MASSACHUSETTS PORT AUTHORITY

ANNUAL COMPREHENSIVE FINANCIAL REPORT

YEARS ENDED JUNE 30, 2021 & JUNE 30, 2020

POWERING WHAT'S

POSSIBLE™

massport

2021

COVER PHOTOS:

Omni Hotel (top left)

The Omni Hotel in Boston's Seaport District opened during 2021. This 1,000+ room property was developed on a Massport parcel of land adjacent to the Boston Convention & Exhibition Center. It was the first development project to utilize the Massport Model, which requires diversity, equity and inclusion to be one of four equally-weighted criteria for selecting a developer team.

FlyLogan Mobile App (top right)

Massport launched the FlyLogan app to enhance the passenger experience when traveling through Logan Airport. The app allows users to access premium Wi-Fi service, monitor flight status, purchase Logan Express tickets, reserve airport parking, pre-order food and have it delivered to the gate, and includes several other functions to make travel easier.

New Cranes at Conley Terminal (middle left)

Three new low-profile, Neo-Panamax cranes were delivered to the Port of Boston and put into service during 2021. These cranes, along with a new berth and a deepened Boston Harbor, enable the Port of Boston to handle larger ships, providing New England importers and exporters greater access and connectivity to the global marketplace. The new cranes will efficiently service the 12,000-14,000 TEU container ships that are serving U.S. East Coast trade lanes.

Terminal E Modernization (middle right)

Massport is in the process of modernizing and expanding Terminal E, the international terminal at Logan Airport. This is being done entirely within the airport footprint. The objective is to efficiently accommodate international demand in support of the regional economy while minimizing community and environmental impacts.

Electric Charging Stations (bottom left)

Massport continues to install electric vehicle charging stations at its facilities. This is one of several ongoing initiatives that will support an Authority-wide climate action plan that is being developed to achieve net zero emissions.

MASSACHUSETTS PORT AUTHORITY

Annual Comprehensive Financial Report

Years Ended June 30, 2021 and June 30, 2020

Prepared by the Massachusetts Port Authority Administration and Finance Department

Located in East Boston, Massachusetts

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INTRODUCTION

Massachusetts Port Authority
One Harborside Drive, Suite 200S
East Boston, MA 02128-2090
Telephone (617) 568-5000
www.massport.com

TO THE MEMBERS OF THE MASSACHUSETTS PORT AUTHORITY:

November 24, 2021

During fiscal year 2021, the Authority demonstrated its resilience in the face of unprecedented adversity. We did this while adhering to Massport's core goals of ensuring safety and security at our facilities, generating economic impact for the Commonwealth, maintaining our relationships with business partners, customers, stakeholders and elected officials, enhancing the customer journey, embedding diversity, equity and inclusion into our organizational DNA, being financially responsible, and working to reduce impacts to the environment.

Since the pandemic began, Massport has worked closely with state, local, and federal partners to develop health safety protocols and adopt touchless technologies throughout our facilities for the benefit of our passengers, employees, and business partners. As the pandemic progressed, we worked with our concessions management partner to bring COVID-19 testing for passengers and employees to Logan Airport. Even with the advent of effective COVID-19 vaccinations, health safety protocols are still being maintained at our facilities. Safety and security is and will always remain Massport's top priority.

The impact of the pandemic on our businesses required us to make tough financial decisions, operate more flexibly, find ways to support our business partners as well as the local economy and neighboring communities, and establish a sustainable foundation for a post-COVID-19 world. While we did end the year with an operating loss, our conservative fiscal actions and planning enabled us to manage through the worst of the downturn.

To mitigate the significant reduction in our revenues caused by the pandemic, Massport reduced operating expenses by more than 20% in fiscal year 2021. In addition to Authority-wide cost containment measures, we also realigned the workforce to better match business activity. This was a difficult but unavoidable decision that affected all areas of the Authority, but one that positions the Authority for a stronger recovery and a brighter future.

In addition to substantially reducing operating expenses during the pandemic, we also reassessed our capital investment plan, which is modular in nature and thus allows the Authority to pivot quickly in response to any unforeseen events. After a detailed review of all projects in the program, we suspended or deferred $1 billion of spending for projects that were not considered to be essential in the near future. This allowed us to reduce expenses required to fund capital projects as well as reduce our annual debt service cost. We did this without losing sight of our strategic priorities and continued to invest in capital projects needed to support the imminent recovery of air travel and the Port of Boston. One of these projects is the procurement of three bigger cranes to accommodate larger ships at Conley Terminal's new Berth 10. These cranes, which were shipped to Boston during the summer of 2021 and became operational in the fall, allow Conley Terminal to service the larger container ships currently being deployed on East Coast trade lanes. Our shipping line customers have been asking for this capability, and we delivered it. Another key project is the Terminal B-to-C Connector, which enhances the Logan Airport passenger experience and provides greater operational flexibility by enabling easy post-security access between these two busy terminals. We also prioritized the repaving of Logan Airport's Runway 9-27, which is used in nearly every flight configuration, to maintain safe aircraft operations. We continued to invest in a redesign of the roadway system between Terminals B and C, which will greatly reduce vehicle congestion and bottlenecks during peak activity. Finally, we are modernizing Terminal E to efficiently accommodate the growth in international passengers that we expect to see post-pandemic once international borders reopen.

Several commercial and maritime industrial real estate projects also advanced during fiscal year 2021. In South Boston, a mixed use office and laboratory development with over 100,000 square feet of indoor and outdoor public realm space is underway at 401 Congress Street and is expected to be completed in 2024. We also selected a developer to construct a mixed use office and laboratory building on Parcel H in South Boston. The new development will include a life sciences career training center to expand job opportunities for Boston's increasingly diverse population in this burgeoning industry and a new MBTA Silver Line Station for improved mobility. Both of these projects used the "Massport Model", which gives equal weight to diversity, equity and inclusion in the developer selection process. Finally, planning is underway with a woman-led multi-generational business in the Port of Boston for the creation of a South Boston Marine Multiport within the Massport Maritime Terminal (MMT). This project would rehabilitate the deep-water berth at the North Jetty and develop a modern cargo terminal for the delivery of bulk and project cargoes to the Port of Boston. There is also a strong interest in using the multiport facility to support the Commonwealth's nascent off-shore wind industry.

During the pandemic, we were mindful of the fact that we operate in a broader ecosystem. Massport continued to provide support to neighboring communities in the form of summer jobs, charitable contributions and student scholarships. We honored our commitments to the communities recognizing that they too faced pandemic-related challenges. The Authority also provided relief to airport and maritime tenants by deferring their rent and concession payments, which improved their cash flows and helped to ensure that they will be able to participate in the post-pandemic economic rebound.

We also embarked on an initiative to develop an Authority-wide climate action plan that will align with the Commonwealth of Massachusetts's 2050 Climate Roadmap. My expectation is that substantial progress against this plan will be made by the Authority's 75th birthday.

As passenger activity returns and we rebuild our operations, our commitment to safety, health, and security remains steadfast, but we are emerging with a renewed focus on the customer journey, environmental sustainability, diversity, equity, and inclusion, and advancements in technology. Through the most significant health crisis in one hundred years, which caused the greatest downturn in aviation history, Massport has proven to be resilient, positioning our people and facilities to thrive in the post-pandemic world.

I am pleased to submit the Annual Comprehensive Financial Report (ACFR) of the Massachusetts Port Authority for the fiscal year ended June 30, 2021. The ACFR, which was prepared by the Administration and Finance department, provides a review of our accomplishments, illustrates Massport's resiliency when faced with complex challenges and presents the Authority's financial results and performance in a year that started with a great deal of uncertainty, but finished with improving trends and a true sense of optimism.

Respectfully,

Lisa Wieland
Chief Executive Officer

SUPPLEMENTAL INFORMATION

The letter of transmittal should be read in conjunction with Management's Discussion and Analysis (MD&A), which immediately follows the Independent Auditor's Report and provides a narrative introduction, overview, and analysis of the Authority's financial statements. Responsibility for the accuracy, completeness, and fairness of the presentation and disclosures rests with management.

PROFILE OF THE MASSACHUSETTS PORT AUTHORITY

The Authority was created by and exists pursuant to Chapter 465 of the Massachusetts Acts of 1956, as amended to date (the "Enabling Act") and is a body politic and corporate and a public instrumentality of The Commonwealth of Massachusetts (the "Commonwealth"). It is governed by a seven-member board. Five members are appointed by the Governor of Massachusetts and one is appointed by the Massachusetts Port Authority Community Advisory Committee. These six members serve staggered terms of seven years each. The seventh member is the Secretary of Transportation and Chief Executive Officer of the Massachusetts Department of Transportation. Members are not compensated for their service.

The Authority owns Boston Logan International Airport ("Logan Airport"), L. G. Hanscom Field ("Hanscom Field"), Worcester Regional Airport ("Worcester Airport"), Conley Terminal, Raymond L. Flynn Cruiseport at Black Falcon Terminal ("Flynn Cruiseport Boston") and various other maritime properties ("the Port"). The Authority has no taxing power and is not taxpayer funded. As a self-sustaining entity, the Authority relies on revenues collected from airline fees, parking fees, terminal, ground and other rents, concessions, and other fees to fund operating expenses. The Authority's operating revenues along with federal grants, passenger facility charges (PFCs), and customer facility charges (CFCs) fund its capital expenditures. The Authority issues revenue bonds that are secured solely by the Authority's revenues, as defined by the 1978 Trust Agreement and the CFC Trust Agreement (collectively, the "Trust Agreements"), respectively. The Authority's bonds do not constitute a debt or a pledge of the full faith and credit of the Commonwealth or of any other political subdivision thereof. The Authority also receives Federal and State grants for specific capital projects.

ECONOMIC ENVIRONMENT

The longest U.S. economic expansion in history - at roughly a decade long - came to an abrupt end in the first half of 2020 when the COVID-19 pandemic spread. U.S. Bureau of Economic Analysis data shows that Real GDP for the nation grew by 2.3% in 2019, but then declined by 5.1% and 31.2% in Q1 2020 and Q2 2020, respectively, which put the nation into a recession. The third quarter of 2020 saw a sizeable rebound as Real GDP grew by 33.8% largely due to federal fiscal and monetary policy, especially from grants and loans that were part of the federal CARES Act. Since then, the economy settled somewhat as Real GDP grew at 4.5% in Q4 2020, and then by 6.3% in Q1 2021 and 6.7% in Q2 2021. The advance estimate for Q3 2021 Real GDP was a lower growth rate of 2.0%. The deceleration in growth was led by a slowdown in consumer spending influenced by two primary factors. First, a resurgence of COVID-19 cases resulted in new restrictions and delays in the reopening of establishments in some parts of the country. Second, government assistance payments in the form of forgivable loans to businesses, grants to states and local governments, and social benefits to households all decreased. In the Commonwealth, Real GDP grew in 2019 but then contracted by 7.3% in Q1 2020 and by 31.1% in Q2 2020. Similar to the national economy, Massachusetts Real GDP bounced back sharply in Q3 2020 and grew by 35.2%. Q4 2020 saw an increase of 1.4%, followed by stronger growth of 6.1% and 8.0% in Q1 2021 and Q2 2021. According to MassBenchmarks, the Commonwealth's economy grew at the same rate as the national economy in the third quarter of 2021 at 2.0%. The COVID-19 delta variant was the main reason for constrained economic growth.

Prior to the COVID-19 pandemic, the national unemployment rate in 2019 was relatively steady in the 3.5% – 4.0% range, a very low rate by historical standards. The loss of jobs due to the pandemic resulted in a spike up to 14.8% in April 2020, followed by a gradual downward trend to 6.7% in December 2020. During calendar year 2021, unemployment has continued to decline and stood at 4.8% in September 2021 as the national economy rebounded and more individuals went back to work. Unemployment in Massachusetts was hovering in the 3.0%-3.2% range during most of 2019 and then dipped as low as 2.7% in March of 2020 just as the pandemic hit. Unemployment in the Commonwealth then jumped to 16.4% in April 2020 and remained high at 15.3% in May 2020 and 14.8% in June 2020. It then trended down during the second half of 2020 and early part of 2021 and was at 5.2% in September 2021, slightly above the national average.

Looking forward, the Wall Street Journal survey of economists is projecting Q4 2021 Real GDP growth of 4.8% for the nation as of their October report. Their forecast for growth in 2022 is 4.2% in Q1, 2.6% in Q2 and then 3.2% in Q3 as the nation's economy resumes a slow but steady growth pattern.

| Financial Policies and Practices |

INTERNAL CONTROL ENVIRONMENT

The Authority's financial statements are prepared on an accrual basis of accounting. The Authority's management is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the Authority are protected from loss, theft or misuse, and to ensure that adequate accounting data are compiled to allow for the complete and accurate preparation of financial statements in conformity with accounting principles generally accepted in the United States of America applicable to governmental enterprise funds. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met.

The Authority's Internal Audit function maintains oversight over the key areas of the Authority's business and financial processes and controls. In addition, the Authority's Audit and Finance Committee plays a critical role in the oversight of the Authority's internal control structure. This committee meets with the senior staff of the Authority periodically and has regular communication with the Authority's independent auditors, Ernst & Young LLP. Massport's Internal Audit department reports directly to the Authority's Audit and Finance Committee.

BUDGETARY CONTROLS

Operating budgetary controls and evaluations are accomplished by comparing actual interim and annual results with the budget. The Authority prepares budget and non-GAAP actual financial statements on a monthly basis and prepares unaudited GAAP financial statements on a quarterly basis.

The Authority traditionally utilizes a rolling, five-year capital program as its comprehensive and coordinated capital improvement and financial master plan for all Authority facilities. The capital program, which is amended and approved by the Board annually, sets forth the planned capital projects and expected sources of funding therefor for the next succeeding five-year period. While the Board annually approves a five-year capital program as a whole, each individual project within the capital plan is its own "module," the scope of and budget for which must be approved separately by the Board before work on such module is commenced:

Many of the commitments within the Authority's capital plan have already been authorized by the Authority and extend over several years. The Authority approves projects individually along with a separate project budget. This permits the Authority to undertake the construction and financing of each project independently of other capital projects, while retaining overall program coordination and integration. The modular design of the capital program significantly increases the Authority's ability to make needed adjustments in capital spending levels. If significant changes in funding sources occur, or if the costs of certain projects increase significantly, the Authority will adjust the timing or reduce the scope of individual proposed projects or the overall program, or both, to accommodate such changed circumstances.

CAPITAL FINANCING AND DEBT MANAGEMENT

All debt must be issued pursuant to the Debt Issuance and Debt Management Policy adopted in February 2010, as most recently amended and approved by the Massport Board in June 2018. As of June 30, 2021, outstanding debt obligations of the Authority issued pursuant to the Trust Agreements totaled approximately $2.7 billion and includes senior and subordinated revenue bonds but excludes commercial paper and special facilities revenue bonds. Special facilities revenue bonds issued on behalf of and payable by certain borrowers are excluded because they are not obligations of the Authority. In fiscal year 2021, the Authority restructured some of its outstanding debt, which reduced the debt service payments on obligations issued pursuant to the 1978 Trust Agreement (excluding subordinate obligations and capitalized interest). Debt service payments on debt issued pursuant to the 1978 Trust Agreement and the CFC Trust Agreement were $94.3 million and $6.7 million, respectively, in fiscal year 2021.

Although the rating agencies continue to recognize the value of the Authority's prudent financial management, revenue diversity and underlying market strengths, the COVID-19 pandemic has placed significant credit pressure on the airport sector. Moody's and Fitch have rated the Authority's revenue bonds at Aa2 and AA, respectively, while S&P has rated the Authority's revenue bonds at AA-. These ratings continue to give Massport one of the highest ratings for all large airports in the country, and the Authority continues to diligently meet its debt service requirements, coverage ratios and other compliance issues related to the Trust Agreements.

Other Information

INDEPENDENT AUDIT

The financial statements of the Authority, in all material respects, presents fairly and discloses the Authority's financial position, results of operations and cash flows as of and for the year ended June 30, 2021 in accordance with the requirements of accounting principles generally accepted in the United States of America ("GAAP"). An audit of the Authority's financial statements as of and for the fiscal year ended June 30, 2021 has been completed by the Authority's independent auditors, Ernst & Young LLP. Their report is included herein and includes an unmodified opinion on the Authority's financial statements. The introductory, statistical and annual disclosure sections, including the related appendices, have not been subjected to the auditing procedures applied in the audit of the financial statements

GASB STATEMENT NO. 98

During calendar year 2021, the Authority adopted the GASB Statement No. 98 to rename the Comprehensive Annual Financial Report to Annual Comprehensive Financial Report (ACFR).

AWARDS

The Government Finance Officers Association ("GFOA") awarded a Certificate of Achievement for Excellence in Financial Reporting to the Authority for its ACFR for the fiscal year ended June 30, 2020. This was the 20th consecutive year that the Authority has received this prestigious award. The Authority believes that the 2021 report continues to meet the requirements of the Certificate of Achievement program, and it will be submitted to the GFOA to determine its eligibility for a Certificate of Achievement for fiscal year 2021.

REQUESTS FOR INFORMATION

For additional information concerning the Authority, please see the Authority's website, www.massport.com. Financial information can be found in the Finance section of the website at http://www.massport.com/massport/finance/. The Retirement ACFR can be found in the Retirement Information section of the website at https://www.massport.com/massport/about-massport/employment/retirement-information/retirement-publications-forms/.Copies of the Annual Statements prepared pursuant to Rule 15c2-12 with respect to the Authority's bonds issued under the 1978 Trust Agreement and the CFC Trust Agreement for years prior to fiscal year 2021 are available at http://www.emma.msrb.org and from the Authority. The Authority's executive offices are located at One Harborside Drive, Suite 200S, East Boston, Massachusetts 02128, and the main telephone number is (617) 568-5000. Questions may be directed to John P. Pranckevicius, CPA, Director of Administration and Finance and Secretary-Treasurer of the Massachusetts Port Authority.

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

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For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

June 30, 2020

Christopher P. Morrill

Executive Director/CEO

AUTHORITY BOARD MEMBERS

LEWIS EVANGELIDIS
Chairman of the Board
Sheriff of Worcester County

PATRICIA JACOBS
Vice Chair

JAMEY TESLER
Secretary of Transportation

SEAN O'BRIEN

JOHN NUCCI

WARREN FIELDS

LAURA SEN

MASSPORT ORGANIZATION CHART

EXECUTIVE STAFF

Lisa S. Wieland, CEO and Executive Director

Reed A. Passafaro, Chief of Staff

John P. Pranckevicius, CFO, Director of Administration and Finance/Secretary-Treasurer

Joel A. Barrera, Director of Strategic and Business Planning

Tiffany Brown-Grier, Director of Diversity and Inclusion/Compliance

Luciana Burdi*,* Director of Capital Programs & Environmental Affairs

Kwang Chen, Chief Information Officer

Alaina Coppola, Director of Community Relations & Government Affairs

Brian M. Day, Director of Labor Relations/Labor Counsel

Edward C. Freni, Director of Aviation

David M. Gambone, Chief Human Resources Officer

Andrew Hargens, Chief Development Officer

Catherine M. McDonald, Chief Legal Counsel

Jennifer B. Mehigan, Director of Media Relations

Michael Meyran, Port Director

John Raftery, Director of Strategic Communications and Marketing

Christine C. Reardon, Director of Internal Audit

Harold H. Shaw, Chief Security Officer


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STARTING THIS FALL, FLY WORCESTER TO FORT LAUDERDALE.
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FINANCIAL


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MASSACHUSETTS PORT AUTHORITY

Financial Statements, Required Supplementary Information, and Supplementary Schedules

Years Ended June 30, 2021 and 2020

(With Report of Independent Auditors)

Ernst & Young LLP
200 Clarendon Street
Boston, MA 02116

Tel: +1 617 266 2000
Fax: +1 617 266 5843
ey.com

Report of Independent Auditors

To the Members of the Massachusetts Port Authority

Report on the Financial Statements

We have audited the accompanying financial statements of the business-type activities and the aggregate remaining fund information of the Massachusetts Port Authority (the Authority), as of and for the years ended June 30, 2021 and 2020, and the related notes to the financial statements, which collectively comprise the Authority'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 conformity 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 of 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 did not audit the financial statements of the Massachusetts Port Authority Employee's Retirement System (the "System"), which represents 75% and 74% of total assets and 75% and 75% of fiduciary net position as of June 30, 2021 and 2020, respectively, and 76% and 86% of total additions of the aggregate remaining fund information for the years then ended, respectively. Those statements were audited by another auditor whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the System, is based solely on the report of the other auditor. We conducted our audits in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of 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 opinions.

Opinions

In our opinion, based on our audits and the reports of the other auditor, the financial statements referred to above present fairly, in all material respects, the respective position of the business-type activities and the aggregate remaining fund information of the Massachusetts Port Authority as of June 30, 2021 and 2020, and the respective changes in financial position, and where applicable, cash flows thereof for the years then ended in conformity with U.S. generally accepted accounting principles.

Building a better working world

Adoption of New Accounting Pronouncement
As discussed in Note 2 to the financial statements, as of July 1, 2019, the Authority adopted Government Accounting Standards Board Statement No, 84, *Fiduciary Activities*. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information
U.S. generally accepted accounting principles require that management's discussion and analysis, the schedule of pension contributions, the schedule of changes in the net pension liability and related ratios, schedule of pension investment returns, schedule of OPEB contributions, schedule of changes in the net OPEB liability and related ratios and schedule of pension investment returns, as listed in the table of contents, 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 which 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 auditing standards generally accepted in the United States, 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.

Supplementary Information
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Authority's basic financial statements. The combining fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining fund financial statements are the responsibility of management and were derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such 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 auditing standards generally accepted in the United States. In our opinion, the combining fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Ernst + Young LLP

September 30, 2021

The following Management's Discussion and Analysis (MD&A) of the activities and financial performance of the Massachusetts Port Authority (Massport or the Authority) provides an introduction to the financial statements of the Authority for the fiscal years ended June 30, 2021 and 2020. This discussion was prepared by management, and it should be read in conjunction with the audited financial statements and notes that follow this section.

Overview of the Financial Statements

The Authority's business-type activities financial statements consist of: (1) the Statements of Net Position; (2) the Statements of Revenues, Expenses and Changes in Net Position; and (3) the Statements of Cash Flows. These financial statements have been prepared in accordance with U.S. generally accepted accounting principles as promulgated by the Governmental Accounting Standards Board (GASB).

The comparative Statements of Net Position depict the Authority's financial position as of a point in time, specifically June 30, 2021, 2020 and 2019, and include all assets, deferred outflows of resources, liabilities and deferred inflows of resources of the Authority. Net position represents the residual interest in the Authority's assets and deferred outflows of resources after liabilities and deferred inflows of resources are deducted. The Authority's net position is divided into three components: 1) net investment in capital assets, 2) restricted, and 3) unrestricted. Please see Note 1 in the financial statements attached for a discussion on the Authority's net position.

The Statements of Revenues, Expenses and Changes in Net Position report operating revenues, operating expenses, non-operating revenue and expenses, and other changes in net position. Revenues and expenses are categorized as either operating or non-operating based upon management's policies as established in accordance with definitions set forth by the GASB. Certain sources of the Authority's revenues, including Passenger Facility Charges (PFCs), Customer Facility Charges (CFCs), investment income and capital grants are reported as other than operating revenue and their uses are restricted and generally are not available for operating purposes.

The Statements of Cash Flows present information showing how the Authority's cash and cash equivalents changed during the fiscal year. The Statements of Cash Flows classify cash receipts and cash payments resulting from operating activities, capital and related financing activities, and investing activities.

As of July 1, 2019, the Authority adopted Governmental Accounting Standards Board (GASB) Statement No. 84, *Fiduciary Activities* (“GASB 84”). The Authority’s defined benefit retirement plan and other post-employment benefits plan are administered through and hold resources in trust for members and beneficiaries of the plans. Those activities are now required to be reported as separate fiduciary funds. The Statements of Fiduciary Net Position and Statements of Changes in Fiduciary Net Position present financial information about pension and other employee benefit trust activities for which the Authority acts solely as a fiduciary for the benefit of its employees and retirees.

The Notes to the basic financial statements are an integral part of the financial statements. Such disclosures are essential to a full understanding of the information provided in the basic financial statements.

COVID-19 Impact Statement

The outbreak of COVID-19 in March, 2020 and related restrictions had an adverse impact on business activity at Massport that continued into FY21. The pandemic has affected international and domestic travel at the Authority’s airport properties (Boston-Logan International Airport, Worcester Regional Airport and Hanscom Field). While airlines reported an increase in traffic during the spring of 2021 as the number of vaccinated individuals grew, Logan Airport traffic remained at approximately 46% of pre-pandemic levels in the fourth quarter of FY21. For the full year, Logan passenger volume in FY21 was 12.2 million, 59.7% lower than FY20. This significant decrease resulted in lower passenger-related revenue in FY21 such as parking, concessions, and ground transportation. Worcester Regional Airport served 2,185 passengers for the months of July-September 2020, then zero as airlines initially reduced and then suspended operations in light of decreased travel demand. Hanscom Field was not impacted as severely because its operations are mainly comprised of private jets and non-commercial airlines.

The pandemic also impacted the Authority’s port properties. COVID-19 resulted in a 12.7% decline in FY21 container volumes and a reduction in associated revenues. The Centers for Disease Control and Prevention (CDC) issued a No Sail Order effective March 14, 2020 that resulted in the cancellation of all cruises out of Flynn Cruiseport Boston during FY21.

As a result of the above, Massport’s revenues for FY21 were lower than the previous year.

FINANCIAL HIGHLIGHTS FOR FISCAL YEAR 2021

- **Total Operating Revenue was $657 million for FY21.**

- Operating revenues of $657 million in FY21 were 20% lower than the prior year due to a decline in business activity caused by COVID-19 and various travel bans. Improved passenger travel at Logan Airport in April through June of 2021 helped drive fourth quarter operating revenues 29% higher than the average of the first three quarters.

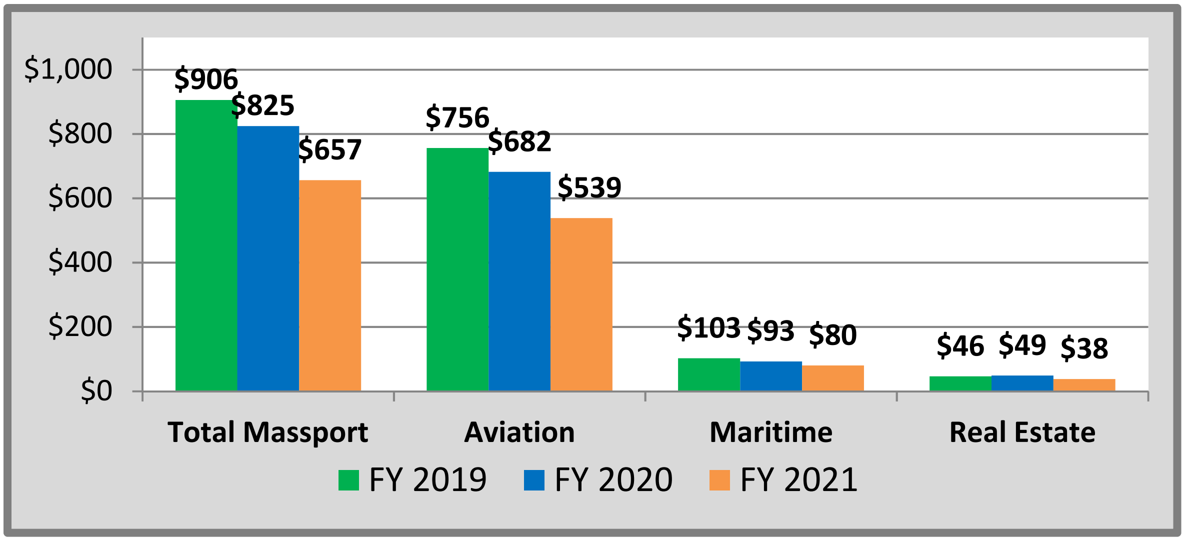
- The Authority pursued strategies to identify new revenue opportunities to mitigate the impact of the pandemic. These included identifying and realizing new revenue streams such as maximizing the Authority's real estate assets, increasing existing fees and/or implementing new ones, potentially selling non-core assets and temporarily repurposing certain facilities to generate additional revenue.

- Aviation revenue in FY21 was $539 million, 21.1% lower than the prior year. The Logan Airport passenger volume of 12.2 million in FY21 represented a 59.7% decrease from FY20 and resulted in a decline in passenger volume-related revenues such as parking and terminal concessions. While revenue for these items was below prior year for the first nine months of FY21, this trend reversed in the fourth quarter of FY21 as passenger volume increased to levels above the prior year as the number of vaccinated individuals grew.

- Maritime revenue of $80 million in FY21 was down 13.9% versus FY20. Conley Terminal had a solid year in light of the pandemic and the associated supply chain disruptions and processed 247,845 TEUs. This was 12.4% lower than FY20, which resulted in $4.3 million less container revenue versus the prior year. As a result of the pandemic, there was no activity at Flynn Cruiseport Boston in FY21, resulting in a $7.6 million reduction in revenues versus the prior year.

- Real Estate revenue of $38 million in FY21 was down by 22.8% versus FY20 mainly due to a one-time transaction rent fee that the Authority was paid in FY20. Parking revenue also declined due to a full fiscal year of the pandemic and the adverse impact this had on business employees, convention attendees, restaurant customers and other consumers of parking in South Boston.

Operating Revenues
($ Millions)



- **Operating Expenses excluding depreciation for FY21 were $404 million, $103 million or 20% lower than FY20.**

- As a result of the pandemic, Massport proactively executed a cost containment plan in March 2020 to reduce operating expenses to mitigate the decline in business activity and associated revenues. This plan continued into FY21, and in November 2020, the Authority's Board approved a FY21 Financial Sustainability Workforce Plan (the "Workforce Plan") intended to reduce the Authority's current labor force and lower operating expenses by approximately $25 million per year. In addition to wage and fringe benefit savings, costs were reduced for shuttle bus services, stevedoring, overtime, materials and supplies, repairs, professional fees, students, temporary workers and interns, travel and other items by as much as 100%.

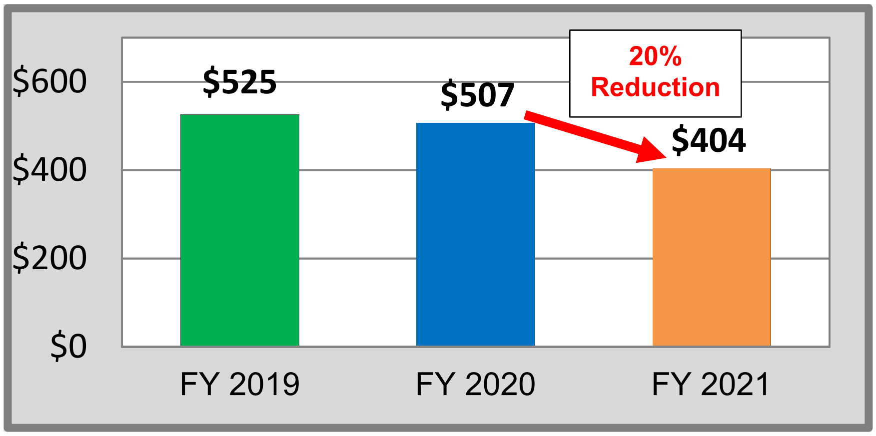
- Wage and benefit expenses were lower by $11.3 million due primarily to the Workforce Plan that was executed in January 2021. These savings would have been higher if $5.6 million of one-time expenses such as severance and unemployment pay were excluded.

- Overtime expense was down by $12.1 million driven by a combination of decreased business activity and tighter controls over use of overtime.

- Pension and Other Post-Employment Benefits (OPEB) expense decreased by $45.8 million due primarily to favorable net investment returns for both funds for the calendar year ending December 31, 2020.

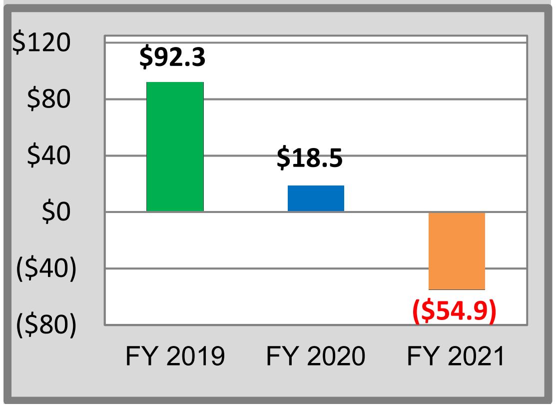
- Shuttle Bus expense was lower by $9.2 million as the frequency of bus services within Logan Airport was reduced in line with decreased passenger activity.
- Materials and supplies, repairs, and services were lower by $17.8 million as these budgets were all decreased as part of cost containment efforts due to the pandemic.

Operating Expenses Excluding Depreciation
($ Millions)

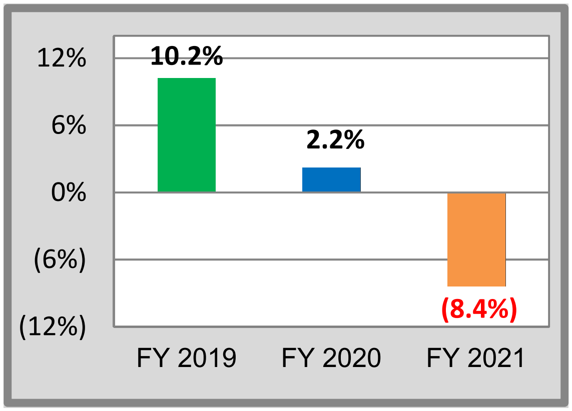


- **Operating Loss for FY21 was $55 million.**
- While the Authority ended the year with an operating deficit of $54.9 million, Logan Airport's improved fourth quarter passenger activity helped mitigate three consecutive quarters of losses. The Authority's fourth quarter operating income of $22.4 million partially offset the previous three quarters cumulative loss of $77.3 million.

Operating Income
($ Millions)



Operating Margin



FINANCIAL

- **The Authority's Net Position increased by $83 million.**

- Expansion of the Authority's net position, which is primarily comprised of capital assets owned by the Authority, is critical to fund the capital program. The program includes strategic initiatives such as the modernization of Terminal E to accommodate more international flights, redesigning the roadways at Logan Airport to make travel easier for customers, and improvements to Conley Terminal to support the industry trend toward larger 10,000+ TEU container ships.

- The FY21 increase in net position of $83.0 million was due to $76.0 million of non-operating income and $61.9 million of capital grant revenues less $54.9 million of operating losses for the year.

- The $76.0 million of non-operating income includes $121.1 million of federal relief funds, specifically $86.6 million from the CARES (Coronavirus Aid, Relief, and Economic Security) Act and $34.5 million from the CRRSA (Coronavirus Response and Relief Supplemental Appropriations) Act. As of June 30, 2021, the Authority has recognized the entire $143.7 million CARES Act funding and $34.5 million of the $36.9 million CRRSA Act funds. The total federal funding increase of $64.0 million in FY21 versus FY20 was offset by lower investment income due to lower rates and balances and a reduction in PFC and CFC revenues due to the decline in passengers.

Condensed Statement of Revenues, Expenses and Changes in Net Position
($ millions)

	FY 2021	FY 2020	$ Change	% Change
Operating revenues	$ 656.7	$ 824.5	($ 167.8)	(20.4%)
Operating expenses including depreciation and amortization	711.6	806.0	(94.4)	(11.7%)
Operating (loss) income	**(54.9)**	**18.5**	**(73.4)**	**(396.8%)**
Total non-operating revenues (expenses), net	76.0	85.8	(9.8)	(11.4%)
Capital grant revenues	61.9	59.9	2.0	3.3%
Increase (decrease) in net position	**83.0**	**164.2**	**(81.2)**	**(49.5%)**
Net position, beginning of year	2,540.3	2,376.2	164.1	6.9%
Net position, end of year	**$ 2,623.4**	**$ 2,540.3**	**$ 83.1**	**3.3%**

	FY 2020	FY 2019	$ Change	% Change
Operating revenues	$ 824.5	$ 905.5	($ 81.0)	(8.9%)
Operating expenses including depreciation and amortization	806.0	813.2	(7.2)	(0.9%)
Operating income	**18.5**	**92.3**	**(73.8)**	**(80.0%)**
Total non-operating revenues (expenses), net	85.8	91.4	(5.6)	(6.1%)
Capital grant revenues	59.9	28.2	31.7	112.4%
Increase (decrease) in net position	**164.2**	**211.9**	**(47.7)**	**(22.5%)**
Net position, beginning of year	2,376.2	2,164.3	211.9	9.8%
Net position, end of year	**$ 2,540.3**	**$ 2,376.2**	**$ 164.1**	**6.9%**

Column totals may not add due to rounding.

Detailed descriptions of operating revenues and expenses, and non-operating revenues and expenses are described in the following sections.

OPERATING REVENUES

The Authority's operating revenues for FY21 were $656.7 million, down $167.8 million or 20.4% from the prior year. The decline was mainly attributable to decreased business activity at Logan Airport. Business activity across Massport's businesses was weaker than prior year for the first nine months until April 2021 when the impact of the pandemic began to ease.

Operating Revenues

($ millions)

	FY 2021	FY 2020	$ Change	% Change
Aviation Rentals	$ 270.6	$ 275.3	($ 4.7)	(1.7%)
Aviation Parking	58.2	137.0	(78.8)	(57.5%)
Aviation Fees	141.5	139.2	2.3	1.7%
Aviation Concessions	58.4	111.1	(52.7)	(47.4%)
Shuttle Bus	8.1	17.0	(8.9)	(52.4%)
Aviation Operating Grants and Other	1.8	2.8	(1.0)	(35.7%)
Total Aviation Revenues	**$ 538.6**	**$ 682.4**	**($ 143.8)**	**(21.1%)**
Maritime Fees, Rentals and Other	80.1	93.0	(12.9)	(13.9%)
Real Estate Fees, Rentals and Other	38.0	49.2	(11.2)	(22.8%)
Total	**$ 656.7**	**$ 824.5**	**($ 167.8)**	**(20.4%)**

	FY 2020	FY 2019	$ Change	% Change
Aviation Rentals	$ 275.3	$ 267.1	$ 8.2	3.1%
Aviation Parking	137.0	182.1	(45.1)	(24.8%)
Aviation Fees	139.2	153.2	(14.0)	(9.1%)
Aviation Concessions	111.1	130.8	(19.7)	(15.1%)
Shuttle Bus	17.0	21.2	(4.2)	(19.8%)
Aviation Operating Grants and Other	2.8	2.0	0.8	40.0%
Total Aviation Revenues	**$ 682.4**	**$ 756.4**	**($ 74.0)**	**(9.8%)**
Maritime Fees, Rentals and Other	93.0	102.8	(9.8)	(9.5%)
Real Estate Fees, Rentals and Other	49.2	46.3	2.9	6.3%
Total	**$ 824.5**	**$ 905.5**	**($ 81.0)**	**(8.9%)**

AVIATION REVENUES

The Authority's Aviation revenues are derived from its three airport facilities: Logan Airport, Hanscom Field and Worcester Regional Airport.

Aviation Revenues

($ millions)

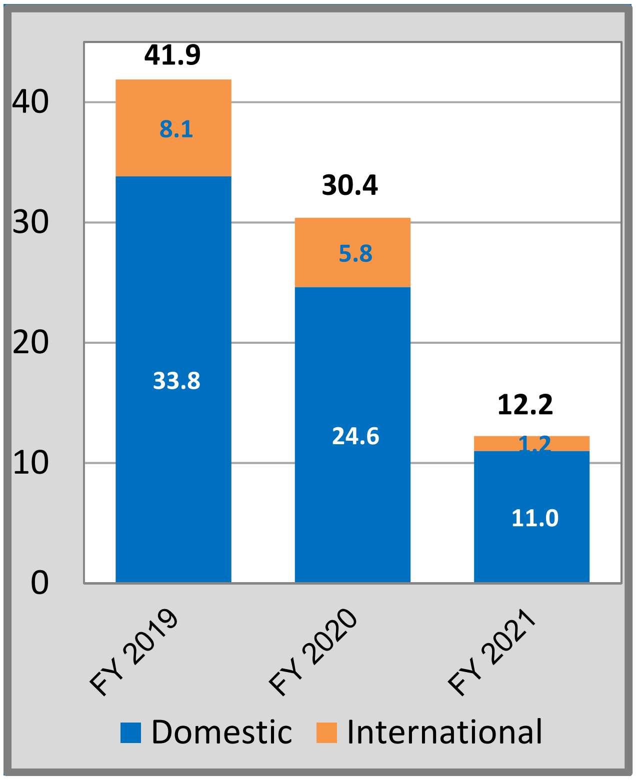
	FY2021	FY2020	FY2019
Logan	$ 522.7	$ 665.4	$ 738.3
Hanscom	14.1	14.6	14.9
Worcester	1.8	2.3	3.2
Total	**$ 538.6**	**$ 682.4**	**$ 756.4**

Logan International Airport

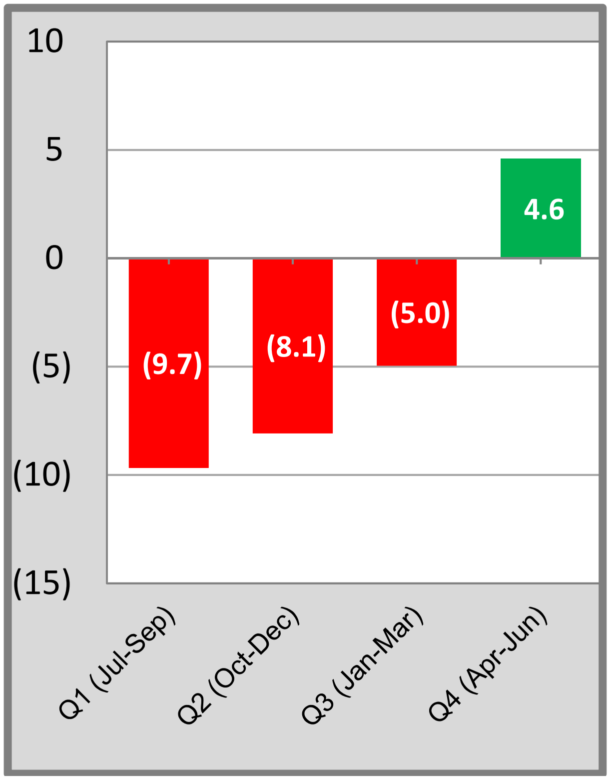
- **12.2 million passengers were served at Logan Airport during FY21.**
- Logan Airport passenger volume in FY21 was 12.2 million, a decline of 59.7% from the 30.4 million passengers in FY20. The airport served 11.0 million domestic passengers (down 55.4% versus FY20) and 1.2 million international passengers (down 78.1% versus prior year).

