

Revenue Forecasting

This Revenue Summary illustrates trends impacting the City's General Fund. These revenues are derived from specific activities and are legislatively sanctioned by the Commonwealth of Virginia. Because of this sanctioning, the City of Portsmouth Council is authorized to enact, collect, and appropriate levies, fees, reimbursements and aid.

For analytical reasons, General Fund Total Revenues are subdivided into categories representing specific commonalities. The categories are:

- Local Tax Revenue – These revenues include general property taxes, locally collected taxes, utility taxes, and payments in lieu of taxes.
- Fee and User Charges – These revenues offset activity costs and are composed of all revenues for services rendered, interest income, property usage revenues, and miscellaneous revenues.
- License and Permit Revenues – These revenues pertain to the issuance of residential licenses and permits.
- State Aid and Recovered Costs – State, federal, and other governmental entities provide these revenues. They are enacted by code or policy and designated for special purposes. For instance, the state run VDOT funds road maintenance and the Compensation Board reimburses a portion of Constitutional Officers' salaries and benefits.

Each of the four categories is further subdivided into specific sub-categories. For instance, Local Tax Revenue is comprised of four groups. They are Total General Property Taxes, Total Other Local Taxes, Total Utility Taxes, and Total Payment in Lieu of Taxes.

On a more specific level, General Fund revenues are comprised of more than 160 line items. This summary will primarily discuss categories and subcategories; however, when necessary, to amplify the sub-categories, specific line items will also be discussed.

The Fiscal Year (FY) 2007 revenue forecast is statistically based utilizing financial models, and where necessary, econometrics are applied. In deriving a revenue forecast, an ample level of mathematical expertise, institutional knowledge, and political awareness is necessary. Political awareness is comprised of understanding local legislative initiatives, residential desires, and the City's vision and is an integral variable. Considering these principles, a number of forecasting methodologies are used which include:

- An understanding of current international, national, regional, and local economic data.
- An awareness of new local economic development projects.
- An ongoing dialogue engaging consensus forecasting (the use of local government opinions and expertise)
- Evaluations of current revenue trended data.
- Implementation of financial models.
- Utilization of sensitivity analyses.

- Surveys to derive qualitative analyses.

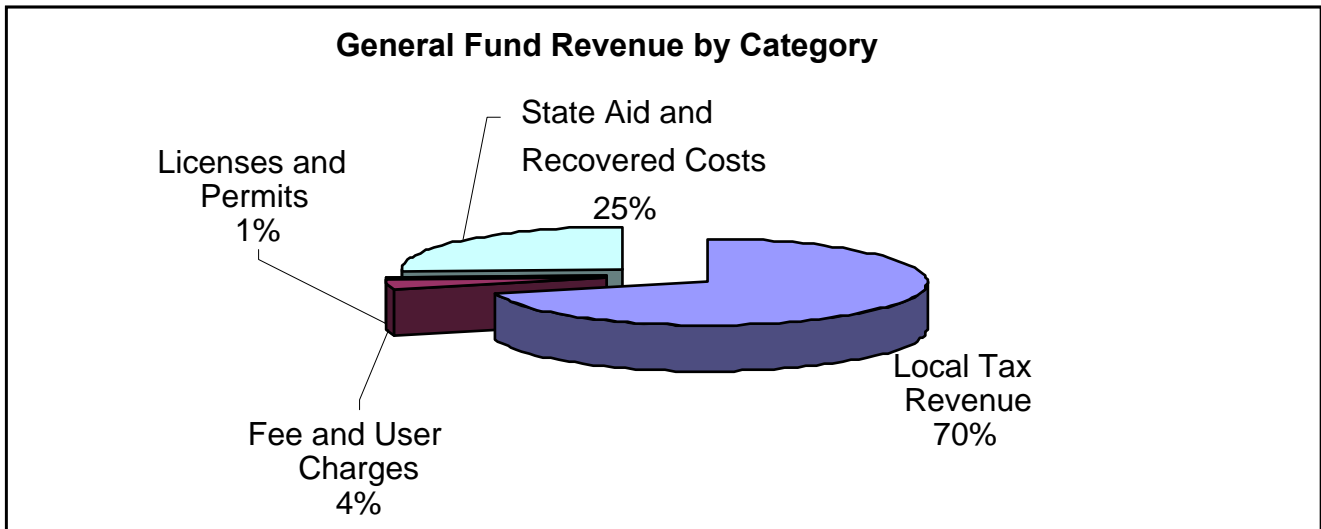
While statistical derivations are the mainstay for predicting revenues, the forecast sustains and is the catalyst for the City's Vision principles and supporting initiatives. The City's Vision principles are:

- *Bold New Directions*
- *A Robust and Prospering Economy*
- *World Class Maritime Center*
- *Lifelong Learning Community*
- *Neighborhood and Community Transformation*
- *Pride of Past, Promise of Future*

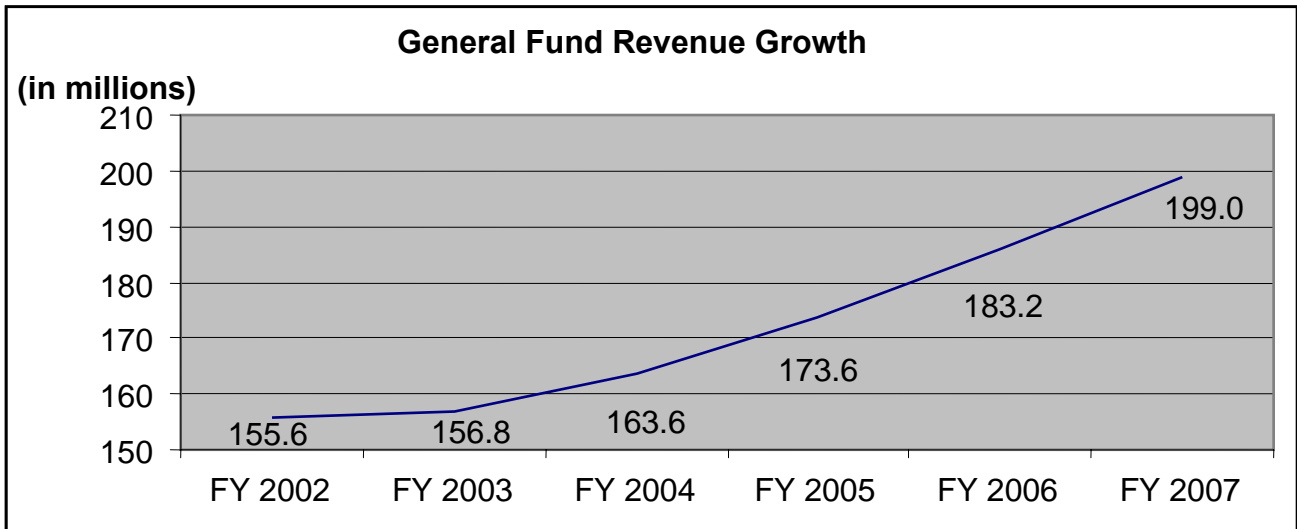
Total General Fund Revenues

General Fund Revenue By Category						
Category	FY 2002 Actual	FY 2003 Actual	FY 2004 Actual	FY 2005 Actual	FY 2006 Amended	FY 2007 Adopted
Local Tax Revenue	94,973,318	103,261,494	107,413,466	117,964,256	128,089,661	140,201,142
Fee and User Charges	18,726,895	11,177,550	12,907,212	6,114,249	6,042,056	7,723,424
Licenses and Permits	629,775	584,410	952,160	991,695	747,040	763,182
State Aid and Recovered Costs	41,264,533	41,792,246	42,341,696	48,501,295	48,296,064	50,322,924
Total Revenues	155,594,521	156,815,700	163,614,534	173,571,495	183,174,821	199,010,672

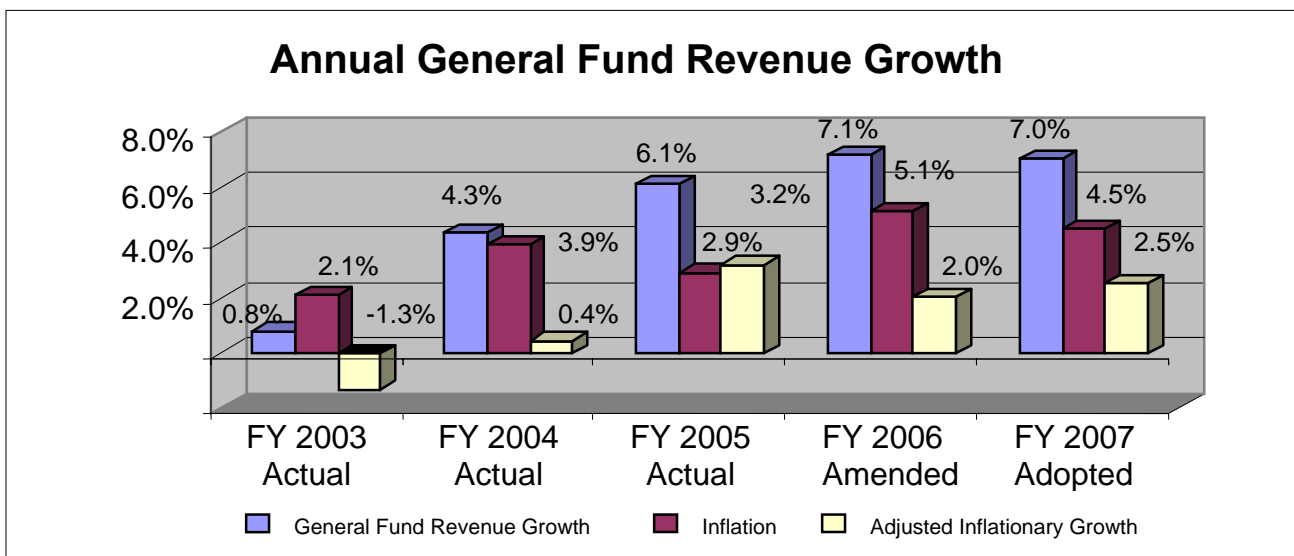
Local Tax Revenue is the largest General Fund Total Revenue contributor. With \$140.2 million forecasted, it represents 70% of General Fund revenues. State Aid and Recovered Costs will be the second largest contributor and should generate approximately \$50.3 million. Fee and User Charges will contribute \$7.7 million, and Licenses and Permits \$763,000. As the following graph illustrates, the four categories represent 70%, 25%, 4%, and 1% of all General Fund revenues, respectively.



Based upon actual collections through FY 2005, amended budget revenues for FY 2006, and adopted budget revenues for FY 2007, total City revenues continue their increasing trend. The steady growth of revenues between FY 2002 and FY 2007 is illustrated in the graph.

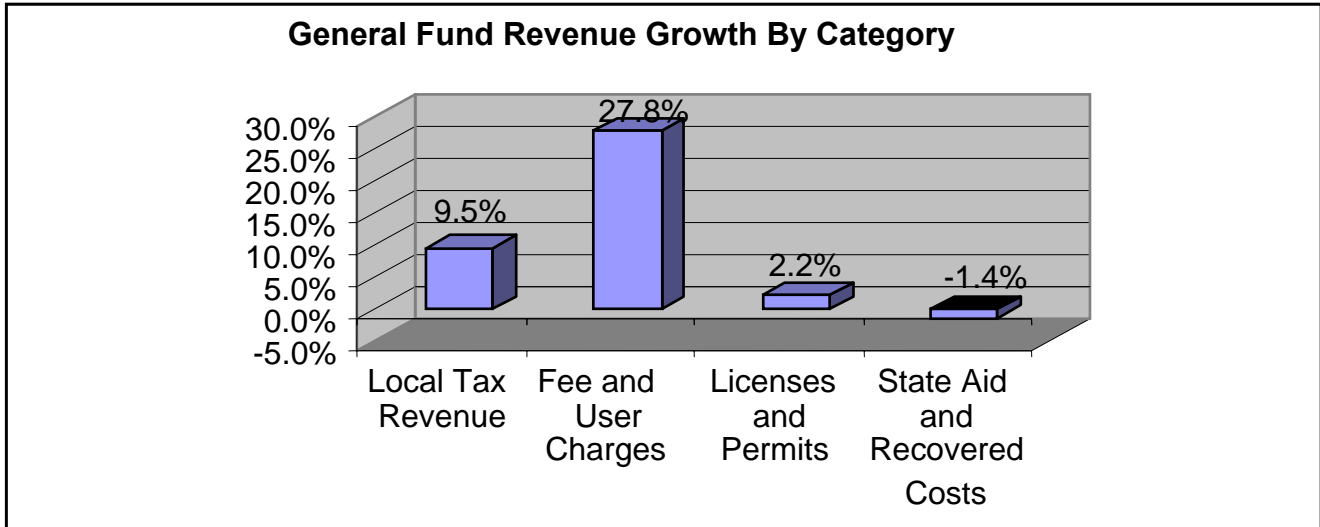


Since FY 2003, average annual general fund revenue growth has been 5.07% with consistent growth occurring between FY 2005 and FY 2007. With a 7.0% Total Revenue increase adopted in FY 2007, the compounded average growth rate over the six year horizon for FY 2002 to FY 2007 increased .49%. When the revenue growth rate, for each year, is reduced by the inflationary factor, the growth rate becomes normalized. For FY 2007, the normalized rate of growth is forecast to be 2.5% which is consistent with the two previous years. Overall, the average growth rate adjusted for inflation between the periods FY 2003 and FY 2007 is approximately 1.36%, because FY 2003 and FY 2004 are not consistent with actual FY 2005 growth, the amended FY 2006 and the adopted FY 2007 growth rates decrease noticeably. When the low growth years (FY 2003 and FY 2004) are removed, the adjusted average growth of 2.56% becomes more representative of the contemporary trend.



