342	\$38,607	(\$120,968)
Rent	\$30,500	\$31,312	\$32,147	\$33,882	\$34,784	\$47,686	\$48,956
Salaries and Wages	250,000	256,659	263,496	277,721	285,119	390,869	401,281
Insured Benefit Plans for Employees	68,175	69,991	71,855	75,734	77,752	106,590	109,429
Legal Fees and Expenses	6,000	6,160	6,324	6,665	6,843	9,381	9,631
Fees of Public Accountants	25,000	25,666	26,350	27,772	28,512	39,087	40,128
Investment Management Fees	40,000	41,065	42,159	44,435	45,619	62,539	64,205
Travelling Expenses	10,000	10,266	10,540	11,109	11,405	15,635	16,051
Advertising	10,000	10,266	10,540	11,109	11,405	15,635	16,051
Postage, Express, Telegraph, and Telephone	15,000	15,400	15,810	16,663	17,107	23,452	24,077
Printing and Stationary	10,000	10,266	10,540	11,109	11,405	15,635	16,051
Rental of Equipment	20,000	20,533	21,080	22,218	22,809	31,269	32,102
Sundry General Expenses	5,000	5,133	5,270	5,554	5,702	7,817	8,026
Total Administrative Expenses	\$489,675	\$502,719	\$516,110	\$543,972	\$558,462	\$765,595	\$785,988
Soyuzivka Allocation	\$635,000	\$635,000	\$635,000	\$635,000	\$651,915	\$893,709	\$917,515
Newspapers Allocation *	292,371	292,371	292,371	292,371	300,159	411,488	422,449
Youth Activities Allocation	2,000	2,053	2,108	2,222	2,281	3,127	3,210
Donation and Scholarship Allocation	156,272	160,435	164,708	173,600	178,224	244,327	250,836
Total Fraternal Expenses	\$1,085,643	\$1,089,859	\$1,094,187	\$1,103,193	\$1,132,579	\$1,552,651	\$1,594,010
Residual Income (Reinvested into Endowment)	(\$920,704)	(\$1,002,413)	(\$425,301)	(\$525,068)	(\$605,699)	(\$2,279,639)	(\$2,500,965)
* Revenue less Expenses (excluding printing plant depreciation)							

Fraternal Activities Forecast: Fraternal Activities Performance Doesn't Change, \$500,000 in Donations

	2008	2009	2010	2012	2013	2025	2026
UNF / Fraternal Activity Endowment Assets	\$9,351,633	\$8,930,929	\$17,463,517	\$16,642,474	\$16,160,282	\$2,027,613	(\$148,700)
Investment Income from Assets	\$654,614	\$625,165	\$1,222,446	\$1,164,973	\$1,131,220	\$141,933	(\$10,409)
Fundraising Income	500,000	0	0	0	0	0	0
UNF / Fraternal Activity Total Revenue	\$1,154,614	\$625,165	\$1,222,446	\$1,164,973	\$1,131,220	\$141,933	(\$10,409)
Rent	\$30,500	\$31,312	\$32,147	\$33,882	\$34,784	\$47,686	\$48,956
Salaries and Wages	250,000	256,659	263,496	277,721	285,119	390,869	401,281
Insured Benefit Plans for Employees	68,175	69,991	71,855	75,734	77,752	106,590	109,429
Legal Fees and Expenses	6,000	6,160	6,324	6,665	6,843	9,381	9,631
Fees of Public Accountants	25,000	25,666	26,350	27,772	28,512	39,087	40,128
Investment Management Fees	40,000	41,065	42,159	44,435	45,619	62,539	64,205
Travelling Expenses	10,000	10,266	10,540	11,109	11,405	15,635	16,051
Advertising	10,000	10,266	10,540	11,109	11,405	15,635	16,051
Postage, Express, Telegraph, and Telephone	15,000	15,400	15,810	16,663	17,107	23,452	24,077
Printing and Stationary	10,000	10,266	10,540	11,109	11,405	15,635	16,051
Rental of Equipment	20,000	20,533	21,080	22,218	22,809	31,269	32,102
Sundry General Expenses	5,000	5,133	5,270	5,554	5,702	7,817	8,026
Total Administrative Expenses	\$489,675	\$502,719	\$516,110	\$543,972	\$558,462	\$765,595	\$785,988
Soyuzivka Allocation	\$635,000	\$635,000	\$635,000	\$635,000	\$651,915	\$893,709	\$917,515
Newspapers Allocation *	292,371	292,371	292,371	292,371	300,159	411,488	422,449
Youth Activities Allocation	2,000	2,053	2,108	2,222	2,281	3,127	3,210
Donation and Scholarship Allocation	156,272	160,435	164,708	173,600	178,224	244,327	250,836
Total Fraternal Expenses	\$1,085,643	\$1,089,859	\$1,094,187	\$1,103,193	\$1,132,579	\$1,552,651	\$1,594,010
Residual Income (Reinvested into Endowment)	(\$420,704)	(\$967,413)	(\$387,851)	(\$482,191)	(\$559,821)	(\$2,176,313)	(\$2,390,407)
* Revenue less Expenses (excluding printing plant depreciation)							

