

PEASE DEVELOPMENT AUTHORITY
Thursday, October 21, 2021

PUBLIC AGENDA
Time: 8:30 a.m.

Non-Public Session: 8:30 a.m. to 9:00 a.m.
Public Meeting to commence at 9:00 a.m.

Place: 55 International Drive - Board Conference Room

Watch Meeting Via Live Stream: https://townhallstreams.com/towns/pease_dev_nh

BOARD OF DIRECTORS' MEETING

AGENDA

- I. Call to Order:**
- II. Non-public Session / Consultation with Counsel *: (Anderson)**
- III. Vote of Confidentiality *: (Fournier)**
- IV. Acceptance of Meeting Minutes:** Board of Directors' Meeting of September 16, 2021 *
(Levesque)
- V. Public Comment:**
- VI. Committees:**
 - A. Reports:
 - 1. Airport Committee *
 - 2. Audit Committee *
- VII. Old Business:**
 - A. Approvals:
 - 1. 30 New Hampshire Avenue –Lot Line Adjustment from 8.49 acres to 7.22 acres *
(Lamson)
- VIII. Finance:**
 - A. Executive Summary *
 - B. Reports:
 - 1. FY2022 Financial Report for the Two Month Period Ending August 31, 2021 *
 - 2. Cash Flow Projections for the Nine Month Period Ending June 30, 2022 *
 - C. Approval:
 - 1. Certified Annual Financial Statements and the Uniform Guidance Audit of Federal Awards Update * **(Ferrini)**
 - D. EDA / RLF Information

IX. Licenses/ROEs/Easements/Rights of Way:

A. Reports *:

1. Newington School Supporters – Use of Portion of Arboretum Drive for Road Race on Saturday, September 25, 2021
2. American Red Cross – Use of 100 New Hampshire Avenue for Trailer Tow Class for American Red Cross Personnel

B. Approvals:

1. PlaneSense – Right of Entry – 96 Flightline Road (Building 222) * **(Parker)**
2. Lonza Biologics – Parking License for 55 International Drive * **(Anderson)**

X. Leases:

A. Reports *:

1. Executive Hangar LLC – 120 Aviation Avenue - Exercise the 4th, 5 year extension of Lease

XI. Contracts:

A. Reports *:

1. Piscataqua Landscaping and Tree Services – Landscaping and Snow Removal Services – Exercise of one year option

B. Approvals:

1. Portsmouth International Airport at Pease (PSM) – App 139 Digital Inspection Software * **(Fournier)**
2. Fred C. Church, Inc. – PDA Worker’s Compensation Coverage * **(Ferrini)**

XII. Executive Director:

A. Reports:

1. Golf Course Operations
2. Airport Operations
 - a) Portsmouth International Airport at Pease (PSM)
 - (i) Pease Aviation Partners, LLC
 - b) Skyhaven Airport (DAW)
 - c) Noise Line Report
 - (i) September 2021 *

B. Approvals:

1. Bills for Legal Services * **(Ferrini)**
2. Clear Air, LLC – Concept Approval for Hampton Street Hangars * **(Lamson)**
3. Port City Air Leasing, Inc. - 44 and 58 Durham Street – Solar Panel Installation * **(Levesque)**

XIII. Division of Ports and Harbors:

A. Reports:

1. Port Advisory Council – June 9, 2021 *
2. Port Advisory Council – September 8, 2021 *
3. Piscataqua River Turning Basin Update

4. Off-Shore Wind Update
5. Portsmouth Fish Pier – Change Order #7 *

B. Approvals:

1. BUILD – Main Pier Rehabilitation – Acceptance of Lowest, Responsible, Qualified Bid * **(Parker)**
2. Portsmouth Fish Pier – Floor Drains * **(Anderson)**
3. Annual fee increase proposal for DiTucci/Lawrence Tank Right of Entry * **(Levesque)**

XIV. Upcoming Meetings:


Port Committee	November 4, 2021 @ 8:00 a.m.
Golf Committee	November 15, 2021 @ 8:30 a.m.
Finance Committee	November 15, 2021 @ 9:00 a.m.
Board of Directors	November 18, 2021 @ 8:30 a.m.

All Meetings begin at 8:30 a.m. unless otherwise posted.

XV. Directors' Comments:

XVI. Adjournment:

XVII. Press Questions:

- * Related Materials Attached
- ** Related Materials Previously Sent
- *** Related Materials will be provided under separate cover
- + Materials to be distributed at Board Meeting
-  Confidential Materials



RIGHT TO KNOW UPDATE: Effective January 1, 2018, RSA 91-A, the Right to Know Law was modified to include that "If a member of the public body believes that any discussion in a meeting of the body, including in a nonpublic session, violates this chapter, the member may object to the discussion. If the public body continues the discussion despite the objection, the objecting member may request that his or her objection be recorded in the minutes and may then continue to participate in the discussion without being subject to the penalties of RSA 92-A:8, IV or V. Upon such request, the public body shall record the member's objection in its minutes of the meeting. If the objection is to a discussion in nonpublic session, the objection shall also be recorded in the public minutes, but the notation in the public minutes shall include only the members name, a statement that he or she objected to the discussion in nonpublic session, and a reference to the provision of RSA 91-A:3, II, that was the basis for the discussion."

MOTION

Director Anderson:

The Pease Development Authority Board of Directors will enter non-public session pursuant to NH RSA 91-A:3 for the purpose of discussing:

1. Sale or Lease of Real or Personal Property [RSA 91-A:3, II (d)]; and
2. Consideration of Legal Advice provided by Legal Counsel [NH RSA 91-A:3, II (I)].

NOTE: ROLL CALL vote required.

MOTION

Director Fournier:

Resolved, pursuant to NH RSA 91-A:3, the Pease Development Authority Board of Directors hereby determines that the divulgence of information discussed and decisions reached in the non-public session of its October 21, 2021, meeting related to the sale or lease of property and the consideration of legal advice from legal counsel are matters which, if disclosed publically, would render the proposed actions ineffective and further agrees that the minutes of said meeting be held confidential until, in the opinion of a majority of the Board of Directors, the aforesaid circumstances no longer apply.

NOTE: Requires two-thirds vote of members present.



MOTION

Director Levesque:

I make a motion to approve the minutes of the Pease Development Authority Board of Directors meeting dated Thursday, September 16, 2021.

PEASE DEVELOPMENT AUTHORITY
BOARD OF DIRECTORS' MEETING
MINUTES

Thursday, September 16, 2021

Presiding: Kevin H. Smith, Chairman (via Zoom)
Present: Thomas G. Ferrini, Treasurer; Erik Anderson; Margaret F. Lamson; and Susan B. Parker
Absent: Neil Levesque, Vice Chair and Steve Fournier
Attending: Paul E. Brean, Pease Development Authority ("PDA") Executive Director; Anthony I. Blenkinsop, Deputy Director /General Counsel; Maria Stowell Engineering Manager; Suzy Anzalone, Finance Director; Geno Marconi, Division of Ports and Harbors ("DPH") Director; Scott DeVito, Pease Golf Course General Manager; Andrew Pomeroy, Manager, Aviation Planning & Regulatory Compliance and Raeline A. O'Neil, Legal Executive Assistant.

AGENDA

I. **Call to Order:**

Chairman Smith ("Smith") called the meeting to order at **8:33 a.m.**

II. **Non-public Session:**

Director Lamson moved the motion and Director Parker seconded that the Pease Development Authority Board of Directors will enter non-public session pursuant to NH RSA 91-A:3 for the purpose of discussing:

1. **Sale or Lease of Real or Personal Property [RSA 91-A:3, II (d)]; and**
2. **Consideration of Legal Advice provided by Legal Counsel [NH RSA 91-A:3, II (l)].**

Discussion: None. Disposition: Resolved by unanimous (6-0) vote for; motion carried.

The non-public discussions commenced at **8:34 a.m.**

Director Lamson moved the motion and Director Ferrini seconded that the Board of Directors return to public session at **9:11 a.m. and the meeting commenced at 9:13 a.m.**

III. **Vote of Confidentiality:**

Director Ferrini moved the motion and Director Anderson seconded that be it resolved, pursuant to NH RSA 91-A:3, the Pease Development Authority Board of Directors hereby determines that the divulgence of information discussed and decisions reached in the non-public session of its September 16, 2021, meeting related to the sale or lease of property and the consideration of legal advice from legal

counsel are matters which, if disclosed publically, would render the proposed actions ineffective and further agrees that the minutes of said meeting be held confidential until, in the opinion of a majority of the Board of Directors, the aforesaid circumstances no longer apply.

Discussion: None. Disposition: Resolved by unanimous vote for; motion carried.

IV. Acceptance of Meeting Minutes: Board of Directors' Meeting of August 19, 2021

Director Anderson moved the motion and Director Lamson seconded the motion to approve the minutes of the Pease Development Authority Board of Directors meeting dated Thursday, August 19, 2021.

Discussion: Director Ferrini abstained as he was not present for the meeting.

Disposition: Resolved by unanimous vote for; motion carried.

V. Public Comment:

Smith took this opportunity to provide Directors' comments at this point in the meeting as the meeting would be suspend so the Board could go over to Grafton Drive later in the meeting.

Smith stated he attended the Air Show last weekend and it was a spectacular show, great weather and a job well done by all (the PDA staff and the Air National Guard) and it was a tremendous weekend all around.

Director Lamson ("Lamson") indicated while she did not attend the Air Show, however, she viewed it from her kayak on the Bay along with many boaters.

Michael Donahue ("Donahue") attended the meeting on behalf of the Town of Newington. Donahue stated he is a member of the Economic Development Committee and while he is also a member of the Port Advisory Board, he would be speaking on behalf of the Town of Newington regarding the late item / motion added to the agenda regarding the additional funding requested to initiate the Dredging of the Upper Turning Basin in the Piscataqua River. Donahue indicated [the dredging] is of great interest to Newington and its major industrial facilities that depend on the waterfront access. Donahue indicated he knows the Board has supported this at every turn and we are fortunate with the proposal received. However, there is a need for "bridge funding" in order to lock in the major federal funded \$25 million project as the proposal came in higher than the Army Corps' estimated. The project would start in November; due to the gap in funding, the Army Corps needs to be assured there is funding. The motion to this project is one that the Town of Newington strongly supports as well as the cooperation to maintain the tidal waterway. Donahue compared this project to being the equivalent of the runway paving project as it keeps the waterway safe; pilots are turning 840' vessels within an 850' turning radius. This project will make us [the Seacoast] more competitive as a port and it is a benefit to the entire State.

VI. Committees:

A. Reports:

1. Golf Committee

Paul Brean (“Brean”) indicated that Scott DeVito (DeVito), General Manager Pease Golf Club (“PGC”), was present and could provide highlights from the Golf Committee meeting held on Monday, September 13, 2021; at the same time, DeVito provided his Golf report in order to depart the meeting to return to PGC for a tournament currently in play.

DeVito indicated at the Golf Committee meeting he updated the members on tree work on the Blue Course which also resulted in significant growth of grass on a few tees.

Also, the patio covering has been received and is looking to get on the schedule for its installation (should only take a couple of days) and are hoping by the end of the month to have it installed.

The biggest item at PGC is staffing. DeVito has been meeting with Brean, Human Resources, and the Maintenance Department Superintendent in an effort to get ahead for next year; the industry is struggling to get qualified people. Looking to develop a feeder program in an effort to come up with solutions to see that department is fully staffed.

DeVito indicated staff are in the process of setting up renewals for the annual passes and for the first time in fifteen (15) years, PGC has a waiting list of forty (40) individuals looking to join. Due to the weather in July and August, the numbers have rounded down a bit from last year. However, PGC instituted a rate increase going into this season so the revenue is still on pace to be only slightly behind last year.

Anderson did state the fairway mower, a \$76,000 piece of equipment which was ordered last spring has not been received due to COVID; he found this surprising especially with a piece of equipment like this. DeVito indicated when this went out to bid, it was just as COVID hit. Further, if DeVito had been able to order the equipment pre-COVID there wouldn’t have been an issue. DeVito informed the Board the mower has not been paid for.

2. Finance Committee

Director Ferrini (“Ferrini”) provided highlights of the Finance Committee meeting held on Monday, September 13, 2021, at which the Committee also reviewed the reports before the Board today. Ferrini indicated that in addition the Committee also looked at a potential change to the financial reporting format which too will be addressed by Finance Director Suzy Anzalone.

VII. Old Business:

A. Approvals:

1. Skyhaven Airport – Terminal Apron Project Change of Scope

Director Parker **moved** the **motion** and Director Lamson **seconded** that **The Pease Development Authority (“PDA”) Board of Directors authorizes the Executive Director to:**

- 1. Revise the Jacobs contract for the Skyhaven Airport (DAW) Terminal Apron Design to include the design of a new parking apron in front of the terminal at a cost of \$33,521 and then front the cost in anticipation of a grant amendment;**

2. At the appropriate time, request a grant amendment to add 15% of the grant amount to the current project grant;
3. Continue to front the costs associated with \$12,428 of the design phase work in anticipation of reimbursement from the construction phase grant; and,
4. Provide the 5% local match for the grant amendment (\$1,058) and the design costs deferred to the construction grant (\$622).

all in accordance with a memorandum of Maria J. Stowell, P.E., Engineering Manager dated September 3, 2021.

Discussion: None. Disposition: Resolved by unanimous vote for; motion carried.

2. ARPA Grant Funds – Portsmouth International Airport at Pease (PSM) and Skyhaven Airport (DAW)

Director Ferrini moved the motion and Director Lamson seconded that the Pease Development Authority (“PDA”) Board of Directors hereby approves of and authorizes the Executive Director to accept the American Rescue Plan Act (ARPA) Grant(s) for which Portsmouth International (PSM) and Skyhaven (DAW) Airports are eligible. This approval includes the authority to execute any and all documents necessary or appropriate to accept the ARPA Grant(s) on an expedited basis and to use said grants for any purpose for which airport revenues may be lawfully used, in accordance with the FAA’s Policy and Procedures Concerning the Use of Airport Revenues.

Discussion: None. Disposition: Resolved by unanimous vote for; motion carried.

VIII. Finance:

A. Executive Summary

Finance Director Suzy Anzalone (“Anzalone”) provided some tables to show how each of the business units are performing. Anzalone indicated that the overall financial health of PDA remains strong with \$8.5 million in assets and \$7.1 in liabilities, with no outstanding debt.

B. Reports:

1. FY2022 Financial Report for the One Month Period Ending July 31, 2021

Anzalone informed the Board in the packet was a report for the first month of FY2022. The operating revenues are slightly favorable to the budget; operating expenses are trending under budget by approximately 10.5% and most of the underruns are in facilities and maintenance fees, legal and marketing. Anzalone indicated that although it is early in the fiscal year budget there are a couple of trends which may challenge the budget such as insurance renewals due to the current market conditions and cost overruns in Employer Pension expense of approximately \$110,000. She stated that the Employer Pension has a biennial contribution rate adjustment and the figure was received after the budget was prepared. Anzalone indicated the use of historical information regarding pension liabilities when preparing the budget and over the last four (4) years changes have been pretty steady. However, the current rate increased by 26% as of June 30, 2021.

2. Cash Flow Projections for the Nine Month Period Ending May 31, 2022

Anzalone spoke to most of the inflows over the next nine (9) months from operating revenues; those from grant funding will decrease as larger projects wind down. Current cash flow projections anticipate PDA will not draw down on the Line of Credit (LOC) over the next nine (9) months.

Lastly, Anzalone proposed a new financial reporting format that was presented to the Finance Committee. The new format will have a level of detail that the Board is accustomed to seeing, but it will be more streamlined; she anticipates including the new format in the October Board package.

Ferrini asked to what extent there is a confidence level with how the ARPA funds are utilized; what the guidelines are and will it be part of the reporting. Brean stated primarily the ARPA funding is part of the forecast to be utilized instead of the need to draw from the Revolving Line of Credit (RLOC). This is to support the runway reconstruction and airport terminal expansion so PDA is fortunate to be able to utilize this funding which will keep PDA out of debt service.

Lamson indicated she was pleased with the new financial reporting format as it will be easy to understand where PDA stands with its business units.

IX. Licenses/ROEs/Easements/Rights of Way:

A. Reports:

1. City of Portsmouth – Right of Entry at Hangar 227 (14 Aviation Avenue) for Command Center at Air Show

In accordance with the “Delegation to Executive Director: Consent, Approval and Execution of License Agreements,” PDA entered into a Right-of-Entry with those referenced below:

1. Name: City of Portsmouth Police Department
License: Right-of-Entry
Location: 14 Aviation Avenue (Hangar 227)
Purpose: Staging a Command Operations Center for the “Thunder Over New Hampshire Air Show”
Term: September 9, 2021 through September 13, 2021

Director Fournier was consulted and granted his consent.

X. Leases:

A. Reports:

1. Sublease between 200 International, LP to Russound FMP, Inc.

In accordance with the “Delegation to Executive Director: Consent, Approval of Sub-Sublease Agreements” PDA approved the following lease with:

- A. Tenant: Russound FMP, Inc.
Space: 2,053 square feet at 200 International Drive (Suite #155)
Use: General office use

Term: Five (5) Years and two Months Commencing July 1, 2021 with two (2) five (5) year options

The Delegation to Executive Director: Consent, Approval of Sub-sublease Agreements also requires the consent of one member of the PDA Board of Directors. In this instance, Director Lamson was consulted and granted her consent.

XI. Contracts:

A. Reports:

1. Builder's Risk Insurance – Policy Extension to October 31, 2021 for PSM Terminal Project

In accordance with Article 3.9.1.1 of the PDA Bylaws, I am pleased to report the following:

1. Project Name: Terminal Project - USI Insurance Services, LLC
PDA Obligation: \$3,102.00
Board Authority: Prior authorization to obtain Builders Risk coverage for terminal project
Summary: Extension of Builders Risk Insurance Policy through October 31, 2021 due to project not yet being complete

XII. Executive Director:

A. Reports:

1. Golf Course Operations

Scott DeVito provided his report earlier in the meeting along with the Golf Committee presentation.

2. Airport Operations

- a) **Portsmouth International Airport at Pease (PSM)**
- b) **Skyhaven Airport (DAW)**

Brean indicated it was a busy August as there were two Air Force squadrons operating missions out of Pease due to runway reconstruction projects at their home bases. Further Brean indicated there was approximately 1.3 million gallons of fuel pumped (72% for Dept. of Defense - Atlas Air and Military Fuel Contract; 8% was Commercial - Allegiant & Charter activity; 5% for PlaneSense and 1% for AvGas used by small non-jet; and 15% from General Aviation – Corporate Aviation and Transient - Flight Training Schools).

There were approximately 7,600 enplanements (combination of charter and scheduled); Allegiant numbers were on par prior to the pandemic for the month of August which will put PSM on pace for approximately 50,000 enplanements for the year (PSM pace in 2017/2018). Brean indicated that the aircraft operations coming into the PSM pattern is up 22%; seeing a lot of transient / corporate activity with the private industry taking the same concept of the military being PSM is a good location to refuel, clear customs prior to going on to its final destination.

Revenue parking, which is Allegiant passengers, saw 650 cars during the month of August equating to approximately \$24,000 in revenue. Brean informed the Board that Allegiant will be adding Tampa / St. Pete in February into its flight schedule along with Punta Gorda and Sanford / Orlando.

Brean spoke to the Air Show and reiterated what Mr. FitzSimmons stated that this was a great weekend for the State of New Hampshire. This was Brean's first Air Show as a member of the Pease team and he was blown away by the collaboration among PDA and the stakeholders (private, federal, Dept. of Defense, corporate and the teams internally from the local Seacoast area). Brean indicated on Thursday (9/9) PDA held an employee appreciation luncheon at PGC. The plan was that the Thunderbirds would arrive around the time of the luncheon, but due to low cloud cover you could not view the arrival of the aircraft. On Friday (9/10), PDA held a VIP event for the local stakeholders (aviation, NH DOT Aeronautics, FAA, Board & Family members) to view the Air Show's "Practice Day"; that evening the local chapter of Veterans' Count held a fundraising event on the commercial tarmac made up of many of the Pease business owners. This event was able to raise just under a half million dollars; all of the money raised stays in the Seacoast to support veterans. Brean indicated that Dean Kamen auctioned off four specialty wheelchairs which allow individuals to stand up in the wheelchair and maneuver over various terrain. Brean indicated about 18 – 24 months ago PDA received notification from the Dept. of Defense ("DOD") indicating it wanted to hold an Air Show / Open House to welcome the KC-46. However, while the planning continued during COVID, the Air Show was not confirmed until June 1, 2021. Brean indicated the work between the local Homeland Security, TSA, 300 law enforcement officers (each day), NH DOT, and the PDA tenants was well coordinated. Brean also expressed his gratitude to Andrew Pomeroy and Chasen Congreves of Airport Operations, along with Ed Pottberg and the legal team, who all helped coordinate a successful event.

Brean spoke to the ARPA grant approved earlier to indicate the \$1.96 million funding that will be received for PSM and \$32,000 for Skyhaven to support airports affected by the reduction in travel due to COVID, this money will help with the operating expenses.

c) Noise Line Report
(i) August 2021

Brean stated there were seven noise inquiries during the month of August at Portsmouth International Airport at Pease (PSM). Six (6) inquiries were from a resident in Newington, the tower confirmed the aircraft was at an appropriate altitude. There was one rotor-wing aircraft inquiry was from a Portsmouth resident who lives adjacent to the south east end of the airfield. The helicopter was identified and a notification will be sent with Portsmouth International Airport's Voluntary Noise Procedures.

Anderson indicated he appreciated the Executive Director's report and hoped in future months for the inclusion of progress / status of the Million Air facility; this was a controversial issue and while it hasn't disappeared, updates would be appreciated. Brean stated Million Air is undergoing engineering studies at this time and PDA has requested a third party review (at Million Air's expense) of any wetlands impacts and PDA is awaiting a report. PDA staff are working with them on design and engineering plans for the parcel; will not enter into lease negotiations until it is determined the parcel is a suitable site.

Ferrini asked what the timeline may be for the next Million Air action item; Maria indicated that 60% plans have been received and Mike Mates is reviewing those and she is awaiting his response. Regarding the timeline, Maria stated the next step would be the Technical Review by the end of the year at which time it will be back before the Board.

Parker stated she has been around NH for a long time and has heard and been present at many Air Shows in the past. Parker complimented the Board and PDA on its hospitality at the VIP reception on Friday; the esprit de corps doesn't get any better than what she saw. Kudos to all concerned.

Brean brought the Board’s attention to the back of the room and stated the new Board photo was hung; Chairman Smith indicated it was probably the only Board photo that Peter Loughlin was not in.

B. Approvals:

1. Bills for Legal Services

Director Parker moved the motion and Director Lamson seconded that the Pease Development Authority (“PDA”) Board of Directors approves of and authorizes the Executive Director to expend funds in the amount of \$16,095.00 for legal services rendered to the Pease Development Authority from Sheehan Phinney Bass & Green for July 1, 2021 – July 31, 2021 in the amount of \$4,176.00 (for Tradeport General Representation); July 1, 2021 – July 31, 2021 in the amount of \$1,160.00 (in support of MS4 and CLF settlement implementation); August 1, 2021 –August 31, 2021 in the amount of \$8,497.00 (for Tradeport General Representation) and August 1, 2021 – August 31, 2021 in the amount of \$2,262.00 (in support of MS4 and CLF settlement implementation) for a total amount of \$16,095.00.

Discussion: None. Disposition: Resolved by unanimous vote for; motion carried.

2. 101 International Drive / 70 – 80 Corporate Drive – Authorization to sell PDA owned building and to enter long-term ground lease with Lonza Biologics

Director Ferrini moved the motion and Director Lamson seconded that the Pease Development Authority (“PDA”) Board of Directors hereby approves and authorizes the Executive Director to enter into a long-term ground lease with Lonza Biologics, Inc. (“Lonza”) of up to 74 years regarding the premises at 101 International Drive, 70/80 Corporate Drive, the Lynx Parking expansion, and Goose Bay Drive, estimated to contain 46.03 +/- acres; and further authorizes the Executive Director to sell the 78,033 +/- square foot PDA owned portion of the building located at 101 International Drive to Lonza for its appraised fair market value, as may be paid over time with interest, contingent upon:

- 1) The Federal Aviation Administration (“FAA”) granting a release of the 78,033 +/- square foot portion of the building from Federal grant assurances and any other airport obligations; and
- 2) The entry by the parties into the long-term ground lease referenced above.

The Board further authorizes the Executive Director and General Counsel to negotiate and execute any necessary documents regarding the sale of the building and/or lease of the premises, including, but not limited to the Lease Agreement, and to seek a release of the building from the FAA; all on substantially the same terms and conditions as set forth in the memorandum of Paul E. Brean, Executive Director, dated September 16, 2021, with attached draft Lease Agreement and fair market value appraisal, all attached hereto.

Discussion: Lamson thanked staff for the information provided.

Blenkinsop informed the Board that similar to what was done regarding 30 NH Avenue, if the Board passes the motion today staff would put together a release request to the FAA requesting the sale of that portion

of the building owned by the PDA. As experienced with 30 NH this process takes time and anticipates it may take approximately 6 months to receive response / authorization regarding the sale. Once an authorization is received, that portion of the building would be transferred via Quitclaim Deed to Lonza.

Disposition: Resolved by unanimous vote for; motion carried.

Brean departed the meeting at 9:49 a.m. and returned at 9:51 a.m.

Chairman Smith departed the meeting at 9:51 a.m. and returned at 9:53 a.m.

XIII. Division of Ports and Harbors:

A. Reports:

1. Cianbro – Right of Entry Amd. No. 2

Division Director Geno Marconi (“Marconi”) stated Cianbro needed to extend its Right of Entry (“ROE”) to move construction materials across the terminal in conjunction with the Super Flood Basin project being performed at PNSY.

Marconi further stated the Navy awarded a \$1.7 billion contract to turn the Super Flood basin into two dry docks. Marconi informed the Board that there is a consortium of companies working on this project with Cianbro and DPH will be commencing discussions regarding future use of its facility in order to move the construction materials through DPH. It is easier to transfer the materials via water than it is to take a truck through Kittery and the various security check points at PNSY. It is anticipated Marconi will bring the Board a request for another ROE to support further construction.

2. Commercial Mooring Transfer – Riley to Stalker

Marconi indicated the Commercial Mooring Transfer is allowable per the Code of Administration of Rules. Commercial moorings are the only moorings that can be transferred in an effort to maintain commercial activities on the waterways; the request is reviewed by the local Harbormaster makes recommendation to the Chief Harbor Master, who makes a recommendation to Marconi, who ultimately provides a recommendation to the Executive Director for sign off through the Delegation of Authority.

3. Doucet Survey – Land Surveying Services Regarding the Railroad Right of Way

Marconi indicated over the last couple of years, DPH has received a couple of grants through Homeland Security for fencing and crash barriers at the Market Street terminal. DPH is ready to move ahead, however, there has been some trouble delineating property lines which is why Doucet was hired. DPH has found out that the property line is between the railroad track and the sidewalk on Market Street. In discussions Marconi had with Doucet, he requested the need to find the area per the Right of Way / Easement on record with the railroad; DPH wants to make sure it doesn't encroach on railroad property when fencing / barriers are put in place.

4. Cianbro – Right of Entry – Cable Mats Removal

Marconi indicated that Cianbro was the contractor of record for the construction work on the Sarah Long Bridge and they need to go back to do some work on the submarine electric cables that supply power to the bridge. This calls for the removal of some concrete amour mats over the cable at the bottom of the river

and they need to bring them onto the shore and place them on a tractor trailer truck.

5. Appledore Marine Engineering, Inc. - DPH Exercise of Option for On-call Marine Engineering Services

Marconi indicated four (4) years ago DPH issued a RFQ for an engineering firm to provide DPH with on-call marine engineering services; Appledore Engineering has a year left in that option which has been exercised.

6. Portsmouth Fish Pier – Bait Cooler – Floor Drain Replacement

Marconi indicated that the Portsmouth Fish Pier (“PFP”) building was built in the 70s, the drainage in the floor goes into the sewer and due to the age, the metal pipe is deteriorating. Even though they have kept up with rotor rooting this line out, the pipe has now failed. Have been working with Seacoast Sewer and this is a charge in relation to the Bait Cooler over at the Fish Pier which will also be reconnected to the sewer system.

The construction at the PFP was started in two phases in order to have continuity of services and minimal impact on the businesses. Phase 1 was in the location of where the wall fell down which is on the inside where the fuel docks, loading cranes, fish and bait coolers were located and kept the other corner of the wall open. Currently 90% of the work is complete on the inside of the wall. Marconi indicated that the wall is in, has been backfilled, the toe pins and tie roads are in, floating docks are in, fuel system is in, new jib cranes and hydraulic hoists are all in and working. The final phase includes the new sheet pile on the last section of the pier and the excavating on the wall as well as a few additional punch list items.

Marconi thanked Donahue for his comments regarding the Piscataqua Turning Basin project and further stated that this has been going on for twenty (20) years since he has been with DPH. This project which was identified in a 1987 Navigation Safety Improvement Report issued by the Army Corps of Engineers (“ACOE”) and of the five (5) items listed in the report, this project is the last one. In 2014, DPH went to the legislature and received construction money appropriated for that biennium and during the next budget cycle received additional monies appropriate for payment as the ACOE required (10% of the total project). Marconi indicated DPH obtained \$7.6 million but the ACOE could not obtain its funding; in December of 2020 the ACOE found out it received the money and they put the Turning Basin on its 2021 project list. DPH be short on the needed estimate of funds, Marconi spoke with members of the Senate who are supportive of the project and with the Governor’s support there was an additional \$1.5 million appropriated in the budget but it wasn’t enough. Marconi explained to the Board about a Beneficial Use Program which was developed by the ACOE regarding sand to be dredged and which could be utilized for beach nourishment. Both Salisbury, MA and Plum Island requested 150,000 cubic yards of the dredge material (there is only about 170,000 cubic yards total from the project). If there is a difference in the cost to go from the original base plant site than to either of these sites, the State of Massachusetts will have to pay the difference. Both Plum Island and Salisbury are within the twelve (12) mile radius, same as the disposal site. However, there was a third request from Nantasket Beach which is fifty-five (55) miles away. The end result is that the Nantasket project was taken out, and the Salisbury or Plum Island will not affect the base bid. However, the bid came back more than anticipated and DPH’s cost share was \$450,000. DPH identified where there are available funds it has access to; Marconi explained the ACOE will not sign the contract with the construction company until all contributing funds are received.

Brean asked Marconi to provide a brief recap on the Market Street terminal project and where it

stands; Marconi indicated that in December of 2014, it was awarded a grant from the US DOT Maritime Administration to rehabilitate and modify the existing six hundred foot (600') pier. It went out to bid last Friday. Marconi indicated that there is a pre-bid meeting is upcoming and they are required to register so that everyone receives the same information / answers. Marconi indicated he was not sure when the bids were due back; Blenkinsop responded the bids are due back sometime late September / early October.

B. Approvals:

1. Lakes Region Environmental Contractors – Replacement of Fuel Line

Director Lamson moved the motion and Director Ferrini seconded that the Pease Development Authority (“PDA”) Board of Directors hereby authorizes the Executive Director to execute a contract in an amount not to exceed \$29,391.25 with Lakes Region Environmental Contractors (“LREC”) of Belmont, NH to remove the existing underground piping and install New UL971 Double-wall Fuel Pipe with Containment Sump Pump at the Rye Harbor Marine Facility; all in accordance with the memorandum of Geno Marconi, Division Director, dated September 7, 2021, attached hereto.

In accordance with the provisions of RSA 12-G:8 VIII, the Board waives the RFP requirement for the following reasons:

- LREC has been the sole service provider for the fuel systems at each of the Division’s facilities since those facilities came online under the Department of Resources and Economic Development and therefore has familiarity with the facilities and systems.
- Finding service providers with marine fuel tank and piping expertise in this geographic area has been challenging for the Division, and it is important to complete this work prior to the onset of the cold winter temperatures.

Discussion: None. Disposition: Resolved by unanimous vote for; motion carried.

2. Hampton Harbor – Appledore Marine Engineering - Float Dock and Pipe Pile Replacement

Director Ferrini moved the motion and Director Lamson seconded that the Pease Development Authority (“PDA”) Board of Directors hereby authorizes the Executive Director to agree to and execute the Proposal dated September 2, 2021, submitted to the Division of Ports and Harbors (“DPH”) by its contracted on-call marine engineers, Appledore Marine Engineering, LLC (“AME”) of Portsmouth, New Hampshire, for engineering and construction support services, site visit(s), regulatory approvals, and preparation of bid documents for the project related to the replacement of steel pipe piles and floating docks at Hampton Harbor, in an amount not to exceed \$19,912.00; all in accordance with the memorandum of Geno Marconi, Division Director, dated September 3, 2021

Discussion: None. Disposition: Resolved by unanimous vote for; motion carried.

3. Piscataqua River – Turning Basin Dredge Project – Additional Cost

Director Anderson moved the motion and Director Parker seconded that as a result of the amount of the low bid received by the U.S. Army Corps of Engineers (“ACOE”) for the Piscataqua River, Turning Basin Dredge Project (“Project”), the Pease Development Authority (“PDA”) Board of Directors hereby

authorizes the Executive Director to satisfy the Division of Ports and Harbor's ("DPH") required contribution to the Project as follows:

1. Issue payment in the amount of \$480,000.00 to the ACOE from DPH's operating account, the Ports and Harbors Fund, in order to allow the dredging contract to be signed;
2. Request the State Treasury to reimburse the Ports and Harbors Fund the remaining balance of the underlying project appropriation in the amount of \$171,412.00;
3. Request the State to transfer to the Ports and Harbors Fund the refund from the ACOE for the Rye Harbor Dredging Project in the amount of \$251,142.62;
4. Request the Capital Budget Overview Committee to authorize the transfer of \$57,445.38 from the Harbor Dredge and Pier Maintenance Fund to the Ports and Harbors Fund.

All in accordance with the Memorandum of Geno Marconi, Division Director, dated September 14, 2021.

Discussion: Ferrini asked if the monies were already encumbered referenced in item #4; Marconi affirmed. Marconi indicated when DPH merged with Pease, the Harbor Dredge and Pier Maintenance Fund was established. There are certain revenues which get deposited into this fund (boat registrations, slip and docking fees) and those funds cannot be expended without prior authorization from the CBOC. Unfortunately the CBOC met on Monday and DPH did not know about the monetary need until Monday afternoon. Ferrini asked if this were through the Executive Branch Committee; Marconi affirmed.

Anderson stated in his conversation yesterday with Marconi regarding this matter, Marconi indicated the only funding he is unsure of would be item #3 as Marconi does not know the proper procedure to be followed in order to apply for those funds; Marconi affirmed. Marconi indicated he did not believe the next CBOC meeting was scheduled until November.

Parker asked how fast the ACOE will move once it knows the money is provided; Marconi indicated in speaking with the Finance Director earlier he believes the money can be wired today which means they will sign the contract. Marconi further stated that under standard procedure the contractor sent the ACOE a letter making sure it secured the position as low bidder and once the contract is signed the letter can be retracted. The dredge window is from November 15th through March 15th, contractor has a dredge in Boston Harbor which it will move up once contract is signed, they have a second dredge coming from Jacksonville, FL so there will be four (4) 5,000 to 6,000 cubic yard barges in rotation and then about 45 days into project it will bring up a drill rig (only 14,000 cubic yards of this project is ledge / rock).

Disposition: Resolved by unanimous vote for; motion carried.

XIV. Upcoming Meetings:

Port Committee	October 7, 2021 @ 8:00 a.m.
Audit Committee	October 18, 2021 @ 9:00 a.m.
Board of Directors	October 21, 2021 @ 8:30 a.m.

All Meetings begin at 8:30 a.m. unless otherwise posted.

Blenkinsop indicated that PDA would be reaching out to the Airport Committee members in an effort to schedule a meeting in early October.

XV. New Business:

A. Dedication:

1. Suspend Meeting and Reconvene at Grafton Drive Location

Smith suspended the Board and indicated it would resume at the designated location on Grafton Drive for a special presentation. Blenkinsop stated for the Board to not leave the building until around 10:30 a.m., reconvene at the Grafton Drive location and the meeting would proceed from there.

Director Anderson **moved** the **motion** and Director Parker **seconded** to **suspend the Board meeting and reconvene at Grafton Drive.**

Discussion: None. Disposition: Resolved by **unanimous** vote; motion carried.

Director Anderson **moved** the **motion** and Director Parker **seconded** to **reconvene the Board meeting at Grafton Drive.** Meeting reconvened at **10:44 a.m.** for the dedication.

Chairman Smith thanked everyone for attending the dedication. Smith made a few remarks on behalf of the Board as they recognized a special individual, Peter Loughlin. As most know, the BRAC closure of Pease and the subsequent redevelopment is widely considered one of, if not the most successful, redevelopment in the country with 250 companies and over 14,000 employees. One of the individuals who was there from the very beginning, saw it through to fruition and has seen it become a success is Peter Loughlin; Peter was on the original PDA Board. In the 1970s, Peter served as the City Attorney for the City of Portsmouth, he then went into private practice and wrote the book on municipal and land use law. Smith indicated during the pandemic when Board meetings were held via Zoom, Peter's back drop was a library of books and all would joke that Peter probably wrote most of them. Peter served in the capacity as Vice Chairman on the Board for thirty (30) or so years and served through seven (7) Governors. Smith indicated that despite all of Peter's accomplishments he is a humble individual, polite, respectful, always a gentleman and a constant professional. When Smith joined the Board a few years ago, and having little history of Pease, Peter with all of his knowledge could not have been more welcoming. Those who know Peter know that his first love is his family which started with his wife, Nancy, who departed from us earlier this year; his sons (Garrett, Brendon and Conall) and all of his family who have joined today.

Smith read a resolution from the Board:

Chairman Smith **moved** the **motion** and Director Parker **seconded** that **for his over 30 years of service to the Pease Development Authority as a representative of both the City of Portsmouth and the Town of Newington, and for attending virtually every PDA Board and Committee meeting during that time;**

For his vision of what the former Pease Air Force Base could and should become;

For his focus on the long-term success of Pease as an economic engine for the seacoast region and the entire State of New Hampshire;

For his belief that the Portsmouth International Airport could be a transportation hub and a home to the New Hampshire Air National Guard;

For his advocacy on behalf of the Pease Development Authority and its mission;

For his years of collaboration with fellow Board members and PDA staff;

For his tireless commitment to the environment and the environmental stewardship of the property that makes up Pease;

For his recognition of the importance of trees and greenspace and his relentless efforts to ensure Pease has plenty of both;

For his love of walking and biking, even in the most unpleasant of weather, and his efforts to construct a community path at the Tradeport;

For his appreciation of good signage, and his disdain of bad;

For the respect and courtesy he has always shown to those he interacts with;

For his humor, humility, intellect, and thoughtful manner;

For his guidance and friendship;

I move that the Pease Development Authority Board of Directors, as a symbol of its deep appreciation for and admiration of Peter J. Loughlin, hereby names the multi-use path spanning from Route 33 to Corporate Drive, and any future extensions thereof, the "*Peter J. Loughlin Multi-Use Path.*"

May this path and this small park along its way be a community resource, bring enjoyment to all that use it, and be a permanent reminder of all that Peter has meant to the Pease Development Authority, the City of Portsmouth, and the Town of Newington.

Discussion: Peter paraphrased Mark Twain and stated, rumors of his contributions to Pease have been greatly exaggerated. Peter indicated Nancy would have enjoyed this as much, if not more, than he; thanking everyone who attended the dedication.

Disposition: Resolved by **unanimous** roll call vote; motion carried.

XVI. Directors' Comments:

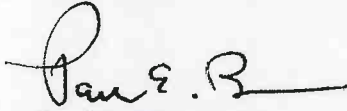
XVII. Adjournment:

Director Lamson **moved** the **motion** and Director Ferrini **seconded** to adjourn the Board meeting. Meeting adjourned at **10:53 a.m.**

Discussion: None. Disposition: Resolved by **unanimous** vote; motion carried.

XVIII. Press Questions:

Respectfully submitted,



Paul E. Brean
Executive Director

- * Related Materials Attached
- ** Related Materials Previously Sent
- *** Related Materials will be provided under separate cover
- + Materials to be distributed at Board Meeting
- Confidential Materials

PEASE DEVELOPMENT AUTHORITY
Monday, October 18, 2021

AUDIT COMMITTEE AGENDA

Time: 8:30 A.M. – Board Meeting Room
Place: 55 International Drive
Pease International Tradeport
Portsmouth, New Hampshire 03801

- I. Call to Order (*Ferrini*)
- II. Acceptance of Committee Meeting Minutes: October 15, 2019 *
- III. Public Comment
- IV. FY 2021 External Audit (*Suzy Anzalone, Renee Bishop, and Katherine Balukas*)
 - A. Reports
 1. Management Representation Letter *
 2. Executive Summary of Audit Engagement *
 3. Auditor Required Communication Letter *
 - B. Approvals (*Smith*)* +
 1. Certified Financial Statements *
 2. Uniform Guidance Audit of Federal Awards *
- V. Next Meeting- TBD
- VI. Director's Comments
- VII. Adjournment
- VIII. Press Questions

* **Related Materials Attached**
+ **Proposed Motion**

MOTION

Director Lamson:

The Pease Development Authority ("PDA") Board of Directors, acting in accordance with Part 503.01(b)(1) of the PDA Land Use Controls, hereby approves and authorizes the lot line adjustment at the premises located at 30 New Hampshire Avenue; all in accordance with the memorandum from Maria J. Stowell, P.E., Engineering Manager, dated October 13, 2021 and attached hereto.

N:\RESOLVES\2021\Kanerd 30 NH Ave Lot Line Adjustment.docx

MEMORANDUM

To: Paul E Brean, Executive Director *es*
From: Maria J. Stowell, P.E., Engineering Manager *Maria*
Date: October 13, 2021
Subject: 30 NH Avenue, Lot Line Revision

Earlier this year, the Board approved terms of a lease with Spyglass Development, LLC, ("Spyglass") for property at 30 New Hampshire Avenue. Included in the terms was a provision to reduce the lot size at 30 New Hampshire to 7.2± acres, thereby preserving a future means to access the airport terminal. Working with staff, Spyglass developed the attached lot line revision plan showing a proposal to reduce the existing 8.49 acre area to 7.22 acres. Spyglass has submitted the plan as part of its application for a lot line change.

PDA Zoning Regulations consider this action to be a minor lot line adjustment that does not create a buildable lot. In accordance Part 503.01(b)(1) no public hearing is required, except that notice shall be made to abutters prior to approval and any abutter may be heard on the application upon request. Also as determined by the PDA Land Use Controls, applications for property in the Airport and Airport Industrial Zones are administered by the PDA Board, while applications for property in other locations are referred to the local Planning Board. The 30 New Hampshire parcel is situated in both the Business Commercial and Airport Zones. As such, the process requires review by both the PDA Board and the Portsmouth Planning Board. The review can take place without a public hearing, unless requested.

A notice was mailed to abutters and posted and advertised in accordance with PDA's regulations. On September 16th, the Planning Board voted to recommend approval of the lot line revision. No abutter asked to be heard on the application. The PDA Board should now see the application.

The application and notice are attached. Please place the approval of the 30 New Hampshire Avenue lot line revision on the agenda for the October Board meeting. As of the date of this memo, no abutter has requested to be heard.

N:\ENGINEER\Board Memos\2021\30 NH lot reduction.docx

Pease Development Authority
 55 International Drive, Portsmouth, NH 03801, (603) 433-6088



Subdivision Application

For PDA Use Only			
Date Submitted: _____	Municipal Review: _____	Fee: _____	
Application Complete: _____	Date Forwarded: _____	Paid: _____	Check #: _____

Applicant Information

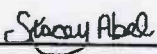
Applicant: Spyglass Development LLC c/o The Kane Company	Agent: Tighe & Bond, Inc.
Address: 210 Commerce Way, Suite 300 Portsmouth, NH 03801	Address: 177 Corporate Drive Portsmouth, NH 03801
Business Phone: 603-559-9666	Business Phone: 603-433-8818
Mobile Phone:	Mobile Phone:
Fax:	Fax:

Site Information

Address / Location of Original Lot:	30 New Hampshire Avenue		
Portsmouth Tax Map: 301	Lot #: 3	Zone: A & BC	
Proposed Activity (check one)	Subdivision _____	Lot Line Adjustment	<input checked="" type="checkbox"/>
Existing Lot	Total # of Existing Lot(s) _____ Existing Lot Area <u>369,643 sf / 8.49 ac</u>		
Created Lot	Total # of Proposed Lot(s) _____ Area of Proposed Lot(s) <u>314,534 sf / 7.22 ac</u>		
<i>All above information shall be shown on a site plan submitted with this application. Provide 3 Full size hard copies and 1 PDF copy of all application materials as well as 1 half size set of drawings to PDA. Applicant shall supply additional copies as may be required by applicable municipality. Refer to Chapter 500 of PDA Land Use Controls for additional information</i>			
Checklist:	Application fee (as required) <input checked="" type="checkbox"/>	Abbutters List <input checked="" type="checkbox"/>	Drawings <input checked="" type="checkbox"/>
	Copies of approvals for any Required State/Federal permits (See Ch 500 of PDA LUC)		<input type="checkbox"/>

Certification

I hereby certify under the penalties of perjury that the foregoing information and accompanying plans, documents, and supporting data are true and complete to the best of my knowledge. I hereby apply for Subdivision and acknowledge I will comply with all regulations and any conditions established by the Review Committee(s) and the PDA Board of Directors in the development and construction of this



 Signature of Applicant

 Date

 Printed Name

N:\Engineer\Subdivision Application.xlsx



*****PUBLIC NOTICE*****

THE PEASE DEVELOPMENT AUTHORITY acting pursuant to NH RSA 12-G:13 and PART 503.01(b)(1) of the Pease Development Authority Subdivision Regulations is hereby providing **PUBLIC NOTICE** of the following application:

The application of Spyglass Development, LLC, Lessee of property located at 30 New Hampshire Avenue, wherein subdivision (minor lot line adjustment) approval is requested. The lot line adjustment would decrease the lot size from 8.49 acres to 7.22 acres, resulting in the following changes:

	Existing	Proposed	Required
Lot Size	8.49 Acres	7.22 Acres	5.0 Acres
Frontage	551.40 Ft.	250.00 Ft.	200 Feet
Front Yard	257 Ft.	257 Ft.	70 Feet
Left Side Yard	133 Ft.	103 Ft.	30 Feet
Right Side Yard	200 Ft.	180 Ft.	30 Feet
Rear Yard	59 Ft.	59 Ft.	50 Feet
Parking Setback	135 Ft.	135 Ft.	50 Feet
Open Space	38%	27%	25%

30 New Hampshire Avenue lies within the Portsmouth City boundaries in the Airport Zone and the Business and Commercial Zone and is shown on City Assessor Map 301, Lot 3. The plan is available for viewing at **Pease Development Authority**,
55 International Drive
Portsmouth, NH 03801 or online at www.peasedev.org.

The application constitutes a minor lot line adjustment that does not create a buildable lot and in accordance with Part 503.01(b)(1), there will be no public hearing, except that any abutter may be heard on the application upon request. The application will be considered by the Portsmouth Planning Board and the PDA Board of Directors (without public hearings, unless requested) at their regularly scheduled meetings on the following dates:

Portsmouth Planning Board

September 16, 2021

7:00 P.M.

