

PEASE DEVELOPMENT AUTHORITY

QUARTERLY STATUS REPORT- SEPTEMBER 30, 2022

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 2023 JUL-SEP</i>	<i>FY 2023 OCT-DEC</i>	<i>FY 2023 JAN-MAR</i>	<i>FY 2023 APR-JUN</i>	<i>FY 2023 TOTAL</i>
OPERATING REVENUES	\$4,805,892	\$ -	\$ -	\$ -	\$4,805,892
OPERATING EXPENSES (EXCLUDING DEPRECIATION)	2,834,573	-	-	-	2,834,573
OPERATING INCOME	1,971,319	-	-	-	1,971,319

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 2023 JUL-SEP</i>	<i>FY 2023 OCT-DEC</i>	<i>FY 2023 JAN-MAR</i>	<i>FY 2023 APR-JUN</i>	<i>FY 2023 TOTAL</i>
OPERATING REVENUES	\$949,424	\$ -	\$ -	\$ -	\$949,424
OPERATING EXPENSES (EXCLUDING DEPRECIATION)	920,806	-	-	-	920,806
OPERATING INCOME	28,618	-	-	-	28,618

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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 2023 JUL-SEP</i>	<i>FY 2023 OCT-DEC</i>	<i>FY 2023 JAN-MAR</i>	<i>FY 2023 APR-JUN</i>	<i>FY 2023 TOTAL</i>
OPERATING REVENUES	\$33,451	\$ -	\$ -	\$ -	\$33,451
OPERATING EXPENSES (EXCLUDING DEPRECIATION)	0	-	-	-	0
OPERATING INCOME	33,451	-	-	-	33,451

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 2023 JUL-SEP</i>	<i>FY 2023 OCT-DEC</i>	<i>FY 2023 JAN-MAR</i>	<i>FY 2023 APR-JUN</i>	<i>FY 2023 TOTAL</i>
OPERATING REVENUES	\$8,834	\$ -	\$ -	\$ -	\$8,834
OPERATING EXPENSES (EXCLUDING DEPRECIATION)	4,453	-	-	-	4,453
OPERATING INCOME	4,381	-	-	-	4,381

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QUARTERLY STATUS REPORT- SEPTEMBER 30, 2022 (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.

	FY 2023 JUL-SEP	FY 2023 OCT-DEC	FY 2023 JAN-MAR	FY 2023 APR-JUN	FY 2023 TOTAL
OPERATING REVENUES	\$2,000	\$ -	\$ -	\$ -	\$2,000
OPERATING EXPENSES (EXCLUDING DEPRECIATION)	1,539	-	-	-	1,539
OPERATING INCOME	461	-	-	-	461

4. CONSOLIDATED BALANCE SHEET

	PDA	DPH	HD	RLF	FTZ
ASSETS					
CURRENT ASSETS	\$17,801,073	\$3,033,938	\$300,598	\$76,470	\$12,920
CAPITAL ASSETS	78,235,546	17,165,489	776,302	-	-
ALL OTHER	200,174,022	761,779	-	1,176,760	-
	296,210,641	20,961,206	1,076,900	1,253,230	12,920
LIABILITIES					
CURRENT LIABILITIES	3,274,064	1,431,430	0	0	1,539
NONCURRENT LIABILITIES	7,650,722	4,102,736	252,250	-	-
ALL OTHER	201,062,152	444,291	0	-	-
	211,986,938	5,978,457	252,250	0	1,539
NET POSITION					
NET INVESTMENT IN CAPITAL ASSETS	78,235,546	17,165,488	776,301	-	-
OTHER	5,988,157	(2,182,739)	48,349	1,253,230	11,381
	84,223,703	14,982,749	824,650	1,253,230	11,381
	296,210,641	20,961,206	1,076,900	1,253,230	12,920

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QUARTERLY STATUS REPORT- SEPTEMBER 30, 2022 (CONTINUED):

CURRENT FISCAL YEAR INITIATIVES

- ONGOING SIGNIFICANT CAPITAL IMPROVEMENT PROGRAM INCLUDES:
 - \$19 MILLION PSM TERMINAL PHASE I EXPANSION COMPLETE
 - \$21 MILLION PSM RUNWAY RECONSTRUCTION COMPLETE
 - FUNCTIONAL REPLACEMENT OF BARGE DOCK- MARKET STREET MARINE TERMINAL- DIVISION OF PORTS AND HARBORS (DPH)
 - MAIN WHARF REHABILITATION AND MODIFICATION PROJECT (DPH) IN CONSTRUCTION PHASE
 - \$10 MILLION NEW ARRIVALS HALL AT PORTSMOUTH AIRPORT IN DESIGN PHASE

- PORTSMOUTH AIRPORT SAFETY AND SECURITY IMPROVEMENTS INCLUDING COMMUNICATIONS UPGRADES, GATE SECURITY UPGRADES AND ENHANCED EMPLOYEE TRAINING.

- "GREEN" INITIATIVES INCLUDING PURCHASE OF TWO HYBRID VEHICLES, PURCHASE OF ELECTRIC VEHICLE CHARGING STATIONS AND INVESTIGATING FUTURE SOLAR OPTIONS.

- CORPORATE DRIVE DRAINAGE AND ROADWAY IMPROVEMENTS.

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

- 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).
- LONG TERM FINANCING ALTERNATIVES- INTEREST RATE EXPOSURE.
- CONSTRUCTION MATERIALS, UTILITIES, SUPPLIES AND EQUIPMENT PRICE INFLATION.
- 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, 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