

PEASE DEVELOPMENT AUTHORITY

QUARTERLY STATUS REPORT- JUNE 30, 2021

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

	<i>FY 2021 JUL-SEP</i>	<i>FY 2021 OCT-DEC</i>	<i>FY 2021 JAN-MAR</i>	<i>FY 2021 APR-JUN</i>	<i>FY 2021 TOTAL</i>
OPERATING REVENUES	\$ 4,442,557	\$3,191,117	\$2,958,974	\$5,648,156	\$16,240,804
OPERATING EXPENSES (EXCLUDING DEPRECIATION)	2,622,326	2,472,508	2,466,269	2,938,787	10,499,890
OPERATING INCOME	1,820,231	718,609	492,705	2,709,369	5,740,914

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 OVERHEADS.

INCOME STATEMENT- DIVISION OF PORTS AND HARBORS (DPH)

	<i>FY 2021 JUL-SEP</i>	<i>FY 2021 OCT-DEC</i>	<i>FY 2021 JAN-MAR</i>	<i>FY 2021 APR-JUN</i>	<i>FY 2021 TOTAL</i>
OPERATING REVENUES	\$ 643,689	\$ 414,495	\$548,015	735,536	\$ 2,341,735
OPERATING EXPENSES (EXCLUDING DEPRECIATION)	586,326	470,058	401,448	583,765	2,041,597
OPERATING INCOME (LOSS)	57,363	(55,563)	146,567	151,771	300,138

PEASE DEVELOPMENT AUTHORITY

QUARTERLY STATUS REPORT- JUNE 30, 2021 (CONTINUED):

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 DEREDGING PROJECTS AND TO MAINTAIN PUBLIC PIERS.

	<i>FY 2021 JUL-SEP</i>	<i>FY 2021 OCT-DEC</i>	<i>FY 2021 JAN-MAR</i>	<i>FY 2021 APR-JUN</i>	<i>FY 2021 TOTAL</i>
OPERATING REVENUES	\$ 23,505	\$ 28,990	\$ 43,591	\$ 48,074	\$ 144,160
OPERATING EXPENSES (EXCLUDING DEPRECIATION)	-	61,408	121	6,134	67,663
OPERATING INCOME(LOSS)	23,505	(32,418)	43,470	41,940	76,497

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 THE CREATION OF ECONOMIC OPPORTUNITIES WITHIN THE INDUSTRY.

	<i>FY 2020 JUL-SEP</i>	<i>FY 2021 OCT-DEC</i>	<i>FY 2021 JAN-MAR</i>	<i>FY 2021 APR-JUN</i>	<i>FY 2021 TOTAL</i>
OPERATING REVENUES	\$ 2,935	\$ 17,567	\$ 7,381	\$7,104	\$ 34,987
OPERATING EXPENSES (EXCLUDING DEPRECIATION)	1,463	2,703	3,542	2,514	10,222
OPERATING INCOME	1,472	14,864	3,839	4,590	24,765

PEASE DEVELOPMENT AUTHORITY

QUARTERLY STATUS REPORT- JUNE 30, 2021 (CONTINUED):

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 2021 JUL-SEP</i>	<i>FY 2021 OCT-DEC</i>	<i>FY 2021 JAN-MAR</i>	<i>FY 2021 APR-JUN</i>	<i>FY 2021 TOTAL</i>
OPERATING REVENUES	\$ 2,000	\$ 10,002	\$0	\$0	\$ 12,002
OPERATING EXPENSES (EXCLUDING DEPRECIATION)	1,538	1,538	5,002	2,788	10,866
OPERATING INCOME	462	8,464	(5,002)	(2,788)	1,136