Fraternal Activities Forecast: Fraternal Activities Performance Doesn't Change, \$1,000,000 in Donations

	2008	2009	2010	2012	2013	2026	2027
UNF / Fraternal Activity Endowment Assets	\$9,351,633	\$9,430,929	\$17,998,517	\$17,254,995	\$16,815,680	\$1,430,708	(\$849,141)
Investment Income from Assets	\$654,614	\$660,165	\$1,259,896	\$1,207,850	\$1,177,098	\$100,150	(\$59,440)
Fundraising Income	1,000,000	0	0	0	0	0	0
UNF / Fraternal Activity Total Revenue	\$1,654,614	\$660,165	\$1,259,896	\$1,207,850	\$1,177,098	\$100,150	(\$59,440)
Rent	\$30,500	\$31,312	\$32,147	\$33,882	\$34,784	\$48,956	\$50,260
Salaries and Wages	250,000	256,659	263,496	277,721	285,119	401,281	411,970
Insured Benefit Plans for Employees	68,175	69,991	71,855	75,734	77,752	109,429	112,344
Legal Fees and Expenses	6,000	6,160	6,324	6,665	6,843	9,631	9,887
Fees of Public Accountants	25,000	25,666	26,350	27,772	28,512	40,128	41,197
Investment Management Fees	40,000	41,065	42,159	44,435	45,619	64,205	65,915
Travelling Expenses	10,000	10,266	10,540	11,109	11,405	16,051	16,479
Advertising	10,000	10,266	10,540	11,109	11,405	16,051	16,479
Postage, Express, Telegraph, and Telephone	15,000	15,400	15,810	16,663	17,107	24,077	24,718
Printing and Stationary	10,000	10,266	10,540	11,109	11,405	16,051	16,479
Rental of Equipment	20,000	20,533	21,080	22,218	22,809	32,102	32,958
Sundry General Expenses	5,000	5,133	5,270	5,554	5,702	8,026	8,239
Total Administrative Expenses	\$489,675	\$502,719	\$516,110	\$543,972	\$558,462	\$785,988	\$806,925
Soyuzivka Allocation	\$635,000	\$635,000	\$635,000	\$635,000	\$651,915	\$917,515	\$941,956
Newspapers Allocation *	292,371	292,371	292,371	292,371	300,159	422,449	433,702
Youth Activities Allocation	2,000	2,053	2,108	2,222	2,281	3,210	3,296
Donation and Scholarship Allocation	156,272	160,435	164,708	173,600	178,224	250,836	257,517
Total Fraternal Expenses	\$1,085,643	\$1,089,859	\$1,094,187	\$1,103,193	\$1,132,579	\$1,594,010	\$1,636,470
Residual Income (Reinvested into Endowment)	\$79,296	(\$932,413)	(\$350,401)	(\$439,315)	(\$513,943)	(\$2,279,848)	(\$2,502,835)
* Revenue less Expenses (excluding printing plant depreciation)							

Fraternal Activities Forecast: Fraternal Activities Performance Doesn't Change, \$11,000,000 in Donations