LOGAN INTERNATIONAL AIRPORT

Passengers Served (Millions)



FY21 versus FY20
Quarterly Passenger Growth (Millions)



- Flight operations in FY21 were down by 45% versus the prior year. Similar to passenger activity, airline flight operations were higher in April through June of 2021 versus the same period in 2020 as airlines increased capacity to meet the rebounding travel demand.

- Even though there were positive trends towards the end of FY21, Logan's ground transportation programs produced lower revenue for the year as a result of fewer passengers using Logan Airport. Parking exit volume for FY21 was 0.6 million, a reduction of 1.1 million exits or 65.7% versus FY20. Logan Express High Occupancy Vehicle (HOV) bus ridership declined by 76% and Ride App pickups and drop-offs were lower by 72% compared to the prior year.

Fiscal Year 2021 Compared to 2020

Logan Airport Revenues

Logan Airport generated $522.7 million of revenues in FY21, a $142.7 million or 21.4% decrease versus the prior year.

Logan Airport Revenues
($ millions)

	FY2021	FY2020	FY2019
Logan Rentals	$ 261.6	$ 266.9	$ 258.6
Logan Parking	58.1	136.4	181.5
Logan Fees	135.5	132.2	145.3
Logan Concessions	57.7	110.2	129.8
Shuttle Bus	8.1	17.0	21.2
Logan Operating Grants and Other	1.7	2.7	1.8
Total	**$ 522.7**	**$ 665.4**	**$ 738.3**

Logan rental revenues are earned through terminal building, non-terminal building and ground lease agreements. Revenue from Logan Airport rentals was $261.6 million, a $5.3 million or 2.0% decrease versus the prior year. Terminal rent, which accounts for 80.0% or $209.3 million of this revenue, declined slightly by $1.8 million. The remaining 20.0% is comprised of non-terminal rent (11.6%) and ground rent (8.4%).

Ground/land rent was lower by $4.0 million primarily due to decreased revenue from the hotels on airport property. The rent payments to Massport by these hotels is related to the revenues they earn, so fewer customers staying at these hotels due to the pandemic resulted in decreased revenue paid to Massport.

Logan parking revenues are generated from the Authority's on-airport and off-airport parking facilities. In FY21, Logan parking revenue was $58.1 million, down 57.4% from the $136.4 million earned in FY20, in line with the decrease in passenger activity at Logan. Revenue from on-airport facilities was $56.1 million, down $74.9 million or 57.2% as parking exits declined by 65.7% versus prior year from decreased passenger activity. Parking revenue from the off-airport Logan Express locations was $2.0 million, down $3.5 million as the number of Logan Express riders was 75.9% lower.

Logan fee revenues consist of revenues earned from aircraft landing fees, utility reimbursements, and aircraft parking and fueling. During FY21, Logan Airport aviation fees were $135.5 million, a $3.3 million or 2.5% increase versus prior year. Logan Airport aircraft landing fees, which account for 90.5% of Logan aviation fees, were higher by $12.1 million versus FY20 due to a higher rate. Landing fees are collected from scheduled and non-scheduled airlines based on the landed weight of aircraft serving Logan Airport. The landing fee rate is determined annually based on full cost recovery of landing field costs necessary to operate and maintain the airfield for the Authority's airline customers. Utility and other fees were lower in FY21 by $8.8 million primarily as a result of a $1.7 million decline in utility reimbursement fees, a $0.8 million decline in aircraft parking fees, a $0.6 million decline in fees for fuel flowage, a $0.6 million decline for security badging and fingerprinting fees, a $0.5 million decrease in reimbursement fees for security details and a decline of $4.6 million in miscellaneous other items.

Logan Airport Aviation Fees
($ millions)

	FY2021	FY2020	FY2019
Landing Fees	$ 122.6	$ 110.5	$ 119.8
Utilities	9.3	11.0	13.6
Other	3.6	10.8	11.8
Total	**$ 135.5**	**$ 132.2**	**$ 145.3**

Logan concessions revenues are earned from airport terminal retail operations, on-airport car rental transactions, and the activities of ground transportation and other service providers including taxis, bus, limousine, Ride Apps (Transportation Network Companies), aircraft ground handling, and in-flight catering. In FY21, Logan Airport earned $57.7 million from concessions versus $110.2 million in FY20, a decrease of $52.5 million or 47.6% as a result of fewer passengers.

Revenues from in-terminal concessions totaled $12.2 million, a decrease of $34.4 million or 73.8% compared to the prior year. Food and beverage, news and gifts, and duty free revenue were all down due to lower passenger volume in the terminals. Rental car revenue of $25.6 million was down by $4.4 million, or 14.7% due to negotiated minimum annual rent guarantees. Revenues from ground transportation and other of $19.9 million was down by $13.7 million versus prior year primarily due to fewer passengers taking ride apps, taxis, and buses to/from the Airport.

Logan Airport Concession Fees
($ millions)

	FY2021	FY2020	FY2019
In-Terminal	$ 12.2	$ 46.6	$ 56.0
Rental Car	25.6	30.0	35.3
Ground Transportation & Other	19.9	33.6	38.5
Total	**$ 57.7**	**$ 110.2**	**$ 129.8**

Shuttle bus and other revenues are primarily the result of an on-airport shuttle that links the terminal buildings, rental car center, parking garages and the MBTA Blue Line station, as well as the bus operations from four off-airport Logan Express sites in the Boston metropolitan region and Boston's Back Bay area. The Authority earned $8.1 million of revenue from the Logan Airport shuttle bus operations, a decline of $8.9 million from the prior year. Revenue from the on-airport shuttle bus of $4.0 million was down by $2.3 million. Logan Express ticket revenue of $2.3 million was down by $5.8 million due to a 75.9% drop in riders as service was reduced or suspended to adjust to decreased passenger demand. The remaining $1.8 million of revenue earned in FY21 was due to an agreement with the MBTA for Silver Line bus service to/from Logan Airport and from an employee shuttle bus operation.

During FY21, Logan Airport received $1.7 million in other revenues from federal other transaction agreements.

Logan Airport Shuttle Bus and Other Revenues
($ millions)

	FY2021	FY2020	FY2019
Shuttle Bus	$ 8.1	$ 17.0	$ 21.2
Other	1.7	2.7	1.8
Total	**$ 9.8**	**$ 19.7**	**$ 23.0**

Worcester Regional Airport and Hanscom Field

- During FY20, Worcester was served by three major airlines: American Airlines, Delta and JetBlue. The revitalization plan for this strategic transportation asset was progressing as planned with cumulative passengers at the Airport exceeding 850,000 passengers since 2013.

- In the fourth quarter of FY20, many airlines petitioned the U.S. Department of Transportation (US DOT) to reduce service at certain airports including Worcester. The US DOT granted Worcester service exemptions to JetBlue and American Airlines. By the end of June 2020, JetBlue suspended flights to Orlando, Ft. Lauderdale, and its New York (JFK) hub and American Airlines suspended flights to its Philadelphia hub. Delta continued to provide service to its Detroit hub until October 2020.

- Although Worcester did not serve any commercial airline passengers during much of FY21, there is still a strong interest in this market. JetBlue resumed service between Worcester and its New York (JFK) hub on August 19, 2021, once again enabling access to many cities across the United States for air passengers in Central Massachusetts, and also opening access to international destinations such as London, which JetBlue began serving from JFK on August 11, 2021. JetBlue also announced plans to resume service to Fort Lauderdale in October 2021. Delta and American have announced plans to resume service from Worcester in November 2021.

- Hanscom Field was not impacted as much by the pandemic with corporate jet activity declining only slightly.

<u>**Worcester Regional Airport and Hanscom Field Revenues**</u>

Worcester Regional Airport generated $1.8 million in operating revenues in FY21, down $0.5 million due to lower commercial parking, fuel flowage and commission revenue. Hanscom Field revenues were $14.1 million in FY21, down by $0.5 million or 3.4% from the prior year. The decrease was primarily due to lower aircraft parking, customs-related and commission revenues, partially offset by higher non-terminal rent revenue.

Worcester and Hanscom Revenues
($ millions)

	FY2021	FY2020	FY2019
Hanscom	$ 14.1	$ 14.6	$ 14.9
Worcester	1.8	2.3	3.2
Total	**$ 15.9**	**$ 16.9**	**$ 18.1**

Fiscal Year 2020 Compared to 2019

The Authority's airports generated $682.4 million of Aviation revenues during FY20, which was $74.0 million or 9.8% lower than the prior year.

Logan Airport generated $665.4 million in revenues in FY20, a $72.9 million or 9.9% decrease versus FY19. Revenue from Logan Airport rentals was $266.9 million, an $8.3 million or 3.2% increase versus the prior year driven primarily by the recovery of terminal operating and capital costs from the airlines in the form of higher terminal rental rates. Logan parking revenue was $136.4 million, down $45.1 million, or 24.8% versus the prior year due to fewer passengers traveling during the pandemic. Logan Airport aviation fees were $132.2 million, a $13.1 million or 9.0% decrease versus prior year. Utility reimbursements were lower in FY20 by $2.6 million, primarily as a result of lower electricity costs due to chiller upgrades at Logan's central heating plant. Logan Airport aircraft landing fees, which account for 83.6% of Logan aviation fees, were lower by $9.3 million or 7.8% versus FY19 driven by the decline in activity in the spring of FY20 due to the pandemic.

In FY20, Logan Airport earned $110.2 million from concessions versus $129.8 million in FY19, a decrease of $19.6 million or 15.1% as a result of fewer passengers. Revenues from in-terminal concessions totaled $46.6 million, a decrease of $9.4 million or 16.8% compared to the prior year mainly due to a $5.6 million decline in food and beverage sales. Revenues from ground and commercial services declined by $2.6 million while commissions from foreign currency exchanges were also lower by $1.1 million. Logan Airport earned $30.0 million from rental car companies during FY20, a decrease of $5.3 million or 15.0% compared to FY19. Rental car transactions decreased by 25.7% and sales per transaction increased slightly by 1.3%. Ground transportation and other fees of $33.6 million declined by $4.9 million or 12.7%. Ground transportation fees collected from Taxis, Limos, and Ride Apps totaled $16.3 million, a decrease of $1.0 million or 6.0%, driven by fewer pick-ups due to fewer passengers.

The Authority earned $17.0 million of revenue from the Logan Airport shuttle bus operations, a decline of $4.2 million from the prior year. Revenue from the on-airport shuttle bus was down by $1.0 million and Logan Express ticket revenue was down by $3.2 million as service was reduced or suspended to adjust to passenger demand.

During FY20, Logan Airport received $2.7 million in other revenues from federal operating grants.

Hanscom Field revenues were $14.6 million in FY20, down slightly by $0.3 million or 2.0% from the prior year. The decrease was primarily due to lower aircraft fuel flowage fees. Worcester Regional Airport generated $2.3 million in operating revenues in FY20, down $0.9 million due to reduced ground lease revenue.

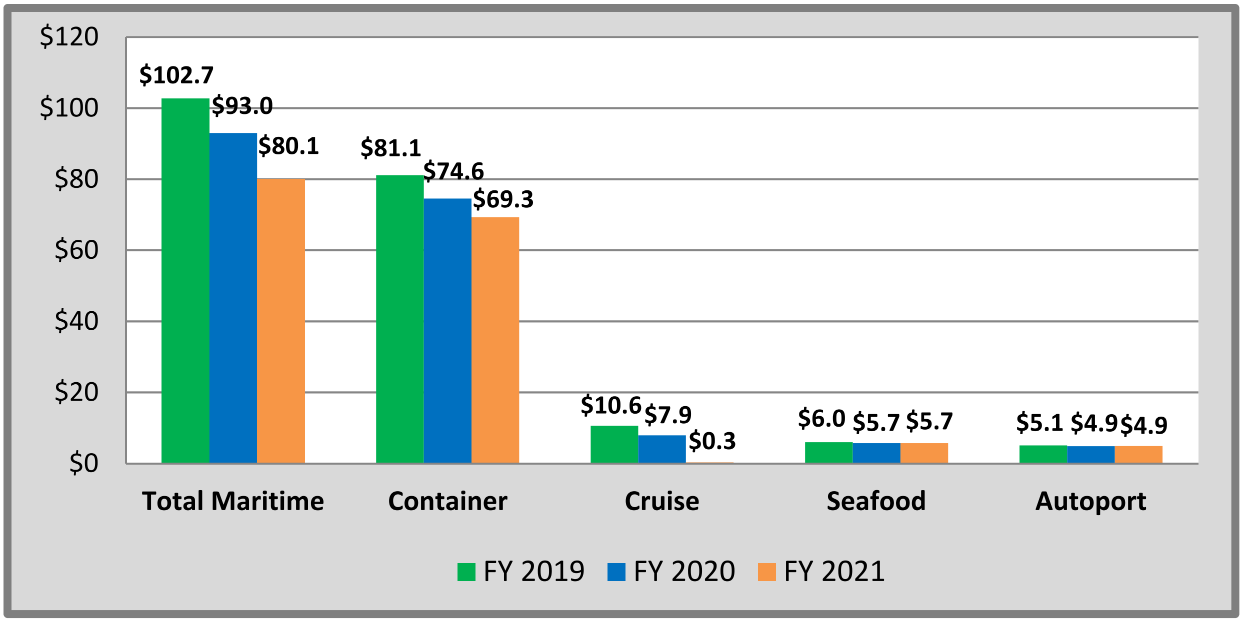
MARITIME REVENUES

The Authority's maritime business includes container operations at Conley Terminal, cruise activity at Flynn Cruiseport Boston, rental facilities for seafood processors and commercial parking at the Boston Fish Pier, and the Autoport, which houses an automobile import/export facility and other maritime industrial businesses in Charlestown.

Maritime fees, rentals and other revenues are collected primarily from container shipping lines, cruise lines and other customers that use the Authority's Port facilities. The Authority collected $80.1 million in fees, rentals and other income from its maritime operations in FY21, which was $12.9 million or 13.9% below the prior year but a solid performance given the pandemic's impact on the global economy.

Maritime Revenues by Category

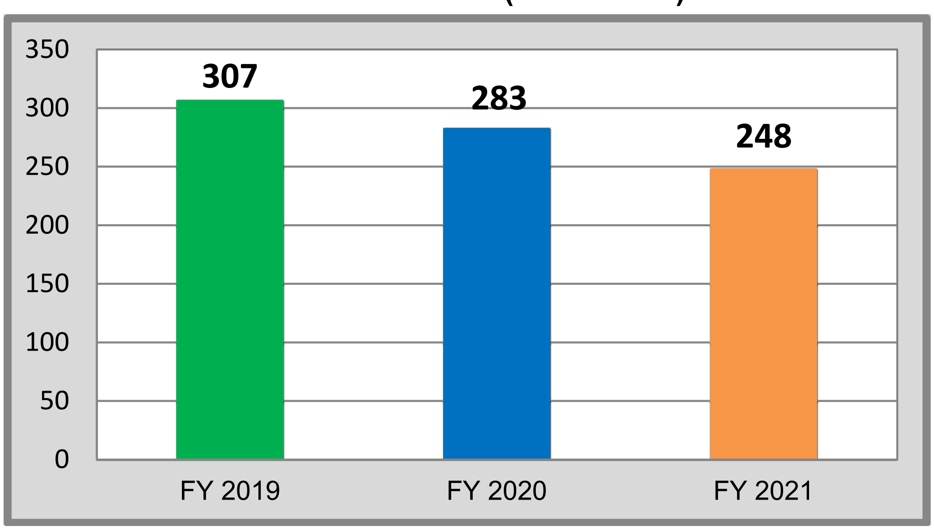
($ Millions)



Conley Container Terminal

- **Conley Terminal processed 247,845 TEUs (twenty-foot equivalent units) during FY21.**
- Conley Container Terminal is anchored by the strength of the New England economy, easy and quick truck access in and out of the terminal with efficient access to the interstate highway system, a highly productive workforce, and an ongoing focus on customer service. While the 247,845 TEUs handled by Conley was 12.4% fewer than the 283,061 TEUs that went through the Port in FY20, it was a strong performance given the severe disruption to the global supply chain that resulted from the pandemic.
- Average turn time per truck was 29 minutes in FY21, a 5% decrease from 31 minutes in FY20 and 34 minutes in FY19, as the Terminal continued to achieve productivity improvements. The average number of container lifts per hour, per crane was 33, which was above the goal of 30 lifts per hour and demonstrated Conley's position as a highly efficient port.

Conley Container Terminal
Annual TEUs Processed (thousands)

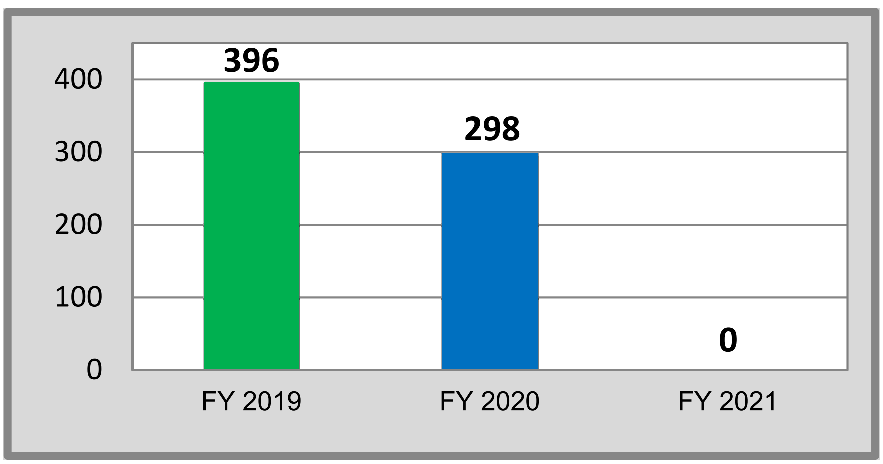


Flynn Cruiseport Boston

- **Flynn Cruiseport Boston did not serve any cruise passengers in FY21.**
- As a result of COVID-19, there was no cruise activity at Flynn Cruiseport Boston during FY21. The CDC issued a No Sail Order in March 2020 and then issued subsequent Conditional Sail Orders in October 2020, April 2021 and May 2021 that enabled cruises to resume as long as stringent health and safety protocols are followed.
- There are signs of a recovery in the cruise industry as the Crystal Symphony, owned and operated by Crystal Cruises, sailed from Flynn Cruiseport Boston on August 23, 2021. This was the first cruise ship to call on the Cruiseport since November 2019, and was the first of four planned sailings by the Crystal Symphony between Boston and Bermuda in August and September 2021. Additional cruises to/from Flynn Cruiseport Boston have been scheduled for the fall of 2021 and spring of 2022.

Flynn Cruiseport Boston

Annual Passengers (thousands)



Fiscal Year 2021 Compared to 2020

Container revenue during FY21 was $69.2 million, $5.4 million or 7.2% below the prior year. Revenue is generated through the collection of fees from ocean shipping lines for the loading and unloading of containers at Conley Terminal and for related services through tariffs and contracts with the shipping lines and shippers using the Port. Conley Terminal processed 247,845 TEUs during FY21.

Cruise revenue from operations at Flynn Cruiseport Boston was $0.3 million in FY21 as no ships called on Boston due to the pandemic. The revenue that was generated was predominantly from space rentals at the Cruiseport.

Seafood revenues were $5.7 million in FY21, which was comparable to the prior year. Revenues are earned through space and ground rents from seafood processing and office tenants, commissions, utility charges, fees and parking lots at the Fish Pier. A slight increase in ground rent revenues due to development at the Massport Maritime Terminal in South Boston was offset by decreased space rent revenue at the Fish Pier.

Autoport revenue was $4.9 million in FY21, which was comparable to the prior year as the ground lease revenue from the tenant remained relatively stable.

Fiscal Year 2020 Compared to 2019

The Authority's maritime operations at the Port of Boston generated $93.0 million of revenue during FY20, which was $9.7 million or 9.4% below the prior year.

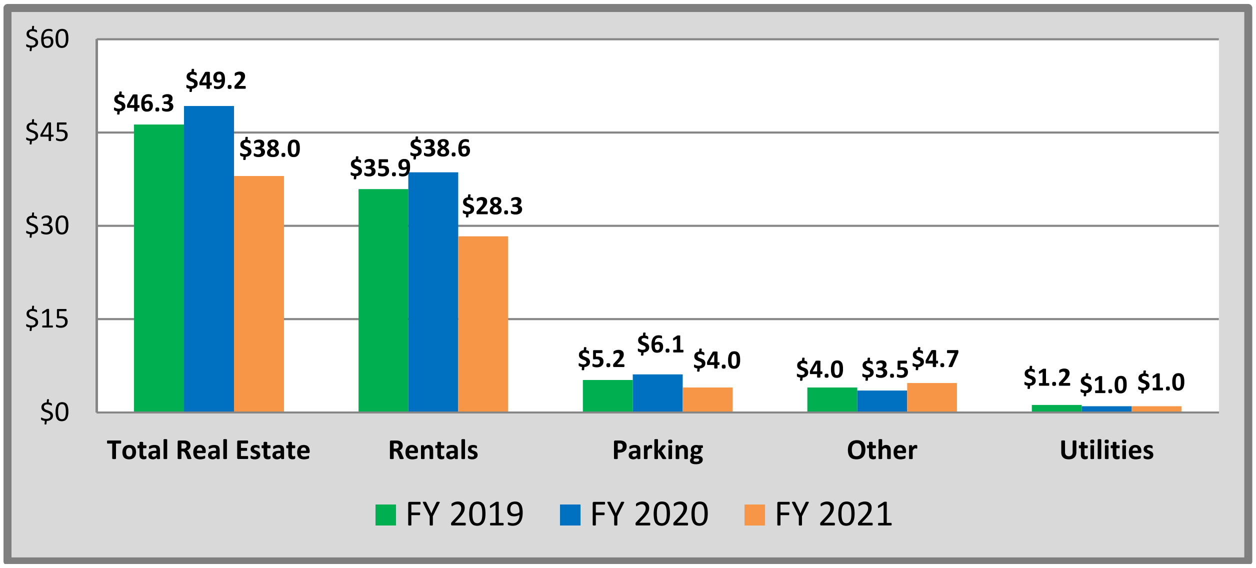
Container revenue during FY20 was $74.6 million, $6.5 million or 8.0% below the prior year. Container volume declined in the spring of FY20 as the supply chain was adversely impacted by the pandemic. Still, Conley Terminal processed 283,061 TEUs, making FY20 one of Conley's strongest years. Cruise revenue was $7.9 million in FY20, down $2.7 million or 25.5% versus prior year. After a very strong fall season that saw new lines call on the Cruiseport and an extension of the season into November, the CDC issued a No Sail Order in March 2020 due to the pandemic, which effectively cancelled the spring and summer cruise seasons.

Seafood revenues were $5.7 million in FY20, down $0.3 million or 5.0% from the prior year due to less parking revenue and a decrease in utility reimbursement fees. Autoport revenue was $4.9 million in FY20, down marginally from FY19 due to a decrease in utility reimbursement fees.

REAL ESTATE REVENUES

The Authority's commercial real estate business earns revenues from ground leases, district service fees and parking on properties owned by the Authority in South Boston, East Boston and Charlestown. Revenues from the Authority's real estate activities totaled $38.0 million in FY21, a reduction of $11.2 million as a result of the collection of a one-time transaction rent fee in FY20.

Real Estate Revenues by Category
($ Millions)



- **Massport's real estate portfolio generated $38 million of revenue in FY21, lower than the prior year mainly due to one-time fees.**

Fiscal Year 2021 Compared to 2020

Total FY21 real estate revenue of $38.0 million was $11.2 million lower than prior year. Rental revenues of $28.3 million were lower by $10.3 million primarily due to a smaller one-time transaction rent fee generated by the Authority's properties in FY21 compared to the prior year. Parking revenue of $4.0 million decreased by $2.1 million due to lower demand for parking in Boston as conventions, restaurant dining and parking for business needs was down as a result of COVID-19. Other revenue of $4.7 million was higher by $1.2 million mainly due to reimbursement for security details provided by the Authority.

Fiscal Year 2020 Compared to 2019

Total real estate revenue of $49.2 million in FY20 was $2.9 million higher than prior year. Rental revenue of $38.6 million was $2.7 million higher than FY20 primarily due to one-time transaction rent fees, which were higher in FY20 than in FY19. Parking revenue of $6.1 million increased by $0.9 million due in part to dynamic pricing at the 1,550 space South Boston Waterfront

Transportation Center. Other revenue of $3.5 million was down by $0.5 million mainly due to lower security detail reimbursements.

OPERATING EXPENSES

Total operating expenses were lower in FY21 as the result of actions taken by Massport management to offset the decline in revenues from reduced business activity. FY21 reflects the full year impact of the immediate cost containment actions taken by the operating and administrative departments from March through June of 2020, as well as additional expense reduction initiatives implemented during FY21 including the Workforce Plan intended to reduce the Authority's labor force and lower operating expenses by approximately $25 million per year.

The Authority's total operating expenses in FY21 were $711.6 million, a decrease of $94.4 million or 11.7% versus the prior year. Excluding Depreciation and Amortization, operating expenses were down $102.6 million or 20.3%.

Operating Expenses
($ Millions)

	FY 2021	FY 2020	$ Change	% Change
Aviation Operations and Maintenance	$ 252.5	$ 295.7	($ 43.2)	(14.6%)
Maritime Operations and Maintenance	54.8	61.1	(6.3)	(10.3%)
Real Estate Operations and Maintenance	14.3	15.0	(0.7)	(4.7%)
General and Administrative	56.2	68.1	(11.9)	(17.5%)
Payments in Lieu of Taxes	22.2	21.0	1.2	5.7%
Pension and Other Post-employment Benefits	(9.8)	36.1	(45.9)	(127.1%)
Other	13.8	9.7	4.1	42.3%
Depreciation and Amortization	307.6	299.3	8.3	2.8%
Total Operating Expenses	**$ 711.6**	**$ 806.0**	**($ 94.4)**	**(11.7%)**

	FY 2020	FY 2019	$ Change	% Change
Aviation Operations and Maintenance	$ 295.7	$ 305.6	($ 9.9)	(3.2%)
Maritime Operations and Maintenance	61.1	64.4	(3.3)	(5.1%)
Real Estate Operations and Maintenance	15.0	16.9	(1.9)	(11.2%)
General and Administrative	68.1	67.3	0.8	1.2%
Payments in Lieu of Taxes	21.0	21.3	(0.3)	(1.4%)
Pension and Other Post-employment Benefits	36.1	40.7	(4.6)	(11.3%)
Other	9.7	8.6	1.1	12.8%
Depreciation and Amortization	299.3	288.3	11.0	3.8%
Total Operating Expenses	**$ 806.0**	**$ 813.2**	**($ 7.2)**	**(0.9%)**

Aviation Operations and Maintenance Expenses – FY 2021

The cost containment program implemented by the Authority resulted in a decline in aviation operations and maintenance expenses by $43.2 million to $252.5 million in FY21 from $295.7 million in FY20. The breakdown of aviation operations and maintenance expenses by each of Massport's aviation facilities is provided below:

Aviation Operating and Maintenance Expenses
($ millions)

	FY 2021	FY 2020	FY 2019
Logan	$ 235.3	$ 272.6	$ 285.5
Hanscom	9.7	11.0	10.6
Worcester	7.5	12.1	9.5
Total	**$ 252.5**	**$ 295.7**	**$ 305.6**

Logan Airport Operations and Maintenance Expenses – FY 2021

Operations and maintenance expenses for Logan Airport in FY21 were $235.3 million and accounted for approximately 93.2% of all aviation operations and maintenance expenses and 73.2% of the Authority's total operations and maintenance expenses.

FY21 expenses benefited from the actions taken in late FY20 to reduce expenses such as the reduction and/or suspension of services including the Logan Airport Shuttle bus and Logan Express, the consolidation or closure of airport parking and some terminal spaces, and a scaling back of non-essential facility maintenance activities, supplies, services and repairs. These savings combined with lower wages, benefits and overtime resulted in a $37.3 million or 13.7% expense reduction versus FY20.

Logan Airport Operations and Maintenance Expenses – FY 2020

Operations and maintenance expenses for Logan Airport in FY20 were $272.6 million and accounted for approximately 92.2% of all aviation operations and maintenance expenses and 73.3% of the Authority's total operations and maintenance expenses. In FY20, operations and maintenance expenses for Logan Airport were lower by $12.9 million or 4.5% versus prior year.

Significant actions were taken beginning in March of 2020 to reduce expenses. As a result, expenses versus prior year were lower by $13.2 million.

Worcester Airport and Hanscom Field Operations and Maintenance Expenses – FY 2021

Cost containment measures were also implemented at Worcester Regional Airport and Hanscom Field. In FY21, operations and maintenance expenses for Worcester Regional Airport were $7.5 million, a $4.6 million or 38.0% decrease versus the prior year as commercial flight activity at this airport was discontinued during the pandemic. The decrease was due to a $2.1 million reduction in wage and benefit expenses due to less staff, a $0.7 million decline in overtime and a $1.8 million decrease in materials, services, supplies and state police detail expenses.

Operations and maintenance expenses for Hanscom Field were $9.7 million, a $1.3 million or 11.8% decrease versus the prior year. The decrease was due to a $0.6 million reduction in overtime expense, a $0.3 million reduction in services such as landscaping and computer support, and a $0.4 million decrease in other expenses due to the need for fewer materials, supplies, repairs and state police details.

Worcester Airport and Hanscom Field Operations and Maintenance Expenses – FY 2020

In FY20, operations and maintenance expenses for Worcester Regional Airport were $12.1 million, a $2.6 million or 27.4% increase. This increase reflects a $2.0 million increase in wage and benefit expenses from the full year impact of additional ARFF (Aircraft Rescue and Firefighting) personnel hired in FY19 and higher State Police costs of $1.6 million partially offset by a $0.6 million reduction in overtime and a $0.5 million decrease in materials, services and supplies expenses.

Operations and maintenance expenses for Hanscom Field were $11.0 million, a $0.4 million or 3.8% increase versus the prior year. The increase was due to a $1.3 million increase in wage and benefit expenses from the full year impact of additional ARFF personnel hired in April 2019 partially offset by a decrease of $0.9 million for lower materials, supplies and services expenses.

Maritime Operations and Maintenance Expenses – FY 2021

Maritime operations and maintenance expenses were $54.8 million, a $6.3 million or 10.3% decrease from the prior year. Stevedoring costs were $1.3 million lower due to lower container volume and new flex-time rules that were implemented in late FY20. Overtime was down $1.1 million as the result of lower container volumes and realigned staffing. Materials, supplies and services expenses were $1.1 million lower than prior year. Professional fees were down by $0.8 million as planning and engineering consulting was significantly reduced. Wage and benefit expense decreased by $0.4 million due to staff reductions, and utilities expenses were down by $0.3 million. Other expenses were down by $1.3 million compared to the prior year.

Maritime Operations and Maintenance Expenses – FY 2020

Maritime operations and maintenance expenses were $61.1 million, a $3.3 million or 5.1% decrease from the prior year. Stevedoring costs were $1.0 million lower due to lower container volume and the new flex-time rules that lowered wage expenses. Materials, supplies, services and repairs expenses collectively were $1.0 million lower than prior year. Overtime was down $0.9 million based on a successful initiative to realign staffing needs.

Wage and benefit expenses increased by $0.7 million, and other expenses were lower by $1.1 million due in part to lower maritime property remediation expenses versus FY19.

Real Estate Operations and Maintenance Expenses – FY 2021

Real Estate operations and maintenance costs in FY21 were $14.3 million, down $0.7 million or 4.7% versus the prior year. Professional fees for parcel development planning and legal services were lower by $0.7 million. Expenses for landscaping, rubbish removal and other such services was lower by $0.3 million. Other expenses increased by $0.4 million versus prior year due to higher utilities expenses.

Real Estate Operations and Maintenance Expenses – FY 2020

Real Estate operations and maintenance costs in FY20 were $15.0 million, down $1.9 million or 11.2% versus the prior year. Professional fees were reduced by $0.9 million. Repairs and services expenses were lower by $0.5 million, and utility expenses were down by $0.3 million. Other expenses were down by $0.2 million versus prior year.

General and Administrative Expenses – FY 2021

The Authority's general and administrative costs were $56.2 million in FY21, a reduction of $11.9 million or 17.5% compared to the prior year. The Authority's cost reduction strategies and Workforce Plan caused employee wage and benefit costs for administrative employees to decline by $4.0 million. Professional fees decreased by $3.3 million as the use of engineering, planning, legal and marketing consultants was significantly curtailed. Services expenses were lower by $2.5 million due to cost reductions for computer maintenance, HVAC maintenance, software fees, temporary personnel and other items. Media and advertising costs were reduced by $1.0 million to meet expense reduction targets. Materials, supplies and repair expenses were down by $0.5 million, and other expenses were lower by $0.6 million.

The following table shows the allocation of the Authority's general and administrative expenses by business line for FY21, FY20 and FY19.

General and Administrative Expenses
($ millions)

	FY 2021	FY 2020	FY 2019
Logan	$ 37.6	$ 45.5	$ 46.1
Hanscom	2.3	2.7	3.1
Worcester	2.5	3.6	3.4
Maritime	8.4	10.1	9.2
Real Estate	5.4	6.2	5.4
Total	**$ 56.2**	**$ 68.1**	**$ 67.3**

General and Administrative Expenses – FY 2020

The Authority's general and administrative costs were $68.1 million in FY20, $0.8 million or 1.2% higher than FY19. Employee wage and benefit costs for administrative employees increased by $2.4 million for annual merit pay adjustments, and services expenses were up $1.1 million due primarily to increased cleaning costs necessitated by COVID-19.

The increases were partially offset by a $1.5 million decline in professional fees for engineering and planning resources. Media and advertising expenses were lower by $1.5 million as part of the cost cutting initiatives. Other expenses were higher by $0.3 million.

PILOT, Pension & OPEB and Other Expenses – FY 2021

In FY21, the Authority's PILOT (payment in lieu of taxes) payments to the City of Boston and the Town of Winthrop totaled $22.2 million and were $1.2 million or 5.7% higher than FY20. The City of Boston's PILOT payments are contractually linked to the annual rise in the Consumer Price Index (CPI), which added $0.4 million of new costs. The other $0.8 million increase was related to community mitigation payments made to organizations such as the East Boston and Winthrop Foundations as specific milestone achievements in FY21 triggered community payments.

The Authority's pension and OPEB expenses were positively impacted by the strong investment returns generated by both of the asset plans. The Authority's pension expense experienced a 16.1% return (net of fees) on pension plan assets versus the 7.0% rate used to project the pension liability. The Authority's OPEB expense also had a favorable return of 14.1% (net of fees) versus the 7.0% rate used to project the OPEB liability. As a result, the Authority recorded a $9.8 million contra expense in FY21, which represented a decrease of $45.9 million compared to the $36.1 million of expense incurred in FY20. The measurement period for both the pension and OPEB assets was calendar year ended December 31, 2020.

The following tables show the allocation of PILOT, Pension, OPEB, and other expenses by business line for FY21 and FY20:

FY21 - PILOT, Pension, OPEB, and Other Expenses

($ millions)

	PILOT	PENSION	OPEB	OTHER	TOTAL
Logan	$ 19.4	($ 8.7)	$ 1.4	$ 10.0	$ 22.1
Hanscom	0.0	(0.5)	(0.0)	0.3	(0.2)
Worcester	0.0	(0.5)	(0.1)	0.2	(0.4)
Maritime	1.5	(0.6)	0.5	2.6	4.0
Real Estate	1.3	(0.9)	(0.3)	0.7	0.8
Total	**$ 22.2**	**($ 11.2)**	**$ 1.5**	**$ 13.8**	**$ 26.3**

FY20 - PILOT, Pension, OPEB, and Other Expenses

($ millions)

	PILOT	PENSION	OPEB	OTHER	TOTAL
Logan	$ 18.2	$ 10.4	$ 17.4	$ 7.9	$ 53.9
Hanscom	0.0	0.5	0.8	0.2	1.5
Worcester	0.0	0.6	0.5	0.4	1.5
Maritime	1.5	1.3	2.8	0.9	6.5
Real Estate	1.3	0.7	1.1	0.3	3.4
Total	**$ 21.0**	**$ 13.5**	**$ 22.6**	**$ 9.7**	**$ 66.8**

PILOT, Pension & OPEB and Other Expenses – FY 2020

In FY20, the Authority's PILOT payments to the City of Boston and the Town of Winthrop totaled $21.0 million and reflect a $0.3 million or 1.4% decrease versus FY19. The City of Boston's PILOT payments are contractually linked to the annual rise in the Consumer Price Index (CPI), which added $0.4 million of new costs. This was more than offset by lower expenses in FY20 related to community mitigation payments made to organizations such as the East Boston Foundation as fewer milestones were achieved.

The Authority's expenses for pension and OPEB were $36.1 million, a decrease of $4.6 million or 11.3% compared to FY19. The Authority's pension expense decreased by $8.7 million, primarily due to a 19.7% favorable net return on pension plan assets versus the 7.25% rate used to project the pension liability. The Authority's OPEB expense increased by $4.1 million as the result of the Trust fiscal year end being changed from June 30th to December 31st, which resulted in recording 18 months of expense during FY20. The measurement period for both the pension and OPEB assets was calendar year ended December 31, 2019.

Depreciation and Amortization Expenses – FY 2021

The Authority recognized $307.6 million in depreciation and amortization expenses in FY21, an increase of $8.3 million or 2.8% compared to FY20. The increase is the result of $161.5 million of new assets being placed into service. During FY21, major projects completed and placed into service included Logan Runway 9-27 Rehabilitation ($37.5 million), Terminal B, C and E HVAC Replacement Phase 2 ($15.5 million), Logan North Air Cargo Facility ($15.0 million), Logan Roof Replacement Phase 2 ($12.4 million), and Logan Elevators/Escalators Upgrade Phase 2 ($11.0 million).

Depreciation and Amortization Expenses – FY 2020

The Authority recognized $299.3 million in depreciation and amortization expenses in FY20, an increase of $11.0 million or 3.8% compared to FY19. The increase is the result of $291.2 million of new assets being placed into service. During FY20, major projects completed and placed into service included Central Garage Modifications to Support Ride Apps ($26.5 million), Terminal B Gate Reconfiguration ($15.0 million), Terminal B Sanitary Pipe Replacement ($14.2 million), Logan Airport Old Tower Relocation ($13.6 million) and the New Hanscom ARFF and CBP Facility ($11.9 million).

NON-OPERATING REVENUES (EXPENSES) AND CAPITAL CONTRIBUTIONS

The Authority recognized $76.0 million in non-operating revenues in FY21, a decrease of $9.8 million versus FY20. The Authority's non-operating income was favorably impacted by the recognition of federal assistance provided by the CARES Act and the CRRSA Act. In FY21, the Authority recognized $121.1 million for these items versus $57.1 million in FY20. This $64.0 million increase was offset by lower investment income and a reduction in PFC and CFC revenues.