Portsmouth City Hall

1 Junkins Avenue

Portsmouth, NH

Pease Development Authority Board of Directors

October 21, 2021

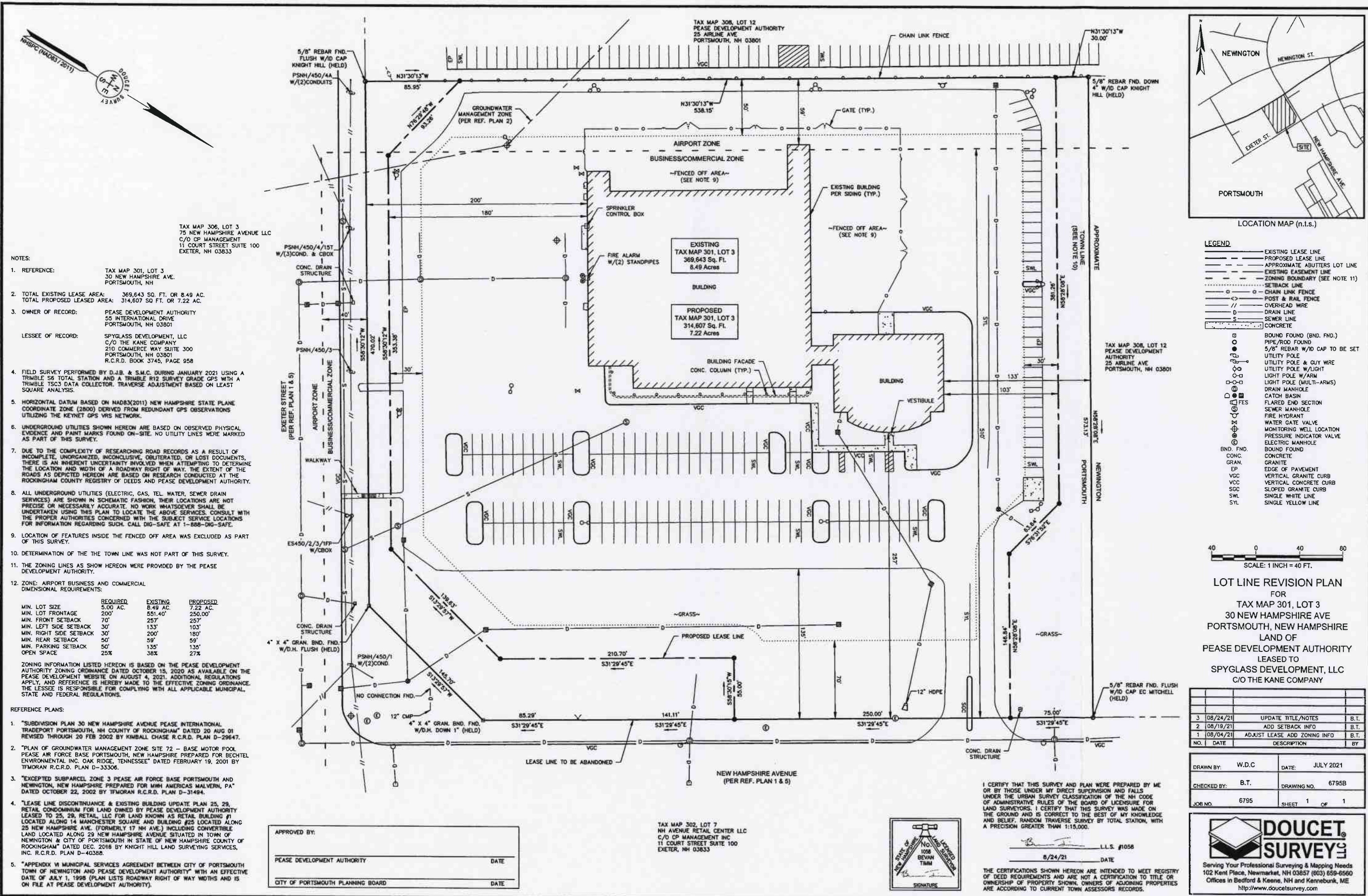
8:30 A.M.

Pease Development Authority Offices

55 International Drive

Portsmouth, NH

Abutters may call the Engineering Department at (603) 433-6088 or email b.demaine@peasedev.org with any comments or questions regarding the application or to request to be heard at the meetings. Such request shall be made no later than noon on the Monday preceding the meeting.



NOTES:

- REFERENCE: TAX MAP 301, LOT 3
30 NEW HAMPSHIRE AVE.
PORTSMOUTH, NH
- TOTAL EXISTING LEASE AREA: 369,643 SQ. FT. OR 8.49 AC.
TOTAL PROPOSED LEASED AREA: 314,607 SQ. FT. OR 7.22 AC.
- OWNER OF RECORD: PEASE DEVELOPMENT AUTHORITY
55 INTERNATIONAL DRIVE
PORTSMOUTH, NH 03801
- LESSEE OF RECORD: SPYGLASS DEVELOPMENT, LLC
C/O THE KANE COMPANY
210 COMMERCE WAY SUITE 300
PORTSMOUTH, NH 03801
R.C.R.D. BOOK 3745, PAGE 958
- FIELD SURVEY PERFORMED BY D.J.B. & S.M.C. DURING JANUARY 2021 USING A TRIMBLE S6 TOTAL STATION AND A TRIMBLE R12 SURVEY GRADE GPS WITH A TRIMBLE TSC3 DATA COLLECTOR. TRAVERSE ADJUSTMENT BASED ON LEAST SQUARE ANALYSIS.
- HORIZONTAL DATUM BASED ON NAD83(2011) NEW HAMPSHIRE STATE PLANE COORDINATE ZONE (2800) DERIVED FROM REDUNDANT GPS OBSERVATIONS UTILIZING THE KEYNET GPS NETWORK.
- UNDERGROUND UTILITIES SHOWN HEREON ARE BASED ON OBSERVED PHYSICAL EVIDENCE AND PAINT MARKS FOUND ON-SITE. NO UTILITY LINES WERE MARKED AS PART OF THIS SURVEY.
- DUE TO THE COMPLEXITY OF RESEARCHING ROAD RECORDS AS A RESULT OF INCOMPLETE, UNORGANIZED, INCONCLUSIVE, OBLITERATED, OR LOST DOCUMENTS, THERE IS AN INHERENT UNCERTAINTY INVOLVED WHEN ATTEMPTING TO DETERMINE THE LOCATION AND WIDTH OF A ROADWAY RIGHT OF WAY. THE EXTENT OF THE ROADS AS DEPICTED HEREON ARE BASED ON RESEARCH CONDUCTED AT THE ROCKINGHAM COUNTY REGISTRY OF DEEDS AND PEASE DEVELOPMENT AUTHORITY.
- ALL UNDERGROUND UTILITIES (ELECTRIC, GAS, TEL, WATER, SEWER DRAIN SERVICES) ARE SHOWN IN SCHEMATIC FASHION, THEIR LOCATIONS ARE NOT PRECISE OR NECESSARILY ACCURATE. NO WORK WHATSOEVER SHALL BE UNDERTAKEN USING THIS PLAN TO LOCATE THE ABOVE SERVICES. CONSULT WITH THE PROPER AUTHORITIES CONCERNED WITH THE SUBJECT SERVICE LOCATIONS FOR INFORMATION REGARDING SUCH. CALL DIG-SAFE AT 1-888-DIG-SAFE.
- LOCATION OF FEATURES INSIDE THE FENCED OFF AREA WAS EXCLUDED AS PART OF THIS SURVEY.
- DETERMINATION OF THE TOWN LINE WAS NOT PART OF THIS SURVEY.
- THE ZONING LINES AS SHOWN HEREON WERE PROVIDED BY THE PEASE DEVELOPMENT AUTHORITY.
- ZONE: AIRPORT BUSINESS AND COMMERCIAL DIMENSIONAL REQUIREMENTS:

	REQUIRED	EXISTING	PROPOSED
MIN. LOT SIZE	5.00 AC.	8.49 AC.	7.22 AC.
MIN. LOT FRONTAGE	200'	551.40'	250.00'
MIN. FRONT SETBACK	70'	257'	257'
MIN. LEFT SIDE SETBACK	30'	133'	103'
MIN. RIGHT SIDE SETBACK	300'	200'	180'
MIN. REAR SETBACK	50'	59'	59'
MIN. PARKING SETBACK	135'	135'	135'
OPEN SPACE	25%	38%	27%

ZONING INFORMATION LISTED HEREON IS BASED ON THE PEASE DEVELOPMENT AUTHORITY ZONING ORDINANCE DATED OCTOBER 15, 2020 AS AVAILABLE ON THE PEASE DEVELOPMENT WEBSITE ON AUGUST 4, 2021. ADDITIONAL REGULATIONS APPLY, AND REFERENCE IS HEREBY MADE, TO THE EFFECTIVE ZONING ORDINANCE. THE LESSEE IS RESPONSIBLE FOR COMPLYING WITH ALL APPLICABLE MUNICIPAL, STATE AND FEDERAL REGULATIONS.

- REFERENCE PLANS:**
- "SUBDIVISION PLAN 30 NEW HAMPSHIRE AVENUE PEASE INTERNATIONAL TRADEPORT PORTSMOUTH, NH COUNTY OF ROCKINGHAM" DATED 20 AUG 01 REVISED THROUGH 20 FEB 2002 BY KIMBALL CHASE R.C.R.D. PLAN D-29647.
 - "PLAN OF GROUNDWATER MANAGEMENT ZONE SITE 72 - BASE MOTOR POOL PEASE AIR FORCE BASE PORTSMOUTH, NEW HAMPSHIRE PREPARED FOR BECHTEL ENVIRONMENTAL INC. OAK RIDGE, TENNESSEE" DATED FEBRUARY 19, 2001 BY TFMORAN R.C.R.D. PLAN D-33306.
 - "EXCEPTED SUBPARCEL ZONE 3 PEASE AIR FORCE BASE PORTSMOUTH AND NEWINGTON, NEW HAMPSHIRE PREPARED FOR MWH AMERICAS MALVERN, PA" DATED OCTOBER 22, 2002 BY TFMORAN R.C.R.D. PLAN D-31494.
 - "LEASE LINE DISCONTINUANCE & EXISTING BUILDING UPDATE PLAN 25, 29, RETAIL CONDOMINIUM FOR LAND OWNED BY PEASE DEVELOPMENT AUTHORITY LEASED TO 25, 29, RETAIL, LLC FOR LAND KNOWN AS RETAIL BUILDING #1 LOCATED ALONG 14 MANCHESTER SQUARE AND BUILDING #25 LOCATED ALONG 25 NEW HAMPSHIRE AVE. (FORMERLY 17 NH AVE.) INCLUDING CONVERTIBLE LAND LOCATED ALONG 29 NEW HAMPSHIRE AVENUE SITUATED IN TOWN OF NEWINGTON & CITY OF PORTSMOUTH IN STATE OF NEW HAMPSHIRE COUNTY OF ROCKINGHAM" DATED DEC. 2018 BY KNIGHT HILL LAND SURVEYING SERVICES, INC. R.C.R.D. PLAN D-40388.
 - "APPENDIX VI MUNICIPAL SERVICES AGREEMENT BETWEEN CITY OF PORTSMOUTH TOWN OF NEWINGTON AND PEASE DEVELOPMENT AUTHORITY" WITH AN EFFECTIVE DATE OF JULY 1, 1998 (PLAN LISTS ROADWAY RIGHT OF WAY WIDTHS AND IS ON FILE AT PEASE DEVELOPMENT AUTHORITY).

APPROVED BY:

PEASE DEVELOPMENT AUTHORITY _____ DATE _____

CITY OF PORTSMOUTH PLANNING BOARD _____ DATE _____

TAX MAP 302, LOT 7
NH AVENUE RETAIL CENTER LLC
C/O CP MANAGEMENT INC
11 COURT STREET SUITE 100
EXETER, NH 03833

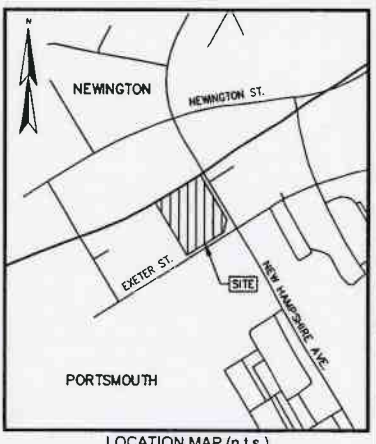
DOUCET SURVEYORS
108 BEVAN TIMM
SIGNATURE

I CERTIFY THAT THIS SURVEY AND PLAN WERE PREPARED BY ME OR BY THOSE UNDER MY DIRECT SUPERVISION AND FALLS UNDER THE URBAN SURVEY CLASSIFICATION OF THE NH CODE OF ADMINISTRATIVE RULES OF THE BOARD OF LICENSEURE FOR LAND SURVEYORS. I CERTIFY THAT THIS SURVEY WAS MADE ON THE GROUND AND IS CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF. RANDOM TRAVERSE SURVEY BY TOTAL STATION, WITH A PRECISION GREATER THAN 1:15,000.

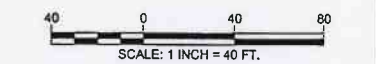
8/24/21 DATE

L.L.S. #1058

THE CERTIFICATIONS SHOWN HEREON ARE INTENDED TO MEET REGISTRY OF DEED REQUIREMENTS AND ARE NOT A CERTIFICATION TO TITLE OR OWNERSHIP OF PROPERTY SHOWN. OWNERS OF ADJOINING PROPERTIES ARE ACCORDING TO CURRENT TOWN ASSESSORS RECORDS.



- LEGEND**
- EXISTING LEASE LINE
 - PROPOSED LEASE LINE
 - APPROXIMATE ABUTTERS LOT LINE
 - EXISTING EASEMENT LINE
 - ZONING BOUNDARY (SEE NOTE 11)
 - SETBACK LINE
 - CHAIN LINK FENCE
 - POST & RAIL FENCE
 - OVERHEAD WIRE
 - DRAIN LINE
 - SEWER LINE
 - CONCRETE
 - BOUND FOUND (BND. FND.)
 - PIPE/ROD FOUND
 - 5/8" REBAR W/D CAP TO BE SET
 - UTILITY POLE
 - UTILITY POLE & GUY WIRE
 - UTILITY POLE W/LIGHT
 - LIGHT POLE W/ARM
 - LIGHT POLE (MULTI-ARMS)
 - DRAIN MANHOLE
 - CATCH BASIN
 - FLARED END SECTION
 - SEWER MANHOLE
 - FIRE HYDRANT
 - WATER GATE VALVE
 - MONITORING WELL LOCATION
 - PRESSURE INDICATOR VALVE
 - ELECTRIC MANHOLE
 - BOUND FOUND
 - CONCRETE
 - GRANITE
 - EP
 - VCC
 - VCC
 - VCC
 - SOC
 - SWL
 - SWL



LOT LINE REVISION PLAN
FOR
TAX MAP 301, LOT 3
30 NEW HAMPSHIRE AVE
PORTSMOUTH, NEW HAMPSHIRE
LAND OF
PEASE DEVELOPMENT AUTHORITY
LEASED TO
SPYGLASS DEVELOPMENT, LLC
C/O THE KANE COMPANY

NO.	DATE	DESCRIPTION	BY
3	08/24/21	UPDATE TITLE/NOTES	B.T.
2	08/19/21	ADD SETBACK INFO	B.T.
1	08/04/21	ADJUST LEASE ADD ZONING INFO	B.T.

DRAWN BY: W.D.C.	DATE: JULY 2021
CHECKED BY: B.T.	DRAWING NO. 6795B
JOB NO. 6795	SHEET 1 OF 1

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Date: October 12, 2021

To: Paul Brean, Executive Director

From: Suzy Anzalone, Director of Finance 

Subject: Executive Summary- Financial Reports

In anticipation of the upcoming October 21, 2021 Pease Development Authority Board meeting, the following is an Executive Summary of the financial results for the two months ended August 31, 2021:

Consolidated Results

Pease Development Authority - Consolidated			
(\$ 000's)	Actual	Budget	Variance Fav (unfav)
Operating Revenues	3,598	3,398	200
Operating Expenses	2,105	2,366	261
Operating Income	1,493	1,032	461
Depreciation	1,169	1,187	18
Non Oper. (Inc)/Exp	(1)	20	0
Net Operating Income	325	(175)	500

Operating revenues of \$3.6 million are favorable to budget by 5.9%. Main drivers include increased golf course public play and merchandise sales. Offsetting these gains were decreased Airport parking revenue, wharfage and dockage fees (this can fluctuate during the year) and fuel sales at the Harbors.

Operating expenses of \$2.1 million are below budget by \$261,000 (11%) primarily due to expense underruns in facilities and maintenance, legal, and marketing. Expense overruns include golf cart lease expense and merchandise sales (due to higher volume than budgeted). The resulting Operating Income of \$325,000 is favorable to budget by \$500,000 on a year-to-date basis.

Business Unit Performance

Portsmouth Airport

Portsmouth Airport (PSM) incl Security			
(\$ 000's)	Actual	Budget	Variance Fav (unfav)
Operating Revenues	331	319	12
Operating Expenses	421	519	98
Operating Income	(90)	(200)	110
Depreciation	767	774	7
Non Oper. (Inc)/Exp	0	0	0
Net Operating Income	(857)	(974)	117

PSM operating revenues are favorable to budget by 4% mainly attributable to facilities and concession revenues, but offset by lower pay for parking revenues. Favorable results in operating expense of \$98,000 are mainly attributable to cost underruns in building and facilities non-benefited wages and overtime.

Skyhaven Airport

Skyhaven (DAW)			
(\$ 000's)			
	Actual	Budget	Variance Fav (unfav)
Operating Revenues	38	45	(7)
Operating Expenses	43	40	(3)
Operating Income	(5)	5	(10)
Depreciation	86	90	4
Non Oper. (Inc)/Exp	0	0	0
Net Operating Income	(91)	(85)	(6)

Operating revenues at Skyhaven are slightly under budget due to lower fuel sales (1,533 gallons in FY22 vs. 2,687 in FY21). In late August we did experience a control valve malfunction with the fuel farm system at Skyhaven (which has since been repaired). This resulted in slightly lower reported fuel sales for the month. Operating expenses are \$3,000 over budget, mainly attributable to higher building and facilities costs.

Tradeport

Tradeport			
(\$ 000's)			
	Actual	Budget	Variance Fav (unfav)
Operating Revenues	1,740	1,668	72
Operating Expenses	61	96	35
Operating Income	1,679	1,572	107
Depreciation	125	128	3
Non Oper. (Inc)/Exp	0	0	0
Net Operating Income	1,554	1,444	110

Year-to-date results for the Tradeport show favorable operating revenues for facility rent of \$72,000 (4.4%). Operating expenses are also trending favorably (36.4%) mainly driven by lower building and facilities costs.

Golf Course

Pease Golf Course			
(\$ 000's)			
	Actual	Budget	Variance Fav (unfav)
Operating Revenues	989	801	188
Operating Expenses	460	425	(35)
Operating Income	529	376	153
Depreciation	61	61	0
Non Oper. (Inc)/Exp	0	0	0
Net Operating Income	468	315	153

Golf Course operations are trending favorably for August with revenues 23% higher than budget. Drivers include higher fees for public play, lessons and merchandise sales. Cost overruns in operating expenses of \$35,000 are mainly attributable to cost of goods sold (merchandise) and golf cart lease expense.

Division of Ports and Harbors-Unrestricted

Division of Ports and Harbors (Unrestricted)

(\$ 000's)	Actual	Budget	Variance Fav (unfav)
Operating Revenues	480	540	(60)
Operating Expenses	428	430	2
Operating Income	52	110	(58)
Depreciation	105	106	1
Non Oper. (Inc)/Exp	(1)	(1)	0
Net Operating Income	(52)	5	(57)

Unrestricted operating revenues for the DPH were \$60,000 under budget mainly due to lower fuel sales and wharfage and dockage fees (which can vary during the fiscal year). Operating expense are budget neutral on a year-to-date basis.

Balance Sheet/Statement of Net Position

(\$ 000's)	As of 8/31/2021	As of 6/30/2020
Assets		
Current Assets	7,501	5,238
Restricted Assets	1,577	8,942
Capital Assets	95,532	503
Total Assets	104,610	14,683
Liabilities		
Current Liabilities	5,316	447
Non-Current Liabilities	14,668	1,015
Total Liabilities	19,984	1,462
Net Position		
Net Invest. in Cap Assets	92,719	60,065
Restricted	1,223	15,467
Unrestricted	(8,022)	75,532
Total Net Position	85,920	91,677

The overall financial health of the PDA remains strong showing \$7.5 million in current assets and \$5.3 million in current liabilities. The PDA currently has no outstanding debt.

Current assets consist primarily of \$4.9 million in unrestricted cash and \$2.2 million in accounts receivables. The majority of the accounts receivable balances are attributable to federal or state construction activities. Restricted assets total approximately \$1.6 million and consist primarily of the Revolving Loan Fund which has total assets of \$1.2 million. At present, there are 21 participant loans outstanding with a principal balance of just under \$1.0 million.

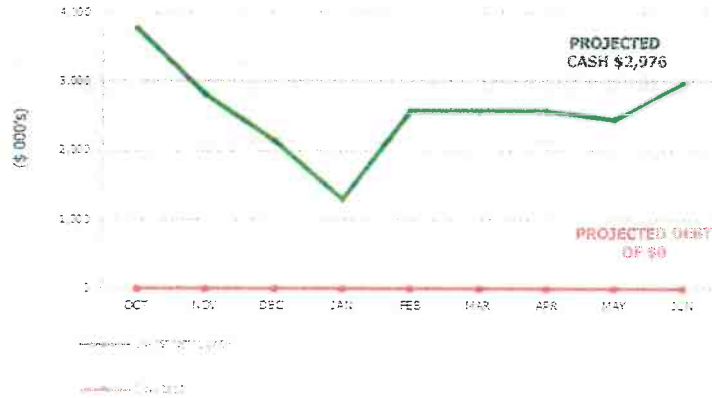
Year-to-date capital expenditures total \$351,000 mainly related to projects at the Division of Ports and Harbors and equipment replacement at PSM.

Current liabilities of \$5.3 million are largely related to construction activities at PSM, including retainage. Non-current liabilities of \$14.7 million mainly represent the current pension and OPEB liability which is currently \$14.2 million.

Cash Flow Projections for the Nine Month Period Ending June 30, 2022

During the next nine-month period, cash inflow projections are mainly provided by operating revenues. We continue to see inflows from grant reimbursements decreasing as major capital projects wind down. The sale of 30 NH Ave is also included in cash inflow projections.

Cash outflows include \$3 million in grant related and \$4 million in non-grant related expenditures, as well as outflows from normal operating expenses including \$1.4 million for municipal service fees due in December. Current projections indicate that we will not need to draw on our line of credit over the next nine months. The chart below outlines cash and debt balances over the next nine month period.



Please let me know if you have any questions or require supplemental information.

PEASE DEVELOPMENT AUTHORITY FY2022 FINANCIAL REPORT FOR THE TWO MONTH PERIOD ENDING AUGUST 31, 2021



**BOARD OF DIRECTORS MEETING
OCTOBER 21, 2021**

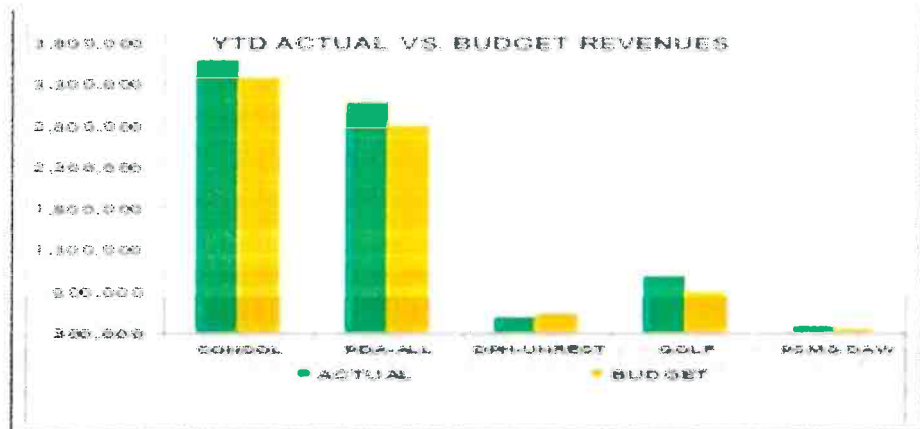
PEASE DEVELOPMENT AUTHORITY

Revenues and Expenditures – Two Months Ended August 31, 2021

Trends:

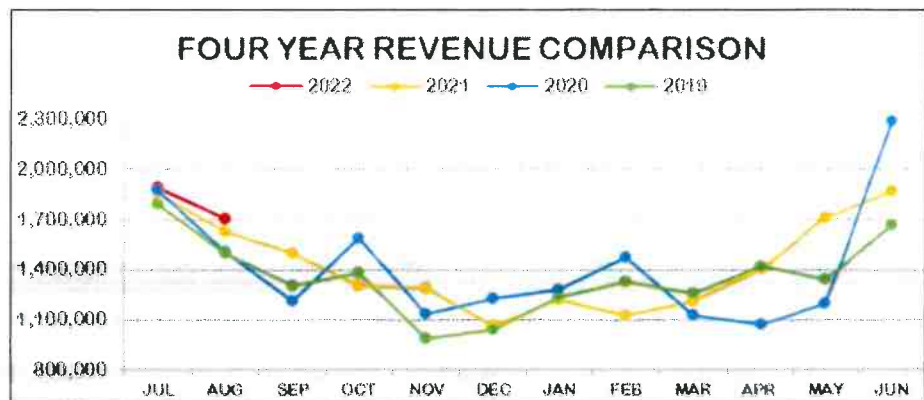
YTD revenue higher by 5.9%:

- Golf & merchandise revenues,
- Offset by lower parking, wharfage & dockage fees



Trends:

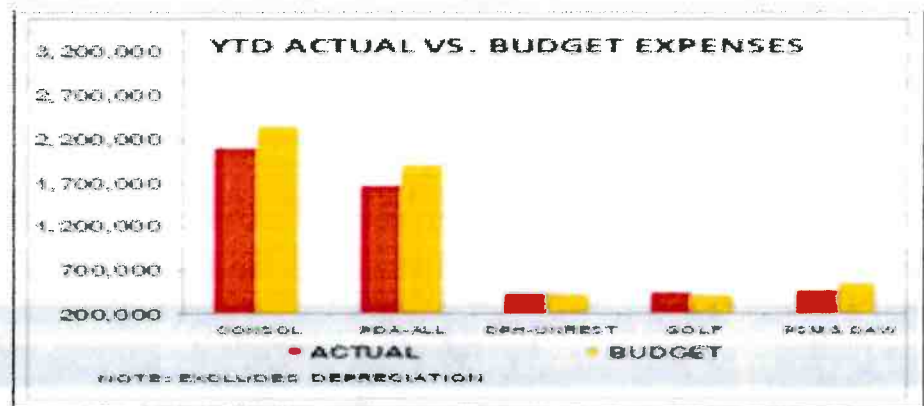
July revenues include annual rent payment-Great Bay Comm. College
June revenues include increase in Golf fee revenue.



Trends:

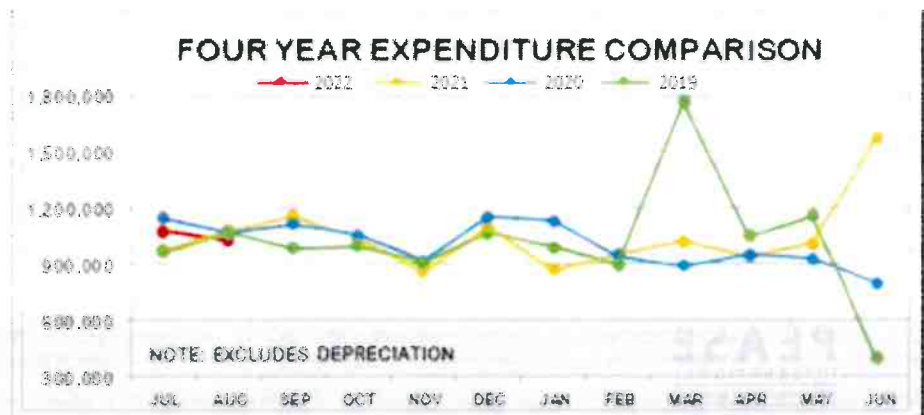
Operating Expenses lower by 11 %:

- Building & Facilities, Professional Fees & Marketing trending lower than budget
- Offset by cost overruns in Golf Cart Leases, Golf Merchandise



Trends:

March 2019-\$800k CLF settlement
June 2019-June 2021 – Retirement OPEB year end adjustments



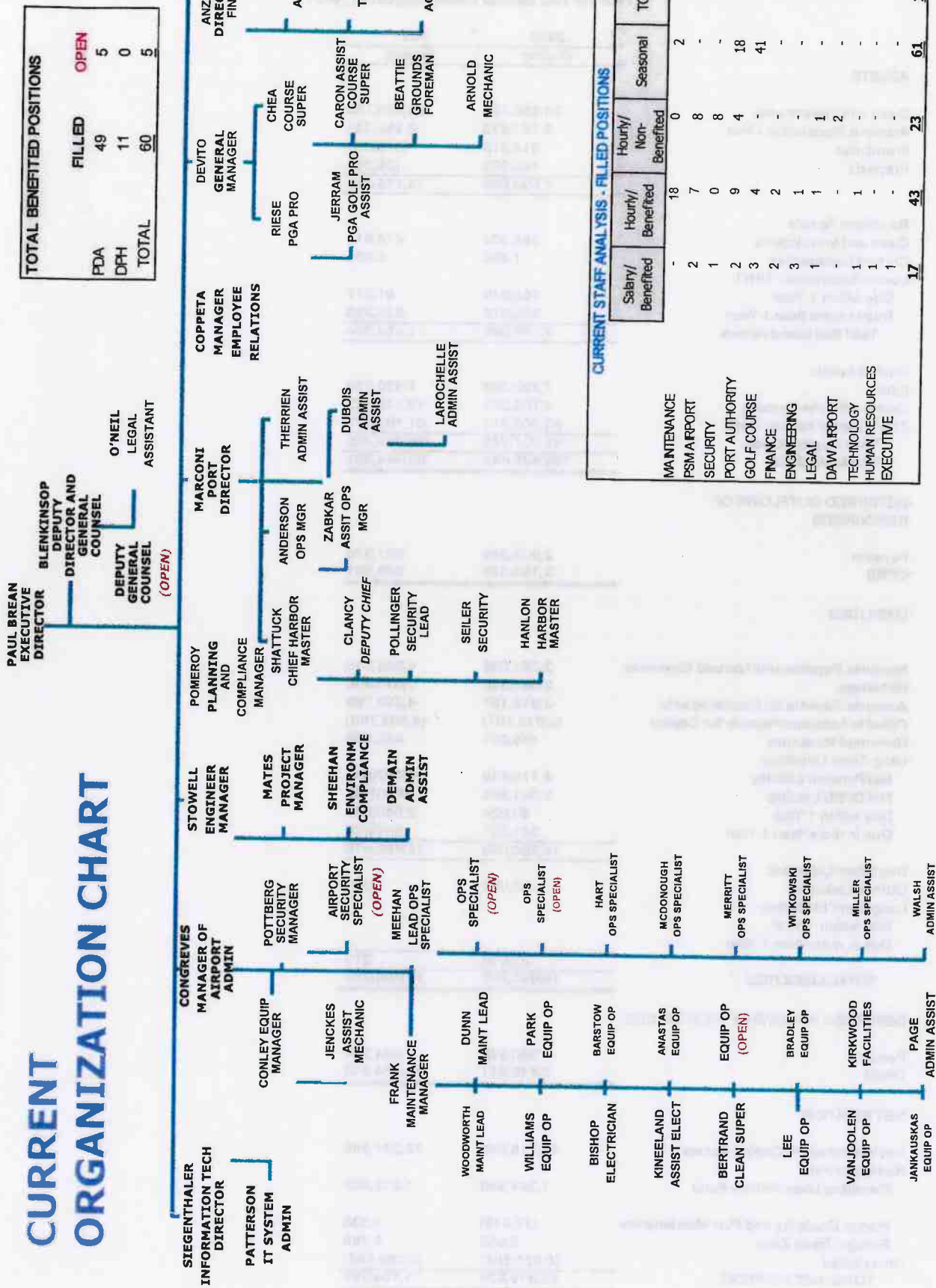
PEASE DEVELOPMENT AUTHORITY
Consolidated Statement of Revenues and Expenses
For the Two Months Ending August 31, 2021

	Actual Aug FY 2022	Budget Aug FY 2022	Variance From Monthly Budget	% Variance	Actual YTD FY 2022	Budget YTD FY 2022	Variance From YTD Budget	% Variance
OPERATING REVENUES								
FACILITY RENTAL								
FACILITIES	\$884,256	\$771,035	\$113,222	14.7%	\$1,915,289	\$1,846,213	\$69,076	3.7%
CARGO AND HANGARS	13,653	12,455	1,199	9.6%	27,463	25,913	1,550	6.0%
	<u>897,909</u>	<u>783,490</u>	<u>114,421</u>	<u>14.6%</u>	<u>1,942,752</u>	<u>1,872,126</u>	<u>70,626</u>	<u>3.8%</u>
CONCESSION REVENUE	59,457	60,714	(1,257)	(2.1%)	108,992	109,520	(528)	(0.5%)
FEE REVENUE								
AVIATION FEES		667	(667)	(100.0%)		1,333	(1,333)	(100.0%)
FUEL FLOWAGE	49,894	51,746	(1,852)	(3.6%)	99,431	99,682	(251)	(0.3%)
PSM TSALEO REVENUE	1,810	1,667	143	8.6%	1,810	3,333	(1,523)	(45.7%)
PSM SECURITY REVENUE	2,620	1,167	1,453	124.6%	5,390	2,333	3,057	131.0%
GOLF FEES	327,962	270,000	57,962	21.5%	676,756	540,000	136,756	25.3%
GOLF SIMULATORS	230		230	-	1,388	42	1,346	3172.8%
GOLF MEMBERSHIPS	50,642	50,642	0	0.0%	101,285	101,284	1	0.0%
GOLF LESSONS	5,370	2,125	3,245	152.7%	15,910	4,250	11,660	274.4%
MOORING FEES	38,940	36,333	2,607	7.2%	77,880	72,667	5,214	7.2%
PARKING	55,046	68,290	(13,244)	(19.4%)	115,481	146,022	(30,541)	(20.9%)
PIER USAGE FEES	1,044	8,417	(7,373)	(87.6%)	11,611	16,833	(5,222)	(31.0%)
REGISTRATIONS	29,316	18,667	10,649	57.0%	22,050	37,333	(15,283)	(40.9%)
TERMINAL FEES								
WHARFAGE AND DOCKAGE	25,233	46,975	(21,741)	(46.3%)	53,037	93,949	(40,913)	(43.5%)
COVID 19 REIMBURSEMENT								
	<u>588,107</u>	<u>556,696</u>	<u>31,413</u>	<u>5.6%</u>	<u>1,182,029</u>	<u>1,119,061</u>	<u>62,968</u>	<u>5.6%</u>
FUEL SALES	91,338	96,034	(4,696)	(4.9%)	164,376	192,899	(28,523)	(14.8%)
INTEREST INCOME								
LOAN INTEREST	2,359	2,750	(391)	(14.2%)	4,595	5,500	(905)	(16.4%)
OTHER REVENUES								
MERCHANDISE	44,922	23,417	21,505	91.8%	93,534	46,833	46,701	99.7%
ALL OTHER	22,312	20,050	2,262	11.3%	101,924	52,403	49,522	94.5%
	<u>67,234</u>	<u>43,467</u>	<u>(23,768)</u>	<u>(54.7%)</u>	<u>195,458</u>	<u>99,236</u>	<u>(96,223)</u>	<u>(97.0%)</u>
TOTAL OPERATING REVENUE	1,706,404	1,543,151	163,258	10.6%	3,598,202	3,398,342	199,858	5.9%
OPERATING EXPENSES								
WAGES AND FRINGE BENEFITS								
WAGES								
BENEFITED REGULAR	323,536	332,887	9,352	2.8%	684,426	676,412	(8,013)	(1.2%)
BENEFITED OVERTIME	9,607	19,184	9,578	49.9%	23,950	35,242	11,293	32.0%
NON-BENEFITED REGULAR	83,947	101,088	17,141	17.0%	173,983	201,284	27,301	13.6%
NON-BENEFITED OVERTIME		1,664	1,664	100.0%	3,602	3,762	160	4.2%
ACCRUED VACATION BENEFITS	(6,737)		6,737	-	(31,557)		31,557	-
ACCRUED SICK TIME BENEFITS	(272)		272	-	(3,581)		3,581	-
WAGE TRANSFERS OUT								
	<u>410,081</u>	<u>454,823</u>	<u>44,742</u>	<u>9.8%</u>	<u>850,823</u>	<u>916,700</u>	<u>65,878</u>	<u>7.2%</u>
FRINGE BENEFITS								
DENTAL INSURANCE	5,613	5,940	327	5.5%	11,283	11,876	593	5.0%
HEALTH INSURANCE	105,522	110,833	5,310	4.8%	211,910	221,618	9,708	4.4%
LIFE INSURANCE	2,477	2,462	(15)	(0.6%)	4,870	4,949	79	1.6%
NEW HAMPSHIRE RETIREMENT	46,655	42,994	(3,661)	(8.5%)	101,778	86,243	(15,535)	(18.0%)
POST RETIREMENT BENEFITS	10,284	10,414	130	1.2%	20,568	20,828	260	1.2%
OPEB EXPENSE								
BENEFIT TRANSFERS OUT								
	<u>170,551</u>	<u>172,643</u>	<u>2,090</u>	<u>1.2%</u>	<u>350,409</u>	<u>345,514</u>	<u>(4,895)</u>	<u>(1.4%)</u>
TOTAL WAGES & FRINGES	580,632	627,466	46,833	7.5%	1,201,232	1,262,214	60,983	4.8%
BUILDING AND FACILITIES								
AIRFIELD MAINTENANCE	154	6,900	6,746	97.8%	750	13,800	13,050	94.6%
COVID-19	284	2,671	2,387	89.4%	509	5,341	4,832	90.5%
CHEMICALS	15,635	7,810	(7,826)	(100.2%)	24,705	15,620	(9,086)	(58.2%)
ENVIRONMENTAL TESTING	6,018	7,992	1,973	24.7%	6,018	15,983	9,965	62.3%
EQUIPMENT MAINTENANCE	17,318	29,603	12,286	41.5%	33,241	62,189	28,948	46.5%
FACILITIES MAINTENANCE	55,081	65,832	10,751	16.3%	108,747	131,665	22,917	17.4%
LANDSCAPING	3,351	2,293	(1,058)	(46.1%)	4,687	4,587	(100)	(2.2%)
NAVIGATION MAINTENANCE		12,833	12,833	100.0%		25,667	25,667	100.0%
OTHER EXPENSES		2,500	2,500	100.0%		5,000	5,000	100.0%
SECURITY	24,969	7,278	(17,690)	(243.1%)	25,268	19,968	(5,300)	(26.5%)
SNOW REMOVAL		14,750	14,750	100.0%		29,500	29,500	100.0%
EXPENSE TRANSFERS								
WAGE TRANSFERS IN								
BENEFIT TRANSFERS IN								
	<u>122,810</u>	<u>160,462</u>	<u>37,653</u>	<u>23.5%</u>	<u>203,925</u>	<u>329,320</u>	<u>125,393</u>	<u>38.1%</u>

PEASE DEVELOPMENT AUTHORITY
Consolidated Statement of Revenues and Expenses
For the Two Months Ending August 31, 2021

	Actual Aug FY 2022	Budget Aug FY 2022	Variance From Monthly Budget	% Variance	Actual YTD FY 2022	Budget YTD FY 2022	Variance From YTD Budget	% Variance
GENERAL AND ADMINISTRATIVE								
EMPLOYEE DRUG TESTS	138	178	40	22.6%	326	357	31	8.6%
EMPLOYER FICA	31,313	34,792	3,479	10.0%	66,532	70,270	3,738	5.3%
UNEMPLOYMENT INSURANCE		593	593	100.0%		1,187	1,187	100.0%
WORKERS COMPENSATION	6,498	6,586	88	1.3%	12,997	13,172	175	1.3%
BAD DEBT EXPENSE		83	83	100.0%		167	167	100.0%
BANK FEES	10,836	7,472	(3,364)	(45.0%)	21,773	14,944	(6,829)	(45.7%)
COMPUTER EXPENSES	5,144	8,633	3,489	40.4%	15,607	17,267	1,660	9.6%
DISCOUNTS AND LATE FEES	(158)		158	-	(766)		766	-
EQUIPMENT UNDER \$5,000	2,474	6,445	3,971	61.6%	5,514	12,612	7,098	56.3%
FEES AND LICENSES	2,311	4,732	2,421	51.2%	16,490	9,465	(7,026)	(74.2%)
INSURANCE	28,871	23,519	(5,352)	(22.8%)	54,640	47,015	(7,625)	(16.2%)
OFFICE EQUIPMENT	967	1,707	740	43.3%	2,257	3,414	1,157	33.9%
PROFESSIONAL DEVELOPMENT	4,531	5,025	494	9.8%	7,430	10,050	2,620	26.1%
SUPPLIES	8,955	6,586	(2,370)	(36.0%)	19,547	13,172	(6,376)	(48.4%)
TELEPHONES AND COMMUNICATIONS	9,575	11,782	2,207	18.7%	18,351	23,564	5,213	22.1%
TRAVEL AND MILEAGE	1,308	2,619	1,310	50.0%	1,784	5,238	3,453	65.9%
OTHER EXPENSES	2,117	5,242	3,125	59.6%	2,369	10,484	8,115	77.4%
	<u>114,880</u>	<u>125,994</u>	<u>11,114</u>	<u>8.8%</u>	<u>244,851</u>	<u>252,378</u>	<u>7,524</u>	<u>3.0%</u>
UTILITIES								
ELECTRICITY	49,023	43,693	(5,330)	(12.2%)	96,134	87,386	(8,748)	(10.0%)
ELECTRICITY TRANSFERS				-				-
HEATING OIL	81	478	396	83.0%	81	478	396	83.0%
NATURAL GAS	1,047	5,416	4,369	80.7%	2,166	10,832	8,666	80.0%
NATURAL GAS TRANSFERS				-				-
PROPANE	2,462	2,835	373	13.2%	4,399	5,555	1,156	20.8%
WASTE REMOVAL	2,726	7,300	4,574	62.7%	18,837	14,600	(4,237)	(29.0%)
WASTE REMOVAL TRANSFERS				-				-
WATER	3,745	5,947	2,202	37.0%	7,138	8,200	1,062	13.0%
WATER TRANSFERS				-				-
	<u>59,084</u>	<u>65,669</u>	<u>6,586</u>	<u>10.0%</u>	<u>128,755</u>	<u>127,051</u>	<u>(1,706)</u>	<u>(1.3%)</u>
PROFESSIONAL SERVICES								
AUDIT		5,275	5,275	100.0%		10,550	10,550	100.0%
INFORMATION TECHNOLOGY	658	4,956	4,298	86.7%	36,166	31,594	(4,572)	(14.5%)
LEGAL	9,177	10,625	1,449	13.6%	9,177	21,250	12,074	56.8%
LEGAL PERMIT IMPLEMENT	3,422	14,583	11,161	76.5%	3,422	29,167	25,745	88.3%
ADMINISTRATIVE SERVICES	4,078	4,750	672	14.2%	8,449	9,500	1,051	11.1%
	<u>17,335</u>	<u>40,189</u>	<u>22,855</u>	<u>56.9%</u>	<u>57,214</u>	<u>102,061</u>	<u>44,847</u>	<u>43.9%</u>
MARKETING AND PROMOTION								
ADVERTISING	150	4,279	4,129	96.5%	1,118	8,558	7,441	86.9%
OTHER MARKETING	8,043	31,208	23,166	74.2%	13,806	62,417	48,611	77.9%
FLIGHT INCENTIVES				-				-
	<u>8,193</u>	<u>35,487</u>	<u>27,295</u>	<u>76.9%</u>	<u>14,924</u>	<u>70,975</u>	<u>56,051</u>	<u>79.0%</u>
OTHER OPERATING EXPENSES								
COAST TROLLEY	10,000	10,000		-	20,000	20,000		-
FUEL	68,481	71,975	3,494	4.9%	124,562	145,476	20,914	14.4%
GOLF CART LEASE	20,717	10,833	(9,883)	(91.2%)	41,433	21,667	(19,767)	(91.2%)
MERCHANDISE	27,069	17,563	(9,507)	(54.1%)	68,550	35,125	(33,425)	(95.2%)
	<u>126,267</u>	<u>110,371</u>	<u>(15,896)</u>	<u>(14.4%)</u>	<u>254,545</u>	<u>222,268</u>	<u>(32,279)</u>	<u>(14.5%)</u>
TOTAL OPERATING EXPENSES	<u>1,029,201</u>	<u>1,165,638</u>	<u>136,440</u>	<u>11.7%</u>	<u>2,105,446</u>	<u>2,366,267</u>	<u>260,814</u>	<u>11.0%</u>
OPERATING INCOME	<u>677,203</u>	<u>377,513</u>	<u>299,698</u>	<u>79.4%</u>	<u>1,492,756</u>	<u>1,032,075</u>	<u>460,672</u>	<u>44.6%</u>
DEPRECIATION	587,750	593,461	5,711	1.0%	1,169,430	1,186,923	17,492	1.5%
NON-OPERATING EXPENSES								
INTEREST EXPENSE		11,250	11,250	100.0%		22,500	22,500	100.0%
INTEREST INCOME	(860)	(1,061)	(201)	19.0%	(1,708)	(2,123)	(415)	19.5%
GAIN/LOSS ON ASSETS				-				-
OTHER NON-OPERATING				-				-
	<u>(860)</u>	<u>10,189</u>	<u>11,049</u>	<u>108.4%</u>	<u>(1,708)</u>	<u>20,377</u>	<u>22,085</u>	<u>108.4%</u>
NET OPERATING INCOME	<u>90,313</u>	<u>(226,137)</u>	<u>316,457</u>	<u>(139.9%)</u>	<u>325,034</u>	<u>(175,225)</u>	<u>500,250</u>	<u>(285.5%)</u>

CURRENT ORGANIZATION CHART



	FILLED	OPEN
PDA	49	5
DPH	11	0
TOTAL	60	5

	Salary/ Benefited	Hourly/ Benefited	Hourly/ Non-Benefited	Seasonal	TOTAL
MAINTENANCE	-	18	0	2	20
PSM AIRPORT SECURITY	2	7	8	-	17
PORT AUTHORITY	1	0	8	-	9
GOLF COURSE	2	9	4	18	33
FINANCE	3	4	-	41	48
ENGINEERING	2	2	-	-	4
LEGAL	3	1	-	-	4
DAWA REPORT	1	1	1	-	3
TECHNOLOGY	-	-	2	-	2
HUMAN RESOURCES	1	1	-	-	2
EXECUTIVE	1	1	-	-	1
	17	43	23	61	144

PEASE DEVELOPMENT AUTHORITY
Consolidated Statement of Net Position
For the Two Months Ending August 31, 2021