	2008	2009	2010	2012	2013	2046	2047
UNF / Fraternal Activity Endowment Assets	\$9,351,633	\$9,430,929	\$27,998,517	\$28,703,995	\$29,066,110	\$238,877	(\$3,770,819)
Investment Income from Assets	\$654,614	\$660,165	\$1,959,896	\$2,009,280	\$2,034,628	\$16,721	(\$263,957)
Fundraising Income	1,000,000	10,000,000	0	0	0	0	0
UNF / Fraternal Activity Total Revenue	\$1,654,614	\$10,660,165	\$1,959,896	\$2,009,280	\$2,034,628	\$16,721	(\$263,957)
Rent	\$30,500	\$31,312	\$32,147	\$33,882	\$34,784	\$82,823	\$85,029
Salaries and Wages	250,000	256,659	263,496	277,721	285,119	678,876	696,959
Insured Benefit Plans for Employees	68,175	69,991	71,855	75,734	77,752	185,129	190,061
Legal Fees and Expenses	6,000	6,160	6,324	6,665	6,843	16,293	16,727
Fees of Public Accountants	25,000	25,666	26,350	27,772	28,512	67,888	69,696
Investment Management Fees	40,000	41,065	42,159	44,435	45,619	108,620	111,513
Travelling Expenses	10,000	10,266	10,540	11,109	11,405	27,155	27,878
Advertising	10,000	10,266	10,540	11,109	11,405	27,155	27,878
Postage, Express, Telegraph, and Telephone	15,000	15,400	15,810	16,663	17,107	40,733	41,818
Printing and Stationary	10,000	10,266	10,540	11,109	11,405	27,155	27,878
Rental of Equipment	20,000	20,533	21,080	22,218	22,809	54,310	55,757
Sundry General Expenses	5,000	5,133	5,270	5,554	5,702	13,578	13,939
Total Administrative Expenses	\$489,675	\$502,719	\$516,110	\$543,972	\$558,462	\$1,329,714	\$1,365,134
Soyuzivka Allocation	\$635,000	\$635,000	\$635,000	\$635,000	\$651,915	\$1,552,228	\$1,593,576
Newspapers Allocation *	292,371	292,371	292,371	292,371	300,159	714,687	733,725
Youth Activities Allocation	2,000	2,053	2,108	2,222	2,281	5,431	5,576
Donation and Scholarship Allocation	156,272	160,435	164,708	173,600	178,224	424,357	435,661
Total Fraternal Expenses	\$1,085,643	\$1,089,859	\$1,094,187	\$1,103,193	\$1,132,579	\$2,696,704	\$2,768,537
Residual Income (Reinvested into Endowment)	\$79,296	\$9,067,587	\$349,599	\$362,115	\$343,587	(\$4,009,697)	(\$4,397,629)
* Revenue less Expenses (excluding printing plant depreciation)							

Fraternal Activities Forecast: Fraternal Activities Performance Deteriorates, \$0 in Donations

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
UNF / Fraternal Activity Endowment Assets	\$9,351,633	\$8,430,929	\$16,903,814	\$2,352,339	\$180,184	(\$2,206,268)
Investment Income from Assets	\$654,614	\$590,165	\$1,183,267	\$164,664	\$12,613	(\$154,439)
Fundraising Income	0	0	0	0	0	0
UNF / Fraternal Activity Total Revenue	\$654,614	\$590,165	\$1,183,267	\$164,664	\$12,613	(\$154,439)
Rent	\$30,500	\$31,312	\$32,147	\$45,244	\$46,449	\$47,686
Salaries and Wages	250,000	256,659	263,496	370,849	380,727	390,869
Insured Benefit Plans for Employees	68,175	69,991	71,855	101,130	103,824	106,590
Legal Fees and Expenses	6,000	6,160	6,324	8,900	9,137	9,381
Fees of Public Accountants	25,000	25,666	26,350	37,085	38,073	39,087
Investment Management Fees	40,000	41,065	42,159	59,336	60,916	62,539
Travelling Expenses	10,000	10,266	10,540	14,834	15,229	15,635
Advertising	10,000	10,266	10,540	14,834	15,229	15,635
Postage, Express, Telegraph, and Telephone	15,000	15,400	15,810	22,251	22,844	23,452
Printing and Stationary	10,000	10,266	10,540	14,834	15,229	15,635
Rental of Equipment	20,000	20,533	21,080	29,668	30,458	31,269
Sundry General Expenses	5,000	5,133	5,270	7,417	7,615	7,817
Total Administrative Expenses	\$489,675	\$502,719	\$516,110	\$726,381	\$745,730	\$765,595
Soyuzivka Allocation	\$635,000	\$651,915	\$669,280	\$941,956	\$967,047	\$992,807
Newspapers Allocation *	292,371	300,159	308,155	433,702	445,254	457,115
Youth Activities Allocation	2,000	2,053	2,108	2,967	3,046	3,127
Donation and Scholarship Allocation	156,272	160,435	164,708	231,813	237,988	244,327
Total Fraternal Expenses	\$1,085,643	\$1,114,562	\$1,144,251	\$1,610,437	\$1,653,335	\$1,697,376
Residual Income (Reinvested into Endowment)	<u>(\$920,704)</u>	<u>(\$1,027,115)</u>	<u>(\$477,094)</u>	<u>(\$2,172,155)</u>	<u>(\$2,386,452)</u>	<u>(\$2,617,409)</u>
* Revenue less Expenses (excluding printing plant depreciation)						