Non-operating Revenues and Expenses and Capital Contributions
($ millions)

	FY 2021	FY 2020	$ Change	% Change
Passenger facility charges	$ 27.9	$ 59.9	($ 32.0)	(53.4%)
Customer facility charges	11.7	25.9	(14.2)	(54.8%)
Investment income	15.5	35.9	(20.4)	(56.8%)
Other income (expense), net	119.0	73.5	45.5	61.9%
Interest expense	(98.1)	(109.4)	11.3	(10.3%)
Total Non-operating Revenues (Expenses)	**$ 76.0**	**$ 85.8**	**($ 9.8)**	**(11.4%)**
Capital Contributions	**$ 61.9**	**$ 59.9**	**$ 2.0**	**3.3%**

	FY 2020	FY 2019	$ Change	% Change
Passenger facility charges	$ 59.9	$ 84.8	($ 24.9)	(29.4%)
Customer facility charges	25.9	33.5	(7.6)	(22.7%)
Investment income	35.9	29.8	6.1	20.5%
Other income (expense), net	73.5	26.8	46.7	174.3%
Terminal A debt service contributions	0.0	(7.5)	7.5	(100.0%)
Interest expense	(109.4)	(76.0)	(33.4)	43.9%
Total Non-operating Revenues (Expenses)	**$ 85.8**	**$ 91.4**	**($ 5.6)**	**(6.1%)**
Capital Contributions	**$ 59.9**	**$ 28.2**	**$ 31.7**	**112.4%**

For FY21, PFCs were $27.9 million, a $32.0 million or 53.4% decrease as a result of fewer enplaned passengers. Revenues from CFCs totaled $11.7 million, a $14.2 million or 54.8% decrease as rental car transaction days were down by 55.1%. The Authority generated

$15.5 million of investment income, a decrease of $20.4 million primarily due to lower interest rates in highly liquid investment vehicles used to fund near term capital expenditures in the capital program. Other income was $119.0 million, which was $45.5 million higher than prior year and includes the accrual of $121.1 million from the federal CARES Act and CRRSA Act grants, $5.0 million from the BOSFUEL bond refinancing transaction, $0.4 million from airlines that reimbursed the Authority for prior expenditures and $1.6 million of other items partially offset by a $7.0 million decrease in the fair value of investments. Interest expense on Authority bonds was $98.1 million, lower by $11.3 million or 10.3% versus FY20 due to the favorable impact of refinanced debt during FY21.

For FY20, PFCs were $59.9 million, a $24.9 million or 29.4% decrease as a result of fewer enplaned passengers. Revenues from CFCs totaled $25.9 million, a $7.6 million or 22.7% decrease as rental car transaction days at Logan Airport's Rental Car Center were down by 22.6%. The Authority generated $35.9 million of investment income, an increase of $6.1 million due to higher interest rates on fixed income investments and an increase in the Authority's cash balance. Other income was $73.5 million, which was $46.7 million higher than prior year. Other income includes $57.1 million from the federal CARES Act, $7.6 million from the BOSFUEL bond refinancing transaction, $0.6 million from airlines that reimbursed the Authority for prior expenditures and an $8.2 million increase in the fair value of investments. Interest expense was $109.4 million, up $33.4 million or 43.9% due to an increase in debt outstanding.

Capital Contributions

Capital contributions in FY21 were $61.9 million, an increase of $2.0 million versus the prior year. The Authority received capital contributions for projects from The Commonwealth of Massachusetts for the expansion of Conley Terminal, the FAA AIP grant program and from the U.S. Department of Transportation Maritime Administration (MARAD) FASTLANE grant. The Commonwealth of Massachusetts funds are being used to help pay for a portion of the new Berth 10 and three new cranes at Conley Terminal. The majority of the FAA AIP grants include reimbursements for the rehabilitation of Runway 9-27 at Logan Airport, the rehabilitation of Runway 11-29 at Worcester Regional Airport and the electrification of ground service equipment (GSE) at Logan Airport. The MARAD grant funds were used primarily for the new gate processing facilities at Conley Terminal.

Capital contributions in FY20 were $59.9 million, an increase of $31.7 million versus the prior year. The Authority received capital contributions for projects from The Commonwealth of Massachusetts, the FAA AIP grant program and from MARAD. The Commonwealth of Massachusetts funds paid for a portion of the new Berth 10 and three new cranes at Conley Terminal. The major components of the FAA AIP grants were reimbursements for the rehabilitation of runway 9-27 at Logan Airport, resurfacing of the north cargo apron at Logan Airport and the electrification of GSE at Logan Airport. The MARAD grant funds were primarily used for the rehabilitation of Conley Terminal Berths 11 and 12, paving of the reefer area at Conley Terminal, and the replacement of RTG (Rubber Tired Gantry) crane drives.

THE AUTHORITY'S STATEMENTS OF NET POSITION

The Statements of Net Position present the financial position of the Authority at the end of each fiscal year. The Statements include all assets, deferred outflows of resources, liabilities and deferred inflows of resources of the Authority. Net Position is the difference between total assets plus deferred outflows of resources less total liabilities and deferred inflows of resources and is an indicator of the current fiscal health of the Authority. A summarized comparison of the Authority's assets, deferred outflows of resources, liabilities, deferred inflows of resources and net position at June 30, 2021, 2020 and 2019 is as follows:

Condensed Statements of Net Position for FY 2021 and FY 2020

($ millions)

	FY 2021	FY 2020	$ Change	% Change
Assets				
Current assets	$ 1,321.8	$ 1,242.8	$ 79.0	6.4%
Capital assets, net	4,105.9	3,963.1	142.8	3.6%
Other non-current assets	740.7	589.8	150.9	25.6%
Total Assets	**6,168.4**	**5,795.7**	**372.7**	**6.4%**
Deferred Outflows of Resources				
Deferred loss on refunding of bonds	11.7	13.3	(1.6)	(12.0%)
Deferred outflows of resources related to Pension plan	31.0	9.7	21.3	219.6%
Deferred outflows of resources related to OPEB	24.5	17.3	7.2	41.6%
Total Deferred Outflows of Resources	**67.2**	**40.3**	**26.9**	**66.7%**
Liabilities				
Current liabilities	$ 283.3	$ 325.7	($ 42.4)	(13.0%)
Bonds payable, including current portion	3,029.4	2,688.2	341.2	12.7%
Other non-current liabilities	129.3	193.8	(64.5)	(33.3%)
Total Liabilities	**3,442.0**	**3,207.7**	**234.3**	**7.3%**
Deferred Inflows of Resources				
Deferred gain on refunding of bonds	25.9	9.8	16.1	164.3%
Deferred inflows of resources related to Pension plan	83.9	47.9	36.0	75.2%
Deferred inflows of resources related to OPEB	60.5	30.2	30.3	100.3%
Total Deferred Inflows of Resources	**170.3**	**87.9**	**82.4**	**93.7%**
Total Net Position	**$ 2,623.4**	**$ 2,540.3**	**$ 83.1**	**3.3%**
Net position				
Net investment in capital assets	$ 1,351.1	$ 1,548.6	(197.5)	(12.8%)
Restricted	785.8	714.7	71.1	9.9%
Unrestricted	486.5	277.1	209.4	75.6%
Total Net Position	**$ 2,623.4**	**$ 2,540.3**	**$ 83.1**	**3.3%**

Column totals may not add due to rounding.

The Authority ended FY21 with total assets of $6,168.4 million, an increase of $372.7 million or 6.4% over the prior year. The increase is primarily due to a $209.5 million increase in restricted and unrestricted investments, a $142.8 million increase in new capital assets placed into service and construction in progress net of accumulated depreciation and a $38.4 million increase in accounts receivable due to deferred payment trade receivables owed by airlines and federal relief program grant receivables partially offset by lower restricted and unrestricted cash balances. The Authority's total assets consist primarily of capital assets, net, which represent $4,105.9 million or 65.8% of the Authority's total assets and deferred outflows of resources as of June 30, 2021. Total deferred outflows of resources increased by $26.9 million in FY21 versus the prior year primarily due to the timing of the Pension and OPEB funding subsequent to the measurement period.

The Authority's total liabilities as of June 30, 2021 were $3,442.0 million, an increase of $234.3 million or 7.3% over the prior year, as the bonds payable balance increased by $341.2 million due to new debt issued in FY21. Bonds payable (including current portion) of $3,029.4 million is the largest component of total liabilities, and accounted for 83.9% of the Authority's total liabilities and deferred inflows at June 30, 2021. Total deferred inflows of resources increased by $82.4 million in FY21 versus the prior year primarily due to Pension and OPEB investment gains.

The Authority's total net position for FY21 was $2,623.4 million, an $83.1 million or 3.3% increase over the prior year. This increase reflects the Authority's net operating loss of $54.9 million, net non-operating income of $76.0 million and capital contributions of $61.9 million. The growth in net position is being used to fund the Authority's strategic initiatives.

Condensed Statements of Net Position for FY 2020 and FY 2019
($ millions)

	FY 2020	FY 2019	$ Change	% Change
Assets				
Current assets	$ 1,242.8	$ 902.1	$ 340.7	37.8%
Capital assets, net	3,963.1	3,725.3	237.8	6.4%
Other non-current assets	589.8	506.4	83.4	16.5%
Total Assets	**5,795.7**	**5,133.8**	**661.9**	**12.9%**
Deferred Outflows of Resources				
Deferred loss on refunding of bonds	13.3	14.7	(1.4)	(9.5%)
Deferred outflows of resources related to Pension plan	9.7	51.9	(42.2)	(81.3%)
Deferred outflows of resources related to OPEB	17.3	36.2	(18.9)	(52.2%)
Total Deferred Outflows of Resources	**40.3**	**102.8**	**(62.5)**	**(60.8%)**
Liabilities				
Current liabilities	$ 325.7	$ 366.9	($ 41.2)	(11.2%)
Bonds payable, including current portion	2,688.2	2,176.2	512.0	23.5%
Other non-current liabilities	193.8	293.6	(99.8)	(34.0%)
Total Liabilities	**3,207.7**	**2,836.7**	**371.0**	**13.1%**
Deferred Inflows of Resources				
Deferred gain on refunding of bonds	9.8	5.2	4.6	88.5%
Deferred inflows of resources related to Pension plan	47.9	2.6	45.3	1742.3%
Deferred inflows of resources related to OPEB	30.2	16.0	14.2	88.8%
Total Deferred Inflows of Resources	**87.9**	**23.8**	**64.1**	**269.3%**
Total Net Position	**$ 2,540.3**	**$ 2,376.2**	**$ 164.1**	**6.9%**
Net position				
Net investment in capital assets	$ 1,548.6	$ 1,489.8	58.8	3.9%
Restricted	714.7	690.0	24.7	3.6%
Unrestricted	277.1	196.4	80.7	41.1%
Total Net Position	**$ 2,540.3**	**$ 2,376.2**	**$ 164.1**	**6.9%**

The Authority ended FY20 with total assets of $5,795.7 million, an increase of $661.9 million or 12.9% over the prior year. The increase is primarily due to additional cash from the issuance of new bonds, $237.8 million of new capital assets placed into service and construction in progress net of accumulated depreciation. Deferred outflows of resources totaled $40.3 million, a $62.5 million decrease caused by favorable investment gains and increased amortization of prior years' losses. The Authority's total assets consist primarily of capital assets, net, which represent $3,963.1 million or 67.9% of the Authority's total assets and deferred outflows of resources as of June 30, 2020.

The Authority's total liabilities as of June 30, 2020 were $3,207.7 million, an increase of $371.0 million or 13.1% as the bonds payable balance increased by $512.0 million due to new debt issued in FY20. Bonds payable (including current portion) is the largest component of total liabilities, and accounted for 81.6% of the Authority's total liabilities and deferred inflows at June 30, 2020.

The Authority's total net position for FY20 was $2,540.3 million, a $164.1 million or 6.9% increase over the prior year. This increase reflects the Authority's net operating income of $18.5 million, net non-operating income of $85.8 million and capital contributions of $59.9 million. The growth in net position is being used to fund the Authority's strategic initiatives.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

As of June 30, 2021 and 2020, the Authority had $4,105.9 million and $3,963.1 million of capital assets (net of depreciation), respectively. These include land, construction in process, buildings, runways, roadways, machinery and equipment, air rights and parking rights. The Authority's net capital assets increased by $142.8 million or 3.6% in FY21 primarily as the result of the addition of $443.7 million in capital expenditures, which was partially offset by $307.6 million of depreciation expense.

In FY21, the Authority placed $161.5 million of new assets into service. Major projects completed and placed into service included Logan Runway 9-27 Rehabilitation ($37.5 million), Terminal B, C and E HVAC Replacement Phase 2 ($15.5 million), New Logan North Air Cargo Facility ($15.0 million), Logan Roof Replacement Phase 2 ($12.4 million), and Logan Elevators/Escalators Upgrade Phase 2 ($11.0 million).

In FY20, the Authority placed $291.2 million of new assets into service. Major projects completed and placed into service included Central Garage Modifications to Support Ride Apps ($26.5 million), Terminal B Gate Reconfiguration ($15.0 million), Terminal B Sanitary Pipe Replacement ($14.2 million), Logan Airport Old Tower Relocation ($13.6 million) and the Hanscom ARFF and CBP Facility ($11.9 million).

Capital assets, net comprised 65.8%, 67.9% and 71.2% of the Authority's total assets and deferred outflows of resources at June 30, 2021, 2020 and 2019, respectively. During FY21, FY20 and FY19, the Authority spent $515.9 million, $492.0 million and $759.9 million (including $358.9 million related to the refunding of debt for Logan Terminal A), respectively, constructing new assets and improving existing assets already in service.

The Authority's capital assets are principally funded by the proceeds of revenue bonds, operating revenues, PFCs, CFCs, and federal and state grants. The following chart provides a breakdown of the Authority's total capital assets at June 30, 2021, 2020 and 2019:

Capital Assets by Type
($ thousands)

	FY 2021	FY 2020	FY 2019	% Change 2021-2020	% Change 2020-2019
Land	$ 230,680	$ 230,600	$ 230,600	0.0%	0.0%
Construction in progress	779,910	499,869	260,888	56.0%	91.6%
Buildings	2,120,490	2,199,903	2,190,942	(3.6%)	0.4%
Runways and other pavings	369,919	363,950	386,629	1.6%	(5.9%)
Roadways	301,619	322,842	316,585	(6.6%)	2.0%
Machinery and equipment	251,557	287,075	275,111	(12.4%)	4.3%
Air rights	36,281	41,908	46,015	(13.4%)	(8.9%)
Parking rights	15,421	16,963	18,504	(9.1%)	(8.3%)
Capital assets, net	**$ 4,105,877**	**$ 3,963,110**	**$ 3,725,274**	**3.6%**	**6.4%**

Please see Note 4, Capital Assets in the attached financial statements.

Debt Administration

Since the start of the COVID-19 pandemic, the Authority has taken several actions relating to its capital program and outstanding debt to enhance the Authority's current and future liquidity positions. Such actions have included taking advantage of the modular nature of the Authority's capital program to suspend or defer certain projects and also to refinance and restructure outstanding debt to take full advantage of the low interest rate environment.

The Authority's bond issuances must be approved by the Members of the Authority (the "Board") and must comply with the rules and regulations of the United States Treasury Department. The Authority, through its 1978 Trust Agreement, has a covenant to maintain a debt service coverage ratio of not less than 1.25. Debt service coverage is calculated based on a formula set forth in the 1978 Trust Agreement. Historically, the Authority has maintained a debt service coverage ratio higher than its 1978 Trust Agreement requirement to maintain high investment grade bond ratings and keep capital costs low. In FY21, the Authority's debt service coverage ratio was 5.51 and was aided by the debt restructuring program enacted by management as part of the Authority's sustainability plan and liquidity strategy, and the accrual of federal support for airports through the CARES Act and CRRSA Act.

The CFC Trust Agreement requires that the Authority maintain a debt service coverage ratio of at least 1.30. In FY21, the Authority's CFC Trust coverage was 2.05, exceeding coverage by 75 basis points.

The Authority had net bonds payable and subordinated obligations outstanding as of June 30, 2021 in the amount of $2,686.2 million (see Note 5), an increase of $254.7 million compared to June 30, 2020. During FY21, the Authority issued $692.8 million of bonds in five series, of which $287.3 million were Revenue Refunding Bonds and $405.5 million were Revenue Bonds.

The Series 2021-A Revenue Refunding Bonds (Non-AMT) were issued in the principal amount of $35.6 million with an original issue premium of $13.0 million. The Series 2021-B Revenue Refunding Bonds (AMT) were issued in the principal amount of $21.9 million with an original issue premium of $7.4 million. The Series 2021-C Revenue Refunding Bonds (Taxable) were issued in the principal amount of $229.7 million with no original issue premium or discount. The proceeds from the Series 2021-A and Series 2021-B Refunding Bonds were used to refund and defease all of the Authority's outstanding Series 2010-A Revenue Bonds and all of the outstanding Series 2010-B Revenue Refunding Bonds. A portion of the Series 2021-C Revenue Refunding Bonds along with available funds held under the 1978 Trust Agreement were used to refund and defease all of the Series 2012-A Revenue Bonds and Series 2012-B Revenue Refunding Bonds and to pay and defease the principal and interest due on the July 1, 2021 and July 1, 2022 maturities of the Series 2014-A Revenue Bonds, Series 2014-B Revenue Bonds, Series 2014-C Revenue Refunding Bonds, Series 2015-A Revenue Bonds, Series 2015-B Revenue Bonds, Series 2016-A Revenue Refunding Bonds, Series 2017-A Revenue Bonds, Series 2019-A Revenue Bonds, Series 2019-B Revenue Bonds and the Series 2019-C Revenue Bonds.

The Series 2021-D Revenue Bonds (Non-AMT) were issued in the principal amount of $56.5 million with an original issue premium of $16.7 million. The Series 2021-E Revenue Bonds (AMT) were issued in the principal amount of $349.1 million with an original issue premium of $93.3 million. The proceeds from the Series 2021-D and Series 2021-E Revenue Bonds will be used to finance a portion of the Authority's current Capital Program. Due to the nature of a portion of the construction projects funded with the bonds, the Series 2021-E bonds were issued as bonds subject to the AMT.

As of June 30, 2020, the Authority had net bonds payable and subordinated obligations outstanding in the amount of $2,431.5 million (see Note 5), a net increase of $448.4 million compared to June 30, 2019. During FY20, the Authority issued $455.0 million of Massachusetts Port Authority Revenue Bonds in two series. The Series 2019-B Revenue Bonds were issued in the principal amount of $157.7 million with a net original issue premium of $27.6 million. The Series 2019-C Revenue Bonds were issued in the principal amount of $297.4 million with an original issue premium of $62.4 million. The proceeds from these bonds were used to finance a portion of the Authority's FY19-23 Capital Program. Due to the nature of a portion of the construction projects funded with the bonds, the Series 2019-C bonds were issued as bonds subject to the AMT.

On April 3, 2020, the Authority entered into a direct purchase agreement with Bank of America, NA for the sale of up to $258.0 million of Massachusetts Port Authority Revenue Bonds in two series. The Series 2020-A Revenue Refunding Bonds were issued in the principal amount of $95.6 million. The Series 2020-B Revenue Bonds were issued in the principal amount of $162.4 million. The Series 2020-A Bonds were issued to refund and defease portions of the Series 2010 Bonds, the Series 2012-A Bonds and the Series 2012-B Bonds, and the Series 2020-B Bonds were issued to finance a portion of the Authority's Capital Program. Due to the nature of a portion of the construction projects funded with the bonds, the Series 2020-A bonds were issued as bonds subject to the AMT.

The Official Statements relating to the Authority's bond issuances are available from the Authority or by accessing the Authority's website.

Please see Note 5, Bonds and Notes Payable in the attached Financial Statements.

THE AUTHORITY'S CONDENSED CASH FLOWS

The following summary shows the major sources and uses of cash during the following years:

Statements of Cash Flows
($ millions)

	FY 2021	FY 2020	$ Change	% Change
Net cash provided by operating activities	$ 207.2	$ 325.7	($ 118.5)	(36.4%)
Net cash provided by non-capital activities (CARES/CRRSA Acts)	98.0	35.0	63.0	180.0%
Net cash provided / (used in) capital and related financing activities	(149.5)	1.6	(151.1)	(9443.8%)
Net cash provided / (used in) investing activities	(201.0)	(151.8)	(49.2)	32.4%
Net increase in cash and cash equivalents	(45.3)	210.5	(255.8)	(121.5%)
Cash and cash equivalents, beginning of year	500.8	290.3	210.5	72.5%
Cash and cash equivalents, end of year	**$ 455.5**	**$ 500.8**	**($ 45.3)**	**(9.0%)**

	FY 2020	FY 2019	$ Change	% Change
Net cash provided by operating activities	$ 325.7	$ 372.9	($ 47.2)	(12.7%)
Net cash provided by non-capital activities (CARES Act fund)	35.0	—	35.0	100.0%
Net cash provided / (used in) capital and related financing activities	1.6	(372.1)	373.7	(100.4%)
Net cash provided / (used in) investing activities	(151.8)	76.9	(228.7)	(297.4%)
Net increase in cash and cash equivalents	210.5	77.8	132.7	170.6%
Cash and cash equivalents, beginning of year	290.3	212.6	77.7	36.5%
Cash and cash equivalents, end of year	**$ 500.8**	**$ 290.3**	**$ 210.5**	**72.5%**

The Authority's cash and cash equivalents at June 30, 2021 were $455.5 million, a decrease of $45.3 million or 9.0% from the prior year. The Authority generated $207.2 million in cash during FY21 primarily from business activity at Logan Airport and the Port of Boston. In addition, the Authority received $98.0 million of federal CARES and CRRSA Act funds as a result of the COVID-19 public health emergency. The Authority used $149.5 million in cash for capital and related financing activities to finance the Authority's capital program and to pay debt service expenses during the year. The Authority also invested $201.0 million in cash for future operating and capital payments.

The Authority's cash and cash equivalents at June 30, 2020 was $500.8 million, an increase of $210.5 million or 72.5% compared to the prior year. The Authority generated $325.7 million in cash during FY20 primarily from business activity at Logan Airport and the Port of Boston. In addition, the Authority received $35.0 million of federal CARES Act funds as a result of the COVID-19 public health emergency. The Authority provided $1.6 million in cash for capital and related financing activities to finance the Authority's capital program and to pay debt service expenses during the year. Finally, the Authority also invested $151.8 million in cash for future operating and capital payments.

Contacting the Authority's Financial Management

For additional information concerning the Authority and the Retirement System, please see the Authority's website, www.massport.com. Financial information can be found by clicking on "Finance". The Authority's executive offices are located at One Harborside Drive, Suite 200S, East Boston, Massachusetts 02128, and the main telephone number is (617) 568-5000. Questions may be directed to John P. Pranckevicius, CPA, Director of Administration and Finance, and Secretary-Treasurer for the Massachusetts Port Authority.

MASSACHUSETTS PORT AUTHORITY
Statements of Net Position
Proprietary Fund Type- Enterprise Fund
June 30, 2021 and 2020
(In Thousands)

	2021	2020
Current assets:		
Cash and cash equivalents	$ 181,240	$ 82,623
Investments	164,363	142,427
Restricted cash and cash equivalents	274,238	418,182
Restricted investments	557,699	475,577
Accounts receivable		
Trade, net	82,314	74,404
Grants receivable	53,312	39,229
Total receivables (net)	135,626	113,633
Prepaid expenses and other assets	8,622	10,349
Total current assets	1,321,788	1,242,791
Noncurrent assets:		
Investments	271,229	254,683
Restricted investments	414,405	325,531
Accounts receivable, long-term	16,420	—
Prepaid expenses and other assets	6,667	6,422
Investment in joint venture	2,838	3,147
Net pension asset	29,167	—
Capital assets-not being depreciated	1,010,591	730,469
Capital assets-being depreciated-net	3,095,286	3,232,641
Total noncurrent assets	4,846,603	4,552,893
Total assets	6,168,391	5,795,684
Deferred outflows of resources		
Deferred loss on refunding of bonds	11,801	13,304
Deferred outflows of resources related to pensions	30,957	9,712
Deferred outflows of resources related to OPEB	24,489	17,254
Total deferred outflows of resources	67,247	40,270
Current liabilities:		
Accounts payable and accrued expenses	192,972	231,852
Compensated absences	1,140	1,462
Contract retainage	7,179	11,007
Current portion of long term debt	26,568	78,178
Commercial notes payable	22,000	22,000
Accrued interest on bonds payable	53,260	53,913
Unearned revenues	6,749	5,462
Total current liabilities	309,868	403,874
Noncurrent liabilities:		
Accrued expenses	11,454	10,025
Compensated absences	14,578	18,698
Net pension liability	—	18,785
Net OPEB liability	64,562	108,287
Contract retainage	11,690	10,233
Long-term notes payable	258,000	330,500
Long-term debt, net	2,744,880	2,279,530
Unearned revenues	26,941	27,730
Total noncurrent liabilities	3,132,105	2,803,788
Total liabilities	3,441,973	3,207,662
Deferred inflows of resources		
Deferred gain on refunding of bonds	25,864	9,847
Deferred inflows of resources related to pensions	83,912	47,935
Deferred inflows of resources related to OPEB	60,495	30,162
Total deferred inflows of resources	170,271	87,944
Net position		
Net investment in capital assets	1,351,090	1,548,630
Restricted		
Bond funds	224,209	259,893
Project funds	423,022	328,897
Passenger facility charges	72,351	51,577
Customer facility charges	37,961	39,869
Other purposes	28,251	34,416
Total restricted	785,794	714,652
Unrestricted	486,510	277,066
Total net position	$ 2,623,394	$ 2,540,348

The accompanying notes are an integral part of these financial statements.

MASSACHUSETTS PORT AUTHORITY
Statements of Revenues, Expenses, and Changes in Net Position
Proprietary Fund Type – Enterprise Fund
Years ended June 30, 2021 and 2020
(In Thousands)

	2021	2020
Operating revenues:		
Aviation rentals	$ 270,643	$ 275,271
Aviation parking	58,213	136,951
Aviation shuttle bus	8,084	17,013
Aviation fees	141,535	139,239
Aviation concessions	58,368	111,130
Aviation operating grants and other	1,759	2,762
Maritime fees, rentals and other	80,107	92,952
Real estate fees, rents and other	38,013	49,196
Total operating revenues	656,722	824,514
Operating expenses:		
Aviation operations and maintenance	252,482	295,748
Maritime operations and maintenance	54,747	61,089
Real estate operations and maintenance	14,338	14,971
General and administrative	56,196	68,083
Payments in lieu of taxes	22,247	21,030
Pension and other post-employment benefits	(9,764)	36,058
Other	13,777	9,684
Total operating expenses before depreciation and amortization	404,023	506,663
Depreciation and amortization	307,583	299,334
Total operating expenses	711,606	805,997
Operating income /(loss)	(54,884)	18,517
Nonoperating revenues and (expenses):		
Passenger facility charges	27,948	59,875
Customer facility charges	11,657	25,884
Investment income	15,521	35,931
Net increase (decrease) in the fair value of investments	(6,997)	8,207
Other revenues	126,492	65,252
Settlement of claims	2	(22)
Other expenses	(429)	(187)
Gain on sale of equipment / property	(41)	264
Interest expense	(98,146)	(109,441)
Total nonoperating revenues, net	76,007	85,763
Increase in net position before capital contributions	21,123	104,280
Capital contributions	61,923	59,899
Increase in net position	83,046	164,179
Net position, beginning of year	2,540,348	2,376,169
Net position, end of year	$ 2,623,394	$ 2,540,348

The accompanying notes are an integral part of these financial statements.

MASSACHUSETTS PORT AUTHORITY
Statements of Cash Flows
Proprietary Fund Type – Enterprise Fund
Years ended June 30, 2021 and 2020
(In Thousands)

	2021	2020
Cash flows from operating activities:		
Cash received from customers and operating grants	$ 644,098	$ 822,280
Payments to vendors	(230,774)	(284,813)
Payments to employees	(163,437)	(176,426)
Payments in lieu of taxes	(22,247)	(22,030)
Other post-employment benefits	(20,447)	(13,341)
Net cash provided by operating activities	207,193	325,670
Cash flows from noncapital financing activities:		
Cash received from CARES Act Airport Relief fund	98,046	34,958
Net cash provided by noncapital financing activities	98,046	34,958
Cash flows from capital and related financing activities:		
Acquisition and construction of capital assets	(515,906)	(491,978)
Proceeds from Bosfuel project contribution	5,002	7,579
Proceeds from the issuance of bonds and notes	821,337	833,347
Principal payments on refunded debt	(298,730)	(239,640)
Interest paid on bonds and notes	(123,892)	(119,503)
Principal payments on long-term debt	(139,345)	(57,525)
Proceeds from commercial paper financing	22,000	—
Principal payments on commercial paper	(22,000)	(82,000)
Proceeds from passenger facility charges	20,718	72,140
Proceeds from customer facility charges	10,302	28,617
Proceeds from capital contributions	70,838	49,653
Settlement of claims	2	648
Proceeds from sale of equipment	63	282
Net cash used in capital and related financing activities	(149,611)	1,620
Cash flows from investing activities:		
Purchases of investments	(1,141,491)	(1,562,646)
Sales of investments	921,139	1,373,589
Realized (loss)/gain on sale of investments	(11)	223
Interest received on investments	19,406	37,049
Net cash used in investing activities	(200,957)	(151,785)
Net increase (decrease) in cash and cash equivalents	(45,329)	210,463
Cash and cash equivalents, beginning of year	500,807	290,344
Cash and cash equivalents, end of year	$ 455,478	$ 500,807
Reconciliation of operating income (loss) to net cash provided by operating activities:		
Cash flows from operating activities:		
Operating income (loss)	$ (54,884)	$ 18,517
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:		
Depreciation and amortization	307,583	299,334
Provision for uncollectible accounts	4,656	1,056
Changes in operating assets and liabilities:		
Trade receivables	(20,284)	(3,022)
Prepaid expenses and other assets	3,338	3,107
Accounts payable and accrued expenses	24,575	(7,422)
Net pension liability and deferred inflows/outflows	(33,221)	1,433
Net OPEB liability and deferred inflows/outflows	(20,625)	6,869
Compensated absences	(4,442)	2,243
Unearned revenue	497	3,555
Net cash provided by operating activities	$ 207,193	$ 325,670
Noncash investing activities:		
Net increase in the fair value of investments	$ 2,313	$ 9,300

The accompanying notes are an integral part of these financial statements.

MASSACHUSETTS PORT AUTHORITY
Statements of Fiduciary Net Position
Fiduciary Funds
June 30, 2021 and 2020
(In Thousands)

	Pension and Retiree Benefit Trust Funds 2021	Pension and Retiree Benefit Trust Funds 2020
Assets:		
Cash and cash equivalents	$ 1,017	$ 6,216
Investments, at fair value:		
Common stocks	15,638	19,900
Commingled funds:		
Domestic equity	331,330	271,301
Fixed income	298,520	289,775
International equity	298,748	252,520
Real estate	78,748	73,331
Private Equity	63,494	47,631
Total investments, at fair value	1,086,478	954,458
Receivables:		
Plan member contributions	292	650
Employer contributions	7,321	—
Accrued interest and dividends	19	19
Other state retirement plans	1,537	1,482
Receivable for securities sold	21	135
Other	32	55
Total receivables	9,222	2,341
Total assets	1,096,717	963,015
Liabilities:		
Payables to other state retirement plans	679	623
Payable for securities purchased	—	43
Other payables	749	2,709
Total liabilities	1,428	3,375
Net position:		
Restricted for:		
Pensions	819,159	716,201
Postemployment benefits other than pensions	276,130	243,439
Total net position	$ 1,095,289	$ 959,640

The accompanying notes are an integral part of these financial statements.

MASSACHUSETTS PORT AUTHORITY
Statements of Change in Fiduciary Net Position
Fiduciary Fund
Years ended June 30, 2021 and 2020
(In Thousands)

	Pension and Retiree Benefit Trust Funds	
	2021	**2020**
Additions:		
Contributions:		
Plan members	$ 13,419	$ 12,733
Plan sponsor	23,536	20,923
Total contributions	36,955	33,656
Intergovernmental:		
Transfers from other state retirement plans	173	2,396
Section 3(8)(c) transfers, net	1,200	827
Net intergovernmental	1,373	3,223
Investment earnings:		
Interest and dividends	15,695	16,871
Net appreciation in fair value of investments	136,472	119,798
Less management and related fees	(2,795)	(2,819)
Net investment earnings	149,372	133,850
Total additions	187,700	170,729
Deductions:		
Retirement benefits	48,976	41,618
Withdrawals by inactive members	1,047	533
Transfers to other state retirement plans	653	412
Administrative expenses	1,375	1,351
Total deductions	52,051	43,914
Net increase in fiduciary net position	135,649	126,815
Net position - beginning of year	959,640	832,825
Net position - end of year	$ 1,095,289	$ 959,640

The accompanying notes are an integral part of these financial statements.

MASSACHUSETTS PORT AUTHORITY
Notes to Financial Statements
June 30, 2021 and 2020

1. Summary of Significant Accounting Policies and Practices

Reporting Entity

The Massachusetts Port Authority (the "Authority") is a body politic and corporate and a public instrumentality of The Commonwealth of Massachusetts (the "Commonwealth") created and existing pursuant to Chapter 465 of the Acts of 1956, as amended, (the "Enabling Act"). The Authority controls, operates and manages Boston-Logan International Airport ("Logan Airport"), Laurence G. Hanscom Field, Worcester Regional Airport, the Port of Boston and other facilities in the Port of Boston.

The Authority has no stockholders or equity holders, and the Authority's financial statements are not a component unit of the Commonwealth's financial statements. The provisions of the Enabling Act and the Trust Agreement, dated as of August 1, 1978 as amended and supplemented (the "1978 Trust Agreement"), between the Authority and U.S. Bank National Association (as successor in interest to State Street Bank and Trust Company), as trustee (the "Trustee"), the Passenger Facility Charges ("PFC") Depositary Agreement dated July 3, 2017 (the "PFC Depositary Agreement"), between the Authority and The Bank of New York Mellon, as custodian (the "PFC Custodian")", and the Customer Facility Charges ("CFC") Revenue Bond Trust Agreement dated May 18, 2011, as amended and supplemented (the "CFC Trust Agreement"), between the Authority and U.S. Bank National Association, as trustee (the "CFC Trustee"), govern all funds, with limited exceptions, received by the Authority pursuant to the Enabling Act.

In April 1981, the Authority adopted a retiree benefit plan whereby the Authority assumed the full cost of group health insurance including basic life insurance, dental insurance and catastrophic illness coverage to those retirees and surviving spouses (and qualifying dependents) who have retired under the Authority's retirement system (collectively referred to as the "OPEB Plan"). In June 2009 and May 2016, the Members of the Authority (the "Board") made changes to the plan benefits to be paid by the Authority for certain existing and future retirees. For additional details, see Note 7.

In June 2008, the Authority created the Retiree Benefits Trust (the "RBT" or the "Trust") to fund its OPEB Plan obligations. It was established as an irrevocable governmental trust under Section 115 of the Internal Revenue Code. In no event shall any part of the principal or income of the RBT be paid or revert back to the Authority or be used for any purpose whatsoever other than for the exclusive benefit of retirees and their beneficiaries.

Basis of Accounting

The Authority's business-type activities are accounted in a manner similar to that often utilized in the private sector. The Authority's financial statements are presented in the form of a business-type activity related to owning and operating the airports and other facilities in the Port of Boston and fiduciary activities related to a pension and retiree benefits trust fund. The Authority's financial statements are prepared using the accrual basis of accounting and the economic resources measurement focus in accordance with U.S. generally accepted accounting principles ("GAAP").

Revenues from airlines, rentals, parking fees, tolls and concessions are reported as operating revenues. Capital contributions, PFCs, CFCs and financing or investing related transactions are reported as non-operating revenues and expenses. All expenses related to operating the Authority's facilities are reported as operating expenses.

Accounting per Applicable Trust Agreements

Under the 1978 Trust Agreement, cash of the Authority is deposited daily into the Revenue Fund established pursuant to the 1978 Trust Agreement and is transferred to the cash concentration account. All such revenues are then transferred to the various funds established pursuant to the 1978 Trust Agreement. After providing for operating expenses, including pension expense and transfers to the self-insurance account, cash revenues are then transferred to the Bond Service Account, to be applied to debt service on any outstanding revenue bonds, the Maintenance Reserve Fund, the Payment In Lieu of Taxes Fund, the Capital Budget Fund, if applicable, and finally, the Improvement and Extension Fund.

CFC revenue is deposited in the CFC Revenue Fund established pursuant to the CFC Trust Agreement and is utilized to pay debt service on CFC Special Facilities Bonds as required in the CFC Trust Agreement. Any remaining funds are transferred to the CFC Stabilization Fund.

See Note 2 for a reconciliation between the increase in net position as calculated per GAAP and net revenues as calculated per accounting practices prescribed by the 1978 Trust Agreement.

a) Net Position

The Authority follows the "business type" activity requirements of GASB Statement No. 34, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments*, as amended, which requires that resources be classified for accounting and reporting purposes into the following three business-type activity net position components:

- Net investment in capital assets: Capital assets, net of accumulated depreciation and outstanding principal balances of debt and the deferred outflows / inflows of resources attributable to the acquisition, construction or improvement of those assets.

- Restricted: Net position of assets whose use by the Authority is subject to externally imposed stipulations that can be fulfilled by actions of the Authority pursuant to those stipulations or that expire by the passage of time. Such assets include the construction funds held pursuant to the 1978 Trust Agreement, the PFC Depositary Agreement, the CFC Trust Agreement and the self-insurance fund.

- Unrestricted: Net position of assets that are not subject to externally imposed stipulations. Net amounts of assets, deferred outflows of resources, liabilities and deferred inflows of resources not included in the determination of net investment in capital assets or restricted components of net position. Unrestricted net position may be designated for specific purposes by action of management or the Board or may otherwise be limited by contractual agreements with outside parties. When both restricted and unrestricted resources are available for a particular restricted use, it is the Authority's policy to use restricted resources first, and then unrestricted resources as needed.

b) Deferred outflows/inflows of resources

In addition to assets, the Statement of Net Position reports a separate section for deferred outflows of resources, which represents a consumption of net position that applies to a future period and will be recognized as an outflow of resources (expense) in a future period. At June 30, 2021 and 2020, the Authority recognized deferred outflows for debt refundings, the pension plan, and other post-employment benefits (OPEB).

In addition to liabilities, the Statement of Net Position reports a separate section for deferred inflows of resources, which represents an acquisition of net position that applies to a future period and will be recognized as an inflow of resources (revenue) in a future period. At June 30, 2021 and 2020, the Authority recognized deferred inflows for debt refundings, the pension plan, and other post-employment benefits (OPEB).

Deferred outflows and inflows of resources for debt refundings are amortized over the shorter maturity of the refunded or the refunding debt. The pension and OPEB deferred inflows and outflows related to the difference between expected and actual experience and changes in assumptions are recognized in pension and OPEB expense using a systematic and rational method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pension and OPEB through the plans. The pension and OPEB deferred inflows and outflows related to the difference between projected and actual earnings are recognized in pension and OPEB expense using a systematic and rational method over a closed five-year period.

c) Cash and Cash Equivalents

For purposes of the statements of cash flows, the Authority considers all highly liquid investments, including restricted assets, with an original maturity date of 30 days or less to be cash equivalents.

d) Investments

Investments with a maturity greater than one year are recorded at fair value with all investment income, including changes in the fair value of investments, reported as investment income in the financial statements. Investments with a maturity date of less than one year are carried at amortized cost, which approximates fair value. Nonparticipating interest earning contracts, including certificates of deposit and guarantees investment contracts, are carried at cost. Fair value is determined based on quoted market prices. The Authority recorded in investment income an unrealized decrease in the fair value of investments of $7.0 million and a realized gain of $0.01 million at June 30, 2021 and an unrealized increase in the fair value of investments of $8.0 million and a realized gain of $0.2 million at June 30, 2020.

e) Restricted Cash and Investments

Certain cash, cash equivalents and investments are restricted for use by the 1978 Trust Agreement, the PFC Depositary Agreement, the CFC Trust Agreement, and other external requirements. These amounts have been designated primarily for expenditures related to future construction or asset acquisitions, debt service and debt service reserves.

f) Capital Assets

Capital assets are recorded at cost and include land, land improvements, buildings, machinery and equipment, runways, roadways and other paving and non-maintenance dredging. Such costs include, where appropriate, capitalized interest and related legal costs. The costs of normal upkeep, maintenance, maintenance dredging and repairs are not capitalized.

The capitalization threshold is noted below:

Asset Category		Dollar Threshold
Buildings	$	10,000
Machinery & Equipment		5,000
Equipment Repair/Overhaul (Major)		25,000
Runway, Roadways & Other Paving		50,000
Land Improvements		50,000

g) Depreciation

The Authority provides for depreciation using the straight-line method. Assets placed in service are depreciated for the full year. Depreciation is intended to distribute the cost of depreciable properties over the following estimated useful lives:

Asset Category	Years
Buildings	25
Air rights	10 to 25
Runways (original construction)	25
Other airfield paving	12
Roadway	25
Roadway-landscaping	10
Dredging	15
Machinery and equipment	5 to 10
Land use rights	30

h) Other Assets and Prepaid Items

Other assets consist of certain payments to vendors reflecting costs applicable to future accounting periods and are recorded as prepaid items in the financial statements.

i) Amortization

Revenue bond premiums and discounts are deferred and amortized on a straight-line basis over the term of the bonds, as this approximates the effective interest method. Unamortized amounts are presented as a (reduction) addition of the face amount of bonds payable.