When General Fund Total Revenues are viewed categorically for FY 2007, Local Tax revenues are forecasted to increase 9.5%, Fee and User Charges 27.8%, and Licenses and Permits 2.2%. State Aid and Recovered Costs will decrease 1.4%. While Fee and User Charges indicate the highest percentage increase, it only represents a

\$1.7 million marginal valuation. This is beneficial to the City; however, a larger marginal valuation can be found within Local Taxes. The 9.5% increase represents an additional \$12.1 million.



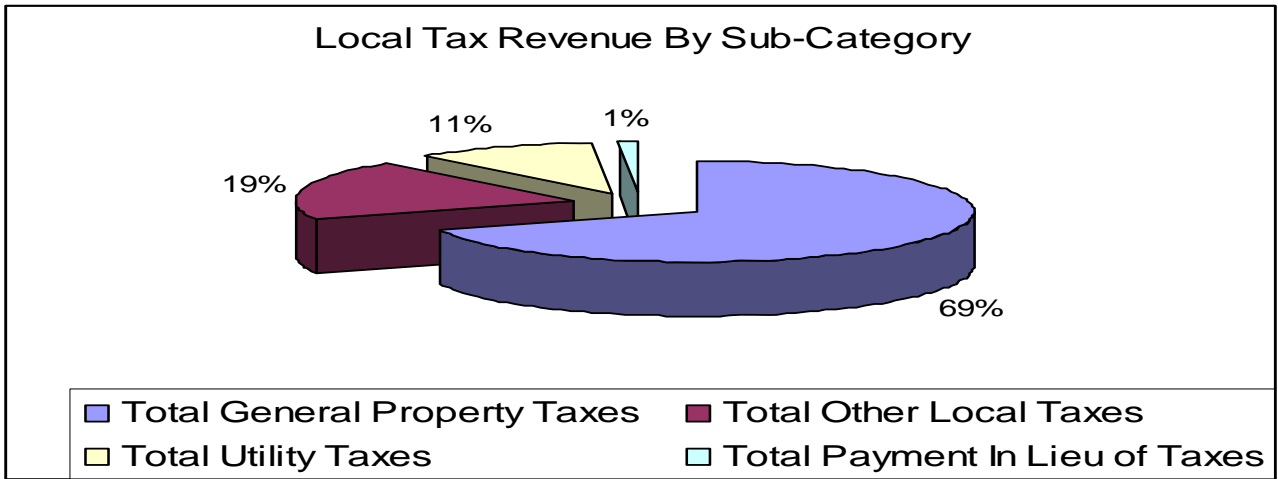
The previously discussed tax revenue analysis illustrates a very important statistical principle. While percentages are viable marginal measurements, the actual revenue valuation is the most important indicator, because actual revenues offset expenditures.

When a comparative total revenue marginal analysis between fiscal years is conducted, FY 2004 to FY 2007 indicates an average growth rate of 6.14%. By excluding the smallest outlier year, FY 2003 (a 0.8% increase), a smoother and more relevant trend can be developed. While the change for FY 2007 is slightly more than the compound average, and it is the second largest increase for this time horizon, it is not a result of rate increases. As discussed in the Local Tax revenue section, the causal factor is the market driven increase in assessed values.

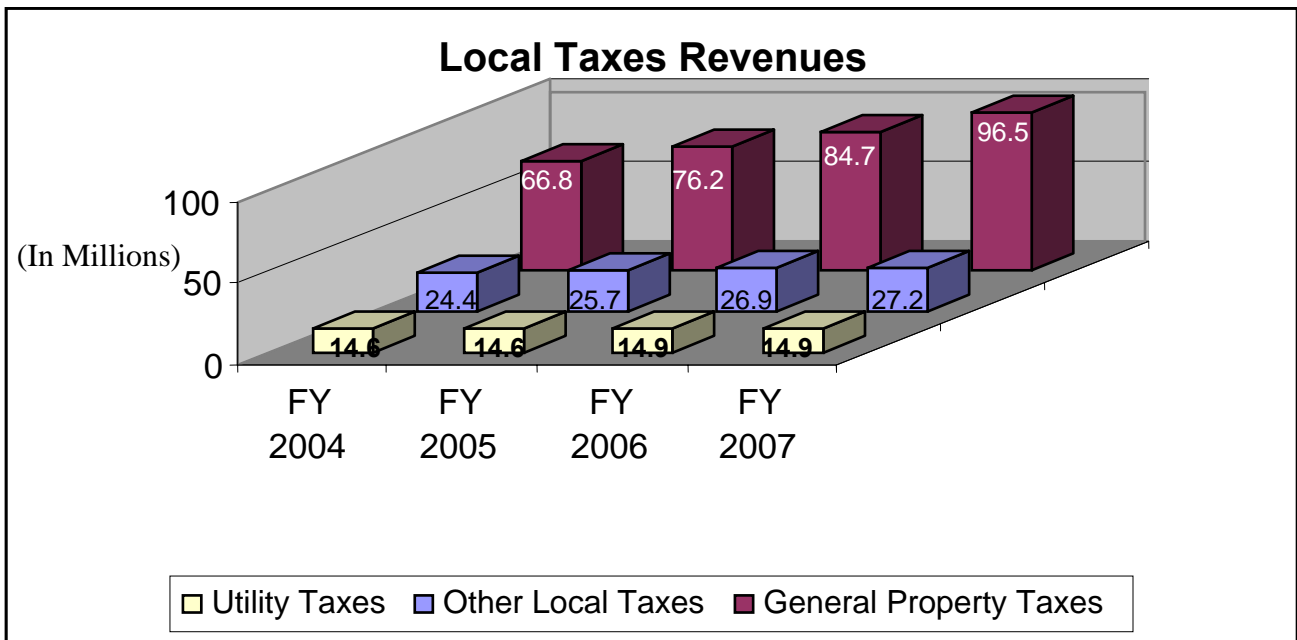
Local Tax Revenues

Category	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007
	Actual	Actual	Actual	Actual	Amended	Adopted
Total General Property Taxes	59,430,788	64,888,305	67,074,188	76,180,270	84,695,031	96,565,992
Total Other Local Taxes	20,439,688	22,426,385	24,370,065	25,714,885	26,920,700	27,205,075
Total Utility Taxes	13,865,255	14,572,823	14,523,797	14,627,995	14,927,416	14,890,963
Total Payment In Lieu of Taxes	1,237,587	1,373,981	1,445,416	1,441,106	1,546,514	1,539,112
Total Local Tax Revenue	94,973,318	103,261,494	107,413,466	117,964,256	128,089,661	140,201,142

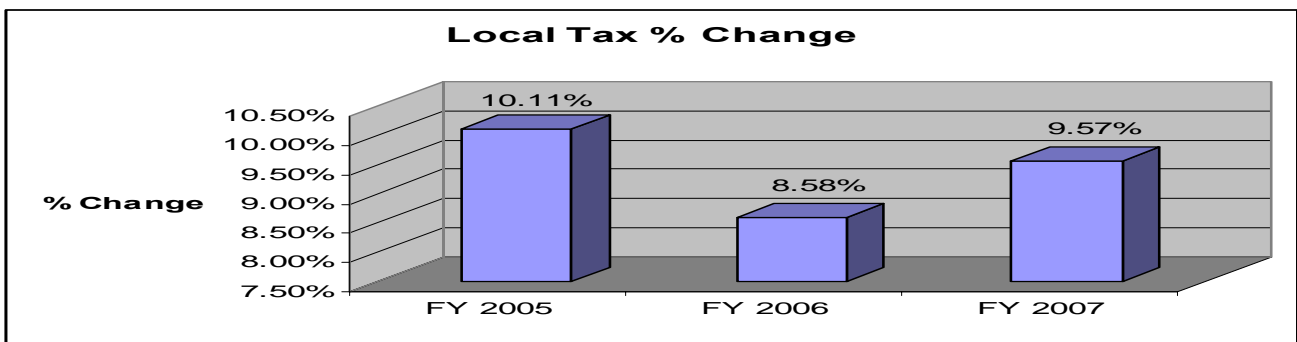
In FY 2007, Local Tax revenues will realize a \$12.1 million gain. Ninety-eight percent of this gain is attributed to Total General Property taxes. Within Total General Property taxes, \$9.1 million of additional revenue will be realized in real property, \$2.1 million in personal property taxes, and \$600,000 in machine and tool taxes. Within the Local Tax category, the largest sub-category contributor is Total General Property Taxes. It represents 69% of the category.



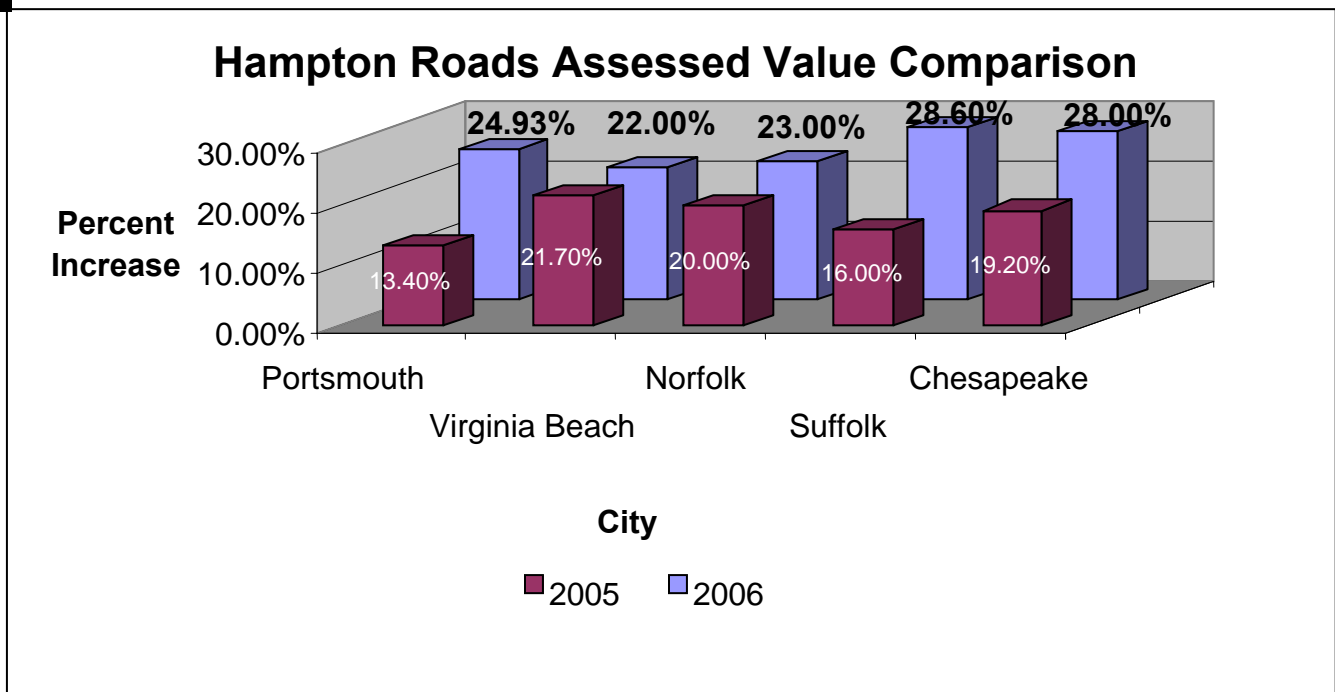
Total General Property Taxes will generate \$96.5 million, Other Local Taxes \$27.2 million, and Total Utility Taxes \$14.9 million.



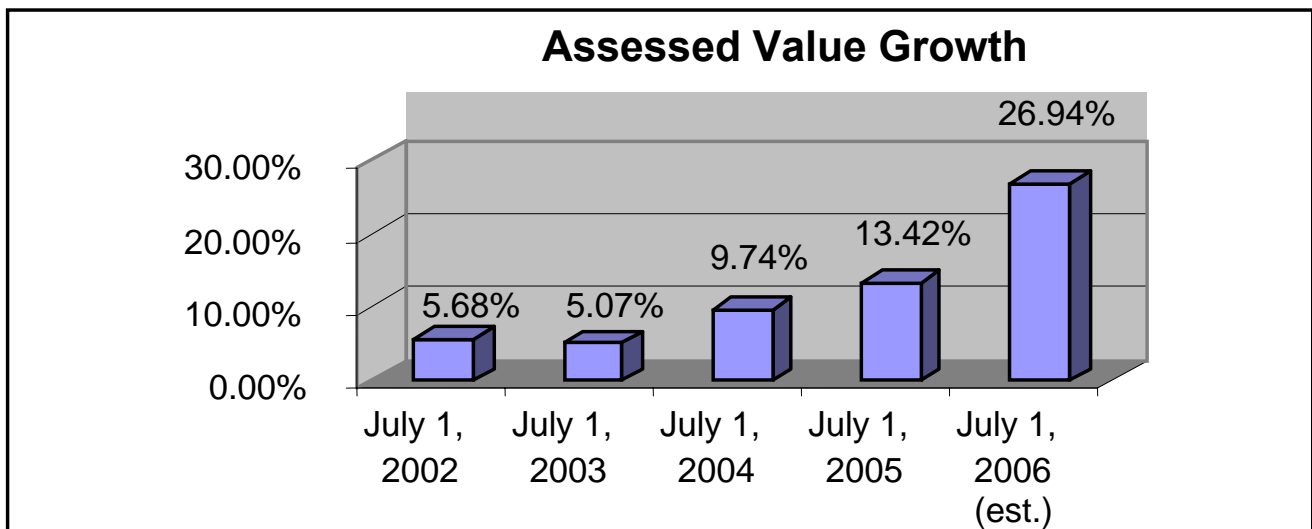
In FY 2007, Local Tax Revenues will increase by 9.57% compared to an 8.58% increase in FY 2006 and a 10.11% increase in FY 2005.