Fraternal Activities Forecast: Fraternal Activities Performance Deteriorates, \$500,000 in Donations

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
UNF / Fraternal Activity Endowment Assets	\$9,351,633	\$8,930,929	\$17,438,814	\$3,641,606	\$1,559,700	(\$730,186)
Investment Income from Assets	\$654,614	\$625,165	\$1,220,717	\$254,912	\$109,179	(\$51,113)
Fundraising Income	500,000	0	0	0	0	0
UNF / Fraternal Activity Total Revenue	\$1,154,614	\$625,165	\$1,220,717	\$254,912	\$109,179	(\$51,113)
Rent	\$30,500	\$31,312	\$32,147	\$45,244	\$46,449	\$47,686
Salaries and Wages	250,000	256,659	263,496	370,849	380,727	390,869
Insured Benefit Plans for Employees	68,175	69,991	71,855	101,130	103,824	106,590
Legal Fees and Expenses	6,000	6,160	6,324	8,900	9,137	9,381
Fees of Public Accountants	25,000	25,666	26,350	37,085	38,073	39,087
Investment Management Fees	40,000	41,065	42,159	59,336	60,916	62,539
Travelling Expenses	10,000	10,266	10,540	14,834	15,229	15,635
Advertising	10,000	10,266	10,540	14,834	15,229	15,635
Postage, Express, Telegraph, and Telephone	15,000	15,400	15,810	22,251	22,844	23,452
Printing and Stationary	10,000	10,266	10,540	14,834	15,229	15,635
Rental of Equipment	20,000	20,533	21,080	29,668	30,458	31,269
Sundry General Expenses	5,000	5,133	5,270	7,417	7,615	7,817
Total Administrative Expenses	\$489,675	\$502,719	\$516,110	\$726,381	\$745,730	\$765,595
Soyuzivka Allocation	\$635,000	\$651,915	\$669,280	\$941,956	\$967,047	\$992,807
Newspapers Allocation *	292,371	300,159	308,155	433,702	445,254	457,115
Youth Activities Allocation	2,000	2,053	2,108	2,967	3,046	3,127
Donation and Scholarship Allocation	156,272	160,435	164,708	231,813	237,988	244,327
Total Fraternal Expenses	\$1,085,643	\$1,114,562	\$1,144,251	\$1,610,437	\$1,653,335	\$1,697,376
Residual Income (Reinvested into Endowment)	<u>(\$420,704)</u>	<u>(\$992,115)</u>	<u>(\$439,644)</u>	<u>(\$2,081,906)</u>	<u>(\$2,289,886)</u>	<u>(\$2,514,083)</u>
* Revenue less Expenses (excluding printing plant depreciation)						

Fraternal Activities Forecast: Fraternal Activities Performance Deteriorates, \$1,000,000 in Donations

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>
UNF / Fraternal Activity Endowment Assets	\$9,351,633	\$9,430,929	\$17,973,814	\$2,939,216	\$745,896	(\$1,664,862)
Investment Income from Assets	\$654,614	\$660,165	\$1,258,167	\$205,745	\$52,213	(\$116,540)
Fundraising Income	1,000,000	0	0	0	0	0
UNF / Fraternal Activity Total Revenue	\$1,654,614	\$660,165	\$1,258,167	\$205,745	\$52,213	(\$116,540)
Rent	\$30,500	\$31,312	\$32,147	\$46,449	\$47,686	\$48,956
Salaries and Wages	250,000	256,659	263,496	380,727	390,869	401,281
Insured Benefit Plans for Employees	68,175	69,991	71,855	103,824	106,590	109,429
Legal Fees and Expenses	6,000	6,160	6,324	9,137	9,381	9,631
Fees of Public Accountants	25,000	25,666	26,350	38,073	39,087	40,128
Investment Management Fees	40,000	41,065	42,159	60,916	62,539	64,205
Travelling Expenses	10,000	10,266	10,540	15,229	15,635	16,051
Advertising	10,000	10,266	10,540	15,229	15,635	16,051
Postage, Express, Telegraph, and Telephone	15,000	15,400	15,810	22,844	23,452	24,077
Printing and Stationary	10,000	10,266	10,540	15,229	15,635	16,051
Rental of Equipment	20,000	20,533	21,080	30,458	31,269	32,102
Sundry General Expenses	5,000	5,133	5,270	7,615	7,817	8,026
Total Administrative Expenses	\$489,675	\$502,719	\$516,110	\$745,730	\$765,595	\$785,988
Soyuzivka Allocation	\$635,000	\$651,915	\$669,280	\$967,047	\$992,807	\$1,019,252
Newspapers Allocation *	292,371	300,159	308,155	445,254	457,115	469,291
Youth Activities Allocation	2,000	2,053	2,108	3,046	3,127	3,210
Donation and Scholarship Allocation	156,272	160,435	164,708	237,988	244,327	250,836
Total Fraternal Expenses	\$1,085,643	\$1,114,562	\$1,144,251	\$1,653,335	\$1,697,376	\$1,742,589
Residual Income (Reinvested into Endowment)	\$79,296	(\$957,115)	(\$402,194)	(\$2,193,320)	(\$2,410,758)	(\$2,645,118)
* Revenue less Expenses (excluding printing plant depreciation)						