The difference between the reacquisition price and net carrying amount of defeased bonds is amortized on the straight-line method over the shorter of the maturity of the new debt or the defeased debt and is recorded as deferred inflows/outflows of resources on the statement of net position.

j) Revenue Recognition

Fees and other services consist of parking fees, landing fees, and container handling fees. Revenues from parking fees and container handling fees are recognized at the time the service is provided. Landing fees are recognized as part of operating revenue when airline related facilities are utilized and are principally based on the landed weight of the aircraft. The scheduled airline fee structure is determined and approved annually by the Board and is based on full cost recovery pursuant to an arrangement between the Authority and the respective airlines.

Rental and concession fees are generated from airlines, rental car companies, and other commercial tenants. Rental revenue on leases is recognized over the term of the associated lease. Concession revenue is recognized partially based on self-reported concession revenue by the tenants and partially based on minimum rental rates. Unearned revenue consists primarily of amounts received in advance for future rents or other services. These amounts are recognized as revenue as they are earned over the applicable period.

Rates and charges are set annually based on the budgeted operating costs and actual capital costs. A true-up calculation is performed for landing fees, terminal rents, and baggage fees at year-end based on the actual results. In the event the actual costs are more than the budgeted amounts for the year, the Authority will recover additional rates and charges. In the event the actual costs are less than the budgeted amounts, the Authority will issue credits to the respective airlines.

The Authority presents its accounts receivable at the expected net realizable value. Accordingly, the Authority has recorded an allowance for doubtful accounts against its accounts receivable of $7.2 million and $6.9 million at June 30, 2021 and 2020, respectively.

k) Passenger Facility Charges

In 1993, the Authority received initial approval from the Federal Aviation Administration ("FAA") to impose a $3.00 PFC be collected from every eligible passenger at Logan Airport. PFCs collected by the Authority can be used for capital projects determined by the FAA to be eligible in accordance with the Aviation Safety and Capacity Expansion Act of 1990. Effective October 1, 2005, the Authority received approval from the FAA to increase the PFC collection to $4.50. All PFC's collected by the Authority are deposited under the PFC Depositary Agreement with the PFC Custodian.

Through June 30, 2021, the Authority had cumulative PFC cash collections of $1,383.0 million, including interest thereon.

As part of the Final Agency Decision issued by the FAA in 2011, the Authority was authorized, but not required, to use up to $14.4 million per year in PFCs to pay approximately one-third of the debt service on its Terminal A Special Facility Bonds (the "Terminal A Bonds"). The Authority chose to make this use of PFC revenue in order to offset the increase in Terminal A rates and charges that would have resulted from the scheduled increase in Terminal A debt service associated with the beginning of principal payments on January 1, 2012 through January 1, 2019 for the Terminal A Bonds. This use of PFCs maintained a consistent rate across all terminals and facilitated the Authority's ability to assign carriers to Terminal A. On February 13, 2019, the Authority issued its Series 2019 A Bonds to refund all of the outstanding Terminal A Bonds to achieve significant interest rate savings compared to the rates on the Terminal A Bonds.

Pursuant to the 1978 Trust Agreement, commencing in fiscal year 2020, the Authority is authorized to approve a resolution or resolutions that designate specified PFC revenues as Available Funds, and, to the extent approved by the FAA, such amount would then be used to pay debt service on specific Series of Bonds. The Authority expects, to the extent approved by the FAA, to designate in each annual budget certain PFCs as Available Funds to pay a portion of the debt service on certain outstanding Series of Bonds.

At June 30, 2021, the Authority's collection authorization and total use approval is $2.46 billion.

Revenues derived from the collection of PFCs are recognized on the accrual basis, based on the month the charges were levied and collected by the airlines. Due to their restricted use, PFCs are categorized as non-operating revenues. The Authority recognized $27.9

million and $59.9 million in PFC revenue for the fiscal years ended June 30, 2021 and 2020, respectively.

l) *Customer Facility Charges*

Effective December 1, 2008, the Board established a CFC of $4.00 per transaction day for rental cars which originated out of Logan Airport. Effective December 1, 2009, this charge was increased to $6.00 per transaction day. The proceeds of the CFC are being used to finance and maintain the Rental Car Center (the "RCC") and associated bus purchases. Revenues derived from the collection of CFCs are recognized on the accrual basis, based on the month the charges were levied and collected by the rental car companies. Due to their restricted use, CFCs are categorized as non-operating revenues. Pursuant to the CFC Trust Agreement, the Authority issued two series of Special Facilities Revenue Bonds in June 2011 (the "Series 2011 Bonds"). The Series 2011 Bonds were issued for the purpose of providing funds sufficient, together with other available funds of the Authority, to finance the development and construction of the RCC and related improvements at Logan Airport, fund certain deposits to the Debt Service Reserve Fund and the Supplemental Reserve Fund, and pay certain costs of issuance of the Series 2011 Bonds. The Series 2011 Bonds and any additional bonds that may be issued under the CFC Trust Agreement on parity with the Series 2011 Bonds are secured by CFC Pledged Revenues and by Contingent Rent, if any, payable by the rental car companies and other funds. The Series 2011 Bonds are not secured by any other revenues of the Authority. For additional information on the Series 2011 Bonds, see Note 5.

The Authority recognized $11.7 million and $25.9 million in CFC revenue for the fiscal years ended June 30, 2021 and 2020, respectively.

As of June 30, 2021 and 2020, $120.3 million and $124.4 million of CFC bonds were outstanding, respectively.

m) *Capital Contributions*

The Authority receives capital contributions from various federal agencies and the Commonwealth in support of specific operational programs and its Capital Program. Grant revenues are recognized as related expenditures are incurred and all eligibility requirements are met. Grants for capital asset acquisition, facility development, runway/ airfield rehabilitation and long-term planning are reported as capital contributions. Capital contributions are reported in the Statement of Revenues, Expenses and Changes in Net Position after non-operating revenues and expenses and their use is restricted. In fiscal years 2021 and 2020, the Authority recognized $61.9 million and $59.9 million of capital contributions, respectively. The 2021 and the 2020 capital contributions were generated primarily from reimbursements under the FAA AIP grant program, the Nationally Significant Freight and Highway Project Program – Fastlane, and The Commonwealth of Massachusetts Department of Transportation for the Conley Terminal Berth 10 project.

n) Compensated Absences

The Authority accrues for vacation and sick pay liabilities when they are earned by the employee. The liability for vested vacation and sick pay is reflected in the accompanying statements of net position as compensated absences. The current portion of compensated absences at June 30, 2021 and 2020 was $1.1 million and $1.5 million, respectively. The table below presents the Authority's compensated absences activity at June 30, 2021 and 2020 and for the years then ended (in thousands):

		2021		2020
Liability balance, beginning of year	$	20,160	$	17,917
Vacation and sick pay earned during the year		15,980		17,921
Vacation and sick pay used during the year		(20,422)		(15,678)
Liability balance, end of year	$	15,718	$	20,160

o) Pensions

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 Massachusetts Port Authority Employees Retirement System (the "Plan") and additions to/deductions from Plan's fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. For additional information on the Plan, see Note 6.

p) Postemployment Benefits Other Than Pensions (OPEB)

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the Massachusetts Port Authority Retiree Benefits Trust (the "Trust") and additions to/deductions from the Trust's fiduciary net position have been determined on the same basis as they are reported by the Trust. For this purpose, the Trust recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value. For additional information on OPEB, see Note 7.

q) *Type of Fiduciary Fund*

Pension and Other Employee Benefits Trust Funds report resources that are required to be held in trust for the members and beneficiaries of the Authority's defined benefit retirement plan and OPEB plan. Information reported for the plans was obtained from the audited financial statements prepared by each of the plans. The financial information obtained from the defined benefit retirement plan was for the years ended December 31, 2020 and 2019. The financial information obtained from the OPEB plans was for the year ended December 31, 2020 and six months ended December 30, 2019. Effective January 1, 2020, the OPEB plan changed its year end from June 30 to December 31. These plans are considered fiduciary component units of the Authority and reported as fiduciary funds.

r) *Use of Estimates*

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

s) *New Accounting Pronouncements Recently Adopted*

GASB Statement No. 84, *Fiduciary Activities,* was issued in January 2017. The primary objective of this statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. This statement establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities.

This statement describes four fiduciary funds that should be reported, if applicable: (1) pension (and other employee benefit) trust funds, (2) investment trust funds, (3) private-purpose trust funds, and (4) custodial funds. Custodial funds generally should report fiduciary activities that are not held in a trust or equivalent arrangement that meets specific criteria. The Authority adopted this statement on July 1, 2019. As of July 1, 2019, the Authority identified the Pension and Other Employee Benefits Trust Funds as fiduciary activities. The cumulative effect of adopting this statement was the establishment of beginning fiduciary net position of approximately $0.960 million.

GASB Statement No. 90*, Majority Equity Interests – An Amendment of GASB Statements No. 14 and No. 61,* was issued in August 2018. The primary objectives of this statement are to improve the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units. It defines a majority equity interest and specifies that a majority equity interest in a legally separate organization should be reported as an investment if a government's holding of the equity interest meets the definition of an investment. A majority equity interest that meets the definition of an investment should be measured using the equity method, unless it is held by a special-purpose government engaged only in fiduciary activities, a fiduciary fund, or an endowment (including permanent and term endowments) or permanent fund. Those governments and funds should measure the majority equity interest at fair value.

For all other holdings of a majority equity interest in a legally separate organization, a government should report the legally separate organization as a component unit, and the government or fund that holds the equity interest should report an asset related to the majority equity interest using the equity method. This statement establishes that ownership of a majority equity interest in a legally separate organization results in the government being financially accountable for the legally separate organization and, therefore, the government should report that organization as a component unit.

This statement also requires that a component unit in which a government has a 100 percent equity interest account for its assets, deferred outflows of resources, liabilities, and deferred inflows of resources at acquisition value at the date the government acquired a 100 percent equity interest in the component unit. Transactions presented in flows statements of the component unit in that circumstance should include only transactions that occurred subsequent to the acquisition.

The statement, as amended by GASB 95, is effective for reporting periods beginning after December 15, 2019. The adoption of this statement did not have an impact on the financial statements.

t) *Accounting Pronouncements Issued But Not Yet Adopted*

GASB Statement No. 87, *Leases*, was issued in June 2017. The primary objective of this statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this statement, a lease is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities.

The statement, as amended by GASB 95, is effective for fiscal years beginning after June 15, 2021 and all reporting periods thereafter. The Authority is in the process of evaluating the impact of its adoption on the financial statements.

GASB Statement No. 91, *Conduit Debt Obligations,* was issued in May 2019. The primary objectives of this statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This statement achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures.

This statement, as amended by GASB 95, is effective for reporting periods beginning after December 15, 2021. The Authority is in the process of evaluating the impact of its adoption on the financial statements.

GASB Statement No. 92, *Omnibus 2020,* was issued in January 2020. The objectives of this statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. This statement addresses a variety of topics and includes specific provisions about the following:

- The effective date of Statement No. 87, *Leases,* and Implementation Guide No. 2019-3, *Leases,* for interim financial reports
- Reporting of intra-entity transfers of assets between a primary government employer and a component unit defined benefit pension plan or defined benefit other postemployment benefit (OPEB) plan
- The applicability of Statements No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68,* as amended, and No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans,* as amended, to reporting assets accumulated for postemployment benefits
- The applicability of certain requirements of Statement No. 84, *Fiduciary Activities,* to postemployment benefit arrangements
- Measurement of liabilities (and assets, if any) related to asset retirement obligations (AROs) in a government acquisition
- Reporting by public entity risk pools for amounts that are recoverable from reinsurers or excess insurers
- Reference to nonrecurring fair value measurements of assets or liabilities in authoritative literature
- Terminology used to refer to derivative instruments.

The requirements related to the effective date of Statement 87 and Implementation Guide 2019-3, reinsurance recoveries, and terminology used to refer to derivative instruments are effective upon issuance. The requirements related to all other items, as amended by GASB 95, are effective for fiscal years or reporting periods beginning after June 15, 2021. The Authority is in the process of evaluating the impact of its adoption on the financial statements.

GASB Statement No. 93*, Replacement of Interbank Offered Rates,* was issued in March 2020. Some governments have entered into agreements in which variable payments made or received depend on an interbank offered rate (IBOR)—most notably, the London Interbank Offered Rate (LIBOR). As a result of global reference rate reform, LIBOR is expected to cease to exist in its current form at the end of 2021, prompting governments to amend or replace financial instruments for the purpose of replacing LIBOR with other reference rates, by either changing the reference rate or adding or changing fallback provisions related to the reference rate. The objective of this statement is to address those and other accounting and financial reporting implications that result from the replacement of an IBOR. The removal of LIBOR as an appropriate benchmark for a derivative instrument that hedges the interest rate risk of taxable debt is effective for reporting periods ending after December 31, 2021. Amendments to modify the provisions of lease contracts are effective for reporting periods beginning after June 15, 2021. All other requirements of this statement, as amended by GASB 95, are effective for reporting periods beginning after June 15, 2020. The Authority is in the process of evaluating the impact of its adoption of the remaining provisions on the financial statements.

GASB Statement No. 94*, Public-Private and Public-Public Partnerships and Availability Payment Arrangements,* was issued in March 2020. The primary objective of this statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). As used in this statement, a PPP is an arrangement in which a government (the transferor) contracts with an operator (a governmental or nongovernmental entity) to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset (the underlying PPP asset), for a period of time in an exchange or exchange-like transaction. Some PPPs meet the definition of a service concession arrangement (SCA), which is defined in this statement as a PPP in which (1) the operator collects and is compensated by fees from third parties; (2) the transferor determines or has the ability to modify or approve which services the operator is required to provide, to whom the operator is required to provide the services, and the prices or rates that can be charged for the services; and (3) the transferor is entitled to significant residual interest in the service utility of the underlying PPP asset at the end of the arrangement.

This statement also provides guidance for accounting and financial reporting for availability payment arrangements (APAs). As defined in this statement, an APA is an arrangement in which a government compensates an operator for services that may include designing, constructing, financing, maintaining, or operating an underlying nonfinancial asset for a period of time in an exchange or exchange-like transaction. The requirements of this statement are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter. The Authority is in the process of evaluating the impact of its adoption on the financial statements.

GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*, was issued in May 2020. This statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, *Leases*, as amended. The requirements of this statement are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter. The Authority is in the process of evaluating the impact of its adoption on the financial statements.

GASB Statement No. 97, *Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans—an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32*, was issued in June 2020. This Statement requires that for purposes of determining whether a primary government is financially accountable for a potential component unit, except for a potential component unit that is a defined contribution pension plan, a defined contribution OPEB plan, or another employee benefit plan (for example, certain Section 457 plans), the absence of a governing board should be treated the same as the appointment of a voting majority of a governing board if the primary government performs the duties that a governing board typically would perform.

This statement also requires that the financial burden criterion in paragraph 7 of Statement No. 84, *Fiduciary Activities,* be applicable to only defined benefit pension plans and defined benefit OPEB plans that are administered through trusts that meet the criteria in paragraph 3 of Statement No. 67, *Financial Reporting for Pension Plans,* or paragraph 3 of Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans,* respectively.

This statement (1) requires that a Section 457 plan be classified as either a pension plan or another employee benefit plan depending on whether the plan meets the definition of a pension plan and (2) clarifies that Statement 84, as amended, should be applied to all arrangements organized under IRC Section 457 to determine whether those arrangements should be reported as fiduciary activities.

This statement supersedes the remaining provisions of Statement No. 32, *Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans,* as amended, regarding investment valuation requirements for Section 457 plans. As a result, investments of *all* Section 457 plans should be measured as of the end of the plan's reporting period in all circumstances.

The requirements of this statement that (1) exempt primary governments that perform the duties that a governing board typically performs from treating the absence of a governing board the same as the appointment of a voting majority of a governing board in determining whether they are financially accountable for defined contribution pension plans, defined contribution OPEB plans, or other employee benefit plans and (2) limit the applicability of the financial burden criterion in paragraph 7 of Statement 84 to defined benefit pension plans and defined benefit OPEB plans that are administered through trusts that meet the criteria in paragraph 3 of Statement 67 or paragraph 3 of Statement 74, respectively, are effective immediately.

The requirements of this statement that are related to the accounting and financial reporting for Section 457 plans are effective for fiscal years beginning after June 15, 2021. For purposes of determining whether a primary government is financially accountable for a potential component unit, the requirements of this statement that provide that for all other arrangements, the absence of a governing board be treated the same as the appointment of a voting majority of a governing board if the primary government performs the duties that a governing board typically would perform, are effective for reporting periods beginning after June 15, 2021. Earlier application of those requirements is encouraged and permitted by requirement as specified within this statement. The Authority is in the process of evaluating the impact of its adoption on the financial statements.

2. Reconciliation between increase in business-type activities net position as calculated under GAAP and net revenues as calculated under accounting practices prescribed by the 1978 Trust Agreement

Presented below are the calculations of the net revenues of the Authority under the 1978 Trust Agreement. Net revenue calculated based on the 1978 Trust Agreement is used in determining the Authority's compliance with the debt service coverage ratio (in thousands).

	2021	2020
Increase in Net Position per GAAP	$ 83,046	$ 164,179
Additions:		
Depreciation and amortization	307,583	299,334
Interest expense	98,146	109,441
Payments in lieu of taxes	22,247	21,030
Other operating expenses	5,925	(3,128)
Adjustment for uncollectible accounts	2,255	(1,122)
OPEB expenses, net	(14,518)	4,799
Pension expense	(25,900)	1,434
Less:		
Passenger facility charges	(27,948)	(59,875)
Customer facility charges	(11,657)	(25,884)
Self insurance expenses	1,423	(237)
Capital grant revenue	(61,923)	(59,899)
Net decrease (increase) in the fair value of investments	6,997	(8,207)
Loss (gain) on sale of equipment	41	(264)
Settlement of claims	(2)	22
Other (revenues) expenses	(2,847)	(1,739)
Other non-operating revenues	(4,936)	(7,988)
Investment income	(5,125)	(12,537)
Net Revenue per the 1978 Trust Agreement	$ 372,807	$ 419,359

Total net revenues, as defined by the 1978 Trust Agreement, pledged for the repayment of bonds issued under the 1978 Trust Agreement were $372.8 million and $419.4 million for the years ended June 30, 2021 and 2020, respectively.

3. Deposits and Investments

Enterprise Fund:

The Authority's investments are made in accordance with the provisions of the 1978 Trust Agreement, the PFC Depositary Agreement and the CFC Trust Agreement along with the investment policy adopted by the Board (the "Investment Policy"). The goals of the Investment Policy are, in order of importance, to preserve capital, to provide liquidity and to generate interest income.

As of June 30, 2021 and 2020, all investments were held on behalf of the Authority by the Trustee, the PFC Custodian, the CFC Trustee or custodians in the Authority's name. The 1978 Trust Agreement, the PFC Depositary Agreement and the CFC Trust Agreement require that securities collateralizing repurchase agreements must continuously have a fair value at least equal to the cost of the agreement plus accrued interest.

The Authority's structured investments are in the form of a guaranteed investment contract ("GIC") and are fully collateralized. These investments provide for scheduled principal payments equaling the interest rate previously agreed to between the Authority and the provider of the guaranteed investment contract.

The total accumulated unrealized gain due to the changes in fair value of investments related to investments with maturities in excess of one year was a gain of approximately $2.3 million as of June 30, 2021 and a gain of approximately $9.3 million as of June 30, 2020.

The following summarizes the Authority's cash and cash equivalents and investments by type held at June 30, 2021 and 2020 (in thousands):

MASSACHUSETTS PORT AUTHORITY
Notes to Financial Statements
June 30, 2021 and 2020

2021	Credit Rating (1)	Cost	Fair Value	Effective Duration
Massachusetts Municipal Depository Trust (6)	Unrated	$ 367,792	$ 367,792	0.003
Federal Home Loan Bank	AA+ / Aaa	84,426	84,022	1.764
Federally Deposit Insurance Corporation	Unrated (2)	1,000	1,000	0.003
Federal Home Loan Mortgage Corp.	AA+ / Aaa	73,336	72,488	1.792
Federal National Mortgage Association	AA+ / Aaa	69,082	68,763	1.691
Federal Farm Credit	AA+ / Aaa	20,004	19,922	1.230
Guaranteed Investment Contracts (GIC) (6)	AA+ / A1 (4)	50,529	50,529	7.945
Cash Deposit	Unrated	2,871	2,871	0.003
Certificates of Deposit	AAA / Aaa (3)	44,736	44,736	0.439
Commercial Paper	A-1/ P-1 (5)	584,367	584,367	0.410
Supranational	AAA / Aaa (5)	10,025	9,855	4.515
Government Fund-Morgan Stanley / Wells Fargo	AAA / Aaa (5)	50,185	50,185	0.003
Municipal Bond	AA / Aa2	226,740	228,747	2.574
Money Market Funds	Unrated	2,459	2,459	0.003
Insured Cash Sw eep	Unrated (2)	31,371	31,371	0.003
Corporate Bonds	AA- / Aa3 (7)	241,937	244,067	2.526
		$ 1,860,860	$ 1,863,174	

2020	Credit Rating (1)	Cost	Fair Value	Effective Duration
Massachusetts Municipal Depository Trust (6)	Unrated	$ 415,161	$ 415,161	0.003
Federal Home Loan Bank	AA+ / Aaa	16,096	16,125	1.512
Federally Deposit Insurance Corporation	Unrated (2)	1,000	1,000	0.003
Federal Home Loan Mortgage Corp.	AA+ / Aaa	151,266	151,341	1.353
Federal National Mortgage Association	AA+ / Aaa	16,710	16,736	1.224
Federal Farm Credit	AA+ / Aaa	22,554	22,619	1.411
Guaranteed Investment Contracts (GIC) (6)	AA+ / A1 (4)	48,536	48,536	8.260
Cash Deposit	Unrated	2,815	2,815	0.003
Certificates of Deposit	AAA / Aaa (3)	108,215	108,215	0.720
Commercial Paper	A-1/ P-1 (5)	231,472	231,472	0.279
Supranational	AAA / Aaa (5)	107,715	108,166	3.492
Government Fund-Morgan Stanley / Wells Fargo	AAA / Aaa (5)	43,279	43,279	0.003
Municipal Bond	AAA/ Aa1	186,506	189,795	1.950
Money Market Funds	Unrated	7,254	7,254	0.004
Insured Cash Sw eep	Unrated (2)	31,295	31,295	0.003
Corporate Bonds	AA- / Aa2 (7)	299,848	305,214	1.346
		$ 1,689,722	$ 1,699,023	

1. The ratings are from S&P or Moody's as of the fiscal year presented.
2. FDIC Insured Deposits Accounts.
3. Collateralized by Federal Agency Notes or Letter of Credit backed by each reserve.
4. Underlying rating of security held.
5. Credit quality of fund holdings.
6. MMDT and GIC are carried at cost, w hich approximates fair value in the tables.
7. The Authority ow ns a diverse portfolio of corporate bonds w ith S&P credit ratings ranging from BBB+ to AA+ and Moody's credit ratings ranging from Baa1 to Aaa.

The table below presents the Authority's cash and cash equivalents and investments based on maturity date (in thousands):

	2021		2020	
	Cost	Fair Value	Cost	Fair Value
Securities maturing in 1 year or more	$ 683,745	$ 685,634	$ 573,323	$ 580,214
Securities maturing in less than 1 year	721,637	722,062	615,594	618,004
Cash and cash equivalents	455,478	455,478	500,805	500,805
	$ 1,860,860	$ 1,863,174	$ 1,689,722	$ 1,699,023

a) Credit Risk

Credit risk is the risk that the Authority will be negatively impacted due to the default of the security issuer or investment counterparty.

The Authority's 1978 Trust Agreement, PFC Depositary Agreement and CFC Trust Agreement each stipulate that, in addition to U.S. Treasury and government agency obligations, only certain highly rated securities are eligible investments, including bonds or obligations of any state or political subdivision thereof, rated in the two highest rating categories without regard to gradations within rating categories, by both Moody's (AAA, Aa1, Aa2 and Aa3) and S&P (AAA, AA+, AA, and AA-); commercial paper of a U.S. corporation, finance company or money market funds rated in the highest rating category, without regard to gradations within categories, by both Moody's and S&P; and investment contracts with banks whose long-term unsecured debt rating is in one of the two highest rating categories by both Moody's and S&P. In addition, U.S. dollar denominated corporate bonds, notes or other debt obligations issued or guaranteed by a domestic or foreign corporation, financial institution, non-profit or other entity rated in one of the three highest rating categories, without regard to gradations within such categories by Moody's and S&P.

b) Custodial Credit Risk – Deposits

The custodial credit risk for deposits is the risk that in the event of a bank failure, the Authority's deposits may not be recovered. Bank deposits in excess of the insured amount are uninsured and uncollateralized.

The Authority maintains depository accounts with Bank of America, N.A., Wells Fargo Bank, N.A., TD Bank, N.A. and the PFC Custodian. The Authority maintains a payroll disbursement, lockbox and collection accounts (for other than PFCs) with Bank of America, N.A. None of these accounts are collateralized.

The Authority's cash on deposit in the banks noted above at June 30, 2021 and 2020 was $2.9 million and $2.8 million, respectively, and of these amounts, $250.0 thousand was insured in each year, and no amount was collateralized at June 30, 2021 or 2020.

c) *Custodial Credit Risk – Investments*

Custodial credit risk is the risk that, in the event of a failure of the counterparty, the Authority would not be able to recover the value of its investments or collateral securities that were in the possession of an outside party. Investment securities are exposed to custodial credit risk if they are uninsured or not registered in the name of the Authority and are held by either the counterparty or, the counterparty's trust department or agent, but not in the Authority's name.

The Authority is authorized by the 1978 Trust Agreement, the PFC Depositary Agreement, the CFC Trust Agreement and the Investment Policy to invest in obligations of the U.S. Treasury, including obligations of its agencies and instrumentalities, bonds and notes of public agencies or municipalities, bank time deposits, guaranteed investment contracts, money market accounts, commercial paper of a U.S. corporation or finance company and corporate bonds. All investments are held by a third party in the Authority's name. These investments are recorded at fair value.

Additionally, the Authority is authorized to invest in the Massachusetts Municipal Depository Trust ("MMDT"), a pooled money market like investment fund managed by The Commonwealth of Massachusetts, established under the General Laws, Chapter 29, Section 38A. MMDT investments are carried at amortized cost, which approximates fair value which is the same as the value of the pool. The Authority can purchase and sell its investments at any time without penalty.

The following guaranteed investment contracts were in place as of June 30, 2021 and 2020, respectively; they are uncollateralized and recorded at cost (in thousands):

Investment Agreement Provider	Rate	Maturity		2021		2020
Trinity Plus Funding Company	4.36%	January 2, 2031	$	22,569	$	21,613
GE Funding Capital Markets	3.81%	December 31, 2030		27,960		26,923
Total			$	50,529	$	48,536

d) *Concentration of Credit Risk – Investments*

Concentration of credit risk is assumed to arise when the amount of investments that the Authority has with any one issuer exceeds 5% of the total value of the Authority's investments. The Authority consults with its Investment Advisor to select Commercial Paper Issuers with strong credit ratings. The book values of portions of the Authority-wide portfolio, excluding investments issued by MMDT, the FDIC, or U.S. Government guaranteed obligations, that exceed 5% of the portfolio are as follows (in thousands):

Issuer:	2021 % of Portfolio	2020 % of Portfolio
Commercial Paper	31.40%	13.70%
Corporate Bonds	13.00%	17.75%
Municipal Bond	12.18%	11.04%
Federal Agency Bonds	13.32%	12.29%
Certificates of Deposit	2.40%	6.40%
Supranational	0.54%	6.37%

Commercial Paper Issuer		2021		2020
Australia & NZ	$	17,971	$	-
Bank of Tokyo Mitsubishi UFJ		29,983		76,809
Canadian Imperial Holdings Inc.		14,986		29,949
Credit Agricole		24,987		74,850
DNB BANK		29,967		-
ING Funding		67,539		-
JP Morgan Chase		24,976		-
Mizuho Bank		89,906		-
Natixis NY		85,962		19,976
Rabobank USA		24,982		-
Royal Bank of Canada		29,948		-
Societe Generale		92,700		-
TD Bank		22,959		-
Toyota Motor Corporation		27,500		29,888
Total	$	584,366	$	231,472

e) Credit Ratings – Investments

The 1978 Trust Agreement, the PFC Depositary Agreement, the CFC Trust Agreement and the Investment Policy generally limit the Authority in the types of investments it can purchase to the two highest rating categories without regard to gradations within the rating categories by both Moody's (Aaa, Aa1, Aa2, and Aa3) and S&P (AAA, AA+, AA, and AA-) and in corporate bonds rated in one of the three highest rating categories without regard to gradations within such categories by Moody's and S&P.

Investments in bank certificates of deposits were fully collateralized. Also, the Authority invested in MMDT, managed by the State Treasury, which is not rated.

f) Interest Rate Risk – Investments

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Authority has set targets for the preferred maturity structure of the investments held in each fund and account, and also sets targets each quarter for the effective duration for each fund that reflect the need for liquidity and the expected tradeoffs between yield and term for each different fund and account. It is the Authority's practice to hold investments until maturity in order to insulate the Authority's investment earnings from interest rate risk. The Authority mitigates interest rate risk by managing the weighted average maturity of each portfolio type to best meet its liquidity needs.

g) *Cash, Cash Equivalents and Investments by Fund*

The following summarizes cash and investments, at cost and fair value, as of June 30, by the various funds and accounts established by the Authority for debt covenant requirements and other purposes. In the following table, the fair value of MMDT and GIC approximate their costs (in thousands):

	2021		2020	
1978 Trust	**Cost**	**Fair Value**	**Cost**	**Fair Value**
Improvement and Extension Fund	$ 502,291	$ 501,757	$ 393,850	$ 395,950
Capital Budget Account	185,576	185,576	220,058	220,056
Debt Service Reserve Funds	168,034	169,303	148,414	150,851
Debt Service Funds	45,790	45,790	101,190	101,190
Maintenance Reserve Fund	266,523	267,434	196,256	198,828
Operating/Revenue Fund	115,075	115,075	83,783	83,783
Subordinated Debt Funds	52,925	52,925	50,933	50,933
Self-Insurance Account	31,230	31,861	34,418	35,281
2018 A Project Fund	11,558	11,558	43,000	43,000
2019 B Project Fund	15,009	15,075	92,780	93,234
2019 C Project Fund	12,872	12,872	73,054	73,667
2020 B Project Fund	22,638	22,638	86,166	86,167
2021 D Project Funds	53,138	53,138	-	-
2021 E Project Funds	216,152	216,163	-	-
Other Funds	39,402	39,415	52,271	52,271
PFC Depositary Agreement				
Other PFC Funds	64,039	64,028	50,545	50,575
2011 CFC Trust				
Debt Service Reserve Funds	21,752	21,733	21,834	21,943
CFC Maintenance Reserve Fund	3,848	3,848	4,577	4,600
Debt Service Funds	5,616	5,606	9,721	9,721
CFC Stabilization and Other CFC Fund	27,392	27,379	26,872	26,973
Total	$ 1,860,860	$ 1,863,174	$ 1,689,722	$ 1,699,023

h) *Fair Value Measurement*

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value is a market-based measurement, not an entity-specific measurement. For some assets and liabilities, observable market transactions or market information might be available; for others, it might not be available. However, the objective of a fair value measurement in both cases is the same—that is, to determine the price at which an orderly transaction to sell the asset or to transfer the liability would take place between market participants at the measurement date under current market conditions. Fair value is an exit price at the measurement date from the perspective of a market participant that controls the asset or is obligated for the liability.

The fair value hierarchy categorizes the inputs to valuation techniques used to measure fair value into three levels. Level 1 inputs are quoted prices (unadjusted) for identical assets or liabilities in active markets that a government can access at the measurement date. Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for an asset or liability, either directly or indirectly. Level 3 inputs are unobservable inputs for an asset or liability. The fair value hierarchy gives the highest priority to Level 1 inputs and the lowest priority to Level 3 inputs.

The following tables show the fair value and the fair value measurements for the Authority's business-type activity's investments:

Investments Measured at Fair Value (in thousands)

As of June 30, 2021	Fair Value	Level 1	Level 2	Level 3
Federal Home Loan Bank	$ 84,022	$ -	$ 84,022	$ -
Federal Home Loan Mortgage Corp.	72,488	-	72,488	-
Federal National Mortgage Association	68,763	-	68,763	-
Federal Farm Credit	19,922	-	19,922	-
Supranational	9,855	-	9,855	-
Commercial Paper	584,367	-	584,367	-
Government Fund-Morgan Stanley / Wells Fargo	50,185	50,185	-	-
Municipal Bond	228,747	-	228,747	-
Money Market Funds	2,459	2,459	-	-
Corporate Bonds	244,067	-	244,067	-
Total Investments Measured at Fair Value	$ 1,364,875	$ 52,644	$ 1,312,231	$ -

Investments Measured at Fair Value (in thousands)

As of June 30, 2020	Fair Value	Level 1	Level 2	Level 3
Federal Home Loan Bank	$ 16,125	$ -	$ 16,125	$ -
Federal Home Loan Mortgage Corp.	151,341	-	151,341	-
Federal National Mortgage Association	16,736	-	16,736	-
Federal Farm Credit	22,619	-	22,619	-
Supranational	108,166	-	108,166	-
Commercial Paper	231,472	-	231,472	-
Government Fund-Morgan Stanley / Wells Fargo	43,279	43,279	-	-
Municipal Bond	189,795	-	189,795	-
Money Market Funds	7,254	7,254	-	-
Corporate Bonds	305,214	-	305,214	-
Total Investments Measured at Fair Value	$ 1,092,001	$ 50,533	$ 1,041,468	$ -

Money Market Funds

As of June 30, 2021 and 2020, the Authority held positions in various money market funds and the fair values of those funds were $52.6 million and $50.5 million, respectively. The fair values of the money market funds are valued at the daily closing price as reported by the fund (Level 1).

Federal Agency Notes

As of June 30, 2021 and 2020, the Authority held positions in federal agency notes and the fair values were $245.2 million and $206.8 million, respectively. The fair values of the federal agency notes are based on a market approach using quoted prices by a third party, documented trade history in the security, and pricing models maximizing the use of observable inputs determined by investment managers (Level 2).

Commercial Paper Notes

As of June 30, 2021 and 2020, the Authority held positions in commercial paper notes and the fair values were $584.4 million and $231.5 million, respectively. The fair values of the commercial paper notes are based on a market approach using matrix pricing determined by investment managers (Level 2).

Municipal Bonds

As of June 30, 2021 and 2020, the Authority held positions in municipal bonds and the fair values were $228.7 million and $189.8 million, respectively. The fair values of the Municipal Bonds are based on a market approach using quoted prices by a third party, documented trade history in the security, and pricing models maximizing the use of observable inputs determined by investment managers (Level 2).

Corporate Bonds

As of June 30, 2021 and 2020, the Authority held positions in corporate bonds and the fair values were $244.1 million and $305.2 million. The fair values of the corporate bonds are based on a market approach valued either by using pricing models maximizing the use of observable inputs for similar securities or valued by the investment manager (Level 2).

Supranational

As of June 30, 2021 and 2020, the Authority held positions in supranational bonds and the fair values were $9.9 million and $108.2 million. The fair values of the bonds are based on a market approach valued either by using pricing models maximizing the use of observable inputs for similar securities or valued by the investment manager (Level 2).

Fiduciary Funds:

Massachusetts Port Authority Retiree Benefits Trust

The Trust's investments are made in accordance with the provisions of the Trust Investment Policy (the "Trust Investment Policy"), which was adopted on May 8, 2009 and amended on December 8, 2014 by the Retiree Benefits Trust Committee (the "Committee"). The goals of the Trust Investment Policy are to invest for the sole purpose of funding the OPEB Plan obligation of the Authority in a prudent manner, and to conserve and enhance the value of the Trust assets through appreciation and income generation, while maintaining a moderate investment risk. In addition, the Trust Investment Policy was developed to achieve a long-term return commensurate with contemporary economic conditions and equal to or exceed the investment objectives set forth in the investment policy, currently set at 7.00%, reduced from 7.25% effective December 31, 2019.

The Trust has retained an investment advisor to work in a fiduciary capacity to ensure that strategic investment diversification is attained, to employ investment managers with expertise in their respective asset classes, and to closely monitor the implementation and performance of the respective investment strategies.

The Trust is currently invested in commingled funds which hold stocks (domestic and international) and fixed income securities and three private equity real estate funds.

The exposure limits per the Trust Investment Policy are as follows:

Asset Class	December 31, 2020 Exposure	December 31, 2019 Exposure	Asset Weightings (as of December 8, 2014) Minimum Exposure	Maximum Exposure	Target Allocation
Domestic equity	40.7%	40.5%	28.0%	48.0%	38.0%
Fixed income	28.0%	29.3%	17.0%	47.0%	32.0%
International equity	21.8%	19.7%	10.0%	30.0%	20.0%
Cash and cash equivalents	0.1%	2.0%	0.0%	20.0%	0.0%
Alternatives:					
Real estate private equity	9.4%	8.5%	0.0%	15.0%	10.0%

The current investment philosophy represents a long-term perspective. When asset weightings fall outside the Investment Policy range, the investment advisor shall advise the Committee on potential investment courses of action and the Committee may elect to rebalance the Trust asset mix.

The following summarizes the Trust's cash, cash equivalents and investments by type held at December 31, 2020 and 2019 (in thousands):

	Credit Rating	December 31, 2020 Fair Value	Credit Rating	December 31, 2019 Fair Value
Cash and Cash Equivalents				
MMDT	Unrated	$ 158	Unrated	$ 4,906
First American Government Fund	Unrated	59	Unrated	112
Total Cash and Cash Equivalents		$ 217		$ 5,018
Investments				
Vanguard Index Funds	Unrated	$ 132,692	Unrated	$ 117,735
Acadian All Country World ex US Fund	Unrated	16,762	Unrated	13,289
WCM Focused International Growth Fund	Unrated	15,346	Unrated	10,850
Vanguard Intermediate Term Investment Grade Fund	A	10,147	A	9,191
Aberdeen Emerging Markets Fund	Unrated	8,151	Unrated	5,937
Alliance Bernstein High Income	B	7,392	BB	7,171
TCW Emerging Markets Income	BB	6,122	BB	5,824
PL Floating Rate Income Fund	B	8,347	B	8,214
Baird Core Plus Fund	A	22,703	A	20,867
Voya Intermediate Bond Fund	A	22,594	A	20,878
Real Estate Private Equity Funds	Unrated	25,867	Unrated	20,775
Total Investments		$ 276,123		$ 240,731

The following discusses the Trust's exposure to common deposit and investment risks related to custodial credit, credit, concentration of credit, interest rate and foreign currency risks as of December 31, 2020 and 2019.

a) Credit Risk

For the twelve months ended December 31, 2020 and the six months ended December 31, 2019, the Trust's fixed income investments totaled $77.3 million and $72.1 million, respectively. At December 31, 2020 and 2019, these investments were split between six commingled mutual funds. The investment policy limits fixed income securities of any one issuer to below 5% of the total bond portfolio at the time of purchase and this limitation does not apply to issues of the U.S. Treasury or other Federal Agencies. The diversification restrictions for individual stocks and fixed income securities purchased and held in the total portfolio shall not apply to similar investment instruments held in a commingled fund or an SEC registered mutual fund specifically approved by the Committee. The Trust invests primarily commingled funds and SEC registered mutual funds. The overall rating of the fixed income assets, as calculated by the investment advisor, shall be investment grade, based on the rating of one Nationally Recognized Statistical Rating Organization. In cases where the yield spread adequately compensates for additional risk, investments classified at below investment grade can be purchased or held to maturity up to a maximum of 30% of the total market value of the fixed income securities of the Fund. The total percentage of the fixed income investments subject to this provision at December 31, 2020 and 2019 was 29.50% and 28.45%, respectively.

b) Custodial Credit Risk

The Trust manages custodial credit risk by limiting its investments to highly rated institutions and or requiring high quality collateral be held by the Trustee in the name of the Trust. All investments are held by a third party in the Trust's name. These investments are recorded at fair value.

Additionally, the Trust is authorized to invest in the Massachusetts Municipal Depository Trust (MMDT), a pooled money market like investment fund managed by The Commonwealth of Massachusetts, established under the General Laws, Chapter 29, Section 38A. MMDT investments are carried at amortized cost, which approximates fair value which is the same as the value of the pool. The Trust can purchase and sell its investments in this fund at any time without penalty.

c) *Concentration of Credit Risk*

Investments of Trust assets are diversified in accordance with the Investment Policy that defines rules for the funds, including having no stock holding or fixed income holding with a 5% or greater portfolio weighting (except U.S. Treasury or securities backed by the federal government), holding no more than 2% of the outstanding shares of an individual stock, and holding no more than 25% of the portfolio in any one industry. Trust assets were in compliance with the Investment Policy at December 31, 2020 and 2019, respectively.

d) *Interest Rate Risk*

This risk is confined to the fixed income and cash portions of the portfolio and is managed within the portfolio using the effective duration methodology. This methodology is widely used in the management of fixed income portfolios in that it quantifies to a much greater degree the risk of interest rate changes. The weighted duration of the fixed income portfolio at December 31, 2020 and 2019 was 5.45 and 5.06 years, respectively.