In FY 2005, the City Assessor requested a citywide real property assessment study. The assessment was conducted by Dayton, Ohio's Tyler Technologies. Upon conclusion of the study in December 2005, the average assessment increase was determined to be 24.93%. This correlates highly with surrounding municipalities.

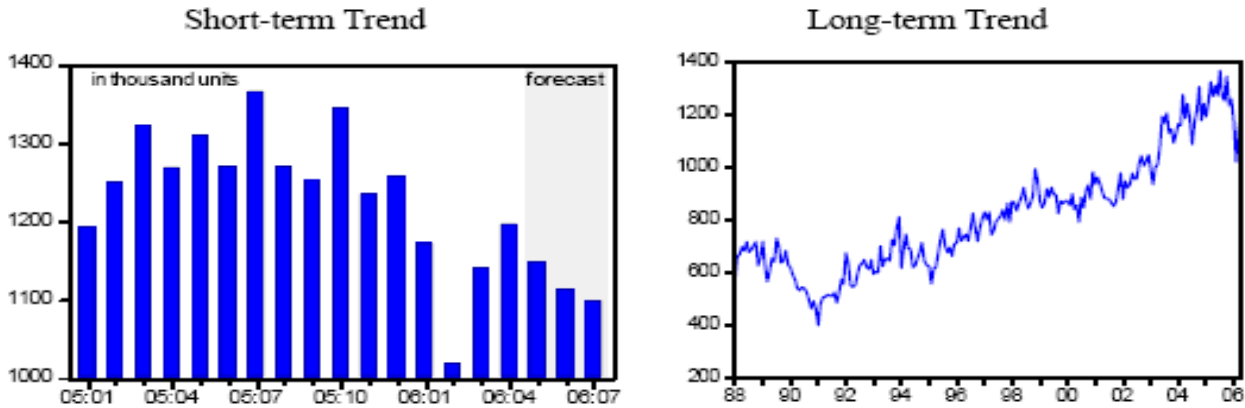


Over the past six years, comparatively, FY 2007 has incurred the highest assessed valuation increase. This has driven the average valuation increase over the six year period to 11.44%.

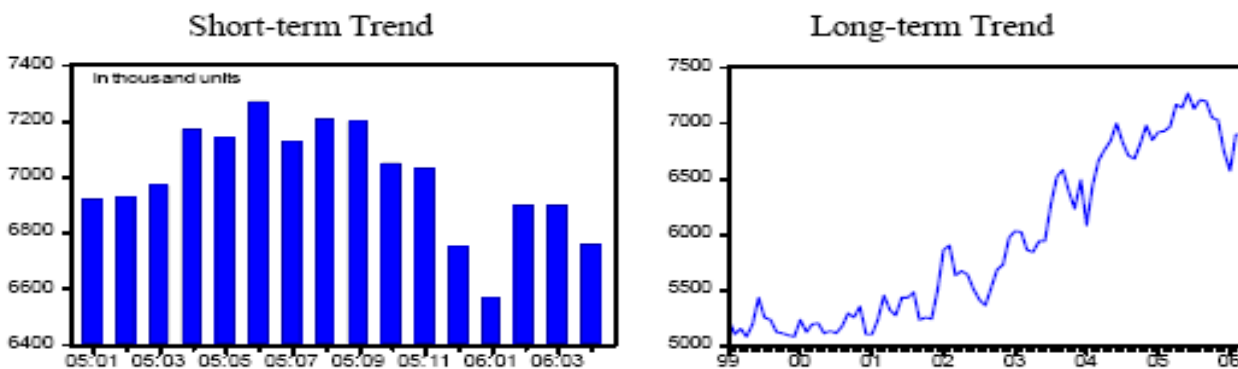


The assessed valuation increase significantly affected Total General Property Taxes. When this sub-category's marginal rate is compared against all revenues, it represents 48.5% of all General Fund revenues. This is the General Fund's largest revenue source. In FY 2007, General Property Tax revenue is anticipated to increase 15.68%; moreover when it is excluded from the FY 2007 Total Local Tax Revenues, all other categories represent an aggregate increase of 3.8%.

In FY 2007, barring a housing bubble bust, which is highly unlikely, assessments should moderate. The housing supply is beginning to catch up with demand,¹ and interest rates continue to climb.² The increase in the number of listings, the decrease in sales,³ the normalization of the market,⁴ reduced prices and buyer incentives support the postulation.⁵ The following chart illustrates the national historical trend for new home sales (Source: National Association of Realtors).



A similar national pattern emerges for existing home sales (Source: National Association of Realtors).



Largely, the decrease in home sales is due to the increase in 30-year mortgage fixed interest rates. The following chart illustrates the national trend (Source: National Association of Realtors).

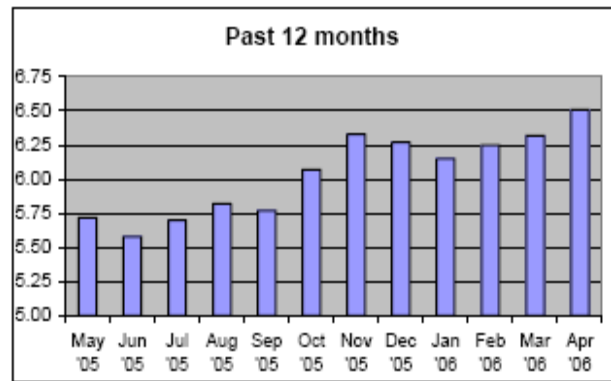
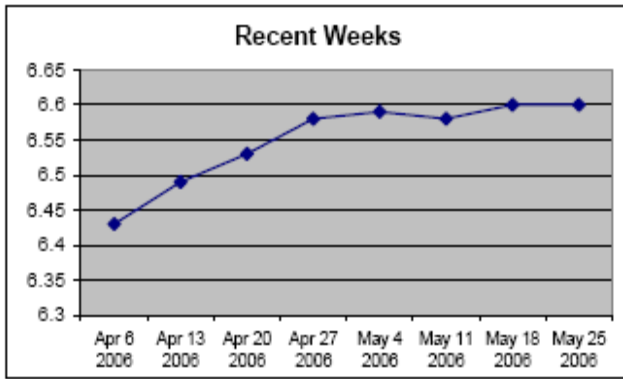
¹ Batts Jr., Battinto, *Expert Says Economic “Shifts” Bode Well*, The Virginian-Pilot, January 19, 2006, D1.

² Crutsinger, Martin, *Home Sales Sink at End of Record Year*, The Virginian-Pilot, January 26, 2006, B4.

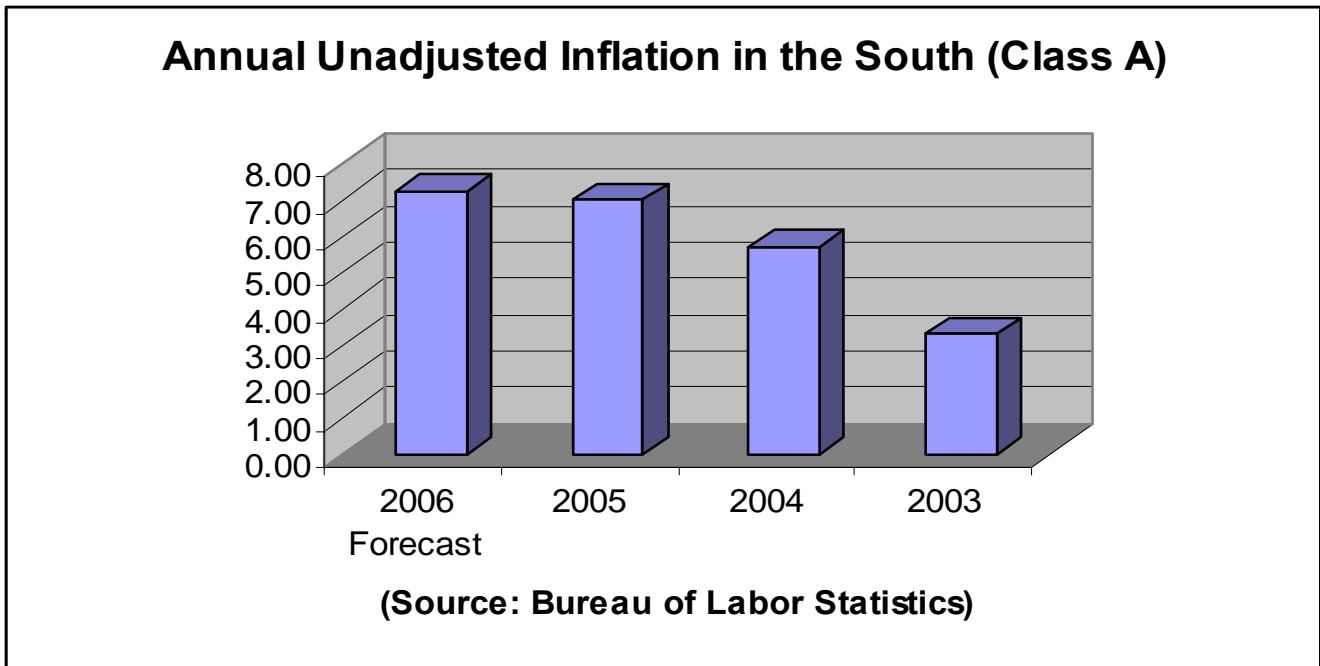
³ Simon, Ruth and James R. Hagerty, *Houses, Houses Everywhere*, The Virginian-Pilot, February 12, 2006, D1.

⁴ McWilliams, Jeremiah, *What Went up Has Come Down and Vice Versa*, The Virginian-Pilot, November 26, 2005, D1.

⁵ Pratt, Lawrence, *When Will It Burst?*, The Wall Street Journal, August 28, 2005, J1.

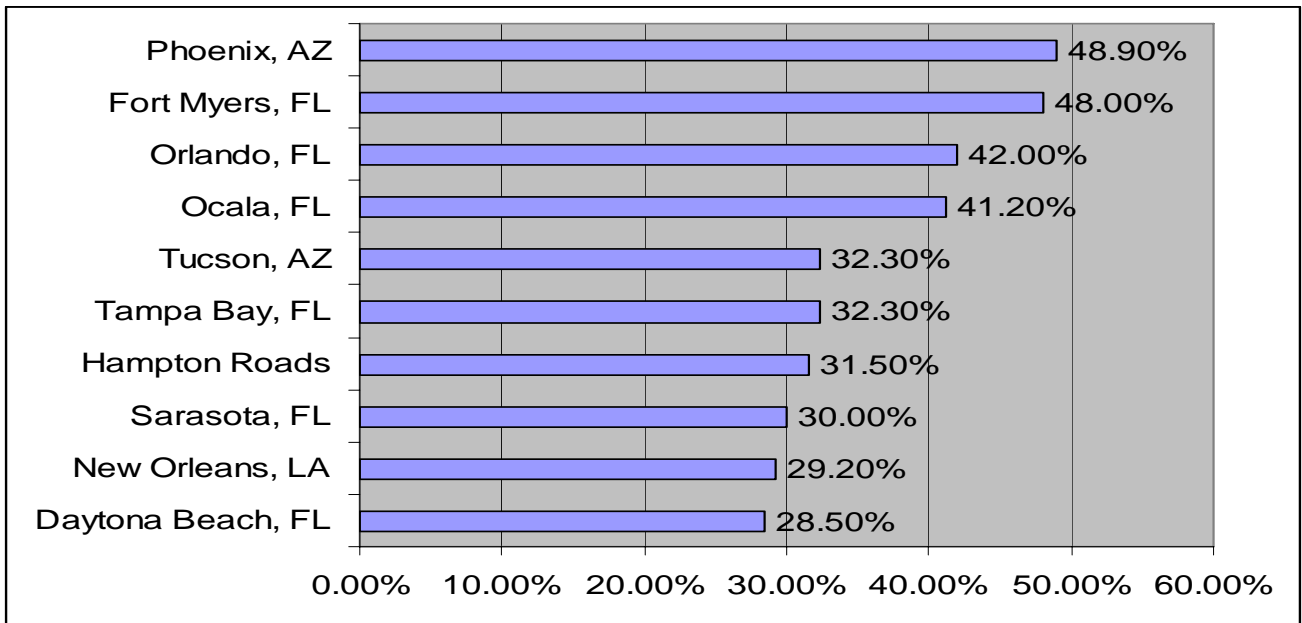


With the new Federal Reserve Chairman, Ben Bernanke, targeting inflation⁶ by adjusting the federal funds rate, the 30-year mortgage rate will remain susceptible to these actions. Over the past three years, in southern regions with communities larger than 1.5 million residents, inflation has showed signs of continuous growth. Through 2006's first four months, the inflation trend is outpacing the first four months of 2005 by approximately .1 points per month potentially surpassing 2005's inflation rate by 1.2 points. There is a likelihood the Fed's effort to stabilize inflation by increasing the Fed Fund rate by .25-.50% at FOMC meetings will continue and will have a positive correlative effect upon the 30-year fixed interest rate.