	2022 Ending	2021 Ending
ASSETS		
Cash and Investments	\$4,858,653	\$4,376,788
Accounts Receivable - Net	2,183,933	8,296,761
Inventories	314,315	315,541
Prepays	143,925	126,052
	<u>7,500,826</u>	<u>13,115,141</u>
Restricted Assets		
Cash and Investments	584,304	470,914
Current Receivables	1,460	5,665
Loans Receivable - NHFL		
Due within 1 Year	105,249	81,577
Due in more than 1 Year	885,878	926,238
Total Restricted Assets	<u>1,576,890</u>	<u>1,484,394</u>
Capital Assets		
Land	7,520,786	7,520,786
Construction-in-Process	4,705,251	19,549,722
Other Capital Assets - Net	83,305,711	51,794,277
Total Capital Assets	<u>95,531,748</u>	<u>78,864,785</u>
TOTAL ASSETS	<u>104,609,464</u>	<u>93,464,321</u>
DEFERRED OUTFLOWS OF RESOURCES		
Pension	2,008,286	691,375
OPEB	<u>2,193,378</u>	<u>558,601</u>
LIABILITIES		
Accounts Payable and Accrued Expenses	2,261,309	4,363,216
Retainage	2,594,225	1,810,296
Accounts Payable for Capital Assets	2,813,107	4,302,786
Offset to Accounts Payable for Capital	(2,813,107)	(4,302,786)
Unearned Revenues	460,201	453,909
Long-Term Liabilities		
Net Pension Liability	6,170,435	4,197,804
Net OPEB Liability	8,041,994	5,630,108
Due within 1 Year	90,924	2,500,000
Due in more than 1 Year	341,551	534,644
	<u>19,960,638</u>	<u>19,489,978</u>
Restricted Liabilities		
Current Liabilities	22,969	273
Long-Term Liabilities		
Due within 1 Year		
Due in more than 1 Year		
	<u>22,969</u>	<u>273</u>
TOTAL LIABILITIES	<u>19,983,607</u>	<u>19,490,251</u>
DEFERRED INFLOWS OF RESOURCES		
Pension	360,975	604,714
OPEB	<u>2,546,921</u>	<u>3,484,546</u>
NET POSITION		
Net Investment in Capital Assets	92,718,641	72,061,999
Restricted For:		
Revolving Loan Fishery Fund	1,244,980	1,218,266
Harbor Dredging and Pier Maintenance	(32,316)	4,838
Foreign Trade Zone	9,905	8,768
Unrestricted	(8,021,586)	(2,159,085)
TOTAL NET POSITION	<u>85,919,625</u>	<u>71,134,786</u>

PEASE DEVELOPMENT AUTHORITY
Statement of Revenues and Expenses - PORTSMOUTH AIRPORT incl Security
For the Two Months Ending August 31, 2021

	Actual Aug FY 2022	Budget Aug FY 2022	Variance From Monthly Budget	% Variance	Actual YTD FY 2022	Budget YTD FY 2022	Variance From YTD Budget	% Variance
OPERATING REVENUES								
FACILITY RENTAL	\$90,869	\$76,166	\$14,703	19.3%	\$143,565	\$118,104	\$25,461	21.6%
CARGO AND HANGARS	2,439	2,404	35	1.5%	4,830	4,808	22	0.5%
CONCESSION REVENUE	13,450	3,685	9,765	265.0%	14,732	5,406	9,326	172.5%
FEE REVENUE	77,050	88,637	(11,586)	(13.1%)	159,579	182,533	(22,954)	(12.6%)
FUEL SALES	-	-	-	-	-	-	-	-
INTEREST	-	-	-	-	-	-	-	-
MERCHANDISE	-	-	-	-	-	-	-	-
OTHER REVENUE	5,173	3,921	1,252	31.9%	8,389	7,547	842	11.2%
TOTAL OPERATING REVENUES	188,981	174,813	14,169	8.1%	331,095	318,398	12,697	4.0%
EXPENSES								
WAGES AND FRINGE BENEFITS	94,290	105,932	11,642	11.0%	196,092	217,349	21,257	9.8%
BUILDING AND FACILITIES	53,005	73,513	20,508	27.9%	84,744	155,419	70,675	45.5%
GENERAL AND ADMINISTRATIVE	33,282	28,763	(4,519)	(15.7%)	71,219	57,610	(13,608)	(23.6%)
UTILITIES	29,018	30,839	1,821	5.9%	58,042	61,728	3,686	6.0%
PROFESSIONAL SERVICES	64	1,458	1,394	95.6%	64	2,917	2,853	97.8%
MARKETING AND PROMOTION	7,503	11,708	4,206	35.9%	10,659	23,417	12,757	54.5%
OTHER OPERATING EXPENSES	-	-	-	-	-	-	-	-
TOTAL OPERATING EXPENSES	217,162	252,213	35,052	13.9%	420,820	518,440	97,620	18.8%
OPERATING INCOME	(28,181)	(77,400)	49,219	(63.6%)	(89,725)	(200,042)	(99,259)	69.3%
NON-OPERATING (INCOME) EXPENSE								
DEPRECIATION	387,157	387,000	(157)	(0.0%)	767,169	774,000	6,831	0.9%
NET OPERATING INCOME	(415,338)	(464,400)	49,062	(10.6%)	(856,894)	(974,042)	117,148	69.3%

PEASE DEVELOPMENT AUTHORITY
Statement of Revenues and Expenses - SKYHAVEN AIRPORT
For the Two Months Ending August 31, 2021

	Actual Aug FY 2022	Budget Aug FY 2022	Variance From Monthly Budget	% Variance	Actual YTD FY 2022	Budget YTD FY 2022	Variance From YTD Budget	% Variance
OPERATING REVENUES								
FACILITY RENTAL								
CARGO AND HANGARS	11,214	10,051	1,163	11.6%	22,633	21,105	1,528	7.2%
CONCESSION REVENUE					553		553	-
FEE REVENUE		667	(667)	(100.0%)		1,333	(1,333)	(100.0%)
FUEL SALES	7,335	12,067	(4,732)	(39.2%)	14,645	22,516	(7,871)	(35.0%)
INTEREST								
MERCHANDISE								
OTHER REVENUE		42	(42)	(100.0%)	25	83	(58)	(70.0%)
TOTAL OPERATING REVENUES	18,549	22,827	(4,277)	(18.7%)	37,856	45,037	(7,182)	(15.9%)
EXPENSES								
WAGES AND FRINGE BENEFITS	3,208	4,589	1,381	30.1%	6,496	9,478	2,982	31.5%
BUILDING AND FACILITIES	3,135	3,941	806	20.4%	11,625	7,882	(3,743)	(47.5%)
GENERAL AND ADMINISTRATIVE	4,264	3,625	(639)	(17.6%)	8,947	7,227	(1,720)	(23.8%)
UTILITIES	1,445	2,376	931	39.2%	2,948	4,252	1,304	30.7%
PROFESSIONAL SERVICES	166	501	335	66.9%	166	1,003	837	83.4%
MARKETING AND PROMOTION		83	83	100.0%	399	167	(233)	(139.6%)
OTHER OPERATING EXPENSES	6,734	4,800	(1,934)	(40.3%)	12,750	9,600	(3,150)	(32.8%)
TOTAL OPERATING EXPENSES	18,952	19,915	964	4.8%	43,331	39,609	(3,723)	(9.4%)
OPERATING INCOME	(403)	2,912	(3,314)	(113.8%)	(5,475)	5,428	(10,906)	(200.8%)
NON-OPERATING (INCOME) EXPENSE								
DEPRECIATION	43,076	45,167	2,091	4.6%	86,152	90,333	4,181	4.6%
NET OPERATING INCOME	(43,479)	(42,255)	(1,223)	2.9%	(91,627)	(84,905)	(6,724)	7.9%

PEASE DEVELOPMENT AUTHORITY
Statement of Revenues and Expenses - TRADEPORT OPERATIONS
For the Two Months Ending August 31, 2021

	Actual Aug FY 2022	Budget Aug FY 2022	Variance From Monthly Budget	% Variance	Actual YTD FY 2022	Budget YTD FY 2022	Variance From YTD Budget	% Variance
OPERATING REVENUES								
FACILITY RENTAL	\$756,275	\$663,005	\$93,270	14.1%	\$1,696,416	\$1,657,759	\$38,657	2.3%
CARGO AND HANGARS								
CONCESSION REVENUE								
FEE REVENUE								
FUEL SALES								
INTEREST								
MERCHANDISE								
OTHER REVENUE	4,125	4,662	(537)	(11.5%)	43,568	9,324	34,244	367.3%
TOTAL OPERATING REVENUES	760,400	667,667	92,733	13.9%	1,739,984	1,667,083	72,901	4.4%
EXPENSES								
WAGES AND FRINGE BENEFITS								
BUILDING AND FACILITIES	12,184	22,263	10,079	45.3%	15,311	44,527	29,216	65.6%
GENERAL AND ADMINISTRATIVE	6,452	6,990	537	7.7%	13,392	13,980	587	4.2%
UTILITIES	5,640	8,491	2,851	33.6%	11,824	16,982	5,158	30.4%
PROFESSIONAL SERVICES								
MARKETING AND PROMOTION		138	138	100.0%		275	275	100.0%
OTHER OPERATING EXPENSES	10,000	10,000	-	-	20,000	20,000	-	-
TOTAL OPERATING EXPENSES	34,276	47,882	13,606	28.4%	60,527	95,764	35,237	36.8%
OPERATING INCOME	726,124	619,785	106,339	17.2%	1,679,457	1,571,319	108,138	6.9%
NON-OPERATING (INCOME) EXPENSE								
DEPRECIATION	62,463	63,750	1,287	2.0%	124,926	127,500	2,574	2.0%
NET OPERATING INCOME	663,661	556,035	107,626	19.4%	1,554,531	1,443,819	110,712	7.7%

PEASE DEVELOPMENT AUTHORITY
Statement of Revenues and Expenses - GOLF COURSE
For the Two Months Ending August 31, 2021

	Actual Aug FY 2022	Budget Aug FY 2022	Variance From Monthly Budget	% Variance	Actual YTD FY 2022	Budget YTD FY 2022	Variance From YTD Budget	% Variance
OPERATING REVENUES								
FACILITY RENTAL								
CARGO AND HANGARS								
CONCESSION REVENUE	46,007	56,779	(10,772)	(19.0%)	90,707	103,614	(12,907)	(12.5%)
FEE REVENUE	384,204	322,767	61,437	19.0%	795,339	645,576	149,763	23.2%
FUEL SALES								
INTEREST								
MERCHANDISE	44,922	23,417	21,505	91.8%	93,534	46,833	46,701	99.7%
OTHER REVENUE	1,273	2,333	(1,060)	(45.4%)	9,298	4,667	4,631	99.2%
TOTAL OPERATING REVENUES	476,406	405,296	71,111	17.5%	988,878	800,690	188,188	23.5%
EXPENSES								
WAGES AND FRINGE BENEFITS	102,042	114,879	12,837	11.2%	227,285	238,375	11,090	4.7%
BUILDING AND FACILITIES	27,596	24,218	(3,378)	(13.9%)	46,381	48,437	2,056	4.2%
GENERAL AND ADMINISTRATIVE	17,179	19,843	2,663	13.4%	35,695	39,376	3,682	9.3%
UTILITIES	10,880	14,864	3,984	26.8%	25,064	26,336	1,272	4.8%
PROFESSIONAL SERVICES	9	3,701	3,692	99.7%	12,556	7,402	(5,154)	(69.6%)
MARKETING AND PROMOTION	540	4,175	3,635	87.1%	3,041	8,350	5,309	63.6%
OTHER OPERATING EXPENSES	47,786	28,396	(19,390)	(68.3%)	109,984	56,792	(53,192)	(93.7%)
TOTAL OPERATING EXPENSES	206,032	210,076	4,043	1.9%	460,006	425,068	(34,937)	(8.2%)
OPERATING INCOME	270,374	195,220	75,154	38.5%	528,872	375,622	153,251	40.8%
NON-OPERATING (INCOME) EXPENSE	(30)	(9)	21	(226.9%)	(86)	(18)	68	(370.2%)
DEPRECIATION	30,295	30,333	38	0.1%	60,590	60,667	76	0.1%
NET OPERATING INCOME	240,109	164,896	75,213	45.6%	468,368	314,973	153,395	48.7%

BUSINESS UNIT ANALYSIS	COURSE				TOTAL
	PRO SHOP	OPERATIONS	FOOD/BEV	SIMULATOR	
OPERATING REVENUES	93,534	798,181	95,775	1,388	988,878
OPERATING EXPENSES* *Excluding Depreciation	78,291	344,982	26,801	9,932	460,006
OPERATING INCOME	15,243	453,199	68,974	(8,544)	528,872

PEASE DEVELOPMENT AUTHORITY
Statement of Revenues and Expenses - DIVISION OF PORTS AND HARBORS-UNRESTRICTED
For the Two Months Ending August 31, 2021

	Actual Aug FY 2022	Budget Aug FY 2022	Variance From Monthly Budget	% Variance	Actual YTD FY 2022	Budget YTD FY 2022	Variance From YTD Budget	% Variance
OPERATING REVENUES								
FACILITY RENTAL	\$37,112	\$31,864	\$5,248	16.5%	\$73,309	\$68,351	\$4,958	7.3%
CARGO AND HANGARS				-				-
CONCESSION REVENUE		250	(250)	(100.0%)	3,000	500	2,500	500.0%
FEE REVENUE	119,919	132,624	(12,705)	(9.6%)	207,154	265,621	(58,467)	(22.0%)
FUEL SALES	84,003	83,967	36	0.0%	149,730	170,383	(20,652)	(12.1%)
INTEREST				-	166		166	-
MERCHANDISE				-				-
OTHER REVENUE	16,071	11,133	4,938	44.4%	46,469	34,865	11,604	33.3%
TOTAL OPERATING REVENUES	257,105	259,838	(2,733)	(1.1%)	479,828	539,720	(59,892)	(11.1%)
EXPENSES								
WAGES AND FRINGE BENEFITS	113,898	130,519	16,622	12.7%	230,152	224,567	(5,586)	(2.5%)
BUILDING AND FACILITIES	17,213	12,955	(4,258)	(32.9%)	31,461	25,910	(5,550)	(21.4%)
GENERAL AND ADMINISTRATIVE	7,634	10,941	3,306	30.2%	25,304	21,881	(3,423)	(15.6%)
UTILITIES	12,041	9,039	(3,002)	(33.2%)	29,427	17,634	(11,794)	(66.9%)
PROFESSIONAL SERVICES		1,683	1,683	100.0%		3,367	3,367	100.0%
MARKETING AND PROMOTION		217	217	100.0%		433	433	100.0%
OTHER OPERATING EXPENSES	61,747	67,175	5,428	8.1%	111,813	135,876	24,063	17.7%
TOTAL OPERATING EXPENSES	212,533	232,529	19,996	8.6%	428,157	429,668	1,511	0.4%
OPERATING INCOME	44,572	27,309	17,263	63.2%	51,671	110,052	(58,381)	(53.0%)
NON-OPERATING (INCOME) EXPENSE	(336)	(492)	(155)	31.6%	(767)	(983)	(216)	22.0%
DEPRECIATION	52,285	52,917	632	1.2%	104,570	105,833	1,263	1.2%
NET OPERATING INCOME	(7,377)	(25,116)	17,740	(70.6%)	(52,132)	5,202	(57,333)	(1102.2%)

BUSINESS UNIT ANALYSIS	RYE HARBOR	HAMPTON HARBOR	PORTS. FISH PIER	MARKET ST.	HARBOR MGMT	ADMIN	TOTAL
OPERATING REVENUES	99,831	142,241	5,506	133,300	98,784	166	479,828
OPERATING EXPENSES* *Excluding Depreciation	80,554	113,508	23,007	69,369	68,070	73,649	428,157
OPERATING INCOME	19,277	28,733	(17,501)	63,931	30,714	(73,483)	51,671

PEASE DEVELOPMENT AUTHORITY
Statement of Revenues and Expenses - FOREIGN TRADE ZONE
For the Two Months Ending August 31, 2021

	Actual Aug FY 2022	Budget Aug FY 2022	Variance From Monthly Budget	% Variance	Actual YTD FY 2022	Budget YTD FY 2022	Variance From YTD Budget	% Variance
OPERATING REVENUES								
FACILITY RENTAL					\$2,000	\$2,000		
CARGO AND HANGARS								
CONCESSION REVENUE								
FEE REVENUE								
FUEL SALES								
INTEREST								
MERCHANDISE								
OTHER REVENUE								
TOTAL OPERATING REVENUES					2,000	2,000		
EXPENSES								
WAGES AND FRINGE BENEFITS								
BUILDING AND FACILITIES								
GENERAL AND ADMINISTRATIVE UTILITIES		83	83	100.0%		167	167	100.0%
PROFESSIONAL SERVICES								
MARKETING AND PROMOTION								
OTHER OPERATING EXPENSES								
TOTAL OPERATING EXPENSES		83	83	100.0%		167	167	100.0%
OPERATING INCOME		(83)	83	(100.0%)	2,000	1,833	167	9.1%
NON-OPERATING (INCOME) EXPENSE								
DEPRECIATION	0		0		(1)		1	
NET OPERATING INCOME	0	(83)	84	(100.4%)	2,001	1,833	167	9.1%

PEASE DEVELOPMENT AUTHORITY
Statement of Revenues and Expenses - HARBOR DREDGING
For the Two Months Ending August 31, 2021

	Actual Aug FY 2022	Budget Aug FY 2022	Variance From Monthly Budget	% Variance	Actual YTD FY 2022	Budget YTD FY 2022	Variance From YTD Budget	% Variance
OPERATING REVENUES								
FACILITY RENTAL								
CARGO AND HANGARS								
CONCESSION REVENUE								
FEE REVENUE	2,504	9,167	(6,663)	(72.7%)	12,757	18,333	(5,576)	(30.4%)
FUEL SALES								
INTEREST								
MERCHANDISE								
OTHER REVENUE	100	750	(650)	(86.7%)	1,000	1,500	(500)	(33.3%)
TOTAL OPERATING REVENUES	2,604	9,917	(7,313)	(73.7%)	13,757	19,833	(6,076)	(30.6%)
EXPENSES								
WAGES AND FRINGE BENEFITS								
BUILDING AND FACILITIES	8,161	13,750	5,589	40.7%	10,142	27,500	17,358	63.1%
GENERAL AND ADMINISTRATIVE UTILITIES		167	167	100.0%		333	333	100.0%
PROFESSIONAL SERVICES								
MARKETING AND PROMOTION								
OTHER OPERATING EXPENSES								
TOTAL OPERATING EXPENSES	8,161	13,917	5,756	41.4%	10,142	27,833	17,692	63.6%
OPERATING INCOME	(5,557)	(4,000)	(1,557)	38.9%	3,615	(8,000)	11,615	(145.2%)
NON-OPERATING (INCOME) EXPENSE								
DEPRECIATION	(44)	(67)	(23)	33.7%	(105)	(133)	(29)	21.5%
	5,828	6,250	422	6.8%	11,656	12,500	844	6.8%
NET OPERATING INCOME	(11,341)	(10,183)	(1,157)	11.4%	(7,936)	(20,367)	12,431	(61.0%)

PEASE DEVELOPMENT AUTHORITY
Statement of Revenues and Expenses - REVOLVING LOAN FUND
For the Two Months Ending August 31, 2021

	Actual Aug FY 2022	Budget Aug FY 2022	Variance From Monthly Budget	% Variance	Actual YTD FY 2022	Budget YTD FY 2022	Variance From YTD Budget	% Variance
OPERATING REVENUES								
FACILITY RENTAL								
CARGO AND HANGARS								
CONCESSION REVENUE								
FEE REVENUE								
FUEL SALES								
INTEREST	2,359	2,750	(391)	(14.2%)	4,429	5,500	(1,071)	(19.5%)
MERCHANDISE								
OTHER REVENUE		42	(42)	(100.0%)	376	83	293	351.2%
TOTAL OPERATING REVENUES	2,359	2,792	(432)	(15.5%)	4,805	5,583	(778)	(13.9%)
EXPENSES								
WAGES AND FRINGE BENEFITS								
BUILDING AND FACILITIES								
GENERAL AND ADMINISTRATIVE		50	50	100.0%		100	100	100.0%
UTILITIES								
PROFESSIONAL SERVICES	1,105	2,083	978	47.0%	2,525	4,167	1,642	39.4%
MARKETING AND PROMOTION								
OTHER OPERATING EXPENSES								
TOTAL OPERATING EXPENSES	1,105	2,133	1,028	48.2%	2,525	4,267	1,742	40.8%
OPERATING INCOME	1,254	659	596	90.6%	2,280	1,316	964	73.2%
NON-OPERATING (INCOME) EXPENSE	(45)	(77)	(32)	41.4%	(104)	(154)	(50)	32.4%
DEPRECIATION								
NET OPERATING INCOME	1,299	736	564	76.7%	2,384	1,470	914	62.1%

REVOLVING LOAN FUND	BALANCE AT 08-31-21	BALANCE AT 06-30-2021
CASH BALANCES		
GENERAL FUNDS	255	225
SEQUESTERED FUNDS	-	-
	<u>255</u>	<u>225</u>
LOANS OUTSTANDING		
CURRENT	105	98
LONG TERM	886	921
	<u>991</u>	<u>1,019</u>
TOTAL CAPITAL BASE	<u>1,246</u>	<u>1,244</u>
CAPTIAL UTILIZATION RATE -% *	<u>79.5%</u>	<u>81.9%</u>

*EXCLUDES SEQUESTERED FUNDS

SUMMARY OF INTERGOVERNMENTAL RECEIVABLES AS OF AUGUST 31, 2021

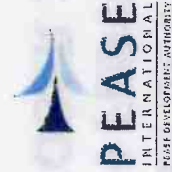
<u>BUSINESS UNIT</u>	TOTAL PROJECT	GRANT AWARD	EXPENDED TO DATE	PDA SHARE	RECEIVED TO DATE	BALANCE DUE PDA	AMOUNT SUBMITTED
PORTSMOUTH AIRPORT	30,659	23,805	27,266	(1,315)	23,390	1,230	120
DIVISION OF PORTS AND HARBORS	13,253	0	4,663	0	4,459	204	204
						<u>1,434</u>	<u>324</u>
	43,912	23,805	31,929	-1,315	27,849	2,868	648

SUMMARY OF CONSTRUCTION WORK IN PROCESS AS OF AUGUST 31, 2021

<u>PROJECT NAME</u>	BALANCE AT 06-30-21	CURRENT YEAR EXPENDITURES	TRANSFER TO PLANT IN SERVICE	NET CURRENT YEAR CHANGE	BALANCE AT 08-31-21
PORTSMOUTH AIRPORT					
TERMINAL EXPANSION (NON-GRANT)	278	10	(288)	(278)	-
RUNWAY 16-34 DESIGN (AIP 58)	-	-	-	-	-
RUNWAY 16-34 RECONSTRUCTION (AIP 64)	1,548	8	(1,556)	(1,548)	-
TERMINAL BUILDING EXPANSION (AIP 66)	6	-	(6)	(6)	-
TERMINAL BUILDING EXPANSION (AIP 62)	24	-	(24)	(24)	-
ALPHA SOUTH HOLD BAY (AIP 67)	1	2	(3)	(1)	-
LOUGHLIN MEMORIAL PARK	8	9	(17)	(8)	-
SNOW REMOVAL EQUIPMENT (AIP69)	2	-	-	-	2
PSM ACCESS CONTROL BOARD	-	40	-	40	40
PSM MOBILE RADIO PURCHASE	-	19	(19)	-	-
	<u>1,867</u>	<u>88</u>	<u>(1,913)</u>	<u>(1,825)</u>	<u>42</u>
DIVISION OF PORTS AND HARBORS (DPH)					
FUNCTIONAL REPLACEMENT- BARGE DOCK	1,304	-	-	-	1,304
PPF BULKHEAD REPAIR AND CONSTRUCTION	1,826	229	-	229	2,055
MAIN PIER (BUILD GRANT)	1,284	19	-	19	1,303
VIDEO RECORDER REPLACEMENT & CAMERA		15	(15)	-	-
	<u>4,414</u>	<u>263</u>	<u>(15)</u>	<u>248</u>	<u>4,662</u>
TOTAL	<u>6,281</u>	<u>351</u>	<u>(1,928)</u>	<u>(1,577)</u>	<u>4,704</u>

CASH FLOW PROJECTIONS FOR THE NINE MONTH PERIOD ENDING JUNE 30, 2022

**BOARD OF DIRECTORS MEETING
OCTOBER 21, 2021**



ОСІОК ПІСЛЯ ЖИТТЯ ДО ЖИТТЯ ЗОПІСЬ
СІМ'Я ПІСЛЯ ЖИТТЯ ПІСЛЯ ЖИТТЯ
БЕЗПЕЧНОСТЬ ЖИТТЯ ПІСЛЯ ЖИТТЯ

PEASE DEVELOPMENT AUTHORITY CASH FLOW SUMMARY OVERVIEW OCTOBER 1, 2021 TO JUNE 30, 2022

(EXCLUDING DIVISION OF PORTS AND HARBORS)

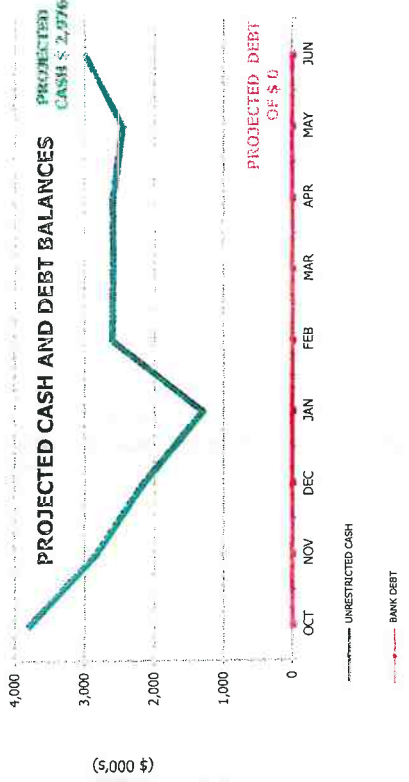
(\$ 000's)

	AMOUNT
OPENING FUND BALANCE	3,337
SOURCES OF FUNDS	
GRANT AWARDS (SEE PAGE #9)	2,833
TRADEPORT TENANTS	7,429
MUNICIPAL SERVICE FEE (COP)	1,834
GOLF COURSE FEE AND CONCESSION REVENUES	1,541
REVOLVING LINE OF CREDIT (PROVIDENT BANK)	0
PSM AIRPORT- LEASES, FUEL FLOWAGE FEES AND PARKING	1,083
SKYHAVEN AIRPORT HANGAR AND FUEL REVENUES	119
SALE OF 30 NH AVE	1,750
	<u>16,589</u>
USES OF FUNDS	
OPERATING EXPENSES	8,499
CAPITAL EXPENDITURES- NON-GRANT (SEE PAGES #5-#8)	4,408
CAPITAL EXPENDITURES- GRANT (SEE PAGE #4)	2,625
MUNICIPAL SERVICE FEE (COP)- NET	1,350
STATE OF NH- POST RETIREMENT	68
	<u>16,950</u>
NET CASH FLOW	(361)
CLOSING FUND BALANCE	2,976

DISCUSSION

AT THIS TIME, THE PDA DOES NOT ANTICIPATE THE NEED TO UTILIZE IT'S CREDIT FACILITIES WITH THE PROVIDENT BANK TO FINANCE PROJECTED NON-GRANT RELATED CAPITAL EXPENDITURES AND OR WORKING CAPITAL REQUIREMENTS.

MAJOR CAPITAL PROJECTS ARE WINDING DOWN RESULTING IN MORE LEVEL CASH FLOW. POTENTIAL ADDITIONAL GRANTS FROM THE AIRPORT RESCUE PLAN ACT OF APPROX. \$2M WILL FURTHER STRENGTHEN CASH BALANCES.



TOTAL FUND BALANCES	BALANCE AT 09-30-2021	BALANCE AT 06-30-2021
UNRESTRICTED	3,337	2,469
DESIGNATED	14	14
TOTAL	<u>3,351</u>	<u>2,483</u>

PEASE DEVELOPMENT AUTHORITY STATEMENT OF CASH FLOW (UNRESTRICTED FUNDS)

(EXCLUDING THE DIVISION OF PORTS AND HARBORS)

(\$ 000'S)

	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	TOTAL
OPENING FUND BALANCE	<u>3,337</u>	<u>3,776</u>	<u>2,813</u>	<u>2,144</u>	<u>1,293</u>	<u>2,588</u>	<u>2,577</u>	<u>2,581</u>	<u>2,449</u>	<u>3,337</u>
SOURCES OF FUNDS										
GRANT AWARDS (SEE PAGE #9)	500	120	300	753	1,100	-	60	-	-	2,833
TRADEPORT TENANTS	1,021	716	898	745	901	754	757	795	842	7,429
MUNICIPAL SERVICE FEE	132	340	132	135	340	135	135	350	135	1,834
GOLF COURSE	319	149	91	62	60	47	66	230	517	1,541
PORTSMOUTH AIRPORT- (PSM)	45	45	50	45	45	50	45	45	50	420
PSM PAY FOR PARKING	19	37	43	43	88	90	8	18	30	376
PSM FLOWAGE FEES	81	37	34	41	41	27	12	3	11	287
SKYHAVEN AIRPORT	15	15	13	12	12	12	12	14	14	119
SALE OF 30 NH	1,750	-	-	-	-	-	-	-	-	1,750
EXTERNAL FINANCING- NET	-	-	-	-	-	-	-	-	-	-
	<u>3,882</u>	<u>1,459</u>	<u>1,561</u>	<u>1,836</u>	<u>2,587</u>	<u>1,115</u>	<u>1,095</u>	<u>1,455</u>	<u>1,599</u>	<u>16,589</u>
USE OF FUNDS										
CAPITAL- GRANT RELATED (SEE PAGE #4)	1,530	145	175	52	58	45	20	600	-	2,625
CAPITAL- NONGRANT (SEE PAGES #5-#8)	980	1,388	1,025	310	315	165	180	30	15	4,408
OPERATING EXPENSES	933	889	1,030	975	919	916	891	889	1,057	8,499
MUNICIPAL SERVICE FEE	-	-	-	1,350	-	-	-	-	-	1,350
STATE OF NH- POST RETIREMENT	-	-	-	-	-	-	-	-	68	68
	<u>3,443</u>	<u>2,422</u>	<u>2,230</u>	<u>2,687</u>	<u>1,292</u>	<u>1,126</u>	<u>1,091</u>	<u>1,519</u>	<u>1,140</u>	<u>16,950</u>
NET CASH FLOW	439	(963)	(669)	(851)	1,295	(11)	4	(64)	459	(361)
CLOSING FUND BALANCE	<u>3,776</u>	<u>2,813</u>	<u>2,144</u>	<u>1,293</u>	<u>2,588</u>	<u>2,577</u>	<u>2,581</u>	<u>2,517</u>	<u>2,976</u>	<u>2,976</u>

PEASE DEVELOPMENT AUTHORITY CAPITAL EXPENDITURES

(EXCLUDING THE DIVISION OF PORTS AND HARBORS)

(\$ 000's)

	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	TOTAL
GRANT REIMBURSEMENT PROJECTS										
PORTSMOUTH AIRPORT										
TERMINAL EXPANSION DESIGN AND CONSTRUCTION (AIP 62- \$1.6M)	50	50	-	-	-	-	-	-	-	100
TERMINAL EXPANSION DESIGN AND CONSTRUCTION (AIP 66- \$2.0M)	50	50	-	-	-	-	-	-	-	100
RUNWAY 16-34 RECONSTRUCTION (AIP 64)	1,300	10	5	5	10	-	-	-	-	1,330
TW A SOUTH HOLD BAY (AIP 67)	75	10	-	-	3	-	-	-	-	88
PEASE BOULEVARD-ARBORETUM AVE	-	-	20	20	20	20	20	300	-	400
LOWERY LANE PAVING	15	-	-	2	-	-	-	300	-	317
FRONT END SNOW COMPACT **	-	-	125	-	-	-	-	-	-	125
SNOW REMOVAL EQUIPMENT	15	-	-	-	-	-	-	-	-	15
	<u>1,505</u>	<u>120</u>	<u>150</u>	<u>27</u>	<u>33</u>	<u>20</u>	<u>20</u>	<u>600</u>	-	<u>2,475</u>
SKYHAVEN AIRPORT										
TERMINAL APRON DESIGN (SBG 9)	25	25	25	25	25	25	-	-	-	150
	<u>1,530</u>	<u>145</u>	<u>175</u>	<u>52</u>	<u>58</u>	<u>45</u>	<u>20</u>	<u>600</u>	-	<u>2,625</u>
TOTAL GRANT REIMBURSEMENT PROJECTS										

NOTE:
** PENDING BOARD APPROVAL

PEASE DEVELOPMENT AUTHORITY CAPITAL EXPENDITURES

(EXCLUDING THE DIVISION OF PORTS AND HARBORS)

(CONTINUED):

(\$ 000'S)

	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	TOTAL
<u>NON-GRANT REIMBURSEMENT PROJECTS</u>										
<u>TECHNOLOGY</u>										
COMPUTERS / PRINTERS / SOFTWARE / TELECOMMUNICATIONS **	-	5	-	-	5	-	-	5	-	15
MICROSOFT SOFTWARE UPGRADES **	-	-	20	-	-	-	-	-	-	20
PAYCHEX PAYROLL KISOSKS **	-	5	-	-	-	-	-	-	-	5
PROPERTY MANAGEMENT SYSTEM	-	-	-	-	-	-	-	-	-	-
TECHNOLOGY ENHANCEMENTS **	-	-	15	-	-	5	-	-	-	20
MAIN SERVER REPLACEMENT **	-	-	-	45	-	-	-	-	-	45
	-	10	35	45	5	5	-	5	-	105
<u>GOLF COURSE</u>										
COURSE EQUIPMENT **	-	70	-	-	140	115	-	-	-	325
DUMP TRUCK WITH PLOW **	-	-	-	-	-	-	-	-	-	-
GEO THERMAL PUMPS **	-	-	-	-	-	20	-	-	-	20
CLUBHOUSE KITCHEN EQUIPMENT	-	-	-	-	-	-	-	-	-	-
UTILITY GOLF CARTS **	-	-	-	-	-	20	-	-	-	20
	-	70	-	-	140	155	-	-	-	365

NOTE:
 ** PENDING BOARD APPROVAL

PEASE DEVELOPMENT AUTHORITY
CAPITAL EXPENDITURES (EXCLUDING THE DIVISION OF PORTS AND HARBORS)
 (CONTINUED):

(\$ 000'S)

	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	TOTAL
<u>NON-GRANT REIMBURSEMENT PROJECTS (CONTINUED):</u>										
<u>PORTSMOUTH AIRPORT</u>										
TERMINAL EXPANSION	800	800	660	-	-	-	-	-	-	2,260
TERMINAL CARPETING **	-	-	-	-	-	5	-	-	-	5
AIRFIELD SIGNAGE- LED **	-	-	-	-	-	-	55	-	-	55
MOBILE RADIO UPGRADE **	50	-	-	-	-	-	-	-	-	50
FENCE CONSTRUCTION **	-	-	-	-	-	-	35	-	-	35
GENERATOR UPGRADE **	-	10	-	-	-	-	-	-	-	10
REPEATERS **	-	50	-	-	-	-	-	-	-	50
HIGH LIFT **	-	20	-	-	-	-	-	-	-	20
139 INSPECTION PROGRAM SOFTWARE **	-	10	-	-	-	-	-	-	-	10
	850	890	660	-	-	5	90	-	-	2,495

NOTE:
 ** PENDING BOARD APPROVAL

PEASE DEVELOPMENT AUTHORITY CAPITAL EXPENDITURES (EXCLUDING THE DIVISION OF PORTS AND HARBORS)

(\$ 000's)

(CONTINUED):

	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	TOTAL
NON-GRANT REIMBURSEMENT PROJECTS (CONTINUED):										
SECURITY										
PSM										
CCTV SECURITY GATES **	50	-	-	-	-	-	-	-	-	50
DOOR ACCESS CONTROL **	-	-	-	-	-	-	75	-	-	75
SECURITY SYSTEM UPGRADE **	-	170	100	-	-	-	-	-	-	270
	<u>50</u>	<u>170</u>	<u>100</u>	-	-	-	<u>75</u>	-	-	<u>395</u>
DAW										
DOOR ACCESS CONTROL **	-	-	25	-	-	-	-	-	-	25
TAXIWAY RELAMPING **	-	-	-	-	-	-	-	-	-	-
JET A FUEL TANK **	-	-	10	10	-	-	-	-	-	20
FUEL SYSTEM CREDIT CARD **	-	-	-	-	5	-	-	-	-	5
SRE DOOR REPLACEMENT **	15	-	-	-	-	-	-	-	-	15
REROOF TERMINAL BUILDING **	-	-	-	-	-	-	-	25	-	25
	<u>15</u>	-	<u>35</u>	<u>10</u>	<u>5</u>	-	-	<u>25</u>	-	<u>90</u>

NOTE:
** PENDING BOARD APPROVAL

PEASE DEVELOPMENT AUTHORITY CAPITAL EXPENDITURES

(EXCLUDING THE DIVISION OF PORTS AND HARBORS)

(\$ 000'S)

(CONTINUED)

	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	TOTAL
<u>NON-GRANT REIMBURSEMENT PROJECTS (CONTINUED)</u>										
<u>TRADEPORT</u>										
STORMWATER BMP'S	15	-	15	-	-	-	15	-	15	60
CORPORATE DRIVE- DRAINAGE **	50	200	100	100	100	-	-	-	-	550
	<u>65</u>	<u>200</u>	<u>115</u>	<u>100</u>	<u>100</u>	-	<u>15</u>	-	<u>15</u>	<u>610</u>
<u>MAINTENANCE</u>										
VEHICLE FLEET REPLACEMENT **	-	48	-	-	-	-	-	-	-	48
PAINT MACHINE **	-	-	-	15	-	-	-	-	-	15
BUILDING INFRASTRUCTURE **	-	-	-	-	-	-	-	-	-	-
MOWER REPLACEMENT **	-	-	-	-	15	-	-	-	-	15
JOHN DEERE TRACTOR REPLACEMENT **	-	-	-	140	-	-	-	-	-	140
CRACK SEALING MACHINE **	-	-	-	-	50	-	-	-	-	50
TRACK SKID MOWER	-	-	80	-	-	-	-	-	-	80
	<u>-</u>	<u>48</u>	<u>80</u>	<u>155</u>	<u>65</u>	-	<u>180</u>	-	-	<u>348</u>
TOTAL NON-GRANT REIMBURSEMENT PROJECTS	980	1,388	1,025	310	315	165	180	30	15	4,408

NOTE:
** PENDING BOARD APPROVAL

PEASE DEVELOPMENT AUTHORITY RECEIPT GRANT AWARDS (EXCLUDING THE DIVISION OF PORTS AND HARBORS)

(\$ 000's)

	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	TOTAL
PORTSMOUTH AIRPORT										
TERMINAL EXPANSION DESIGN AND CONSTRUCTION (AIP 62-\$1.6M)	-	-	-	211	-	-	-	-	-	211
TERMINAL EXPANSION DESIGN AND CONSTRUCTION (AIP 66-\$2.0M)	-	-	-	167	-	-	-	-	-	167
RUNWAY 16-34 DESIGN (AIP 58)	-	-	-	-	-	-	-	-	-	-
RUNWAY 16-34 RECONSTRUCTION (AIP 64)	500	-	-	-	1,100	-	-	-	-	1,600
RUNWAY - AIR NATIONAL GUARD	-	-	-	300	-	-	-	-	-	300
TW A SOUTH HOLD BAY	-	90	-	-	-	-	-	-	-	90
PEASE BOULEVARD- ARBORETUM AVE	-	-	-	-	-	-	60	-	-	60
LOWERY LANE PAVING	-	-	300	-	-	-	-	-	-	300
SKYHAVEN AIRPORT										
TERMINAL APRON DESIGN (SBG-7)	-	30	-	75	-	-	-	-	-	105
TOTAL	500	120	300	753	1,100	60	60	60	60	2,833

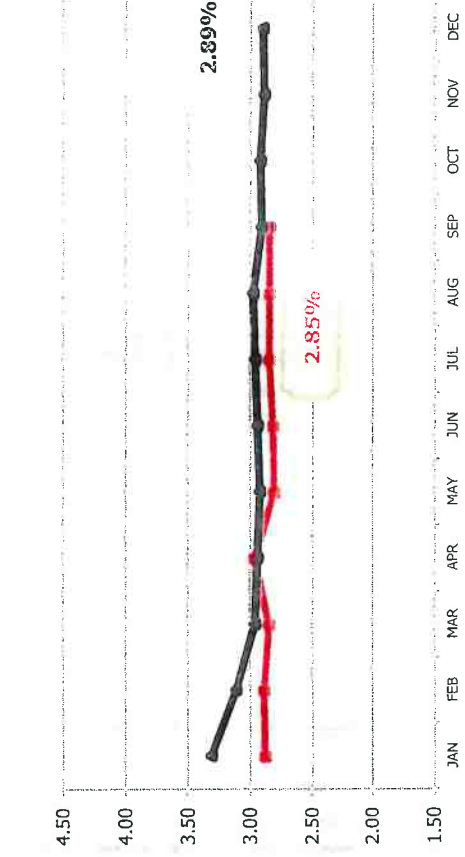
PEASE DEVELOPMENT AUTHORITY CREDIT FACILITIES AND OUTSTANDING DEBT ANALYSIS

(\$ 000's)

REVOLVING LETTER OF CREDIT (RLOC)	THE PROVIDENT BANK
AMOUNT OF CREDIT FACILITY	15,000
AMOUNT CURRENTLY AVAILABLE	15,000
TERM DATE	12-31-2022
PURPOSE	TO FUND CAPITAL IMPROVEMENTS AND WORKING CAPITAL NEEDS.
INTEREST RATE	ONE MONTH FHLB (CLASSIC) + 250 BASIS POINTS
MINIMUM SIZE OF DRAWDOWN	NO MINIMUM
OTHER	DOES NOT CARRY THE STATE GUARANTEE

OUTSTANDING DEBT ANALYSIS	BALANCE AT 09-30-2021	BALANCE AT 06-30-2021	MATURITY DATE	INTEREST RATE %
THE PROVIDENT BANK (RLOC)	-	-	12-31-2022	VARIABLE
WEIGHTED AVERAGE	=	=		
	2.85%			

TRENDING THE ONE MONTH FHLB (CLASSIC) INTEREST RATE + MARK-UP 2021 VERSUS 2020



DIVISION OF PORTS AND HARBORS CASH FLOW SUMMARY OVERVIEW (EXCLUDING RESTRICTED FUNDS) OCTOBER 1, 2021 TO JUNE 30, 2022

(\$ 000's)

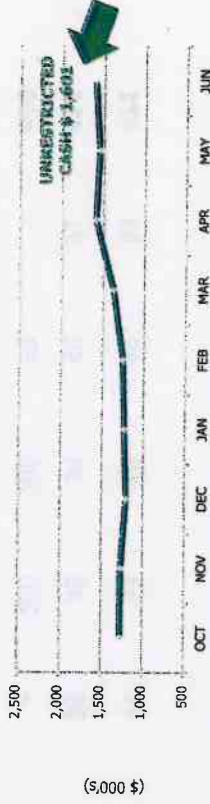
	<u>AMOUNT</u>
OPENING FUND BALANCE	<u>1,302</u>
<u>SOURCES OF FUNDS</u>	
FUEL SALES	471
FACILITY RENTALS AND CONCESSIONS	416
REGISTRATIONS / WHARFAGE	713
MOORING FEES	450
PARKING FEES	28
	<u>2,078</u>
<u>USES OF FUNDS</u>	
PERSONNEL SERVICES AND BENEFITS	919
FUEL PROCUREMENT	388
OPERATING EXPENSES	404
CAPITAL EXPENDITURES AND OTHER	40
STATE OF NH- POST RETIREMENT	28
	<u>1,779</u>
NET CASH FLOW	<u>299</u>
CLOSING FUND BALANCE	<u>1,601</u>

DISCUSSION

CURRENT SENSITIVITIES TOWARD FUTURE PROJECTIONS INCLUDE 1) ACCURACY OF CAPITAL EXPENDITURE FORECAST AND USE OF HARBOR DREDGING AND PIER MAINTENANCE FUNDS, 2) WORKERS COMPENSATION CLAIMS, 3) FUEL CONSUMPTION AND 4) CONTINUED CONTAINMENT OF EMPLOYEE OVERTIME.

\$ 252 LOAN AMORTIZATION PERIOD AND INTEREST RATE ASSOCIATED WITH HB 25-FN-A (PISCATAQUA RIVER TURNING BASIN), HAS YET TO BE DETERMINED. LONG TERM LIABILITY.