The individual fund durations are as follows at December 31, 2020 and 2019, respectively. (in thousands):

	December 31, 2020 Fair Value	Effective Duration	December 31, 2019 Fair Value	Effective Duration
Fixed Income Investments				
Vanguard Intermediate Term Investment Grade Fund	$ 10,147	6.00	$ 9,191	5.40
Alliance Bernstein High Income	7,392	4.05	7,171	3.68
TCW Emerging Markets Income	6,122	8.22	5,824	7.60
PL Floating Rate Income Fund	8,347	0.29	8,214	0.28
Baird Core Plus	22,703	6.05	20,867	5.68
Voya Intermediate Bond	22,594	6.22	20,878	5.94
Total Fixed Income Investments	$ 77,305		$ 72,145	

e) *Foreign Currency Risk*

Foreign currency risk is the risk that changes in exchange rates will adversely impact the fair value of an investment. The Trust invests in funds that hold stocks in either emerging or developed markets outside of the United States that may have an impact on the fair value of the investments and thus contribute currency risk due to their international equity holdings.

f) Rate of Return

As required per GASB Statement 74, the annual money weighted rate of return on trust investments, net of trust expenses was 14.07% for the twelve months December 31, 2020 and 14.12% for the six months December 31, 2019, respectively. The money weighted rate of return expresses investment performance net of investment expenses adjusted for the changing amounts actually invested. The Trust's annual rate of return, measured for financial performance purposes, gross of fees, was 15.2% for the twelve months ended December 31, 2020 and 6.9% for the six months ended December 31, 2019, respectively.

g) Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value is a market-based measurement, not an entity-specific measurement. For some assets and liabilities, observable market transactions or market information might be available; for others, it might not be available. However, the objective of a fair value measurement in both cases is the same—that is, to determine the price at which an orderly transaction to sell the asset or to transfer the liability would take place between market participants at the measurement date under current market conditions. Fair value is an exit price at the measurement date from the perspective of a market participant that controls the asset or is obligated for the liability.

The fair value hierarchy categorizes the inputs to valuation techniques used to measure fair value into three levels. Level 1 inputs are quoted prices (unadjusted) for identical assets or liabilities in active markets that a government can access at the measurement date. Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for an asset or liability, either directly or indirectly. Level 3 inputs are unobservable inputs for an asset or liability. The fair value hierarchy gives the highest priority to Level 1 inputs and the lowest priority to Level 3 inputs.

The Trust has the following fair value measurements for investments at December 31, 2020 and 2019:

Investments Measured by Fair Value Level ($ 000)

As of December 31, 2020	Fair Value	Level 1	Level 2	Level 3
Investments				
Vanguard Index Funds	$ 132,692	$ 132,692	$ -	$ -
Baird Core Plus	22,703	22,703	-	-
Vanguard Intermediate Term Investment Grade Fund	10,147	10,147	-	-
Voya Internediate Bond	22,594	22,594	-	-
Aberdeen Emerging Markets Fund	8,151	8,151	-	-
AllianceBernstein High Income	7,392	7,392	-	-
TCW Emerging Markets Income	6,122	6,122	-	-
PL Floating Rate Income Fund	8,347	8,347	-	-
WCM Total International Stock Index	15,346	15,346	-	-
Acadian All Country World ex-USFund	16,762	16,762	-	-
Total investments measured by fair value level	250,256	250,256	-	-
Investments measured at the net asset value (NAV)				
Real Estate Private Equity Funds:				
Boyd Watterson GSA Fund	7,795			
Equus Fund X	7,812			
ATEL Private Debt Partners II	1,984			
Golub Capital Partners 12 L.P.	2,433			
PRISA LP	5,843			
Total investments measured at the NAV	25,867			
Total Investments	$ 276,123	$ 250,256	$ -	$ -

Investments Measured by Fair Value Level ($ 000)

As of December 31, 2019	Fair Value	Level 1	Level 2	Level 3
Investments				
Vanguard Index Funds	$ 117,735	$ 117,735	$ -	$ -
Baird Core Plus	20,867	20,867	-	-
Vanguard Intermediate Term Investment Grade Fund	9,191	9,191	-	-
Voya Internediate Bond	20,878	20,878	-	-
Aberdeen Emerging Markets Fund	5,937	5,937	-	-
AllianceBernstein High Income	7,171	7,171	-	-
TCW Emerging Markets Income	5,824	5,824	-	-
PL Floating Rate Income Fund	8,214	8,214	-	-
WCM Total International Stock Index	10,850	10,850	-	-
Acadian All Country World ex-USFund	13,289	13,289	-	-
Total investments measured by fair value level	219,956	219,956	-	-
Investments measured at the net asset value (NAV)				
Real Estate Private Equity Funds:				
Boyd Watterson GSA Fund	7,356			
Equus Fund X	7,661			
PRISA LP	5,758			
Total investments measured at the NAV	20,775			
Total Investments	$ 240,731	$ 219,956	$ -	$ -

Commingled Mutual Funds

As of December 31, 2020 and 2019, the Authority held positions in several commingled mutual funds as noted above and the fair values were $250.3 million and $220.0 million, respectively. The fair values of the commingled mutual funds were valued using quoted market prices (Level 1).

The valuation method for investments measured at the net asset value (NAV) per share or its equivalent is presented in the following table (in thousands):

	Investments Measured at NAV ($000)							
		December 31, 2020	**Unfunded Commitments**		**December 31, 2019**	**Unfunded Commitments**	**Redemption Frequency**	**Redemption Notice Period**
Real Estate Private Equity Funds								
Boyd Watterson GSA Fund (1)	$	7,795	—	$	7,356	—	Quarterly	60 days
Equus Fund X (2)		7,812	461		7,661	—	—	—
PRISA LP (3)		5,843	—		5,758	—	Quarterly	90 days
ATEL Private Debt Partners II (4)		1,984	2,622		—		—	—
Golub Capital Partners 12 LP (4)		2,433	2,300		—		—	—
Total investments measured at the NAV	$	25,867		$	20,775			

1. This fund invests primarily in real estate leased to the U.S. federal government. The fair value of the investment has been determined using the NAV per share (or its equivalent) of the Fund's ownership interest in partners' capital. The Trust can withdraw from the fund with 60 days' notice prior to a calendar quarter end and the minimum withdrawal of $250,000.
2. This fund invests in U.S. commercial real estate. The fair value of the investment has been determined using the NAV per share (or its equivalent) of the Fund's ownership interest in partners' capital. The Partnership agreement stipulates a partnership dissolution on a date five years after the end of the Investment Period; provided, however, that the General Partner may, in its sole discretion, extend the term for up to two additional one year periods.
3. This fund invests primarily in commercial real estate. The fair value of the investment has been determined using the NAV per share determined using the NAV per share (or its equivalent) of the Fund's ownership in partners' capital. The Trust can withdraw from the fund quarterly with one full quarter notice.
4. These are private debt funds. The fair value of the investment has been determined using the NAV per share (or its equivalent) of the Fund's ownership interest in partners' capital.

Massport Employee's Retirement System:

The provisions of Massachusetts General Laws (M.G.L.) Chapter 32, Section 23(2) and the Massachusetts Port Authority Employees' Retirement System Board (the "Retirement Board") approved investment policy govern the Plan's investment practice. Diversification is attained through varied investment management styles that comply with Massachusetts state law. This is accomplished through the retention of investment managers that adhere to M.G.L. Chapter 32, Section 23(3), the "Prudent Person" rule. The Plan has retained an investment consultant to work with the Retirement Board in a fiduciary capacity to assure that strategic investment diversification is attained, to employ investment managers with expertise in their respective asset classes, and to closely monitor the implementation and performance of the respective investment strategies.

The Plan is currently invested in stocks (domestic and international), fixed income securities (domestic and international), real estate and private equity.

The exposure limits per the Plan Investment Policy are as follows:

Asset Class	Target Allocation
Domestic equity	27.5%
International equity	27.5%
Fixed income	30.0%
Real estate	7.5%
Private equity	7.5%

The Plan's current rebalancing policy states that "The Retirement Board shall rebalance to the established targets during the quarter following the quarter ended whenever the asset class allocation falls outside the allowable ranges."

The following summarizes the Plan's cash, cash equivalents and investments by type held at December 31, 2020 and 2019 (in thousands):

	December 31, 2020 Fair Value	December 31, 2019 Fair Value
Cash and Cash Equivalents	$ 800	$ 1,198
Investments		
Common stocks		
Equities	$ 15,638	$ 19,900
Commingled Equity funds		
Large Cap	202,871	151,889
Small Cap	15,888	19,924
International	238,368	204,197
Commingled Fixed Income funds		
Aggregate	57,407	64,848
Core Bond	163,808	152,782
Other Investments		
PRIT Real Estate fund	52,881	52,556
PRIT Private Equity	63,494	47,631
Total Investments	$ 810,355	$ 713,727

The following discusses the Plan's exposure to common deposit and investment risks related to custodial credit, credit, concentration of credit, interest rate and foreign currency risks as of December 31, 2020 and 2019.

a) ***Credit Risk***

For the years ended December 31, 2020 and 2019, the Plan's fixed income investments totaled $221.2 million and $217.6 million, respectively. These investments are split between two commingled funds. Both funds are not rated.

There are no Plan-wide policy limitations for credit risk exposures within the portfolio. The Plan's two fixed income investments are managed in accordance with an investment contract that is specific as to permissible credit quality ranges and the average credit quality of the overall portfolio.

b) ***Custodial Credit Risk***

Investment securities are exposed to custodial credit risk if the securities are uninsured, are not registered in the name of the Plan and are held by either the depository financial institution or the depository financial institution's trust department or agent but not in the Plan's name.

Although there is no Plan-wide policy for custodial credit risk associated with deposits, the Plan's investments are held by the Plan's custodian and registered in the Plan's name. All of the Plan's securities are held by the Plan's custodial bank in the Plan's name, except for investments in mutual and commingled funds, real estate properties, and limited partnerships, which by their nature, are not required to be categorized. Investments in the Short-term Investment Funds (STIF) are held in an SEC-registered pooled fund that is managed by the master custodian bank. The fair value of the position in the pool equals the value of the pool shares.

c) ***Concentration of Credit Risk***

The Plan has no investments, at fair value, that exceed 5% of the Plan's total investments as of December 31, 2020 and 2019 other than pooled investments.

d) ***Interest Rate Risk***

This risk is managed within the portfolio using the effective duration methodology. It is widely used in the management of fixed income portfolios in that it quantifies to a much greater degree the risk of interest rate changes. While there are no Plan-wide policy limitations as to the degree of interest rate risk taken, the Plan's one actively managed fixed income portfolio has guidelines which specify that the average duration of the portfolio ranges between plus or minus 1.5 years of the average duration of the Bloomberg Barclays US Aggregate Bond Index. The other fixed income portfolio is in a passive index fund and the investment objective of this fund is to match the return of the Bloomberg Barclays US Aggregate Bond Index. It is believed that the reporting of effective duration found in the tables below quantifies to the fullest extent possible the interest rate risk of the Plan's fixed income assets.

The individual fund durations are as follows at December 31, 2020 and 2019, respectively (in thousands):

		December 31, 2020 Fair Value	Effective Duration		December 31, 2019 Fair Value	Effective Duration
Fixed Income Investments						
Commingled fund – actively managed	$	163,808	6.35	$	152,782	6.00
Commingled fund – passively managed		57,407	6.23		64,848	5.88
Total Fixed Income Investments	$	221,215		$	217,630	

e) *Foreign Currency Risk*

From time to time, the Plan's external managers may or may not hedge the portfolio's foreign currency exposures with currency forward contracts depending on their views on a specific foreign currency relative to the U.S. dollar. While there are no Plan-wide policy limitations related to foreign currency risk, the Plan will not manage currency as a separate asset class or enter into speculative currency positions in its portfolios, except as it relates to specific cross-hedging activity, which may be permitted in certain investment manager guidelines. While the System has no investments denominated in foreign currencies, the following represents the investments denominated in U.S. dollars that can be subject to fluctuations in foreign currencies.

		December 31, 2020		December 31, 2019
Currency (in thousands)				
International equity pooled funds (various currencies)	$	238,368	$	204,197

f) *Rate of Return*

For the years ended December 31, 2020 and 2019, the annual money-weighted rate of return on plan investments, net of plan investment expenses was 16.14% and 19.64%, respectively. The money-weighted rate of return expresses investment performance net of investment expenses adjusted for the changing amounts actually invested.

g) *Fair Value Measurement*

GAAP establishes a fair value hierarchy for investments that prioritizes inputs used to measure fair value into three levels:

Level 1 – quoted prices (unadjusted) in active markets that are accessible at the measurement date for assets or liabilities;

Level 2 – observable prices that are based on inputs not quoted in active markets, but corroborated by market data;

Level 3 – unobservable inputs that are used when little or no market data is available.

The fair value hierarchy gives the highest priority to Level 1 inputs and the lowest priority to Level 3 inputs. In determining fair value, the Plan utilizes valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs to the extent possible.

Investments held through commingled funds for which fair value is estimated using net asset values (NAVs) as a practical expedient are not categorized in the fair value hierarchy.

The Plan uses an independent pricing source to determine the fair value of investments at quoted market prices

The Plan has the following fair value measurements for investments at December 31, 2020 and 2019:

Investments Measured by Fair Value Level ($ 000)

As of December 31, 2020	Fair Value	Level 1	Level 2	Level 3
Investments				
Common stocks				
Equities	$ 15,638	$ 15,638	$	$
Investments measured at NAV				
Commingled Equity funds				
Large Cap	202,871	-	-	-
Small Cap	15,888	-	-	-
International	238,368	-	-	-
Commingled Fixed Income funds				
Aggregate	57,407	-	-	-
Core Bond	163,808	-	-	-
Other Investments				
PRIT Real Estate fund	52,881	-	-	-
PRIT Private Equity	63,494	-	-	-
Total Investments	$ 810,355	$ 15,638	$ —	$ —

Investments Measured by Fair Value Level ($ 000)

As of December 31, 2019	Fair Value	Level 1	Level 2	Level 3
Investments				
Common stocks				
Equities	$ 19,900	$ 19,900	$	$
Investments measured at NAV				
Commingled Equity funds				
Large Cap	151,889	-	-	-
Small Cap	19,924	-	-	-
International	204,197	-	-	-
Commingled Fixed Income funds				
Aggregate	64,848	-	-	-
Core Bond	152,782	-	-	-
Other Investments				
PRIT Real Estate fund	52,556	-	-	-
PRIT Private Equity	47,631	-	-	-
Total Investments	$ 713,727	$ 19,900	$ —	$ —

Commingled Mutual Funds

The Plan categorizes its fair value measurements within the Fair Value Hierarchy established by generally accepted accounting principles. Equity securities classified in Level 1 of the Fair

Value Hierarchy are valued using prices quoted in active markets for those securities. The Plan has no securities classified in Level 2 or Level 3.

The PRIT real estate and private equity funds are external investment pools that are not registered with the Securities and Exchange Commission, but are subject to oversight by the Pension Reserves Investment Management Board (the “PRIM Board”). The PRIM Board was created by legislation to provide general supervision of the investments and management of PRIT. The PRIT real estate and private equity funds are not rated funds. The fair value of the PRIT real estate and private equity funds are based on unit value as reported by management of the PRIT funds. The PRIT funds issue separately available audited financial statements with a year-end of June 30. The Plan is required to provide a 24-hour redemption notice for the PRIT Real Estate fund. The PRIT Private Equity fund is not redeemable until notified by the PRIM Board.

The following represents the significant investment strategies and terms on which the Plan may redeem investments for those investments measured at the NAV (or its equivalent) as a practical expedient (in thousands):

	Investments Measured at NAV ($000)			
	December 31, 2020	December 31, 2019	Redemption Frequency	Redemption Notice Period
Commingled Equity Funds (1)	$ 457,127	$ 376,010	Daily to Thrice Monthly	1-30 days
Commingled Fixed Income Funds (2)	221,215	217,630	Daily	1-30 days
	$ 678,342	$ 593,640		

1. Commingled Equity Funds: This type includes five funds that invest primarily in U.S. large and small cap equity funds and international equity funds
2. Commingled Fixed Income Funds: This type includes two fixed income funds that invest in U.S. corporate bonds, U.S. government bonds, U.S. asset-backed securities and foreign bonds.

4. Capital Assets

Capital assets consisted of the following at June 30, 2021 and 2020 (in thousands):

	June 30, 2020	Additions and Transfers In	Deletions and Transfers Out	June 30, 2021
Capital assets not being depreciated				
Land	$ 230,600	$ 80	$ —	$ 230,680
Construction in progress	499,869	443,644	163,603	779,910
Total capital assets not being depreciated	730,469	443,724	163,603	1,010,590
Capital assets being depreciated				
Buildings	4,338,498	75,819	5,238	4,409,079
Runway and other paving	1,010,209	51,377	—	1,061,586
Roadway	805,781	10,610	—	816,391
Machinery and equipment	823,796	25,684	1,212	848,268
Air rights	187,148	32	—	187,180
Parking rights	46,261	—	—	46,261
Total capital assets being depreciated	7,211,693	163,522	6,450	7,368,765
Less accumulated depreciation:				
Buildings	2,138,595	153,574	3,580	2,288,589
Runway and other paving	646,259	45,408	—	691,667
Roadway	482,939	31,833	—	514,772
Machinery and equipment	536,721	60,919	929	596,711
Air rights	145,240	5,659	—	150,899
Parking rights	29,298	1,542	—	30,840
Total accumulated depreciation	3,979,052	298,935	4,509	4,273,478
Total capital assets being depreciated, net	3,232,641	(135,413)	1,941	3,095,287
Capital assets, net	$ 3,963,110	$ 308,311	$ 165,544	$ 4,105,877

Depreciation and amortization for fiscal year 2021 and 2020 was $307.6 million and $299.3 million, respectively. During fiscal year 2021, the Authority wrote off approximately $8.7 million for discontinued projects, which amount is included in depreciation expenses.

	June 30, 2019	Additions and Transfers In	Deletions and Transfers Out	June 30, 2020
Capital assets not being depreciated				
Land	$ 230,600	$ —	$ —	$ 230,600
Construction in progress	260,888	537,187	298,206	499,869
Total capital assets not being depreciated	491,488	537,187	298,206	730,469
Capital assets being depreciated				
Buildings	4,176,228	162,270	—	4,338,498
Runway and other paving	990,046	20,163	—	1,010,209
Roadway	767,973	37,808	—	805,781
Machinery and equipment	749,744	76,075	2,023	823,796
Air rights	185,258	1,890	—	187,148
Parking rights	46,261	—	—	46,261
Total capital assets being depreciated	6,915,510	298,206	2,023	7,211,693
Less accumulated depreciation:				
Buildings	1,985,286	153,309	—	2,138,595
Runway and other paving	603,417	42,842	—	646,259
Roadway	451,388	31,551	—	482,939
Machinery and equipment	474,634	64,092	2,005	536,721
Air rights	139,243	5,997	—	145,240
Parking rights	27,756	1,542	—	29,298
Total accumulated depreciation	3,681,724	299,333	2,005	3,979,052
Total capital assets being depreciated, net	3,233,786	(1,127)	18	3,232,641
Capital assets, net	$ 3,725,274	$ 536,060	$ 298,224	$ 3,963,110

5. Bonds and Notes Payable

Long-term debt at June 30, 2021 consisted of the following and represents maturities on the Authority's fiscal year basis (in thousands):

	June 30, 2020	Additions	Reductions	June 30, 2021	Due within one year
Revenue Bonds:					
Senior Debt-1978 Trust Agreement:					
2008, Series C, 4.60% to 4.70%, issued July 9, 2008	$ 1,305	$ —	$ 1,305	$ —	$ —
2010, Series A, 4.00% to 5.00%, issued August 5, 2010	44,435	—	44,435	—	—
2010, Series B, 3.00% to 5.00%, issued August 5, 2010	46,280	—	46,280	—	—
2012, Series A, 3.50% to 5.00%, issued July 11, 2012	74,960	—	74,960	—	—
2012, Series B, 3.00% to 5.00%, issued July 11, 2012	85,555	—	85,555	—	—
2014, Series A, 3.00% to 5.00%, issued July 17, 2014 due 2024 to 2045	42,910	—	2,835	40,075	—
2014, Series B, 4.00% to 5.00%, issued July 17, 2014 due 2024 to 2045	45,560	—	3,015	42,545	—
2014, Series C, 3.00% to 5.00%, issued July 17, 2014 due 2024 to 2036	124,430	—	16,425	108,005	—
2015, Series A, 5.00%, issued July 15, 2015 due 2024 to 2046	102,570	—	6,320	96,250	—
2015, Series B, 5.00%, issued July 15, 2015 due 2024 to 2046	65,780	—	4,060	61,720	—
2015, Series C, 2.12% to 2.83%, issued June 30, 2015 due 2022 to 2030	116,625	—	12,160	104,465	12,420
2016, Series A, 4.00% to 5.00%, issued July 20, 2016 due 2024 to 2039	47,060	—	4,630	42,430	—
2016, Series B, 4.00% to 5.00%, issued July 20, 2016 due 2042 to 2047	180,285	—	—	180,285	—
2017, Series A, 3.25% to 5.00%, issued July 19, 2017 due 2024 to 2048	157,840	—	26,055	131,785	—
2019, Series A, 3.00% to 5.00%, issued February 13, 2019 due 2024 to 2041	311,930	—	27,535	284,395	—
2019, Series B, 3.00% to 5.00%, issued July 17, 2019 due 2024 to 2050	157,680	—	1,000	156,680	—
2019, Series C, 3.00% to 5.00%, issued July 17, 2019 due 2024 to 2050	297,365	—	4,840	292,525	—
2021, Series A, 5.00%, issued February 17, 2021 due 2034 to 2041	—	35,630	—	35,630	—
2021, Series B, 5.00%, issued February 17, 2021 due 2034 to 2041	—	21,900	—	21,900	—
2021, Series C, 0.384% to 2.869%, issued February 17, 2021 due 2025 to 2052	—	229,740	—	229,740	—
2021, Series D, 5.00%, issued March 24, 2021 due 2025 to 2052	—	56,450	—	56,450	—
2021, Series E, 5.00%, issued March 24, 2021 due 2024 to 2052	—	349,080	—	349,080	—
Subtotal Senior Debt	1,902,570	692,800	361,410	2,233,960	12,420

	June 30, 2020	Additions	Reductions	June 30, 2021	Due within one year
Subordinated debt- 1978 Trust Agreement:					
2000, Series A,B & C, 6.45%, issued December 29, 2000 due 2031	40,000	—	—	40,000	—
2001, Series A,B & C, 6.45%, issued January 2, 2001 due 2031	34,000	—	—	34,000	—
Subtotal Subordinate Debt	74,000	—	—	74,000	—
Senior Debt - CFC Trust Agreement:					
2011, Series B, 4.85% to 6.352%, issued June 15, 2011 due 2021 to 2038	124,420	—	4,165	120,255	—
Subtotal CFC Senior Debt	124,420	—	4,165	120,255	—
Total Bonds Payable	2,100,990	692,800	365,575	2,428,215	12,420
Less unamortized amounts:					
Bond premium (discount), net	256,718	130,401	43,886	343,233	14,148
Total Bonds Payable, net	$ 2,357,708	$ 823,201	$ 409,461	$ 2,771,448	$ 26,568

The following summarizes the Authority's revenue bonds activity at June 30 (in thousands):

	June 30, 2020	Additions	Reductions	June 30, 2021	Due within one year
Senior Debt-1978 Trust Agreement:	$ 1,902,570	$ 692,800	$ 361,410	$ 2,233,960	$ 12,420
Subordinated Debt- 1978 Trust Agreement	74,000	—	—	74,000	—
Senior Debt - CFC Trust Agreement:	124,420	—	4,165	120,255	—
	$ 2,100,990	$ 692,800	$ 365,575	$ 2,428,215	$ 12,420

	June 30, 2019	Additions	Reductions	June 30, 2020	Due within one year
Senior Debt-1978 Trust Agreement:	$ 1,678,315	$ 455,045	$ 230,790	$ 1,902,570	$ 62,680
Subordinated Debt- 1978 Trust Agreement	74,000	—	—	74,000	—
Senior Debt - CFC Trust Agreement:	190,795	—	66,375	124,420	4,165
	$ 1,943,110	$ 455,045	$ 297,165	$ 2,100,990	$ 66,845

Debt service requirements on revenue bonds (1978 Trust and CFC Trust) outstanding at June 30, 2021 are as follows (in thousands):

	Principal	Interest	Total
Year ending June 30:			
2022	$ 12,420	$ 89,470	$ 101,890
2023	17,295	118,316	135,611
2024	59,140	112,297	171,437
2025	64,930	109,698	174,628
2026	68,035	106,860	174,895
2027 – 2031	399,760	486,128	885,888
2032 – 2036	487,735	376,660	864,395
2037 – 2041	459,315	263,319	722,634
2042 – 2046	483,820	155,744	639,564
2047 – 2051	337,990	50,427	388,417
2052	37,775	1,815	39,590
Total	$ 2,428,215	$ 1,870,734	$ 4,298,949

a) Senior Debt - 1978 Trust Agreement

On March 24, 2021, the Authority issued $405.5 million of Massachusetts Port Authority Revenue Bonds in two series. The Series 2021 D Revenue Bonds were issued in the principal amount of $56.5 million with an original issue premium of approximately $16.7 million and an interest rate of 5.0%. The Series 2021 E Revenue Bonds were issued in the principal amount of $349.1 million with an original issue premium of approximately $93.3 million and an interest rate of 5.0%. The 2021 D and E Bonds were issued to finance a portion of the Authority's current Capital Program. Due to the nature of a portion of the construction projects funded with the bonds, the Series 2021 E bonds were issued as bonds subject to the alternative minimum tax (AMT).

On February 17, 2021, the Authority issued $287.3 million of Massachusetts Port Authority Revenue Refunding Bonds in three series. The Series 2021 A Revenue Refunding Bonds were issued in the principal amount of $35.6 million with an original issue premium of approximately $13.0 million and an interest rate of 5.0%. The Series 2021 B Revenue Refunding Bonds were issued in the principal amount of $21.9 million with an original issue premium of approximately $7.4 million and an interest rate of 5.0%. The Series 2021 C Revenue Refunding Bonds were issued in the principal amount of $229.7 million at par value and interest rates ranging from 0.384% to 2.869%. These refundings had an economic gain and achieved a net present value savings of $58.0 million or 19.4%. The following Series of bonds were refunded and defeased with proceeds of the Series 2021 A, B and C Revenue Refunding Bonds (such Bonds, collectively, the "2021 Defeased Bonds"):

	Refunded by			
	2021 A	**2021 B**	**2021 C**	**Total**
Series 2010 A	$ 26,210	$ 15,825	$ —	$ 42,035
Series 2010 B	23,125	13,975	—	37,100
Series 2012 A	—	—	73,255	73,255
Series 2012 B	—	—	78,180	78,180
Series 2014 A	—	—	1,935	1,935
Series 2014 B	—	—	2,050	2,050
Series 2014 C	—	—	11,215	11,215
Series 2015 A	—	—	4,315	4,315
Series 2015 B	—	—	2,770	2,770
Series 2016 A	—	—	3,170	3,170
Series 2017 A	—	—	19,175	19,175
Series 2019 A	—	—	18,800	18,800
Series 2019 B	—	—	1,000	1,000
Series 2019 C	—	—	3,730	3,730
Total Bonds Refunded	**$ 49,335**	**$ 29,800**	**$ 219,595**	**$ 298,730**

This transaction constituted a legal defeasance. Accordingly, the 2021 Defeased Bonds are no longer outstanding under the 1978 Trust Agreement and the 2021 Defeased Bonds and the funds to pay them are not included in the Authority's financial statements at June 30, 2021.

The Authority, pursuant to its 1978 Trust Agreement, has covenanted to maintain a debt service coverage ratio of not less than 1.25. Debt service coverage is calculated based on a formula set forth in the 1978 Trust Agreement. Historically, the Authority has maintained a debt service coverage ratio higher than its 1978 Trust Agreement requirement. As of June 30, 2021 and 2020, the Authority's debt service coverage under the 1978 Trust Agreement was 5.51 and 3.52, respectively.

b) *Subordinate Debt - 1978 Trust Agreement*

Subordinate debt is payable solely from funds on deposit in the Improvement and Extension Fund and is not subject to the pledge of the 1978 Trust Agreement or the CFC Trust Agreement. The Authority invested $12.0 million in January 2001 in two GICs, which at maturity will provide for the $74.0 million principal payments of the subordinate debt at their respective maturities on December 29, 2030 and January 2, 2031. As of June 30, 2021, the value of the two GICs was approximately $50.5 million as compared to $48.5 million as of June 30, 2020.

c) *Senior Debt - CFC Trust Agreement*

The Authority's outstanding CFC debt continues to be secured by a pledge of the $6.00 per transaction day CFC collections. The Authority earned CFC Revenues, as defined in the CFC Trust Agreement, of approximately $11.7 million and $25.8 million during fiscal years 2021 and 2020, respectively. The CFC Trust Agreement requires that the Authority maintain a debt service coverage ratio of at least 1.30. As of June 30, 2021 and 2020, the CFC debt service coverage ratio was 2.05 and 2.42, respectively. On June 24, 2020, the Authority deposited $65.6 million into an irrevocable trust with the CFC trustee to provide for all future debt service payments in an in-substance defeasance of all of the outstanding CFC Revenue Bonds, Series 2011 A ($58.0 million) and the 2021 maturity ($4.4 million) of its CFC Revenue Bonds, Series 2011 B (collectively the "Defeased CFC Bonds") plus interest thereon of $3.2 million. This transaction constituted a legal defeasance. Accordingly, the Defeased CFC Bonds are no longer outstanding under the CFC Trust Agreement, and the Defeased CFC Bonds and the funds to pay them are not included in the Authority's financial statements at June 30, 2021 or June 30, 2020.

d) *Senior Debt – Direct Placement*

On April 3, 2020, the Authority entered into a direct purchase agreement with Bank of America, NA ("BAML") for the sale of up to $258.0 million of Massachusetts Port Authority Revenue Bonds in two series. The Series 2020 A Revenue Refunding Bonds ("2020 A Bonds") were issued in the principal amount of $95.6 million at an interest rate of 1.57%. The Series 2020 B Revenue Bonds ("2020 B Bonds") were issued in the principal amount of $162.4 million at an interest rate of 2.08%. The 2020 A and 2020 B Bonds were issued to redeem and defease portions of the Series 2010 A Bonds, the Series 2010 B Bonds, the Series 2012 A Bonds and the Series 2012 B Bonds (collectively, the "Defeased 2010 and 2012 Bonds") and to finance a portion of the Authority's Capital Program. Due to the nature of a portion of the construction projects funded with the bonds, the 2020 A Bonds were issued as bonds subject to the AMT. The 2020 B Bonds were sold as taxable bonds. The 2020 A Bonds consist of a single bond maturing on July 1, 2031 and the 2020 B Bonds consist of a single bond maturing on July 1, 2032.

This transaction constituted a legal defeasance. Accordingly, the Defeased 2010 and 2012 Bonds are no longer outstanding under the 1978 Trust Agreement, and the Defeased 2010 and 2012 Bonds and the funds to pay them are not included in the Authority's financial statements at June 30, 2021 or June 30, 2020.

e) *Subordinate Debt – Direct Placement*

On November 20, 2018, the Authority entered into a direct purchase agreement with BAML for sale of up to $107.5 million in aggregate principal amount of the Subordinated Obligations, Series 2018 A (AMT) (the "2018 Subordinated Obligations"). The 2018 Subordinated Obligations were issued as a "draw-down loan" to provide bridge financing for capital projects at the Authority's Port properties. The principal of the 2018 Subordinated Obligations was expected to be paid from funds provided pursuant to a Memorandum of Understanding (the "MOU") between the Authority and the Commonwealth to provide grant funds in the amount of $107.5 million, which equals 50% of the expected construction costs of the new Berth 10 and the purchase of three new ship to shore cranes at Conley Terminal. The 2018 Subordinated Obligations bore interest at variable rates with a final maturity on July 1, 2028. On May 3, 2021, the Subordinated Obligations were called for full redemption and retired, and accordingly are no longer outstanding. As of June 30, 2021 and 2020, the outstanding principal balance of the 2018 Subordinated Obligations was $0.0 million and $72.5 million, respectively.

Direct Placement Long-term debt at June 30, 2021 and 2020 consisted of the following and represents maturities on the Authority's fiscal year basis (in thousands):

	June 30, 2020	Additions	Reductions	June 30, 2021	Due within one year
Revenue Bonds Direct Placement:					
Senior Debt-1978 Trust Agreement:					
2020, Series A, 1.57%, issued April 3, 2020 due 2023 to 2032	$ 95,620	$ —	$ —	$ 95,620	$ —
2020, Series B, 2.08%, issued April 3, 2020 due 2024 to 2033	162,380	—	—	162,380	—
Subtotal Senior Debt	258,000	—	—	258,000	—
Subordinated debt- 1978 Trust Agreement:					
2018, Series A, variable rate, issued November 20, 2018 due 2024	72,500	—	72,500	—	—
Subtotal Subordinate Debt	72,500	—	72,500	—	—
Total Direct Placement Bonds Payable	$ 330,500	$ —	$ 72,500	$ 258,000	$ —

The following summarizes the Authority's direct placement bond activity at June 30 (in thousands):

	June 30, 2020	Additions	Reductions	June 30, 2021	Due within one year
Revenue Bonds Direct Placement:					
Senior Debt-1978 Trust Agreement:	$ 258,000	$ —	$ —	$ 258,000	$ —
Subordinated debt- 1978 Trust Agreement:	72,500	—	72,500	—	—
Total Direct Placement Bonds Payable	$ 330,500	$ —	$ 72,500	$ 258,000	$ —

	June 30, 2019	Additions	Reductions	June 30, 2020	Due within one year
Revenue Bonds Direct Placement:					
Senior Debt-1978 Trust Agreement:	$ —	$ 258,000	$ —	$ 258,000	$ —
Subordinated debt- 1978 Trust Agrement:	40,000	67,500	35,000	72,500	—
Total Direct Placement Bonds Payable	$ 40,000	$ 325,500	$ 35,000	$ 330,500	$ —

Debt service requirements on direct placement bonds outstanding at June 30, 2021 are as follows (in thousands):

	Principal	Interest	Total
Year ending June 30:			
2022	$ —	$ 6,071	$ 6,071
2023	6,425	4,879	11,304
2024	22,465	4,778	27,243
2025	19,450	4,382	23,832
2026	19,800	4,033	23,833
2027 - 2031	124,055	14,483	138,538
2032 - 2033	65,805	2,042	67,847
Total	$ 258,000	$ 40,668	$ 298,668

f) *Special Facility Bonds*

To provide for the construction and improvement of various facilities at Logan Airport, the Authority has two outstanding series of special facilities revenue bonds as of June 30, 2021. The Authority's special facilities revenue bonds are special limited obligations of the Authority and are payable and secured solely from and by certain revenues held by a separate trustee. The Authority's special facilities revenue bonds do not constitute a debt or pledge of the full faith and credit of the Authority, or the Commonwealth of Massachusetts or any subdivision thereof and, accordingly, have not been reflected in the accompanying financial statements.

On September 26, 2019, the Authority issued $143.7 million of Massachusetts Port Authority Special Facilities Revenue Bonds (BOSFUEL Project) in two series. The tax-exempt Series 2019A BOSFUEL Bonds were issued in the principal amount of $135.9 million with an original issue premium of approximately $24.1 million and interest rates ranging from 4.0% to 5.0%. The taxable Series 2019B BOSFUEL Bonds were issued in the principal amount of $7.9 million at par with interest rates ranging from 2.7% to 3.7%. A portion of the proceeds of the Series 2019A BOSFUEL Bonds was used to refund the entire $81.1 million principal amount outstanding of the Series 2007 BOSFUEL Bonds and the remaining proceeds, along with the proceeds of the Series 2019B BOSFUEL Bonds, will be used to enhance the Fuel Facilities at Logan Airport to ensure the ability to meet current and future demands. Due to the nature of a portion of the construction projects funded by the bonds, the Series 2019A BOSFUEL Bonds were issued as bonds subject to the AMT.

As of June 30, 2021 and 2020, the aggregate principal amount of the Authority's special facilities revenue bonds outstanding were related to BOSFUEL Projects and were approximately $142.9 million and $143.7 million, respectively. The Authority has no obligation for the $142.9 million of Special Facility Bonds related to BOSFUEL Corporation, a Delaware non-stock membership corporation (BOSFUEL), the members of which are certain air carriers serving the Airport. The Authority leases to BOSFUEL all of the on Airport jet fuel storage and distribution system owned by the Authority that provides jet fuel to the terminals and jet fuel uses at the Airport.

g) *Commercial Paper Notes Payable*

The Authority's commercial paper notes payable as of June 30, 2021 and 2020 were as follows (in thousands):

		2021		2020
Commercial paper notes-beginning	$	22,000	$	104,000
Commercial paper notes issued		22,000		—
Principal paid on commercial paper notes		(22,000)		(82,000)
Commercial paper notes-ending	$	22,000	$	22,000

On December 2, 2020, the Authority renewed and increased its commercial paper program in an aggregate principal amount not to exceed $200.0 million, which notes may be issued as Series A tax-exempt Non-AMT notes, Series B tax-exempt AMT notes or Series C taxable notes. Commercial paper notes payable have been issued under the terms of the 1978 Trust Agreement and are secured by the proceeds of the Improvement and Extension Fund or anticipated bond funds. The aggregate principal amount of commercial paper notes outstanding at any time cannot exceed the lesser of (i) 10% of the Authority's outstanding long-term debt or (ii) $200.0 million, and the payment of debt service on the commercial paper notes is secured by a Letter of Credit with TD Bank N.A. that expires June 1, 2022.

The $22.0 million of commercial paper notes payable as of June 30, 2021 and 2020, which consisted of Series A Non-AMT notes only, has been used to fund PFC eligible projects; therefore, the Authority anticipates that PFC revenues will be the source to pay such redemptions. The blended interest rate on the Series A Notes was 0.645% and 1.659% during fiscal years 2021 and 2020, respectively. The Authority did not have any Series B Notes or Series C Notes outstanding during fiscal years 2021 or 2020. The Authority's commercial paper notes payable mature in July, August and September of the respective years.

h) *Interest Rate Swaps / Hedging*

During fiscal year 2021 and fiscal year 2020, the Authority did not have any interest rate swaps or other interest rate hedging arrangements.

i) *Arbitrage – Rebate Liability*

The United States Treasury has issued regulations on calculating the rebate due to the United States Government on arbitrage liability and determining compliance with the arbitrage rebate provisions of the Tax Reform Act of 1986. Arbitrage liability arises when the Authority temporarily invests the proceeds of tax-exempt debt in securities with higher yields. The Authority has no estimated liability as of June 30, 2021 and 2020, respectively.

6. Pension Plan

a) *Plan Description*

The Massachusetts Port Authority Employees' Retirement System (the "Plan") is a single employer plan established on July 18, 1978, effective January 1, 1979, by enactment of Chapter 487 (an amendment to Chapter 32) of the General Laws of The Commonwealth of Massachusetts to provide retirement benefits for substantially all employees of the Authority, and incidental benefits for their surviving spouses, beneficiaries and contingent annuitants. Prior to this enactment, Authority employees were members of the Commonwealth of Massachusetts Contributory Retirement System and the funding of the pension liability was on a "pay-as-you-go" method. Pursuant to this enactment, the employees' then present rights and benefits were transferred to the new retirement system. The Plan is a contributory defined benefit plan to which the Authority and its employees contribute such amounts as are necessary to provide assets sufficient to meet benefits to be paid to plan participants. The Plan is administered by the Retirement Board.

Detailed information about the Plan's fiduciary net position is available in a separately issued report. The report may be obtained by writing to the Massachusetts Port Authority Employees' Retirement System, One Harborside Drive, Suite 200S, East Boston, MA 02128-2909 or please see the Authority's website, www.massport.com.

b) *Benefits provided*

Benefits are paid by the Plan from plan assets available for plan benefits. Plan participants are entitled at normal retirement age to benefit payments based upon length of service and earnings levels. Vesting occurs after 10 years of service.

Benefits to participants who retired prior to January 1, 1979 are paid by the Massachusetts State Board of Retirement. The Massachusetts State Board of Retirement is reimbursed for all such benefits paid after December 31, 1978 as these benefits represent obligations of the Plan.

Under Chapter 32, Section 3(8) (c), of the General Laws of The Commonwealth of Massachusetts (Chapter 32), the Plan is reimbursed for benefits paid to participants entitled to receive benefits for previous participation in other Massachusetts Chapter 32 plans. The Plan is also obligated to pay a proportionate share of benefits to participants entitled to receive benefits for subsequent participation in other Massachusetts Chapter 32 plans.

Also under Chapter 32, for members leaving the Authority's employment to work for other Massachusetts governmental units, the Plan transfers their accumulated account balances and creditable service to the retirement system of the new employer. Other such retirement systems are in turn required to make comparable transfers to the Plan for employees coming to work for the Authority.