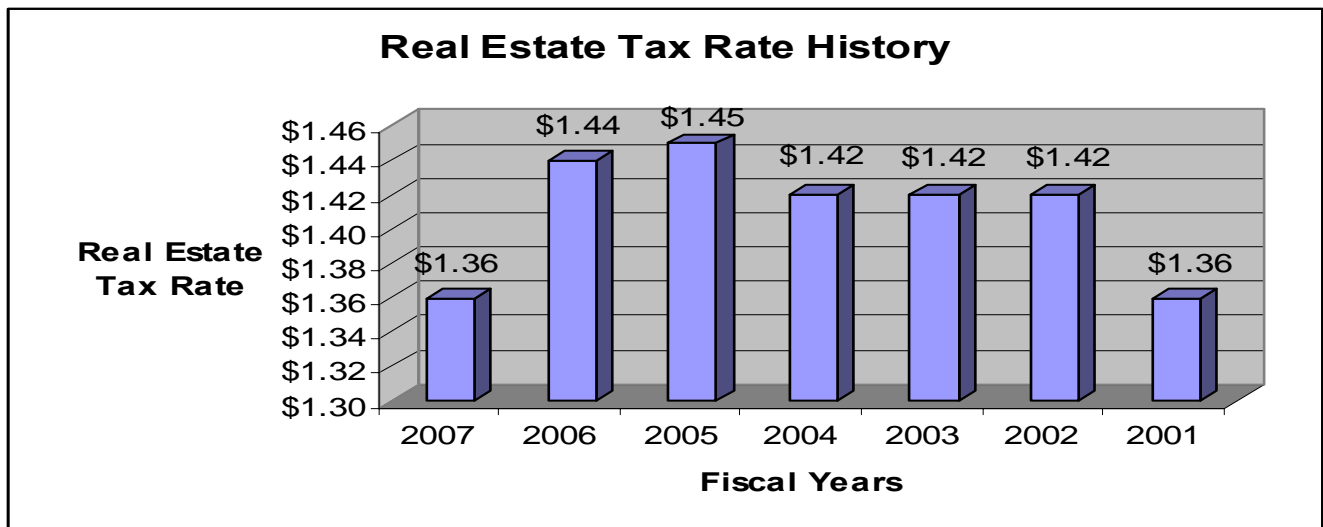
Nationally, when AV increase percentages are compared between the fourth quarter of calendar year (CY) 2004 and the fourth quarter of CY 2005, the Hampton Roads area (including the peninsula) ranks seventh highest in the nation (Source: National Association of Realtors).

⁶ Miller, Rich, *The New Fed*, Business Week, November 7, 2005, pp. 30-34.



In an attempt to minimize the tax burden upon Portsmouth residents, yet maintain a focus upon economic development, the real property tax rate was reduced, and the real property abatement program eligibility requirements were raised allowing more residents to participate in the program. Achieving an equitable balance between tax relief and economic development is critical in protecting the current welfare of residents and building future revenues. To create future revenues, and bring greater tax relief to residents, the economic community will need to be developed, and the residential population base will need to grow.

In FY 2006, the real estate tax rate was \$1.44/\$100 of assessed value (AV). While there was considerable discussion leading up to the adoption of the FY 2007 rate, on April 25, 2006, City Council adopted a lowered tax rate of \$1.36/\$100 AV. By reducing the tax rate, \$4 million was removed from the budget, and the rate was reduced back to the FY 2001 level.



In anticipation of increased tax relief needs for the elderly and disabled, Council, in FY 2006, raised the threshold for the real estate tax freeze and abatement programs; moreover a commitment was made to review future year eligibility requirements.

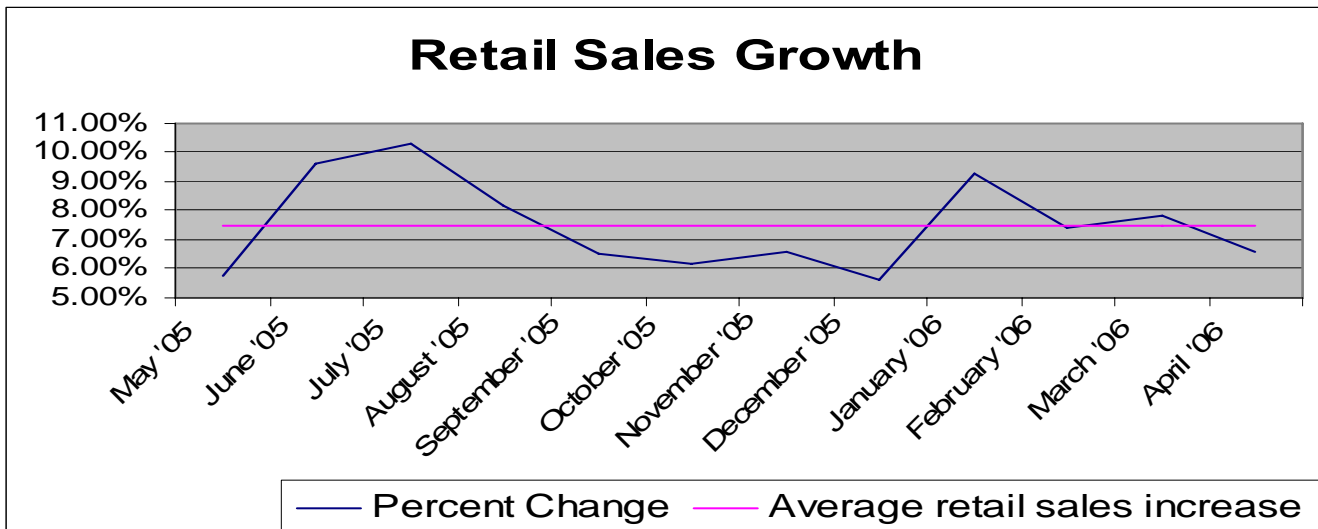
Fiscal Year	Tax Abatement		Tax Freeze	
	Limit Range	Financial Worth	Exemption Threshold	Financial Worth
2005	\$14,000 - \$19,000	\$64,200	\$40,000	\$150,000
2006	\$15,000 - \$20,000	\$67,500	\$42,500	\$160,000

With the adoption of a decreased real estate tax rate, the newly instituted real estate tax abatement and freeze programs, and the addition of new homes and businesses in Portsmouth's growing residential community, \$9.6 million of additional revenues will be generated. Thirty-one percent of these revenues will be contributed to the Portsmouth Public School (PPS) system supporting the City's Vision principle of a *Lifelong Learning Community* and is indicative of a *Robust and Prospering Economy*.

With new commercial and industrial enterprises entering the Portsmouth marketplace, coupled with the leadership of a new Commissioner of Revenue, the City will gain an additional \$2.1 million in personal property tax revenues. One matter of personal property importance is the proposed General Assembly legislation eliminating idle machinery and tool taxes. At writing, this matter is being reconsidered by the General Assembly. The legislation could significantly affect the City's Machinery and Tool tax revenues; moreover it may cost the City additional expenditures to monitor and assess machinery. The Governor has modified the bill to protect the municipalities from losing these revenues and sent it back to the General Assembly. At this writing, the outlook for this revenue source is uncertain; however, a 30% reduction in Machinery and Tool taxes could decrease this revenue source as much as \$1 million. Similar to the real estate tax, 31% of these revenues are transferred to the PPS system.

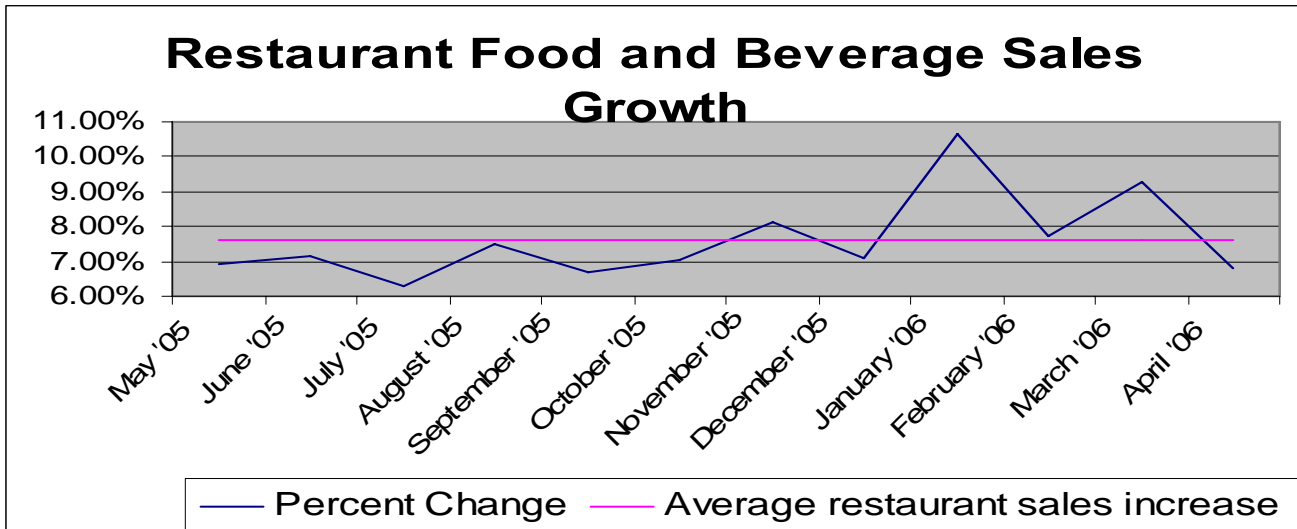
In FY 2007, Total Other Local taxes will see some growth supported by *Restaurant Food* taxes and *Sales and Use* taxes. The City will realize an additional \$1.28 million from these revenue sources; however, they will be offset by a declining *Cigarette* and *Admission* tax.

With the newly announced Midtown Walmart opening, a robust average national retail growth trend of 7.48% (Source: U.S. Census Bureau), and a moderately growing Portsmouth populace, additional Sales and Use tax revenues will be generated.

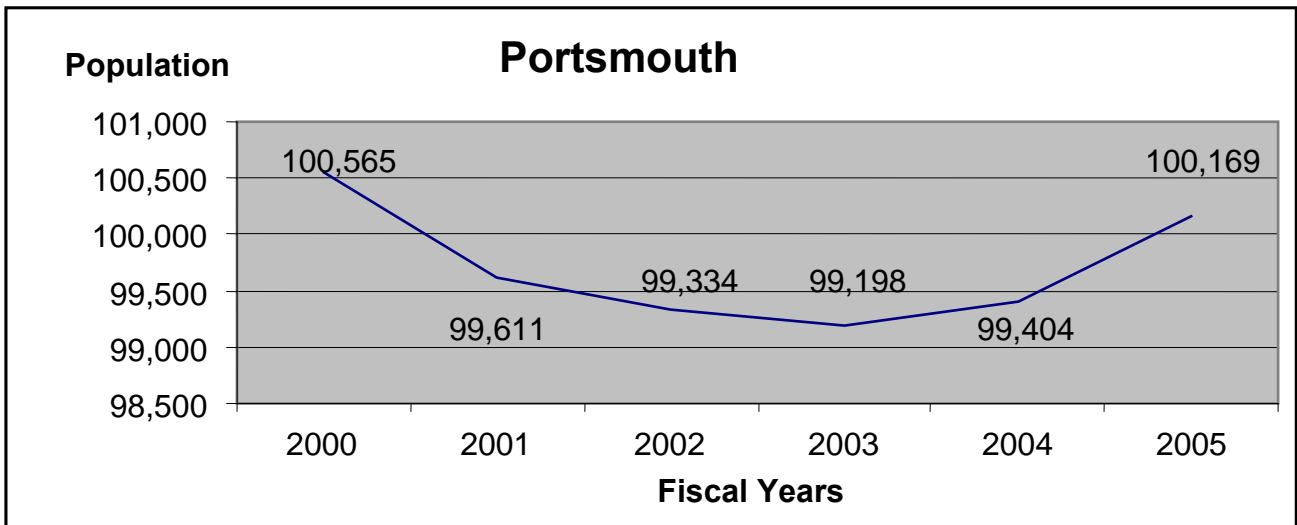


As other new retail establishments evolve in Portsmouth, this will become a greater source of revenues. Two factors affecting the magnitude of future increases will be residential patronage and immigration. In FY 2007, the Sales and Use tax revenue increase attributed to WalMart was modestly budgeted at \$755,000. Near the new Walmart, a long anticipated International House of Pancakes (IHOP) will open. With its prime location adjacent to Walmart and just off of I-264, a national food and beverage trend of 7.6% growth (Source: U.S. Census Bureau),

and the City's growing population as factors, an additional \$529,000 of Restaurant Food tax revenue should be generated.