PROJECTED UNRESTRICTED CASH BALANCES



	BALANCE AT 09/30/2021	BALANCE AT 06-30-2021
TOTAL FUND BALANCES	1,302	1,888
UNRESTRICTED FUNDS	153	153
DESIGNATED FUNDS		
RESTRICTED FUNDS:		
HARBOR DREDGING	301	317
REVOLVING LOAN FUND	267	225
FOREIGN TRADE ZONE	10	8
	<u>578</u>	<u>550</u>

DIVISION OF PORTS AND HARBORS

STATEMENT OF CASH FLOW

(UNRESTRICTED FUNDS)

12

(\$ 000's)

	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	TOTAL
OPENING FUND BALANCE	<u>1,302</u>	<u>1,265</u>	<u>1,259</u>	<u>1,200</u>	<u>1,225</u>	<u>1,248</u>	<u>1,368</u>	<u>1,584</u>	<u>1,547</u>	<u>1,302</u>
SOURCES OF FUNDS										
FACILITY RENTALS AND CONCESSIONS	47	43	40	36	41	63	69	49	83	471
FUEL SALES	58	44	44	44	38	35	34	48	71	416
MOORING FEES	-	-	-	-	-	200	200	50	-	450
PARKING FEES	3	5	-	-	-	1	1	4	14	28
REGISTRATIONS / WHARFAGE	99	91	38	131	115	46	76	22	95	713
	<u>207</u>	<u>183</u>	<u>122</u>	<u>211</u>	<u>194</u>	<u>345</u>	<u>380</u>	<u>173</u>	<u>263</u>	<u>2,078</u>
USE OF FUNDS										
PERSONNEL SERVICES AND BENEFITS	144	91	96	100	89	96	95	93	115	919
FUEL PROCUREMENT	45	48	45	46	42	39	29	48	46	388
UTILITIES	25	10	10	10	10	10	10	11	12	108
GENERAL AND ADMINISTRATIVE	14	14	14	14	14	14	14	14	15	127
BUILDINGS AND FACILITIES	16	16	16	16	16	16	16	16	16	144
PROFESSIONAL SERVICES	-	10	-	-	-	10	-	-	5	25
CAPITAL EXPENDITURES AND OTHER	-	-	-	-	-	40	-	-	-	40
STATE OF NH- POST RETIREMENT	-	-	-	-	-	-	-	-	28	28
	<u>244</u>	<u>189</u>	<u>181</u>	<u>186</u>	<u>171</u>	<u>225</u>	<u>164</u>	<u>182</u>	<u>237</u>	<u>1,779</u>
NET CASH FLOW	(37)	(6)	(59)	25	23	120	216	(9)	26	299
CLOSING FUND BALANCE	<u>1,265</u>	<u>1,259</u>	<u>1,200</u>	<u>1,225</u>	<u>1,248</u>	<u>1,368</u>	<u>1,584</u>	<u>1,575</u>	<u>1,601</u>	<u>1,601</u>

DIVISION OF PORTS AND HARBORS STATEMENT OF CASH FLOW- HARBOR DREDGING FUND (RESTRICTED FUNDS)

(\$ 000'S)

	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	TOTAL
OPENING FUND BALANCE	<u>301</u>	<u>259</u>	<u>269</u>	<u>275</u>	<u>285</u>	<u>245</u>	<u>253</u>	<u>213</u>	<u>173</u>	<u>301</u>
SOURCES OF FUNDS										
PIER USAGE FEES	9	9	9	9	9	9	9	9	9	81
REGISTRATIONS	1	1	1	1	1	1	1	1	1	9
FUEL FLOWAGE FEES	-	-	-	-	-	-	-	-	-	-
GRANT FUNDING	-	-	-	-	-	-	-	-	-	-
	<u>10</u>	<u>10</u>	<u>10</u>	<u>10</u>	<u>10</u>	<u>10</u>	<u>10</u>	<u>10</u>	<u>10</u>	<u>90</u>
USE OF FUNDS										
PERSONNEL SERVICES AND BENEFITS	-	-	-	-	-	-	-	-	-	-
BUILDINGS AND FACILITIES	2	-	2	-	50	-	50	-	2	106
GENERAL AND ADMINISTRATIVE	-	-	2	-	-	2	-	-	2	6
UTILITIES	-	-	-	-	-	-	-	-	-	-
PROFESSIONAL SERVICES	-	-	-	-	-	-	-	-	-	-
ALL OTHER- (CBOC)	50	-	-	-	-	-	-	50	-	100
	<u>52</u>	<u>10</u>	<u>4</u>	<u>10</u>	<u>50</u>	<u>2</u>	<u>50</u>	<u>50</u>	<u>4</u>	<u>212</u>
NET CASH FLOW	(42)	10	6	10	(40)	8	(40)	(40)	6	(122)
CLOSING FUND BALANCE	<u>259</u>	<u>269</u>	<u>275</u>	<u>285</u>	<u>245</u>	<u>253</u>	<u>213</u>	<u>173</u>	<u>179</u>	<u>179</u>

DIVISION OF PORTS AND HARBORS

STATEMENT OF CASH FLOW- REVOLVING LOAN FUND

(RESTRICTED FUNDS)

(\$ 000's)

	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	TOTAL
OPENING FUND BALANCE	267	210	108	120	134	146	161	176	189	267
<u>SOURCES OF FUNDS</u>										
LOAN REPAYMENTS	10	10	10	12	12	12	12	12	12	102
INTEREST INCOME-LOANS	1	2	1	2	2	2	2	2	2	16
INTEREST INCOME- FUND BALANCE	2	2	2	2	2	2	2	2	2	18
	13	14	13	16	16	16	16	16	16	136
<u>USE OF FUNDS</u>										
NEW LOANS PROJECTED	68	112	-	-	-	-	-	-	-	180
PERSONNEL SERVICES AND BENEFITS	-	-	-	-	-	-	-	-	-	-
BUILDINGS AND FACILITIES	-	-	-	-	-	-	-	-	-	-
GENERAL AND ADMINISTRATIVE	-	2	-	-	2	-	-	2	-	6
UTILITIES	-	-	-	-	-	-	-	-	-	-
PROFESSIONAL SERVICES	2	2	1	2	2	1	1	1	1	13
ALL OTHER	-	-	-	-	-	-	-	-	-	-
	70	116	1	2	4	1	1	3	1	199
	(57)	(102)	12	14	12	15	15	13	15	(63)
NET CASH FLOW										
CLOSING FUND BALANCE	210	108	120	134	146	161	176	189	204	204

DIVISION OF PORTS AND HARBORS
STATEMENT OF CASH FLOW- FOREIGN TRADE ZONE FUND
(RESTRICTED FUNDS)

(\$ 000's)

	<u>OCT</u>	<u>NOV</u>	<u>DEC</u>	<u>JAN</u>	<u>FEB</u>	<u>MAR</u>	<u>APR</u>	<u>MAY</u>	<u>JUN</u>	<u>TOTAL</u>
	<u>10</u>	<u>13</u>	<u>18</u>	<u>14</u>	<u>14</u>	<u>12</u>	<u>12</u>	<u>12</u>	<u>10</u>	<u>10</u>
OPENING FUND BALANCE										
SOURCES OF FUNDS										
FACILITY RENTALS	5	5	-	-	-	-	-	-	-	10
ALL OTHER	-	-	-	-	-	-	-	-	-	-
	5	5	-	-	-	-	-	-	-	10
USE OF FUNDS										
PERSONNEL SERVICES AND BENEFITS	-	-	-	-	-	-	-	-	-	-
BUILDINGS AND FACILITIES	-	-	-	-	-	-	-	-	-	-
GENERAL AND ADMINISTRATIVE	2	-	4	-	2	-	-	2	-	10
UTILITIES	-	-	-	-	-	-	-	-	-	-
PROFESSIONAL SERVICES	-	-	-	-	-	-	-	-	-	-
ALL OTHER	-	-	-	-	-	-	-	-	-	-
	2	-	4	-	2	-	-	2	-	10
NET CASH FLOW										
	3	5	(4)	-	(2)	-	-	(2)	-	-
CLOSING FUND BALANCE	<u>13</u>	<u>18</u>	<u>14</u>	<u>14</u>	<u>12</u>	<u>12</u>	<u>12</u>	<u>10</u>	<u>10</u>	<u>10</u>

MOTION

Director Ferrini:

The Pease Development Authority (PDA) Board of Directors accepts receipt of the draft Certified Annual Financial Statements for the years ending June 30, 2020 and June 30, 2021; all as otherwise prepared and submitted by PDA's independent auditor Berry, Dunn, McNeill and Parker, LLC; and authorizes the Executive Director to forward the Certified Financial Statements to the State of New Hampshire when final for inclusion in the Comprehensive Annual Financial Report.

N:\RESOLVES\2021\Audit - Certified Financial Statements 10-21-21.docx

PEASE DEVELOPMENT AUTHORITY
(A Component Unit of the State of New Hampshire)

Financial Statements,
Management's Discussion and Analysis,
and Supplementary Information

*Years Ended June 30, 2021 and 2020
With Independent Auditor's Report*



**PEASE DEVELOPMENT AUTHORITY
(A Component Unit of the State of New Hampshire)**

FINANCIAL STATEMENTS

Years Ended June 30, 2021 and 2020

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**PEASE DEVELOPMENT AUTHORITY
(A Component Unit of the State of New Hampshire)**

BOARD OF DIRECTORS

Kevin H. Smith, Chairman
Appointed by the New Hampshire State Governor and Executive Council

Neil Levesque, Vice Chairman
Appointed by the New Hampshire Senate President

Thomas G. Ferrini, Treasurer
Appointed by the New Hampshire Speaker of the House

Erik Anderson
Appointed by the City of Portsmouth

Margaret F. Lamson
Appointed by the Town of Newington

Steve Fournier
Appointed by Strafford County Legislative Delegation

Susan B. Parker
Appointed by the Towns of Newington and Greenland

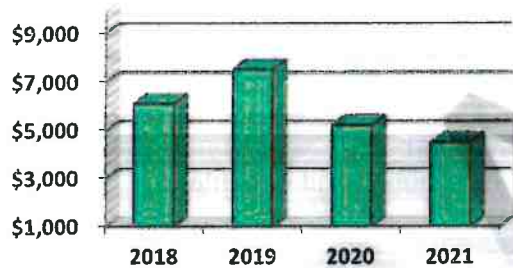
Paul E. Brean
Executive Director and Secretary
Hired by the Pease Development Authority Board of Directors



PEASE DEVELOPMENT AUTHORITY
(A Component Unit of the State of New Hampshire)
FINANCIAL HIGHLIGHTS (UNAUDITED)
(\$ in Thousands)

	2017	2018	2019	2020	2021
Consolidated Operating Revenues					
Tradeport Ports and Harbors	\$ 8,264	\$ 8,361	\$ 8,723	\$ 9,319	\$ 9,354
Golf Course	2,495	2,702	2,869	2,680	2,477
Aviation	2,472	2,693	2,672	2,492	3,384
	<u>1,237</u>	<u>1,267</u>	<u>2,006</u>	<u>1,838</u>	<u>1,934</u>
Total	\$ 14,468	\$ 15,023	\$ 16,270	\$ 16,329	\$ 17,149

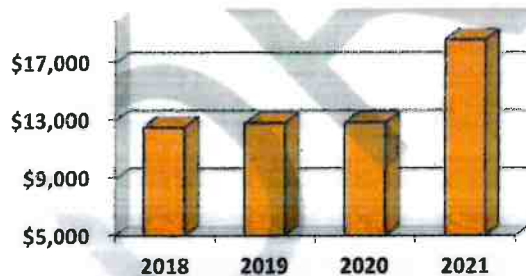
UNRESTRICTED CASH AND CASH EQUIVALENTS



- Debt outstanding has been significantly reduced, reflecting lower non-grant related capital expenditure requirements across all business units:

June 30	Amount
2017	\$ 349
2018	233
2019	116
2020	-
2021	-

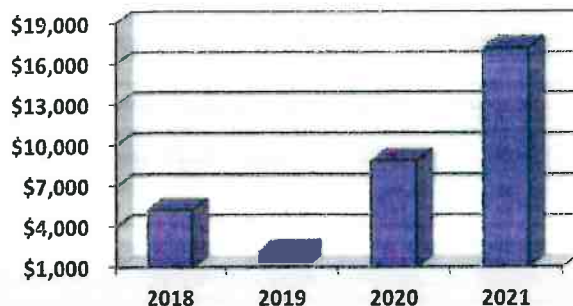
OPERATING EXPENSES (EXCLUDING DEPRECIATION)



- Capital assets excluding accumulated depreciation, primarily due to third party grant funding and renovations to the Portsmouth International Airport, Portsmouth Tradeport and Skyhaven Airport have continued to increase during the past several fiscal years:

June 30	Amount
2017	\$ 164,071
2018	170,623
2019	173,770
2020	189,692
2021	216,304

CONTRIBUTED CAPITAL



- Net cash provided by operating activities has stabilized during the past several fiscal years.

June 30	Amount
2017	\$ 3,382
2018	3,189
2019	3,182
2020	3,434
2021	5,754



INDEPENDENT AUDITOR'S REPORT

Board of Directors
Pease Development Authority
(A Component Unit of the State of New Hampshire)

Report on the Financial Statements

We have audited the accompanying financial statements of the business-type activities of Pease Development Authority (PDA), a component unit of the State of New Hampshire, as of and for the years ended June 30, 2021 and 2020, and the related notes to the financial statements, which collectively comprise PDA's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with U.S. generally accepted accounting principles; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audits. We conducted our audits in accordance with U.S. generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the business-type activities of PDA as of June 30, 2021 and 2020, and the changes in its net position and its cash flows for the years then ended in accordance with U.S. generally accepted accounting principles.

Other Matters

Required Supplementary Information

U.S. generally accepted accounting principles require that Management's Discussion and Analysis on pages 5 to 16 and the required supplementary information on pages 50 to 55 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with U.S. generally accepted auditing standards, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audits were conducted for the purpose of forming an opinion on the basic financial statements. The financial highlights section on page 2 is presented for the purpose of additional analysis and is not a required part of the basic financial statements. The financial highlights section has not been subjected to the auditing procedures applied in the audits of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated REPORT DATE on our consideration of PDA's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of PDA's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering PDA's internal control over financial reporting and compliance.

Bangor, Maine
REPORT DATE

PEASE DEVELOPMENT AUTHORITY
(A Component Unit of the State of New Hampshire)

**MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION
AND RESULTS OF OPERATIONS (UNAUDITED)**

This report identifies the Pease Development Authority's ("PDA") financial position and describes PDA's financial activities over the past three fiscal years. This section of PDA's annual financial report is known as "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" ("MD&A") and presents our discussion and analysis of PDA's consolidated financial performance during the fiscal years ended June 30, 2021, 2020 and 2019.

The MD&A is an analysis of the financial condition and operating results of PDA and is intended to introduce the basic financial statements and notes to those statements. For governmental entities, an MD&A must be presented in every financial report that includes basic financial statements prepared in accordance with accounting principles generally accepted in the United States of America. It is intended to provide an objective and easily readable analysis of PDA's financial activities based on currently known facts, decisions, or conditions. This MD&A should be read in conjunction with PDA's financial statements and accompanying notes.

Overview of the Financial Statements

This annual report consists of three parts: a) Management's discussion and analysis; b) the basic audited financial statements which include notes explaining some of the information in the financial statements and provide detailed data; and c) required supplementary information.

PDA is a self-supporting entity and follows enterprise fund reporting; accordingly, the financial statements are presented using the accrual basis of accounting. The component unit financial statements offer short and long-term financial information about the activities and operations of PDA. These statements are presented in a manner similar to a private business.

The statements of net position show the financial position of PDA at the end of each fiscal year and include all assets, deferred outflows of resources, liabilities, and deferred inflows of resources. The total net position is the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources. Over time, an increase in net position is one indicator of an institution's financial health.

The statements of revenues, expenses and changes in net position report total operating revenues, operating expenses, nonoperating income (expense), contributed capital and the change in net position for the years ended June 30, 2021 and 2020.

The statements of cash flows summarize transactions involving cash and cash equivalents during each fiscal year. The statements provide an additional tool to assess the financial health of the institution and its ability to generate future cash flows to meet its obligations.

PEASE DEVELOPMENT AUTHORITY
(A Component Unit of the State of New Hampshire)

**MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION
AND RESULTS OF OPERATIONS (UNAUDITED) (CONTINUED)**

Current Assets

Current assets are those assets that are expected to be used (sold or consumed) within a year, unlike non-current assets. Current assets are reflected on the statement of net position and are listed in order of decreasing liquidity. The current asset position of a company is important, both for assessing its financial strength and for gauging its operational efficiency.

Comparison of 2021 to 2020

Changes in Current Assets

	June 30, 2021	June 30, 2020	\$ Increase (Decrease)	% Increase (Decrease)
Cash and Cash Equivalents	\$ 4,531	\$ 5,238	\$ (707)	(13.5)
Accounts Receivable - Net	9,814	8,942	872	9.8
Other Current Assets	<u>572</u>	<u>503</u>	<u>69</u>	<u>13.7</u>
Total Current Assets	<u>\$ 14,917</u>	<u>\$ 14,683</u>	<u>\$ 234</u>	<u>1.6</u>

PDA's current assets increased by \$234 thousand, or 1.6%. The \$872 thousand increase in accounts receivable includes \$6.0 million in state appropriations associated with the Division of Ports and Harbors (DPH) for dredging of the Piscataqua River. Offsetting this, is a decrease in PDA related receivables associated with grant related construction activities at Portsmouth International Airport (PSM). PDA also reflected a \$707 thousand decrease in cash which went to support capital construction projects at both PSM and non-grant related projects. Accounts receivable included an allowance for doubtful accounts of approximately 0.2% and 0.1% of total accounts receivable at June 30, 2021 and 2020, respectively.

Comparison of 2020 to 2019

Changes in Current Assets

	June 30, 2020	June 30, 2019	\$ Increase (Decrease)	% Increase (Decrease)
Cash and Cash Equivalents	\$ 5,238	\$ 7,549	\$ (2,311)	(30.6)
Accounts Receivable - Net	8,942	1,184	7,758	655.2
Other Current Assets	<u>503</u>	<u>586</u>	<u>(83)</u>	<u>(14.2)</u>
Total Current Assets	<u>\$ 14,683</u>	<u>\$ 9,319</u>	<u>\$ 5,364</u>	<u>57.6</u>

PDA's current assets increased by \$5.4 million, or 57.6%, primarily due to the increase in 1) accounts receivable associated with grant related construction activities at Portsmouth International Airport (PSM) including the terminal expansion and runway renovations, and 2) relief funding under the Coronavirus Aid, Relief and Economic Security Act (CARES Act). Offsetting this increase in accounts receivable was a \$2.3 million decrease in cash which went to support capital construction projects at both PSM and non-grant related projects. Accounts receivable included an allowance for doubtful accounts of approximately 0.1% and 0.5% of total accounts receivable at June 30, 2020 and 2019, respectively.

**PEASE DEVELOPMENT AUTHORITY
(A Component Unit of the State of New Hampshire)**

**MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION
AND RESULTS OF OPERATIONS (UNAUDITED) (CONTINUED)**

Restricted Assets

Restricted assets represent amounts that are subject to externally imposed restrictions on their use by creditors, grantors, laws, regulations, or through constitutional restrictions or enabling legislation.

Comparison of 2021 to 2020

Changes in Restricted Assets

(\$ in Thousands)	June 30, 2021	June 30, 2020	\$ Increase (Decrease)	% Increase (Decrease)
Cash and Cash Equivalents	\$ 550	\$ 447	\$ 103	23.0
Revolving Loan Fishery Fund Receivable	1,019	1,011	8	0.1
Accounts Receivable Other - Net	<u>2</u>	<u>4</u>	<u>(2)</u>	<u>(50.0)</u>
Total Restricted Assets	\$ <u>1,571</u>	\$ <u>1,462</u>	\$ <u>109</u>	<u>7.5</u>

Total restricted assets increased by approximately \$109 thousand or 7.5%, primarily due to an increase in operating cash. This increase is a result of lower expenditures related to repairs and renovations associated with DPH operations at Hampton Harbor, Rye Harbor and the Portsmouth Fish Pier. Total assets associated with the Revolving Loan Fishery Fund had a composite valuation of approximately \$1.2 million at June 30, 2021 and 2020. There were 21 and 22 individual loans outstanding at June 30, 2021 and 2020 respectively.

Comparison of 2020 to 2019

Changes in Restricted Assets

(\$ in Thousands)	June 30, 2020	June 30, 2019	\$ Increase (Decrease)	% Increase (Decrease)
Cash and Cash Equivalents	\$ 447	\$ 579	\$ (132)	(22.8)
Revolving Loan Fishery Fund Receivable	1,011	1,012	(1)	(0.1)
Accounts Receivable Other - Net	<u>4</u>	<u>5</u>	<u>(1)</u>	<u>(20.0)</u>
Total Restricted Assets	\$ <u>1,462</u>	\$ <u>1,596</u>	\$ <u>(134)</u>	<u>(8.4)</u>

Total restricted assets decreased by approximately \$134 thousand or 8.4%, primarily due to use of authorized funding from the Capital Budget Overview Committee from the Harbor Dredging and Pier Maintenance Fund to support various repairs and renovations associated with the DPH operations at the Hampton Harbor, Rye Harbor and the Portsmouth Fish Pier. Total assets associated with the Revolving Loan Fishery Fund had a composite valuation of approximately \$1.2 million at June 30, 2020 and 2019. There were 22 individual loans outstanding at June 30, 2020 and 2019.

PEASE DEVELOPMENT AUTHORITY
(A Component Unit of the State of New Hampshire)

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION
AND RESULTS OF OPERATIONS (UNAUDITED) (CONTINUED)

Capital Assets

PDA independently develops and maintains the Tradeport. Through the DPH, PDA maintains and develops New Hampshire's ports, harbors, and navigable tidal rivers. Capital expenditures typically extend the useful life of an asset and can be financed through internal funds, grant related funding or access to the capital markets.

Comparison of 2021 to 2020

Changes in Capital Assets

	June 30, 2021	June 30, 2020	\$ Increase (Decrease)	% Increase (Decrease)
Land	\$ 7,521	\$ 7,521	\$ -	-
Facilities Improvements	186,610	151,239	35,371	23.4
Equipment	15,891	15,465	426	2.7
Construction in Process	<u>6,282</u>	<u>15,467</u>	<u>(9,185)</u>	<u>(59.4)</u>
Gross Capital Assets	216,304	189,692	26,612	14.0
Accumulated Depreciation	<u>(119,954)</u>	<u>(114,160)</u>	<u>5,794</u>	<u>5.1</u>
Total Capital Assets	<u>\$ 96,350</u>	<u>\$ 75,532</u>	<u>\$ 20,818</u>	<u>27.6</u>

PDA's capital acquisitions totaled approximately \$26.6 million in 2021 primarily in support of either federal or state funded projects. The more significant capital projects included runway reconstruction and terminal expansion activities at PSM. Additional funds were expended in support of equipment needs and various infrastructure improvements at the DPH, including repairs to the Portsmouth Fish Pier and the Main Wharf at Market Street. Approximately \$18 million of the total capital expenditures were either grant funded or supported by the State for purposes of PDA-DPH.

PDA had commitments under construction contracts associated with federal grants totaling approximately \$13.3 million and \$23.6 million at June 30, 2021 and 2020, respectively. The more significant commitments under construction contracts at June 30, 2021 included \$4.1 million for the PSM Runway Reconstruction project, \$3.7 million for the DPH Functional Replacement of the Barge Dock and \$3.7 million for the Main Wharf repair and rehabilitation.

Comparison of 2020 to 2019

Changes in Capital Assets

	June 30, 2020	June 30, 2019	\$ Increase (Decrease)	% Increase (Decrease)
Land	\$ 7,521	\$ 7,521	\$ -	-
Facilities Improvements	151,239	147,438	3,801	2.6
Equipment	15,465	15,491	(26)	(0.2)
Construction in Process	<u>15,467</u>	<u>3,320</u>	<u>12,147</u>	<u>365.9</u>
Gross Capital Assets	189,692	173,770	15,922	9.2
Accumulated Depreciation	<u>(114,160)</u>	<u>(109,203)</u>	<u>4,957</u>	<u>4.5</u>
Total Capital Assets	<u>\$ 75,532</u>	<u>\$ 64,567</u>	<u>\$ 10,965</u>	<u>17.0</u>

PEASE DEVELOPMENT AUTHORITY
(A Component Unit of the State of New Hampshire)

**MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION
AND RESULTS OF OPERATIONS (UNAUDITED) (CONTINUED)**

Capital Assets (concluded)

PDA's capital acquisitions totaled approximately \$16.1 million in 2020, primarily in support of either federal or state funded projects. The more significant capital projects included runway reconstruction and terminal expansion activities at PSM. Additional funds were expended in support of equipment needs and various infrastructure improvements at the DPH, including the functional replacement of the Barge Dock. Approximately \$10.0 million of the total capital expenditures were either grant funded or supported by the State for purposes of PDA-DPH.

PDA had commitments under construction contracts associated with federal grants totaling approximately \$23.6 million and \$32.8 million at June 30, 2020 and 2019, respectively. The more significant commitments under construction contracts at June 30, 2020 included \$16.9 million for the PSM Runway Reconstruction project, \$2.1 million for the PSM Terminal Expansion and \$3.7 million for the DPH Functional Replacement of the Barge Dock.

Noncurrent Liabilities

Comparison of 2021 to 2020

Changes in Noncurrent Liabilities

(\$ in Thousands)

	June 30, 2021	June 30, 2020	\$ Increase (Decrease)	% Increase (Decrease)
Other Postemployment Benefits	\$ 8,042	\$ 5,630	2,412	42.8
Net Pension Liability	6,171	4,198	1,973	47.0
Retiree Health Benefit Program	91	182	(91)	(50.0)
State of New Hampshire Account Payable	252	252	-	-
Compensated Absences - Net	93	100	(7)	(7.0)
Total Noncurrent Liabilities	\$ 14,649	\$ 10,362	\$ 4,287	41.4

The PDA increased its total noncurrent liabilities outstanding during the fiscal year by approximately \$4.3 million, or 41.4%. The more significant increases were associated with the changes in the Net Other Postemployment Benefits and Net Pension Liability. The retirement system realized a 1.1% return on investments in the fiscal year ended June 30, 2020. The three-year, five-year and 10-year investment returns for the periods ended June 30, 2020 were 5.2%, 5.9% and 8.7%, respectively. The retirement system's assumed rate of investment return is 6.75%.

PEASE DEVELOPMENT AUTHORITY
(A Component Unit of the State of New Hampshire)

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION
AND RESULTS OF OPERATIONS (UNAUDITED) (CONTINUED)

Noncurrent Liabilities (concluded)

Comparison of 2020 to 2019

Changes in Long-Term Liabilities

	June 30, 2020	June 30, 2019	\$ Increase (Decrease)	% Increase (Decrease)
Other Postemployment Benefits	\$ 5,630	\$ 7,292	(1,662)	(22.8)
Net Pension Liability	4,198	4,384	(186)	(4.2)
Retiree Health Benefit Program	182	273	(91)	(33.3)
State of New Hampshire Account Payable	252	252	-	-
Compensated Absences – Net	100	95	5	5.3
Total Noncurrent Liabilities	<u>\$ 10,362</u>	<u>\$ 12,296</u>	<u>\$ (1,934)</u>	<u>15.7</u>

The PDA decreased its total noncurrent liabilities outstanding during the fiscal year by approximately \$1.9 million, or 15.7%. The more significant decreases were associated with the changes in the Net Other Postemployment Benefits and Net Pension Liability. The retirement system realized a 5.7% return on investments in the fiscal year ended June 30, 2019. The three-year, five-year and 10-year investment returns for the periods ended June 30, 2019 were 9.3%, 6.4% and 9.9%, respectively. The retirement system's assumed rate of investment return is 7.25%.

Net Position

Net position represents the difference between assets and liabilities. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balance of debt and adding back any unspent proceeds.

Comparison of 2021 to 2020

Statements of Net Position

	June 30, 2021	June 30, 2020	\$ Increase (Decrease)	% Increase (Decrease)
Current Assets	\$ 14,917	\$ 14,683	\$ 234	1.6
Restricted Assets	1,571	1,462	109	7.5
Capital Assets	<u>96,350</u>	<u>75,532</u>	<u>20,818</u>	<u>27.6</u>
Total Assets	<u>112,838</u>	<u>91,677</u>	<u>21,161</u>	<u>23.1</u>
Deferred Outflows of Resources	<u>4,202</u>	<u>1,250</u>	<u>2,952</u>	<u>236.2</u>
Current Liabilities	14,147	10,612	3,535	33.3
Noncurrent Liabilities	<u>14,649</u>	<u>10,362</u>	<u>4,287</u>	<u>41.4</u>
Total Liabilities	<u>28,796</u>	<u>20,974</u>	<u>7,822</u>	<u>37.3</u>
Deferred Inflows of Resources	<u>2,908</u>	<u>4,089</u>	<u>(1,181)</u>	<u>(28.9)</u>
Net Investment in Capital Assets	92,492	67,847	24,645	36.3
Restricted Net Position	1,308	1,225	83	6.8
Unrestricted Net Position	<u>(8,464)</u>	<u>(1,208)</u>	<u>(7,256)</u>	<u>(600.7)</u>
Total Net Position	<u>\$ 85,336</u>	<u>\$ 67,864</u>	<u>\$ 17,473</u>	<u>25.7</u>

PEASE DEVELOPMENT AUTHORITY
(A Component Unit of the State of New Hampshire)

**MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION
AND RESULTS OF OPERATIONS (UNAUDITED) (CONTINUED)**

Net Position (concluded)

PDA's total assets increased \$21.1 million, or 23.1%, primarily due to the increase in capital assets which reflects depreciation expense being less than additions to construction in process. Restricted assets are primarily represented by the Revolving Loan Fishery Fund, which had an approximate value of \$1.2 million at June 30, 2021 and 2020.

PDA's total liabilities increased by \$7.8 million, or 37.3%. The increase in current liabilities of \$3.6 million is primarily due to the \$6.0 million in state appropriations due to the Army Corps of Engineers related to dredging of the Piscataqua River. This is offset by the decrease in payables associated with capital construction activities. The increase in non-current liabilities of \$4.3 million represents increases in Other Postemployment Benefits and the Net Pension Liability. These increases are associated with the investment returns of plan assets being lower than targeted benchmarks.

Comparison of 2020 to 2019

Statements of Net Position

(\$ in Thousands)	June 30, 2020	June 30, 2019	\$ Increase (Decrease)	% Increase (Decrease)
Current Assets	\$ 14,683	\$ 9,319	\$ 5,364	57.6
Restricted Assets	1,462	1,596	(134)	(8.4)
Capital Assets	75,532	64,567	10,965	17.0
Total Assets	91,677	75,482	16,195	21.5
Deferred Outflows of Resources	1,250	1,564	(314)	(20.1)
Current Liabilities	10,612	3,309	7,303	220.7
Noncurrent Liabilities	10,362	12,296	(1,934)	(15.7)
Total Liabilities	20,974	15,605	5,369	34.4
Deferred Inflows of Resources	4,089	3,221	868	26.9
Net Investment in Capital Assets	67,847	63,931	3,916	6.1
Restricted Net Position	1,225	1,342	(117)	(8.7)
Unrestricted Net Position	(1,208)	(7,054)	5,846	82.9
Total Net Position	\$ 67,864	\$ 58,219	\$ 9,645	16.6

PDA's total assets increased \$16.2 million, or 21.5%, primarily due to the increase in capital assets which reflects depreciation expense being less than additions to construction in process. Restricted assets are primarily represented by the Revolving Loan Fishery Fund, which had an approximate value of \$1.2 million at June 30, 2020 and 2019.

The \$5.4 million, or 34.4%, increase in total liabilities was primarily due to increases in payables associated with capital construction activities. Offsetting this increase were decreases in the Net Pension Liability and Other Postemployment Benefits. During the fiscal year, the Net Pension Liability was reduced by \$186 thousand while Other Postemployment Benefits were reduced by \$1.7 million, with both reductions associated with the investment returns of plan assets being in excess of targeted benchmarks and changes to assumptions.

PEASE DEVELOPMENT AUTHORITY
(A Component Unit of the State of New Hampshire)

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION
AND RESULTS OF OPERATIONS (UNAUDITED) (CONTINUED)

Change in Net Position

PDA charges various types of fees for the rental or usage of its land and facilities.

Comparison of 2021 to 2020

Statements of Revenues, Expenses and Changes in Net Position

(\$ in Thousands)				
	June 30, 2021	June 30, 2020	\$ Increase (Decrease)	% Increase (Decrease)
Operating Revenue				
Rental of Facilities	\$ 10,664	\$ 10,535	\$ 129	1.22
Fee Revenues	4,995	4,299	696	16.2
Fuel Sales	416	423	(6)	(1.4)
Concession and Other Miscellaneous	<u>1,074</u>	<u>1,072</u>	<u>2</u>	<u>0.2</u>
Total Operating Revenues	<u>17,149</u>	<u>16,329</u>	<u>820</u>	<u>5.0</u>
Operating Expenses				
Personnel Services and Benefits	7,635	7,083	552	7.8
Depreciation	5,833	5,112	721	14.1
Building and Facilities Maintenance	7,772	2,738	5,034	183.9
Professional Services	630	600	30	5.0
Other	<u>2,559</u>	<u>2,375</u>	<u>184</u>	<u>7.7</u>
Total Operating Expenses	<u>24,429</u>	<u>17,908</u>	<u>6,521</u>	<u>36.4</u>
Operating Loss	(7,280)	(1,579)	(5,701)	(361.0)
Nonoperating Income (Expense)				
State appropriations	6,086	680	5,406	795.0
CARES Act	1,569	1,515	54	3.6
Gain (Loss) on Disposition of Assets	(2)	79	(81)	(102.5)
Interest Expense	(73)	(3)	(70)	2333.3
Interest Income	<u>10</u>	<u>69</u>	<u>(59)</u>	<u>(85.5)</u>
Net Nonoperating Income	<u>7,590</u>	<u>2,340</u>	<u>5,250</u>	<u>224.3</u>
Gain Before Contributed Capital	310	761	(451)	(59.3)
Contributed Capital	<u>17,162</u>	<u>8,884</u>	<u>8,279</u>	<u>93.2</u>
Change in Net Position	17,472	9,645	7,828	81.2
Net Position at Beginning of Year	<u>67,864</u>	<u>58,219</u>	<u>9,644</u>	<u>16.57</u>
Net Position at End of Year	<u>\$ 85,336</u>	<u>\$ 67,864</u>	<u>\$ 17,472</u>	<u>25.7</u>

PEASE DEVELOPMENT AUTHORITY
(A Component Unit of the State of New Hampshire)

**MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION
AND RESULTS OF OPERATIONS (UNAUDITED) (CONTINUED)**

Change in Net Position (concluded)

Comparison of 2021 to 2020 (concluded)

Total operating revenues increased 5% year over year, primarily due to an increase in golf course operations revenue. Total non-operating revenues increased by \$5.2 million, or 224% and reflect state appropriations of \$6.0 million related to the Piscataqua River dredging.

Total operating expenses increased by approximately \$6.5 million, or 36.4% and include \$6.0 million in Building and Facilities Maintenance for the dredging project. Other changes in operating expenses include Personnel Services and Benefits which increased by \$552 thousand driven by the increase in pension expenses. Depreciation Expense also increased by \$721 thousand due to the significant investment in construction projects at PSM.

As mentioned previously, the PDA received state appropriations to dredge the Piscataqua River. As required under Governmental Accounting Standards, the PDA reports appropriations received from the State as non-operating revenue, while expenses related to the appropriations are reported as operating expenses. The impact of this reporting requirement is reflected in the operating loss of \$7.3 million.

The increase in contributed capital of \$8.3 million, or 93.2%, reflects increased grant related construction projects at PSM and DPH during the current fiscal year. During the year ended June 30, 2021, a total of \$26.6 million was spent on the purchase of capital assets of which approximately \$18.0 million were either grant funded or supported by the State for purposes of PDA-DPH.

Economic Outlook

Due to the COVID-19 global pandemic, certain fiscal year 2021 operating revenues and expenses associated with the PDA operations were negatively impacted. Lower revenue examples, particularly due to reduced airline traffic, include fuel flowage fees and pay for parking revenues. Expenses were impacted for the purchase of materials and supplies including cleaning disinfection, hand sanitizers, gloves, masks, disposal wipes and related PPE equipment. In total the overall financial impact to the PDA this fiscal year was relatively immaterial. However, at present there is unprecedented uncertainty surrounding the duration of the pandemic, its potential economic ramifications to our operations and or any additional governmental actions to mitigate them.

PEASE DEVELOPMENT AUTHORITY
(A Component Unit of the State of New Hampshire)

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION
AND RESULTS OF OPERATIONS (UNAUDITED) (CONTINUED)

Change in Net Position (continued)

Comparison of 2020 to 2019

Statements of Revenues, Expenses and Changes in Net Position

	June 30, 2020	June 30, 2019	\$ Increase (Decrease)	% Increase (Decrease)
Operating Revenue				
Rental of Facilities	\$ 10,535	\$ 9,792	\$ 743	7.6
Fee Revenues	4,299	4,261	38	0.9
Fuel Sales	423	879	(456)	(51.9)
Concession and Other Miscellaneous	1,072	1,329	(257)	(19.3)
Total Operating Revenues	<u>16,329</u>	<u>16,261</u>	<u>68</u>	<u>0.4</u>
Operating Expenses				
Personnel Services and Benefits	7,083	6,243	840	13.5
Depreciation	5,112	5,636	(524)	(9.3)
Building and Facilities Maintenance	2,738	1,660	1,078	64.9
Professional Services	600	1,658	(1,058)	(63.8)
Other	2,375	2,669	(294)	(11.0)
Total Operating Expenses	<u>17,908</u>	<u>17,866</u>	<u>42</u>	<u>0.2</u>
Operating Loss	(1,579)	(1,605)	26	1.6
Nonoperating Income (Expense)				
State appropriations	680	9	671	745.5
CARES Act	1,515	-	1,515	100.0
Gain on Disposition of Assets	79	-	79	100.0
Interest Expense	(3)	(8)	5	62.5
Interest Income	69	57	12	21.1
Net Nonoperating Income	<u>2,340</u>	<u>58</u>	<u>2,282</u>	<u>386.6</u>
Gain (Loss) Before Contributed Capital	761	(1,547)	2,308	149.2
Contributed Capital	8,884	2,191	6,693	305.5
Change in Net Position	9,645	644	9,001	1,397.7
Net Position at Beginning of Year	<u>58,219</u>	<u>57,575</u>	<u>644</u>	<u>1.1</u>
Net Position at End of Year	<u>\$ 67,864</u>	<u>\$ 58,219</u>	<u>\$ 9,645</u>	<u>16.6</u>

PEASE DEVELOPMENT AUTHORITY
(A Component Unit of the State of New Hampshire)

**MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION
AND RESULTS OF OPERATIONS (UNAUDITED) (CONTINUED)**

Change in Net Position (concluded)

Comparison of 2020 to 2019 (concluded)

Total operating revenues increased by \$68 thousand, or 0.4%. Although facilities rentals increased by 7.6%, those gains were offset due to lost fuel sales as a result of the construction repairs at Portsmouth Harbor. In addition, the impact of Coronavirus (COVID-19) reduced PSM fuel flowage fees and pay for parking revenues. To a lesser extent additional increases were associated with registrations and wharfage and dockage activities at DPH.

Total operating expenses increased by approximately \$42 thousand, or 0.2%. The net change in operating expenses was primarily comprised of two components. Building and facilities maintenance costs increased, primarily due to harbor dredging activities, which were offset by decreases in professional services associated with a litigation settlement with the Conservation Law Foundation that occurred in the prior fiscal year.

Net non-operating income increased by approximately \$2.3 million primarily due to relief funding under the CARES Act as well as state appropriations related to dredging at Rye Harbor. During the year, PDA did not have to secure any external borrowings to offset capital expenditures or the need for increased working capital levels. The ongoing reduction in interest expense is reflective of PDA's current ability to internally fund capital project related activities.

The increase in contributed capital of \$6.7 million, or 305.5%, reflects increased grant related construction projects at PSM and the DAW during the current fiscal year. During the year ended June 30, 2020, a total of \$16.1 million was spent on the purchase of capital assets of which approximately \$10.0 million were either grant funded or supported by the State for purposes of PDA-DPH.

PEASE DEVELOPMENT AUTHORITY
(A Component Unit of the State of New Hampshire)

**MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION
AND RESULTS OF OPERATIONS (UNAUDITED) (CONCLUDED)**

Economic Outlook

Due to the COVID-19 global pandemic, certain fiscal year 2020 operating revenues and expenses associated with the PDA operations were negatively impacted. Lower revenue examples, particularly due to reduced airline traffic, include fuel flowage fees and pay for parking revenues. Expenses were impacted for the purchase of materials and supplies including cleaning disinfection, hand sanitizers, gloves, masks, disposal wipes and related PPE equipment. In total the overall financial impact to the PDA this fiscal year was relatively immaterial. However, at present there is unprecedented uncertainty surrounding the duration of the pandemic, its potential economic ramifications to our operations and or any additional governmental actions to mitigate them.

Contacting the PDA's Leadership Team

This financial report is designed to provide a general overview of PDA's finances and to demonstrate PDA's accountability for the grants that it receives. If you have questions about this report or need additional financial information, please contact Paul E. Brean, Executive Director, at 55 International Drive, Portsmouth, NH 03801 via email at p.brean@peasedev.org or by telephone at 603.433.6088. Visit the PDA website at: www.peasedev.org.

Other members of the PDA's Leadership Team, effective July 1, 2021, include:

Anthony Blenkinsop
Deputy Director/General Counsel

Captain Geno Marconi
Director - Division of Ports and Harbors

Greg Siegenthaler
Director of Information Technology

Susanne Anzalone, C.P.A.
Director of Finance

Maria Stowell, P.E.
Engineering Manager

Tanya Coppeta
Employee Relations Manager

Scott DeVito
Golf Course General Manager

PEASE DEVELOPMENT AUTHORITY
(A Component Unit of the State of New Hampshire)
STATEMENTS OF NET POSITION
June 30, 2021 and 2020

	<u>2021</u>	<u>2020</u>
ASSETS		
Current Assets:		
Cash and Cash Equivalents	\$ 4,530,945	\$ 5,237,836
Accounts and Grants Receivable - Net	9,814,312	8,942,292
Other Current Assets	571,999	502,452
Total Current Assets	<u>14,917,256</u>	<u>14,682,580</u>
Restricted Assets:		
Cash and Cash Equivalents	549,963	446,969
Loans and Accounts Receivable - Net	1,020,970	1,015,030
Total Restricted Assets	<u>1,570,933</u>	<u>1,461,999</u>
Capital Assets	96,350,077	75,532,293
Total Assets	<u>112,838,266</u>	<u>91,676,872</u>
DEFERRED OUTFLOWS OF RESOURCES		
Other Postemployment Benefits	2,193,378	558,601
Pension	2,008,286	691,375
Total Deferred Outflows of Resources	<u>4,201,664</u>	<u>1,249,976</u>
LIABILITIES		
Current Liabilities:		
Accounts Payable and Accrued Expenses	9,598,671	2,214,175
Accounts Payable for Capital Assets	3,858,399	7,684,817
Unearned Revenues	690,183	713,480
Current Portion of Noncurrent Liabilities	-	-
Total Current Liabilities	<u>14,147,253</u>	<u>10,612,472</u>
Noncurrent Liabilities:		
Other Postemployment Benefits	8,041,994	5,630,108
Net Pension Liability	6,170,435	4,197,804
Other Noncurrent Liabilities	436,055	533,610
Total Noncurrent Liabilities	<u>14,648,484</u>	<u>10,361,522</u>
Total Liabilities	<u>28,795,737</u>	<u>20,973,994</u>
DEFERRED INFLOWS OF RESOURCES		
Other Postemployment Benefits	2,546,921	3,484,546
Pension	360,975	604,714
Total Deferred Inflows of Resources	<u>2,907,896</u>	<u>4,089,260</u>
NET POSITION		
Net Investment in Capital Assets	92,491,678	67,847,476
Restricted For:		
Revolving Loan Fishery Fund	1,242,596	1,217,830
Harbor Dredging and Pier Maintenance	57,953	-
Foreign Trade Zone	7,905	6,768
Unrestricted	(8,463,835)	(1,208,480)
Total Net Position	<u>\$ 85,336,297</u>	<u>\$ 67,863,594</u>

See accompanying notes to financial statements.

PEASE DEVELOPMENT AUTHORITY
(A Component Unit of the State of New Hampshire)
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
For the Years Ended June 30, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Operating Revenues		
Rental of Facilities	\$ 10,663,851	\$ 10,534,983
Fee Revenues:		
Golf Course Operations	2,843,009	1,968,036
Mooring, Dockage, Pier Usage and Boat Registrations	1,444,121	1,651,599
All Other	707,957	679,004
Total Fee Revenues	<u>4,995,087</u>	<u>4,298,639</u>
Fuel Sales	416,534	423,284
Concession and Other Miscellaneous	1,074,011	1,072,558
Total Operating Revenues	<u>17,149,483</u>	<u>16,329,464</u>
Operating Expenses		
Personnel Services and Benefits	7,635,363	7,083,369
Depreciation	5,833,557	5,112,337
Building and Facilities Maintenance	7,771,504	2,737,729
General and Administrative	918,227	895,526
Utilities	814,854	773,362
Professional Services	629,749	600,044
All Other	825,582	706,054
Total Operating Expenses	<u>24,428,836</u>	<u>17,908,421</u>
Operating Loss	<u>(7,279,353)</u>	<u>(1,578,957)</u>
Nonoperating Income (Expense)		
State of New Hampshire appropriations	6,085,643	679,760
Coronavirus Aid, Relief, and Economic Security (CARES) Act	1,569,065	1,514,684
Interest Income	9,998	68,654
Interest Expense	(72,920)	(2,830)
(Loss) Gain on Disposition of Capital Assets	(2,537)	79,260
Net Nonoperating Income	<u>7,589,249</u>	<u>2,339,528</u>
Gain Before Contributed Capital	309,896	760,571
Contributed Capital	17,162,807	8,883,732
Change in Net Position	17,472,703	9,644,303
Net Position at Beginning of Year	<u>67,863,594</u>	<u>58,219,291</u>
Net Position at End of Year	<u>\$ 85,336,297</u>	<u>\$ 67,863,594</u>

See accompanying notes to financial statements.

PEASE DEVELOPMENT AUTHORITY
(A Component Unit of the State of New Hampshire)
STATEMENTS OF CASH FLOWS
For the Years Ended June 30, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Cash Flows From Operating Activities		
Cash Received from Customers	\$ 16,880,837	\$ 16,784,220
Cash Payments to Personnel for Services and Benefits	(7,383,899)	(7,749,616)
Cash Payments to Suppliers of Goods and Services	(3,742,400)	(5,600,905)
Net Cash Provided by Operating Activities	<u>5,754,408</u>	<u>3,433,699</u>
Cash Flows From Noncapital Financing Activities		
State Appropriations	52,500	679,760
CARES Act Funding Cash Received	<u>3,066,883</u>	<u>-</u>
Net Cash Provided by Noncapital Financing Activities	<u>3,119,383</u>	<u>679,760</u>
Cash Flows From Capital and Related Financing Activities		
Contributed Capital Received	21,065,520	2,327,006
Acquisition of Capital Assets	(30,480,296)	(8,938,064)
Proceeds from the Sale of Capital Assets	-	104,892
Interest Paid on Capital Debt	(72,910)	(2,830)
Repayment of Long-Term Liabilities	<u>-</u>	<u>(116,290)</u>
Net Cash Used by Capital and Related Financing Activities	<u>(9,487,686)</u>	<u>(6,625,286)</u>
Cash Flows From Investing Activities		
Interest Income Received	<u>9,998</u>	<u>68,654</u>
(Decrease) / Increase in Cash and Cash Equivalents	(603,897)	(2,443,173)
Cash and Cash Equivalents - Beginning of Year	<u>5,684,805</u>	<u>8,127,978</u>
Cash and Cash Equivalents - End of Year	<u>\$ 5,080,908</u>	<u>\$ 5,684,805</u>

See accompanying notes to financial statements.

PEASE DEVELOPMENT AUTHORITY
(A Component Unit of the State of New Hampshire)
STATEMENTS OF CASH FLOWS (CONCLUDED)
For the Years Ended June 30, 2021 and 2020

	2021	2020
Reconciliation of Operating Loss to Net Cash (Used) / Provided by Operating Activities		
Operating Loss	\$ (7,279,353)	\$ (1,578,957)
Adjustments to Reconcile Operating Loss to Net Cash (Used) / Provided by Operating Activities		
Depreciation	5,833,557	5,112,337
Compensated Absences - Net	(6,631)	4,669
Changes in Operating Assets, Deferred Outflows of Resources, Liabilities and Deferred Inflows of Resources:		
Accounts Receivable	(245,349)	314,588
Other Assets	(69,556)	83,835
Deferred Outflows of Resources - OPEB	(1,634,777)	119,325
Deferred Outflows of Resources - Pension	(1,316,911)	194,538
Accounts Payable and Accrued Expenses	7,384,496	114,230
Unearned Revenues	(23,297)	140,168
Retiree Health Benefit Program	(90,924)	(90,924)
Other Postemployment Benefits (OPEB)	2,411,886	(1,661,773)
Net Pension Liability	1,972,631	(186,588)
Deferred Inflows of Resources - OPEB	(937,625)	891,032
Deferred Inflows of Resources - Pension	(243,739)	(22,781)
Net Cash Provided by Operating Activities	\$ 5,754,408	\$ 3,433,699
Reconciliation of Noncash Activity:		
Contributed Capital Income	\$ 17,162,807	\$ 8,883,732
Less: Grants Receivable as of End of Year	(2,907,742)	(6,810,455)
Add: Grants Receivable as of Prior Year End	6,810,455	253,729
Contributed Capital Received	\$ 21,065,520	\$ 2,327,006
Acquisition of Capital Assets	\$ 26,653,878	\$ 16,103,156
Less: Accounts Payable and Accrued Expenses as of End of Year	(3,858,399)	(7,684,817)
Add: Payments on Short-Term Trade Accounts to Finance Acquisitions of Capital Assets	7,684,817	519,725
Payments for the Acquisition of Capital Assets	\$ 30,480,296	\$ 8,938,064

See accompanying notes to financial statements.