Optional payment methods may be elected, including the contingent annuitant method, which provides for reduced payments during the life of the plan participant and continued payments to the participant's beneficiary after the death of the participant.

At January 1, 2020 and 2019, the Plan's membership consisted of:

	2020	2019
Retirees and beneficiaries receiving benefits	872	858
Terminated employees entitled to benefits but not yet receiving them	74	68
Current members:		
Active	1,348	1,304
Inactive	169	146
Total membership	2,463	2,376

c) Contributions required and contributions made

Contributions are made by the Authority based on amounts required to be funded as determined by annual actuarial valuations and are designed to fund the Plan on a level cost basis, as a percentage of pay, over the average remaining working lifetime of the active participants and to fund operating costs of the Plan. For the years ended June 30, 2021 and 2020, the Authority was required and did contribute to the Plan $14.6 million and $12.0 million, respectively. The Authority bears the risk that plan assets might decline due to fluctuations in the fair value of the Plan's investments and contributions by the Authority will increase as part of its annual assessment.

Employees who became members prior to January 1, 1975 contribute 5% of their regular compensation through payroll deductions. Employees whose membership commenced on or after January 1, 1975 but prior to January 1, 1984 contribute 7%. Those employees whose membership began on or after January 1, 1984 but prior to July 1, 1996 contribute 8%. Employees hired after July 1, 1996 contribute 9% of their regular compensation. Employees who are hired after December 31, 1978 contribute an additional 2% of regular compensation over $30,000. These contributions accumulate and, subject to certain restrictions set forth in Chapter 32, are refundable to employees upon termination of employment by the Authority or payable to another retirement system should the employee transfer to another government unit covered by Chapter 32 of the General Laws of The Commonwealth of Massachusetts.

Contributions totaling $27.7 million ($14.6 million employer and $13.1 million employee) and $24.6 million ($12.0 million employer and $12.6 million employee) were recognized by the Plan for plan years 2020 and 2019, respectively.

d) Net Pension (Asset) Liability

The Authority's net pension (asset) liability at June 30, 2021 and 2020 was measured as of December 31, 2020 and 2019 and the total pension (asset) liability used to calculate the net pension (asset) liability was determined by an actuarial valuation as of January 1, 2020 and

2019 and update procedures were used to roll forward the total pension (asset) liability to December 31, 2020 and 2019, respectively.

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balance at December 31, 2018	$ 712,597	$ 607,677	$ 104,920
Service cost	17,529	—	17,529
Interest	51,734	—	51,734
Changes between expected and actual experience	15	—	15
Changes in assumptions	(13,789)	—	(13,789)
Contributions – employer	—	12,029	(12,029)
Contributions – employees	—	12,576	(12,576)
Net investment income	—	118,235	(118,235)
Benefits payments	(33,101)	(33,101)	—
Administrative expenses	—	(1,216)	1,216
Balance at December 31, 2019	$ 734,985	$ 716,200	$ 18,785
Service cost	17,335	—	17,335
Interest	53,204	—	53,204
Changes between expected and actual experience	5,846	—	5,846
Changes in assumptions	15,574	—	15,574
Contributions – employer	—	14,642	(14,642)
Contributions – employees	—	13,100	(13,100)
Net investment income	—	113,321	(113,321)
Benefits payments	(36,952)	(36,952)	—
Administrative expenses	—	(1,152)	1,152
Balance at December 31, 2020	$ 789,992	$ 819,159	$ (29,167)

e) Actuarial Assumptions

The total pension liability in the January 1, 2020 and 2019 actuarial valuations were determined using the following actuarial assumptions, applied to all periods included in the measurement:

- *Inflation – 3.0%*
- *Salary increases – 4.25% for 2020 and 4.5% for 2019*
- *Investment rate of return – 7.0% for 2020, and 7.25% for 2019, net of plan investment expense*
- *Cost–of–living increases – 3.0% on a maximum base of $14,000*
- *Mortality*:
  - Healthy – RP 2014 at Table Healthy Employees (sex-distinct) projected with MP 2018 Generational Mortality. Post-retirement the RP 2014 healthy annuitant Table (sex-distinct) projected with MP 2018 Generational Mortality.
  - Disabled-RP 2014 at 2006 healthy annuitant Table (sex-distinct) projected with MP 2018 Generational Mortality set-forward 2 years. Mortality for accidental disability is assumed to be 50% from the same cause as the disability.
- Long-term Expected Rate of Return:

  The long-term expected rate of return on plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The best estimates of geometric long-term expected real rates of return for each major asset class are summarized in the following table:

	Long-term expected real rate of return	
Asset class	**2020***	**2019***
Domestic equity	4.10 %	4.92 %
International equity	4.74	5.30
Fixed income	0.95	2.18
Real estate	4.67	5.17
Private equity	6.43	7.49

* amounts are net of inflation assumption of 2.36% and 2.23% in fiscal years 2020 and 2019, respectively

f) *Investment Policy*

The provisions of Massachusetts General Laws (M.G.L.) Chapter 32, Section 23(2) and the Retirement Board approved investment policy govern the Plan's investment practice.

Diversification is attained through varied investment management styles that comply with Massachusetts state law. This is accomplished through the retention of investment managers that adhere to M.G.L. Chapter 32, Section 23(3), and the "Prudent Person" rule.

The Plan has retained an investment consultant to work with the Retirement Board in a fiduciary capacity to assure that strategic investment diversification is attained, to employ investment managers with expertise in their respective asset classes, and to closely monitor the implementation and performance of the respective investment strategies.

The Plan is currently invested in stocks (domestic and international), fixed income securities (domestic and international), real estate and private equity.

The target allocation for each major asset class is summarized in the following table:

Asset class	Target Allocation
Domestic equity	27.50%
International equity	27.50%
Fixed income	30.00%
Real estate	7.50%
Private equity	7.50%
Total	100.00%

g) *Changes in Benefit Terms*

In 2020, the interest rate was changed to 7.0% from 7.25%. The salary increase assumption was changed to 4.25% from 4.50%. Compensation limits under Section 401(a) were recognized. The net of these changes resulted in an increased total pension liability totaling $15.6 million.

In 2019, there were three changes to plan provisions resulting in a $13.8 million reduction of the net pension liability.

The assumed rate of retirement, withdrawal, and disability was revised based on the results of an experience study, the mortality tables being used were updated and an additional $500,000 was added to the vacation buyback liability representing interest.

h) *Discount Rate*

The discount rate used to measure the total pension (assets) liability was 7.0% as of December 31, 2020 and 7.25% as of December 31, 2019. 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. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected further benefit payments of current plan members. Therefore, the long-term expected rate of return on the plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

i) *Sensitivity of the net pension liability to changes in the discount rate*

The following presents the net pension liability of the Plan as of December 31, 2020 and 2019, calculated using the discount rate of 7.0% and 7.25% as well as what the net pension liability (asset) 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 (in thousands):

Fiscal Year End		1% decrease (6.00%)		Current discount rate (7.00%)		1% increase (8.00%)
2021	$	62,404	$	(29,167)	$	(106,451)

Fiscal Year End		1% decrease (6.25%)		Current discount rate (7.25%)		1% increase (8.25%)
2020	$	102,414	$	18,785	$	(51,964)

j) *Pension expense and deferred outflows of resources and deferred inflows of resources related to pensions*

For the years ended June 30, 2021 and 2020, the Authority recognized contra pension expense of $11.2 million and pension expense $13.5 million, respectively.

At June 30, 2021 and 2020, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources (in thousands):

	2021		2020	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 6,283	$ 856	$ 2,120	$ 1,263
Differences arising from the recognition of changes in assumptions	17,353	9,748	7,592	12,208
Net difference between projected and actual earnings on pension Plan investments	—	73,308	—	34,464
Pension Employer contributions subsequent to measurement date	7,321	—	—	—
Total	$ 30,957	$ 83,912	$ 9,712	$ 47,935

In fiscal year 2021, the Authority reported $7.3 million as deferred outflows of resources related to the Authority's pension contributions subsequent to the measurement date but before the fiscal year end, which amount will be recognized as a reduction of the net pension liability in the subsequent fiscal year.

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension (expense) income as follows (in thousands):

Year ended June 30:		
2022	$	(24,870)
2023		(9,511)
2024		(26,067)
2025		(11,070)
2026		3,229
Thereafter		691

7. Other Postemployment Benefits (OPEB)

a) *Plan Description*

In addition to providing the pension benefits described in Note 6, the Authority provides post-employment health care and life insurance benefits ("OPEB") for retired employees. The OPEB Plan is a single-employer plan and offers retirees a choice of medical plans, as well as two dental plans, and basic life insurance. The benefit levels, employer contributions and future employee contributions are governed by the Authority and can be amended by the Authority.

In June 2009, the Board made changes to the plan benefits to be paid by the Authority for certain existing and future retirees. All current retired members of the Authority and all existing Authority employees who were vested as of October 1, 2009 would be eligible to have 100% of their premium cost subsidized. Employees not yet vested but employed by the Authority on October 1, 2009 would, upon retirement be eligible to receive 85% of the premium cost for benefits with the balance paid for by the retiree. For employees hired on or after October 1, 2009, the Board voted to implement a sliding scale subsidy for retiree health care premiums (ranging from 0%-85%) based on creditable service at retirement age (retirees must be age 60 or older to receive the subsidy), and whether or not the employee retired within sixty (60) days after leaving the Authority. The Board also voted to eliminate retiree dental and life insurance coverage, as well as Medicare Part B premium subsidy for this group of employees.

In May 2016, the Board made changes to the plan benefits to be paid by the Authority for certain future retirees. Persons who commenced employment with the Authority during the period from October 1, 2009 through May 25, 2016, and who, as of the date such employment commenced, had accrued ten (10) years or more of creditable service pursuant to M.G.L.c. 32, would upon retirement, be eligible to receive 80% of the premium cost for those benefits with the balance paid for by the retiree; provided, however, that employees who retire with at least thirty (30) years of creditable service would be eligible to receive 85% of the premium cost of such benefits with the balance paid for by the retiree. For purposes of calculating the percentage of the subsidy (80% or 85%), years of creditable service shall be calculated at separation from employment with the Authority. The spouse and dependents of eligible retirees will qualify for the same premium subsidy and retiree health benefits as the retiree. Eligible retirees, but not their spouse or dependents, will also qualify for a 100% subsidy from the Authority for retiree basic life insurance.

During fiscal year 2020, the Board voted to change the fiscal year end of the Trust from June 30 to December 31.

The Authority issues publicly available audited financial statements for the Trust. The report may be obtained by writing to the Massachusetts Port Authority, Attn: John P. Pranckevicius, CPA, Director of Administration and Finance and Secretary-Treasurer, One Harborside Drive, Suite 200S, East Boston, MA 02128-2909. Those statements are prepared with an "economic resources" measurement focus on the accrual basis of accounting in accordance with U.S. generally accepted accounting principles. Employer contributions are recognized when the employer has made formal commitments to provide the contributions and benefits are recorded when due and payable in accordance with the terms of the Trust. Investments are reported at fair value. Mutual funds and commingled funds are valued based on fair value and alternative investments are valued based on net asset or unit value at year-end. The Trust did not own any individual securities and no long-term contracts for contributions to the Trust existed at December 31, 2020.

b) Benefits provided

The medical plans are either HMOs, PPOs or indemnity plans, and some are designed to work with Medicare benefits, such as Medicare supplement or Medicare HMO plans. The basic life insurance provides a $5,000 death benefit to the retiree. Spouses and dependents are not eligible for this death benefit upon their death.

At December 31, 2020 and 2019, respectively, the Trust's membership consisted of:

	December 31, 2020	December 31, 2019
Active Employees		
Pre-Medicare (hired prior to 3/31/1986)	22	42
Post-Medicare (hired after 3/31/1986)	1,241	1,306
Total	1,263	1,348
Inactive Participants (Vested)	70	74
Retired, Disabled, Survivors and Beneficiaries	930	868
Total Membership	2,263	2,290

c) Contributions required and contributions made

The Trust has adopted a funding policy that allows for the contributions to attempt to minimize the volatility from year to year and is the sum of the employees normal cost and expenses plus a payment to amortize the unfunded accrued liability as of the date of the valuation. The annual employer contribution rate goal shall be 100% of the Actuarial determined contribution. For the years ended June 30, 2021 and 2020, the Authority contributed to the Trust $16.0 million and $13.3 million, respectively, and $16.0 million and $4.4 million are recorded in the Statement of Net Position as a deferred outflow of resources as of June 30, 2021 and July 1, 2020, respectively. The Authority bears the risk that trust assets might decline due to fluctuations in the fair value of the Trust's investments and contributions by the Authority will increase as part of its annual assessment.

d) Net OPEB liability

The Authority's net OPEB liability at June 30, 2021 and 2020 was measured as of December 31, 2020 and 2019, and the total OPEB liability used to calculate the net OPEB liability was determined using an actuarial valuation as of January 1, 2021 and 2019, respectively.

	Total OPEB Liability (a)	Trust Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
Balance at June 30, 2019	$ 337,624	$ 203,075	$ 134,549
Service cost	9,022	—	9,022
Interest	37,032	—	37,032
Difference between expected and actual experience	(7,968)	—	(7,968)
Change in assumption	(3,552)	—	(3,552)
Contributions – employer	—	29,669	(29,669)
Contributions – employees	—	469	(469)
Net investment income	—	31,460	(31,460)
Benefits payments	(20,432)	(20,901)	469
Administrative expenses	—	(333)	333
Balance at December 31, 2019	$ 351,726	$ 243,439	$ 108,287
Service cost	6,103	—	6,103
Interest	24,569	—	24,569
Difference between expected and actual experience	(16,263)	—	(16,263)
Change in assumption	(11,751)	—	(11,751)
Contributions – employer	—	10,552	(10,552)
Contributions – employees	—	319	(319)
Net investment income	—	36,052	(36,052)
Benefits payments	(13,692)	(14,010)	318
Administrative expenses	—	(222)	222
Balance at December 31, 2020	$ 340,692	$ 276,130	$ 64,562

e) *Actuarial Assumptions*

The following actuarial assumptions were applied to the periods included in the measurement as of December 31, 2020 and 2019, respectively:

- *Inflation – 2.50%*
- *Salary increases – 4.25% for 2020 and 4.5% for 2019*
- *Investment rate of return – 7.00%, net of Trust investment expenses, as of December 31, 2020, and 2019, respectively. 7.25%, net of Trust investment expenses, as of July 1, 2019.*
- *Health care trend rates-Initial annual health care cost trend rates range of 3.5% to 9.0%, which decreases to a long-term trend rate between 5.0% and 6.0% for all health care benefits after six years. The initial annual dental cost trend rates range from 5.0% to 7.0%, which decreases to a long-term trend rate of 5.0% for all dental benefits after two years.*
- *Mortality*:
  - Actives – RP-2014 Table adjusted to 2006, (sex-distinct) for employees projected using Generational Mortality and scale MP-2020.
  - Retirees – RP 2014 Table adjusted to 2006, (sex-distinct), for Healthy Annuitants projected using Generational Mortality and scale MP-2020.
  - Disabled - RP 2014 Table adjusted to 2006, (sex-distinct), for Healthy Annuitants projected using Generational Mortality and scale MP-2020. Set forward 2 years.
- *Other Information*
  - As of January 1, 2019, the effect of eliminating the “Cadillac Tax” on liabilities was recognized.
  - As of January 1, 2018, the scales used to convert the premiums to age weighted claim costs were updated and the effect of the “Cadillac Tax” on liabilities was recognized.
  - As of January 1, 2016, employees hired after September 30, 2009 are not eligible for post –retirement medical insurance until age 60, and retirement age begins at age 60 with 10 years of service.
- *Long-term Expected Rate of Return:*

  The long-term expected rate of return on Trust investments was using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of OPEB Trust investment expense and inflation) are developed for each major asset class and fund. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

f) Discount Rate

The discount rate used to measure the total OPEB liability as of December 31, 2020 and 2019 was 7.00% and as of June 30, 2019 was 7.25%. The projection of cash flows used to determine the discount rate assumed that Trust 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. Based on those assumptions, the Trust's fiduciary net position was projected to be available to make all projected further benefit payments of current Trust members. Therefore, the long-term expected rate of return on the plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

g) Sensitivity of the net OPEB liability to changes in the discount rate

The following presents the net OPEB liability of the Authority as of December 31, 2020 and 2019, calculated using the discount rate of 7.00%, as well as what the net OPEB liability (asset) 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 (in thousands):

Fiscal Year End	1% decrease (6.00%)	Current discount rate (7.00%)	1% increase (8.00%)
2021	$ 107,620	$ 64,562	$ 28,994
2020	$ 155,806	$ 108,287	$ 69,385

h) Sensitivity of the Net OPEB Liability to Changes in Health Care Cost Rates

The following presents the net OPEB liability of the Authority as of December 31, 2020 and 2019, calculated using healthcare cost trend rates of 9.0% decreasing to 5.0% as well as what the net OPEB liability (asset) would be if it were calculated using a health care cost trend rate that is one-percentage point lower or one-percentage point higher than the current rate (in thousands):

Fiscal Year End	1% decrease (8.0% decreasing to 4.0%)	Healthcare Cost Trend rate (9.0% decreasing to 5.0%)	1% increase (10.0% decreasing to 6.0%)
2021	$ 26,269	$ 64,562	$ 111,045
2020	$ 63,266	$ 108,287	$ 163,650

i) *OPEB expense and deferred outflows of resources and deferred inflows of resources related to OPEB*

For the years ended June 30, 2021 and 2020, the Authority recognized OPEB expense of $1.5 million and $22.6 million, respectively.

At June 30, 2021 and 2020, the Authority reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources (in thousands):

	2021		2020	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 3,580	$ 25,737	$ 6,354	$ 16,764
Changes in assumptions	4,909	13,076	6,453	4,587
Net difference between projected and actual earnings on OPEB investments	—	21,682	—	8,811
OPEB contribution subsequent to measurement date	16,000	—	4,447	—
Total	$ 24,489	$ 60,495	$ 17,254	$ 30,162

The Authority reported $16.0 million and $4.4 million as deferred outflows of resources related to the Authority's OPEB contributions subsequent to the measurement date but before the fiscal year end, which amounts will be recognized as a reduction of the net OPEB liability in the subsequent years ended June 30, 2022 and 2021, respectively, rather than in the current fiscal period.

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows (in thousands):

Year ended June 30:	
2022	$ (28,520)
2023	(13,679)
2024	(14,377)
2025	(11,273)
2026	158

8. Leases

a) *Commitments*

The Authority has commitments under various operating leases, which contain escalation clauses, as lessee. The following is a schedule by years of minimum rental payments under non-cancelable operating leases as of June 30, 2021 (in thousands):

Years		Amount	Years		Amount
2022	$	9,800	2037 – 2041	$	5,097
2023		9,729	2042 – 2046		5,129
2024		4,345	2047 – 2051		5,129
2025		3,800	2052 – 2056		4,880
2026		2,816	2057 – 2061		4,880
2027 – 2031		9,650	2062 – 2066		4,880
2032 – 2036		5,076	2067 – 2071		3,578
			Total	$	78,789

Rent expense and other operating lease related payments were $11.1 million and $10.1 million for fiscal years 2021 and 2020, respectively.

b) *Rental Income*

The Authority leases a major portion of its Aviation and Port properties to various tenants. Many of these operating leases provide for periodic adjustments to rental rates, including certain provisions for contingent payments based on specified percentages of the tenant's gross revenue.

The following is a schedule by years of minimum future rental income on non-cancelable operating leases as of June 30, 2021 (in thousands):

Years		Amount	Years		Amount
2022	$	90,529	2062 – 2066	$	97,956
2023		79,448	2067 – 2071		103,798
2024		58,587	2072 – 2076		112,091
2025		51,796	2077 – 2081		119,481
2026		49,507	2082 – 2086		122,837
2027 – 2031		178,350	2087 – 2091		123,001
2032 – 2036		126,773	2092 – 2096		113,503
2037 – 2041		117,156	2097 – 2101		30,556
2042 – 2046		105,123	2102 – 2106		3,822
2047 – 2051		89,777	2107 – 2111		2,228
2052 – 2056		86,583	2112 – 2116		1,842
2057 – 2061		91,198	2117		202
			Total	$	1,956,144

Rental income and concession income, including contingent payments received under these provisions, were approximately $365.2 million and $443.1 million for the fiscal years 2021 and 2020, respectively.

9. Risk Management

The Authority, as mandated by the 1978 Trust Agreement, maintains a self-insurance account for general liability and workers compensation within the Operating Fund. The self-insurance accruals are determined based on insurance claim history and actuarial estimates needed to pay prior and current-year claims. The accrued liability was approximately $10.5 million and $9.3 million as of June 30, 2021 and 2020, respectively, and is included as a component of accrued expenses in the accompanying financial statements. This liability is fully funded as of June 30, 2021 and 2020.

Changes in the accrued liability accounts, related to self-insurance, in fiscal year 2021, 2020 and 2019 were as follows (in thousands):

	2021	2020	2019
Liability balance, beginning of year	$ 9,268	$ 8,890	$ 8,075
Provision to record estimated losses	5,258	3,594	3,972
Payments	(4,046)	(3,216)	(3,157)
Liability balance, end of year	$ 10,480	$ 9,268	$ 8,890

As part of its normal operations, the Authority encounters the risk of accidental losses stemming from third party liability claims, property loss or damage, and job related injuries and illnesses. In managing these loss exposures, a combination of risk management measures is applied, including safety and loss prevention programs, emergency planning, contractual risk transfer, self-insurance, and insurance.

In connection with the self-insurance and insurance programs, the Authority retains part of the losses incurred and internally manages the self-insured claims. The self-insured retention currently includes: $1.0 million for worker's compensation per job related accident for Authority employees and International Longshoreman's Association Members; $5,000 per occurrence for automobile liability; aviation general liability and airport terrorism insurance; $0.25 million for airside incidents and for non-airside auto losses; $25 thousand for Comprehensive Marine Liability, Terminal Operator's Liability, Stevedore's liability; and $1.0 million plus 10% of the first $50 million layer for property losses per occurrence. Insurance is purchased above the self-insured amounts, subject to availability and the reasonableness of cost. Liabilities for self-insured claims are reported if it is probable that a loss has been incurred and the amount can be reasonably estimated. These losses include an estimate of claims that have been incurred but not reported at year-end and are based on the historical cost of settling similar claims. The Authority records such liabilities as accrued expenses. The Authority from time to time is engaged in various matters of routine litigation. These matters include personal injury and property damage claims for which the

Authority's liability is covered in whole or in part by insurance. The Authority does not expect that these matters will require any amounts to be paid which in the aggregate would materially affect the financial statements.

Settled claims resulting from the risks discussed above have not exceeded the amount of insurance coverage in force in any of the past three fiscal years.

10. Payments in Lieu of Taxes

The Authority's Enabling Act and the 1978 Trust Agreement authorize and direct the Authority, subject to certain standards and limitations, to enter into agreements to make annual payments in lieu of taxes to the City of Boston and the Town of Winthrop (collectively, the "PILOT Agreements").

The PILOT Agreements provide that annual payments may not exceed the balance of revenues remaining after deposits to pay operating expenses, required deposits to the Interest and Sinking Fund and required deposits to the Maintenance Reserve Fund.

Pursuant to the terms of the amended payment–in-lieu-of-taxes agreement between the Authority and the City of Boston (the "Boston PILOT Agreement"), the Boston PILOT Agreement terminates on June 30, 2022; provided, however, that absent an annual election by either party to terminate the Boston PILOT Agreement, the term is subject to automatic one-year extensions of the term on each July 1. In November 2016, the City of Boston notified the Authority of its election to terminate the Boston PILOT Agreement on June 30, 2022, and the parties expect to commence negotiations on a successor agreement or an amendment to the existing agreement. The Boston PILOT Agreement provides for the Authority to pay an annual base amount (the "Base Amount") of $14.0 million, which, commencing in fiscal year 2007, increases annually by the annual percentage change in the consumer price index, provided that such increase shall be no less than 2% nor greater than 8% per year and a community portion (the "Community Portion").

Pursuant to the terms of the amended and restated payment-in-lieu-of-taxes agreement between the Authority and the Town of Winthrop (the "Winthrop PILOT Agreement"), the Winthrop PILOT Agreement expires June 30, 2025. The Winthrop PILOT Agreement was amended in November 2018, and pursuant thereto the Authority expects to make adjusted annual payments for the remainder of the term, commencing with a payment of $1.4 million in fiscal year 2019 and increasing annually to $2.0 million by fiscal year 2025, as well as an additional community portion.

PILOT expenses to the City of Boston for fiscal years 2021 and 2020 were $20.2 million and $19.7 million, respectively. PILOT expenses to the Town of Winthrop for fiscal years 2021 and 2020 were $2.0 million and $1.4 million, respectively.

11. Commitments

a) Contractual Obligations for Construction

The Authority enters into construction contracts with various construction and engineering companies. Construction contracts outstanding were approximately $315.2 million and $330.7 million as of June 30, 2021 and 2020, respectively.

b) Seaport Bond Bill

The Seaport Bond Bill was enacted in 1996 and among other things, provides for funding improvements to the Massachusetts rail transportation network allowing rail shipment of double stack cargo from Allston Yards in Boston to points west, which is anticipated to encourage expanded container shipments through the Port of Boston. The Seaport Bond Bill requires that the Authority provides up to fifty percent (50%) of the cost of improvements to the rail line from Framingham to the Allston Yard in Boston permitting double stack shipments. Expenditure of funds will not occur until the execution of a Master Agreement, as defined by the statute, between the Commonwealth and the participating railroads. The Authority believes that the likelihood that any such Master Agreement will be executed and Authority funds committed for double stack improvements within the next fiscal year is remote.

c) Boston Harbor Dredging Project

During fiscal year 2018, the Authority entered into an agreement with the Department of the Army and The Commonwealth of Massachusetts, Department of Transportation related to the Boston Harbor Deep Draft Improvement Project and the construction of the Dredged or excavated Material Facility at Boston Harbor, Massachusetts. This project includes the deepening and widening of the Broad Sound North Channel to 51 feet, the deepening and widening of the Main Ship Channel (MSC) and Reserve Channel Turning Basin to 47 feet. The non-federal share is split between the Authority and the Commonwealth. The project is expected to be completed in fiscal year 2022.

12. Litigation

The Authority is engaged in numerous matters of routine litigation. These matters include personal injury and property damage claims for which the Authority's liability is covered in whole or in part by insurance. Others include such matters as disputes with contractors, subcontractors, engineers and others arising out of construction and maintenance of the Authority's properties; disputes over leases and concessions; property, theft and damage claims arising from the Authority's operations, employment matters and workers compensation, as to which the Authority is self-insured. The Authority does not expect that these matters will require any amounts to be paid which, in the aggregate, will be material to the results of operations.

13. Federal Grants

The Authority participates in a number of federally assisted grant programs. These programs are subject to financial and compliance audits by the grantors or their representatives. In the opinion of the Authority's management, liabilities resulting from such disallowed expenditures, if any, will not be material to the accompanying financial statements.

In fiscal year 2021, the Authority was awarded $36.9 million of federal Coronavirus Response and Relief Appropriations ("CRRSA") Act funding under the Airport Coronavirus Response Grant Program to help offset the financial impact of the COVID-19 pandemic. The Authority recognized $34.5 million at June 30, 2021.

In fiscal year 2020, the Authority was awarded $143.7 million of federal Coronavirus Aid, Relief, and Economic Security ("CARES") Act funding to help offset the financial impact of the COVID-19 pandemic. The Authority recognized $86.6 million and $57.1 million at June 30, 2021 and 2020, respectively.

Both CARES and CRRSA grants are reported as a component of other non-operating revenues.

14. Pollution Remediation Obligation

The Authority is currently involved in six separate pollution remediation obligations that meet the requirements for accounting treatment under GASB Statement No. 49, Accounting and Financial Reporting for Pollution Remediation Obligations ("GASB No. 49"). These obligations are generally related to the removal and/or treatment of contaminated soil, groundwater and petroleum products associated with fuel storage and conveyance. GASB No. 49 dictates that for each obligating event, an estimate of the expected pollution remediation outlays is required to be accrued as a liability and expensed in the current period. Re-measurement of the liability is required when new information indicates increases or decreases in estimated outlays.

The estimated liability as of June 30, 2021 and 2020 is $2.4 million and $1.3 million, respectively, which represents the approximate amounts the Authority expects to pay for future remediation activities. The Authority paid approximately $1.0 million and $1.4 million in fiscal years 2021 and 2020, respectively. This estimate was generated using input and guidance from internal management and professional consultants, and represents a wide array of remediation activities ranging from onetime events to longer-term sustained monitoring activity. The Authority will continue to closely monitor each of these obligations, working toward regulatory closure, and will make any necessary adjustments to the potential liability as new information becomes available.

15. Interagency Agreements

a) *Investment in Joint Venture*

In May 1996, the Authority entered into an interagency agreement with the Massachusetts Highway Department ("MHD") and Massachusetts Bay Transportation Authority ("MBTA") for the construction of a Regional Transportation Center ("RTC") in Woburn, Massachusetts ("Interagency Agreement"). Under the terms of the Interagency Agreement, the Authority has paid one third of the costs of acquiring the site and constructing the RTC and will share in a like proportion in the profits and losses of the RTC. During fiscal years 2021 and 2020, the Authority recognized a net loss of approximately $0.3 million and a net income of approximately $0.2 million, respectively, representing its share of the net loss or earnings of the RTC.

b) *Logan Airport Silver Line Transportation Agreement*

The Authority entered into an agreement with the MBTA to provide public transportation between South Station in Boston, Massachusetts and Logan Airport along a route called the Silver Line. The Authority is responsible for paying the FAA approved rate of 76.06% of the costs to operate and maintain the Silver Line buses and 76.06% of the costs of the future rebuild of the Silver Line buses. During fiscal years 2021 and 2020, the estimated costs to operate and maintain the Silver Line buses was $2.69 million and $2.82 million, respectively.

MASSACHUSETTS PORT AUTHORITY
Required Supplementary Information (Unaudited)
Schedule of Pension Contributions
(In thousands)

For the years ending June 30,	2021	2020	2019	2018	2017
Actuarially determined contribution	$ 14,642	$ 12,029	$ 13,043	$ 13,362	$ 13,552
Actual contribution in relation to the actuarially determined contribution	14,642	12,029	13,043	13,362	13,552
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -
Covered payroll	$ 117,317	$ 125,749	$ 117,686	$ 111,749	109,652
Contributions as a percentage of covered payroll	12.5%	9.6%	11.1%	12.0%	12.4%

For the years ending June 30,	2016	2015	2014	2013	2012
Actuarially determined contribution	$ 10,845	$ 11,146	$ 11,960	$ 9,594	$ 5,710
Actual contribution in relation to the actuarially determined contribution	10,845	11,146	11,960	9,594	5,710
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -
Covered payroll	$ 101,216	$ 96,686	$ 91,007	$ 86,657	$ 85,605
Contributions as a percentage of covered payroll	10.7%	11.5%	13.1%	11.1%	6.7%

Notes to Schedule

Valuation date: Actuarially determined contribution rates are calculated based on valuations as of January 1, 12 months prior to the end of the Trust's fiscal year in which contributions are reported.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Frozen entry age
Amortization method	20 Level dollar, closed
Remaining amortization period	Multiple bases with remaining periods from 4 to 20 years
Asset valuation method	Beginning in 2008, fair value of assets using a five year smoothing period. Prior to 2008, used four year asset smoothing period.
Inflation rate	3.0%
Salary increases	2020 val: 4.25% ; 2013 val: 4.50% ; 2009 val: 4.75% ; Prior to 2009: 5.00%
Investment rate of return / discount rate	2020 val: 7.00% ; 2016 val: 7.25%; 2015 val: 7.50%; 2012 val: 7.625% ; 2010 val: 7.75% ; 2009 val: 8.00% ; Prior to 2009: 7.75%
Retirement age	2019 valuation changed based on an experience study. In the 2013 valuation, additional retirement assumptions were added for employees hired after April 1, 2012 and subject to pension reform and the assumption was changed due to an experience study. In the 2008 valuation the retirement assumption was extended to age 70 for Group 1 employees.
Disability and withdrawal	Changed in 2019 and 2013 due to an experience study.
Mortality	2019 valuation saw a change to the RP-2014 mortality table projected generationally using MP-2018. Healthy – RP 2014 at Table Healthy Employees (sex distinct) projected with MP 2018 Generational Mortality. Post-retirement the RP 2014 healthy annuitant Table (sex distinct) projected with MP 2018 Generational Mortality. Disabled-RP 2014 at 2006 healthy annuitant Table (sex-distinct) projected with MP 2018 Generational Mortality set forward 2 years. Mortality for accidental disability is assumed to be 50% from the same cause as the disability. Changed in the 2018 valuation to; Healthy – RP 2000 Table (sex-distinct) projected with Scale BB and Generational Mortality. Post retirement the RP 2000 healthy annuitant Table (sex distinct) projected with Scale BB Generational Mortality. Disabled-RP 2000 healthy annuitant Table (sex-distinct) projected with Scale BB, a base year of 2000 and Generational Mortality for accidental disability is assumed to be 50% from the same cause as the disability.
Other information	Changed in the 2013 valuation due to an experience study. In the 2013 valuation, mortality was changed to RP2000 projected generationally with scale BB. In the 2012 valuation, mortality was changed to RP2000 projected 22 years using scale AA. In the 2009, 2010 and 2011 valuations mortality was changed to RP2000 projected nine, ten and eleven years, respectively, using scale AA. In the 2012 valuation the superannuation retirement liability and normal cost for actives was increased by 1.25% to reflect vacation buybacks. This provision was removed in the 2019 valuation, and replaced with a liability for return of related contributions. As of January 1, 2016, employees hired after September 30, 2009 are not eligible for post-retirement medical insurance until age 60, retirement age begins at age 60 with 10 years of service. As of January 1, 2013, the mortality assumption was changed to the RP2000 Generational Table and the retirement, disability and withdrawal assumptions were changed based on an experience study. As of January 1, 2012, the mortality assumption was changed to the RP2000 Table projected forward 22 years with Scale AA, interest rate changed to 7.625% (from 7.75%) and salary rate to 4.50% (from 4.75%). Vacation buyback factor was increased from 1.00% to 1.25%. As of January 1, 2011, the mortality assumption was changed to the RP2000 Table projected forward 11 years with Scale AA.

MASSACHUSETTS PORT AUTHORITY

Required Supplementary Information (Unaudited)
Schedule of Changes in the Net Pension Liability (Asset) and Related Ratios

(In thousands)

For the years ending December 31,	2020	2019	2018	2017	2016	2015	2014	2013
TOTAL PENSION LIABILITY								
Service cost	$ 17,335	$ 17,529	$ 16,774	$ 16,419	$ 15,920	$ 14,875	$ 13,056	$ 12,516
Interest	53,204	51,734	49,569	47,341	44,962	41,160	40,956	38,660
Change in benefit terms	-	-	(4,891)	-	-	-	-	-
Differences between expected and actual experience	5,846	15	749	(1,474)	2,592	(1,395)	1,929	-
Change of assumptions	15,574	(13,789)	-	-	(1,479)	24,098	-	-
Benefit payments , including refunds of employee contributions	(36,952)	(33,101)	(33,087)	(30,731)	(28,604)	(26,106)	(24,357)	(22,708)
Net change in total pension liability	55,007	22,388	29,114	31,555	33,391	52,632	31,584	28,468
Total pension liability - beginning	734,985	712,597	683,483	651,928	618,537	565,905	534,321	505,853
Total pension liability - ending	$ 789,992	$ 734,985	$ 712,597	$ 683,483	$ 651,928	$ 618,537	$ 565,905	$ 534,321
PLAN FIDUCIARY NET POSITION								
Contributions - employer	$ 14,642	$ 12,029	$ 13,043	$ 13,362	$ 13,552	$ 10,845	$ 11,146	$ 11,960
Contributions - employee	13,100	12,576	11,559	11,242	10,660	9,948	9,628	9,112
Net Investment Income	113,321	118,235	(31,212)	92,226	42,565	(4,572)	32,062	65,818
Benefit payments , including refunds of employee contributions	(36,952)	(33,101)	(33,087)	(30,731)	(28,604)	(26,106)	(24,357)	(22,707)
Administrative expense	(1,152)	(1,216)	(1,182)	(1,149)	(1,189)	(1,189)	(1,417)	(957)
Net change in plan fiduciary net position	102,959	108,523	(40,879)	84,950	36,984	(11,074)	27,062	63,226
Plan fiduciary net position - beginning	716,200	607,677	648,556	563,606	526,622	537,696	510,634	447,408
Plan fiduciary net position - end	$ 819,159	$ 716,200	$ 607,677	$ 648,556	$ 563,606	$ 526,622	$ 537,696	$ 510,634
Massport net pension liability (asset) - ending	$ (29,167)	$ 18,785	$ 104,920	$ 34,927	$ 88,322	$ 91,915	$ 28,209	$ 23,687
Plan fiduciary net position as a percentage of the total pension liability (asset)	103.7%	97.4%	85.3%	94.9%	86.5%	85.1%	95.0%	95.6%
Covered payroll	128,613	119,262	114,541	114,385	112,167	99,190	99,113	90,042
Massport's net pension liability (asset) as a percentage of covered payroll	-22.7%	15.8%	91.6%	30.5%	78.7%	92.7%	28.5%	26.3%

This schedule is intended to present 10 years of data. Additional years will be presented when available.

Note to Schedule
This schedule is presented based on a measurement date that is 6 months in arrears.

Benefit changes — None

Changes in assumptions — Mortality Tables

Changed in the 2019 valuation to;
Healthy – RP 2014 at Table Healthy Employees (sex distinct) projected with MP 2018 Generational Mortality.
Post-retirement the RP 2014 healthy annuitant Table (sex distinct) projected with MP 2018 Generational Mortality.
Disabled-RP 2014 at 2006 healthy annuitant Table (sex-distinct) projected with MP 2018 Generational Mortality set forward 2 years. Mortality for accidental disability is assumed to be 50% from the same cause as the disability.

Changed in the 2018 valuation to;
Healthy – RP 2000 Table (sex-distinct) projected with Scale BB and Generational Mortality. Post retirement the RP 2000 healthy annuitant Table (sex distinct) projected with Scale BB Generational Mortality.
Disabled-RP 2000 healthy annuitant Table (sex-distinct) projected with Scale BB, a base year of 2000 and Generational Mortality for accidental disability is assumed to be 50% from the same cause as the disability.

Mortality table changes from Scale AA to BB in fiscal year 2017.

MASSACHUSETTS PORT AUTHORITY
Required Supplementary Information (Unaudited)
Schedule of Pension Investment Returns

	December 2020	December 2019	December 2018	December 2017	December 2016
Annual money-weighted rate of return, net of investment expense	16.14 %	19.64 %	(4.83)%	16.51 %	8.14 %

	December 2015	December 2014	December 2013
Annual money-weighted rate of return, net of investment expense	(0.82)%	6.36 %	14.80 %

Note: This schedule is intended to present 10 years of data. Additional years will be presented when available.

FINANCIAL

MASSACHUSETTS PORT AUTHORITY
Required Supplementary Information (Unaudited)
Schedule of OPEB Contributions

For the years ending June 30,	2021	2020	2019	2018	2017
Actuarially determined contribution	$ 20,294	$ 9,741	$ 15,725	$ 15,177	$ 18,084
Authority contribution	8,894	8,894	18,398	15,682	14,300
Contribution deficiency (excess)	$ 11,400	$ 847	$ (2,673)	$ (505)	$ 3,784
Covered payroll	$ 136,411	$ 144,321	$ 139,318	$ 133,316	$ 129,414
Contributions as a % of covered payroll	6.5%	6.2%	13.2%	11.8%	11.0%

For the years ending June 30,	2016	2015	2014	2013	2012
Actuarially determined contribution	$ 14,390	$ 13,187	$ 14,738	$ 14,006	$ 18,444
Authority contribution	12,000	12,000	14,000	20,851	13,807
Contribution deficiency (excess)	$ 2,390	$ 1,187	$ 738	$ (6,845)	$ 4,637
Covered payroll	$ 117,743	$ 116,302	$ 108,984	$ 101,106	$ 96,137
Contributions as a % of covered payroll	10.2%	10.3%	12.8%	20.6%	14.4%

Methods and assumptions used to determine contribution rates:

Valuation date:

*ADC and Contribution amounts for years prior to December 2019 are measured from July 1 to June 30.

