

TEAMSTERS LOCAL 631 SECURITY FUND FOR SOUTHERN NEVADA

SUMMARY ANNUAL REPORT FOR THE TEAMSTERS LOCAL 631 SECURITY PLAN FOR SOUTHERN NEVADA

This is a summary of the annual report for the TEAMSTERS LOCAL 631 SECURITY PLAN FOR SOUTHERN NEVADA, (Employer Identification Number 88-0231734, Plan No. 501) for the period May 1, 2004 to April 30, 2005. The annual report has been filed with the Employee Benefits Security Administration, as required under the Employee Retirement Income Security Act of 1974 (ERISA).

Teamsters Local 631 Security Plan for Southern Nevada has committed itself to pay health, dental and vision benefit claims incurred under the terms of the Plan.

INSURANCE INFORMATION

The Plan has contracts with Nevada Pacific Dental to provide dental benefits, and Pacificare and Health Plan of Nevada to provide health benefits for certain participants incurred under the terms of the Plan.

The total premiums paid to insurance carriers for the plan year ending April 30, 2005 were \$7,143,141.

BASIC FINANCIAL STATEMENT

The value of plan assets, after subtracting liabilities of the plan, was (\$103,641,788) as of April 30, 2005, compared to \$(119,817,543) as of May 1, 2004. During the plan year, the plan experienced an increase in its net assets of \$16,175,755. This increase includes unrealized appreciation or depreciation in the value of plan assets; that is, the difference between the value of the Plan's assets at the end of the year and the value of the assets at the beginning of the year or the cost of assets acquired during the year. The Plan had total income of \$53,204,313. This income included employer contributions of \$35,559,377, employee contributions of \$1,142,543, realized gains of \$37,220 from the sale of assets, earnings from investments of \$174,986, unrealized appreciation of assets of \$8,282, and other income of \$16,281,905 which includes the change in the actuarial liability for postretirement benefit obligations.

Plan expenses were \$37,028,558. These expenses included \$2,550,233 in operating expenses and \$34,478,325 in benefits paid to or for participant and beneficiaries.

(Over)

Southwest Administrators, Incorporated

Mailing Address: P.O. Box 26509 • Las Vegas, Nevada 89126-0509
Physical Address: 2901 El Camino Avenue ~ Suite 206 • Las Vegas, Nevada 89102
Phone : (702) 252-7001 • Fax: (702) 252-8580

YOUR RIGHTS TO ADDITIONAL INFORMATION

You have the right to receive a copy of the full annual report, or any part thereof, on request.

The items listed below are included in that report:

1. An accountant's report;
2. Financial information and information on payments to service providers;
3. Assets held for investment, and;
4. Insurance information.

To obtain a copy of the full annual report, or any part thereof, write or call the office of Southwest Administrators, Inc., who is the plan administrator, 2901 El Camino Avenue, Suite 206, Las Vegas, Nevada, 89102, (702) 252-7001. The charge to cover copying cost will be \$5.00 for the full annual report, or \$0.10 per page of any part thereof.

You also have the right to receive from the plan administrator, on request and at no charge, a statement of the assets and liabilities of the plan and accompanying notes, or a statement of income and expenses of the plan and accompanying notes, or both. If you request a copy of the full annual report from the plan administrator, these two statements and accompanying notes will be included as part of that report. The charge to cover copying costs set forth above does not include a charge for the copying of these portions of the report because these portions are furnished without charge.

You also have the legally protected right to examine the annual report at the main office of the plan, Southwest Administrators, Inc., 2901 El Camino Ave, Suite 206, Las Vegas, Nevada, 89102, and at the U.S. Department of Labor in Washington, D.C. or to obtain a copy from the U.S. Department of Labor upon payment of copying costs. Requests to the Department should be addressed to Public Disclosure Room N5638, Pension and Welfare Benefits Administration, U.S. Department of Labor, 200 Constitution Avenue, N.W., Washington, D.C., 20210.

ADDITIONAL EXPLANATION

In addition to the costs of the Plan's contract administrator, operating expenses include the costs of the Plan's independent auditor who annually audits the Plan and its records and who also conducts both systematic and sporadic audits of employers to insure their compliance with the Trust instrument and other employer obligations to the Plan under the Collective Bargaining Agreement. Operating expenses also include the costs of the Plan's attorney who renders legal advice to the Plan on a continuing basis and also represents the Plan in its lawsuits against delinquent employers and others. Operating expenses also include the costs of the Plan's professional consultant who provides technical advice and information to the Plan regarding plan benefits and benefit levels.