PEASE DEVELOPMENT AUTHORITY
(A Component Unit of the State of New Hampshire)

NOTES TO FINANCIAL STATEMENTS
June 30, 2021 and 2020

1. Reporting Entity

The Pease Development Authority ("PDA"), a component unit of the State of New Hampshire (the "State"), is the successor entity to the Pease Redevelopment Commission ("PRC"). The PRC was created on March 21, 1989 by an act of the General Court of the State. The mandate of the PRC was to prepare a comprehensive plan for the conversion and redevelopment of Pease Air Force Base. The guiding principles of the plan were job creation, fiscal viability, economic development, and environmental quality.

Effective June 1, 1990, the PRC was dissolved and PDA was established as its successor with the goals of converting and redeveloping the Pease International Tradeport ("Tradeport"). PDA is a component unit of the State and is discretely presented in the Comprehensive Annual Financial Report of the State.

PDA is a body corporate and politic with a governing body of seven members. The Governor and State legislative leadership appoint four members, the City of Portsmouth ("COP") appoints one member, the Town of Newington appoints one member and the Towns of Newington and Greenland jointly appoint one member.

Pursuant to Chapter 290, Laws of 2001, the New Hampshire State Port Authority ("Port"), a former agency of the primary State government, was transferred to PDA effective July 1, 2001. In doing so, the State authorized the transfer of functions, powers and duties of the Port to PDA, acting through the Division of Ports and Harbors ("PDA-DPH"). The PDA-DPH is charged with the responsibility to: 1) plan for the maintenance and development of the ports, harbors and navigable tidal rivers of the State; 2) foster and stimulate commerce and the shipment of freight; 3) aid in the development of salt water fisheries and associated industries; 4) cooperate with any federal agencies or departments in planning the maintenance, development, and use of the State ports, harbors, and navigable tidal rivers; and 5) plan, develop, maintain, use and operate land transportation facilities within a 15 mile radius of the PDA-DPH headquarters in Portsmouth, New Hampshire.

As a result of the transfer of the Port to PDA, the Harbor Dredging and Pier Maintenance Fund was transferred to PDA. This fund was set up for the purposes of initiating and implementing harbor dredging projects and maintaining public piers. On July 1, 2001, also as a result of the transfer of the Port to the PDA, the Revolving Loan Fishery Fund was transferred to the PDA. The Revolving Loan Fishery Fund was established in July 1994 by the Port through a Federal Economic Development Administration grant in the amount of \$810,000. The grant funds and related interest earned thereon provide a revolving loan fund to offer direct assistance to the fishing industry and to aid in the creation of economic opportunities within the industry.

Pursuant to Chapter 356, Laws of 2008, House Bill 65 was enacted by the State Legislature on July 11, 2008. The bill: 1) provides that service of non-classified employees of PDA shall be credited as continuous State service for all purposes; 2) makes PDA fund a non-lapsing fund for the benefit of PDA-DPH; 3) requires a biennial report of the PDA-DPH; and 4) repeals provisions relative to coordination with the Department of Resources and Economic Development, reports on economic development programs and the Harbor Management Fund.

PEASE DEVELOPMENT AUTHORITY
(A Component Unit of the State of New Hampshire)

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
June 30, 2021 and 2020

1. Reporting Entity (concluded)

On May 12, 2008, the State, through House Bill 1168-FN-LOCAL, passed legislation that required the New Hampshire Department of Transportation ("NHDOT") to negotiate a lease, which became effective November 1, 2008, with PDA for the operation of Skyhaven Airport ("DAW") located in Rochester, New Hampshire. With the passage of Chapter 113, Laws of 2009, enacted on June 22, 2009, the NHDOT was directed to convey ownership of DAW to PDA. The law required that PDA accept ownership of, manage and operate DAW, and act as the official Airport owner, operator, and sponsor. PDA accepted this transfer of ownership, from and after July 1, 2009 with no liability relative to any regulatory matters or causes of action arising prior to November 1, 2008.

2. Summary of Significant Accounting Policies

Basis of Accounting

The accompanying financial statements of PDA were prepared in accordance with U.S. Generally Accepted Accounting Principles ("U.S. GAAP") and as prescribed by the Governmental Accounting Standards Board ("GASB"), which is the primary standard-setting body for establishing governmental accounting and financial reporting principles. PDA uses enterprise fund reporting, which uses the economic resources measurement focus and the accrual basis of accounting.

Cash and Cash Equivalents

Cash and cash equivalents, for purposes of the Statements of Cash Flows, include cash which is either held in demand deposit or short-term money market accounts, and highly liquid savings deposits and investments with original maturities less than three months from the date acquired.

PDA maintains its cash in bank deposit accounts which, at times, may exceed federally insured limits. PDA has not experienced any losses in such accounts. Management believes it is not exposed to any significant risk on cash and cash equivalents.

Loans and Accounts Receivable

Loans and accounts receivable are carried at cost, less an allowance for doubtful accounts. Receivable balances also include outstanding loans from the Revolving Loan Fishery Fund, including principal plus accrued interest. Management provides an allowance for doubtful accounts based on an analysis of accounts that are delinquent based on payment terms. Accounts are written off when deemed uncollectible.

Capital Assets

Land, equipment, and buildings and facilities improvements are stated at cost. Depreciation is computed using a straight-line method over the estimated useful lives of the assets, which is principally five to thirty-five years. Capital asset acquisitions that equal or exceed \$5,000 are capitalized. The cost of maintenance and repairs is charged against income as incurred, while significant renewals and betterments are capitalized. Capital assets are depreciated using the straight-line method over the following useful lives:

<u>Capital Asset</u>	<u>Years</u>
Buildings	35
Facilities Improvements	20
Equipment	5

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2. Summary of Significant Accounting Policies (continued)

Compensated Absences

Employees are granted sick and vacation leave in varying amounts. Upon retirement, termination, or death, certain employees are compensated for unused sick and vacation leave (subject to certain limitations) at their then current rates of pay. The liability for vacation leave is based on the amount earned but not used; for sick leave, it is an estimated amount based on the amount accumulated at the balance sheet date that would be paid upon retirement. The liability for sick leave is reflected within noncurrent liabilities while vacation leave is included in accounts payable and accrued expenses. The calculation is based on the salary rates in effect as of the date of the statements of net position.

Unearned Revenues

Unearned revenues include advance greens fees for the golf course, which are based upon a percentage allocation of the total days the course expects to operate. In addition, unearned revenues are recorded for mooring permits for the harbors and tidal waters and are based on the expiration date of the permit. Rental income received in advance is also classified as unearned revenues.

Net Pension Liability

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the New Hampshire Retirement System ("NHRS") and additions to/deductions from the NHRS's fiduciary net position has been determined on the same basis as it is reported by the NHRS.

Other Postemployment Benefits

For the purposes of measuring the net liability, deferred outflows of resources and deferred inflows of resources related to other postemployment benefits ("OPEB"), and OPEB expense, information about the fiduciary net position of the NHRS OPEB Plan and the State of New Hampshire OPEB Plan ("the State OPEB Plan") has been determined on the same basis as they are reported by NHRS and the State OPEB Plan.

Net Position

Net position is presented in the following categories:

- *Net investment in capital assets* represents capital assets, net of long- and short-term debt that relates to the purchase of those assets.
- *Restricted for specific purpose* represents amounts that are expendable but whose use is subject to an externally imposed restriction.
- *Unrestricted* represents the remaining balance of net position after the above net position categories have been determined.

When an expense is incurred for purposes for which both restricted and unrestricted net position are available, management applies unrestricted net position first, unless a determination is made to use restricted net position. PDA's policy concerning which to apply first varies with the intended use and legal requirements. Management typically makes this decision on a transactional basis at the incurrence of the expenditure.

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NOTES TO FINANCIAL STATEMENTS (CONTINUED)
June 30, 2021 and 2020

2. Summary of Significant Accounting Policies (concluded)

Revenue Recognition

Income from rental of facilities is recognized over the term of the lease net of provisions for uncollectible accounts. Various other revenues are recorded when earned which is generally when the related services are performed.

Operating and Nonoperating Income and Expenses

PDA distinguishes between operating revenues and expenses from nonoperating items in the preparation of its financial statements. PDA's principal operating revenues result from charges to tenants for the lease or license of property, providing services, and delivering goods.

Operating expenses for PDA include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting these definitions are reported as nonoperating income.

Contributed Capital and Grants

Federal grants, received on a reimbursement basis, are recorded as contributed capital when the related expenditures are capital related. Non-capital related grants consist of funds from the Coronavirus Aid, Relief, and Economic Security Act ("CARES Act") and are recognized on the statements of revenues, expenses and changes in net position as nonoperating income.

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

3. Cash and Cash Equivalents

Custodial Credit Risk

Custodial credit risk is the risk that in the event of a bank failure, PDA's deposits may not be returned to it. Revised Statute Annotated (RSA) 12-G: 8 (XIII) empowers PDA to invest and reinvest its funds and take and hold property as security for the payment of funds so invested. PDA's investment policy is more restrictive than applicable New Hampshire law in that it restricts investments to the following: New Hampshire public deposit investment pool, federal agency securities, repurchase agreements, commercial paper, money market funds, and certificates of deposit. PDA's policy does not explicitly address custodial credit risk.

As of June 30, 2021 and 2020, substantially all of PDA's cash and equivalents were insured by the Federal Deposit Insurance Corporation and the Depositors Insurance Fund.

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NOTES TO FINANCIAL STATEMENTS (CONTINUED)
June 30, 2021 and 2020

4. Current Accounts and Grants Receivable - Net

Current accounts and grants receivable - net was represented by the following at June 30:

	2021	2020
Intergovernmental	\$ 8,940,885	\$ 8,325,139
Tenants and Other	879,927	623,653
Allowance for Doubtful Accounts	(6,500)	(6,500)
	\$ 9,814,312	\$ 8,942,292

5. Other Current Assets

Other current assets was represented by the following at June 30:

	2021	2020
Inventories	\$ 311,762	\$ 307,232
Prepaid Insurance	195,415	148,133
All Other	64,822	47,087
	\$ 571,999	\$ 502,452

6. Restricted Cash and Cash Equivalents

Restricted cash and cash equivalents was represented by the following at June 30:

	2021	2020
Harbor Dredging and Pier Maintenance	\$ 317,326	\$ 233,443
Revolving Loan Fishery Fund	224,733	206,758
Foreign Trade Zone	7,904	6,768
	\$ 549,963	\$ 446,969

7. Restricted Loans and Accounts Receivable

Restricted loans and accounts receivable was represented by the following at June 30:

	2021	2020
Revolving Loan Fishery Fund		
Due Within One Year	\$ 105,249	\$ 81,576
Due in More Than One Year	913,947	929,755
Tenants	1,774	3,699
	\$ 1,020,970	\$ 1,015,030

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NOTES TO FINANCIAL STATEMENTS (CONTINUED)
June 30, 2021 and 2020

8. Capital Assets

Capital asset activity for the year ended June 30, 2021 was as follows:

	Balance July 1, 2020	Additions	Disposals	Transfers	Balance June 30, 2021
Land	\$ 7,520,786	\$ -	\$ -	\$ -	\$ 7,520,786
Buildings and Facilities Improvements	151,239,167	-	(42,604)	35,413,688	186,610,251
Equipment	15,465,539	-	-	425,870	15,891,409
Construction in Process	<u>15,467,029</u>	<u>26,653,878</u>	<u>-</u>	<u>(35,839,558)</u>	<u>6,281,349</u>
	189,692,521	26,653,878	(42,604)	-	216,303,795
Less Accumulated Depreciation	(114,160,228)	(5,833,557)	40,067	-	(119,953,718)
	<u>\$ 75,532,293</u>	<u>\$ 20,820,321</u>	<u>\$ (2,537)</u>	<u>\$ -</u>	<u>\$ 96,350,077</u>

Capital asset activity for the year ended June 30, 2020 was as follows:

	Balance July 1, 2019	Additions	Disposals	Transfers	Balance June 30, 2020
Land	\$ 7,520,786	\$ -	\$ -	\$ -	\$ 7,520,786
Buildings and Facilities Improvements	147,437,778	-	(115,740)	3,917,129	151,239,167
Equipment	15,491,506	-	(181,059)	155,092	15,465,539
Construction in Process	<u>3,320,353</u>	<u>16,218,897</u>	<u>-</u>	<u>(4,072,221)</u>	<u>15,467,029</u>
	173,770,423	16,218,897	(296,799)	-	189,692,521
Less Accumulated Depreciation	(109,203,317)	(5,112,337)	155,426	-	(114,160,228)
	<u>\$ 64,567,106</u>	<u>\$ 11,106,560</u>	<u>\$ (141,373)</u>	<u>\$ -</u>	<u>\$ 75,532,293</u>

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NOTES TO FINANCIAL STATEMENTS (CONTINUED)
June 30, 2021 and 2020

9. Unearned Revenues

Unearned revenues (which are recognized when cash, receivables or other assets are recorded prior to their being earned) consisted of the following at June 30:

	2021	2020
Mooring Permits	\$ 350,461	\$ 309,205
Golf Course Membership Fees	253,212	277,033
All Other	86,510	127,242
	\$ 690,183	\$ 713,480

Mooring permits and golf course membership fees are collected primarily during the months of January through March and amortized ratably over the corresponding seasons.

10. Revolving Line of Credit Facility

PDA currently has a \$15,000,000 unsecured Revolving Line of Credit Facility ("RLOC") secured through The Provident Bank, which matures December 31, 2022. The terms of the RLOC provide that a) the loan shall bear interest at a per annum rate equal to the thirty (30) day Federal Home Loan Bank rate plus 250 basis points; and b) PDA shall maintain various covenants that are to be reported on an annual basis. The proceeds of any draw on the RLOC are to be used for general working capital purposes of PDA and cash flow needs for capital projects. There were no amounts outstanding on this RLOC as of June 30, 2021 and 2020.

11. Due to City of Portsmouth – Waste Water Treatment Facility

In December 2000, the State Water Pollution Control Revolving Fund program's debt outstanding of \$6,586,836 was assigned to COP. A supplemental loan agreement was entered into between the State Water Pollution Control Revolving Fund program and COP in order to finance the construction of the wastewater treatment plant upgrade. In conjunction with the assignment of the debt to COP, a similar portion of the leasehold improvement for the wastewater treatment facility was also transferred to COP. PDA agreed to pay an amount totaling \$2,457,002 to COP. Annual payments plus interest at 4.464% are payable through 2020. As of June 30, 2020, the liability has been paid in full.

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NOTES TO FINANCIAL STATEMENTS (CONTINUED)
June 30, 2021 and 2020

12. Changes in Long-Term Liabilities

Long-term liability activity for the year ended June 30, 2021 was as follows:

	Balance June 30, 2020	Additions	Reductions	Balance June 30, 2021	Due in One Year
Other Postemployment Benefits	\$ 5,630,108	\$ 2,411,886	\$ -	\$ 8,041,994	\$190,000
Net Pension Liability	4,197,804	1,972,631		6,170,435	\$500,000
Retiree Health Benefit Program	181,848	-	(90,924)	90,924	-
State of New Hampshire Account Payable	252,250	-	-	252,250	-
Compensated Absences-Net	99,512		(6,631)	92,881	-
	\$ 10,361,522	\$ 4,384,517	\$ (97,555)	\$ 14,648,484	\$690,000

Long-term liability activity for the year ended June 30, 2020 was as follows:

	Balance June 30, 2019	Additions	Reductions	Balance June 30, 2020	Due in One Year
Other Postemployment Benefits	\$ 7,291,881	\$ -	\$ (1,661,773)	\$ 5,630,108	\$133,113
Net Pension Liability	4,384,392	-	(186,588)	4,197,804	499,733
Retiree Health Benefit Program	272,772	-	(90,924)	181,848	-
State of New Hampshire Account Payable	252,250	-	-	252,250	-
City of Portsmouth - Waste Water Treatment Facility	116,290	-	(116,290)	-	-
Compensated Absences-Net	94,843	4,669	-	99,512	-
	\$ 12,412,428	\$ 4,669	\$ (2,055,575)	\$ 10,361,522	\$632,846

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**NOTES TO FINANCIAL STATEMENTS (CONTINUED)
June 30, 2021 and 2020**

13. Other Noncurrent Liabilities

Other noncurrent liabilities were represented by the following at June 30:

	2021	2020
Retiree Health Benefit Program	\$ 90,924	\$ 181,848
State of New Hampshire – Account Payable	252,250	252,250
Compensated Absences – Net	92,881	99,512
	\$ 436,055	\$ 533,610

14. Rental of Facilities

PDA has leasing arrangements with various parties for the rental of land, buildings, and airplane hangars. Rentals are generally based upon set rental fees with additional payments based upon gallons of fuel sold or dispensed, ramp parking fees per aircraft, and concession fees based upon a stated percentage of car rentals. Lease arrangements are primarily for periods ranging from one to forty-two years. These leases meet the criteria for classification as operating leases. PDA-DPH has leases, licenses, and other arrangements with various parties for the use of land, warehouse, and storage facilities.

At June 30, 2021, the projected minimum future revenue from noncancelable rental agreements is approximately:

Year	Amount
2022	\$ 9,816,000
2023	9,270,000
2024	9,022,000
2025	8,423,000
2026	7,108,000
Thereafter	166,868,000
	\$ 210,507,000

15. Municipal Service Fees

Effective July 1, 1998, PDA entered into an amended municipal services agreement with COP and the Town of Newington to provide various municipal services, including police, fire, and public works at the Tradeport. This agreement specifies that PDA, through its tenant's payments, shall pay COP a fee for the cost of services equal to the amount that would have been paid annually as *ad valorem* taxes, excluding any school tax component in respect to such property within the Airport District. COP is responsible for service costs owed to the Town of Newington. This agreement excludes, as part of the allocated area, the space occupied by PDA and any space for public use in the PSM Terminal. The agreement includes completed facilities other than PDA's golf course or airport terminals within the Airport District operated by PDA for public or other use. This agreement shall continue to be in force until one of the parties terminates the agreement in writing.

Any tenant located outside the Airport District, unless otherwise exempt from taxation, shall pay to COP a payment in lieu of taxes in accordance with the provisions of the New Hampshire law.

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NOTES TO FINANCIAL STATEMENTS (CONTINUED)
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16. Airport Joint Use Agreement

The Department of the Air Force and PDA are parties to an Airport Joint Use Agreement ("Agreement") regarding the required use of the airport facilities at the Tradeport by the New Hampshire Air National Guard as well as for other occasional government aircraft. Subject to the terms and conditions of the Agreement, the federal government has the use of the airport facilities in common with other users of the airport together with all necessary and conventional rights of ingress and egress to and from the related facilities located at the airport.

The federal government is responsible for the functions detailed in the Agreement, including, but not limited to, the following: air traffic control services, aircraft fire protection and crash rescue. PDA is responsible for certain services and functions, including, but not limited to, the following: maintenance of certain facilities, utilities, and other related services in connection with maintaining an airport facility in accordance with Federal Aviation Administration (FAA) requirements. The current Agreement, which expired on September 30, 2018, is currently under review by both parties.

17. Risk Management

PDA is exposed to various risks of loss at the Tradeport and DAW related to torts; theft of, damage to and destruction of assets; and natural disaster for which the PDA carries insurance.

PDA has a comprehensive airport liability insurance policy that will provide coverage generally up to \$50,000,000 for each occurrence and in the aggregate in any one annual period of insurance. Other insurance coverage includes automotive, crime, employment practices, fire, general liability, pollution, theft, and workers' compensation. Settlements did not exceed coverage amounts during fiscal years 2021 and 2020.

In addition to purchasing insurance coverages, PDA maintains a risk transfer program. The PDA's agreements and leases include requirements to provide insurance coverage and coverage provisions, which include: 1) naming PDA as an additional insured; 2) naming PDA as loss payee on property coverage; 3) a waiver of subrogation; and 4) providing that such coverages be primary and non-contributing with respect to coverage PDA maintains.

18. Defined Benefit Pension Plan

Plan Description

PDA participates in the NHRS, which, as governed by RSA 100-A, is a cost-sharing multiple-employer contributory public employee defined benefit pension plan qualified under section 401(a) of the Internal Revenue Code ("Code") and funded through a trust, which is exempt from tax under Code section 501(a). NHRS is a contributory, defined benefit plan providing service, disability, death and vested retirement benefits to members and their beneficiaries. NHRS retired members receive a lifetime pension. Substantially all full-time state employees, public school teachers and administrators, permanent firefighters and permanent police officers within the State are eligible to participate in NHRS. RSA 100-A specifies the benefit terms provided to the members of NHRS.

Although benefits are funded by member contributions, employer contributions and trust fund assets, NHRS computes benefits on the basis of members' Average Final Compensation ("AFC") and years of creditable service. Unlike a defined contribution plan, NHRS benefits provided to members are not dependent upon the amount of contributions paid into NHRS or the investment return on trust assets.

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NOTES TO FINANCIAL STATEMENTS (CONTINUED)
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18. Defined Benefit Pension Plan (continued)

To qualify for a normal service retirement, members must have attained the age of 60 years old. However, a member who commenced service on or after July 1, 2011 shall not receive a service retirement allowance until attaining the age of 65. The member may receive a reduced allowance after age 60 if the member has at least 30 years of creditable service. The allowance shall be reduced based on a formula, for each month by which the date on which benefits commence precedes the month after which the member attains 65 years of age, by $\frac{1}{4}$ of one percent.

For members retiring prior to the age of 65, the yearly pension amount is 1.67% of AFC, multiplied by years of creditable service. For members retiring at 65 or older, the yearly pension amount is 1.52% of AFC, multiplied by years of creditable service. For members vested prior to January 1, 2012, AFC is based on the highest three years of creditable service. For members not vested prior to January 1, 2012, or hired on or after July 1, 2011, AFC is based on a member's highest five years of creditable service. At age 65, the yearly pension amount is recalculated with an appropriate graduated reduction based on years and months of creditable service that the member has at the time of retirement.

Contributions Required and Made

The Retirement Plan is financed by contributions from the members, PDA, and investment earnings. Contributions required to cover that amount of cost not met by the members' contributions are determined by a biennial actuarial valuation by the Retirement Plan's actuary. By statute, the Board of Trustees of NHRS administers the plan and is responsible for the certification of employer and member contribution rates.

Commencing July 1, 2011, all Group I employees are responsible to accrue contributions at 7.00% while Group II (Police) employees accrue contributions at a rate of 11.55%. In terms of the employer share of contributions made to the Retirement Plan, the pension contribution rate for Group I employees was 10.88% for the two-year period ended June 30, 2021. Effective July 1, 2021, the employer share was increased to 13.75% and will remain fixed through June 30, 2023. For Group II employees, effective July 1, 2019, the contribution rate was 24.77% and remained fixed through June 30, 2021. Effective July 1, 2021, the contribution rate increased to 30.67% and will remain fixed through June 30, 2023.

For the years ended June 30, 2021 and 2020, contributions to NHRS were \$499,733 and \$489,081, respectively.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2021, PDA reported a liability of \$6,170,435 for its proportionate share of the net pension liability. The net pension liability is based on an actuarial valuation performed as of June 30, 2019 and a measurement date of June 30, 2020. The net pension liability was rolled forward from June 30, 2019 to June 30, 2020. PDA's proportion of the net pension liability was based on a projection of PDA's long-term share of contributions to NHRS relative to the projected contributions of all participating employers as actuarially determined. At June 30, 2020, PDA's proportion of the net pension liability was 0.0965%.

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NOTES TO FINANCIAL STATEMENTS (CONTINUED)
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18. Defined Benefit Pension Plan (continued)

At June 30, 2020, PDA reported a liability of \$4,197,804 for its proportionate share of the net pension liability. The net pension liability is based on an actuarial valuation performed as of June 30, 2018 and a measurement date of June 30, 2019. The net pension liability was rolled forward from June 30, 2018 to June 30, 2019. PDA's proportion of the net pension liability was based on a projection of the PDA's long-term share of contributions to NHRS relative to the projected contributions of all participating employers as actuarially determined. At June 30, 2019, PDA's proportion of the net pension liability was 0.0872%.

For the years ended June 30, 2021 and 2020, PDA recognized pension expense of \$911,714 and \$474,250, respectively.

At June 30, 2021, PDA reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Net differences between projected and actual investment earnings on pension plan investments	\$ 381,648	\$ -
Changes in assumptions	610,378	-
Differences between expected and actual experience	166,632	66,253
Changes in proportion and differences between employer contributions and share of contributions	349,895	294,722
Contributions subsequent to the measurement date	499,733	-
	\$ 2,008,286	\$ 360,975

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NOTES TO FINANCIAL STATEMENTS (CONTINUED)
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18. Defined Benefit Pension Plan (continued)

At June 30, 2020, PDA reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Net differences between projected and actual investment earnings on pension plan investments	\$ -	\$ 90,265
Changes in assumptions	150,616	-
Differences between expected and actual experience	23,210	34,290
Changes in proportion and differences between employer contributions and share of contributions	28,468	480,159
Contributions subsequent to the measurement date	489,081	-
	\$ 691,375	\$ 604,714

Amounts reported as deferred outflows related to pensions resulting from PDA contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30	Amount
2022	\$ 146,324
2023	263,641
2024	368,660
2025	368,953
	\$ 1,147,578

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**NOTES TO FINANCIAL STATEMENTS (CONTINUED)
June 30, 2021 and 2020**

18. Defined Benefit Pension Plan (continued)

Actuarial Assumptions

The collective total pension liability at June 30, 2021 was determined by a roll forward of the actuarial valuation as of June 30, 2020, using the following actuarial assumptions, which apply to 2019 measurements:

Actuarial cost method	Entry-Age Normal
Amortization method	Level Percentage-of-Payroll, Closed
Remaining amortization period	20 years beginning July 1, 2019 (30 years beginning July 1, 2009)
Asset Valuation Method	5 Year smoothed market for funding purposes; 20% corridor
Investment Rate of Return	6.75% net of pension plan investment expense, including inflation; 7.25% for the 2019 valuation
Salary Rate Increase	5.60% average, including inflation
Price Inflation	2.00%; 2.50% for the 2019 valuation
Wage Inflation	2.75%; 3.25% for the 2019 valuation

Mortality rates used in the June 30, 2020 valuation were based on the Pub-2010 Healthy Retiree Mortality Tables with credibility adjustments for each group (Police and Fire combined) and projected fully generational mortality improvements using Scale MP-2019, based on the results of the most recent actuarial experience study, which was for the period of July 1, 2016 - June 30, 2019.

Mortality rates used in the June 30, 2019 valuation were based on the RP-2014 employee generational mortality tables for males and females, adjusted for mortality improvements using Scale MP-2015, based on the last experience study at the time, which was for the period of July 1, 2010 - June 30, 2015.

The actuarial assumptions for contributions made in the years ended June 30, 2020 and June 30, 2019 can be found in the June 30, 2017 actuarial valuation report.

Long-Term Rates of Return

The long-term expected rate of return on pension plan investments was selected from a best estimate range determined using the building block approach. Under this method, an expected future real return range is calculated separately for each asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return net of investment expenses by the target asset allocation percentage and by adding expected inflation.

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NOTES TO FINANCIAL STATEMENTS (CONTINUED)
June 30, 2021 and 2020

18. Defined Benefit Pension Plan (continued)

Following is a table presenting target allocations and the geometric real rates of return for each asset class:

Asset Class	Target Allocation 2019	Target Allocation 2020	Weighted Average Long-Term Expected Real Rate of Return	
			2019	2020
Large Cap Equities	22.50%	22.50%	4.25%	3.71%
Small/Mid Cap Equities	<u>7.50</u>	<u>7.50</u>	4.50	4.15
Total Domestic Equity	<u>30.00</u>	<u>30.00</u>		
International Equities (Unhedged)	13.00	13.00	4.50	3.96
Emerging International Equities	<u>7.00</u>	<u>7.00</u>	6.00	6.20
Total International Equity	<u>20.00</u>	<u>20.00</u>		
Core Bonds	9.00	9.00	1.12	0.42
Global Multi-Sector Fixed Income	10.00	10.00	2.46	1.66
Absolute Return Fixed Income	<u>6.00</u>	<u>6.00</u>	1.50	0.92
Total Fixed Income	<u>25.00</u>	<u>25.00</u>		
Private Equity	10.00	10.00	7.90	7.71
Private Debt	<u>5.00</u>	<u>5.00</u>	4.86	4.81
	<u>15.00</u>	<u>15.00</u>		
Real Estate	<u>10.00</u>	<u>10.00</u>	3.00	2.95
	<u>100.00%</u>	<u>100.00%</u>		

Discount Rate

The discount rate used to measure the total pension liability was 6.75% for the 2020 valuation and 7.25% for the 2019 valuation. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. For purposes of the projection, member contributions and employer service cost contributions are projected based on the expected payroll of current members only. Employer contributions are determined based on the pension plan's actuarial funding policy and as required by RSA 100-A:16. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments to current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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NOTES TO FINANCIAL STATEMENTS (CONTINUED)
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18. Defined Benefit Pension Plan (concluded)

Sensitivity Analysis

The following presents PDA's proportionate share of the net pension liability calculated using the discount rate of 6.75%, as well as what PDA's proportionate share of the pension liability would be if it were calculated using a discount rate that is one-percentage-point lower or one-percentage-point higher than the current rate:

	1% Decrease (5.75%)	Current Discount Rate (6.75%)	1% Increase (7.75%)
PDA's Proportionate Share of the Net Pension Liability	7,988,202	\$ 6,170,435	\$ 4,685,078

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued NHRS annual report available from NHRS' website at <https://www.nhrs.org>.

The pension plan's fiduciary net position has been determined on the same basis used by NHRS. NHRS's financial statements are prepared using the accrual basis of accounting. Both plan member and employer contributions are recognized in the period in which contributions are legally due. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. Investments are reported at fair value. Investments in both domestic and non-U.S. securities are valued at current market prices and expressed in U.S. dollars. NHRS uses a trade-date accounting basis for these investments. Investments in non-registered commingled funds are valued at net asset value as a practical expedient to estimate fair value.

Changes in Assumption for Purposes of Contribution Rates

On July 1, 2016, the Board of Trustees of NHRS announced a change to adopt revised actuarial assumptions based on the results of a five-year experience study conducted by the retirement systems consulting actuary. Included in these changes was the lowering of the assumed rate of return from 7.75% to 7.25%. This rate was used to set employer contribution rates for fiscal years 2019, 2020 and 2021. On June 9, 2020, the Board of Trustees voted to reduce the retirement system's investment assumptions, lowering the assumed rate of return from 7.25% to 6.75%. By statute, this valuation will determine employer contribution rates for fiscal years 2022 and 2023.

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19. Other Postemployment Benefits – New Hampshire Retirement System

Plan Description

In addition to providing pension benefits, NHRS administers a cost-sharing multiple-employer defined postemployment medical subsidy healthcare plan designated in statute (RSA 100-A:52, RSA 100-A:52a and RSA 100-A:52-b) by membership type. The membership types are Group II Police Officer and Firefighters, Group I Teachers, Group I Political Subdivision Employees and Group I State Employees. The NHRS OPEB Plan provides a medical insurance subsidy to qualified retired members. The medical subsidy is a payment made by NHRS to the former employer or their insurance administrator toward the cost of health insurance for a qualified retiree, his/her qualified spouse, and his/her certifiably dependent children with a disability who are living in the household and being cared for by the retiree. Under specific conditions, the qualified beneficiaries of members who die while in service may also be eligible for the medical subsidy. For qualified retirees not eligible for Medicare the subsidy amounts were \$375.56 for a single-person plan and \$751.12 for a two-person plan. For those qualified retirees eligible for Medicare, the amounts were \$236.84 for a single-person plan and \$473.68 for a two-person plan. There have been no increases in the monthly maximum subsidy amounts since July 1, 2007. The plan is closed to new entrants.

Substantially all of the State's employees who were hired on or before June 30, 2003 and have 10 years of service may become eligible for these benefits if they reach normal retirement age while working for the State and receive their pensions on a periodic basis rather than a lump sum. During fiscal year 2004, legislation was passed that requires State Group I employees hired on or after July 1, 2003 to have 20 years of State service in order to qualify for health coverage benefits. These and similar benefits for active employees are authorized by RSA 21-I:30 and provided through the Employee and Retiree Benefit Risk Management Fund (the "Fund"), which is the State's self-insurance fund implemented in October 2003 for active State employees and retirees.

Contributions Required and Made

The State Legislature has indicated it plans to only partially fund (on a pay-as-you-go basis) the annual required contribution ("ARC"), an actuarially determined rate.

Plan members are not required to contribute to the OPEB Plans. PDA makes annual contributions to the OPEB Plans equal to the amount required by RSA 100-a: 52. For all Group I employees, effective July 1, 2019 the annual contribution rate was decreased from 1.07% to 1.05% and remained fixed through June 30, 2021. Effective July 1, 2021, the contribution rate decreased to 0.78% and will remain fixed through June 30, 2023. For Group II employees, effective July 1, 2019 the annual contribution rate was decreased from 4.10% to 3.66% and remained fixed through June 30, 2021. Effective July 1, 2021, the contribution rate decreased to 3.21% and will remain fixed through June 30, 2023.

PDA's contributions to NHRS for the OPEB Plans for the years ended June 30, 2021 and 2020 were \$51,285 and \$50,499, respectively, which were equal to its ARC.

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19. Other Postemployment Benefits – New Hampshire Retirement System (continued)

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At June 30, 2021, PDA reported a liability of \$390,020 for its proportionate share of the net OPEB liability. The net OPEB liability is based on an actuarial valuation performed as of June 30, 2019 and a measurement date of June 30, 2020. The net OPEB liability was rolled forward from June 30, 2019 to June 30, 2020. PDA's proportion of the net OPEB liability was based on a projection of the PDA's long-term share of contributions to NHRS relative to the projected contributions of all participating employers as actuarially determined. At June 30, 2020 PDA's proportion of the net OPEB liability was 0.0891%.

At June 30, 2020, PDA reported a liability of \$352,220 for its proportionate share of the net OPEB liability. The net OPEB liability is based on an actuarial valuation performed as of June 30, 2018 and a measurement date of June 30, 2019. The net OPEB liability was rolled forward from June 30, 2018 to June 30, 2019. PDA's proportion of the net OPEB liability was based on a projection of the PDA's long-term share of contributions to NHRS relative to the projected contributions of all participating employers as actuarially determined. At June 30, 2019 PDA's proportion of the net OPEB liability was 0.0803%.

For the years ended June 30, 2021 and 2020, PDA recognized OPEB expense of \$77,880 and \$6,802, respectively.

At June 30, 2021, PDA reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Net differences between projected and actual investment earnings on OPEB plan investments	1,459	-
Changes in proportion and differences between employer contributions and share of contributions	4,783	-
Differences between expected and actual experience	-	1,130
Changes in assumptions	2,508	-
Contributions subsequent to the measurement date	51,285	-
	60,035	1,130

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19. Other Postemployment Benefits – New Hampshire Retirement System (continued)

At June 30, 2020, PDA reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Net differences between projected and actual investment earnings on OPEB plan investments	\$ -	\$ 396
Changes in proportion and differences between employer contributions and share of contributions	-	1,790
Differences between expected and actual experience	-	613
Contributions subsequent to the measurement date	50,499	-
	\$ 50,499	\$ 2,799

Amounts reported as deferred outflows related to OPEB resulting from PDA contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ending June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ended June 30	Amount
2021	\$ 6,271
2022	432
2023	515
2024	402
	\$ 7,620

Actuarial Assumptions

The collective total OPEB liability was determined by a roll forward of the actuarial valuation as of June 30, 2020, using the following actuarial assumptions, which apply to 2019 measurements:

Actuarial cost method	Entry-Age Normal
Amortization method	Level Percentage-of-Payroll, Closed
Remaining amortization period	Not applicable, under statutory funding
Investment Rate of Return	6.75% net of investment expenses, including inflation; 7.25% for the 2019 valuation
Salary Rate Increase	5.60% average, including inflation
Price Inflation	2.00% per year; 2.50% for the 2019 valuation
Wage Inflation	2.75% per year; 3.25% for the 2019 valuation
Healthcare cost trend rates	Not applicable, given the benefits are fixed stipends
Aging factors	Not applicable, given the benefits are fixed stipends

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NOTES TO FINANCIAL STATEMENTS (CONTINUED)
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19. Other Postemployment Benefits – New Hampshire Retirement System (continued)

Mortality rates used in the June 30, 2020 valuation were based on the Pub-2010 Healthy Retiree Mortality Tables with credibility adjustments for each group (Police and Fire combined) and projected fully generational mortality improvements using Scale MP-2019, based on the results of the most recent actuarial experience study, which was for the period of July 1, 2016- June 30, 2019.

Mortality rates used in the June 30, 2019 valuation were based on the RP-2014 employee generational mortality tables for males and females, adjusted for mortality improvements using Scale MP-2015, based on the last experience study at the time, which was for the period of July 1, 2010 – June 30, 2015. The actuarial assumptions for contributions made in the year ending June 30, 2020 and June 30, 2019 can be found in the June 30, 2017 actuarial valuation report.

Long-Term Rates of Return

The long-term expected rate of return on OPEB plan investments was selected from a best estimate range determined using the building block approach. Under this method, an expected future real return range is calculated separately for each asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return net of investment expenses by the target asset allocation percentage and by adding expected inflation.

Following is a table presenting target allocations and the geometric real rates of return for each asset class:

Asset Class	Target Allocation 2019	Target Allocation 2020	Weighted Average Long-Term Expected Real Rate of Return	
			2019	2020
Large Cap Equities	22.50%	22.50%	4.25%	3.71%
Small/Mid Cap Equities	<u>7.50</u>	<u>7.50</u>	4.50	4.15
Total Domestic Equity	<u>30.00</u>	<u>30.00</u>		
International Equities (Unhedged)	13.00	13.00	4.50	3.96
Emerging International Equities	<u>7.00</u>	<u>7.00</u>	6.00	6.20
Total International Equity	<u>20.00</u>	<u>20.00</u>		
Core Bonds	9.00	9.00	1.12	0.42
Global Multi-Sector Fixed Income	10.00	10.00	2.46	1.66
Absolute Return Fixed Income	<u>6.00</u>	<u>6.00</u>	1.50	0.92
Total Fixed Income	<u>25.00</u>	<u>25.00</u>		
Private Equity	10.00	10.00	7.90	7.71
Private Debt	<u>5.00</u>	<u>5.00</u>	4.86	4.81
	<u>15.00</u>	<u>15.00</u>		
Real Estate	<u>10.00</u>	<u>10.00</u>	3.00%	2.95%
	<u>100.00%</u>	<u>100.00%</u>		

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19. Other Postemployment Benefits – New Hampshire Retirement System (concluded)

Discount Rate

The discount rate used to measure the total OPEB liability was 6.75% for the 2020 valuation and 7.25% for the 2019 valuation. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made under the current statute by RSA 100-A:16. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments to current plan members. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the collective total OPEB liability.

Sensitivity Analysis

The following presents PDA's proportionate share of the net OPEB liability calculated using the discount rate of 6.75%, as well as what PDA's proportionate share of the OPEB liability would be if it were calculated using a discount rate that is one-percentage-point lower or one-percentage-point higher than the current rate:

	1% Decrease (5.75%)	Current Discount Rate (6.75%)	1% Increase (7.75%)
PDA's Proportionate Share of the Net OPEB Liability	\$ 423,521	\$ 390,020	\$ 360,935

OPEB Plan Fiduciary Net Position

Detailed information about the OPEB plan's fiduciary net position is available in the separately issued NHRS annual report available from NHRS' website at <https://www.nhrs.org>.

The OPEB plan's fiduciary net position has been determined on the same basis used by NHRS. NHRS's financial statements are prepared using the accrual basis of accounting. Both plan member and employer contributions are recognized in the period in which contributions are legally due. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. Investments are reported at fair value. Investments in both domestic and non-U.S. securities are valued at current market prices and expressed in U.S. dollars. NHRS uses a trade-date accounting basis for these investments. Investments in non-registered commingled funds are valued at net asset value as a practical expedient to estimate fair value.

Adjustment to Total OPEB Liability

The Total OPEB Liability as of June 30, 2019 has been adjusted to reflect changes in actuarial methods based on the actuarial audit. The impact has been estimated based on the June 30, 2019 actuarial valuation and included in the difference between expected and actual experience of the Total OPEB Liability on page 9. House Bill No. 616 grants a one-time adhoc COLA to certain retired members. The COLA will take effect on the retired member's first anniversary date of retirement occurring after July 1, 2020.

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20. Other Postemployment Benefits – The State of New Hampshire

Plan Description

RSA 21-I:30 specifies that the State provide certain health care benefits for retired employees and their spouses through a single-employer (primary government and component units) defined benefit plan. These benefits include group hospitalization, hospital medical care, surgical care, and other medical care. Substantially all of the State's employees who were hired on or before June 30, 2003 and have 10 years of service may become eligible for these benefits if they reach normal retirement age while working for the State and receive their pensions on a periodic basis rather than in a lump sum. During fiscal year 2004, legislation was passed that requires State Group I employees hired on or after July 1, 2003 to have 20 years of state service in order to qualify for retiree health benefits. During fiscal year 2011, legislation was passed that requires Group II employees to have 20 years of State service to qualify for retiree health benefits. Additionally, during fiscal year 2012, legislation was passed requiring Group I employees hired after July 1, 2011 to have 25 years of State service and increasing Group I and II employees hired after July 1, 2011. These and similar benefits for active employees and retirees are authorized by RSA 21-I:30 and provided through the Employee and Retiree Benefit Risk Management Fund which is the State's self-insurance internal service fund. The state OPEB Plan funds the cost of medical and prescription drug claims by charging actuarially developed working rates to State agencies for participating employees, retirees, and eligible spouses. An additional major source of funding for retiree benefits is from the NHRS medical subsidy payment described in Note 19. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. The State administers the plan. It does not issue a separate stand-alone financial report.

Contributions Required and Made

The State Legislature has indicated it currently plans to only fund the plan to cover benefit payments (on a pay-as-you-go basis). PDA's contributions to the State for the OPEB Plans for the years ended June 30, 2021 and 2020 were \$133,113 and \$111,919, respectively, which were equal to PDA's share of benefit payments.

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At June 30, 2021, PDA reported a liability of \$7,651,974 for its proportionate share of the State OPEB Plan liability. The OPEB liability is based on an actuarial valuation performed as of December 31, 2018 (adjusted forward using standard actuarial techniques), and a measurement date of June 30, 2020. The OPEB liability was rolled forward from December 31, 2018 to June 30, 2020. PDA's proportion of the OPEB liability was based on a projection of the PDA's long-term share of contributions to the State relative to the projected contributions of all participating employers as actuarially determined. At June 30, 2020, PDA's proportion of the State OPEB Plan's liability was 0.3438%.

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**NOTES TO FINANCIAL STATEMENTS (CONTINUED)
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20. Other Postemployment Benefits – The State of New Hampshire (continued)

At June 30, 2020, PDA reported a liability of \$5,277,888 for its proportionate share of the State OPEB Plan liability. The OPEB liability is based on an actuarial valuation performed as of December 31, 2018 (adjusted forward using standard actuarial techniques) and a measurement date of June 30, 2019. The OPEB liability was rolled forward from December 31, 2018 to June 30, 2019. PDA's proportion of the OPEB liability was based on a projection of the PDA's long-term share of contributions to the State relative to the projected contributions of all participating employers as actuarially determined. At June 30, 2019, PDA's proportion of the State OPEB Plan's liability was 0.2940%.

For the years ended June 30, 2021 and 2020, PDA recognized OPEB credits of \$(53,998) and \$(495,801), respectively.

At June 30, 2021, PDA reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in assumptions	\$ 985,388	\$ 1,669,126
Differences between expected and actual experience	-	101,068
Changes in proportion and differences between employer contributions and share of contributions	1,014,842	775,597
Contributions subsequent to the measurement date	133,113	-
	\$ 2,133,343	\$ 2,545,791

At June 30, 2020, PDA reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in assumptions	\$ -	\$ 2,357,669
Differences between expected and actual experience	-	89,948
Changes in proportion and differences between employer contributions and share of contributions	396,183	1,034,130
Contributions subsequent to the measurement date	111,919	-
	\$ 508,102	\$ 3,481,747

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20. Other Postemployment Benefits – The State of New Hampshire (continued)

Amounts reported as deferred outflows related to OPEB resulting from PDA contributions subsequent to the measurement date will be recognized as a reduction of the OPEB liability in the year ending June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ended June 30	Amount
2022	\$ (449,249)
2023	(449,251)
2024	(70,458)
2025	423,397
	\$ (545,561)

Actuarial Assumptions

The collective total OPEB liability was determined by a roll forward of the actuarial valuation as of December 31, 2018, using the following actuarial assumptions, which apply to 2020 measurements:

Actuarial cost method	Entry Age Normal
Amortization method	Level percent of payroll, open
Remaining amortization period	30 years
Investment Rate of Return	Not applicable as there are no invested assets
Salary Rate Increase – Group I	14.75% decreasing over 12 years to an ultimate level of 3.25%; 13.25% decreasing over 9 years to 3.75% for 2019
Salary Rate Increase – Group II	27.75% decreasing over 8 years to an ultimate level of 4.25%; 25.5% decreasing over 8 years to 4.25%
Discount rate	2.21% for the June 30, 2020 valuation; 3.50% for the June 30, 2019 valuation
Price Inflation	3.25% per year
Wage Inflation	2.75% per year; 3.25% for the June 30, 2019 valuation

Health care trend rates are based on the following:

- Medical
 - Non-Medicare: (17.05%) for one year, 17.20% for one year then 5.50% decreasing by 0.25% each year to an ultimate level of 4.5% per year. For 2019, 6.0% decreasing by 0.25% per year to 4.5% per year.
 - Medicare: (12.2%) for one year then 4.5% per year. For 2019, (12.2) for one year then 4.5% per year.

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20. Other Postemployment Benefits – The State of New Hampshire (continued)

- Prescription Drugs
 - Non-Medicare: (12.17%) for one year, 3.30% for one year then 7.50% decreasing by 0.25% each year to an ultimate level of 4.5% per year. For the 2019 valuation, 8% decreasing by 0.25% each year to 4.25% per year.
 - Medicare: 9.75% for one year, 6.20% for one year then 6.50% decreasing by 0.25% each year to an ultimate level of 4.5% per year. For the 2019 valuation, 7.0%, decreasing by 0.25% per year to 4.5% per year.
- Contributions
 - Retiree contributions for 2019 and 2020 were adjusted based on actual working rate changes and are expected to increase with a blended medical and prescription drug trend.

Mortality rates were based on the following:

- Pre-retirement – PubG-2010 Headcount-Weighted Employee General Mortality Tables for Group I and PubS-2010 Headcount-Weighted Employee Safety Mortality Tables for Group II projected generationally for males and females with scale MP-2019; RP-2014 mortality tables for the 2019 valuation.
- Postretirement:
 - Healthy: PubG-2010 Headcount-Weighted Healthy Retiree General Mortality Tables for Group I and PubS-2010 Headcount-Weighted Health Retiree Safety Mortality Tables for Group II projected generationally for males and females with Scale MP-2019; RP-2014 mortality tables for the 2019 valuation.
 - Disabled: PubNS-2010 Headcount-Weighted Non-Safety Disabled Retiree Mortality Tables for Group I and PubS-2010 Headcount-Weighted Safety Disabled Retiree Mortality Tables for Group II projected generationally for males and females with Scale MP-2019; RP-2014 mortality tables for the 2019 valuation.
- The following scale factors for each member classification are applied to all mortality tables:

	Group I	Group II
Scale – Male	101%	96%
Scale – Female	109%	99%

Effective January 1, 2019, the State implemented a Medicare Advantage plan which contributed to the reduction in the overall plan liability in the year of implementation.

