

PEASE DEVELOPMENT AUTHORITY

QUARTERLY STATUS REPORT- MARCH 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 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	\$ 3,385,402	\$ 3,461,939	\$ -	\$11,653,233
OPERATING EXPENSES (EXCLUDING DEPRECIATION)	2,834,573	2,870,020	3,140,873	-	8,845,466
OPERATING INCOME	1,971,319	515,382	321,066	-	2,807,767

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 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	\$ 668,158	\$ 696,689	\$ -	\$2,314,271
OPERATING EXPENSES (EXCLUDING DEPRECIATION)	920,806	624,194	601,169	-	2,146,169
OPERATING INCOME	28,618	43,964	95,520	-	168,102

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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	\$ 5,452	\$ 61,920	\$ -	\$100,823
OPERATING EXPENSES (EXCLUDING DEPRECIATION)	0	4,600	-	-	4,600
OPERATING INCOME	33,451	852	61,920	-	96,223

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	\$ 7,550	\$ 8,954	\$ -	\$25,338
OPERATING EXPENSES (EXCLUDING DEPRECIATION)	4,453	3,336	5,470	-	13,259
OPERATING INCOME	4,381	4,214	3,484	-	12,079

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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.

	FY 2023 JUL-SEP	FY 2023 OCT-DEC	FY 2023 JAN-MAR	FY 2023 APR-JUN	FY 2023 TOTAL
OPERATING REVENUES	\$2,000	\$ 10,000	\$ -	\$ -	\$12,000
OPERATING EXPENSES (EXCLUDING DEPRECIATION)	1,539	1,539	4,375	-	7,453
OPERATING INCOME	461	8,461	(4,375)	-	4,547

4. CONSOLIDATED BALANCE SHEET

	PDA	DPH	HD	RLF	FTZ
ASSETS					
CURRENT ASSETS	\$17,445,152	\$2,537,600	\$363,526	\$256,254	\$15,471
CAPITAL ASSETS	76,982,375	18,672,863	740,935	-	-
ALL OTHER	200,174,022	761,779	-	1,004,745	-
	294,601,549	21,972,242	1,104,461	1,260,999	15,471
LIABILITIES					
CURRENT LIABILITIES	2,763,978	812,448	0	0	-
NONCURRENT LIABILITIES	7,646,241	4,103,628	252,250	-	-
ALL OTHER	201,062,152	444,291	0	-	-
	211,472,371	5,360,367	252,250	0	-
NET POSITION					
NET INVESTMENT IN CAPITAL ASSETS	76,982,374	18,672,863	740,935	-	-
OTHER	6,146,804	(2,060,988)	111,276	1,260,999	15,471
	83,129,178	16,611,875	852,211	1,260,999	15,471
	294,601,549	21,972,242	1,104,461	1,260,999	15,471

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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)
 - 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.

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

- "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.
- 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, 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