Actuarially determined contribution rates are calculated as of January 1, six months prior to the beginning of the fiscal year in which contributions are reported. The January 1, 2017 valuation established the rate for the fiscal year 2018 contribution and the January 1, 2018 valuation established the fiscal year 2019 contribution. The following assumptions were used for the periods included in the funding for 2020 and 2019:

Actuarial cost method:	Contribution: Projected Unit Credit Net OPEB Liability: Entry Age Normal
Amortization method:	30 year level, closed, 18 years remaining
Asset valuation method:	Fair value
Inflation:	3.0%
Salary increases:	4.5%, including inflation 2013 forward 4.75%, including inflation 2009 to 2012
Investment rate of return:	7.00% annually, net of plan investment expenses for funded program 2016 forward 7.25% annually, net of plan investment expenses for funded program 2016 forward 7.50% annually, net of plan investment expenses for funded program 2015 7.75% annually, net of plan investment expenses for funded program pre 2013 4.00% annually, net of plan investment expenses for unfunded program 2013 on 4.25% annually, net of plan investment expenses for unfunded program pre 2013
Health care trend rates	Initial annual health care cost trend rate range of 2.7% to 9.0% which decreases to a long-term trend rate between 5.0% and 6.0% for all health care benefits after ten years. The initial annual dental cost trend rates range from 5.0% to 7.0% which decrease to a long term trend rate of 5.0% for all dental benefits after ten years.
Mortality:	Actives - RP 2014 Table adjusted to 2006, (sex distinct), for Employees projected using Generational Mortality and scale MP - 2018. Retirees - RP 2014 Table adjusted to 2006, (sex distinct), for Healthy Annuitants projected using Generational Mortality and scale MP - 2018. Disabled - RP 2014 Table adjusted to 2006, (sex distinct), for Healthy Annuitants projected using Generational Mortality and scale MP - 2018. Set forward 2 years.
Notes to Schedule	
Benefit changes	None
Changes in assumptions	Mortality table changes from RP2000 with Scale BB to RP 2014. Prior valuation mortality was as follows: Actives - RP 2000 Mortality Tables, (sex distinct), for Employees projected using generational mortality and scale BB using a base year of 2000 . Retirees - RP 2000 Mortality Tables, (sex distinct), for Healthy Annuitants projected using generational mortality and scale BB using a base year of 2000 . Disabled - RP 2000 Tables (sex distinct), for Healthy Annuitants projected using generational mortality and scale BB. Set forward 2 years.
Other information	As of January 1, 2019, the effects of the "Cadillac Tax" on liabilities was eliminated. As of January 1, 2018, the scales used to convert the premiums to age weighted claim costs were updated and the effect of the “Cadillac Tax” on liabilities was recognized. As of January 1, 2017, the mortality assumption was changed to the RP 2000 Table with Scale AA to Scale BB. As of January 1, 2016, employees hired after September 30, 2009 are not eligible for post-retirement medical insurance until age 60, retirement age begins at age 60 with 10 years of service. As of January 1, 2013, the mortality assumption was changed to the RP 2000 Generational Table and the retirement, disability and withdrawal assumptions were changed based on an experience study. As of January 1, 2012, the mortality assumption was changed to the RP 2000 Table projected forward 22 years with Scale AA. As of January 1, 2011, the mortality assumption was changed to the RP 2000 Table projected forward 11 years with Scale AA.

MASSACHUSETTS PORT AUTHORITY

Required Supplementary Information (Unaudited)

Schedule of Changes in the Net OPEB Liability and Related Ratios

(in thousands)

	December 2020	December 2019 *	June 2018	June 2017	June 2016
Total OPEB liability:					
Service cost	$ 6,103	$ 9,022	$ 6,692	$ 6,405	$ 5,891
Interest	24,569	37,032	23,870	22,693	20,285
Differences between expected and actual experience	(16,263)	(7,968)	(17,359)	—	18,841
Change of assumptions	(11,751)	(3,552)	8,575	—	—
Benefits payments	(13,692)	(20,432)	(13,428)	(12,643)	(11,987)
Net change in total OPEB liability	(11,034)	14,102	8,350	16,455	33,030
Total OPEB liability – beginning	351,726	337,624	329,274	312,819	279,789
Total OPEB liability – ending (a)	$ 340,692	$ 351,726	$ 337,624	$ 329,274	$ 312,819
Trust fiduciary net position:					
Contributions – employer	10,552	29,668	17,237	15,787	13,340
Contributions – employees	319	468	279	248	209
Net investment income	36,052	31,460	13,755	19,829	2,348
Benefits payments	(14,010)	(20,900)	(13,428)	(12,643)	(11,987)
Administrative expenses	(222)	(332)	(184)	(173)	(172)
Net change in fiduciary net position	32,691	40,364	17,659	23,048	3,738
Trust fiduciary net position – beginning	243,439	203,075	185,416	162,368	158,630
Trust fiduciary net position – ending (b)	$ 276,130	$ 243,439	$ 203,075	$ 185,416	$ 162,368
Authority's net OPEB liability – end of year (a-b)	$ 64,562	$ 108,287	$ 134,549	$ 143,858	$ 150,451
Trust fiduciary net position as a percentage of the total OPEB liability	81.0%	69.2%	60.1%	56.3%	51.9%
Covered payroll	$ 141,877	$ 125,822	$ 140,995	$ 135,585	$ 131,477
Net OPEB liability as a percentage of covered payroll	45.5%	86.1%	95.4%	106.1%	114.4%

This schedule is intended to present 10 years of data. Additional years will be presented when available.

Notes to Schedule

During FY 2020 the Trust changed its fiscal year end to December 31.
The measurement date for 2020 is 6 months in arrears and previous periods are 1 year in arrears.

Benefit changes - none

Changes in assumptions :

As of January 1, 2020, the mortality assumptions for Actives and Retirees was changed to the RP-2014 Table adjusted to 2006, sex distinct, using generational mortality and scale MP-2020 and the disability assumptions were changed as above, set forward 2 years.

As of January 1, 2019, the effect of the "Cadillac Tax" on liabilities was eliminated.

As of January 1, 2018, the scales used to convert the premiums to age weighted claim costs were updated and the effect of the “Cadillac Tax” on liabilities was recognized.

OPEB liabilities as of December 31, 2020 no longer include an estimate of the impact from the Patient Protection and Affordable Care Act (PPACA), including the so-call "Cadillac Tax".

MASSACHUSETTS PORT AUTHORITY
Required Supplementary Information (Unaudited)
Schedule of OPEB Investment Returns

	December 2020	December 2019	June 2019	June 2018	June 2017	June 2016
Annual money-weighted rate of return, net of investment expense	14.07 %	14.12 %	7.64 %	7.32 %	11.88 %	1.53 %

Note: This schedule is intended to present 10 years of data. Additional years will be presented when available.

SCHEDULE I

MASSACHUSETTS PORT AUTHORITY

Combining Statement of Net Position
Proprietary Fund Type – Enterprise Fund
June 30, 2021
(In thousands)

	Authority Operations	PFC Program	CFC Program	Combined Totals
Current assets:				
Cash and cash equivalents	$ 181,240	$ —	$ —	$ 181,240
Investments	164,363	—	—	164,363
Restricted cash and cash equivalents	218,283	39,828	16,127	274,238
Restricted investments	526,430	21,091	10,178	557,699
Accounts receivable				
Trade, net	71,635	8,868	1,811	82,314
Grants	53,312	—	—	53,312
Total receivables, net	124,947	8,868	1,811	135,626
Prepaid expenses and other assets	8,581	—	41	8,622
Total current assets	1,223,844	69,787	28,157	1,321,788
Noncurrent assets:				
Investments	271,229	—	—	271,229
Restricted investments	379,033	3,109	32,263	414,405
Accounts receivable, long-term	16,420	—	—	16,420
Prepaid expenses and other assets, long-term	6,087	—	580	6,667
Investment in joint venture	2,838	—	—	2,838
Net pension asset	29,167	—	—	29,167
Capital assets-not being depreciated	1,008,373	—	2,218	1,010,591
Capital assets-being depreciated-net	2,521,710	364,352	209,224	3,095,286
Total noncurrent assets	4,234,857	367,461	244,285	4,846,603
Total assets	5,458,701	437,248	272,442	6,168,391
Deferred outflows of resources				
Deferred loss on refunding of bonds	11,801	—	—	11,801
Deferred outflows of resources related to pensions	30,957	—	—	30,957
Deferred outflows of resources related to OPEB	24,489	—	—	24,489
Total deferred outflows of resources	67,247	—	—	67,247
Current liabilities:				
Accounts payable and accrued expenses	192,127	544	301	192,972
Compensated absences	1,140	—	—	1,140
Contract retainage	7,179	—	—	7,179
Current portion of long-term debt	26,568	—	—	26,568
Commercial notes payable	22,000	—	—	22,000
Accrued interest payable	49,488	—	3,772	53,260
Unearned revenues	6,749	—	—	6,749
Total current liabilities	305,251	544	4,073	309,868
Noncurrent liabilities				
Accrued expenses	11,147	—	307	11,454
Compensated absences	14,578	—	—	14,578
Net OPEB liability	64,562	—	—	64,562
Contract retainage	11,690	—	—	11,690
Long-term notes payable,	258,000	—	—	258,000
Long-term debt, net	2,624,625	—	120,255	2,744,880
Unearned revenues	26,941	—	—	26,941
Total noncurrent liabilities	3,011,543	—	120,562	3,132,105
Total liabilities	3,316,794	544	124,635	3,441,973
Deferred inflows of resources				
Deferred gain on refunding of bonds	25,864	—	—	25,864
Deferred inflows of resources related to pensions	83,912	—	—	83,912
Deferred inflows of resources related to OPEB	60,495	—	—	60,495
Total deferred inflows of resources	170,271	—	—	170,271
Net position				
Net investment in capital assets	876,891	364,353	109,846	1,351,090
Restricted for other purposes				
Bond funds	224,209	—	—	224,209
Project funds	423,022	—	—	423,022
Passenger facility charges	—	72,351	—	72,351
Customer facility charges	—	—	37,961	37,961
Other purposes	28,251	—	—	28,251
Total restricted	675,482	72,351	37,961	785,794
Unrestricted	486,510	—	—	486,510
Total net position	$ 2,038,883	$ 436,704	$ 147,807	$ 2,623,394

MASSACHUSETTS PORT AUTHORITY

Combining Statement of Revenues, Expenses, and Changes in Net Position
Proprietary Fund Type – Enterprise Fund
Year ended June 30, 2021
(In thousands)

	Authority Operations	PFC Program	CFC Program	Combined Totals
Operating revenues:				
Aviation rentals	$ 270,643	$ —	$ —	$ 270,643
Aviation parking	58,213	—	—	58,213
Aviation shuttle bus	8,084	—	—	8,084
Aviation fees	141,535	—	—	141,535
Aviation concessions	58,368	—	—	58,368
Aviation operating grants and other	1,759	—	—	1,759
Maritime fees, rentals and other	80,107	—	—	80,107
Real estate fees, rents and other	38,013	—	—	38,013
Total operating revenues	656,722	—	—	656,722
Operating expenses:				
Aviation operations and maintenance	252,482	—	—	252,482
Maritime operations and maintenance	54,747	—	—	54,747
Real estate operations and maintenance	14,338	—	—	14,338
General and administrative	56,196	—	—	56,196
Payments in lieu of taxes	22,247	—	—	22,247
Pension and other post-employment benefits	(9,764)	—	—	(9,764)
Other	13,777	—	—	13,777
Total operating expenses before depreciation and amortization	404,023	—	—	404,023
Depreciation and amortization	240,961	52,278	14,344	307,583
Total operating expenses	644,984	52,278	14,344	711,606
Operating income (loss)	11,738	(52,278)	(14,344)	(54,884)
Nonoperating revenues and (expenses):				
Passenger facility charges	—	27,948	—	27,948
Customer facility charges	—	—	11,657	11,657
Investment income	14,583	240	698	15,521
Net increase (decrease) in the fair value of investments	(6,682)	(41)	(274)	(6,997)
Other revenues	126,443	—	49	126,492
Settlement of claims	2	—	—	2
Terminal A debt service contribution	7,066	(7,066)	—	—
Other expenses	(309)	—	(120)	(429)
Gain on sale of equipment	(41)	—	—	(41)
Interest expense	(90,289)	(305)	(7,552)	(98,146)
Total nonoperating revenue, net	50,773	20,776	4,458	76,007
Increase (decrease) in net position before capital contributions	62,511	(31,502)	(9,886)	21,123
Capital contributions	61,923	—	—	61,923
Increase (decrease) in net position	124,434	(31,502)	(9,886)	83,046
Net position, beginning of year	1,914,449	$ 468,206	$ 157,693	2,540,348
Net position, end of year	$ 2,038,883	$ 436,704	$ 147,807	$ 2,623,394

MASSACHUSETTS PORT AUTHORITY
Combining Statement of Net Position
Proprietary Fund Type – Enterprise Fund
June 30, 2020
(In thousands)

	Authority Operations	PFC Program	CFC Program	Combined Totals
Current assets:				
Cash and cash equivalents	$ 82,623	$ —	$ —	$ 82,623
Investments	142,427	—	—	142,427
Restricted cash and cash equivalents	368,560	37,648	11,974	418,182
Restricted investments	411,386	12,928	51,263	475,577
Accounts receivable				
Trade, net	72,426	1,401	577	74,404
Grants	39,229	—	—	39,229
Total receivables, net	111,655	1,401	577	113,633
Prepaid expenses and other assets	10,306	—	43	10,349
Total current assets	1,126,957	51,977	63,857	1,242,791
Noncurrent assets:				
Investments	254,683	—	—	254,683
Restricted investments	325,531	—	—	325,531
Prepaid expenses and other assets, long-term	5,802	—	620	6,422
Investment in joint venture	3,147	—	—	3,147
Capital assets-not being depreciated	730,375	—	94	730,469
Capital assets-being depreciated-net	2,592,589	416,629	223,423	3,232,641
Total noncurrent assets	3,912,127	416,629	224,137	4,552,893
Total assets	5,039,084	468,606	287,994	5,795,684
Deferred outflows of resources				
Deferred loss on refunding of bonds	13,304	—	—	13,304
Deferred outflows of resources related to pensions	9,712	—	—	9,712
Deferred outflows of resources related to OPEB	17,254	—	—	17,254
Total deferred outflows of resources	40,270	—	—	40,270
Current liabilities:				
Accounts payable and accrued expenses	231,403	400	49	231,852
Compensated absences	1,462	—	—	1,462
Contract retainage	11,007	—	—	11,007
Current portion of long-term debt	74,013	—	4,165	78,178
Commercial notes payable	22,000	—	—	22,000
Accrued interest payable	48,437	—	5,476	53,913
Unearned revenues	5,462	—	—	5,462
Total current liabilities	393,784	400	9,690	403,874
Noncurrent liabilities				
Accrued expenses	9,669	—	356	10,025
Compensated absences	18,698	—	—	18,698
Net pension liability	18,785	—	—	18,785
Net OPEB liability	108,287	—	—	108,287
Contract retainage	10,233	—	—	10,233
Long-term notes payable,	330,500	—	—	330,500
Long-term debt, net	2,159,275	—	120,255	2,279,530
Unearned revenues	27,730	—	—	27,730
Total noncurrent liabilities	2,683,177	—	120,611	2,803,788
Total liabilities	3,076,961	400	130,301	3,207,662
Deferred inflows of resources				
Deferred gain on refunding of bonds	9,847	—	—	9,847
Deferred inflows of resources related to pensions	47,935	—	—	47,935
Deferred inflows of resources related to OPEB	30,162	—	—	30,162
Total deferred inflows of resources	87,944	—	—	87,944
Net position				
Net investment in capital assets	1,014,177	416,629	117,824	1,548,630
Restricted for other purposes				
Bond funds	259,893	—	—	259,893
Project funds	328,897	—	—	328,897
Passenger facility charges	—	51,577	—	51,577
Customer facility charges	—	—	39,869	39,869
Other purposes	34,416	—	—	34,416
Total restricted	623,206	51,577	39,869	714,652
Unrestricted	277,066	—	—	277,066
Total net position	$ 1,914,449	$ 468,206	$ 157,693	$ 2,540,348

MASSACHUSETTS PORT AUTHORITY

Combining Statement of Revenues, Expenses, and Changes in Net Position

Proprietary Fund Type – Enterprise Fund

Year ended June 30, 2020

(In thousands)

	Authority Operations	PFC Program	CFC Program	Combined Totals
Operating revenues:				
Aviation rentals	$ 275,271	$ —	$ —	$ 275,271
Aviation parking	136,951	—	—	136,951
Aviation shuttle bus	17,013	—	—	17,013
Aviation fees	139,239	—	—	139,239
Aviation concessions	111,130	—	—	111,130
Aviation operating grants and other	2,762	—	—	2,762
Maritime fees, rentals and other	92,952	—	—	92,952
Real estate fees, rents and other	49,196	—	—	49,196
Total operating revenues	824,514	—	—	824,514
Operating expenses:				
Aviation operations and maintenance	295,748	—	—	295,748
Maritime operations and maintenance	61,089	—	—	61,089
Real estate operations and maintenance	14,971	—	—	14,971
General and administrative	68,083	—	—	68,083
Payments in lieu of taxes	21,030	—	—	21,030
Pension and other post-employment benefits	36,058	—	—	36,058
Other	9,684	—	—	9,684
Total operating expenses before depreciation and amortization	506,663	—	—	506,663
Depreciation and amortization	233,992	51,013	14,329	299,334
Total operating expenses	740,655	51,013	14,329	805,997
Operating income (loss)	83,859	(51,013)	(14,329)	18,517
Nonoperating revenues and (expenses):				
Passenger facility charges	—	59,875	—	59,875
Customer facility charges	—	—	25,884	25,884
Investment income	32,375	1,101	2,455	35,931
Net increase in the fair value of investments	8,076	14	117	8,207
Other revenues	65,203	—	49	65,252
Settlement of claims	(22)	—	—	(22)
Terminal A debt service contribution	11,572	(11,572)	—	—
Other expenses	—	—	(187)	(187)
Gain on sale of equipment	264	—	—	264
Interest expense	(92,361)	(1,451)	(15,629)	(109,441)
Total nonoperating revenue, net	25,107	47,967	12,689	85,763
Increase (decrease) in net position before capital contributions	108,966	(3,046)	(1,640)	104,280
Capital contributions	59,899	—	—	59,899
Increase (decrease) in net position	168,865	(3,046)	(1,640)	164,179
Net position, beginning of year	1,745,584	471,252	159,333	2,376,169
Net position, end of year	$ 1,914,449	$ 468,206	$ 157,693	$ 2,540,348

MASSACHUSETTS PORT AUTHORITY
Combining Statements of Fiduciary Net Position
Fiduciary Funds
June 30, 2021
(in thousands)

	Pension	Retiree Benefit Trust Fund	Total Pension and Retiree Benefit Trust Funds
Assets:			
Cash and cash equivalents	$ 800	$ 217	$ 1,017
Investments, at fair value:			
Common stocks	15,638	—	15,638
Commingled funds:			
Domestic equity	218,759	112,571	331,330
Fixed income	221,215	77,305	298,520
International equity	238,368	60,380	298,748
Real estate	52,881	25,867	78,748
Private Equity	63,494	—	63,494
Total investments, at fair value	810,355	276,123	1,086,478
Receivables:			
Plan member contributions	292	—	292
Employer contributions	7,321	—	7,321
Accrued interest and dividends	19	—	19
Other state retirement plans	1,537	—	1,537
Receivable for securities sold	21	—	21
Other	5	27	32
Total receivables	9,195	27	9,222
Total assets	820,350	276,367	1,096,717
Liabilities:			
Payables to other state retirement plans	679	—	679
Payable for securities purchased			—
Other payables	512	237	749
Total liabilities	1,191	237	1,428
Net position:			
Restricted for:			
Pensions	819,159		819,159
Postemployment benefits other than pensions		276,130	276,130
Total net position	$ 819,159	$ 276,130	$ 1,095,289

MASSACHUSETTS PORT AUTHORITY
Combining Statements of Change in Fiduciary Net Position
Fiduciary Funds
Year ended June 30, 2021
(in thousands)

	Pension	Retiree Benefit Trust Fund	Total Pension and Retiree Benefit Trust Funds
Additions:			
Contributions:			
Plan members	$ 13,100	$ 319	$ 13,419
Plan sponsor	14,642	8,894	23,536
Total contributions	27,742	9,213	36,955
Intergovernmental:			
Transfers from other state retirement plans	173	—	173
Section 3(8)(c) transfers, net	1,200	—	1,200
Net intergovernmental	1,373	—	1,373
Investment earnings:			
Interest and dividends	10,360	5,335	15,695
Net appreciation in fair value of investments	105,606	30,866	136,472
Less management and related fees	(2,645)	(150)	(2,795)
Net investment earnings	113,321	36,051	149,372
Total additions	142,436	45,264	187,700
Deductions:			
Retirement benefits	36,625	12,351	48,976
Withdrawals by inactive members	1,047	—	1,047
Transfers to other state retirement plans	653	—	653
Administrative expenses	1,153	222	1,375
Total deductions	39,478	12,573	52,051
Net increase in fiduciary net position	102,958	32,691	135,649
Net position - beginning of year	716,201	243,439	959,640
Net position - end of year	$ 819,159	$ 276,130	$ 1,095,289

SCHEDULE VII

MASSACHUSETTS PORT AUTHORITY
Combining Statements of Fiduciary Net Position
Fiduciary Funds
June 30, 2020
(in thousands)

	Pension	Retiree Benefit Trust Fund	Total Pension and Retiree Benefit Trust Funds
Assets:			
Cash and cash equivalents	$ 1,198	$ 5,018	$ 6,216
Investments, at fair value:			
Common stocks	19,900	—	19,900
Commingled funds:			
Domestic equity	171,813	99,488	271,301
Fixed income	217,630	72,145	289,775
International equity	204,197	48,323	252,520
Real estate	52,556	20,775	73,331
Private Equity	47,631	—	47,631
Total investments, at fair value	713,727	240,731	954,458
Receivables:			
Plan member contributions	650	—	650
Employer contributions	—	—	—
Accrued interest and dividends	19	—	19
Other state retirement plans	1,482	—	1,482
Receivable for securities sold	135	—	135
Other	29	26	55
Total receivables	2,315	26	2,341
Total assets	717,240	245,775	963,015
Liabilities:			
Payables to other state retirement plans	623	—	623
Payable for securities purchased	43		43
Other payables	373	2,336	2,709
Total liabilities	1,039	2,336	3,375
Net position:			
Restricted for:			
Pensions	716,201		716,201
Postemployment benefits other than pensions		243,439	243,439
Total net position	$ 716,201	$ 243,439	$ 959,640

MASSACHUSETTS PORT AUTHORITY
Combining Statements of Change in Fiduciary Net Position
Fiduciary Funds
Year ended June 30, 2020
(in thousands)

	Pension	Retiree Benefit Trust Fund	Total Pension and Retiree Benefit Trust Funds
Additions:			
Contributions:			
Plan members	$ 12,576	$ 157	$ 12,733
Plan sponsor	12,029	8,894	20,923
Total contributions	24,605	9,051	33,656
Intergovernmental:			
Transfers from other state retirement plans	2,396	—	2,396
Section 3(8)(c) transfers, net	827	—	827
Net intergovernmental	3,223	—	3,223
Investment earnings:			
Interest and dividends	13,996	2,875	16,871
Net appreciation in fair value of investments	106,766	13,032	119,798
Less management and related fees	(2,527)	(292)	(2,819)
Net investment earnings	118,235	15,615	133,850
Total additions	146,063	24,666	170,729
Deductions:			
Retirement benefits	35,378	6,240	41,618
Withdrawals by inactive members	533	—	533
Transfers to other state retirement plans	412	—	412
Administrative expenses	1,216	135	1,351
Total deductions	37,539	6,375	43,914
Net increase in fiduciary net position	108,524	18,291	126,815
Net position - beginning of year	607,677	225,148	832,825
Net position - end of year	$ 716,201	$ 243,439	$ 959,640

STATISTICAL

STATISTICAL SECTION

This part of the Massachusetts Port Authority's Annual Comprehensive Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures and required supplementary information says about the Authority's overall financial health and performance.

Financial Trends:

These schedules present trend information on the Authority's financial position.

- S-1 Changes in Net Position, and Net Position by Component
- S-4 Conversion of GAAP Revenues and Expenses to the 1978 Trust Agreement Revenues and Expenses
- S-5 Calculation of Net Revenues Pledged Under the 1978 Trust Agreement
- S-6 Calculation of Total PFC Revenue Pledged Under the PFC Trust Agreement and Calculation of Total CFC Revenue Pledged Under the CFC Trust Agreement

Revenue Capacity:

These schedules present trend information on the Authority's most significant revenue sources.

- S-2 Most Significant Own-Source Revenues and Related Rates and Charges
- S-3 Historical Principal Operating Revenue Payers

Debt Capacity:

These schedules present information on the Authority's current levels of outstanding debt and its ability to support existing or issue additional debt.

- S-7 Calculation of Debt Service Coverage Under the 1978 Trust Agreement, the PFC Trust Agreement and the CFC Trust Agreement
- S-8 Calculation of Debt Metrics Under the 1978 Trust Agreement, the PFC Trust Agreement and the CFC Trust Agreement

Demographic and Economic Information:

These schedules provide demographic and economic information about the environment in which the Authority's financial activities take place.

- S-9 Largest Private Sector Employers
- S-10 Demographics and Employment Data

Operations and Other Information:

These schedules provide operating data that reflects how the Authority's financial report relates to then services it provides and the activities it performs.

- S-11 Number of Employees by Facility
- S-17 Insurance Coverage
- S-18 Physical Asset Data

Other Information:

- S-12 Logan International Airport Traffic Metrics
- S-13 Logan International Airport Market Share of Total Passenger Traffic
- S-14 Logan International Airport Passenger Market
- S-15 Port of Boston Cargo and Passenger Activity
- S-16 Port of Boston Principal Customers

MASSACHUSETTS PORT AUTHORITY
Statistical Section
Revenues, Expenses and Changes in Net Position
Fiscal Years Ended June 30, 2012 through June 30, 2021
(In Thousands)

S-1 Changes in Net Position

	2021 (7)	2020 (7)	2019	2018	2017
Operating revenues					
Aviation rentals	$ 270,643	$ 275,271	$ 267,055	$ 240,798	$ 217,906
Aviation parking	58,213	136,951	182,135	180,803	169,354
Aviation shuttle bus	8,084	17,013	21,196	20,303	19,278
Aviation fees	141,535	139,239	153,194	153,236	145,418
Aviation concessions	58,368	111,130	130,801	114,492	98,913
Aviation operating grants and other	1,759	2,762	2,034	1,911	2,909
Maritime fees, rentals and other	80,107	92,952	102,774	94,351	82,088
Real estate fees, rents and other	38,013	49,196	46,334	30,497	25,037
Total operating revenues	656,722	824,514	905,523	836,391	760,903
Operating expenses					
Aviation operations and maintenance	$ 252,482	$ 295,748	$ 305,596	$ 296,186	$ 274,506
Maritime operations and maintenance	54,747	61,089	64,412	63,976	59,629
Real estate operations and maintenance	14,338	14,971	16,898	14,852	13,215
General and administrative	56,196	68,083	67,273	62,470	59,342 (5)
Payments in lieu of taxes	22,247	21,030	21,331	20,408	19,276
Pension and other post-employment benefits	(9,764)	36,058	40,740	28,952	38,903 (5)
Other	13,777	9,684	8,631	8,449	9,631
Total operating expenses before depreciation and amortization	404,023	506,663	524,881	495,293	474,502
Depreciation and amortization	307,583	299,334	288,344	262,162	252,846
Total operating expenses	711,606	805,997	813,225	757,455	727,348
Operating income	(54,884)	18,517	92,298	78,936	33,555
Nonoperating revenues and (expenses)					
Passenger facility charges (1)	27,948	59,875	84,824	81,016	76,296
Customer facility charges (2)	11,657	25,884	33,517	33,003	33,055
Investment income	15,521	35,931	29,785	18,577	13,093
Net increase / (decrease) in the fair value of investments	(6,997)	8,207	6,989	(4,373)	(4,501)
Other revenues-CARES/CRRSA (6)	121,078	57,080	-	-	-
Other revenues	5,414	8,172	21,052	1,364	4,062
Gain / (loss) on sales of assets	(41)	264	203	182	125
Settlement of claims	2	(22)	1,469	2,019	248
Terminal A debt service contributions (PFC)	-	-	(7,494)	(12,232)	(11,941)
Other expense	(429)	(187)	(2,940)	(195)	(198)
Interest expense	(98,146)	(109,441)	(76,010)	(67,490)	(67,157)
Total nonoperating (expense) revenue, net	76,007	85,763	91,395	51,871	43,082
Increase in net position before capital contributions	21,123	104,280	183,693	130,807	76,637
Capital contributions	61,923	59,899	28,143	25,384	12,635
Increase in net position	83,046	164,179	211,836	156,191	89,272
Net position, beginning of year	2,540,348	2,376,169	2,164,333	2,008,142	1,918,870 (5)
Net position, end of year	$ 2,623,394	$ 2,540,348	$ 2,376,169	$ 2,164,333	$ 2,008,142
Total net position composed of:					
Invested in capital assets, net of debt	1,351,090	1,548,630	1,489,809	1,379,079	1,290,338
Restricted	785,794	714,652	689,965	633,268	585,636
Unrestricted	486,510	277,066	196,395	151,986	132,168 (5)
Total Net Position	$ 2,623,394	$ 2,540,348	$ 2,376,169	$ 2,164,333	$ 2,008,142

(1) PFC accrued revenue exclusive of PFC interest earnings.
(2) CFC accrued revenue exclusive of CFC interest earnings.
(3) In accordance with the requirements of GASB No.65, the Authority's Net position was restated as for fiscal year 2011 and forward to reflect the required adjustments.
(4) In accordance with the requirements of GASB No.68, the Authority's Net position and Pension expense were restated as for fiscal year 2014 and forward to reflect the required adjustments.
(5) In accordance with the requirements of GASB No.75, the Authority's Net position and OPEB expense were restated as for fiscal year 2017 and forward to reflect the required adjustments.
(6) Reflects Federal CARES Act and CRRSA Act grant funding received by the Authority and used for operating expenses; such amounts were designated as Available Funds under the 1978 Trust Agreement.
(7) Fiscal year 2020 and 2021 results reflect impact of COVID-19 pandemic.

Source: Authority's audited financial statements.

MASSACHUSETTS PORT AUTHORITY
Statistical Section
Revenues, Expenses and Changes in Net Position
Fiscal Years Ended June 30, 2012 through June 30, 2021
(In Thousands)

S-1 Changes in Net Position (Continued)

	2016	2015	2014	2013	2012
Operating revenues					
Aviation rentals	$ 198,103	$ 185,953	$ 181,007	$ 165,107	$ 160,433
Aviation parking	154,568	149,155	136,733	132,170	126,177
Aviation shuttle bus	18,009	15,717	12,283	8,443	9,790
Aviation fees	139,425	135,044	124,718	114,360	117,541
Aviation concessions	87,401	82,662	77,838	72,504	68,205
Aviation operating grants and other	2,781	3,894	3,763	2,547	2,332
Maritime fees, rentals and other	74,654	68,435	62,148	56,393	55,168
Real estate fees, rents and other	24,537	22,069	23,981	20,299	18,808
Total operating revenues	699,478	662,929	622,471	571,823	558,454
Operating expenses					
Aviation operations and maintenance	$ 261,115	$ 256,519	$ 237,235	$ 217,792	$ 211,018
Maritime operations and maintenance	53,359	54,231	49,974	46,433	44,781
Real estate operations and maintenance	11,887	10,428	9,477	8,825	9,808
General and administrative	58,232	59,064	53,809	48,511	43,987
Payments in lieu of taxes	19,375	19,282	18,444	18,090	17,642
Pension and other post-employment benefits	29,654	14,844 (4)	16,814 (4)	23,064	23,560
Other	7,595	8,005	9,454	7,667	9,144
Total operating expenses before depreciation and amortization	441,217	422,373	395,207	370,382	359,940
Depreciation and amortization	247,502	227,158	217,767	199,046	181,166
Total operating expenses	688,719	649,531	612,974	569,428	541,106
Operating income	10,759	13,398	9,497	2,395	17,348
Nonoperating revenues and (expenses)					
Passenger facility charges (1)	70,718	65,807	62,682	60,105	59,212
Customer facility charges (2)	32,335	30,768	29,963	29,354	28,749
Investment income	9,453	7,405	6,642	8,336	10,176
Net increase / (decrease) in the fair value of investments	2,116	527	1,976	(2,821)	255
Other revenues-CARES/CRRSA (6)	-	-	-	-	-
Other revenues	49	10,091	10,547	187	618
Gain / (loss) on sales of assets	(595)	180	90	(64)	354
Settlement of claims	70	-	1,792	567	640
Terminal A debt service contributions (PFC)	(11,903)	(10,918)	(11,839)	(12,114)	(9,105)
Other expense	(116)	(956)	(1,407)	(1,279)	(398)
Interest expense	(63,613)	(64,829)	(64,973)	(61,071)	(59,307) (3)
Total nonoperating (expense) revenue, net	38,514	38,075	35,473	21,200	31,194
Increase in net position before capital contributions	49,273	51,473	44,970	23,595	48,542
Capital contributions	56,033	55,953	56,124	20,234	40,750
Increase in net position	105,306	107,426	101,094	43,829	89,292
Net position, beginning of year	1,978,636	1,871,210 (4)	1,770,116 (4)	1,784,732	1,695,440
Net position, end of year	$ 2,083,942	$ 1,978,636	$ 1,871,210	$ 1,828,561	$ 1,784,732
Total net position composed of:					
Invested in capital assets, net of debt	1,310,922	1,272,271	1,227,358	1,131,577	1,059,110
Restricted	529,616	516,906	509,520	515,458	583,272 (3)
Unrestricted	243,404	189,459 (4)	134,332 (4)	181,526	142,350
Total Net Position	$ 2,083,942	$ 1,978,636	$ 1,871,210	$ 1,828,561	$ 1,784,732

(1) PFC accrued revenue exclusive of PFC interest earnings.

(2) CFC accrued revenue exclusive of CFC interest earnings.

(3) In accordance with the requirements of GASB No.65, the Authority's Net position was restated as for fiscal year 2011 and forward to reflect the required adjustments.

(4) In accordance with the requirements of GASB No.68, the Authority's Net position and Pension expense were restated as for fiscal year 2014 and forward to reflect the required adjustments.

(5) In accordance with the requirements of GASB No.75, the Authority's Net position and OPEB expense were restated as for fiscal year 2017 and forward to reflect the required adjustments.

(6) Reflects Federal CARES Act and CRRSA Act grant funding received by the Authority and used for operating expenses; such amounts were designated as Available Funds under the 1978 Trust Agreement.

(7) Fiscal year 2020 and 2021 results reflect impact of COVID-19 pandemic.

Source: Authority's audited financial statements.

MASSACHUSETTS PORT AUTHORITY
Statistical Section
Most Significant Revenues and Related Rates and Charges
Fiscal Years Ended June 30, 2012 through June 30, 2021

S-2 Principal Revenues and Rates as of June 30

	2021 (3)	2020 (3)	2019	2018	2017
Logan Airport Revenues (in thousands)					
Landing Fees	$ 122,564	$ 110,490	$ 119,847	$ 119,190	$ 113,162
Terminal Rentals and Fees	209,318	211,136	203,861	180,331	161,816
Parking Fees	58,089	136,436	181,478	180,349	168,919
Logan Airport Rates and Charges (1)					
Landing Fee (per 1,000 lbs)	$ 12.30	$ 4.37	$ 4.43	$ 4.49	$ 4.78
Terminal Rental Rates (per square foot - annual rate)					
Terminal A (2)	$ 170.50	$ 178.66	$ 132.09	$ 126.98	$ 117.29
Terminal B	$ 160.46	$ 154.80	$ 161.31	$ 130.74	$ 122.10
Terminal C - Main Terminal	$ 227.35	$ 206.22	$ 194.35	$ 189.91	$ 178.30
Terminal E - Type 3 Space	$ 139.92	$ 140.17	$ 134.91	$ 128.27	$ 118.51
Baggage Fee (per checked bag)	$ 6.37	$ 1.66	$ 1.61	$ 1.66	$ 1.31
Terminal E Passenger Fees (per passenger)					
Inbound International	$ 60.77	$ 11.36	$ 11.89	$ 12.70	$ 12.82
Outbound	$ 20.08	$ 3.38	$ 3.45	$ 4.00	$ 3.19
Inbound Domestic	$ 60.77	$ 11.36	$ 11.89	$ 12.70	$ 12.82
Common Use Check-in Fee	$ 36.50	$ 6.19	$ 6.44	$ 6.65	$ 7.34
Central Parking Garage (maximum 24 hours)	$ 38.00	$ 38.00	$ 35.00	$ 35.00	$ 32.00

(1) Board approved rates as of June 30 of each fiscal year.
(2) Prior to February 13, 2019, excludes the portion of Terminal A rental revenue that was pledged to pay debt service on the Terminal A Bonds.
On February 13, 2019, the Terminal A Bonds were retired, and accordingly, after such date, all Terminal A rental revenue is included in Logan rental revenues.
(3) Fiscal year 2020 and 2021 results reflect impact of COVID-19 pandemic.

Source: Authority reports.

MASSACHUSETTS PORT AUTHORITY
Statistical Section
Most Significant Revenues and Related Rates and Charges
Fiscal Years Ended June 30, 2012 through June 30, 2021

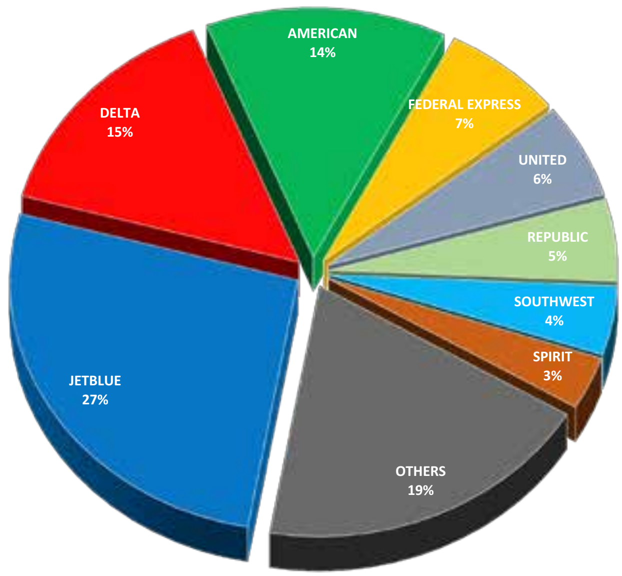
S-2 Principal Revenues and Rates as of June 30 (Continued)

	2016	2015	2014	2013	2012
Logan Airport Revenues (in thousands)					
Landing Fees	$ 104,489	$ 101,123	$ 92,896	$ 86,533	$ 88,287
Terminal Rentals and Fees	142,176	133,897	129,487	117,891	115,567
Parking Fees	154,068	148,653	136,307	131,873	125,771
Logan Airport Rates and Charges (1)					
Landing Fee (per 1,000 lbs)	$ 4.84	$ 4.64	$ 4.57	$ 4.34	$ 4.36
Terminal Rental Rates (per square foot - annual rate)					
Terminal A (2)	$ 101.38	$ 93.99	$ 93.94	$ 93.68	$ 89.90
Terminal B	$ 110.99	$ 110.63	$ 106.55	$ 106.23	$ 98.14
Terminal C - Main Terminal	$ 134.05	$ 132.79	$ 118.31	$ 109.71	$ 112.90
Terminal E - Type 3 Space	$ 105.46	$ 111.40	$ 112.66	$ 116.96	$ 117.16
Baggage Fee (per checked bag)	$ 1.35	$ 1.34	$ 1.34	$ 1.45	$ 1.27
Terminal E Passenger Fees (per passenger)					
Inbound International	$ 11.98	$ 10.36	$ 10.17	$ 10.92	$ 11.40
Outbound	$ 2.66	$ 2.52	$ 2.74	$ 3.12	$ 3.36
Inbound Domestic	$ 11.98	$ 10.36	$ 10.17	$ 10.92	$ 11.40
Common Use Check-in Fee	$ 7.05	$ 6.67	$ 7.00	$ 7.93	$ 8.31
Central Parking Garage (maximum 24 hours)	$ 29.00	$ 29.00	$ 27.00	$ 27.00	$ 27.00

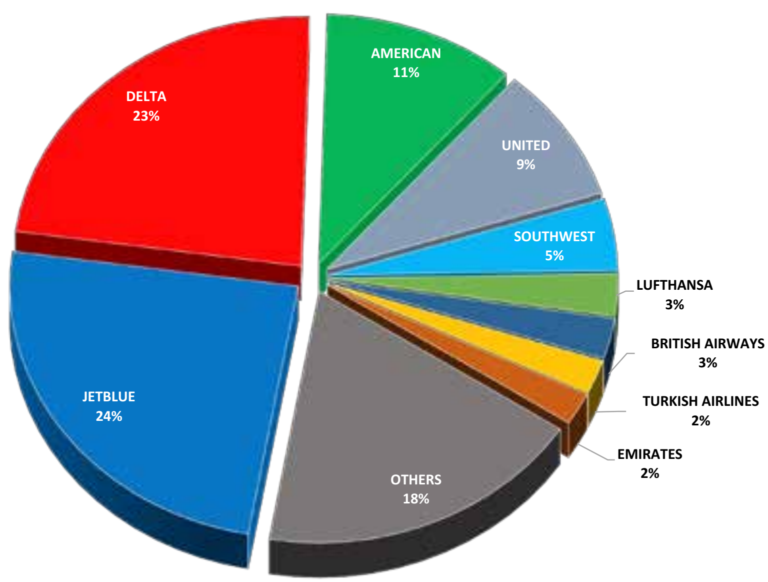
(1) Board approved rates as of June 30 of each fiscal year.
(2) Prior to February 13, 2019, excludes the portion of Terminal A rental revenue that was pledged to pay debt service on the Terminal A Bonds.
On February 13, 2019, the Terminal A Bonds were retired, and accordingly, after such date, all Terminal A rental revenue is included in Logan rental revenues.
(3) Fiscal year 2020 and 2021 results reflect impact of COVID-19 pandemic.