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20. Other Postemployment Benefits – The State of New Hampshire (concluded)

Discount Rate

Because the State OPEB Plan is not funded, the discount rate is based on the yield or index rate for 20-year, tax-exempt general obligation municipal bonds with an average rate of AA/Aa or higher as shown in the Bond Buyer 20-Bond General Obligation Index (2.21% as of June 30, 2020 and 3.50% as of June 30, 2019). This determination is in accordance with GASB Statement No. 75.

Changes in Assumptions

The discount rate was decreased from 3.50% as of June 30, 2019 to 2.21% as of June 30, 2020. The trend assumptions were revised to reflect known changes in claims experience. The demographic and salary increase assumptions were updated consistent with the NHRS 4-Year Experience Study, July 1, 2015 through June 30, 2019, completed by Gabriel Roeder Smith & Company dated April 20, 2020, with the exception of using the headcount-weighted mortality tables rather than the amount-weighted mortality tables. The projection of the excise tax on high cost health plans was removed as the tax was repealed effective December 20, 2019.

Sensitivity Analysis

The following presents PDA's proportionate share of the net OPEB liability at June 30, 2021 calculated using the discount rate of 2.21%, as well as what PDA's proportionate share of the OPEB liability would be if it were calculated using a discount rate that is one-percentage-point lower or one-percentage-point higher than the current rate:

	1% Decrease (1.21%)	Current Discount Rate (2.21%)	1% Increase (3.21%)
PDA's Proportionate Share of the Net OPEB Liability	\$ 9,171,364	\$ 7,651,974	\$ 6,463,706

The following presents PDA's proportionate share of the net OPEB liability calculated using the current trend rates, as well as what PDA's proportionate share of the OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current rates:

	1% Decrease	Current Trend Rates	1% Increase
PDA's Proportionate Share of the Net OPEB Liability	\$ 6,282,256	\$ 7,651,974	\$ 9,458,550

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21. Commitments and Contingencies

Subsurface Investigation

During site subsurface investigations conducted at the Market Street Terminal (performed, in part, to support storm water system improvements), the PDA-DPH's environmental consultant found several areas of subsurface soils contaminated with significant levels of the heavy metal mercury. Initial investigations reveal that this contamination is most likely associated with a commercial wood preservation process that was located on a portion of the site and probably operated on the site sometime after 1875 and terminated operations before the State acquired title to the property in the 1960's and prior to July 1, 2001 when PDA-DPH operations were transferred from the State to the PDA. The completed study has been submitted to the New Hampshire Department of Environmental Services and management is awaiting its review and comment. As of June 30, 2021, no liability has been recorded for future pollution remediation obligations, as the amount of any such liability is not reasonably determinable.

Grant Administration

PDA receives federal grants, which are subject to review and audit by the grantor agencies. Although these audits could result in expenditure disallowances under the terms of the grants, it is believed that any required reimbursements would not have a material effect on the financial statements.

Construction Contracts

PDA had commitments under construction contracts associated with federal grants totaling approximately \$13,312,000 and \$23,666,000 at June 30, 2021 and 2020, respectively. The more significant commitments under construction contracts at June 30, 2021 included \$4,112,000 for the PSM Runway Reconstruction project, \$3,696,000 for the DPH Functional Replacement of the Barge Dock and \$3,719,000 for the Main Wharf Rehabilitation.

Litigation

From time to time, PDA is involved in pending or threatened lawsuits encountered in the normal course of business. Management of PDA believes that the ultimate outcome of these matters, to the extent not covered by insurance, will not have a material impact on PDA's financial position or operations.

Joint Stipulation of Dismissal - Conservation Law Foundation

On November 10, 2016, in an action brought under the Citizen Suit provision of the Clean Water Act ("CWA"), the Conservation Law Foundation ("CLF") filed a complaint in the United States District Court for the District of New Hampshire (the "court") against PDA, its Executive Director, and Board Members, alleging certain violations of the CWA's permitting requirements. The matter is captioned Conservation Law Foundation, Inc. v. Pease Development Authority, et al., Civil Action No. 1:16-cv-00493-SM. In particular, the Complaint alleged PDA failed to obtain and comply with a Small Municipal Separate Storm Sewer System (Small MS4) permit and the associated permit requirements. CLF's Complaint sought injunctive relief and civil penalties.

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NOTES TO FINANCIAL STATEMENTS (CONTINUED)
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21. Commitments and Contingencies (continued)

On January 11, 2019, the Court issued a Joint Notice of Settlement. Elements of the Settlement, which became effective March 9, 2019 (the "Effective Date"), require that the PDA shall:

1. Design and implement various measures concerning the PDA small MS4 including:
 - Submit an application for and supplementary information related to a NPDES Permit, renewal, or modification, for coverage of discharges subject to the Small MS4 permitting program;
 - Design and implement:
 - A public education and outreach program;
 - An illicit discharge detection and elimination system;
 - A construction and post-construction runoff and control programs;
 - A pollution prevention and good housekeeping program; and
 - Provide annual reporting to the CLF.

As of June 30, 2021, the application and supplementary information noted above has been submitted to the EPA for review. The noted programs have been designed and their implementation continues.

2. Within five years of the Effective Date, remove a minimum of five acres of Impervious Surface, as defined. As of June 30, 2020, the five acres has been removed. PDA continues to ensure that the terms of the settlement are met.
3. Pay to CLF \$800,000 as full and complete satisfaction of CLF's claim for attorneys' fees and costs incurred or to be incurred, including any future attorneys' fees and costs related to the implementation or monitoring of compliance with the Settlement. As of June 30, 2020, the full \$800,000 had been paid.

On October 6, 2020, the Conservation Law Foundation and the Pease Development Authority filed a Stipulation of Dismissal in the case of Conservation Law Foundation, Inc. v. Pease Development Authority, et al, case number 1:16-cv-00493-SM, in the United States District Court for the District of New Hampshire. This filing concludes the ongoing litigation between the parties concerning the permitting and handling of stormwater at the Pease Tradeport, which had been stayed during the implementation of the parties' settlement agreement reached in early 2019. The District Court entered the dismissal as a judgment on October 19, 2020.

22. COVID-19 Considerations

On March 11, 2020, the World Health Organization declared coronavirus disease (COVID-19) a global pandemic. Local, U.S., and world governments encouraged self-isolation to curtail the spread of COVID-19 by mandating the temporary shut-down of business in many sectors and imposing limitations on travel and the size and duration of group gatherings. Most sectors are experiencing disruption to business operations and may feel further impacts related to delayed government reimbursement. There is unprecedented uncertainty surrounding the duration of the pandemic, its potential economic ramifications, and additional government actions to mitigate them. Accordingly, while management expects this matter to impact operating results, the related financial impact and duration cannot be reasonably estimated.

**PEASE DEVELOPMENT AUTHORITY
(A Component Unit of the State of New Hampshire)**

**NOTES TO FINANCIAL STATEMENTS (CONCLUDED)
June 30, 2021 and 2020**

22. COVID-19 Considerations (concluded)

In April 2020, PDA was awarded \$1,637,474 of CARES Act funding through the FAA. Under the terms of the FAA grant agreement, only expenses incurred or debt service payments made on or after January 20, 2020 are eligible for reimbursement. The CARES Act grant assurances for eligible expenses will remain in effect through May 25, 2024. At June 30, 2020, PDA had expended \$1,514,684 of the FAA CARES Act funding and this amount is in accounts and grants receivable at year end. During the year ended June 30, 2021, the remaining \$122,790 was expended and received.

In May 2021, PDA was awarded \$1,427,609 in CARES Act funding through the FAA. Under the terms of the FAA grant agreement, only expenses incurred or debt service payments made on or after January 20, 2020 are eligible for reimbursement. The CARES Act grant assurances for eligible expenses will remain in effect through May 25, 2024. At June 30, 2021, PDA has expended and received the full award of the FAA CARES Act funding.

In June 2021, PDA was awarded a grant from the State of New Hampshire's Governor's Office for Emergency Relief and Recovery (GOFERR) in the amount of \$16,865. The GOFERR grant is to be used by PDA to cover eligible costs outlined in the grant agreement that were incurred through December 30, 2020. At June 30, 2021, the PDA had satisfied the terms and conditions of the grant agreement and the amount is in accounts and grants receivable at year end.

REQUIRED SUPPLEMENTARY INFORMATION

DRAFT

**PEASE DEVELOPMENT AUTHORITY
(A Component Unit of the State of New Hampshire)**

REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)

Schedule of Collective Net Pension Liability

The following information is as of June 30:

	2021	2020	2019	2018	2017	2016	2015	2014
Employer Proportion of the Collective Net Pension Liability	0.0965%	0.0872%	0.0911%	0.1014%	0.1032%	0.1074%	0.0982%	0.0967%
Employer's Proportionate Share of the Collective Net Pension Liability	\$6,170,435	\$4,197,804	\$4,384,392	\$4,986,400	\$5,489,977	\$4,255,991	\$3,687,154	\$4,163,828
Employer's Covered-Employee Payroll	\$4,261,000	\$3,735,000	\$3,765,000	\$3,803,000	\$3,848,000	\$3,430,000	\$3,029,000	\$2,843,000
Employer's Proportionate Share of the Collective Net Pension Liability as a % of the Employer's Covered-Employee Payroll	144.81%	112.39%	116.45%	131.12%	142.67%	124.08%	121.73%	146.45%
Plan Fiduciary Net Position as a % of the Total Pension Liability	58.72%	65.59%	64.73%	62.266%	58.30%	65.47%	66.32%	59.81%

Schedule is intended to show 10 years. Additional years will be added as they become available.

Information above is presented as of the measurement date for the respective reporting periods.

PEASE DEVELOPMENT AUTHORITY
(A Component Unit of the State of New Hampshire)

REQUIRED SUPPLEMENTARY INFORMATION (CONTINUED) (UNAUDITED)

Schedule of Employer Contributions

The following information is for the years ended June 30:

	2021	2020	2019	2018	2017	2016	2015	2014
Required Employer Contribution	\$ 499,733	\$ 489,081	\$ 439,882	\$ 452,516	\$ 413,003	\$ 417,908	\$ 360,425	\$ 318,681
Actual Employer Contributions	\$ 499,733	\$ 489,081	\$ 439,882	\$ 452,516	\$ 413,003	\$ 417,908	\$ 360,425	\$ 318,681
Excess / (Deficiency) of Employer Contributions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employer's Covered Employee Payroll	\$4,515,000	\$4,261,000	\$3,735,000	\$3,765,000	\$3,803,000	\$3,848,000	\$3,430,000	\$3,029,000
Employer Contribution as a % of the Employer's Covered-Employee Payroll	11.07 %	11.48 %	11.78 %	12.02 %	10.86 %	10.86 %	10.51 %	10.52 %

Schedule is intended to show 10 years. Additional years will be added as they become available.

Information above is presented as of the Authority's fiscal year for the respective reporting periods.

PEASE DEVELOPMENT AUTHORITY
(A Component Unit of the State of New Hampshire)

REQUIRED SUPPLEMENTARY INFORMATION (CONTINUED) (UNAUDITED)

Notes to the Required Supplementary Information

- Notes:**
- The roll-forward of the total pension liability from June 30, 2019 to June 30, 2020 reflects expected service and interest costs reduced by actual benefit payments
 - The roll-forward of the total pension liability from June 30, 2018 to June 30, 2019 reflects expected service and interest costs reduced by actual benefit payments.
 - The roll-forward of the total pension liability from June 30, 2017 to June 30, 2018 reflects expected service and interest costs reduced by actual benefit payments.
 - The roll-forward of the total pension liability from June 30, 2016 to June 30, 2017 reflects expected service and interest costs reduced by actual benefit payments, refunds, and administrative expenses for the plan year.
 - The roll-forward of the total pension liability from June 30, 2015 to June 30, 2016 reflects expected service cost and interest reduced by actual benefit payments.
 - Actuarial determined contribution rates for the 2012-2013 biennium were determined based on the June 30, 2009 actuarial valuation.
 - Actuarial determined contribution rates for the 2014-2015 biennium were determined based on the June 30, 2011 actuarial valuation.
 - Actuarial determined contribution rates for the 2016-2017 biennium were determined based on the June 30, 2013 actuarial valuation.
 - Actuarial determined contribution rates for the 2018-2019 biennium were determined based on the June 30, 2015 actuarial valuation.
 - Actuarial determined contribution rates for the 2019-2020 biennium were determined based on the June 30, 2017 actuarial valuation.
 - Actuarial determined contribution rates for the 2020-2021 biennium were determined based on the June 30, 2017 actuarial valuation.

PEASE DEVELOPMENT AUTHORITY
(A Component Unit of the State of New Hampshire)

REQUIRED SUPPLEMENTARY INFORMATION (CONTINUED) (UNAUDITED)

Schedule of Collective Net Other Postemployment Benefits (OPEB) Liability
(NHRS OPEB PLAN)

The following information is as of June 30:

	2021	2020	2019	2018	2017
Employer Proportion of the Collective Net OPEB Liability	0.0891%	0.0803%	0.0840%	0.0946%	0.0961%
Employer's Proportionate Share of the Collective Net OPEB Liability	\$390,020	\$352,220	\$384,676	\$432,717	\$465,117
Employer's Covered-Employee Payroll	\$2,579,327	\$2,269,615	\$2,311,755	\$2,523,561	\$2,499,949
Employer's Proportionate Share of the Collective Net OPEB Liability as a % of the Employer's Covered-Employee Payroll	15.12%	15.52%	16.64 %	17.15%	18.61 %
Plan Fiduciary Net Position as a % of the Total OPEB Liability	7.74 %	7.75 %	7.53 %	7.91%	5.21%

Schedule is intended to show 10 years. Additional years will be added as they become available.

Information above is presented as of the measurement date for the respective reporting periods.

Schedule of Employer Contributions

The following information is for the years ended June 30:

	2021	2020	2019	2018	2017
Required Employer Contribution	\$ 51,285	\$ 50,499	\$ 45,758	\$ 45,795	\$ 56,092
Actual Employer Contributions	\$ 51,285	\$ 50,499	\$ 45,758	\$ 45,795	\$ 56,092
Excess / (Deficiency) of Employer Contributions	\$ -	\$ -	\$ -	\$ -	\$ -
Employer's Covered-Employee Payroll	\$2,577,135	\$2,579,327	\$2,269,615	\$2,311,755	\$ 2,523,561
Employer Contribution as a % of the Employer's Covered-Employee Payroll	1.99 %	1.96 %	2.02 %	1.98 %	2.22 %

Schedule is intended to show 10 years. Additional years will be added as they become available.

Information above is presented as of the Authority's fiscal year for the respective reporting periods.

**PEASE DEVELOPMENT AUTHORITY
(A Component Unit of the State of New Hampshire)**

REQUIRED SUPPLEMENTARY INFORMATION (CONTINUED) (UNAUDITED)

Notes to the Required Supplementary Information

Notes: The roll-forward of the total OPEB liability from June 30, 2019 to June 30, 2020 reflects expected service and interest costs reduced by actual benefit payments, refunds, and administrative expenses for the plan year.

The roll-forward of the total OPEB liability from June 30, 2018 to June 30, 2019 reflects expected service and interest costs reduced by actual benefit payments, refunds, and administrative expenses for the plan year.

The roll-forward of the total OPEB liability from June 30, 2017 to June 30, 2018 reflects expected service and interest costs reduced by actual benefit payments, refunds, and administrative expenses for the plan year.

The roll-forward of the total OPEB liability from June 30, 2016 to June 30, 2017 reflects expected service and interest costs reduced by actual benefit payments, refunds, and administrative expenses for the plan year.

DRAFT

PEASE DEVELOPMENT AUTHORITY
(A Component Unit of the State of New Hampshire)

REQUIRED SUPPLEMENTARY INFORMATION (CONCLUDED) (UNAUDITED)

Schedule of Collective Net OPEB Liability (STATE OPEB PLAN)

The following information is as of June 30:

	2021	2020	2019	2018	2017
Employer Proportion of the Collective Net OPEB Liability	0.3438%	0.2940%	0.3616%	0.3501%	0.3345%
Employer's Proportionate Share of the Collective Net OPEB Liability	\$7,651,974	\$5,277,888	\$6,907,205	\$7,806,000	\$9,618,388
Employer's Covered-Employee Payroll	\$4,261,000	\$3,735,000	\$3,765,000	\$3,803,000	\$3,848,000
Employer's Proportionate Share of the Collective Net OPEB Liability as a % of the Employer's Covered-Employee Payroll	179.58 %	141.31 %	183.46 %	205.26 %	249.96 %
Plan Fiduciary Net Position as a % of the Total OPEB Liability	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %

Schedule is intended to show 10 years. Additional years will be added as they become available.

Information above is presented as of the measurement date for the respective reporting periods.

Notes to the Required Supplementary Information

There are no assets accumulated in a trust that meets the criteria in GASB 75 paragraph 4 to pay related benefits.

Changes of assumptions: Changes in assumptions reflect trend assumption revisions to reflect current experience and future expectations. The discount rate decreased from 3.50% as of June 30, 2019 to 2.21% as of June 30, 2020. The discount rate decreased from 3.87% as of June 30, 2018 to 3.50% as of June 30, 2019.

Notes: The roll-forward of the total OPEB liability from December 31, 2018 to June 30, 2020 reflects expected service and interest costs reduced by actual benefit payments, refunds, and administrative expenses for the plan year.

The roll-forward of the total OPEB liability from December 31, 2018 to June 30, 2019 reflects expected service and interest costs reduced by actual benefit payments, refunds, and administrative expenses for the plan year.

Pease Development Authority

(A Component Unit of the State of New Hampshire)

Section II Reports Required by *Government Auditing Standards* and Uniform Guidance

Year Ended June 30, 2021





**INDEPENDENT AUDITOR'S REPORT ON INTERNAL
CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE
AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

Board of Directors
Pease Development Authority
(A Component Unit of the State of New Hampshire)

We have audited, in accordance with U.S. generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities of Pease Development Authority (PDA), a component unit of the State of New Hampshire, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise PDA's basic financial statements, and have issued our report thereon dated **REPORT DATE**.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered PDA's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of PDA's internal control. Accordingly, we do not express an opinion on the effectiveness of PDA's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of PDA's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was **not designed to identify all deficiencies in internal control** that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether PDA's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of PDA's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering PDA's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Bangor, Maine
REPORT DATE



**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE
FOR EACH MAJOR PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE;
AND REPORT ON SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
REQUIRED BY THE UNIFORM GUIDANCE**

Board of Directors
Pease Development Authority
(A Component Unit of the State of New Hampshire)

Report on Compliance for Each Major Federal Program

We have audited Pease Development Authority's (PDA) compliance with the types of compliance requirements described in the *Office of Management and Budget (OMB) Compliance Supplement* that could have a direct and material effect on each of PDA's major federal programs for the year ended June 30, 2021. PDA's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of PDA's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with U.S. generally accepted auditing standards; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about PDA's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of PDA's compliance.

Opinion on Each Major Federal Program

In our opinion, PDA complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2021.

Report on Internal Control Over Compliance

Management of PDA is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered PDA's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of PDA's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Board of Directors
Pease Development Authority
(A Component Unit of the State of New Hampshire)

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the basic financial statements of PDA as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise PDA's basic financial statements, We have issued our report thereon dated **REPORT DATE**, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with U.S. generally accepted auditing standards. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Bangor, Maine
REPORT DATE

PEASE DEVELOPMENT AUTHORITY
(A Component Unit of the State of New Hampshire)

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Year Ended June 30, 2021

<u>Federal Grant/Pass-Through Grantor/Program Title</u>	<u>Federal Assistance Listing</u>	<u>Pass-Through Identifying Number</u>	<u>Total Federal Expenditures</u>
<u>U.S. Department of Commerce:</u>			
Direct:			
Economic Adjustment Assistance:			
01-19-63007	11.307		\$ 1,253,418
<u>U.S. Department of Transportation:</u>			
Direct:			
Airport Improvement Program:			
3-33-0016-058-2017	20.106		73,623
3-33-0016-060-2017	20.106		9,085
3-33-0016-062-2018	20.106		1,538,027
3-33-0016-064-2019	20.106		8,613,393
3-33-0016-066-2019	20.106		333,650
3-33-0016-067-2020	20.106		308,073
3-33-0016-068-2020 - COVID-19	20.106		122,790
3-33-0016-069-2021	20.106		1,591
3-33-0016-071-2021 - COVID-19	20.106		<u>1,427,609</u>
Total CFDA 20.106			12,427,841
National Infrastructure Investments	20.933		<u>770,542</u>
Total U.S. Department of Transportation			13,240,656
<u>U.S. Department of Treasury:</u>			
Passed-Through State of New Hampshire:			
Coronavirus Relief Fund	21.019	N/A	<u>16,865</u>
<u>U.S. Department of Environmental Protection:</u>			
Passed-Through State of New Hampshire Department of Environmental Services			
Diesel Emissions Reduction Act (DERA) State Grants	66.040	00A 00175- 2019-04	<u>42,274</u>
Total Expenditures of Federal Awards			\$ <u>14,510,940</u>

See accompanying notes to the schedule of expenditures of federal awards.

PEASE DEVELOPMENT AUTHORITY
(A Component Unit of the State of New Hampshire)

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Year Ended June 30, 2021

1. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal grant activity of Pease Development Authority (PDA) during the year ended June 30, 2021. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a portion of the operations of PDA, it is not intended to, and does not, present the net position, changes in net position or cash flows of PDA.

2. Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in Office of Management and Budget Circular A-87, *Cost Principles for State, Local, and Indian Tribal Governments*, for federal agreements entered into before December 26, 2014, and the Uniform Guidance for federal agreements entered into on or after December 26, 2014, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Pass-through entity identifying numbers are presented where available.

PDA has not elected to use the 10% de minimis indirect cost rate.

3. Calculation of Economic Adjustment Assistance Grant Expenditures

Economic Adjustment Assistance grant expenditures reported in the Schedule have been calculated as follows:

Balance of revolving loan fund loans outstanding	\$ 1,019,196
Cash and cash equivalent balances	224,733
Administrative expenses incurred during the fiscal year	<u>9,490</u>
	<u>\$ 1,253,418</u>

PEASE DEVELOPMENT AUTHORITY
 (A Component Unit of the State of New Hampshire)

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Year Ended June 30, 2021

Section I. Summary of Auditor's Results

Financial Statements

Type of auditor's report issued:

Internal control over financial reporting:

Material weakness(es) identified?

Significant deficiency(ies) identified not considered to be material weaknesses?

Unmodified

___ yes X no

___ yes X none reported

Noncompliance material to financial statements noted?

___ yes X no

Federal Awards

Internal control over major programs:

Material weakness(es) identified?

Significant deficiency(ies) identified not considered to be material weaknesses?

___ yes X no

___ yes X none reported

Type of auditor's report issued on compliance for major programs:

Unmodified

Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance?

___ yes X no

Identification of major programs:

<u>CFDA Number</u>	<u>Name of Federal Program or Cluster</u>
11.307	U.S. Department of Commerce: Economic Adjustment Assistance
20.106	U.S. Department of Transportation: Airport Improvement Program
20.933	U.S. Department of Transportation: National Infrastructure Investments

Dollar threshold used to distinguish between Type A and Type B programs:

\$750,000

Auditee qualified as low-risk auditee?

___ yes X no

PEASE DEVELOPMENT AUTHORITY
(A Component Unit of the State of New Hampshire)

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Year Ended June 30, 2021

Section II **Findings Relating to the Financial Statements Which are Required to be Reported in Accordance with *Government Auditing Standard***

None noted.

Section III. **Findings and Questioned Costs for the Major Federal Program**

None noted.



MEMORANDUM

TO: Pease Development Authority Board of Directors
FROM: Paul E. Brean, Executive Director *PEB*
RE: Licenses / ROEs / Easements / Rights of Way
DATE: October 14, 2021

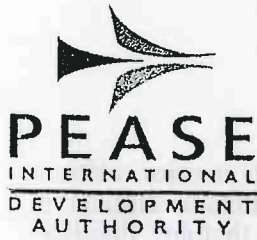
In accordance with the "Delegation to Executive Director: Consent, Approval and Execution of License Agreements," PDA entered into the following Right-of-Entry:

- 1. Name: Newington School Supporters
- License: Right-of-Entry
- Location: Portion of Arboretum Drive for Road Race
- Purpose: Use for a Road Race
- Term: September 25, 2021

Director Fournier was consulted and granted his consent.

- 2. Name: American Red Cross – Northern New England Region
- License: Right-of-Entry
- Location: 100 New Hampshire Avenue
- Purpose: Trailer Towing Class for Red Cross Personnel
- Term: October 9, 2021

Director Fournier was consulted and granted his consent.



September 21, 2021

Lori Arsenault
Newington School Supporters
319 Fox Point Road
Newington, NH 03801

**RE: Right of Entry for Use of Portion of Arboretum Drive for Road Race
Saturday, September 25, 2021**

Dear Lori:

This letter will authorize the Newington School Supporters ("NSS") and/or any agent or contractor to enter upon and utilize a portion of the road network situated on The Pease International Tradeport as shown as the route on the attached Exhibit A (the "Premises") for a period of five (5) hours commencing at 4:00 p.m. Saturday, September 25 2021, for the purpose of sponsoring, managing and overseeing a road race. This Right of Entry will expire at 9:00 pm on September 25, 2021, unless otherwise extended by agreement of NSS and The Pease Development Authority.

This authorization is conditioned upon the following:

1. NSS's agreement herein that any use of the Premises is at its sole risk and that its signature below constitutes its agreement to assume full responsibility for any and all risk of loss or damage to property and injury or death to persons by reason of or incident to its entry or the entry by any of its employees, agents or contractors upon the premises and/or the exercise of any of the authorities granted herein. NSS expressly waives all claims against the Pease Development Authority for any such loss, damage, personal injury or death caused by or occurring as a consequence of NSS's use of the Premises or the conduct of activities or the performance of responsibilities under this authorization. NSS further agrees to indemnify, save, hold harmless, and defend the Pease Development Authority, its officers, board members, agents and employees, from and against all suits, claims, demands or actions, liabilities, judgments, costs and attorney's fees arising out of NSS's use of the Premises or any activities conducted or undertaken in connection with or pursuant to this authorization.

2. NSS and/or any agent or contractor of NSS operating on the premises pursuant to this Right of Entry obtaining and providing to the Pease Development Authority satisfactory evidence of comprehensive general liability insurance to a limit of not less than One Million Dollars (\$1,000,000.00) per occurrence, naming the Pease Development Authority as additional insured which shall cover the PDA with the same scope of coverage without subjecting the PDA to any different or additional terms, conditions or exclusions.

Each such policy or certificate therefore issued by the insurer shall to the extent obtainable contain (i) a provision that no act or omission of any employee, officer or agent of NSS which would otherwise result in forfeiture or reduction of the insurance therein provided shall affect or limit the obligation of the insurance company to pay the amount of any loss sustained, (ii) an agreement by

the insurer that such policy shall not be canceled without at least thirty (30) days prior written notice by registered mail to Pease Development Authority; (iii) provide that the insurer shall have no right of subrogation against Pease Development Authority; (iv) a provision that any liability insurance coverage required to be carried shall be primary and non-contributing with respect to any insurance carried by PDA.

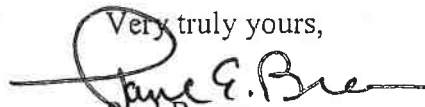
3. NSS's agreement herein that this letter of authorization does not constitute an exclusive interest in the Premises.

4. NSS's agreement to secure all necessary municipal and/or local permits prior to the road race.

5. NSS's agreement to coordinate the management of the road race with appropriate local law enforcement officials and to otherwise ensure that all appropriate precautions are taken to protect the health and safety of event participants and spectators.

6. NSS's agreement to leave the Premises in the same or better condition as existed at the time of the event.

Please indicate by your signature below NSS's consent and return the same to me with evidence of insurance as required.

Very truly yours,

Paul Brean
Executive Director

Agreed and accepted this 21st day of September, 2021

NEWINGTON SCHOOL SUPPORTERS

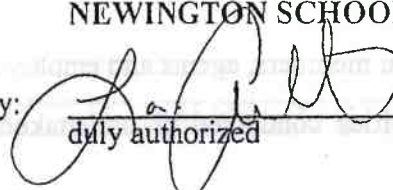
By:  (Print and Sign)
duly authorized Lori Arsenault

EXHIBIT "A"

Race Course



USATF

**Road Running Technical Council
USA Track & Field**



Measurement Certificate

Name of the course 2021 Fox Point Sunset 5 Mile Road Race Distance 5 mi
Location (state) NH (city) Newington
Type of course: Road Race
Measuring Methods: Bicycle
Measured By Bob Kennedy - 18 Riverview Road - Durham, NH 03824 - (508) 577-4105 - osprey02554@yahoo.com
Race Contact Lori Arsenault - Newington School Supporters, 133 Nimble Hill Rd, Newington, NH 03801 - 603-436-4731
Date(s) when course measured: 06/09/2021
Number of measurements of entire course: 2 Course Configuration: figure-8
Elevation (meters above sea level) Start 29.00 Finish 35.00 Lowest 6 Highest 35
Straight line distance between start and finish 333.26 m Drop -0.75 m/km Separation 4.14 %
Type of surface: Paved 100 % Dirt 0 % Gravel 0 % Grass 0 % Track 0 %
Effective date of certification: June 12, 2021 Certification code: NH21006BK

**Note to Race Director: Use this Certification Code
in all public announcements relating to your race.**

Be It Officially Noted That

Based on examination of data provided by the above named measurer, the course described above and in the map attached is hereby certified as reasonably accurate in measurement according to the standards adopted by the Road Running Technical Council. If any changes are made to the course, this certification becomes void, and the course must then be recertified.

Verification of Course -- In the event a National Open Record is set on the course, or at the discretion of USA Track & Field, a verification measurement may be required to be performed by a member of the Road Running Technical Council. If such a remeasurement shows the course to be short, then all pending records will be rejected and the course certification will be cancelled.

This certification expires on December 31 of the year: **2031**

AS NATIONALLY CERTIFIED BY:

Date: **June 12, 2021**

Bob Kennedy - USATF/RRTC Certifier - 18 Riverview Road, Durham NH 03824
(508) 577-4105 - osprey02554@yahoo.com

Start, marked with white paint and P-K Nail, Finish and Miles marked with a spot of Yellow Paint & a P-K Nail (UP = Utility Pole)

Start: On east side of Nimble Hill Rd 39 ft 6 inches N of UP 1197/31 and 60 ft 1 inch N of the north stone pillar at cemetery entrance on opposite side.

Mile 1: On southeast side (inner bend) of Arboretum Dr 585 ft SW of the entrance to connector trail from Arboretum to Fox Point Rd, 49 ft SW of a yellow Gas Pipeline marker on opposite side, & about even with a 30-inch diameter white pine about 12 ft from side of road.

Mile 2: On southwest side of Old Post Rd 27 ft NW of UP 6/2 EE on opposite side.

Mile 3: On east side of Little Bay Rd 80 ft S of Stop Sign at intersection with Fox Point Rd & 42 ft N of UP 9024 1 32 on same side.

Mile 4: On north side of Little Bay Rd 4 ft W of west side of east driveway for 256 A & B Little Bay on opposite side & 82 ft W of (before) Welsh Cove Dr

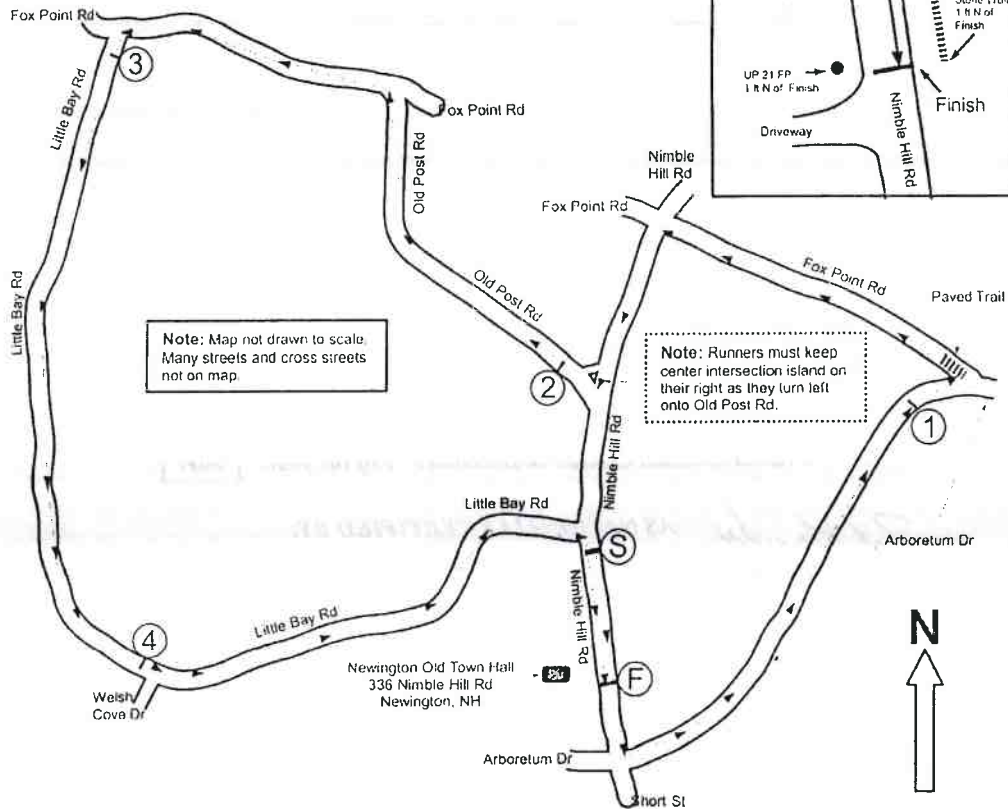
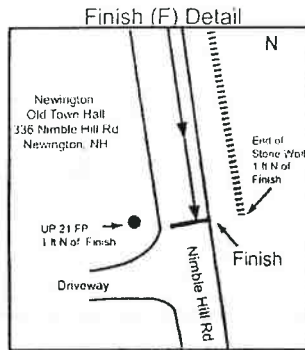
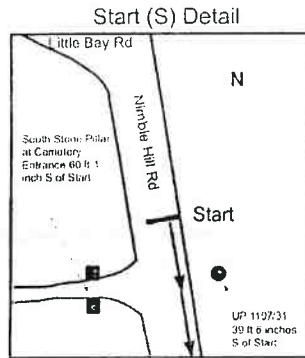
Finish (Mile 5): On east side of Nimble Hill 1 ft S of UP 21 FP on opposite side, 1 ft S of Stone Wall on same side & across the street and S of the Newington Old Town Hall at 336 Nimble Hill Rd.

2021 Fox Point Sunset 5 Mile Road Race Newington, New Hampshire



USATF Certificate
 NH21006BK
 Effective: 06/12/2021
 Through: 12/31/2031

Note: This course was measured using the full width of the road and the Shortest Possible Route (SPR).





55 International Drive, Portsmouth NH 03801

October 8, 2021

VIA E-MAIL: marsha.haines2@redcross.org

Marsha Haines

Planning, Preparedness & Situational Awareness Program Support Manager

American Red Cross – Northern New England Region

2 Maitland Street

Concord, NH 03301

**Re: Right-of-Entry for Use of Parking Area
100 New Hampshire Avenue, Portsmouth, NH**

Dear Ms. Haines:

This letter will authorize the American Red Cross ("ARC"), with an address of 2 Maitland Street, Concord, NH 03301, to enter upon and utilize a 108,500 square foot / area of the Pease Development Authority ("PDA") parcel of property located at 100 New Hampshire Avenue, Portsmouth, New Hampshire, as shown on the attached Exhibit A (the "Premises"), on Saturday, October 9, 2021 *for the purpose of operating a trailer towing class for Red Cross personnel* from 11:00 a.m. to 2:00 p.m. The privileges granted under this Right-of-Entry will expire at 2:00 p.m. on October 9, 2021, unless terminated earlier or extended by mutual written agreement of the Parties.

This authorization is conditioned upon the following:

1. ARC agreement herein that any use of the Premises is at its sole risk and that its signature below constitutes its agreement to assume full responsibility for any and all risk of loss or damage to property, and injury or death to persons, by reason of or incident to its entry or the entry by any of its agents, patrons, contractors, or invitees upon the Premises, and/or the exercise of any of the authorities granted herein. ARC expressly waives all claims against the Pease Development Authority for any such loss, damage, personal injury or death caused by or occurring as a consequence of ARC's and its employees, agents, patrons, contractors, or invitees use of the Premises, or the conduct of activities or the performance of responsibilities under this authorization. ARC further agrees to indemnify, save, hold harmless, and defend (with counsel reasonably acceptable to the Pease Development Authority) the Pease Development Authority, its officers, board members, agents and employees, from and against all suits, claims, demands or

TAKING YOU THERE

Phone: 603.433.6088 Fax: 603.4270433 www.peasedev.org

RE: License Agreement for Use of Parking Area at 100 New Hampshire Avenue

actions, liabilities, judgements, costs and attorney's fees (collectively "Claims") arising out of or related to ARC's, and its employees, agents, patrons, contractors, or invitees use of the Premises or any activities conducted or undertaken in connection with or pursuant to this authorization.

2. ARC's agreement that this Right-of-Entry: (a) allows only temporary use of the Premises for the purpose stated herein; (b) is granted on a non-exclusive basis; (c) may be revoked at will by PDA or terminated at will, upon not less than three (3) days' prior notice, and that PDA need not state a for any such revocation or termination; and (d) permits PDA to relocate ARC's activities within the Premises or alter the boundaries of the Premises upon not less than three (3) days' prior notice. The use of the Premises shall be orderly and efficient, shall not constitute a nuisance, and shall not cause disruption to other Airport and Tradeport activities.

3. ARC, and/or any agent of ARC, providing to the Pease Development Authority satisfactory evidence of comprehensive general liability insurance to a limit of not less than One Million Dollars (\$1,000,000.00) per occurrence, naming the Pease Development Authority as an additional insured; automobile liability insurance in the amount of One Million Dollars (\$1,000,000.00), and evidence of workers compensation coverage to statutory limits. The foregoing minimum policy limits may be attained through an umbrella or excess liability policy.

Each such policy or certificate therefor issued by the insurer shall contain: (i) with respect to the liability coverage only provide that the insurer shall have no right of subrogation against the Pease Development Authority; and (ii) a provision that any liability insurance coverage required to be carried shall be primary and non-contributory with respect to any insurance carried by PDA. It is the intent of ARC that such policies will not be cancelled. Should a policy cancellation occur, PDA will be advised in advance of such cancellation being effective. Lack of the required insurance shall be grounds for immediate termination of this Right-of-Entry.

4. ARC shall not permit vehicles to queue along or within New Hampshire Avenue or any other public roadways to access the Premises. If necessary given its operations, ARC agrees it shall work with the Portsmouth Police Department for appropriate traffic control measures. ARC further agrees to take such steps as may be required to ensure that vehicles and equipment are not left on the Premises in excess of the term limits of this Right-of-Entry and to assume full responsibility for the immediate removal of vehicle(s) and equipment left on the Premises.

5. ARC agrees that the PDA has the right, in its sole discretion, to terminate all of or any portion of the Premises used as a priority for Pease operations; provided, however, that PDA shall use reasonable efforts to relocate ARC's operations on the Premises before effectuating any such termination.

6. ARC agreement that PDA shall not be responsible for damages to property or injuries to persons which may arise from or be attributable or incident to the condition or state or repair of the Premises, or the use and occupation thereof, or for damages to the property or injuries to the person of ARC's patrons, officers, agents, servants or employees, or others who may be on the Premises at its invitation.

RE: License Agreement for Use of Parking Area at 100 New Hampshire Avenue

7. ARC's agreement that the Premises shall be maintained in a neat and orderly condition and ARC shall be responsible for any necessary trash removal, and that maintenance and management of the Premises, including, but not limited to snow removal, shall be done at ARC's own costs and expense.

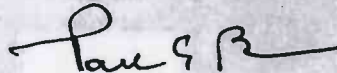
8. ARC's agreement that it shall comply with any and all federal, state, and/or city licensing/permitting that is or may become necessary for its operation on the Premises. Any generator(s) used on the Premises shall be double-walled and have spill protection. ARC shall be required to adhere to all PDA rules and regulations, including but not limited to zoning and sign rules.

9. ARC's agreement to restore the Premises to the same or better condition existing prior to the commencement of this Right-of-Entry, at the termination of the Right-of-Entry.

10. ARC's agreement herein that this Right-of-Entry does not constitute a grant of an exclusive interest in the Premises, an option to lease the Premises, or an offer to lease the Premises.

Please indicate by your signature below ARC's consent to the terms and conditions of this Right-of-Entry and return the same to me for countersignature. Proof of insurance be due prior to the commencement of operations on the Premises.

Very truly yours,



Paul E. Brean
Executive Director

Agreed and accepted this 8 day of October, 2021

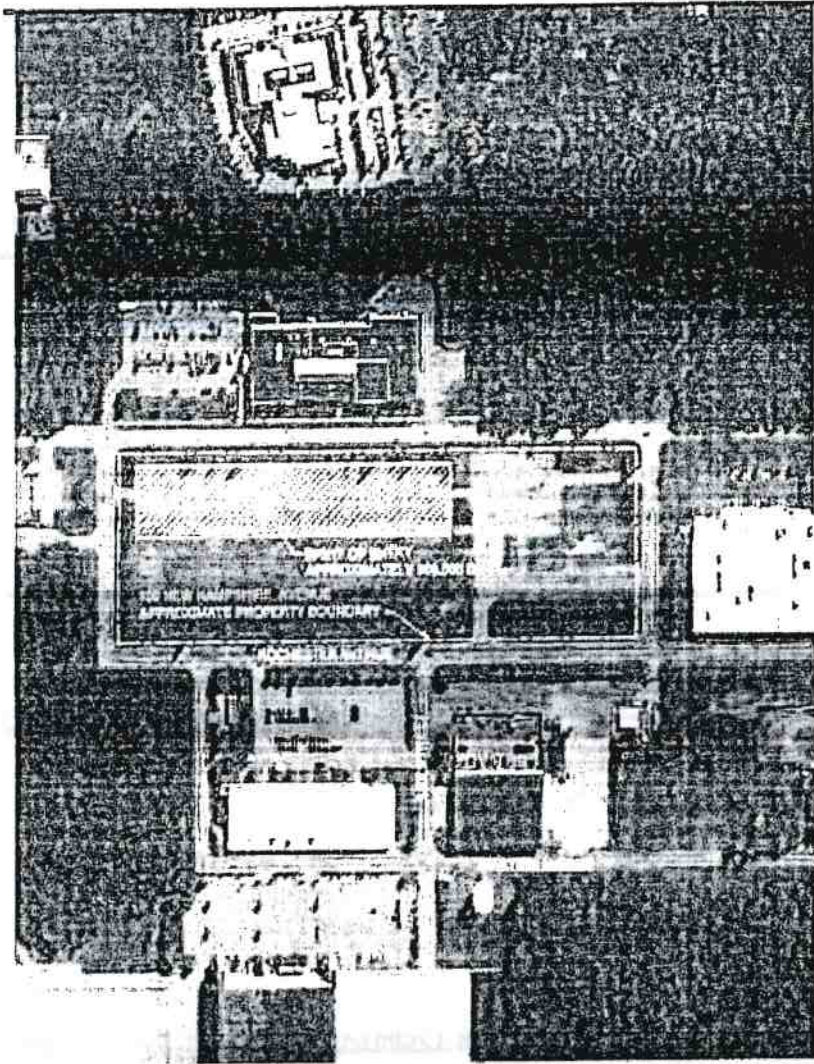
American Red Cross

By: M. Haines

Print Name: MARSHA HAINES

Its Duly Authorized: Program Support Manager

EXHIBIT A



100 New Hampshire Ave Right of Entry

DESIGNED BY: NPS DATE: 03/2000 SCALE: NTS



PEASE DEVELOPMENT AUTHORITY

65 BOWEN/STATE ST. ORANGE, POLYTON/ND 174, 031 02091

MOTION

Director Parker:

The Pease Development Authority Board of Directors hereby approves of and consents to issuing a Right of Entry ("ROE") to PlaneSense, Inc. retroactive for the period of April 7, 2021 through November 30, 2021 for survey / site inspection purposes at 96 Flightline Road (Building 222); all in accordance with the letter of Paul E. Brean, Airport Director, dated September 28, 2021, attached hereto.

September 28, 2021

Frank Diglio, Director of Facilities/Line Services
PlaneSense, Inc.
115 Flightline Road
Portsmouth, NH 03801

Re: Right of Entry — Building 222 (f/k/a Jet Engine Testing Building), 96 Flightline Road, Pease International Tradeport, Portsmouth, NH

Dear Mr. Diglio:

This letter will grant to PlaneSense Inc. ("PlaneSense") and/or its agents and contractors a further extension of its Right of Entry ("ROE") to enter Building 222 (f/k/a Jet Engine Testing Building), and the surrounding designated premises. This ROE is extended to November 30, 2021, for continued survey / site inspection purposes, contingent upon receipt of Board approval at its October 21, 2021 meeting. Should the Board not provide such approval, this ROE shall terminate on October 21, 2021. All other terms and conditions set forth in the ROE dated April 7, 2021, shall remain in full force and effect.

Please indicate by your signature below PlaneSense's consent and return the same to me with updated evidence of insurance should there have been any changes to the policy or coverages since the ROE was finalized.


Very truly yours,



Paul E. Brean
Executive Director

Agreed and accepted this 31 day of Sept, 2021.

PlaneSense Inc.

By: 
Print Name: Frank Diglio
Its Duly Authorized: Director of Facilities

April 7, 2021

Frank Diglio, Director of Facilities/Line Services
PlaneSense, Inc.
115 Flightline Road
Portsmouth, NH 03801

**Re: Right of Entry — Building 222 (f/k/a Jet Engine Testing Building), 96
Flightline Road, Pease International Tradeport, Portsmouth, NH**

Dear Mr. Diglio:

This letter will authorize PlaneSense Inc. ("PlaneSense") and/or its agents and contractors to enter Building 222 (f/k/a Jet Engine Testing Building), and the surrounding designated premises, as shown on the attached Exhibit A (the "Premises") for the period beginning April 12, 2021 through July 31, 2021, for survey / site inspection purposes. Such inspection may include a review of environmental matters, including soils testing, wetlands review, adequacy of utility services, general site conditions, and any other similar inspection or evaluation of the Premises you deem reasonably necessary. This Right of Entry will expire at the close of business on July 31, 2021, unless otherwise extended an additional thirty (30) days by written agreement of PlaneSense and the Pease Development Authority ("PDA").

This authorization is conditioned upon the following:

1. PlaneSense providing the PDA, upon execution of this letter of authorization or promptly upon completion of its inspection, with a copy of any report, letter, plan, or summary with respect to conditions found at the Premises;
2. PlaneSense's understanding and agreement that the PDA makes no representations about the condition of the Premises or the Jet Engine Testing Building, or its suitability for the purposes and uses allowed under this Right of Entry. PlaneSense's agreement herein that any use of the Premises is at its sole risk and that its signature below constitutes its agreement to assume full responsibility for any and all risks of loss or damage to property and injury or death to persons by reason of or incident to its entry or the entry by any of its employees, agents or contractors upon the Premises and/or the exercise of any of the authorities granted herein. PlaneSense expressly waives all claims against the Pease Development Authority for any such loss, damage,

Page Two

April 7, 2021

**Re: Right of Entry — Building 222 (f/k/a Jet Engine Testing Building), 96
Flightline Road, Pease International Tradeport, Portsmouth, NH**

personal injury or death caused by or occurring as a consequence of PlaneSense's use of the Premises or the conduct of activities or the performance of responsibilities under this authorization. PlaneSense further agrees to indemnify, save, hold harmless, and defend the Pease Development Authority, its officers, board members, agents and employees, from and against all suits, claims, demands or actions, liabilities, judgments, costs and attorney's fees arising out of PlaneSense's use of the Premises or any activities conducted or undertaken in connection with or pursuant to this authorization.

