

PEASE DEVELOPMENT AUTHORITY

QUARTERLY STATUS REPORT- DECEMBER 31, 2023

I. FINANCIAL REVIEW- PEASE DEVELOPMENT AUTHORITY

THE PDA, EFFECTIVE JUNE 1, 1990, WAS THE SUCCESSOR ENTITY TO THE PEASE REDEVELOPMENT COMMISSION WHICH HAD THE MANDATE FOR THE CONVERSION AND REDEVELOPMENT OF THE PEASE AIR FORCE BASE. THE INCOME STATEMENT NOTED BELOW REFLECTS CONSOLIDATED OPERATIONS OF THE PEASE TRADEPORT, PSM, SKYHAVEN AIRPORT, GOLF COURSE AND ADMINISTRATIVE OVERHEADS.

INCOME STATEMENT – PEASE DEVELOPMENT AUTHORITY

	<i>FY 2024 JUL-SEP</i>	<i>FY 2024 OCT-DEC</i>	<i>FY 2024 JAN-MAR</i>	<i>FY 2024 APR-JUN</i>	<i>FY 2024 TOTAL</i>
OPERATING REVENUES	\$4,950,917	\$3,752,840	\$ -	\$ -	\$8,703,757
OPERATING EXPENSES (EXCLUDING DEPRECIATION)	3,198,078	2,783,823	-	-	5,981,901
OPERATING INCOME	1,752,839	969,017	-	-	2,721,856

2. FINANCIAL REVIEW- DIVISION OF PORTS AND HARBORS- UNRESTRICTED FUNDS

PURSUANT TO CHAPTER 290, LAWS OF 2001, THE NEW HAMPSHIRE STATE PORT AUTHORITY WAS TRANSFERRED TO THE PDA EFFECTIVE JULY 1, 2001. THE INCOME STATEMENT NOTED BELOW REFLECTS CONSOLIDATED OPERATIONS OF UNRESTRICTED FUNDS SPECIFIC TO THE OPERATIONS OF HARBOR MANAGEMENT, HAMPTON HARBOR, PORTSMOUTH FISH PIER, RYE HARBOR, MARKET STREET TERMINAL AND ADMINISTRATIVE OVERHEAD.

INCOME STATEMENT- DIVISION OF PORTS AND HARBORS (DPH)

	<i>FY 2024 JUL-SEP</i>	<i>FY 2024 OCT-DEC</i>	<i>FY 2024 JAN-MAR</i>	<i>FY 2024 APR-JUN</i>	<i>FY 2024 TOTAL</i>
OPERATING REVENUES	806,569	391,872	-	-	\$1,198,441
OPERATING EXPENSES (EXCLUDING DEPRECIATION)	757,817	561,439	-	-	1,319,256
OPERATING INCOME	48,752	(169,567)	-	-	(120,815)

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3. FINANCIAL REVIEW- DIVISION OF PORTS AND HARBORS- RESTRICTED FUNDS

AS A RESULT OF THE TRANSFER OF THE DIVISION OF PORTS AND HARBORS TO THE PDA, THREE RESTRICTED FUNDS WERE ALSO CONVEYED TO THE PDA INCLUDING:

INCOME STATEMENT- HARBOR DREDGING AND PIER MAINTENANCE FUND (HD)

ESTABLISHED TO INITIATE AND IMPLEMENT HARBOR DREDGING PROJECTS AND TO MAINTAIN PUBLIC PIERS.

	<i>FY 2024 JUL-SEP</i>	<i>FY 2024 OCT-DEC</i>	<i>FY 2024 JAN-MAR</i>	<i>FY 2024 APR-JUN</i>	<i>FY 2024 TOTAL</i>
OPERATING REVENUES	20,657	21,412	-	-	\$42,069
OPERATING EXPENSES (EXCLUDING DEPRECIATION)	91	75	-	-	166
OPERATING INCOME	20,566	21,337	-	-	41,903

INCOME STATEMENT- REVOLVING LOAN FISHERY FUND (RLF)

ESTABLISHED THROUGH AN \$810,000 GRANT FROM THE ECONOMIC DEVELOPMENT ADMINISTRATION (EDA) IN 1994 TO PROVIDE DIRECT ASSISTANCE TO THE FISHING INDUSTRY AND AID IN THE CREATION OF ECONOMIC OPPORTUNITIES WITHIN THE INDUSTRY.

	<i>FY 2024 JUL-SEP</i>	<i>FY 2024 OCT-DEC</i>	<i>FY 2024 JAN-MAR</i>	<i>FY 2024 APR-JUN</i>	<i>FY 2024 TOTAL</i>
OPERATING REVENUES	8,572	8,656	-	-	\$17,228
OPERATING EXPENSES (EXCLUDING DEPRECIATION)	5,639	2,551	-	-	8,190
OPERATING INCOME	2,933	6,105	-	-	9,038

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3. FINANCIAL REVIEW- DIVISION OF PORTS AND HARBORS- RESTRICTED FUNDS (CONTINUED):

INCOME STATEMENT- FOREIGN TRADE ZONE FUND (FTZ)

THE UNITED STATES DEPARTMENT OF COMMERCE DESIGNATES FOREIGN TRADE ZONES AS OUTSIDE THE COMMERCE OF THE UNITED STATES FOR THE PURPOSE OF DUTY ASSESSMENT. AS SUCH, GOODS ENTERING THE FOREIGN TRADE ZONE DO NOT INCUR DUTY FEES WITHIN THE DESIGNATED ZONES. THE DPH IS THE GRANTEE OF FOREIGN TRADE ZONE #81.