8,926

4. CONSOLIDATED BALANCE SHEET

	<i>PDA</i>	<i>DPH</i>	<i>HD</i>	<i>RLF</i>	<i>FTZ</i>
ASSETS					
CURRENT ASSETS	\$ 6,012,823	\$ 2,871,290	\$ 6,352,243	\$ 329,982	\$ 7,905
CAPITAL ASSETS	83,830,377	11,706,179	813,521	-	-
ALL OTHER	3,340,524	861,140	-	913,947	-
	93,183,724	15,438,609	7,165,764	1,243,929	7,905
LIABILITIES					
CURRENT LIABILITIES	6,841,567	1,262,315	6,042,039	1,333	-
NONCURRENT LAIBILITIES	9,753,301	4,642,934	252,250	-	-
ALL OTHER	2,488,993	418,901	0	-	-
	19,083,861	6,324,150	6,294,289	1,333	-
NET POSITION					
NET INVESTMENT IN CAPITAL ASSETS	80,395,184	11,282,973	813,521	-	-
OTHER	(6,295,321)	(2,168,514)	57,954	1,242,596	7,905
	74,099,863	9,114,459	871,475	1,242,496	7,905
	93,183,724	15,438,609	7,165,764	1,243,929	7,905

PEASE DEVELOPMENT AUTHORITY

QUARTERLY STATUS REPORT- JUNE 30, 2021 (CONTINUED):

CURRENT FISCAL YEAR INITIATIVES

- FY2021 INDEPENDENT FINANCIAL AUDIT IS UNDERWAY.

- ONGOING SIGNIFICANT CAPITAL IMPROVEMENT PROGRAM INCLUDES:
 - \$19 MILLION PSM TERMINAL EXPANSION SHOULD BE COMPLETED BY END OF CALENDAR YEAR
 - \$21 MILLION PSM RUNWAY RECONSTRUCTION SUBSTANTIALLY COMPLETE
 - FUNCTIONAL REPLACEMENT OF BARGE DOCK- MARKET STREET MARINE TERMINAL- DIVISION OF PORTS AND HARBORS (DPH)
 - PORTSMOUTH FISH PIER REPAIR AND CONSTRUCTION (DPH) SUBSTANTIALLY COMPLETE
 - MAIN WHARF REHABILITATION AND MODIFICATION PROJECT (DPH) IS OUT TO BID
 - COMPLETED PSM TERMINAL PARKING LOT ENHANCEMENT
 - COMPLETED DREDGING OF RYE AND HAMPTON HARBOR (DPH)
 - TOTAL CAPITAL INVESTMENT FOR FY2021 WAS \$26.6 MILLION WITH \$18 MILLION GRANT FUNDED OR SUPPORTED BY STATE FOR PURPOSES OF PDA-DPH

- SUBMITTED APPLICATION AND RECEIVED FUNDING FOR ADDITIONAL FEDERAL ASSISTANCE FOR THE PORTSMOUTH AIRPORT UNDER THE CORONAVIRUS RESPONSE AND RELIEF SUPPLEMENTAL APPROPRIATIONS ACT IN THE AMOUNT OF \$1,427,609.

- SUBMITTED STATE OF NEW HAMPSHIRE 2022-2023 BIENNIUM BUDGET REQUEST.

- CONTINUED 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.

POTENTIAL RISKS AND SENSITIVITIES

- ENVIRONMENTAL COMPLIANCE PROGRAM COSTS / STORMWATER CONSULTANT (MS4).
- SUBSURFACE SOIL CONTAMINATION WITH POTENTIAL SIGNIFICANT LEVELS OF THE HEAVY METAL MERCURY (DPH).
- PRESENCE OF PER-AND POLYFLUOROALKYL (PFAS) AND RELATED EMERGING CONTAMINANTS OF CONCERN AT THE PORTSMOUTH TRADE PORT.
- \$252,250 LOAN AMORTIZATION PERIOD AND INTEREST RATE- HB 25-FIN-A FOR PISCATAQUA RIVER TURNING BASIN (DPH).
- LONG TERM FINANCING ALTERNATIVES- INTEREST RATE EXPOSURE.
- ONGOING CORONAVIRUS IMPACT- LOST REVENUES AND INCREMENTAL EXPENSES.
- 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, 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