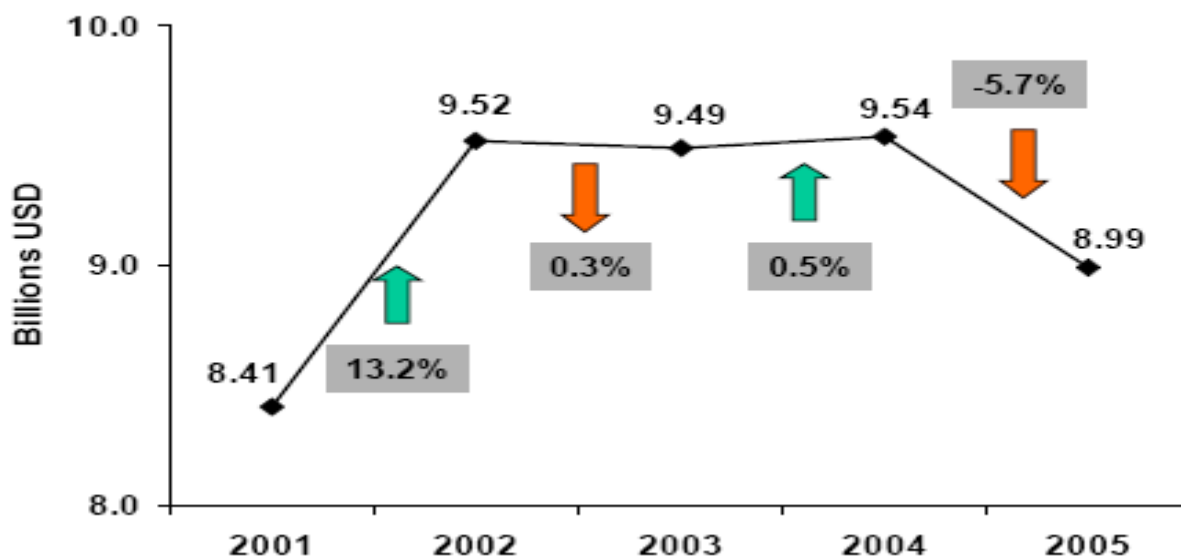


Since FY 2000, Portsmouth's population trend, compared to other Southside Hampton Roads municipalities, has been unique. While Virginia Beach, Chesapeake, and Suffolk have showed steady annual population increases, Portsmouth's population declined in the early part of the decade. In FY 2002, the decline began to moderate and flattened until FY 2004 when Portsmouth realized its first population gain in the decade. In FY 2005, the population climbed back above 100,000. As Portsmouth's new housing developments gain momentum and industrial and commercial enterprises begin to create a synergy, the population will continue to steadily grow.



While the Sales and Use tax and Restaurant Food tax illustrates a modest growth pattern, two other Local Tax revenue sources continue to decline. As reported in the FY 2006 budget book, home entertainment systems and alternative personal entertainment devices are shrinking admission and amusement tax revenues nationwide. In CY 2005, national box office revenues decreased 5.7% (Source: MPA Worldwide Market Research and Analysis).

Box Office Trends



FY 2007 should be similar. As more residents find alternative entertainment mediums, they will be less willing to attend theaters and concerts. To illustrate the national trend toward newer technology, in CY 2005, U.S. PC game software sales grew to \$953 million;⁷ moreover Web site game play and massively multiplayer online (MMO) subscriptions became very popular means of entertainment. When gaming software and hardware sales were combined for CY 2005, the industry registered \$10.5 billion in sales and is boasting that “it’s now bigger than Hollywood.”⁸ Soon, the new Play Station 3 (PS3) will be able to play the newest technological innovation called Blu-ray. They are high definition games and movies.⁹ Cinemas are competing against these new entertainment sources. In 1948, sixty-five percent of Americans went to the movies once a week. In 2005, it was 10%. During the summer of 2005, movie theater attendance decreased 10% below the previous declining summer. According to surveys, movie-goers of all ages are complaining about the high cost of cinema entertainment. Only 35% of those surveyed were satisfied with the movies.¹⁰ People are still watching the movies, but they are buying and renting the DVDs to be played on home entertainment systems. As prices decline for home entertainment systems, less people will attend the theaters. To illustrate the trend, in 2007, the price of 42 inch plasma televisions are expected to drop to \$1,150 from \$1,800, and 42 inch LCD televisions to \$1,500 from \$2,900.¹¹ Concert attendance is experiencing the same trend. Despite ticket prices dropping for the first time in a decade, North American concert attendance declined 12% in the first half of 2005.¹²

Another declining source of revenues pertains to the consumption of tobacco. In CY 2005, tobacco consumption dropped to a level equal to 1951 when the U.S. population was half today’s. On a per capita basis, it dropped to an early 1930’s level. In CY 2005, consumption decreased by 4.2%, and since 1998, it has decreased 20%. Factors contributing to the decline were higher costs, advertising restrictions, and public perception. Fewer people are starting to smoke, more people are quitting, and many smokers are cutting back. Nationally, the average price of cigarettes has increased from \$1.74/pack in 1997 to \$3.16/pack in 2004.¹³ Prior to CY 2004, the Virginia cigarette tax was 2.5 cents per pack, on September 1, 2004, the tax was increased to 20 cents per pack, and on

⁷ Daily Briefing, *Computer Game Sales Slip as Web Play Grows*, The Virginian-Pilot, January 18, 2006, D1.

⁸ Levine, Robert, *Gaming Industry Jam*, The Virginian-Pilot, February 7, 2006, D1.

⁹ Hall, Kenji, *This Playstation May Play Too Much*, Business Week, February 20, 2006. p 48.

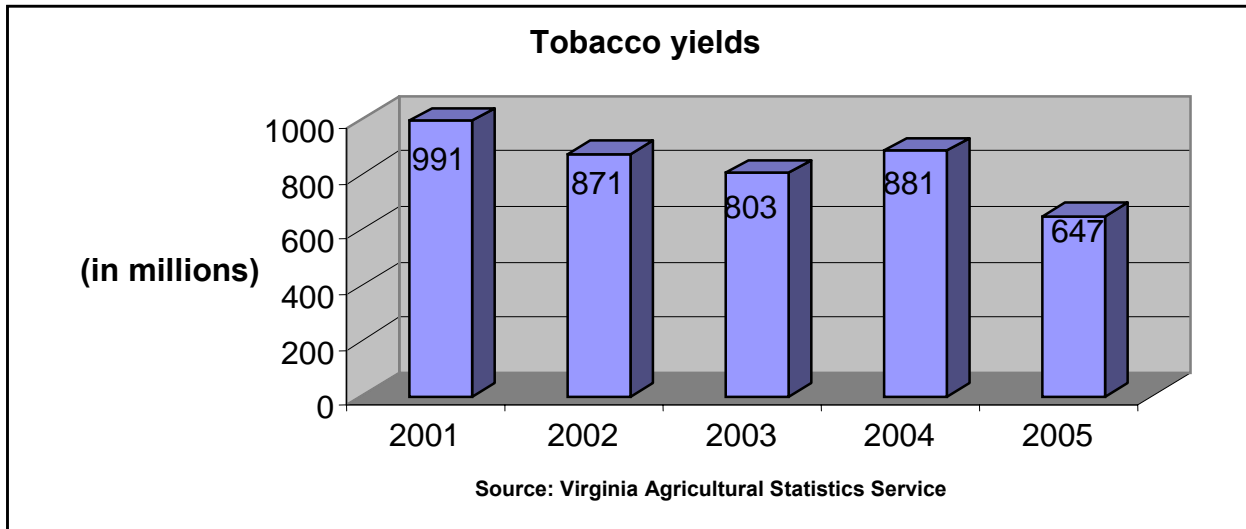
¹⁰ Morrison, Patt, *It’s Lights Out For Movie Theaters*, The Virginian-Pilot, August 14, 2005, J1.

¹¹ Ihlwan, Moon and Kenji Hall, *War of the Screens*, Business Week, September 12, 2005. pp 62-63.

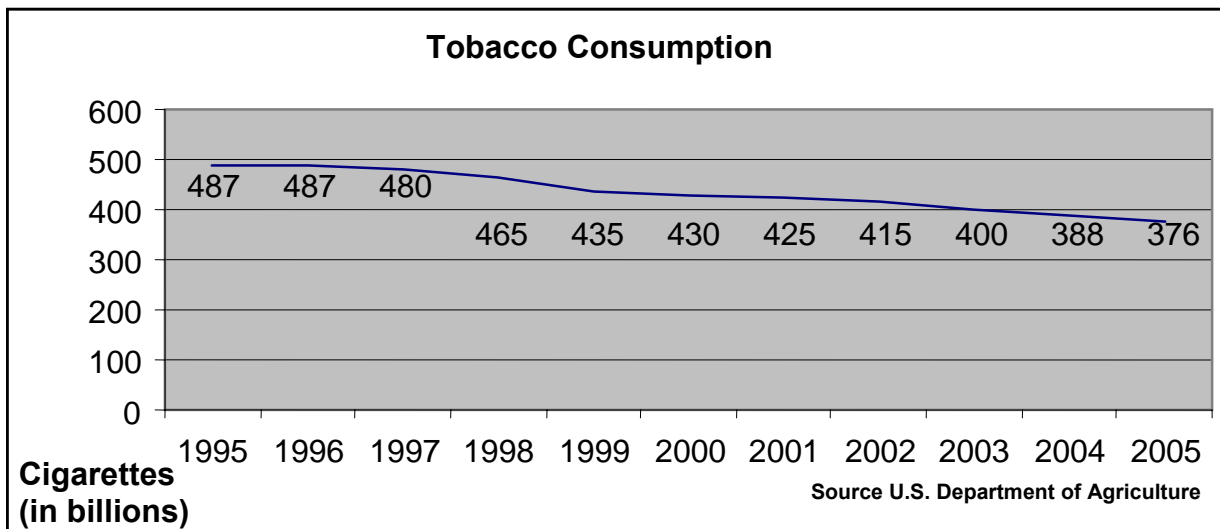
¹² Daily Briefing, *Concert Numbers Down*, The Virginian-Pilot, July 7, 2005, D1.

¹³ Kaufman, Marc, *Use of Tobacco Smolders Down to 1930’s Levels*, The Virginian-Pilot, March 9, 2006, A1 and A8.

July 1, 2005, it was raised to 30 cents per pack. ¹⁴ Between 1998 and 2000, the aggregate consumer price index (CPI) was 6%. The cigarette CPI for the same period was 60%. ¹⁵ Last year, only 378 billion cigarettes were sold. That was a 54 year low. ¹⁶ In Virginia, tobacco has historically been the number one crop; however, in CY 2004, it was replaced by soybeans. Tobacco acreage has decreased from 53,000 in CY 1997 to 30,000 in CY 2004. ¹⁷



Assuming historical price trends, tobacco consumption is forecast to decrease 1-3% per year. ¹⁸



Two evolving revenue sources pertain to the Communication Sales and Use Tax and a cable television franchise bill. During the CY 2006 General Assembly, legislation was passed allowing competition in the cable TV market

¹⁴ Breece, Jon, *Cigarette Taxes Rising Across Country*, The Cavalier Daily, December 6, 2004, www.cavalierdaily.com/CVArticle.asp?ID=21721&pid=1230.

¹⁵ Capehart, Jr., Thomas C., *Trends in the Cigarette Industry After the Master Settlement Agreement*, United States Department of Agriculture, TBS-250-01, October 2001, p.5

¹⁶ Kaufman, Marc, *Use of Tobacco Smolders Down to 1930's Levels*, The Virginian-Pilot, March 9, 2006, A1 and A8.

¹⁷ Daily Brief, *Tobacco No Longer State's Top Cash Crop*, The Virginian-Pilot, November 25, 2005, D1.

¹⁸ Capehart, Jr., Thomas C., *Trends in the Cigarette Industry After the Master Settlement Agreement*, United States Department of Agriculture, TBS-250-01, October 2001, p.10.

(HB1404 and SB706).¹⁹ Competing cable TV companies will be allowed to enter Virginia localities. This should drive service prices downward and should enable more residents to purchase services. The interaction between these two market forces will determine whether Cable TV Franchise Taxes will generate additional revenues.

The General Assembly also passed a new comprehensive telecommunications act sponsored by the Virginia Municipal League (VML) and the Virginia Association of Counties (VACo). Promised to be initially revenue neutral, the new legislation would decrease some tax levies but would capture additional tax sources such as satellite radio, satellite television, and Voice over Internet Protocol (VoIP). The city's telecommunication revenue trend has been decreasing for many years. This new legislation should halt the downward trend in the first few years, but gain momentum by generating additional revenues in out years.

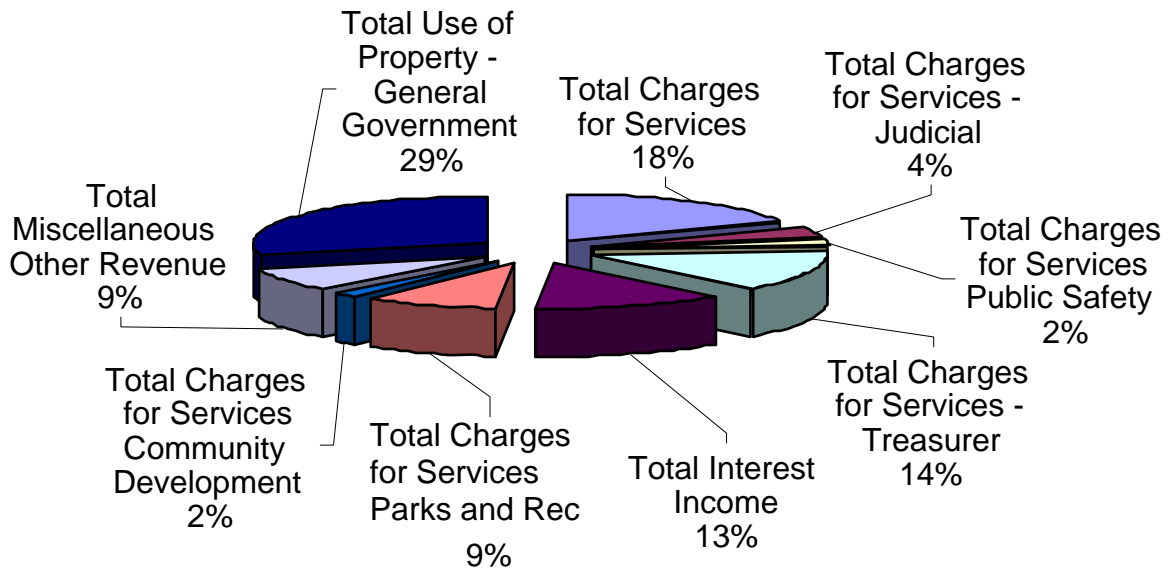
Fee and User Charges

Fee and User Charges By Sub-Category						
Category	FY 2002 Actual	FY 2003 Actual	FY 2004 Actual	FY 2005 Actual	FY 2006 Amended	FY 2007 Adopted
Total Charges for Services	17,166,266	6,225,980	7,340,308	1,328,951	1,255,365	1,397,152
Total Charges for Services - Gen Govt	-	4,315	-	3,813	-	-
Total Charges for Services - Judicial	-	295,447	377,115	130,637	285,648	276,019
Total Charges for Services Public Safety	-	1,391,934	1,359,385	63,658	77,157	178,064
Total Charges for Services - Treasurer	-	100,016	672,793	814,788	296,458	1,085,883
Total Interest Income	38,280	28,045	48,291	627,454	25,000	1,025,000
Total Charges for Services Parks & Rec	-	804,581	755,495	722,924	833,727	697,662
Total Charges for Services - Sheriff	-	-	-	-	-	4,388
Total Charges for Services Community Development	-	103,850	103,762	117,040	101,697	129,398
Total Miscellaneous Other Revenue	-457,163	51,615	38,446	88,773	900,000	680,168
Total Miscellaneous Other Revenue Parks and Recreation	-	10,424	1,624	782	10,000	10,000
Total Use of Property - General Government	1,979,512	2,161,343	2,209,993	2,215,429	2,257,004	2,239,690
Total Fee and User Charges	18,726,895	11,177,550	12,907,212	6,114,249	6,042,056	7,723,424

Representing 29% of Fee and User Charge revenues, the Total Use of Property – General Government sub-category is the largest contributor. Ninety-eight percent of this sub-category is comprised primarily of general property rentals.