	<i>FY 2024 JUL-SEP</i>	<i>FY 2024 OCT-DEC</i>	<i>FY 2024 JAN-MAR</i>	<i>FY 2024 APR-JUN</i>	<i>FY 2024 TOTAL</i>
OPERATING REVENUES	4,000	10,000	-	-	\$14,000
OPERATING EXPENSES (EXCLUDING DEPRECIATION)	1,539	4,054	-	-	5,593
OPERATING INCOME	2,461	5,946	-	-	8,407

4. CONSOLIDATED BALANCE SHEET

	<i>PDA</i>	<i>DPH</i>	<i>HD</i>	<i>RLF</i>	<i>FTZ</i>
ASSETS					
CURRENT ASSETS	\$19,122,505	\$1,986,952	\$268,320	\$1,276,525	\$24,647
NON-CURRENT ASSETS	287,703,455	25,760,701	785,417	0	0
OTHER	2,417,993	630,506	0	0	0
	309,243,953	28,378,159	1,053,737	1,276,525	24,647
LIABILITIES					
CURRENT LIABILITIES	2,064,081	1,018,232	0	813	2,804
NONCURRENT LIABILITIES	7,223,908	3,999,178	252,250	0	0
ALL OTHER	212,957,127	300,603	0	0	0
	222,245,116	5,318,013	252,250	813	2,804
NET POSITION					
NET INVESTMENT IN CAPITAL ASSETS	74,572,024	25,760,701	785,417		0
OTHER	12,426,813	(2,700,555)	16,070	1,275,712	21,843
	86,998,837	23,060,146	801,487	1,275,712	21,843
	309,243,953	28,378,159	1,053,737	1,276,525	24,647

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CURRENT FISCAL YEAR INITIATIVES

- ONGOING SIGNIFICANT CAPITAL IMPROVEMENT PROGRAM INCLUDES:
 - FUNCTIONAL REPLACEMENT OF BARGE DOCK- MARKET STREET MARINE TERMINAL- DIVISION OF PORTS AND HARBORS (DPH) OUT TO BID IN OCTOBER 2023
 - MAIN WHARF REHABILITATION AND MODIFICATION PROJECT (DPH) IN CONSTRUCTION PHASE. ANTICIPATED COMPLETION DATE – FEBRUARY 2024
 - ARRIVALS HALL UPGRADES IN CONSTRUCTION PHASE

- RECEIVED GRANT AWARD OF \$7 MILLION FOR NEW ARRIVALS HALL PROJECT WITH THE REMAINDER TO BE INTERNALLY FUNDED.

- CONTINUING TO INVESTIGATE FUTURE SOLAR OPTIONS.

- RECEIVED ARPA FUNDING APPROVAL TOTALING \$4,270,374 FOR SIGNIFICANT REPAIRS AND IMPROVEMENTS AT THE MAIN WHARF, PORTSMOUTH FISH PIER AND HAMPTON HARBOR. TWO PROJECTS ARE COMPLETED AND TWO ARE IN PROCESS.

- CONTINUE TO MONITOR AND ENHANCE IMPLEMENTATION OF STATE OF NEW HAMPSHIRE COVID-19 GUIDELINES IN AN EFFORT TO PROTECT OUR EMPLOYEES AND MEMBERS OF THE PUBLIC.

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POTENTIAL RISKS AND SENSITIVITIES

- SUBSURFACE SOIL CONTAMINATION WITH POTENTIAL SIGNIFICANT LEVELS OF THE HEAVY METAL MERCURY AT MARKET STREET MARINE TERMINAL (DPH).
- PRESENCE OF PER-AND POLYFLUOROALKYL (PFAS) AND RELATED EMERGING CONTAMINANTS OF CONCERN AT THE PEASE TRADE PORT.
- \$252,250 LOAN AMORTIZATION PERIOD AND INTEREST RATE- HB 25-FIN-A FOR PISCATAQUA RIVER TURNING BASIN (DPH).
- CONSTRUCTION MATERIALS, UTILITIES, SUPPLIES AND EQUIPMENT PRICE INFLATION.
- INVESTIGATING ELECTRICAL SUPPLIER CONTRACT TO PROVIDE LOWER FIXED RATE SUPPLY COSTS FOR ELECTRICITY.
- CONSUMER PRICE INDEX-LEASE AGREEMENTS AND ASSOCIATED REVENUE ESCALATION.
- NET PENSION LIABILITY AND OTHER POSTEMPLOYMENT BENEFITS (OPEB):

	<u>NET PENSION</u>	<u>OPEB</u>	<u>TOTAL</u>
○ JUNE 30, 2023	\$5,286,773	\$5,835,603	\$11,122,376
○ JUNE 30, 2022	4,279,644	7,378,664	11,658,308
○ JUNE 30, 2021	6,170,435	8,041,994	14,212,429
○ JUNE 30, 2020	4,197,804	5,630,108	9,827,912
○ JUNE 30, 2019	4,384,392	7,291,881	11,676,273
○ JUNE 30, 2018	4,986,400	8,238,717	13,225,117
○ JUNE 30, 2017	5,489,977	-	5,489,977
○ JUNE 30, 2016	4,255,991	-	4,255,991