

Required Supplementary Information (Unaudited)
Schedule of Funding Progress for Defined Benefit Pension Plans

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Liability (AAL) - Entry Age	Unfunded (Overfunded) AAL (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
I. CITY-ADMINISTERED PLANS:						
<i>A. Portsmouth Supplemental Retirement System:</i>						
7/1/04	\$ 45,692,761	67,497,029	21,804,268	68%	\$ 5,700,000	383%
* 7/1/03	44,274,255	66,382,397	22,108,142	67%	6,367,000	347%
7/1/02	47,288,892	65,556,378	18,267,486	72%	6,641,000	275%
7/1/01	54,524,631	61,094,128	6,569,497	89%	7,354,000	89%
7/1/00	51,913,073	60,304,474	8,391,401	86%	7,642,000	110%
7/1/99	53,662,643	59,214,628	5,551,985	91%	7,860,000	71%
7/1/98	54,361,249	56,097,915	1,736,666	97%	8,061,000	22%
<i>B. Fire and Police Retirement System:</i>						
7/1/04	\$ 84,719,127	163,976,841	79,257,714	52%	\$ 12,394,000	639%
7/1/03	80,456,440	161,935,321	81,478,881	50%	12,688,000	642%
7/1/02	84,599,181	143,733,713	59,134,532	59%	12,498,000	473%
7/1/01	96,773,924	134,145,209	37,371,285	72%	13,290,000	281%
7/1/00	91,566,244	132,284,763	40,718,519	69%	12,403,000	328%
7/1/99	94,965,287	130,444,453	35,479,166	73%	12,673,000	280%
7/1/98	96,454,940	116,728,843	20,273,903	83%	12,375,000	164%
II. VIRGINIA RETIREMENT SYSTEM PLANS:						
<i>A. City of Portsmouth Employees:</i>						
6/30/03	\$ 131,426,811	120,755,080	(10,671,731)	109%	\$ 49,411,679	(22%)
6/30/02	128,794,687	109,812,697	(18,981,990)	117%	45,910,542	(41%)
6/30/01	123,803,139	101,731,866	(22,071,273)	122%	46,245,785	(48%)
<i>B. School Board Nonprofessional Employees:</i>						
6/30/03	\$ 21,105,442	21,879,580	774,138	96%	\$ 8,428,134	9%
6/30/02	21,022,097	19,890,860	(1,131,237)	106%	8,423,835	(13%)
6/30/01	20,262,126	18,326,282	(1,935,844)	111%	8,545,287	(23%)

* Restated actuarial accrued liability for fiscal year 2003 as per June 30, 2004 actuarial report.

Unaudited - see accompanying independent auditors' report.