¹⁹ Shapiro, Carolyn, *Cable, Telephone Companies Compromise on Franchise Rules; Providers Praise Bills That are Expected to Pass*, The Virginian-Pilot, pp. D1-D2

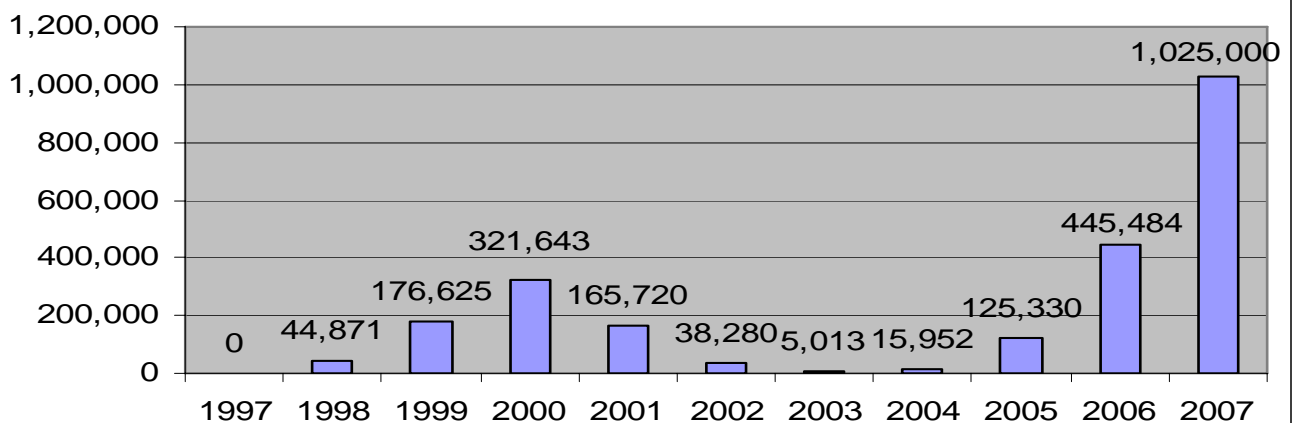
Fee and User Charges By Sub-Category



In FY 2007, Police, Fire, and EMS Attendance at special functions will be reported as separate revenue accounts in the Total Charges for Services – Public Safety sub-category. They will contribute an additional \$110,000. Another change in FY 2007 pertains to the sub-category Charges for Services – Public Works. The title has been changed to Charges for Services – Treasurer. The Treasurer is enhancing collection efforts and two new accounts have been added to this sub-category. An additional \$650,000 in delinquent EMS and library fees will be collected. In addition to the new accounts, the collection of administrative fees will increase. Approximately \$139,000 of additional administrative fees will be generated.

Over the past two years, the City’s Chief Financial Officer (CFO) has diligently worked to streamline the City’s cashflow position. By creating a healthier financial position, in FY 2007, the City will realize \$1 million in interest income within the Total Interest Income sub-category. Over the past nine years, interest income has ranged between no collections and \$321,643. For FY 2006, the City is projected to collect \$445,484.

Interest Income

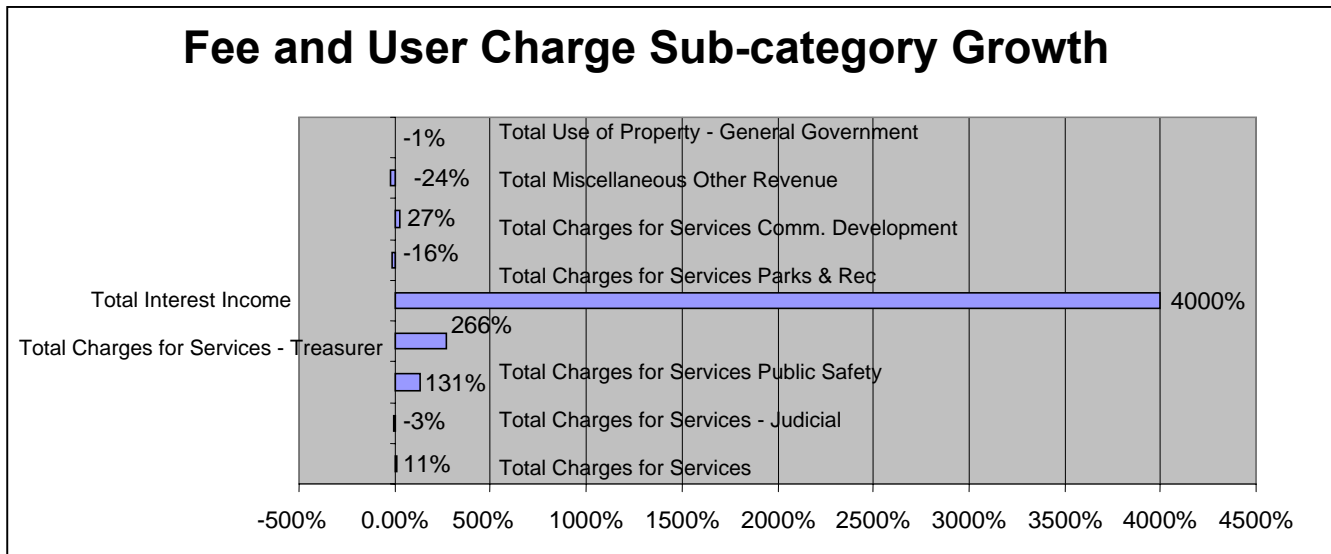


The subcategory Charges for Services – Parks and Recreation will incur a decrease in revenues. While museums are tourist oriented, much of the museum admission revenue is generated by school field trips. Outlying schools are finding it difficult to fund these activities, because after the CY 2005 hurricane season pummeled the Gulf Coast, the price of fuel climbed to nearly \$3 per gallon. While most Gulf Coast refineries and pipelines are operational, the price of fuel has not come down, and there seems to be reluctance by big oil companies to proactively take measures to reduce prices.²⁰ While big oil is diverting resources to increase oil supplies, new crude discoveries, and production, prospects are many years away;²¹ moreover the U.S., with 5% of the world population, consumes 25% of the oil production, and 77% of the oil reserves are controlled by foreign countries.

In the spring of 2005, due to safety concerns, the City Park locomotive, Pokey Smokey, was retired.²² The city will lose approximately \$15,000 in Pokey Smokey admission and merchandise revenues.

In FY 2006, within the Miscellaneous Other Revenues sub-category, the City gained a one-time \$900,000 revenue proceed from the sale of property. This will not occur in FY 2007; however, bond sale proceeds will generate \$600,000.

Fee and User Charge revenues are anticipated to grow by 27.8%. This is largely due to the Treasurer’s aggressive collection effort, and the financial stability the CFO has created.



License and Permit Revenues

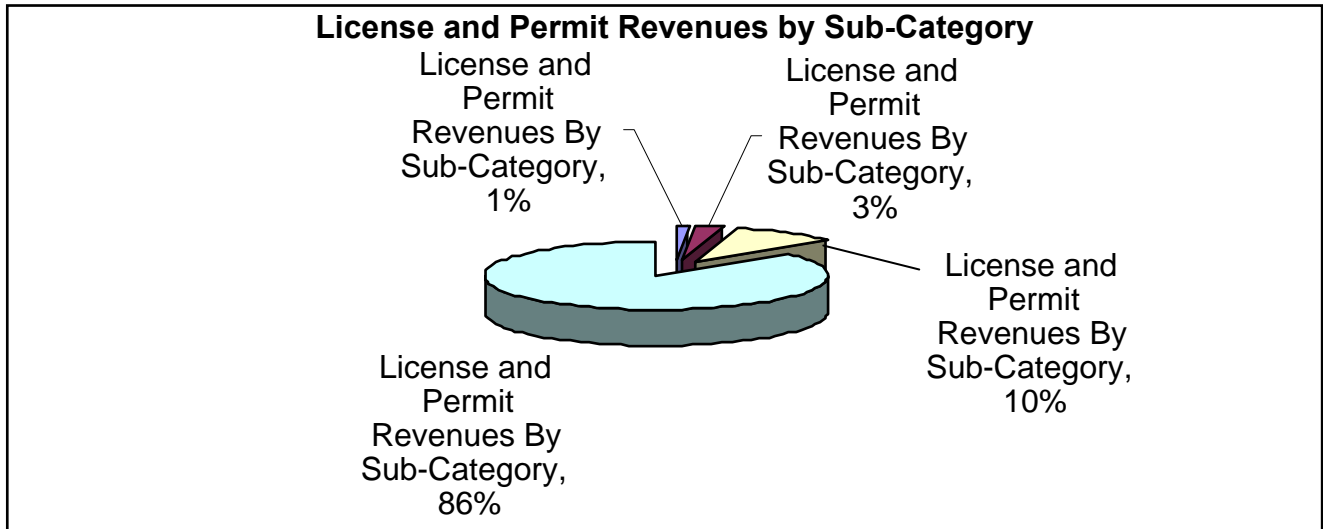
License and Permit Revenues By Sub-Category						
Category	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007
	Actual	Actual	Actual	Actual	Amended	Adopted
Total Licenses and Permits - General Govt	629,775	7,891	8,762	8,947	8,538	8,567
Total Licenses and Permits - Public Safety	-	23,314	24,815	22,655	24,465	21,516
Total Licenses and Permits - Public Works	-	61,525	247,158	216,686	17,357	76,093
Total Licenses and Permits – Comm. Dev	-	491,680	671,425	743,407	696,680	657,006
Total Licenses and Permits	629,775	584,410	952,160	991,695	747,040	763,182

²⁰ From Wire Reports, *Oil Executives Defend Their Huge Profits to Capital Hill*, The Virginian-Pilot, November 10, 2005, A1.

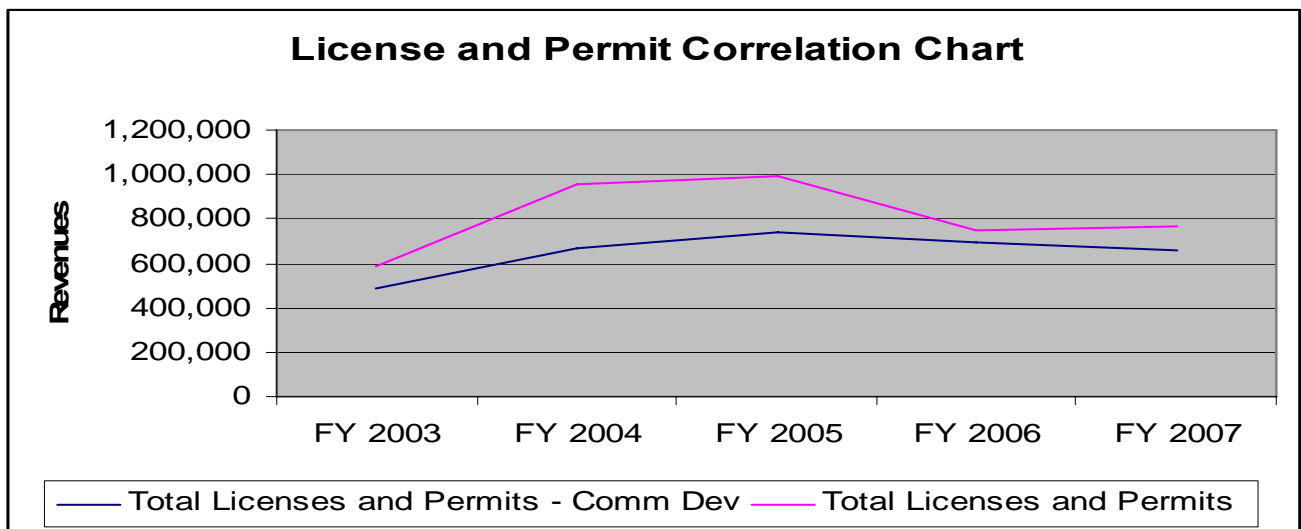
²¹ Reed, Stanley, Christopher Palmeri, and Eamon Javers, *Open Season on Big Oil*, Business Week, September 26, 2005, pp. 38-40.

