

**CITY OF KNOXVILLE TENNESSEE
Required Supplementary Information**

June 30, 2004

(amounts expressed in thousands)

Schedule of Funding Progress - Knoxville Utilities Board Pension Plan

| Valuation Date | Actuarial Value of Assets (a) | Actuarial Accrued Liability (b) | Unfunded Actuarial Accrued Liability (UAAL) (b - a) | Funded Ratio (a / b) | Annual Covered Payroll (c) | UAAL as a Percentage of Covered Payroll ((b - a) / c) |
|----------------|----------------------------------|------------------------------------|--|-------------------------|-------------------------------|--|
| 1/1/04 | \$244,132 | \$198,626 | \$(45,505) | 122.9% | \$42,964 | (105.9)% |
| 1/1/03 | 249,977 | 197,613 | (52,364) | 126.5% | 41,833 | (125.2)% |
| 1/1/02 | 266,240 | 196,131 | (70,109) | 135.7% | 39,853 | (175.9)% |
| 1/1/01 | 278,423 | 195,606 | (82,817) | 142.3% | 38,094 | (217.4)% |
| 7/1/00 | 385,367 | 201,751 | (83,616) | 141.4% | 36,901 | (226.6)% |
| 7/1/99 | 314,428 | 202,437 | (111,991) | 155.3% | 36,194 | (309.4)% |

Note: The Plan was established on 7/1/99. Additional years will be presented as they become available.

Schedule of Funding Progress – Firemen and Policemen Pension Act of 1929

| Valuation Date | Actuarial Value of Assets (a) | Actuarial Accrued Liability (b) | Unfunded Actuarial Accrued Liability (UAAL) (b - a) | Funded Ratio (a / b) | Annual Covered Payroll (c) | UAAL as a Percentage of Covered Payroll ((b - a) / c) |
|----------------|----------------------------------|------------------------------------|--|-------------------------|-------------------------------|--|
| 7/1/04 | N/A | N/A | N/A | N/A | N/A | Not applicable |
| 7/1/03 | N/A | N/A | N/A | N/A | N/A | Not applicable |
| 7/1/02 | N/A | N/A | N/A | N/A | N/A | Not applicable |
| 7/1/01 | N/A | N/A | N/A | N/A | N/A | Not applicable |
| 7/1/00 | N/A | N/A | N/A | N/A | N/A | Not applicable |
| 7/1/99 | \$ - | \$49,619 | \$49,619 | -% | \$248 | Not applicable ⁽¹⁾ |
| 7/1/98 | - | 48,121 | 48,121 | -% | 264 | Not applicable ⁽¹⁾ |
| 7/1/97 | - | 48,589 | 48,589 | -% | 280 | Not applicable ⁽¹⁾ |
| 7/1/96 | - | 45,067 | 45,067 | -% | 569 | Not applicable ⁽¹⁾ |

(1) - Because the plan is closed and there are few active participants, the relationship between covered payroll and the plan's unfunded liability is not meaningful.

Note: The plan was discontinued at June 30, 2000 and participants became members of the City Employees' Pension Plan.