Fraternal Activities Forecast: Fraternal Activities Performance Deteriorates, \$11,000,000 in Donations

	2008	2009	2010	2040	2041	2042
UNF / Fraternal Activity Endowment Assets	\$9,351,633	\$9,430,929	\$27,973,814	\$5,724,945	\$2,472,134	(\$1,105,695)
Investment Income from Assets	\$654,614	\$660,165	\$1,958,167	\$400,746	\$173,049	(\$77,399)
Fundraising Income	1,000,000	10,000,000	0	0	0	0
UNF / Fraternal Activity Total Revenue	\$1,654,614	\$10,660,165	\$1,958,167	\$400,746	\$173,049	(\$77,399)
Rent	\$30,500	\$31,312	\$32,147	\$70,737	\$72,621	\$74,556
Salaries and Wages	250,000	256,659	263,496	579,813	595,257	611,114
Insured Benefit Plans for Employees	68,175	69,991	71,855	158,115	162,327	166,651
Legal Fees and Expenses	6,000	6,160	6,324	13,916	14,286	14,667
Fees of Public Accountants	25,000	25,666	26,350	57,981	59,526	61,111
Investment Management Fees	40,000	41,065	42,159	92,770	95,241	97,778
Travelling Expenses	10,000	10,266	10,540	23,193	23,810	24,445
Advertising	10,000	10,266	10,540	23,193	23,810	24,445
Postage, Express, Telegraph, and Telephone	15,000	15,400	15,810	34,789	35,715	36,667
Printing and Stationary	10,000	10,266	10,540	23,193	23,810	24,445
Rental of Equipment	20,000	20,533	21,080	46,385	47,621	48,889
Sundry General Expenses	5,000	5,133	5,270	11,596	11,905	12,222
Total Administrative Expenses	\$489,675	\$502,719	\$516,110	\$1,135,679	\$1,165,931	\$1,196,988
Soyuzivka Allocation	\$635,000	\$651,915	\$669,280	\$1,472,724	\$1,511,954	\$1,552,228
Newspapers Allocation *	292,371	300,159	308,155	678,082	696,144	714,687
Youth Activities Allocation	2,000	2,053	2,108	4,639	4,762	4,889
Donation and Scholarship Allocation	156,272	160,435	164,708	362,434	372,088	382,000
Total Fraternal Expenses	\$1,085,643	\$1,114,562	\$1,144,251	\$2,517,878	\$2,584,948	\$2,653,804
Residual Income (Reinvested into Endowment)	\$79,296	\$9,042,885	\$297,806	(\$3,252,811)	(\$3,577,829)	(\$3,928,191)
* Revenue less Expenses (excluding printing plant depreciation)						

Appendix III: Additional Notes

Until What Year Would the UNA Insurance Business Survive Under Different Levels of Fraternal Activities Performance? *						
		Strategic Alternative #1	Strategic Alternative #2	Strategic Alternative #3	Strategic Alternative #4	Strategic Alternative #5
Paulus Hook Sale by 2008	Fraternal Activities Performance Improves	2022	2022	2063	2025	Sold in 2008
	Fraternal Activities Performance Doesn't Change	2017	2020	2063	2025	Sold in 2008
	Fraternal Activities Performance Deteriorates	2017	2020	2063	2025	Sold in 2008
Paulus Hook Sale by 2010	Fraternal Activities Performance Improves	2022	2017	2063	2025	Sold in 2008
	Fraternal Activities Performance Doesn't Change	2017	2012	2063	2025	Sold in 2008
	Fraternal Activities Performance Deteriorates	2017	2011	2063	2025	Sold in 2008

* Forecasted in the same format as for the rest of the insurance business survivability projections