²² Bryant, Janie, *Pokey Smokey Could Ride Again...*, The Virginian-Pilot, September 3, 2005, pp. B1 and B5.

Representing 86% of License and Permit revenues, Total Licenses and Permits – Community Development is the largest contributor. One hundred percent of this sub-category is comprised of building permits and fees.



Building construction requests, inspections, and other miscellaneous residential needs generate License and Permit revenues. This category reflects a modest construction and inspection growth pattern. Over a five-year period, the average growth rate has been 7.47%. This revenue category has a cyclical pattern and is positively correlated with Total Licenses and Permits – Community Development.

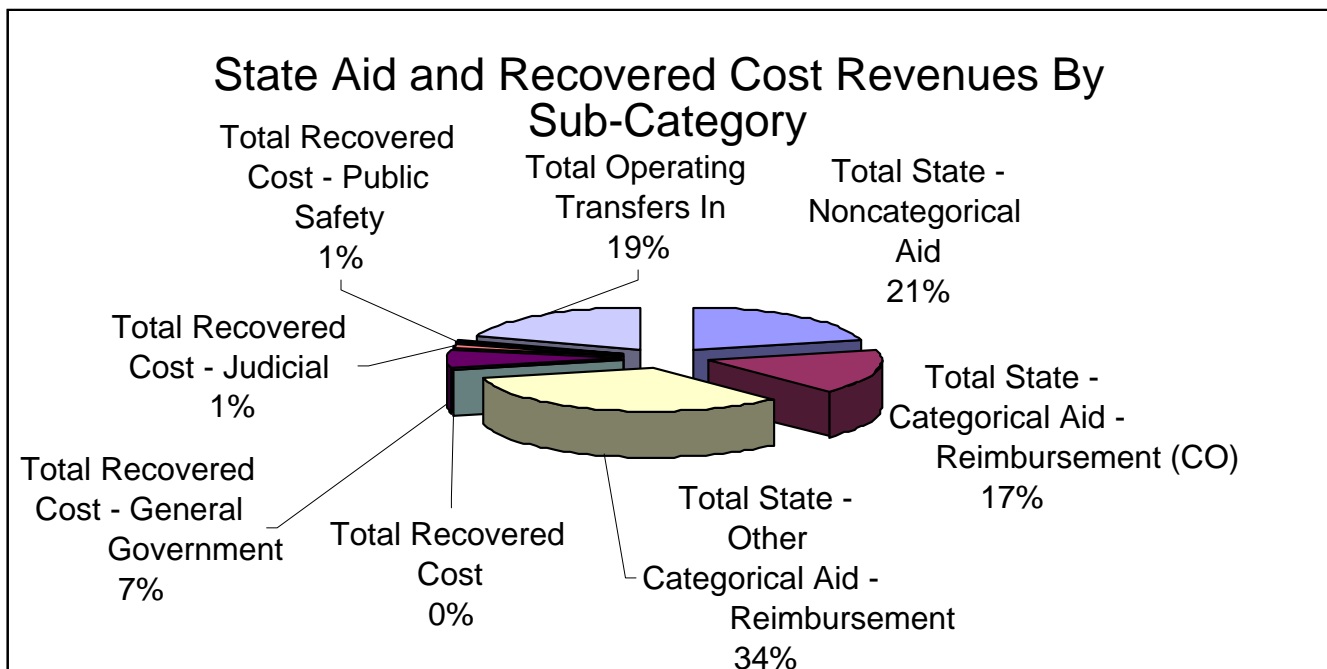


Moreover, when Total Licenses and Permit line items are analyzed, a positive correlation exists with Building Structure Permits and other related permits. With the continual construction of the New Port development in FY 2007, building permits will increase and should continue the increasing trend. In the out years, this will have a smoothing effect upon Total Licenses and Permits.

State Aid and Recovered Costs

State Aid and Recovered Cost Revenues By Sub-Category						
Category	FY 2002 Actual	FY 2003 Actual	FY 2004 Actual	FY 2005 Actual	FY 2006 Amended	FY 2007 Adopted
Total State - Noncategorical Aid	9,802,315	9,884,803	9,905,454	10,107,152	10,822,160	10,420,897
Total State - Categorical Aid - Reim (CO)	7,663,983	7,042,923	7,251,268	8,050,834	7,860,600	8,568,450
Total State - Other Categorical Aid - Reim	15,908,447	15,632,563	15,839,431	16,248,180	16,533,346	16,947,165
Other Governments	424,467	306,090	312,873	320,073	-	335,835
Total Federal Direct Funding	19,426	-	1,606,171	614,238	-	-
Total Recovered Cost	3,433,912	127,322	173,343	91,684	-	60,000
Total Recovered Cost - General Govt	-	2,257,341	2,239,632	2,728,294	3,111,934	3,479,699
Total Recovered Cost - Judicial	-	482,165	470,206	719,805	517,935	619,279
Total Recovered Cost - Housing Auth	-	246,693	109,412	-	-	-
Total Recovered Cost - Public Safety	229,370	237,563	480,246	409,095	509,807	434,395
Total Operating Transfers In	3,782,613	3,774,783	3,953,660	9,211,940	8,940,282	9,457,204
Total Bond Proceeds	-	-	-	-	-	-
Total Fund Balance	-	1,800,000	-	-	-	-
Total State Aid and Recovered Costs	41,264,533	41,792,246	42,341,696	48,501,295	48,296,064	50,322,924

Representing 33.7% of revenues, Total State – Other Categorical Aid - Reimbursements is the largest contributor. Fifty-one percent of this sub-category is comprised of a street and highway reimbursement, and 40% represents a law enforcement grant.



Total Recovered Costs – Judicial is anticipated to incur the greatest increase, because VDOT, DMV, and DEA reimbursements will begin to be recorded in this sub-category; moreover the newly elected Sheriff desires to house more federal prisoners in the jailhouse, and this will generate additional revenues.

Within the Total State – Noncategorical Aid sub-category, the state has determined the Personal Property Relief Tax Act apportionment to Portsmouth to be \$9.86 million. When compared to FY 2006, this represents a \$344,000 decrease in revenues. This decrease will be passed on to residents within the Total General Property Taxes category.

There are several state reimbursed tax revenues issued to the City whereupon anticipated revenues are fairly certain; however, there are many more that are uncertain. As of this writing, the state normally passes a budget indicating reimbursement amounts; however, procedural matters in the General Assembly have precluded this, and this has severely hampered forecasting abilities. This is especially true for the forecasting of constitutional officers within the Total State -Categorical Aid Reimbursement (CO) subcategory.

Within the Total State – Other Categorical Aid – Reimbursement subcategory, the revenues decreased by \$500,000 in the Street and Highway Maintenance account. The Assistant Director of Public Utilities/Works has informed the City there will no longer be any supplements beyond budgeted amounts from VDOT. The FY 2007 budget reflects this.

Within the Total Other Governments category, the Parking Authority Debt Service account has been reclassified. Prior to this change, it was reflected in the Total Operating Transfers-In sub-category.

For FY 2007, Total Recovered Cost – General Government was based upon a historical Cost Allocation Plan. For FY 2008, a new Cost Allocation Plan will be utilized. The derivation of this new plan began in FY 2006 and is being compiled by a consulting firm.

Within the Total Operating Transfers – In subcategory, a one-time collection of \$1.15 million will be realized as a transfer from the Port Facility.

Summary

Overall the General Fund's revenues will increase 7.0%. This is largely due to the Local Tax category. With assessed values increasing 24.93%, Total General Property Taxes will increase 14.02% yielding an additional \$11.8 million; however, this sub-category will be tempered by the real property tax collections on the Public Service Corporations, the diminishing nature of delinquency pools, and the potential loss of revenues associated with the Machine and Tool Tax proposed legislation exempting idle machinery. Total Utility Taxes could vary widely and is dependent upon the State's telecommunication allocation based upon the new Communications Sales and Use tax bill. By January 1, 2007, the State will have determined the allocation amounts.

While the housing market slows to normality, the New Port development should still generate additional revenues and will support the new population growth trend. Commercial projects, such as the new MidTown WalMart and IHOP, will support the existing populace, invite new emigrants, and may attract citizens outside the City's boundaries. With the initiation of these projects and commercial and residential progress, a population oriented synergistic effect will take place. With the realization by observant individuals that Portsmouth initiates "Bold New Directions," is creating "A Robust and Prospering Economy," takes "Pride in the Past and Promise of the Future," supports a "World Class Maritime Center," is establishing "A Lifelong Learning Community," and is overseeing "Neighborhood and Community Transformation," Portsmouth will gain a positive momentum to carry it into future years.

"Bold New Directions," interlinked with economic development initiatives, will generate new revenue sources and will alleviate the tax burden on all existing Portsmouth residents. These initiatives will fuel "A Robust and Prospering Economy" and will enable the City to bolster the "Neighborhood and Community Transformation"

effort. With the opening of the new APM terminal scheduled for CY 2007, the City's dream of becoming a "World Class Maritime Center" is being realized. In the distant future, a new super terminal is planned for Craney Island.

Additional revenues received from these initiatives will allow the City to invest more into the primary and secondary educational institutions stimulating the City's desire to create "A Lifelong Learning Community." It will enable the School Board to offer enhanced faculty, staff, and administrative incentives. With the School's improved ability to better educate students, high school graduates will be better prepared to enter into the new Tidewater Community College campus located in the City's Victory area. The TCC campus promises to be a catalyst for endeavoring higher educational aspirants.

The combination of new initiatives, the bolstering of existing programs, and the transformation of the City will help generate new revenues and decrease the reliance upon present tax rates allowing for a more flexible revenue generating model.



**City of Portsmouth
Fiscal Year 2007 Adopted Budget Revenue Summary**

Funding Sources	FY 2005 Actual	FY 2006 Adopted	FY 2006 Amended	FY 2007 Adopted
<u>001 General Fund</u>				
Taxes				
General Property Taxes	76,180,269	84,695,031	84,695,031	96,565,992
Other Local Taxes	25,714,885	26,920,700	26,920,700	27,205,075
Utility Taxes	14,627,995	14,927,416	14,927,416	14,890,963
	<u>116,523,149</u>	<u>126,543,147</u>	<u>126,543,147</u>	<u>138,662,030</u>
Intergovernmental Revenue				
State - Noncategorical Aid	10,107,152	10,822,160	10,822,160	10,420,897
State - Categorical Aid: Reimbursement	8,050,834	7,860,600	7,860,600	8,568,450
State - Other Categorical Aid	16,248,181	16,527,414	16,533,346	16,947,165
Other Governments	320,073	-	-	335,835
Federal Direct	614,238	-	-	-
	<u>35,340,478</u>	<u>35,210,174</u>	<u>35,216,106</u>	<u>36,272,347</u>
Charges For Services				
Charges For Services	1,328,951	1,255,365	1,255,365	1,397,152
Charges for Services - General Government	3,813	-	-	-
Charges For Services - Judicial	142,104	285,648	285,648	276,019
Charges For Services - Public Safety	63,658	77,157	77,157	178,064
Charges For Services - Treasurer	803,323	296,458	296,458	1,085,883
Charges For Services- Parks and Rec	722,929	833,727	833,727	697,662
Charges for Services - Sheriff	-	-	-	4,388
Charges For Services - Community Develop	117,040	101,697	101,697	129,398
	<u>3,181,816</u>	<u>2,850,052</u>	<u>2,850,052</u>	<u>3,768,566</u>
Interest Income				
Licenses and Permits - General Government	8,947	8,538	8,538	8,567
Licenses And Permits - Public Safety	22,655	24,465	24,465	21,516
Licenses And Permits - Public Works	153,125	17,357	17,357	76,093
Licenses And Permits - Community Develop	806,968	696,680	696,680	657,006
	<u>991,695</u>	<u>747,040</u>	<u>747,040</u>	<u>763,182</u>
Miscellaneous Revenue				
Miscellaneous	88,773	903,419	903,419	680,168
Miscellaneous- Parks and Recreation	782	10,000	10,000	10,000
	<u>89,556</u>	<u>913,419</u>	<u>913,419</u>	<u>690,168</u>
Other Financing Sources				
Interest	145,712	25,000	25,000	1,025,000
Sale Of Commodities And Property	481,741	-	-	-
	<u>627,454</u>	<u>25,000</u>	<u>25,000</u>	<u>1,025,000</u>
Recovered Costs				
Recovered Costs	91,684	-	-	60,000
Recovered Costs - General Govt	2,728,294	3,114,934	3,114,934	3,479,699
Recovered Costs - Judicial	697,582	514,935	514,935	619,279
Recovered Cost - Public Safety	409,095	509,807	509,807	434,395
	<u>3,926,655</u>	<u>4,139,676</u>	<u>4,139,676</u>	<u>4,593,373</u>
Recovered Costs - Judicial				
Recovered Costs - Judicial	22,224	-	-	-
Use Of Property				
Use Of Property - General Govt	2,215,422	2,253,585	2,253,585	2,239,690
Payment In Lieu Of Taxes				
Payment In Lieu Of Taxes	1,441,106	1,546,514	1,546,514	1,539,112
Operating Transfers In				
Operating Transfers In	9,211,940	8,940,282	8,940,282	9,457,204
Total General Fund	<u>173,571,495</u>	<u>183,168,889</u>	<u>183,174,821</u>	<u>199,010,672</u>