3. PlaneSense and any agent or contractor of PlaneSense providing PDA with satisfactory evidence of commercial general liability insurance to a limit of not less than Two Million Dollars (\$2,000,000), naming the PDA as an additional insured. PlaneSense and any agent or contractor of PlaneSense providing PDA with satisfactory evidence of automobile liability insurance coverage in the amount of \$1,000,000.00 and workers' compensation coverage to statutory limits. Each such policy or certificate therefor issued by the insurer shall contain (i) an agreement by the insurer that such policy shall not be canceled without thirty (30) days prior written notice by mail to PDA, (ii) with the exception of workers compensation coverage, provide that the insurer shall have no right of subrogation against the PDA and (iii) a provision that any liability insurance coverage required to be carried shall be primary and non-contributing with respect to any insurance carried by PDA.

4. PlaneSense obtaining the prior written consent of the Engineering Department of the Pease Development Authority before conducting any drilling, testpitting, borings, or other soil disturbing activities on the Premises, and thereafter complying with all terms and conditions of said consent. No geo-technical exploration shall be done on the Site without proper clearance from PDA Engineering Department. No trees or vegetation may be cut without written permission from the PDA.

5. PlaneSense's agreement to restore said Premises to its condition as the same existed prior to the commencement of any work undertaken pursuant to this Right of Entry.

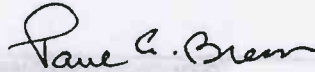
6. PlaneSense's agreement herein that this letter of authorization does not constitute a grant of an exclusive interest in the Premises, an option to lease the Premises or an offer to lease the Premises. PlaneSense acknowledges and agrees that, except as otherwise set forth herein, no legal obligations shall arise with respect to the Premises or lease thereof until a Lease Agreement is executed by the parties.

Page Three
April 7, 2021

Re: **Right of Entry — Building 222 (f/k/a Jet Engine Testing Building), 96
Flightline Road, Pease International Tradeport, Portsmouth, NH**

Please indicate by your signature below PlaneSense's consent and return the same to me with evidence of insurance as required.


Very truly yours,



Paul E. Brean
Executive Director

Agreed and accepted this 8th day of April, 2021.

PlaneSense Inc.

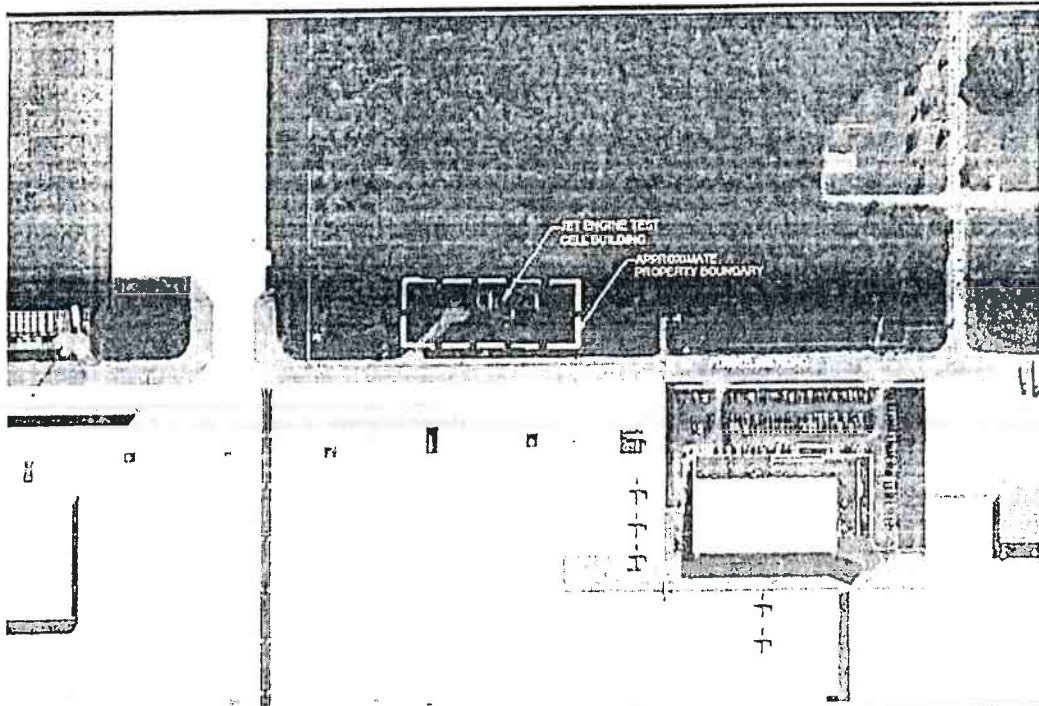
By: 
Print Name: Gary M. Arzen
Its Duly Authorized: V.P. and
General Counsel

Page Four
April 7, 2021

Re: Right of Entry — Building 222 (f/k/a Jet Engine Testing Building), 96
Flightline Road Parcel, Pease International Tradeport, Portsmouth, NH

EXHIBIT "A"

PREMISES



Right of Entry at Jet Engine Test Cell Building at PSM

DESIGNED BY: MRM DATE: 4/7/21 SCALE: 1"=200'

 PEASE DEVELOPMENT AUTHORITY

55 INTERNATIONAL DRIVE, PORTSMOUTH, NH 03801

Handwritten signature or initials

MOTION

Director Anderson:

The Pease Development Authority Board of Directors hereby authorizes the Executive Director to finalize and execute Amendment No. 10 to the Parking License Agreement with Lonza Biologics, Inc. for parking spaces located at 55 International Drive; extending the Agreement from November 1, 2021 through October 31, 2022; all in accordance with the draft License Agreement Amendment No. 10, attached hereto.

License Agreement Amendment No. 10

Licensor: Pease Development Authority (“PDA” or “Licensor”)
Licensee: Lonza Biologics, Inc. (“Lonza” or “Licensee”)
Licensed Premises: Parking area adjacent to 55 International Drive, Portsmouth, NH
License Date: October 31, 2011

This License Agreement Amendment No. 10 made effective November 1, 2021, by and between PDA and Licensee:

WHEREAS, Licensee desires to extend its License, as amended, through October 31, 2022 for the continued use of the parking area adjacent to 55 International Drive, Portsmouth, NH (the “Premises”);

WHEREAS, PDA has agreed to extend the term of the License through October 31, 2022;

NOW THEREFORE, for good and valuable consideration, the receipt of which is acknowledged, the Parties agree to amend the License as follows:

1. The term of the License is extended for one (1) year from November 1, 2021 through October 31, 2022.
2. Licensee shall pay a License Fee of Nine Hundred Thirty and no/100 Dollars (\$930.00) per month.
3. All other terms and conditions of the License shall remain in full force and effect and continue to be binding upon the Parties.

Date: _____, 2021

Date: _____, 2021

Lonza Biologics, Inc.

Pease Development Authority

By: _____
Duly Authorized

Paul E. Brean
Executive Director

(Print Name)
Title: _____

MEMORANDUM

TO: Pease Development Authority Board of Directors *PEB*
FROM: Paul E. Brean, Executive Director
RE: Lease Reports
DATE: October 14, 2021

In accordance with the "Delegation to Executive Director: Consent, Approval of Sub-Sublease Agreements" PDA approved the following lease option with:

- A. Tenant: Executive Hangar, LLC
- Space: 120 Aviation Avenue
- Term: Exercise the Fourth, Five (5) Year option through November 17, 2026

P:\BOARDMTG\2021\Lease Report 10-21-21.docx



PEASE
INTERNATIONAL
DEVELOPMENT
AUTHORITY

55 International Drive Portsmouth, NH 03801

August 16, 2021

Greg Mahanna, Manager
Executive Hangar, LLC
120 Aviation Avenue
Portsmouth, NH 03801

RE: Sublease Between Pease Development Authority & Executive Hangar, LLC
by Virtue of an Assignment from Tyco International LTD

Dear Greg:

This letter will serve to confirm that in accordance with Article 3, Section 3.2 of the Sublease, Executive Hangar LLC has exercised its fourth five-year option, thereby extending the term of the Sublease until November 17, 2026.

Sincerely,

Anthony I. Blenkinsop
Deputy Director / General Counsel

cc: Paul E. Brean, Executive Director
Suzy Anzalone, Director of Finance

P:\EXECUTIVE HANGAR\Lease\Option Four Exercise to 11 17 2026.docx

EXECUTIVE HANGAR LLC
120 Aviation Avenue
Portsmouth, NH 03801


August 10, 2021

Raeline O'Neil
Legal Executive Assistant
Pease Development Authority

Dear Ms. O'Neil,

At this time, Executive Hangar LLC would like to request that we be granted the 4th, 5-year extension of our current land lease at 120 Aviation Avenue. The current extension is due to expire in November 17th, 2021.

Respectfully,



Greg Mahanna
Manager



MEMORANDUM

TO: Pease Development Authority Board of Directors *PEB*
FROM: Paul E. Brean, Executive Director
RE: Contract Reports
DATE: October 14, 2021

In accordance with Article 3.9.1.1 of the PDA Bylaws, I am pleased to report the following:

- Project Name: Piscataqua Landscaping & Tree Service
 Board Authority: Prior authorization to extend services per agreement effective November 1, 2018
 Summary: Exercise of first of two (2) one (1) year options to agreement for services

September 30, 2021

Justin Gamester, President
Piscataqua Landscaping & Tree Service
26 Maclellen Lane
Eliot, ME 03903

Re: Agreement for Landscaping and Snow Removal Services

Dear Mr. Gamester:

Please allow this letter to serve as the Pease Development Authority's (PDA) exercise of its first of two, one (1) year options to extend the term of our Agreement for Landscaping and Snow Removal Services effective November 1, 2018. The exercise of this option shall extend the term of the Agreement through October 31, 2022.

If you have questions regarding this matter, please let me know.

Very truly yours,



Paul E. Brean
Executive Director

:rao

cc: Anthony I. Blenkinsop, Deputy Director / General Counsel
Chasen Congreves, Manager of Airport Administration
Robin Page, Admin. Asst. (Maintenance Department)
Suzy Anzalone, Director of Finance

MOTION

Director Fournier:

The Pease Development Authority Board of Directors approves of and authorizes the Executive Director to enter into a three (3) year subscription agreement for the APP-139 digital inspection software program, through a GSA federal contract, for a total cost of \$20,800.00; all in accordance with the memorandum of Chasen Congreves, Manager of Airport Administration, dated October 1, 2021, attached hereto.

In accordance with the provisions of RSA 12-G:8 VIII, the Board justifies the waiver of the RFP requirement based on the following reason:

The App-139 digital inspection and work order software will be acquired through Federal GSA contract #47QTCA21D000S, the federal equivalent of a State approved vendor.

NOTE: This motion requires 5 affirmative votes.

N:\RESOLVES\2021\PSM – Airport Digital Inspection Software 10-21-2021.docx

Memo

To: Paul E. Brean, Executive Director *PCB*
From: Chasen Congreves, Manager of Airport Administration *CC.*
Date: 10/1/2021
Re: Airport Digital Inspection Software

Commercial service airports operating with a Part 139 certificate are required per the Federal Aviation Administration (FAA) to self-inspect and maintain inspection records. A digital inspection program sustainably centralizes multiple record-keeping systems by tying in an asset management and work order system while meeting the FAA required self-inspection program. The FY21 Capital Improvement Plan (CIP), allocated \$8,000 for procurement of a Part 139 associated digital inspection software. The FAA recommended such software, most recently during Portsmouth International Airport's annual audit conducted on September 21, 2021, as well as during our administrative inspection held in March of 2021.

In 2017, the Pease Development Authority ("PDA") attempted to create its own digital inspection software program through its digital asset management and work order platform; however, that attempt failed to gain FAA approval. Through multiple trials and constant communication with PDA's current work order system, Manager+, airport staff recognized the need to move towards procuring a digital inspection software platform that would meet both FAA Part 139 standards for record-keeping and self-inspection of the airport, as well as PDA's interest in asset management and trend documentation. Airport staff have taken part in several demonstrations of FAA approved software solutions and have recognized a program that uniquely fits the PDA and FAA requirements. Additionally, this program is included in the General Services Administration's (GSA) Federal Acquisition Service, which is similar to New Hampshire's state procurement system. This would guarantee a discounted price to the PDA from a federal level. The software solution is known as "App-139" and is utilized by over 80 commercial service airports, including Manchester Airport.

This is to request Board authorization to utilize \$8,000 appropriated for the digital inspection software program contained within the FY21 CIP to purchase the App-139 software solution. While this is under the \$10,000 statutory threshold for a request for proposal, given the three (3) year term of the agreement, it is also necessary to request a waiver of the RFP process in an effort to purchase this software through the GSA federal contract in an effort to obtain the discounted federal rate. The annual cost for the digital inspection and work order software equates to \$6,100 per year; this price is guaranteed for three (3) years. Further, there is a one-time set up fee for \$2,500 which also provides unlimited remote training and site development. The start-up cost for the first year with this system would be \$8,600 (see attached quote for reference). Furthermore, PDA would recognize a savings of approximately \$11,000 per year to replace our current asset management system, Manager+.

As such, at the October 21st PDA Board of Director's meeting, please request authority from the Board to waive the formal RFP process and to purchase the App-139 digital inspection and work order software under the Federal GSA contract #47QTCA21D000S.

App-139 Pricing for Portsmouth International Airport

App-139 Annual Subscription: **\$6,100**

- Inspection Module
- Work Order Management Module
- Repeating Work Order Scheduler
- NOTAM Logging Module
- Mobile iPad App
- Wildlife Tracking
- Daily Log
- Special Purpose Inspection
- Admin Module
- Unlimited Users for both Web and Mobile Apps
- Unlimited Support and software updates/upgrades to existing modules

Options:

- AGIS Layers/Data of lights and signs if you have them is \$300 per year
- Additional SPI forms are \$400 each form, one-time fee

App-139 One-time Setup/Installation: **\$2,500**

- Setup of Aerial Imagery using Bing or Provided by Airport
- App-139 Site Configuration
 - 2 SPI forms included
- Unlimited Remote Training

App-139 Total Cost First Year: **\$8,600**

Annual Fee: **\$6,100**

Proposal good for 90 days

Price Guaranteed for 3 years with contract

Semi-Annual Payment option

MOTION

Director Ferrini:

The Pease Development Authority ("PDA") Board of Directors authorizes the Executive Director to accept and bind Workers Compensation insurance coverage for the PDA to be provided by MEMIC Indemnity and brokered by Fred C. Church Insurance, Inc. ("Church") for the period of 12/31/21 through 12/31/22 in the projected amount of \$82,929.00; all in accordance with the Insurance Proposal prepared by Church and the memorandum of Anthony I. Blenkinsop, Deputy Director / General Counsel, dated October 14, 2021, attached hereto.

MEMORANDUM

To: Paul Brean, Executive Director *LB*

From: Anthony I. Blenkinsop, Deputy Director / General Counsel *ATB*

CC: Tanya Coppeta, Employee Relations Manager

Re: Workers Compensation Coverage Renewal

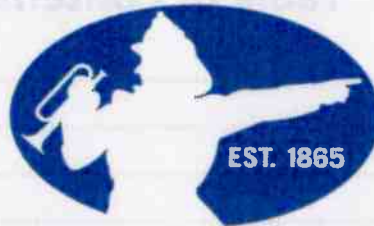
Date: October 14, 2021

At the December 14, 2017, meeting of the Board, the Executive Director was authorized to enter into an agreement with Fred C. Church Insurance, Inc. to provide Workers Compensation coverage to the PDA for a period of three (3) years, to include two (2) one (1) year options to extend at the Executive Director's discretion. Such coverage does not extend to employees of the Division of Ports and Harbors who have been historically covered, and continued to be covered, by the State of New Hampshire's self-insured Workers Compensation program.

Attached you will find a proposal in the amount of \$82,929.00 for the upcoming renewal period of 12/31/21 through 12/31/22. Also please find three loss history charts which reflect the fact that PDA's experience modification factor decreased from 1.04 to 0.81 for the upcoming renewal period. While the projected premium is an increase over last year's premium of \$77,979.00, it is a substantially smaller increase than the PDA experienced a year ago. This year's increase is largely due to a continued hardening of insurance markets overall, as well as a reduction in discretionary credits provided by the insurance carrier due to a few new PDA claims in 2021. However, the significant reduction in the PDA's experience modification, as well as only a slight increase in PDA's payroll estimates, enabled Fred C. Church Insurance, Inc. to keep the PDA's rate increase at a reasonable level. Please see page 5 of the attachment for a comparison of the premium breakdown from last year and for this upcoming year.

Overall this is an acceptable renewal proposal with a solid insurance carrier (MEMIC/AM Best Rating A IX). As hoped a year ago, PDA's safety culture and its overall commendable loss history played a role in reducing its experience modification this year. Finally, please note that as the policy is subject to audit the premium may adjust up or down slightly from the projected amount.

At the October 21, 2021, meeting of the Board, please seek authority to bind Workers Compensation coverage through Fred C. Church Insurance, Inc. in the projected amount of \$82,929.00 for the forthcoming policy period of 12/31/21 through 12/31/22.



Fred C. Church
I N S U R A N C E

Commercial Insurance Proposal

for

Pease Development Authority
and Skyhaven Airport

October 13, 2021

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Named Insureds

Insured	Interest
Pease Development Authority and Skyhaven Airport	First Named Insured

Premium Summary

Description of Coverage	2020-2021 Premium	2021-2022 Premium	Insurer	AM Best
Workers Compensation	\$77,979	\$82,929	MEMIC Indemnity	A IX

Payment Options

Policy	Direct or Agency Billed	Number of Installments
Workers Compensation	Direct Bill	Annual

This document is a summary of coverage only; the policies contain additions, exclusions, and/or limitations that are not shown here.

Please refer to the policy or contact Fred C. Church, Inc. for complete coverage details.

Workers Compensation

MEMIC Indemnity Company Insurance Company
 3102800857 Policy Number
 12/31/2021 to 12/31/2022 Policy Term

Coverages

Description	Limit
Workers Compensation: Statutory Benefit	Included
Employers Liability: Each Accident	\$500,000
Employers Liability: Disease – Policy Limit	\$500,000
Employers Liability: Disease – Each Employee	\$500,000
Other States Insurance: MA NH	


Locations & Class Codes

Loc	St	Code	Description	Estimated Annual Payroll
1	Pease International Tradeport			
	NH	7403	Aircraft Or Helicopter Operation---Air Carrier---Scheduled	\$1,949,000
	NH	8810	Clerical Office Employees NOC	\$1,577,900
	NH	9012	Apartment Property Managers And Leasing Agents	0
	NH	9015	Buildings-Operation By Owner Or Lessee Or Real Estate	0
	NH	9060	Club-Country, Golf, Fishing Or Yacht- & Clerical	\$981,000
2	Skyhaven Airport			
	NH	8810	Aircraft Or Helicopter Operation---Air Carrier---Scheduled	\$50,000
3	All MA			
	MA	8810	Clerical Office Employees NOC	\$0

Workers Compensation Premium Comparison

Year: 2020-2021						Year: 2021-2022					
Carrier: MEMIC						Carrier: MEMIC					
			Estimated			Estimated				Estimated	
State	Class	Description	Payroll	Rate	Premium	State	Class	Description	Payroll	Rate	Premium
NH	7403	Aviation	\$2,170,000	4.59	\$99,603	NH	7403	Aviation	\$1,999,000	4.85	\$96,952
	8810	Clerical	\$1,600,000	0.16	\$2,560		8810	Clerical	\$1,577,900	0.17	\$2,682
	9060	Country Club	\$755,000	2.31	\$17,441		9060	Country Club	\$981,100	2.44	\$23,939
	9012	Property Manager	\$0	1.24	\$0		9012	Property Manager	\$0	1.30	\$0
	9015	Buildings Operation by Owner	\$0	3.75	\$0		9015	Buildings Operation by Owner	\$0	3.83	\$0
Increased Limits				0.008	\$957	Increased Limits				0.008	\$989
Experience Mod				1.040	\$4,822	Experience Mod				0.810	-\$23,667
Schedule Credit				0.230	-\$27,396	Schedule Credit				0.100	-\$10,090
Managed Care Credit				0.050	-\$6,269	Managed Care Credit				N/A	0
Premium Discount				0.103	-\$9,447	Premium Discount				0.103	-\$9,353
Terrorism				0.008	\$362	Terrorism				0.008	\$365
Catastrophe				0.020	\$905	Catastrophe				0.020	\$912
Expense Reduction Plan					-\$5,759	Expense Reduction Plan				N/A	\$0
Expense Constant					\$180	Expense Constant					\$180
Total State			\$4,525,000		\$77,959	Total State			\$4,558,000		\$82,909
MA	8810	Clerical	\$0	0.06	\$0	MA	8810	Clerical	\$0	0.06	\$0
Loss Constant					\$20	Loss Constant					\$20
Total State			\$0		\$20	Total State			\$0		\$20
Grand Totals			\$4,525,000		\$77,979	Grand Totals			\$4,558,000		\$82,929

Experience Modification Worksheet

WORKERS COMPENSATION EXPERIENCE RATING								
		Risk Name: PEASE DEVELOPMENT AUTHORITY				Risk ID: 290173711		
Rating Effective Date: 12/31/2021			Production Date: 08/30/2021		State: NEW HAMPSHIRE			
State	Wt	Exp Excess Losses	Expected Losses	Exp Prim Losses	Act Exc Losses	Ballast	Act Inc Losses	Act Prim Losses
NH	.14	87,013	131,183	44,170	8,561	38,000	41,572	33,011
(A) Wt	(B)	(C) Exp Excess Losses (D - E)	(D) Expected Losses	(E) Exp Prim Losses	(F) Act Exc Losses (H - I)	(G) Ballast	(H) Act Inc Losses	(I) Act Prim Losses
.14		87,013	131,183	44,170	8,561	38,000	41,066	22,505
		Primary Losses	Stabilizing Value		Ratable Excess		Totals	
Actual	(I)	22,505	C * (1 - A) + G 112,831		(A) * (F) 1,199		(J) 136,535	
Expected	(E)	44,170	C * (1 - A) + G 112,831		(A) * (C) 12,182		(K) 169,183	
		ARAP	FLARAP	SARAP	MAARAP		Exp Mod	
Factors							(J) / (K) .81	
RATING REFLECTS A DECREASE OF 70% MEDICAL ONLY PRIMARY AND EXCESS LOSS DOLLARS WHERE ERA IS APPLIED.								



WORKERS COMPENSATION EXPERIENCE RATING

Risk Name: PEASE DEVELOPMENT AUTHORITY

Risk ID: 280173711

Rating Effective Date: 12/31/2021

Production Date: 08/30/2021

State: NEW HAMPSHIRE

28-NEW HAMPSHIRE

Firm ID:

Firm Name: PEASE DEVELOPMENT AUTHORITY

Carrier: 38563

Policy No. 3102800857

Eff Date: 12/31/2017

Exp Date: 12/31/2018

Code	ELR	D-Ratio	Payroll	Expected Losses	Exp Prim Losses	Claim Data	IJ	OF	Act Inc Losses	Act Prim Losses
7403	1.81	.32	1,856,530	33,603	10,753	18215208	06	F	2,802	2,802
8810	.07	.39	1,165,043	816	318	NO. 4	06	*	5,855	5,855
9060	1.02	.41	697,016	7,110	2,915					
9807	EMPLOYERS LIABILIT			0	0					
Policy Total:			3,718,589	Subject Premium:	109,763	Total Act Inc Losses:			8,657	

28-NEW HAMPSHIRE

Firm ID:

Firm Name: PEASE DEVELOPMENT AUTHORITY

Carrier: 38563

Policy No. 3102800857

Eff Date: 12/31/2018

Exp Date: 12/31/2019

Code	ELR	D-Ratio	Payroll	Expected Losses	Exp Prim Losses	Claim Data	IJ	OF	Act Inc Losses	Act Prim Losses
7403	1.81	.32	1,956,336	35,410	11,331	19209090	05	F	26,561	16,000
8810	.07	.39	1,421,148	995	388	NO. 3	06	*	2,115	2,115
9060	1.02	.41	716,983	7,313	2,998	15213330	06	F	4,239	4,239
9807	EMPLOYERS LIABILIT			0	0					
Policy Total:			4,094,467	Subject Premium:	108,351	Total Act Inc Losses:			32,915	

28-NEW HAMPSHIRE

Firm ID:

Firm Name: PEASE DEVELOPMENT AUTHORITY

Carrier: 38563

Policy No. 3102800857

Eff Date: 12/31/2019

Exp Date: 12/31/2020

Code	ELR	D-Ratio	Payroll	Expected Losses	Exp Prim Losses	Claim Data	IJ	OF	Act Inc Losses	Act Prim Losses
7403	1.81	.32	2,052,268	37,146	11,887					
8810	.07	.39	1,698,972	1,189	464					
9060	1.02	.41	745,201	7,601	3,116					
9807	EMPLOYERS LIABILIT			0	0					
Policy Total:			4,496,441	Subject Premium:	111,639	Total Act Inc Losses:			0	

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* Total by Policy Year of all boxes \$2000 or less.

D Disease Loss

X EI-Medical Coverage

U USL&HW

C Catastrophic Loss

E Employers Liability Loss

Limited Loss

Page 2 of 2

Memorandum

To: Paul Brean C.M., Executive Director *PAB*
From: Sandra McDonough, Airport Community Liaison *SM*
Date: 10/13/2021
Subj: Noise Report for September, 2021

Portsmouth International Airport at Pease received 4 noise inquiries in September, 2021. All inquiries pertained to fixed-wing aircraft.

The inquiries originated from Newmarket, Durham, and Portsmouth, New Hampshire. The caller from Newmarket indicated there was an excessive amount of loud aircraft activity over her house. Runway 16 was in use at that time so if aircraft were coming from the South or West, the traffic flows towards the vicinity of her home. The resident was not interested in a return call, but requested that aircraft stop flying over her home. A resident of Durham called about a large aircraft that flew over her home. After reviewing the activity log, there were three military cargo aircraft that departed Runway 34 heading over the Durham area, all operating within normal procedures and regulations. One of the Portsmouth residents called when a military aircraft flew over her house related to the September airshow. The caller was disappointed about the airshow because it will scare the birds and pollute the air. The last inquiry was from another Portsmouth resident concerning a turbo Pilatus PC12 based out of Portsmouth. The caller thought the pilot was turning to its base leg too soon. Air traffic Control Tower advised that the turn is at the pilot's discretion.

All inquiries are reviewed and logged in the airport database. Individual inquiries are researched and followed up on with phone calls where appropriate. Certain callers have indicated that call backs are unnecessary.

SHEEHAN PHINNEY BASS & GREEN PA
1000 ELM STREET
P.O. BOX 3701
MANCHESTER, NH 03105-3701

SERVICE AND EXPENSE MAILBACK SUMMARY

RE: Trade Port - General Representation

CLIENT/CASE NO. 14713-10167
BILLING ATTORNEY:Lynn J. Preston
Invoice Number: 366548

TOTAL FOR PROFESSIONAL SERVICES RENDERED:	\$1,765.00
TOTAL EXPENSES:	\$0.00

TOTAL THIS BILL:	\$1,765.00

PREVIOUS BALANCE:	\$0.00

TOTAL BALANCE DUE:	\$1,765.00

PAYMENT DUE 30 DAYS FROM INVOICE DATE

Please return this page with your remittance and please reference the client/case number on all related correspondence.

AMOUNT PAID... \$ _____

To pay by CREDIT CARD, please visit www.sheehan.com, scroll to the bottom and click " ClientPay " or contact our office directly.

SHEEHAN PHINNEY BASS & GREEN PA
1000 ELM STREET
P.O. BOX 3701
MANCHESTER, NH 03105-3701

SERVICE AND EXPENSE MAILBACK SUMMARY

RE: Permit Implementation

CLIENT/CASE NO. 14713-19658
BILLING ATTORNEY:Lynn J. Preston
Invoice Number: 366547

TOTAL FOR PROFESSIONAL SERVICES RENDERED:	\$2,320.00
TOTAL EXPENSES:	\$0.00

TOTAL THIS BILL:	\$2,320.00

PREVIOUS BALANCE:	\$0.00

TOTAL BALANCE DUE:	\$2,320.00

PAYMENT DUE 30 DAYS FROM INVOICE DATE

Please return this page with your remittance and please reference the client/case number on all related correspondence.

AMOUNT PAID... \$ _____

To pay by CREDIT CARD, please visit www.sheehan.com, scroll to the bottom and click " ClientPay " or contact our office directly.

SHEEHAN PHINNEY BASS & GREEN PA
1000 ELM STREET
P.O. BOX 3701
MANCHESTER, NH 03105-3701

SERVICE AND EXPENSE MAILBACK SUMMARY

RE: PDA-DPH/Portsmouth Fish Pier

CLIENT/CASE NO. 14713-16817
BILLING ATTORNEY:Lynn J. Preston
Invoice Number: 366549

TOTAL FOR PROFESSIONAL SERVICES RENDERED:	\$87.00
TOTAL EXPENSES:	\$0.00

TOTAL THIS BILL:	\$87.00

PREVIOUS BALANCE:	\$0.00

TOTAL BALANCE DUE:	\$87.00

PAYMENT DUE 30 DAYS FROM INVOICE DATE

Please return this page with your remittance and please reference the client/case number on all related correspondence.

AMOUNT PAID... \$ _____

To pay by CREDIT CARD, please visit www.sheehan.com, scroll to the bottom and click " ClientPay " or contact our office directly.



MOTION

Director Lamson:

In accordance with the recommendation of the Pease Development Authority ("PDA") Airport Committee, the PDA Board of Directors hereby approves of the concept plan submitted by Clear Air, LLC for the development and construction of hangars on Hampton Street; all in accordance with the memorandum of Maria J. Stowell, Engineering Manager, dated October 7, 2021, with attached plan.



PEASE INTERNATIONAL

DEVELOPMENT
AUTHORITY

55 International Drive Portsmouth, NH 03801

To: Paul E. Brean, Executive Director *PEB*
From: Maria J. Stowell, PE, Engineering Manager *Maria*
Date: October 7, 2021
Subject: Clear Air, LLC - Proposed GA Hangars on Hampton Street

Clear Air, LLC is proposing to create an approximately 4.7 acre lot at the corner of Hampton Street and Aviation Avenue to develop four corporate hangars. The development would be accessed from Hampton Street and would include two separate buildings, each consisting of 2 - 12,100 square foot hangars with attached office and support areas of 2400 square feet each. The two buildings would flank new apron pavement that extends from the existing corporate apron. The development would also include vehicle parking lots, security fencing, utilities, lighting, landscaping, and other appurtenances. Clear Air's concept plans are attached.

In addition to the site layout, staff and Clear Air representatives have also discussed: stormwater treatment; spill containment; shared use of the Hampton Street driveway; and airfield security. There would be no wetland or wetland buffer impacts. Traffic to the development will be generated by aircraft owners, pilots and guests and will not have a significant impact on Tradeport roads.

Staff has reviewed the proposal and we believe the use is appropriate for this site and the development can be constructed in conformance with PDA's Land Use Controls. If the concept plan is approved, Clear Air will continue with design work and, with staff concurrence, submit plans for subdivision and site review approval. Because the project is located in the Airport Industrial zone, the Board will be acting as a Planning Board to review the complete set of plans after the Technical Review process is completed.

The PDA Airport Committee voted on October 7th to recommend approval of the concept plans to the PDA Board. Please present Clear Air's development concept to the full Board at the October meeting.

N:\ENGINEER\Board Memos\2021\5 Hampton Hangar Complex concept.docx

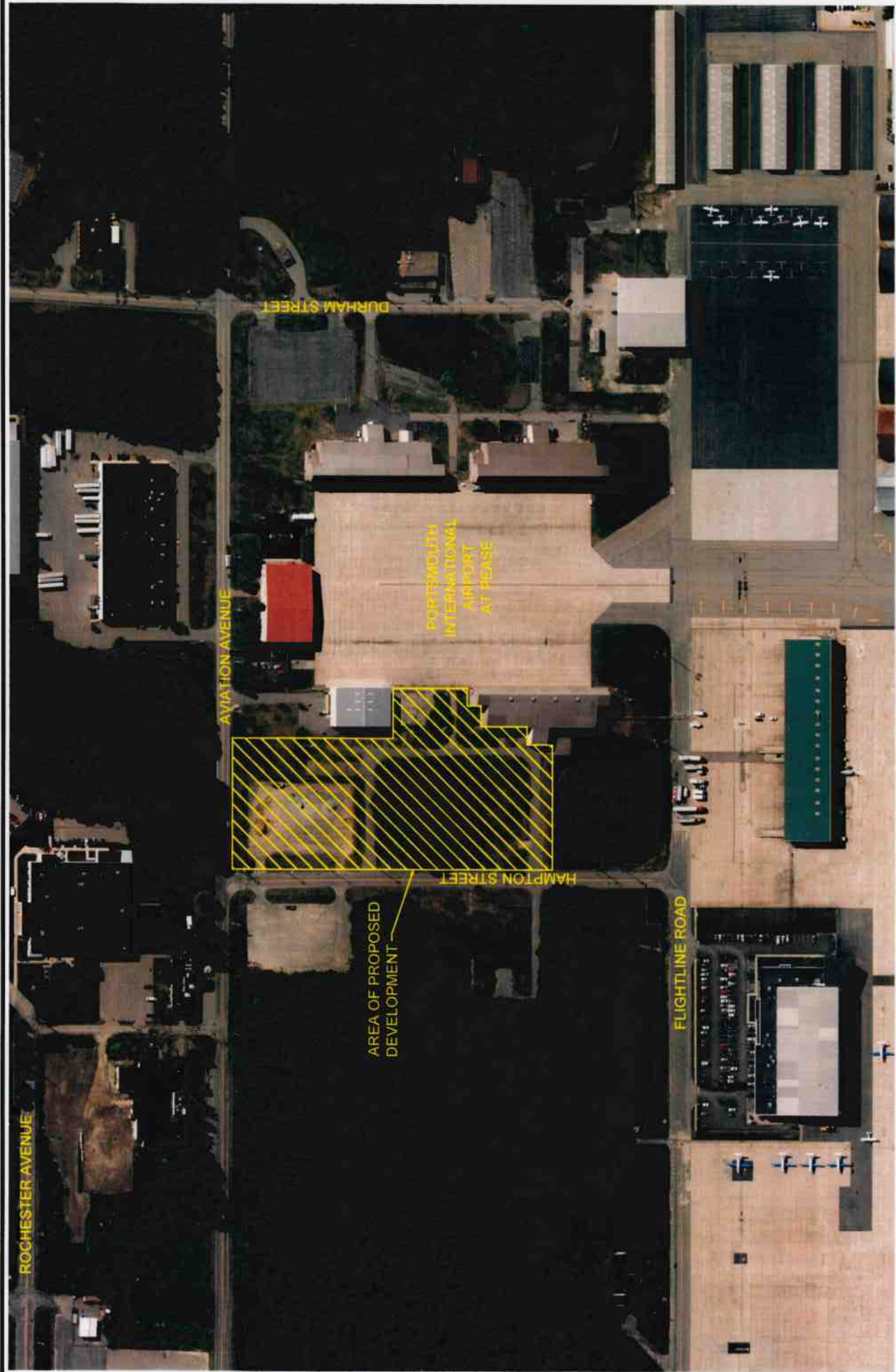


Exhibit Depicting Area for Proposed Hangar Development

DESIGNED BY: MIRM

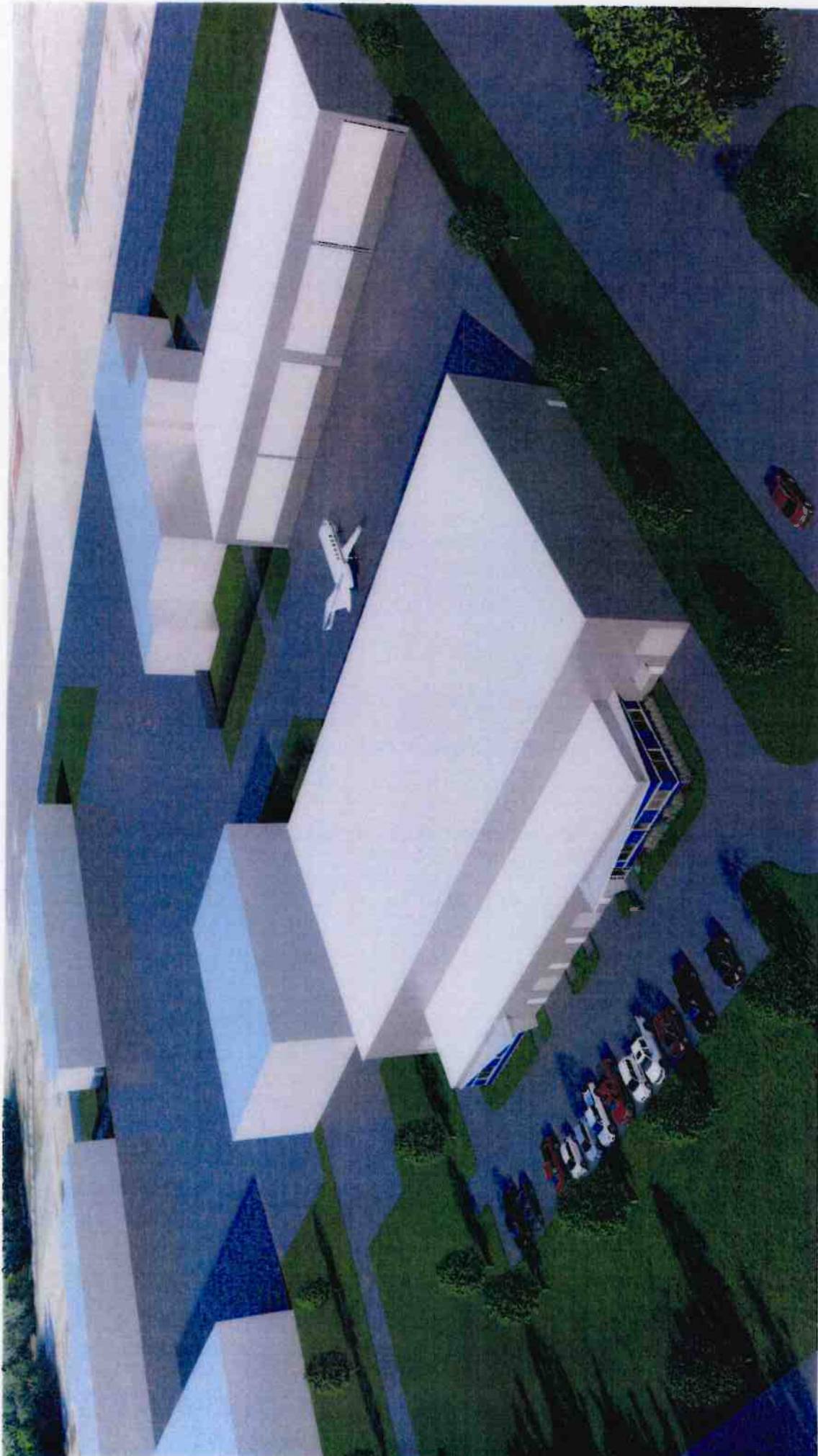
DATE: 10/1/21

SCALE: 1"=300'±



PEASE DEVELOPMENT AUTHORITY

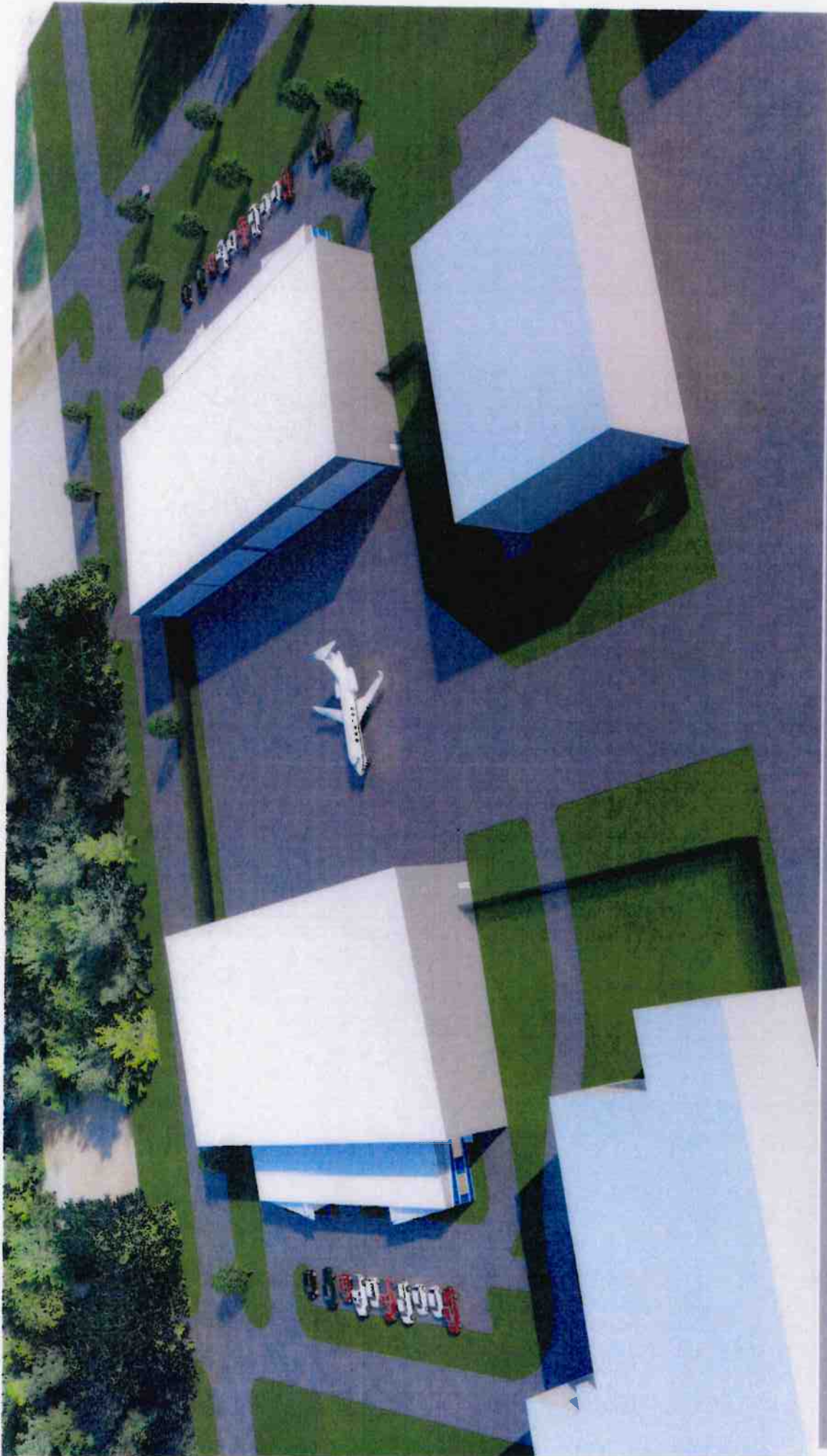
55 INTERNATIONAL DRIVE, PORTSMOUTH, NH 03801



MOULTON HANGARS - PEASE TRADE PORT - PORTSMOUTH, NH

25
SEPTEMBER
2021

PROCON
SPECIALTY CONTRACTORS, LLC (DBA PROCI)



MOULTON HANGARS - PEASE TRAPE PORT - PORTSMOUTH, NH

SEPTEMBER
2021

PROCON
CONSTRUCTION SOFTWARE



MOULTON HANGARS - PEASE TRADE PORT - PORTSMOUTH, NH

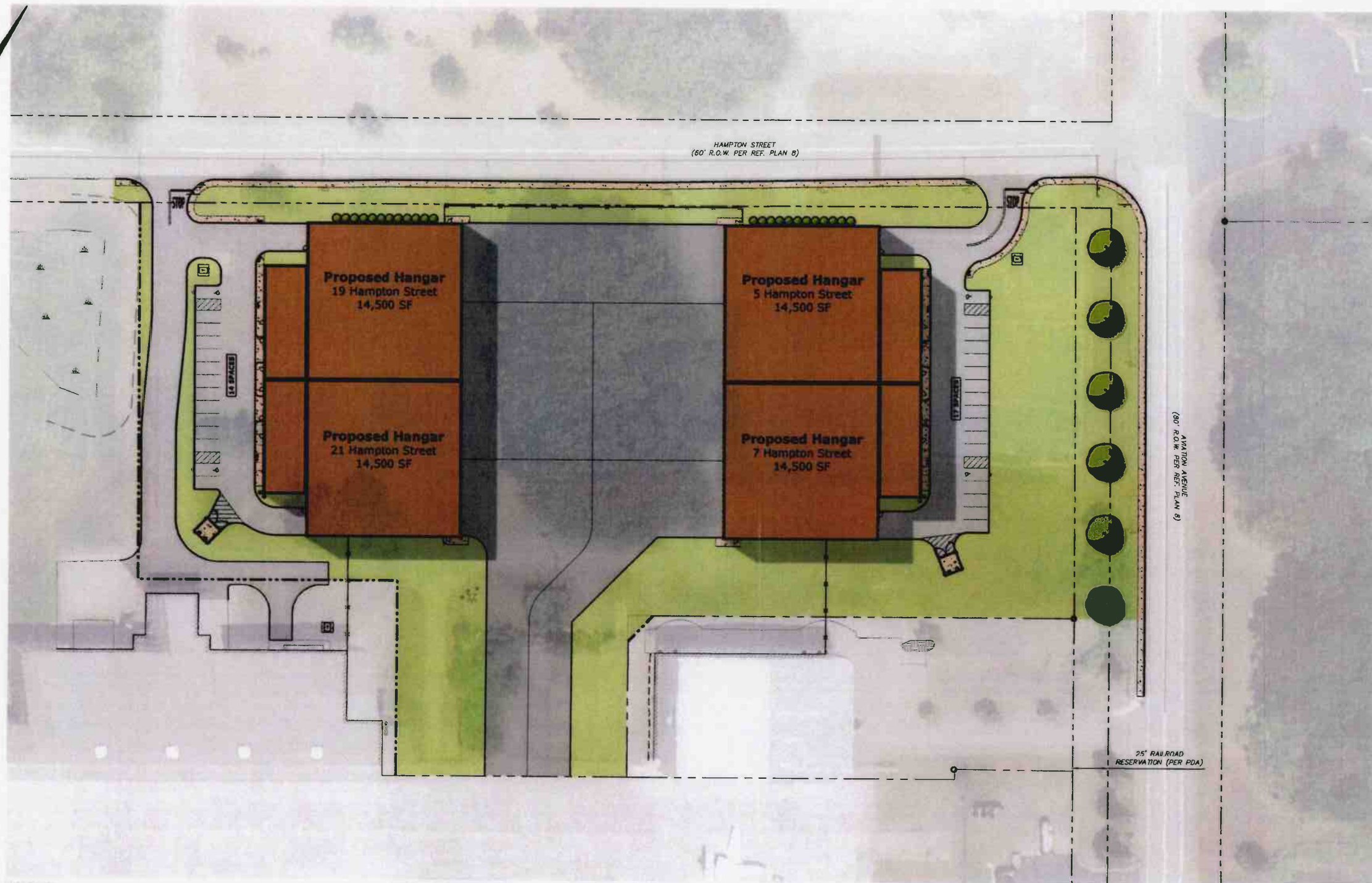
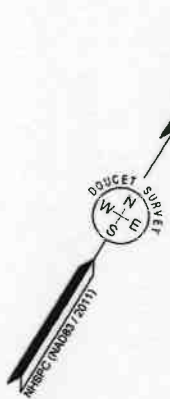
25
SEPTEMBER
2021



MOULTON HANGARS - PEASE TRADE PORT - PORTSMOUTH, NH

SEPTEMBER 2021

PROCON
CONSTRUCTION



SITE DATA:
 LOCATION: TAX MAP 0310, LOT 0000
 HAMPTON ST. & AVIATION AVE.
 PORTSMOUTH, NEW HAMPSHIRE

ZONING DISTRICT: AIRPORT INDUSTRIAL
 ALLOWED USE: AIRCRAFT PARKING APRONS AND TAXIWAYS FOR INDUSTRIAL USERS
 AIRCRAFT HANGARS, SERVICING AND REPAIR FACILITIES
 AIRPORT ADMINISTRATION AND MAINTENANCE OFFICES AND FACILITIES

<u>DIMENSIONAL REQUIREMENTS:</u>	<u>REQUIRED</u>	<u>PROPOSED</u>
MINIMUM LOT (LEASE) AREA:	N/A ⁽¹⁾	±203,930 SF
MINIMUM LOT FRONTAGE:	N/A ⁽¹⁾	±640 FT
MINIMUM YARD SETBACKS:		
• FRONT:	N/A ⁽¹⁾	±13.1 FT
• SIDE:	N/A ⁽¹⁾	±87.1 FT
• REAR:	N/A ⁽¹⁾	±30.5 FT
MAXIMUM BUILDING HEIGHT:	PER FAA	±38 FT
MINIMUM OPEN SPACE:	N/A ⁽¹⁾	±30.9%

(1) - PER SECTION 3.04.02 (b) (1) OF THE PEASE DEVELOPMENT AUTHORITY ZONING REQUIREMENTS: LOT DIMENSIONAL REQUIREMENTS SHALL NOT BE APPLICABLE TO LOTS SITUATED ON THE AIRPORT APRON, AND SHALL BE SUBJECT TO APPROVAL BY THE BOARD.

<u>PARKING REQUIREMENTS:</u>	<u>REQUIRED</u>	<u>PROPOSED</u>
PARKING STALL LAYOUT:		
• STANDARD 90°	WIDTH: 8.5' MIN AREA: 160 SF MIN	9' X 18' (162 SF)

<u>DRIVE AISLE WIDTH:</u>	<u>REQUIRED</u>	<u>PROPOSED</u>
• 90° (2-WAY TRAFFIC)	24 FT	24 FT
• 90° (1-WAY TRAFFIC)	14 FT	16 FT

PARKING SPACE REQUIREMENTS:
 HANGAR:
 AS DETERMINED BY THE PDA BOARD = PER PDA 31 SPACES⁽²⁾
 (1) - FOUR (4) ADA SPACES PROVIDED

**PROPOSED HAMPTON STREET
 HANGARS
 PORTSMOUTH, NH**

COLOR SITE PLAN

FIGURE:	01
DATE:	10/04/2021
DRAWN BY:	CHL
CHECKED:	PMC
APPROVED:	BLM



Last Save Date: October 1, 2021 3:54 PM By: CHL
 Plot Date: Friday, October 1, 2021 12:23 PM
 Title: Location: J:\Projects\2103152148 - Hampton Corporation\Drawings - Tighe&Bond\01Sheet1.dwg
 User: CHL

MOTION

Director Levesque:

The Pease Development Authority Board of Directors hereby approves of the request by Port City Air Leasing, Inc. for the installation of solar panels on Hangars 213 and 212, located at 44 and 58 Durham Street; all in accordance with the memorandum from Maria J. Stowell, Engineering Manager, dated October 12, 2021 both attached hereto.

N:\RESOLVES\2021\Solar Panel Installation 10-21-2021.docx



PEASE
INTERNATIONAL

DEVELOPMENT
AUTHORITY

55 International Drive Portsmouth, NH 03801

MEMORANDUM

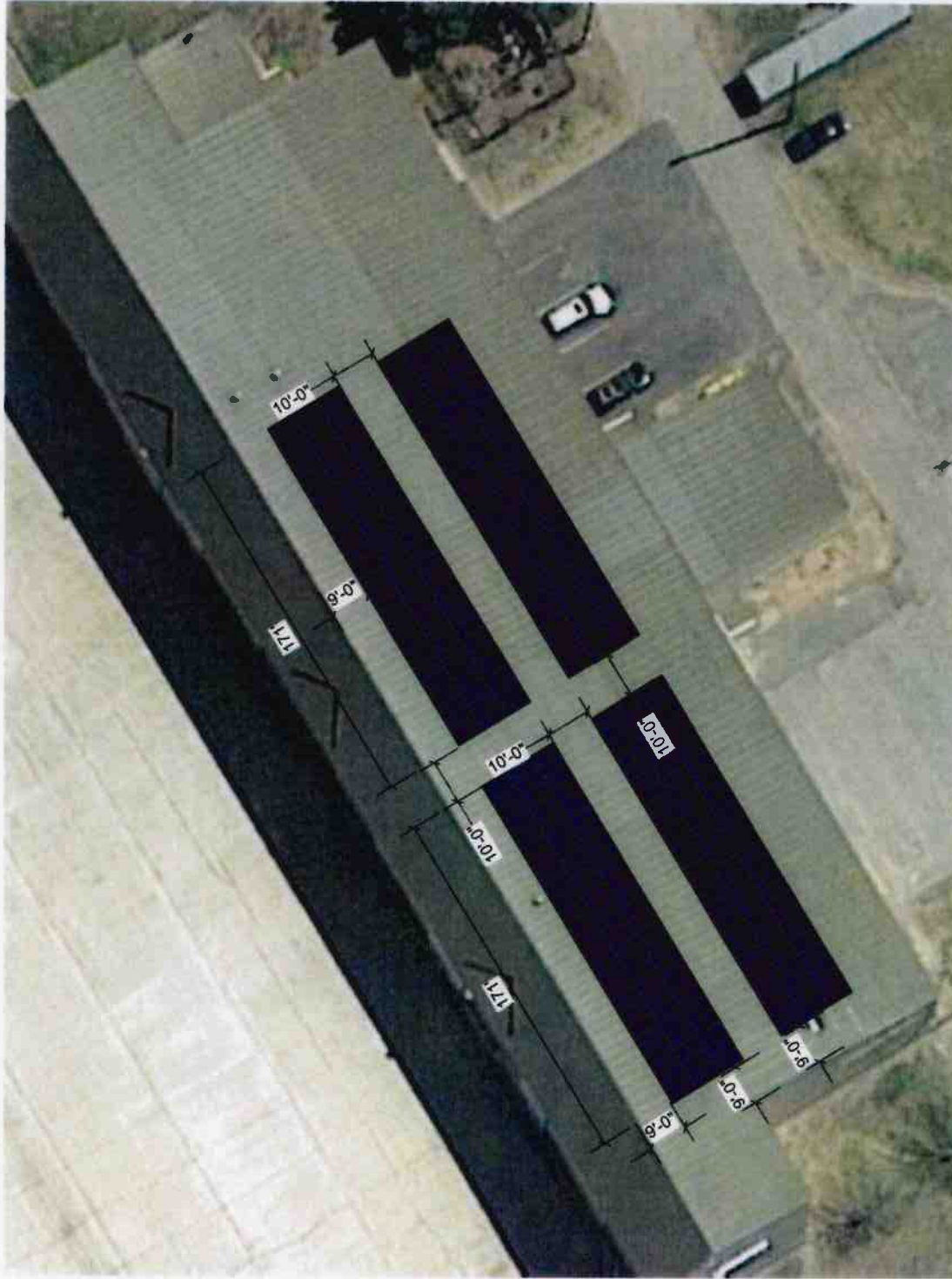
To: Paul E Brean, Executive Director *PE*
From: Maria J. Stowell, P.E., Engineering Manager *Maria*
Date: October 12, 2021
Subject: 44 and 58 Durham Street Solar Panel Installation

Port City Air Leasing, Inc. ("PCAL") leases Air Force era nosedock hangars at 44 and 58 Durham Street (aka Hangar 213 and Hangar 212, respectively) and is proposing to improve the buildings by installing solar panels. The panels would be located on the street-facing pitched roofs. The attachments show the extent of the panels and the proposed location on the hangars.


Because the solar panel installation will be visible from Durham Street, the proposal should go before the Board for approval. Please seek approval for the installation of solar panels at 44 and 58 Durham Street by Port City Air Leasing, Inc.

Please note that PCAL is also installing solar panels at 12 Aviation Avenue (Hangar 229), the third nosedock hanger it leases. The installation at this site has no impact on Tradeport aesthetics and the approval was administered by staff.

N:\ENGINEER\Board Memos\2021\44 58 Durham Solar Panels.docx



* Note:
 10' access way
 bisecting array North
 to South and East to
 West for vertical
 venting, and a 9'
 minimum path
 around the perimeter
 of the array.

Manuf/Model HANWHA QCELLS		Port City Air (Hanger 212) 58 Durham St., Portsmouth, NH 03801	
Module Dimensions 40.55" x 81.89"		Site Layout	
Module Rating (W) 430		129 kWDC (86.4 kWAC)	
# Module Strings 6 x 18 & 12 x 16		SIZE A	REV A
# Modules Total 300		FSCM NO	DWG NO
DC Output (KW) 129 kWDC		SCALE 0.03" = 1'	SHEET 1 OF 1
Inverters SE43.2KUS x 2		HARMONY ENERGY WORKS 10 Gale Rd, Hampton, NH 603-926-3366 harmonyenergyworks.com	
PV ARRAY		DRAWN BY D CHILDS APPROVED BY G HORROCKS	
Roof Pitch = 20° Azim. = 150°			

Durham Street Hangars Existing Conditions

44 Durham Street - Hangar 213



58 Durham Street- Hangar 212





Division of Ports and Harbors Advisory Council
555 Market St.
Portsmouth, NH 03801
Tel 603-436-8500
Fax 603-436-2780

PORT ADVISORY COUNCIL MEETING MINUTES

WEDNESDAY, JUNE 9, 2021

Pursuant to NH RSA 91-A:2 III (b) and due to the COVID-19 public health emergency, I, Roger Groux, PAC Chairman, have waived the requirement that a quorum be physically present at the meeting. Therefore, in accordance with the Governor's Executive Order 2020-04, Section 8 and Emergency Order #12, Sections 3 and 4, Port Advisory Council Members will be participating remotely via the Zoom meeting platform. All votes will be a roll call vote. Members of the Council may attend this meeting by using the access information provided. PAC Members will be asked to state their full name, disclose their location and if anyone is in attendance with them. Please note that this meeting will be audio recorded.

1. CALL TO ORDER

A roll call attendance was taken and the meeting was called to order at 6:08 PM, the public hearing on proposed winter boat storage fees will remain open and the moderator will report if any members of the public come online.

PRESENT:

Roger Groux, Chairman, Dover Point, NH with no other individuals present.
Brad Cook, Vice-Chairman, Hampton, NH, with no other individuals present.
Chris Holt-Stratham, NH, no other individuals present.
Erik Anderson- Portsmouth, NH, with no other individuals present.
Chris Snow-Dover Point, NH, with no other individuals present.
Esther Kennedy-Portsmouth, NH with no other individuals present.
Mike Donahue-arrived at 6:20 PM, Newington, NH, with no other individuals present.

2. APPROVE MINUTES

Erik made a motion to accept the minutes as presented, Chris S. seconded. A roll call vote was taken and the minutes were approved.

3. FINANCE REPORT –

Geno reported on the finance report. Page 2 shows statement of operations, lower right hand column has each business unit. Portsmouth Fish Pier is behind budget, due to lack of fuel sales and reduction in pier use permits due to the ongoing reconstruction of the sea wall project. There have been 3 salt ships between April 30 to date and revenue will be coming in from those.

4. VESSEL TRANSIT REPORT

The May report was presented. The pilots are required to file a monthly report per administrative rules, report shows ships transiting the river, tugs, cargo, length beam and draft of the ship, tonnage etc. Reports are also used to help confirm the pilots made their requisite trips for their annual recertification.

5. DIRECTOR'S REPORT

1. Director Marconi reported on the items from the May 20, 2021 PDA Board meeting all items are in the packet and included:
 - **Report**, Northeast Fisheries Sector, ROE Portsmouth Fish Pier
 - **Report**, Rye hose reels
 - **Report**, Commercial Mooring Transfer- Syphers to Cummings
 - **Moorings for Hire**, Esther's Marina, Pull and B.D. Inc.
 - **Approval**, Rye Harbor Lobster Pound, one year waiver
 - **Approval**, Winter vessel storage fees
 - **Approval**, Swell Oyster, amend ROE to add restroom to existing building, Hampton
 - **Approval**, Swell Oyster, Cold storage building ROE, Hampton
 - **Approval**, Granite State Minerals, fourth and final one year option

Update on facilities:

- Hampton has a broken floating dock, waiting on estimate to replace
- Rye had its annual fuel system inspection last week, it was discovered that there was a leaky connection on the commercial side gasoline dispenser and it had to be shut down, Lakes Region Environmental will repair
- PFP-Contractor is prepping the area for fuel system and jib cranes installation
- Market St. Terminal: Cianbro is busy, salt is still being hauled, "jack-up" barge is doing test borings at PSNY (separate from the Cianbro job), first landing of poagie (menhaden) seiner today, 5 or 6 truckloads went out
- Industry Day is June 16th at the Market St. Terminal, marine construction contractors will attend for a preview of the 2 big projects, the Functional Replacement Barge Dock and the Main Pier rehabilitation. It is a good opportunity to give us the chance to field questions and listen to input prior to going into final design
- Erik asked about a proposal that Appledore Marine submitted for the Main Pier Dredge project Permit which could cost up to \$46+ K. A recent survey showed some shoaling at the main pier and we feel it is advantageous to get a dredge permit with the expectation to bid out and get a good price around the same time the Turning Basin is being done. It is estimated that approximately 5000 CY of material would need to come out. The expense was approved by the CBOC and the PDA Board. The \$46+ K would be the most it would cost as it depends on the initial samples.

6. NEW BUSINESS

1. A response letter from the Coast Guard regarding the lighthouse light letter that the PAC had sent previously. To summarize the letter, Roger explained that we should be getting a historically correct light that rotates. Discussion around what the range of the light will be compared to what it has been in the past. Roger would be happy to write a letter to ask for specifics and support a further range if necessary.
2. A Tidal boat registration report was presented. This report was provided by the NH DMV and compares years 2017-2021 of tidal boat registrations. Possibly as a result of the discussions held with the DMV in 2019, there has been an increase of about 1000 tidal boat registrations from 2017-2021, revenue has gone up by about \$36,000.00. Discussion on total boat increase from 2019 to 2020.

7. COMMITTEE REPORTS

Business and Economic Relations- Subcomm/Tyco/Simplex is considering a significant expansion and has been meeting with the planning board in Newington. That is a good indication that business is going well.

Dredging- Turning Basin agreement has been signed and they should start sometime in November.

Fisheries- Folks are watching the construction progress at the Portsmouth Fish Pier and are anxious for it to be completed.

Government- Esther reported the mask mandate is over in Portsmouth. Individual businesses can choose to require masks. There is a walk on Peirce Island next Wednesday with City Council, to go through what needs to be fixed. The PAC Members are invited. Still dealing with sewage plants and water line that will be fixed in the fall. Ramp usage is very busy on Peirce Island, launch fee went up to \$15.

Moorings- Roger reported that there are 5 new moorings at Great Bay Marine and all have been spoken for. They plan on adding 5 each year.

Recreational Piers- Brad reported that spring has been great in Hampton for the fishing crowd and are doing very well. Rye is a little slower but in general the fishing charters are doing well, whale watch coming along.

PDA-Erik reported that he was appointed to the PDA Port Committee and if anyone has anything to bring to them to let him know. Discussion on conflict of interest for being on 2 oversight boards for the Port. Roger will reach out to Paul Brean to discuss. Erik's opinion is that it would depend on the subject matter at hand.

8. OLD BUSINESS

Status on sensitivity training completion, waiting on 2 members to complete. Discussion regarding ZOOM meetings going forward. Geno mentioned the remote meetings are currently covered under the Governor's Executive orders and if those orders are rescinded RSA 91-A would prevail and states that telephonic meetings can be held, but a quorum has to be physically present in the room.

9. PUBLIC COMMENT

- a. Geno closed the public hearing on winter storage fees at 6:56 PM, there were no members of the public in attendance for the public hearing
- b. No members of the public were present for the PAC meeting.

10. PRESS QUESTIONS-None

11. ADJOURNMENT

Chris Holt made a motion to adjourn until September, Erik Anderson seconded. No discussion, the meeting adjourned at 7:00 PM.



*Division of Ports and Harbors Advisory Council
555 Market St.
Portsmouth, NH 03801
Tel 603-436-8500
Fax 603-436-2780*

**PORT ADVISORY COUNCIL MEETING MINUTES
WEDNESDAY, SEPTEMBER 8, 2021**

PRESENT: Roger Groux, Chair
Brad Cook, Vice-Chair
Erik Anderson
Chris Holt
Chris Snow
Mike Donahue
Geno Marconi

1. CALL TO ORDER

The meeting was called to order at 6:07 PM.

Prior to moving on with the Agenda, the Council recognized 2 members of the public, Adam Baker and Sue Reynolds, who attended the meeting to comment on a condition at the Rye Harbor Marine Facility. The Council allowed them to speak prior to proceeding with the Agenda.

Adam Baker spoke at length about his concerns with the Rye Harbor Lobster Pound (RHLP) and the negative impact its operations has had on his business, which is adjacent to the RHLP. Concerns included parking issues, use of his property by the RHLP customers (such as sitting on his buildings stoop eating their RHLP lunch which he shared a photo of), RHLP not telling their customers that they can't use the parking spots that are assigned to other ROE holders, disruption to his business (loss of sales 40% over last year, loss of profit), traffic flow, his customers are not able to access his building due to no parking available at his spot, discussions that he has had with the RHLP owner, foot traffic, using his personal funds to support his business, and safety concerns. Adam explained that he has been fair and open minded up until this point but has reached his threshold with the incident of the customers sitting on his stoop over the past weekend. He has reached out to the Governor's office numerous times and still has had no response. He also attended the August PDA board meeting to express his concerns. The issue, in his opinion, is the RHLP has outgrown the facility in Rye Harbor, the design of the parking lot and road way is multi-use for cars, with boats and trailers and is being overrun with RHLP traffic coming in. He also feels that RHLP is not following the terms of their ROE and appears to be operating as a restaurant. Possible solutions were discussed and could include moving the guardrail and the ticket booth so that all cars have to go through the gate and be directed to park. Conversation continued for several minutes. Director Marconi indicated that the Division will be doing a parking and traffic flow study. The Division is working hard to try and find solutions. The question came up on how the traffic created by the RHLP is different from the Whale Watch traffic, the difference is that the people coming for the whale watch automatically go to the paid parking area.

Sue Reynolds introduced herself and is the manager of the Rye Harborside, which is owned by Granite State Whale Watch. She commented on the concern that was raised regarding the foot traffic created by the Whale Watch, she said all ticketing is done online so they are walking directly to the pier and typically don't go into the road way, but some do. Sue stated that Rye Harborside does not get the customers that they used to get because there is no parking for them. From 10:30 to 3 pm there is no parking. They still get the breakfast business in the early morning hours. They typically get customers from the Whale Watch customers which is between 1 and 2:30 only. Sue answered the question regarding if the problem is with the owners of the business or with the customers, her opinion is the owners as they are using social media to promote the restaurant, they are not adhering to the 10 seat rule in front of their building, as they are letting their customers use the picnic tables at the Rye Harborside. Customers make a mess of the tables with the butter, steamers, lobsters etc. There have even been incidents of customers moving the Rye Harborside picnic tables to different locations to the point where they had to be bolted down. It has also been observed that RHLP staff delivers food to the customers at the Rye Harborside table. Adam stated that the owners of the RHLP have put themselves on an island and are not cooperative with the other shack owners. Also noted that they will come to the Rye Harborside table with their \$70 worth of RHLP food and buy coffee from the Harborside in order to sit at their picnic table. Sue has not had any direct contact with the RHLP owners, but it appears that the customer's rudeness is perpetuated by the social media page of RHLP. She said she has not seen the owners do anything to help the situation at all. Sue said she ran into Nate a week ago when he was running the hose across the parking lot and it was cordial. Brad asked if there had problems in the past and the 30 minute parking when they used to be a "cash and carry" outfit. Sue has been at the Harbor for 30 years as she operated Island Cruises and their shack was next to RHLP and had written one letter in 2015 regarding encroachment into her space and she couldn't get into her building in the back. It hasn't been a problem like it is today. She said the Director of the Port has given RHLP numerous chances to improve over the years. Discussion then turned to the letter from the Governor who offered the RHLP a waiver to operate for another year, under certain conditions. RHLP has been growing over the years but again, they have outgrown the facility. Especially since this is a Marine Facility which RHLP does not contribute to, they don't have a pier use permit, their customers don't pay for parking, and they don't support the local fisheries. RHLP does not need to be at Rye Harbor to be a successful business, they don't have a connection to the Marine industry. Director said Rye and Hampton are viewed as Marine Transportation Facilities (rather than a state park), which means they are doing something on the water. The question was asked if the RHLP purchases their product from the local fishermen. Adam said he has personally seen them thawing out frozen bisque from Illinois. Adam said he has helped Nate in the past unloading boxes from delivery trucks and he's getting his lobster in Kittery. There are 2 guys in Rye that he does buy from every once in a while. Sue commented that based on the volume of business they are doing, there is no way they can steam them, clean them, and make the lobster rolls and knows their frozen lobster meat comes from Prince Edward Island.

Discussion about the letter from the Governor, wording in the ROE contract, meetings that the RHLP has had with PDA-DPH, past correspondence, expiration of the current

ROE, what RHL P is paying (or more accurately not paying, pier use, mooring fees) to help support the operating expenses of the Harbor, RHL P customers treatment of the Division employees (including profanity), some of which are volunteers and teen agers, and the trash (including lobster bodies, shells from the clams, etc.) being thrown on the ground, which attracts rats, prior owners and operations. Roger added that he cannot make a connection of how the RHL P supports the Rye Harbor Marine Facility. The opinion is that it is no longer a “lobster pound” as was the original intention and that all of the ROE holders need to operate within their contract boundaries. There has not been a problem to this extent in the past with all of the charters operating and the past lobster pound until they expanded their menu and allowed on site consumption. Sue and Adam were thanked for their time and comments. Sue added that there are other shacks that would like to be able to do what RHL P is doing, so any decision made will set a precedence for other shack owners, including at the Hampton Marine Facility. Sue and Adam excused themselves at 7:15 PM and the meeting continued.

2. APPROVE MINUTES

Brad made a motion to accept the June 9, 2021 minutes, Chris H. seconded, no further discussion, the council voted and the motion carried.

3. FINANCE REPORT

Geno presented the finance report for period ending June 30, 2021. There were no questions on the report. There was a discussion regarding a boat that sank in Seabrook, it was determined the boat was vandalized, the owner is a Revolving Loan Fund recipient and they are reviewing options for recovering from the loss with the insurance company and researching other avenues.

4. PISCATAQUA RIVER VESSEL TRANSIT REPORTS were presented for the months of June, July and August 2021.

5. DIRECTOR’S REPORT

Geno reported on, and materials were provided for, the following items:

- a) From the PDA Board Meeting, June 17, 2021
 - a. Approval, Cianbro ROE extension
 - b) From the PDA Board Meeting, August 19, 2021
 - a. Approval, Winter storage fees, final adoption
 - b. Report, Camera upgrades, Rye Harbor
- c) 2021 Foreign Trade Zone Report-the finances are reported in a range rather than actual numbers due to the business proprietary nature of the financial information. Discussion on what each of these companies do, the benefits these companies are receiving by being in the Foreign-Trade Zone, and the upcoming Millipore expansion.
- d) Update on Portsmouth Fish Pier- Phase 1 is 99.9% complete, jibs, fuel system (with the exception of the credit card system) and floating docks are in. Phase

2 has been started which is the section that meets the timber pier. Sheet piles should be done by the end of the day tomorrow. Those that have seen the pier say it looks really great. Geno mentioned the hydraulic winches that were installed, rather than going back to the electric chain hoists.

- e) Report on the open Deputy Chief Harbor Master, they have made a job offer and waiting for a reply from the applicant

6. COMMITTEE REPORTS

- a) Mike reported that SubCom is seeking approval for additional 178,000 sq. ft. warehouse space in Newington which may translate to more traffic on the river.
- b) Chris H. reported that the Turning Basin Project bid opening is set for Friday and still on schedule to start in November.
- c) Erik A. reported that there was an Advisory Committee on Marine Fisheries meeting was last night, Fish and Game topics were discussed.

7. NEW BUSINESS

Several minutes of discussion regarding the Rye Harbor issue that was brought up by Adam and Sue. Roger is looking for suggestions on how the PAC can help. Brad commented that he believes strict enforcement of the terms of the ROE is warranted due to the RHLP increase in business and how it has impacted the Harbor. Erik agreed. Geno mentioned the driveway is probably not up to code, so that will be the first thing they look at and fix. A professional study will be done to look at possible suggestions to improve traffic flow and parking. This will include looking at the commercial side of the facility as well. Further discussion included, have there been any NH DHHS health inspections (yes), are there any legal consequences (on DPH) of having a “restaurant” operating at the facility, RHLP should package the food so it is “to go” only, RHLP’s customer “abuse” of Port staff, lack of cooperation from RHLP staff to work with the other users of the facility and allowing their customers to park in their spots, there appears to be no direct connection for the RHLP with Rye Harbor operations, the fact that there is no need for them to operate from that location as it does not support the local fishing industry, no pier use, no mooring, no parking fees, no commercial activity etc., the need for RHLP to be held to the terms of the ROE, the 1 year waiver granted by the Governor, the conditions that were set forth in that letter, monthly meetings that have been held with the owners throughout the summer, and where to proceed from here.

Geno will be reviewing the RHLP activity over the summer and how it has impacted the facility, comments received from the other shack owners and this Council, reports and observations from Port Staff, meetings with the RHLP owners, and any other pertinent information, and will provide a report and recommendation to the PDA Board regarding the future operations of RHLP at some point in the near future. Business was registered with Secretary of State in 2014 or 2015.

Chris Holt reported that Nick Dawes (river pilot) gave his notice and so they are searching for a replacement. Right now there are 2 pilots, Nick will come back to assist if needed as he is still certified.

Mike Donahue noted that the second phase of the shipyard was awarded and asked if the Port will still be supporting the project. It is expected that the Port will be supporting the project due to its close proximity to the shipyard via water and the highway. The BUILD Project (Rehabilitation of the Main Pier) bid opportunity will be posted on Friday.

8. OLD BUSINESS

9. PUBLIC COMMENT Peter Welch said he believes the Newington Planning Board will most likely approve SubCom's application.

10. PRESS QUESTIONS

There were no members of the press present.

11. ADJOURNMENT


Chris H. made a motion to adjourn, Mike seconded, the meeting adjourned at 8:15 PM.



PEASE
INTERNATIONAL

PORTS AND HARBORS

555 Market Street, Suite 1 Portsmouth, NH 03801

Date: October 4, 2021
To: PDA Director Ferrini, Executive Director Breaun
From: Geno Marconi, Port Director 
Subject: Portsmouth Fish Pier, Change Order #7

Change Order #7 includes additional work items that the Division requested beyond the scope of the contract agreement with H.L. Patten. These were identified during construction and were determined to improve the operational quality of the end product. It was determined at the time that requesting these items from Patten would expedite the work, especially as we proceeded with getting Phase 1 functional for the fishermen.

DECKING MATERIAL: The pile and timber pier deck is 4" X 12" X 20' which the Phase 2 construction calls for demolition of a portion of the pier and deck. Patten ordered the timbers to replace what was demolished during Phase 2. There were four (4) extra beams in the delivery and Patten offered to sell those to the Division. The Division keeps extra beams on inventory to make repairs as needed (\$721.00).

SAW CUT TRANSFORMER PAD: Behind the building, adjacent to the construction site, there is a concrete pad on which sits a compressor/chiller for the lobster bait cooler and was also the location of the old Eversource electrical transformer. The transformer was removed and relocated on the property, leaving behind the concrete pad. The corner of the pad extended out into the work area between the jib cranes and access door to the bait cooler. By cutting the concrete pad and removing a portion of the pad, it provided better access for trucks and equipment working within a limited area. Patten had Moore Concrete cutting on site and the division requested Patten to cut, remove, and dispose of the un-needed portion of the pad. (\$798.00).

HOSE STOP HARWARE: These are two (2) round, split hard plastic balls about the size of a soft ball that are attached to the fuel hoses (2) and prevent the nozzle from being rolled onto the hose reels potentially damaging the nozzles and causing a fuel spill (\$74.71).

HOSE ROLLER ASSEMBLIES: The new hose reels are electric and it was recommended by the supplier that we install roller fairleads to keep the hose from kinking and providing better control when retracting (\$1,293)

○○○○ TAKING YOU THERE

ph: 603-436-8500

fax: 603-436-2780

www.peasedev.org

REWORK HAND RAILS: Upon installation of the new jib cranes, we decided that by adjusting the hand rails where the load swings over the bulkhead would improve efficiency without compromising safety (\$5,223).

REWORK LADDERS AND PLATFORMS: Upon installation of the floating docks and the access ladders, we determined that we could improve safety for persons using the ladders with additional hand grabs and improvements to the approach platforms (\$8,405).

HYDRALIC PUMP FOUNDATION: The new hydraulic type hoist is powered by an external electric hydraulic pump mounted on a tank (hydraulic oil). It was determined that the tank should be mounted on an elevated concrete pad. (No Charge).

ADDITIONAL FUEL STATION SIGNAGE: NH-DES required additional signage at the fuel station that we had not previously had (\$1,328).

FUEL HOSE CHAFING STRIP: To protect the fuel hoses where they extend across the top of the concrete wall cap, Patten installed rubber over wood chafing strips (No Charge).

REPLACE THE BAIT ROOM EXIT SLAB: The lobster bait cooler door exits onto the constructions site. Patten replaced the concrete apron (No Charge).

MISCELLANEOUS HARDWARE: Associated with ladder, platform, hydraulic hoist and jib crane installation (\$437).

TOTAL COST CHANGE ORDER #7: \$18,279.71

There have been six (6) previous Change Orders; CO #1 and CO #4 were cancelled; CO # 3 was a credit. Attached is a spread sheet tracking those CO's.

Upon approval of Change Order #7, the balance of the appropriation (\$3, 250,000) will be \$297,749.00.

It is expected that there will be additional expenses, such as additional lighting in work areas, as we approach completion of the project and make adjustments and improvements at the facility.

Portsmouth Fish Pier
Change Order Tracking

Original HL Patten construction contract	\$	1,715,600.00
CO 1		cancelled
11/4/2020 CO 2-Toe Pins etc.	\$	836,847.00
11/17/2020 CO 3-Hydrant credit	\$	(8,000.00)
CO 4-Aluminum siding		cancelled
1/19/2021 CO # 5-hydraulic hoists	\$	11,000.00
5/20/2021 CO 6-Time extension to Nov 24, 2021		zero
Total appropriation	\$	(3,250,000.00)
subtract Updated HL Patten contract amount	\$	2,555,447.00
subtract Appledore contract amount	\$	324,046.00
Other invoices paid to date (as of 10/5/21)	\$	54,420.53
Unencumbered Balance to date	\$	(316,086.47)
9/20/2021 CO 7-Special Items (pending)	\$	18,337.00
New unencumbered balance after CO 7 approval	\$	(297,749.47)

10/5/2021



P.O. BOX 450, KITTERY, ME 03904

CHANGE ORDER PROPOSAL

#07

PROJECT: Portsmouth Commercial Fish Pier – Bulkhead Rehabilitation
Portsmouth, NH
GC: H.L. Patten Construction, Inc.
OWNER: Pease Development Authority

DATE: 9-28-21


CHANGE PROPOSED: Miscellaneous Work Items

Supply labor, material and equipment to complete additional work ordered by the NH Port Authority. Detailed Breakout attached.

EFFECT ON CONTRACT SUM: Increase to contract sum: \$18,279.71

EFFECT ON CONTRACT TIME: None


PROPOSAL SUBMITTED:
H.L. Patten Construction


PROPOSAL ACCEPTED:
Pease Development Authority

Kyle Vandemoer, P.E.
Digitally signed by Kyle Vandemoer, P.E.
Date: 2021.10.04 09:43:53 -04'00'
PROPOSAL ACCEPTED:
Appledore Engineering

COP #7, Miscellaneous Changes				
	Bare Cost	Markup	Total	
Supply 4"x12"x20' Decking				
Material	624	97	721	
Saw Cut and Remove Transformer Pad				
Moore Concrete Cutting	550	28	578	
Patten Labor: 2 MH J Tracy 7-23	220		220	
Supply Hose Stop Hardware				
Hannay Reels	64.71	10	74.71	
Supply Hose Roller Assemblies				
Hannay Reels	617	96	713	
Patten Labor: 3 MH J Tracy 8/16, 8/17	330		330	
Project Management - 2 MH	250		250	
Rework Handrails				
Knight's Welding				
Patten Labor: 7/28, 8/5, 8/6	2346	117	2463	
Bill Gearin - 10.5 MH	735		735	
Jason Tracy - 15 MH	1650		1650	
Project Management - 3 MH	375		375	
Rework Ladders and Platforms				
Knights's Welding				
HSS Engineering	5899	295	6194	
Patten Labor: 8 MH J Tracy 8/31	910	46	956	
Project Management - 3 MH	880		880	
	375		375	
Repair Electrical Conduit				
Bridges				
Install Lights and Outlets at Cranes				
Bridges				
Hydraulic Pump Foundations				

MOTION

Director Parker:

The Pease Development Authority (PDA) Board of Directors (Board) hereby authorizes the Executive Director to accept the lowest qualified bid, once confirmed, and then complete negotiations and execute a construction services contract with the lowest qualified bidder, for the rehabilitation of the Main Wharf at the Market Street Terminal; all in accordance with the memorandum of Geno J. Marconi, Division Director, dated October 14, 2021, attached hereto.

N:\RESOLVES\2021\DPH - BUILD Grant Main Terminal 10-21-21.docx



PEASE

INTERNATIONAL

PORTS AND HARBORS

555 Market Street, Suite 1 Portsmouth, NH 03801

To: Pease Development Authority (PDA), Board of Directors
 From: Geno J. Marconi, Division Director
 Re: BUILD, Main Pier Rehabilitation, Acceptance of lowest, responsible, qualified bid
 Date: October 14, 2021

The Pease Development Authority, Division of Ports and Harbors (the "Division") advertised a public request for bids for the BUILD¹ Main Pier Rehabilitation Project at the Market St. Marine Terminal. This long-anticipated project is of vital importance to the Division and the entire seacoast region.

Along with posting on the PDA website, an "Advertisement for Bids" was placed in a newspaper of general state circulation on September 12, 13, and 14, 2021. On September 17, 2021 a mandatory pre-bid site visit was held at the Market St. Terminal.

Bids closed at 10:00 AM on October 14, 2021. Below is the result of the bid process.

- Number of registered bidders: 16
- Attendees at non-mandatory pre-bid site visit: 10
- Number of bids received: 3 (as follows)

COMPANY NAME	LUMP SUM BASE BID	BID DEDUCTIVE
MAS BUILDING & BRIDGE INC.	\$11,615,000.00	\$2,350,000.00
SPS	\$12,095,000.00	\$1,200,000.00
CIANBRO	\$13,425,000.00	\$2,125,000.00

MAS Building & Bridge, Inc. of Norfolk, MA was the apparent low bidder with a lump sum bid price for base bid of \$11,615,000.00 and an alternate deductive of \$2,350,000.00. However, a complete review of the bid submissions is necessary to ensure all requirements of the bid have been met before awarding the contract. Time being of the essence, and in order for the project to stay on schedule, the Division recommends that the PDA Board of Directors authorize the Executive Director to accept the lowest qualified bid, once confirmed, and then complete negotiations and execute a construction services contract with the lowest qualified bidder, for the rehabilitation of the Main Wharf at the Market St. Terminal.

¹ Better Utilizing Investments to Leverage Development Transportation Grants Program through the U.S. Department of Transportation.

MOTION

Director Anderson:

The Pease Development Authority (“PDA”) Board of Directors hereby authorizes the Executive Director to proceed with the replacement of the drainage system at the Portsmouth Commercial Fish Pier Facility pursuant to the quote dated September 1, 2021 submitted to the Division of Ports and Harbors (“DPH”) by Seacoast Sewer and Drain Inc., in a total amount not to exceed \$13,520.00; all in accordance with the Memorandum of Geno Marconi, Division Director, dated October 12, 2021 attached hereto.

In accordance with the provisions of RSA 12-G:8, VIII, the Board justifies the waiver of the RFP requirement to allow DPH to contract with Seacoast Sewer & Drain Inc. as follows:

- Seacoast Sewer has been servicing the Division’s facilities and has provided reliable service throughout the years.
- Seacoast Sewer is already performing the drain work in the bait cooler area and it is important to complete this additional work prior to the onset of the cold winter temperatures.

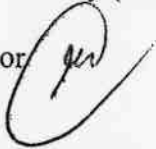


PEASE

INTERNATIONAL

PORTS AND HARBORS

555 Market Street, Suite 1 Portsmouth, NH 03801

To: Pease Development Authority ("PDA"), Board of Directors
From: Geno Marconi, Director 
Date: October 12, 2021
Subject: Portsmouth Fish Pier, Bait Cooler floor drain replacement

In September 2021, the Division of Ports and Harbors (the "Division") reported to the PDA Board that floor drain work, in the estimated amount of \$6,600.00, was necessary in the Portsmouth Fish Pier (PFP) bait cooler area to prevent unwanted waste from dissipating into the surrounding underground areas when the bait cooler is washed down. Since that time, it has been discovered that additional drain repairs are necessary in the areas of the building outside of the bait cooler area, commonly known as the office and storage area.

The Division received an estimate from Seacoast Sewer and Drain Inc. to add 3 new floor drains and tie them in to the city sewer system rather than having them drain into the existing catch basin, all explained in the attached estimate with a cost of \$6920.00. This brings the total cost of the project to \$13,520.00.

As a reminder, the original drains were installed in 1978 and the Division anticipates that the vibration from the pile driving during the PFP project may have accelerated the deterioration of the old metal sewer system. Replacing the drains will prevent unwanted waste from dissipating into the surrounding underground areas.

In accordance with the provisions of RSA 12-G:8 VIII, we recommend waiving the RFP requirement for the following reasons:

- Seacoast Sewer has been servicing the Division's facilities and has provided reliable service throughout the years.
- The Division was already utilizing Seacoast Sewer to perform the drain work in the bait cooler area and it is important to complete this work prior to the onset of the cold winter temperatures.

Therefore, the Division requests that the PDA Board of Directors waive the RFP requirement and allow the Division Director to accept the proposals from Seacoast Sewer for the drain work as described above. Should the proposed proposal be approved, the funds will be provided through the Portsmouth Fish Pier State Appropriation, which has a current unencumbered balance of \$297,749.47.

SEACOAST SEWER & DRAIN, INC

P.O BOX #267

KITTERY POINT, ME 03905 US

207-439-2900

snakemssd@gmail.com



SEACOAST

SEWER & DRAIN INC.

Estimate

ADDRESS

Pease Development
Authority Division
of Portsmouth Harbor
NH Port Authority
(Geno Marconi)

ESTIMATE # 2021-0093
DATE 09/01/2021
EXPIRATION 09/01/2021
DATE

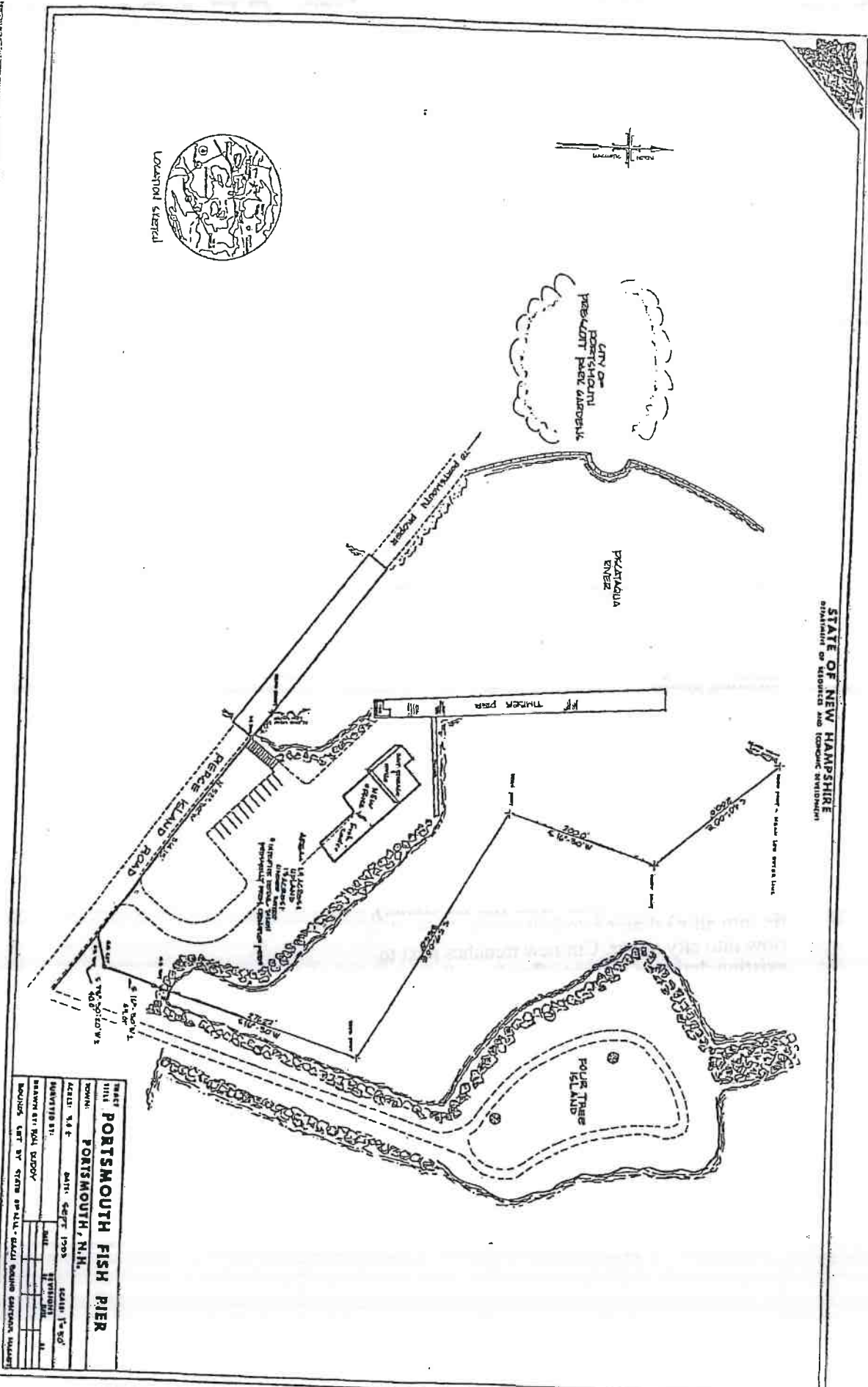
ACTIVITY	DESCRIPTION	QTY	RATE	AMOUNT
	RE: Install x2 new floor drains in bait cooler, discontinue existing drain & clean-out in floor. Cut new trenches in concrete floor to run new 3" PVC Schd.-40 pipe and tie into existing plumbing behind bait cooler wall (bathroom area). All PVC pipe under concrete will be bedded in crushed stone with proper pitch, trenches will be back-filled and concreted to existing grade.			0.00
Materials	Materials - x2 3" Floor Drains w/ Traps (cast iron), 60' 3" Schd.-40 PVC Pipe, Fittings, 3/4" Crushed Stone, Concrete	1	1,280.00	1,280.00
Materials	Concrete Saw Cutter	1	190.00	190.00
Labor Rate x2	Labor Crew X 2	1	5,130.00	5,130.00
	Install x2 new floor drains (storage area next to bait cooler) x1 new floor drain (for ice cooler); tie-into all x3 drains into bait cooler drains that flow into city sewer. Cut new trenches next to existing drains in concrete flooring, all new plumbing will be bedded in crushed stone with proper pitch, complete back-filling of trench and concrete to existing grade.			
Materials	x3 3" Floor Drains w/ traps, 80' of 3" Schd-40 PVC Pipe, Fitting's, 3/4" Crushed Stone, Concrete & Saw Blades.	1	1,520.00	1,520.00
Labor Rate x2	Labor Crew X 2	5	1,080.00	5,400.00

Thank you for your business!

TOTAL

\$13,520.00

STATE OF NEW HAMPSHIRE
 DIVISION OF MARINE AND ECONOMIC DEVELOPMENT



PORTSMOUTH FISH PIER			
TITLE	DATE	SCALE	1" = 50'
NO. 1111	APRIL 1908		
PROJECT	PORTSMOUTH, N.H.		
ACRES	14.2		
DESIGNED BY	W. H. BENTLEY		
DRAWN BY	W. H. BENTLEY		
BOUNDS	SET BY STATE OF N.H. BUREAU OF MARINE DEVELOPMENT		

MOTION

Director Levesque:

The Pease Development Authority Board of Directors hereby authorize the Executive Director to increase the annual user fee associated with the Right of Entry with DiTucci Petroleum Carriers, Inc. dba Lawrence Tank of East Kingston, New Hampshire, from \$1,000 to \$2,000 per year effective January 1, 2022 through December 2022 with two (2) one (1) year options to extend; all in accordance with the memorandum of Geno J. Marconi, Division Director, dated October 12, 2021 attached hereto.

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PEASE

INTERNATIONAL

PORTS AND HARBORS

555 Market Street, Suite 1 Portsmouth, NH 03801

Date: October 12, 2021
To: Pease Development Authority ("PDA"), Board of Directors
From: Geno Marconi, Director 
Subject: DiTucci/Lawrence Tank, annual fee increase

The Division of Ports and Harbors (the "Division") is proposing an increase of the user fee associated with **DiTucci/Lawrence** Tanks (DiTucci) ROE, which permits the hauling of sea water from the Hampton Harbor Marine Facility, from \$1,000 to \$2,000 per year. The new annual fee will become effective for the January 1, 2022 to December 31, 2022 period. The term for the current ROE (approved by the PDA Board on May 21, 2021) is from July 1, 2020 through Dec 31, 2022, with 2 (two) 1 (one) year options to extend, subject to the approval of the PDA Executive Director. However, in accordance with the terms of paragraph 7 of the Right of Entry agreement, the Division is permitted to change the fee during the ROE term if it provides 45 days' notice to DiTucci of any fee changes.

The Division has been reviewing all of the fee structures in contracts and permit programs and making adjustments where needed. In all the years that DiTucci-Lawrence Tank has been granted the privilege to haul sea water from the facility, there has not been a fee adjustment. Further, the fee increase is in line with what other companies that haul water from the Division's facilities are charged.

Therefore, the Division recommends the PDA Board approve the fee increase at its October 21, 2021 meeting.

○○○○ TAKING YOU THERE

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