City of Portsmouth
Fiscal Year 2007 Adopted Budget Revenue Summary

Funding Sources	FY 2005 Actual	FY 2006 Adopted	FY 2006 Amended	FY 2007 Adopted
<u>005 Behavioral Healthcare Services</u>				
Federal Direct				
Federal Direct	18,777	-	-	-
Intergovernmental Revenue				
State - Noncategorical Aid	4,170,394	4,053,795	4,053,795	4,273,305
State - Categorical Aid: Reimbursement	2,308,256	3,270,731	3,270,731	3,249,868
Other Governments	148,261	-	-	173,200
Federal Direct	1,495,572	1,602,316	1,602,316	1,652,896
	<u>8,122,484</u>	<u>8,926,842</u>	<u>8,926,842</u>	<u>9,349,269</u>
Miscellaneous Revenue				
Miscellaneous	-	200,000	236,388	200,000
Other Financing Sources				
Interest	19,661	-	-	10,000
Operating Transfers In				
Operating Transfers In	442,670	518,924	519,014	664,724
Total Behavioral Healthcare Services	<u>8,603,592</u>	<u>9,645,766</u>	<u>9,682,244</u>	<u>10,223,993</u>
<u>006 Public Law Library</u>				
Charges For Services				
Charges For Services	30,295	34,845	34,845	34,845
Other Financing Sources				
Interest	544	-	-	-
Total Public Law Library	<u>30,839</u>	<u>34,845</u>	<u>34,845</u>	<u>34,845</u>
<u>007 Social Services</u>				
Intergovernmental Revenue				
State - Categorical Aid: Reimbursement	15,884,356	19,263,406	19,263,406	20,378,579
Other Governments	119,102	44,000	44,000	50,000
Federal Direct	17,162	10,000	10,000	12,000
	<u>16,020,620</u>	<u>19,317,406</u>	<u>19,317,406</u>	<u>20,440,579</u>
Miscellaneous Revenue				
Miscellaneous	-	1,000	1,000	1,000
Operating Transfers In				
Operating Transfers In	3,391,339	3,453,112	3,453,112	3,196,150
Total Social Services	<u>19,411,959</u>	<u>22,771,518</u>	<u>22,771,518</u>	<u>23,637,729</u>
<u>011 Willett Hall Fund</u>				
Charges For Services				
Charges For Services	710,458	827,610	827,610	827,610
Other Financing Sources				
Interest	1,114	500	500	-
Operating Transfers In				
Operating Transfers In	250,000	250,000	250,000	174,435
Total Willett Hall Fund	<u>961,572</u>	<u>1,078,110</u>	<u>1,078,110</u>	<u>1,002,045</u>
<u>019 CSA</u>				
Intergovernmental Revenue				
State - Categorical Aid: Reimbursement	2,301,895	2,370,649	2,370,649	2,390,426
Operating Transfers In				
Operating Transfers In	1,234,479	1,239,400	1,239,400	1,253,979
Total CSA	<u>3,536,374</u>	<u>3,610,049</u>	<u>3,610,049</u>	<u>3,644,405</u>

**City of Portsmouth
Fiscal Year 2007 Adopted Budget Revenue Summary**

Funding Sources	FY 2005 Actual	FY 2006 Adopted	FY 2006 Amended	FY 2007 Adopted
<u>020 Stormwater Management</u>				
Charges For Services				
Charges For Services	3,209,576	3,758,970	3,758,970	4,000,362
Other Financing Sources				
Interest	23,788	10,000	10,000	-
Total Stormwater Management	3,233,364	3,768,970	3,768,970	4,000,362
<u>033 Community Development</u>				
Intergovernmental Revenue				
Federal Direct	3,827,642	3,467,334	3,467,334	2,565,481
Sale Of Commodities And Property				
Sale Of Commodities And Property	-	-	-	944,697
Other Financing Sources				
Program Income	-	100,000	100,000	-
Total Community Development	3,827,642	3,567,334	3,567,334	3,510,178
<u>040 Public Utilities</u>				
Charges For Services				
Charges For Services	29,699,642	29,990,425	29,990,425	32,468,652
Interest Income				
Licenses And Permits	11,000	9,000	9,000	9,000
Miscellaneous Revenue				
Program Income	71,558	57,800	57,800	57,800
Miscellaneous	79,647	50,379	50,379	60,000
Miscellaneous- Parks and Recreation	472,052	-	-	-
	623,258	108,179	108,179	117,800
Sale Of Commodities And Property				
Miscellaneous	27,241	20,000	20,000	20,000
Other Financing Sources				
Interest	182,249	175,000	175,000	175,000
Sale Of Commodities And Property	236,586	-	-	-
	418,835	175,000	175,000	175,000
Recovered Costs				
Recovered Costs	226,829	145,500	145,500	145,500
Total Public Utilities	31,006,804	30,448,104	30,448,104	32,935,952
<u>042 Port Facility And Economic Development</u>				
Sale Of Commodities And Property				
Miscellaneous	21,670	21,670	21,670	-
Other Financing Sources				
Interest	12,857	8,000	8,000	-
Sale Of Commodities And Property	40,976	-	-	-
	53,833	8,000	8,000	-
Use Of Property				
Use Of Property - General Govt	544,836	544,836	544,836	580,000
Operating Transfers In				
Operating Transfers In	-	246,701	246,701	-
Fund Balance				
Fund Balance	-	-	-	570,000
Total Port Facility And Economic Development	620,338	821,207	821,207	1,150,000

**City of Portsmouth
Fiscal Year 2007 Adopted Budget Revenue Summary**

Funding Sources	FY 2005 Actual	FY 2006 Adopted	FY 2006 Amended	FY 2007 Adopted
<u>044 Golf Enterprise Fund</u>				
Charges For Services				
Charges For Services	1,300,507	1,459,815	1,459,815	1,398,250
Interest Income				
Interest	20,361	-	-	-
Other Financing Sources				
Interest	25,627	25,000	25,000	-
Use Of Property				
Program Income	207,800	215,300	215,300	236,600
Operating Transfers In				
Operating Transfers In	505,759	810,887	810,887	-
Fund Balance				
Fund Balance	-	-	-	676,052
Total Golf Enterprise Fund	2,060,054	2,511,002	2,511,002	2,310,902
<u>046 Indust. Dev. Authority</u>				
Charges For Services				
Charges For Services	12,837	-	-	-
Interest	7,667	-	-	-
	20,504	-	-	-
Miscellaneous Revenue				
Miscellaneous	241,284	-	-	-
Miscellaneous- Parks and Recreation	1,584,505	-	-	-
	1,825,788	-	-	-
Sale Of Commodities And Property				
Sale Of Commodities And Property	-2,268,780	-	-	-
Other Financing Sources				
Other Governmental	216,256	-	-	-
Use Of Property				
Use Of Property - General Govt	26,013	-	-	-
Payment In Lieu Of Taxes				
Miscellaneous	2,499,990	-	-	-
Total Indust. Dev. Authority	2,319,772	-	-	-
<u>047 Ports Port & Ind. Dev</u>				
Miscellaneous Revenue				
Program Income	6,223	-	-	-
Miscellaneous- Parks and Recreation	550,000	-	-	-
	556,223	-	-	-
Sale Of Commodities And Property				
Sale Of Commodities And Property	-391,820	-	-	-
Other Financing Sources				
Interest	25,991	-	-	-
Use Of Property				
Use Of Property - General Govt	4,168	-	-	-
Total Ports Port & Ind. Dev	194,562	-	-	-

**City of Portsmouth
Fiscal Year 2007 Adopted Budget Revenue Summary**

Funding Sources	FY 2005 Actual	FY 2006 Adopted	FY 2006 Amended	FY 2007 Adopted
<u>048 Waste Management Fund</u>				
Intergovernmental Revenue				
State - Categorical Aid: Reimbursement	685,994	685,994	685,994	685,994
Federal Direct	434,800	-	-	-
	<u>1,120,794</u>	<u>685,994</u>	<u>685,994</u>	<u>685,994</u>
Charges For Services				
Charges For Services	7,290,352	7,474,006	7,474,006	8,532,480
Miscellaneous Revenue				
Miscellaneous	-	-	-	50,000
Miscellaneous- Parks and Recreation	-45,729	-	-	-
	<u>-45,729</u>	<u>-</u>	<u>-</u>	<u>50,000</u>
Sale Of Commodities And Property				
Miscellaneous	4,755	-	-	4,755
Other Financing Sources				
Interest	1,404	-	-	-
Operating Transfers In				
Operating Transfers In	-	413,760	413,760	-
Total Waste Management Fund	<u>8,371,577</u>	<u>8,573,760</u>	<u>8,573,760</u>	<u>9,273,229</u>
<u>049 Parking Authority</u>				
Charges For Services				
Charges For Services	911,815	978,794	978,794	1,090,000
Fines & Forfeits				
Recovered Cost - Public Safety	272,902	273,650	273,650	250,000
Miscellaneous Revenue				
Miscellaneous	13,769	16,974	16,974	600
Miscellaneous- Parks and Recreation	7,036	-	-	-
	<u>20,805</u>	<u>16,974</u>	<u>16,974</u>	<u>600</u>
Other Financing Sources				
Interest	1,650	7,248	7,248	1,650
Sale Of Commodities And Property	59,121	-	-	-
	<u>60,771</u>	<u>7,248</u>	<u>7,248</u>	<u>1,650</u>
Operating Transfers In				
Operating Transfers In	357,500	367,500	367,500	447,564
Bond Proceeds - Bonds				
Miscellaneous	-431,805	-	-	-
Fund Balance				
Fund Balance	-	90,485	90,485	-
Total Parking Authority	<u>1,191,987</u>	<u>1,734,651</u>	<u>1,734,651</u>	<u>1,789,814</u>
<u>050 City Garage</u>				
Charges For Services				
Charges For Services	49,755	-	-	-
Charges For Services				
Charges For Services	6,966,217	6,667,474	6,667,474	7,938,583
Miscellaneous Revenue				
Miscellaneous	94,251	72,000	72,000	81,990
Miscellaneous- Parks and Recreation	-29,963	-	-	-
	<u>64,288</u>	<u>72,000</u>	<u>72,000</u>	<u>81,990</u>
Other Sources				
Miscellaneous	-	10,000	10,000	10,000
Operating Transfers In				
Operating Transfers In	-	35,599	35,599	-
Total City Garage	<u>7,080,260</u>	<u>6,785,073</u>	<u>6,785,073</u>	<u>8,030,573</u>

**City of Portsmouth
Fiscal Year 2007 Adopted Budget Revenue Summary**

Funding Sources	FY 2005 Actual	FY 2006 Adopted	FY 2006 Amended	FY 2007 Adopted
<u>052 Information Technology Fund</u>				
Charges For Services				
Charges For Services	971,484	1,355,484	1,355,484	1,458,020
Charges For Services				
Charges For Services	4,712,424	3,786,778	3,786,778	4,524,627
Miscellaneous Revenue				
Charges For Services	24,804	20,830	20,830	34,078
Miscellaneous	31,059	97,586	97,586	35,000
	<u>55,863</u>	<u>118,416</u>	<u>118,416</u>	<u>69,078</u>
Other Financing Sources				
Interest	1,131	500	500	500
Operating Transfers In				
Operating Transfers In	-	96,933	96,933	-
Fund Balance				
Fund Balance	-	-	370,300	-
Total Information Technology Fund	<u>5,740,902</u>	<u>5,358,111</u>	<u>5,728,411</u>	<u>6,052,225</u>
<u>054 Risk Management and Insurance</u>				
Charges For Services				
Charges For Services	4,846,895	5,390,413	5,390,413	6,383,739
Other Financing Sources				
Interest	8,412	-	-	-
Recovered Costs				
Recovered Costs	937,467	92,797	92,797	50,000
Operating Transfers In				
Operating Transfers In	-	120,323	120,323	-
Total Risk Management and Insurance	<u>5,792,773</u>	<u>5,603,533</u>	<u>5,603,533</u>	<u>6,433,739</u>
<u>056 Health Insurance Fund</u>				
Charges For Services				
Charges For Services	13,335,843	14,217,375	14,217,375	16,814,479
Total Health Insurance Fund	<u>13,335,843</u>	<u>14,217,375</u>	<u>14,217,375</u>	<u>16,814,479</u>
<u>060 Portsmouth City Public Schools</u>				
State - Categorical Aid - Shared Costs				
Other Governmental	83,601,498	86,416,348	86,416,348	95,289,339
Federal Direct				
Other Governmental	560,000	660,000	660,000	660,000
Other Governmental				
Other Governmental	60,694,077	64,778,184	64,778,184	72,243,241
Total Portsmouth City Public Schools	<u>144,855,575</u>	<u>151,854,532</u>	<u>151,854,532</u>	<u>168,192,580</u>
<u>068 Cemetery Perpetual Care</u>				
Charges For Services				
Charges For Services	-	-	-	20,000
Other Financing Sources				
Interest	20,466	50,000	50,000	50,000
Fund Balance				
Fund Balance	-	150,000	150,000	130,000
Total Cemetery Perpetual Care	<u>20,466</u>	<u>200,000</u>	<u>200,000</u>	<u>200,000</u>

City of Portsmouth
Fiscal Year 2007 Adopted Budget Revenue Summary

Funding Sources	FY 2005 Actual	FY 2006 Adopted	FY 2006 Amended	FY 2007 Adopted
<u>071 Portsmouth Retirement System</u>				
Interest Income				
Interest	12,011,257	-	-	-
Other Financing Sources				
Interest	1,381	-	-	-
Other Sources				
Payment In Lieu Of Taxes	10,132,539	-	-	-
Total Portsmouth Retirement System	22,145,177	-	-	-
Total Funding Sources	457,912,926	455,752,829	456,165,539	498,247,722