Source: Authority reports.

MASSACHUSETTS PORT AUTHORITY
Statistical Section
Logan International Airport
Percentage of Landing Fee Revenues in FY2021



MASSACHUSETTS PORT AUTHORITY
Statistical Section
Logan International Airport
Percentage of Terminal Rent and Fee Revenues in FY2021



MASSACHUSETTS PORT AUTHORITY
Statistical Section
Historical Principal Operating Revenue Payers
Current Year and Nine Years Ago
(In Thousands)

S-3 Principal Operating Revenue Payers

Landing Fee Revenue	For the Fiscal Year Ended June 30, 2021			For the Fiscal Year Ended June 30, 2012		
Customer	Landing Fee Revenue	Rank	Ratio: Top Customers to Total Landing Fees	Landing Fee Revenue	Rank	Ratio: Top Customers to Total Landing Fees
JETBLUE AIRWAYS	$ 32,506	1	26.52%	$ 17,193	1	19.47%
DELTA AIRLINES	17,985	2	14.67%	10,158	2	11.51%
AMERICAN AIRLINES (3)	16,584	3	13.53%	8,313	4	9.42%
FEDERAL EXPRESS CORP.	8,330	4	6.80%	2,175	9	2.46%
UNITED AIRLINES, INC. (1)	7,458	5	6.08%	7,409	5	8.39%
REPUBLIC AIRWAYS, INC (5)	6,476	6	5.28%	593	26	0.67%
SOUTHWEST AIRLINES CO (2)	5,486	7	4.48%	4,229	6	4.79%
SPIRIT AIRLINES	4,153	8	3.39%	928	17	1.05%
UNITED PARCEL SERVICE	3,736	9	3.05%	912	18	1.03%
BRITISH AIRWAYS, PLC	1,925	10	1.57%	2,580	8	2.92%
US AIRWAYS, INC. (3)	-	-	-	9,825	3	11.13%
AIRTRAN AIRLINES (2)	-	-	-	2,986	7	3.38%
LUFTHANSA GERMAN AIRLINES	1,061	15	0.87%	2,113	10	2.39%
ALL OTHER PAYERS	16,864		13.76%	18,873		21.38%
Total Landing Fees	**$ 122,564**		**100.00%**	**$ 88,287**		**100.00%**

Terminal Rents and Fees	For the Fiscal Year Ended June 30, 2021			For the Fiscal Year Ended June 30, 2012		
Customer	Terminal Rents and Fees	Rank	Ratio: Top Customers to Total Terminal Rents and Fees	Terminal Rents and Fees	Rank	Ratio: Top Customers to Total Terminal Rents and Fees
JETBLUE AIRWAYS	$ 51,231	1	24.48%	$ 15,068	2	13.04%
DELTA AIRLINES	48,631	2	23.23%	22,320	1	19.31%
AMERICAN AIRLINES (3)	22,595	3	10.79%	12,623	3	10.92%
UNITED AIRLINES, INC. (1)	18,396	4	8.79%	5,701	6	4.93%
SOUTHWEST AIRLINES CO (2)	9,718	5	4.64%	4,612	8	3.99%
LUFTHANSA GERMAN AIRLINES	5,668	6	2.71%	5,635	7	4.88%
BRITISH AIRWAYS, PLC	5,456	7	2.61%	6,650	5	5.75%
TURK HAVA YOLLARI A.O.	4,582	8	2.19%	-	-	-
EMIRATES (4)	4,321	9	2.06%	-	-	-
QATAR AIRWAYS CORPORATION	3,655	10	1.75%	-	-	-
US AIRWAYS, INC. (3)	-	-	-	10,434	4	9.03%
AIR FRANCE	3,583	11	1.71%	4,036	9	3.49%
CONTINENTAL AIRLINES (1)	-	-	-	6,947	10	6.01%
ALL OTHER PAYERS	31,482		15.04%	21,541		18.64%
Total Terminal Rental and Fees	**$ 209,318**		**100.00%**	**$ 115,567**		**100.00%**

Parking Revenue	For the Fiscal Year Ended June 30, 2021			For the Fiscal Year Ended June 30, 2012		
Customer	Logan Parking	Rank	Ratio: Top Customers to Total Parking Revenue	Logan Parking	Rank	Ratio: Top Customers to Total Parking Revenue
PUBLIC PARKING AT AIRPORT	$ 47,663	1	82.05%	$ 117,032	1	93.05%
TENANT EMPLOYEE PARKING	8,437	2	14.52%	5,676	2	4.51%
PUBLIC OFF-AIRPORT PARKING	1,989	3	3.42%	3,063	3	2.44%
Total Parking Revenue	**$ 58,089**		**100.00%**	**$ 125,771**		**100.00%**

(1) United and Continental Airlines closed their merger during October 2010 and continued to operate under their separate names until November 2011.
(2) Southwest Airlines and AirTran Airways closed their merger during May 2011 and continued to operate under their separate names until January 2015.
(3) American Airlines and US Airways closed their merger during December 2013 and continued to operate under their separate names until October 2015.
(4) Emirates commenced service at Logan Airport in March 2014.
(5) On January 31, 2017, Shuttle America merged with Republic Airline. In December 2018, the operating division was renamed to Republic Airways.

Source: Authority's accounting reports.

MASSACHUSETTS PORT AUTHORITY
Statistical Section
Conversion of GAAP Revenues and Expenses to the 1978 Trust Agreement Revenues and Expenses
Fiscal Years Ended June 30, 2012 through June 30, 2021
(In Thousands)

S-4 Conversion of GAAP Revenues and Expenses to the 1978 Trust Agreement Revenues and Expenses

	2021	2020	2019	2018	2017
Operating Revenue:					
Per Financial Statements	$ 656,722	$ 824,514	$ 905,523	$ 836,391	$ 760,903
Adjustments:					
Provision / recovery for uncollectible accounts	2,255	(2,179)	(385)	(439)	(1,642)
Other	(1,143)	525	(639)	(629)	5,189
Operating Revenue:					
Per the 1978 Trust Agreement	657,834	822,860	904,499	835,323	764,450
Income on Investments:					
Per Financial Statements	15,521	35,931	29,785	18,577	13,093
Adjustments:					
PFC	(240)	(1,101)	(1,246)	(764)	(1,226)
CFC	(698)	(2,455)	(2,304)	(1,301)	(774)
Self Insurance and Other Accounts	(4,187)	(8,981)	(4,576)	(4,247)	(3,191)
Income on Investments:					
Per the 1978 Trust Agreement	10,396	23,394	21,659	12,265	7,902
TOTAL REVENUES					
Per the 1978 Trust Agreement	**668,230**	**846,254**	**926,158**	**847,588**	**772,352**
Operating Expenses:					
Per Financial Statements	$ 711,606	$ 805,997	$ 813,225	$ 757,455	$ 727,348 (1)
Adjustments:					
Insurance	(1,423)	237	140	61	245
Payments in Lieu of Taxes	(22,247)	(21,030)	(21,331)	(20,408)	(19,276)
Provision for uncollectible accounts	-	(1,057)	(385)	(439)	(1,642)
Depreciation and Amortization	(307,583)	(299,334)	(288,344)	(262,162)	(252,846)
Other post-employment benefits	14,518	(4,799)	(165)	(4,480)	(4,903) (1)
Other Expenses	(5,925)	3,128	(3,076)	(10,398)	(3,789)
Pension	25,900	(1,434)	(9,126)	4,576	(6,141)
Administration Expenses	1,704	2,267	1,490	1,025	1,245 (1)
TOTAL EXPENSES					
Per the 1978 Trust Agreement	**416,550**	**483,975**	**492,428**	**465,230**	**440,241**
Net Revenue before Other Available Funds:					
Per the 1978 Trust Agreement	**$ 251,680**	**$ 362,279**	**$ 433,730**	**$ 382,358**	**$ 332,111**
Other Available Funds (2)	121,127	57,080	-	-	-
Net Revenue:					
Per the 1978 Trust Agreement	**$ 372,807**	**$ 419,359**	**$ 433,730**	**$ 382,358**	**$ 332,111**

(1) In accordance with the requirements of GASB No.75, the Authority's Net position and OPEB expense were restated as for fiscal year 2017 and forward to reflect the required adjustments.

(2) Reflects Federal CARES Act and CRRSA Act grant funding received by the Authority and used for operating expenses; such amounts were designated as Available Funds under the 1978 Trust Agreement and are thus reflected as an adjustment to Net Revenues.

Source: Authority's audited financial statements.

MASSACHUSETTS PORT AUTHORITY
Statistical Section
Conversions of GAAP Revenues and Expenses to the 1978 Trust Agreement Revenues and Expenses
Fiscal Years Ended June 30, 2012 through June 30, 2021
(In Thousands)

S-4 Conversion of GAAP Revenues and Expenses to the 1978 Trust Agreement Revenues and Expenses (Continued)

	2016	2015	2014	2013	2012
Operating Revenue:					
Per Financial Statements	$ 699,478	$ 662,929	$ 622,471	$ 571,823	$ 558,454
Adjustments:					
Provision / recovery for uncollectible accounts	(186)	(32)	(465)	353	(1,061)
Other	69	(170)	(1,546)	(1,902)	3,979
Operating Revenue:					
Per the 1978 Trust Agreement	699,361	662,727	620,460	570,274	561,372
Income on Investments:					
Per Financial Statements	9,453	7,405	6,642	8,336	10,176
Adjustments:					
PFC	(965)	(1,068)	(1,098)	(1,118)	(1,141)
CFC	(478)	(384)	(417)	(771)	(802)
Self Insurance and Other Accounts	(2,321)	(2,123)	(1,919)	(2,279)	(1,538)
Income on Investments:					
Per the 1978 Trust Agreement	5,689	3,830	3,208	4,168	6,695
TOTAL REVENUES					
Per the 1978 Trust Agreement	**705,050**	**666,557**	**623,668**	**574,442**	**568,067**
Operating Expenses:					
Per Financial Statements	$ 688,719	$ 649,531	$ 612,974	$ 569,428	$ 541,106
Adjustments:					
Insurance	821	612	(95)	678	266
Payments in Lieu of Taxes	(19,375)	(19,282)	(18,444)	(18,090)	(17,642)
Provision for uncollectible accounts	(186)	(31)	(453)	353	(1,085)
Depreciation and Amortization	(247,502)	(227,158)	(217,767)	(199,046)	(181,166)
Other post-employment benefits	(2,093)	(654)	(140)	(450)	(5,859)
Other Expenses	(5,025)	(5,409)	(4,201)	(3,129)	(4,300)
Pension	(4,711)	8,956	9,316	-	-
Administration Expenses	1,338	1,905	2,370	2,254	2,648
TOTAL EXPENSES					
Per the 1978 Trust Agreement	**411,986**	**408,470**	**383,560**	**351,998**	**333,968**
Net Revenue before Other Available Funds:					
Per the 1978 Trust Agreement	**$ 293,064**	**$ 258,087**	**$ 240,108**	**$ 222,444**	**$ 234,099**
Other Available Funds (2)	-	-	-	-	-
Net Revenue:					
Per the 1978 Trust Agreement	**$ 293,064**	**$ 258,087**	**$ 240,108**	**$ 222,444**	**$ 234,099**

(1) In accordance with the requirements of GASB No.75, the Authority's Net position and OPEB expense were restated as for fiscal year 2017 and forward to reflect the required adjustments.
(2) Reflects Federal CARES Act and CRRSA Act grant funding received by the Authority and used for operating expenses; such amounts were designated as Available Funds under the 1978 Trust Agreement and are thus reflected as an adjustment to Net Revenues.

Source: Authority's audited financial statements.

MASSACHUSETTS PORT AUTHORITY
Statistical Section
Calculation of Net Revenues Pledged Under the 1978 Trust Agreement
Fiscal Years Ended June 30, 2012 through June 30, 2021
(In Thousands)

S-5 Breakdown of Revenues and Expenses Under 1978 Trust Agreement

1978 Trust Agreement	2021	2020	2019	2018	2017
Revenues:					
Airport Properties - Logan					
Landing Fees	$ 122,564	$ 110,490	$ 119,847	$ 119,190	$ 113,162
Parking Fees	58,089	136,436	181,478	180,349	168,919
Utility Fees	9,263	11,126	13,541	15,349	15,284
Terminal Rentals (1)	209,318	211,136	203,861	180,331	161,816
Non-Terminal Building and Ground Rents	52,277	55,725	54,788	52,856	49,641
Concessions	57,742	110,669	129,356	113,588	98,093
Other (2)	13,555	29,001	34,596	33,321	31,303
Airport Properties - Logan Total	522,808	664,583	737,467	694,984	638,218
Airport Properties - Hanscom	14,091	14,587	14,924	14,262	12,839
Airport Properties - Worcester	1,918	1,959	3,007	1,800	1,634
Total Airport Properties	538,817	681,129	755,398	711,046	652,691
Port Properties					
Maritime Operations (3)	81,055	92,619	102,883	93,831	81,738
Maritime Business Development/Real Estate	37,962	49,112	46,218	30,446	30,021
	119,017	141,731	149,101	124,277	111,759
Total Operating Revenue	657,834	822,860	904,499	835,323	764,450
Investment Income (4)	10,396	23,394	21,659	12,265	7,902
Total Revenues	668,230	846,254	926,158	847,588	772,352
Operating Expenses (5)**:**					
Airport Properties					
Logan	302,078	352,390	361,177	342,973	328,869
Hanscom	13,346	15,132	14,866	14,498	12,530
Worcester	10,841	16,723	13,949	10,680	9,672
	326,265	384,245	389,992	368,151	351,071
Port Properties					
Maritime Operations (3)	68,600	76,704	78,432	75,695	70,088
Maritime Business Development/Real Estate	21,685	23,026	24,004	21,384	19,082
	90,285	99,730	102,436	97,079	89,170
Total Operating Expenses	416,550	483,975	492,428	465,230	440,241
Net Revenue before Other Available Funds	$ 251,680	$ 362,279	$ 433,730	$ 382,358	$ 332,111
Other Available Funds (6)	121,127	57,080	-	-	-
Net Revenue	**$ 372,807**	**$ 419,359**	**$ 433,730**	**$ 382,358**	**$ 332,111**

(1) Prior to February 13, 2019, excludes the portion of Terminal A rental revenue that was pledged to pay debt service on the Terminal A Bonds. On February 13, 2019, the Terminal A Bonds were retired, and accordingly, after such date, all Terminal A rental revenue is included in Logan rental revenues.
(2) Logan Airport uncollectible accounts have been included in Logan Other Revenue.
(3) Maritime Operations include Auto, Container, Cruise and Seafood Business lines.
(4) Excludes investment income earned by and deposited into Construction, PFC and CFC Funds and other funds not held under the 1978 Trust Agreement.
(5) Includes allocation of all operating expenses related to Authority General Administration.
(6) Reflects Federal CARES Act and CRRSA Act grant funding received by the Authority and used for operating expenses; such amounts were designated as Available Funds under the 1978 Trust Agreement and are thus reflected as an adjustment to Net Revenues.

Source: Authority's accounting reports.

MASSACHUSETTS PORT AUTHORITY
Statistical Section
Calculation of Net Revenues Pledged Under the 1978 Trust Agreement
Fiscal Years Ended June 30, 2012 through June 30, 2021
(In Thousands)

S-5 Breakdown of Revenues and Expenses Under 1978 Trust Agreement (Continued)

1978 Trust Agreement	2016	2015	2014	2013	2012
Revenues:					
Airport Properties - Logan					
Landing Fees	$ 104,489	$ 101,123	$ 92,896	$ 86,533	$ 88,287
Parking Fees	154,068	148,653	136,307	131,873	125,771
Utility Fees	17,960	18,274	16,798	14,867	15,275
Terminal Rentals (1)	142,176	133,897	129,487	117,891	115,567
Non-Terminal Building and Ground Rents	49,317	45,756	46,175	42,086	40,107
Concessions	86,645	81,270	76,003	70,082	71,342
Other (2)	32,061	29,452	24,895	19,162	20,467
Airport Properties - Logan Total	586,716	558,425	522,561	482,494	476,816
Airport Properties - Hanscom	12,195	12,066	10,640	10,377	9,984
Airport Properties - Worcester	1,572	1,624	1,538	774	1,238
Total Airport Properties	600,483	572,115	534,739	493,645	488,038
Port Properties					
Maritime Operations (3)	74,259	68,316	62,068	56,334	54,556
Maritime Business Development/Real Estate	24,619	22,295	23,653	20,295	18,778
	98,878	90,611	85,721	76,629	73,334
Total Operating Revenue	699,361	662,726	620,460	570,274	561,372
Investment Income (4)	5,689	3,830	3,208	4,168	6,695
Total Revenues	705,050	666,556	623,668	574,442	568,067
Operating Expenses (5)**:**					
Airport Properties					
Logan	307,394	307,368	290,641	267,157	251,718
Hanscom	12,152	10,043	10,396	9,235	8,162
Worcester	9,408	9,026	7,497	5,012	5,048
	328,954	326,437	308,534	281,404	264,928
Port Properties					
Maritime Operations (3)	66,307	62,020	59,860	56,740	55,798
Maritime Business Development/Real Estate	16,725	20,012	15,166	13,854	13,242
	83,032	82,032	75,026	70,594	69,040
Total Operating Expenses	411,986	408,469	383,560	351,998	333,968
Net Revenue before Other Available Funds	$ 293,064	$ 258,087	$ 240,108	$ 222,444	$ 234,099
Other Available Funds (6)	-	-	-	-	-
Net Revenue	**$ 293,064**	**$ 258,087**	**$ 240,108**	**$ 222,444**	**$ 234,099**

(1) Prior to February 13, 2019, excludes the portion of Terminal A rental revenue that was pledged to pay debt service on the Terminal A Bonds. On February 13, 2019, the Terminal A Bonds were retired, and accordingly, after such date, all Terminal A rental revenue is included in Logan rental revenues.
(2) Logan Airport uncollectible accounts have been included in Logan Other Revenue.
(3) Maritime Operations include Auto, Container, Cruise and Seafood Business lines.
(4) Excludes investment income earned by and deposited into Construction, PFC and CFC Funds and other funds not held under the 1978 Trust Agreement.
(5) Includes allocation of all operating expenses related to Authority General Administration.
(6) Reflects Federal CARES Act and CRRSA Act grant funding received by the Authority and used for operating expenses; such amounts were designated as Available Funds under the 1978 Trust Agreement and are thus reflected as an adjustment to Net Revenues.

Source: Authority's accounting reports.

MASSACHUSETTS PORT AUTHORITY
Statistical Section
Calculation of Total PFC Revenue Pledged Under the PFC Trust Agreement/ PFC Depositary Agreement and Calculation of Total CFC Revenue Pledged Under the CFC Trust Agreement
Fiscal Years Ended June 30, 2012 through June 30, 2021
(In Thousands)

S-6 Breakdown of Revenues by Governing Trust Agreement

	2021	2020	2019	2018	2017
PFC Trust Agreement / PFC Depositary Agreement					
Revenues:					
Logan Airport Net PFC Collections (1)	$ 27,948	$ 59,875	$ 84,824	$ 81,016	$ 76,296
PFC Investment Income (2)	240	1,101	1,246	764	537
PFC Revenue (3)	$ 28,188	$ 60,976	$ 86,070	$ 81,780	$ 76,833
CFC Trust Agreement					
Revenues:					
CFC Collections (4)	$ 11,657	$ 25,884	$ 33,517	$ 33,003	$ 33,055
CFC Investment Income	698	2,455	2,304	1,301	774
CFC Revenue	$ 12,355	$ 28,339	$ 35,821	$ 34,304	$ 33,829

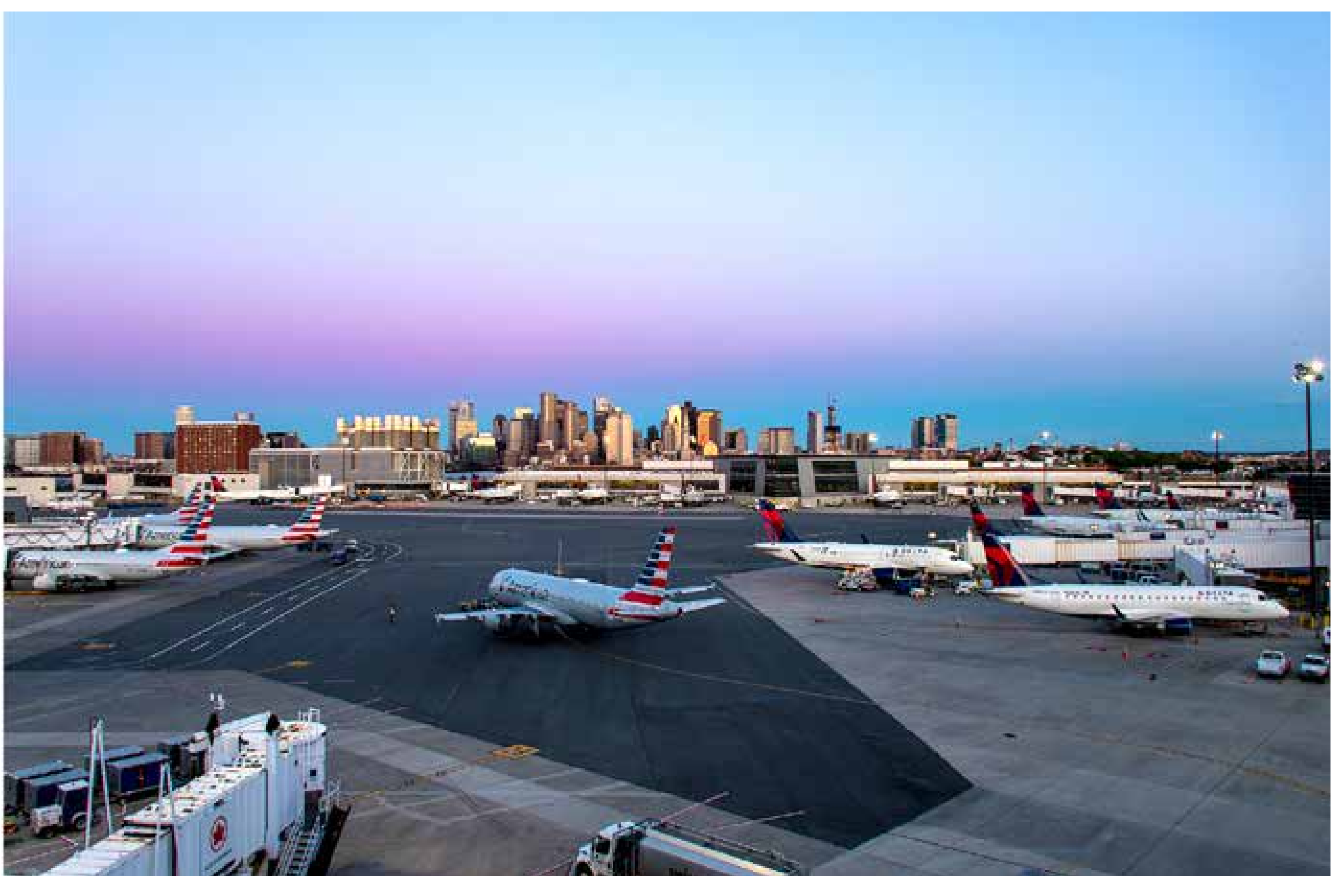
(1) PFC revenue collection began at Logan Airport on November 1, 1993. The PFC Trust Agreement was effective May 6, 1999 through July 2, 2017. All PFC revenue collections are presently deposited under the PFC Depositary Agreement.

(2) PFC investment income, per federal PFC law, includes only interest income generated by PFC collections. It does not include earnings on PFC bond funds.

(3) As of July 2, 2017, there are no PFC Revenue Bonds outstanding under the PFC Trust Agreement, as the final payment amount of $52.9 million matured on July 1, 2017.

(4) CFC revenue collection began at Logan Airport on December 1, 2008. The CFC Trust Agreement became effective May 18, 2011.

Source: Authority's accounting reports.



MASSACHUSETTS PORT AUTHORITY
Statistical Section
Calculation of Total PFC Revenue Pledged Under the PFC Trust Agreement/ PFC Depositary Agreement and Calculation of Total CFC Revenue Pledged Under the CFC Trust Agreement
Fiscal Years Ended June 30, 2012 through June 30, 2021
(In Thousands)

S-6 Breakdown of Revenues by Governing Trust Agreement (Continued)

	2016	2015	2014	2013	2012
PFC Trust Agreement / PFC Depositary Agreement					
Revenues:					
Logan Airport Net PFC Collections (1)	$ 70,718	$ 65,807	$ 62,682	$ 60,105	$ 59,258
PFC Investment Income (2)	277	82	69	62	81
PFC Revenue (3)	$ 70,995	$ 65,889	$ 62,751	$ 60,167	$ 59,339
CFC Trust Agreement					
Revenues:					
CFC Collections (4)	$ 32,335	$ 30,768	$ 29,963	$ 29,354	$ 28,749
CFC Investment Income	478	384	417	771	802
CFC Revenue	$ 32,813	$ 31,152	$ 30,380	$ 30,125	$ 29,551

(1) PFC revenue collection began at Logan Airport on November 1, 1993. The PFC Trust Agreement was effective May 6, 1999 through July 2, 2017. All PFC revenue collections are presently deposited under the PFC Depositary Agreement.
(2) PFC investment income, per federal PFC law, includes only interest income generated by PFC collections. It does not include earnings on PFC bond funds.
(3) As of July 2, 2017, there are no PFC Revenue Bonds outstanding under the PFC Trust Agreement, as the final payment amount of $52.9 million matured on July 1, 2017.
(4) CFC revenue collection began at Logan Airport on December 1, 2008. The CFC Trust Agreement became effective May 18, 2011.

Source: Authority's accounting reports.

MASSACHUSETTS PORT AUTHORITY
Statistical Section
Calculation of Debt Service Coverage
Under the 1978 Trust Agreement, the PFC Trust Agreement and the CFC Trust Agreement
Fiscal Years Ended June 30, 2012 through June 30, 2021
(In Thousands - except coverage calculations)

S-7 Debt Service Coverage

	2021	2020	2019	2018	2017
1978 Trust Agreement					
Net Revenue	$ 372,807 (7)	$ 419,359 (7)	$ 433,730	$ 382,358	$ 332,111
Debt Service - Principal	12,420	62,680	53,565	52,325	52,895
Debt Service - Interest	88,908	93,153	69,100	64,706	59,636
PFC Revenues designated as Available Funds (8)	(7,066)	(11,571)	-	-	-
Credits to Debt Service (1)	(26,613)	(24,958)	(4,115)	(5,709)	(11,075)
Annual Debt Service	$ 67,649	$ 119,304	$ 118,550	$ 111,322	$ 101,456
Debt Service Coverage	5.51	3.52	3.66	3.43	3.27
PFC Trust Agreement (6)					
Net PFC Revenue	N/A	N/A	N/A	N/A	$ 76,833
Debt Service - Principal	N/A	N/A	N/A	N/A	52,910
Debt Service - Interest	N/A	N/A	N/A	N/A	2,579
Credits to Debt Service (2)	N/A	N/A	N/A	N/A	(20,245)
Annual Debt Service	N/A	N/A	N/A	N/A	$ 35,244
Debt Service Coverage (3)	N/A	N/A	N/A	N/A	2.18
First Lien Sufficiency Covenant	N/A	N/A	N/A	N/A	63.44
CFC Trust Agreement					
CFC Revenue	$ 11,657	$ 25,884	$ 33,517	$ 33,003	$ 33,055
Debt Service - Principal	-	4,165	3,960	3,780	3,620
Debt Service - Interest	7,545	10,951	11,144	11,311	11,461
Credits to Debt Service	(868)	(2,930)	(1,994)	(1,050)	(729)
Annual Debt Service	$ 6,677	$ 12,186	$ 13,110	$ 14,041	$ 14,352
Debt Service Coverage before the benefit of Rolling Cov. Fund and Sup. Reserve Fund balances	1.75	2.12	2.56	2.35	2.30
Debt Service Coverage after the benefit of Rolling Cov. Fund and Sup. Reserve Fund balances	2.05	2.42	2.86	2.65	2.60

(1) Consists of bond proceeds in the form of Capitalized Interest and investment earnings on the Construction Funds.

(2) Consists of investment income on the PFC Debt Service Reserve Fund, the PFC Project Funds and investment income generated by the PFC Debt Service Funds that were not received from PFC collections. Fiscal year 2017 credits include $19.6 million released from the PFC Debt Service Reserve Fund.

(3) Debt Service Coverage reflects the pledge of revenue at the $4.50 PFC level.

(4) Following the issuance of the June 30, 2015 audited financial statements on September 30, 2015, the CFC Debt Service Coverage calculation was updated from 2.42 to 2.39 for fiscal year 2015. Following the issuance of the June 30, 2014 audited financial statements on September 24, 2014, the CFC Debt Service Coverage calculation was updated from 2.69 to 2.64 for fiscal year 2014.

(5) Following the issuance of the June 30, 2016 audited financial statements on September 30, 2016, the 1978 Trust Debt Service Coverage calculations in the fiscal year 2016 MD&A were updated from 2.96 to 2.98 for fiscal year 2016 and from 2.49 to 2.62 for fiscal year 2015, respectively. The PFC First Lien Sufficiency covenant calculation has been updated from 11.03 to 10.68 for fiscal year 2016.

(6) As of July 2, 2017, there are no PFC Revenue Bonds outstanding under the PFC Trust Agreement, as the final payment amount of $52.9 million matured on July 1, 2017.

(7) Fiscal year 2020 Net Revenues include $57.1 million of CARES Act grant funds used for operating expenses and designated as Available Funds under the 1978 Trust Agreement. Fiscal year 2021 Net Revenues include $121.1 million of CARES Act and CRRSA Act grant funds used for operating expenses and designated as Available Funds under the 1978 Trust Agreement.

(8) Represents PFC Revenues designated as Available Funds under the 1978 Trust Agreement.

Source: Authority’s accounting reports.

MASSACHUSETTS PORT AUTHORITY
Statistical Section
Calculation of Debt Service Coverage
Under the 1978 Trust Agreement, the PFC Trust Agreement and the CFC Trust Agreement
Fiscal Years Ended June 30, 2012 through June 30, 2021
(In Thousands - except coverage calculations)

S-7 Debt Service Coverage (Continued)

	2016	2015	2014	2013	2012
1978 Trust Agreement					
Net Revenue	$ 293,064	$ 258,087	$ 240,108	$ 222,444	$ 234,099
Debt Service - Principal	49,430	50,480	46,910	44,325	57,010
Debt Service - Interest	52,429	50,211	48,882	51,089	50,024
PFC Revenues designated as Available Funds (8)	-	-	-	-	-
Credits to Debt Service (1)	(3,639)	(2,191)	(5,229)	(5,330)	(1,198)
Annual Debt Service	$ 98,220	$ 98,500	$ 90,563	$ 90,084	$ 105,836
Debt Service Coverage	2.98 (5)	2.62 (5)	2.65	2.47	2.21
PFC Trust Agreement (6)					
Net PFC Revenue	$ 70,995	$ 65,889	$ 62,751	$ 60,167	$ 59,339
Debt Service - Principal	22,325	17,475	17,720	16,925	16,160
Debt Service - Interest	3,731	4,563	5,435	6,236	6,999
Credits to Debt Service (2)	(312)	(841)	(1,311)	(1,417)	(924)
Annual Debt Service	$ 25,744	$ 21,197	$ 21,844	$ 21,744	$ 22,235
Debt Service Coverage (3)	2.76	3.11	2.87	2.77	2.67
First Lien Sufficiency Covenant	10.68 (5)	5.64	4.75	4.37	3.73
CFC Trust Agreement					
CFC Revenue	$ 32,335	$ 30,768	$ 29,963	$ 29,354	$ 28,749
Debt Service - Principal	3,485	3,360	3,260	3,185	2,575
Debt Service - Interest	11,584	11,693	11,755	11,796	11,814
Credits to Debt Service	(397)	(366)	(2,220)	(3,564)	(2,796)
Annual Debt Service	$ 14,672	$ 14,687	$ 12,795	$ 11,417	$ 11,593
Debt Service Coverage before the benefit of Rolling Cov. Fund and Sup. Reserve Fund balances	2.20	2.09	2.34	2.57	2.48
Debt Service Coverage after the benefit of Rolling Cov. Fund and Sup. Reserve Fund balances	2.50	2.39 (4)	2.64 (4)	2.87	2.78

(1) Consists of bond proceeds in the form of Capitalized Interest and investment earnings on the Construction Funds.

(2) Consists of investment income on the PFC Debt Service Reserve Fund, the PFC Project Funds and investment income generated by the PFC Debt Service Funds that were not received from PFC collections. Fiscal year 2017 credits include $19.6 million released from the PFC Debt Service Reserve Fund.

(3) Debt Service Coverage reflects the pledge of revenue at the $4.50 PFC level.

(4) Following the issuance of the June 30, 2015 audited financial statements on September 30, 2015, the CFC Debt Service Coverage calculation was updated from 2.42 to 2.39 for fiscal year 2015. Following the issuance of the June 30, 2014 audited financial statements on September 24, 2014, the CFC Debt Service Coverage calculation was updated from 2.69 to 2.64 for fiscal year 2014.

(5) Following the issuance of the June 30, 2016 audited financial statements on September 30, 2016, the 1978 Trust Debt Service Coverage calculations in the fiscal year 2016 MD&A were updated from 2.96 to 2.98 for fiscal year 2016 and from 2.49 to 2.62 for fiscal year 2015, respectively. The PFC First Lien Sufficiency covenant calculation has been updated from 11.03 to 10.68 for fiscal year 2016.

(6) As of July 2, 2017, there are no PFC Revenue Bonds outstanding under the PFC Trust Agreement, as the final payment amount of $52.9 million matured on July 1, 2017.

(7) Fiscal year 2020 Net Revenues include $57.1 million of CARES Act grant funds used for operating expenses and designated as Available Funds under the 1978 Trust Agreement. Fiscal year 2021 Net Revenues include $121.1 million of CARES Act and CRRSA Act grant funds used for operating expenses and designated as Available Funds under the 1978 Trust Agreement.

(8) Represents PFC Revenues designated as Available Funds under the 1978 Trust Agreement.

Source: Authority's accounting reports.

(In Thousands - except per passenger calculations)

S-8 Debt Metrics (1)

	2021	2020	2019	2018	2017
1978 Trust Agreement-Annual Debt Service per enplaned passenger (3)	$ 11.09	$ 7.90	$ 5.69	$ 5.67	$ 5.45
1978 Trust Agreement Bonds Outstanding (GAAP)	$ 2,565,960	$ 2,234,570	$ 1,752,315	$ 1,489,400	$ 1,467,650
Less Annual Debt Service - Principal (4)	12,420	62,680	53,565	52,325	52,895
1978 Trust Agreement Bonds Outstanding (4)	$ 2,553,540	$ 2,171,890	$ 1,698,750	$ 1,437,075	$ 1,414,755
1978 Trust Agreement Bonds per enplaned passenger	$ 418.47	$ 143.87	$ 81.54	$ 73.18	$ 75.93
PFC Trust Agreement Annual Debt Service per enplaned passenger	N/A	N/A	N/A	N/A	$ 1.89
PFC Trust Agreement Bonds Outstanding (GAAP)	N/A	N/A	N/A	N/A	$ 52,910
Less Annual PFC Debt Service - Principal	N/A	N/A	N/A	N/A	52,910
PFC Trust Agreement Bonds Outstanding (2)	N/A	N/A	N/A	N/A	$ -
PFC Trust Agreement Bonds per enplaned passenger	N/A	N/A	N/A	N/A	$ -
CFC Trust Agreement Bonds Outstanding (GAAP)	$ 120,255	$ 124,420	$ 190,795	$ 194,575	$ 198,195
Less Annual CFC Debt Service - Principal	-	4,165	3,960	3,780	3,620
CFC Trust Agreement Bonds Outstanding	$ 120,255	$ 120,255	$ 186,835	$ 190,795	$ 194,575
CFC Trust Agreement Bonds per enplaned passenger	$ 19.71	$ 7.97	$ 8.97	$ 9.72	$ 10.44
Subordinated Obligations Debt - Direct Placement (GAAP)	$ -	$ 72,500	$ 40,000	$ -	$ -
1978 Trust Agreement Subordinated Obligations Debt Outstanding - Direct Placement (5)	$ -	$ 72,500	$ 40,000	$ -	$ -
Total Outstanding Bonds at June 30 (GAAP)	**$ 2,686,215**	**$ 2,431,490**	**$ 1,983,110**	**$ 1,683,975**	**$ 1,718,755**

(1) Excluding accrued maturities and commercial paper. See Exhibit S-12 for enplaned passenger statistics.
(2) As of July 2, 2017, there are no PFC Revenue Bonds outstanding under the PFC Trust Agreement, as the final payment amount of $52.9 million matured on July 1, 2017.
(3) Commencing in fiscal year 2020, excludes debt service paid from PFC Revenues designated by the Authority as Available Funds.
(4) Includes principal paid from all sources, including PFC Revenues designated by the Authority as Available Funds.
(5) In November 2018, the 2018A Subordinated Obligations were issued to provide bridge financing for a portion of the Conley Terminal Berth 10 project, pending receipt of funds from The Commonwealth of Massachusetts pursuant to a Memorandum of Understanding with the Authority in May 2018. The 2018A Subordinated Obligations were retired in May 2021.

Source: Authority's accounting reports.

MASSACHUSETTS PORT AUTHORITY
Statistical Section
Debt Metrics
Under the 1978 Trust Agreement, the PFC Trust Agreement and the CFC Trust Agreement
Fiscal Years Ended June 30, 2012 through June 30, 2021
(In Thousands - except per passenger calculations)

S-8 Debt Metrics (1) (Continued)

	2016	2015	2014	2013	2012
1978 Trust Agreement-Annual Debt Service per enplaned passenger (3)	$ 5.67	$ 6.13	$ 5.90	$ 6.16	$ 7.27
1978 Trust Agreement Bonds Outstanding (GAAP)	$ 1,348,590	$ 1,398,070	$ 1,194,540	$ 1,238,865	$ 1,200,360
Less Annual Debt Service - Principal (4)	49,430	50,480	46,910	44,325	57,010
1978 Trust Agreement Bonds Outstanding (4)	$ 1,299,160	$ 1,347,590	$ 1,147,630	$ 1,194,540	$ 1,143,350
1978 Trust Agreement Bonds per enplaned passenger	$ 74.94	$ 83.87	$ 74.82	$ 81.70	$ 78.54
PFC Trust Agreement Annual Debt Service per enplaned passenger	$ 1.49	$ 1.32	$ 1.42	$ 1.49	$ 1.53
PFC Trust Agreement Bonds Outstanding (GAAP)	$ 75,235	$ 92,710	$ 110,430	$ 127,355	$ 143,515
Less Annual PFC Debt Service - Principal	22,325	17,475	17,720	16,925	16,160
PFC Trust Agreement Bonds Outstanding (2)	$ 52,910	$ 75,235	$ 92,710	$ 110,430	$ 127,355
PFC Trust Agreement Bonds per enplaned passenger	$ 3.05	$ 4.68	$ 6.04	$ 7.55	$ 8.75
CFC Trust Agreement Bonds Outstanding (GAAP)	$ 201,680	$ 205,040	$ 208,300	$ 211,485	$ 214,060
Less Annual CFC Debt Service - Principal	3,485	3,360	3,260	3,185	2,575
CFC Trust Agreement Bonds Outstanding	$ 198,195	$ 201,680	$ 205,040	$ 208,300	$ 211,485
CFC Trust Agreement Bonds per enplaned passenger	$ 11.43	$ 12.55	$ 13.37	$ 14.25	$ 14.53
Subordinated Obligations Debt (GAAP)	$ -	$ -	$ -	$ -	$ -
1978 Trust Agreement Subordinated Obligations Debt Outstanding - Direct Placement (5)	$ -	$ -	$ -	$ -	$ -
Total Outstanding Bonds at June 30 (GAAP)	**$ 1,625,505**	**$ 1,695,820**	**$ 1,513,270**	**$ 1,577,705**	**$ 1,557,935**

(1) Excluding accrued maturities and commercial paper. See Exhibit S-12 for enplaned passenger statistics.
(2) As of July 2, 2017, there are no PFC Revenue Bonds outstanding under the PFC Trust Agreement, as the final payment amount of $52.9 million matured on July 1, 2017.
(3) Commencing in fiscal year 2020, excludes debt service paid from PFC Revenues designated by the Authority as Available Funds.
(4) Includes principal paid from all sources, including PFC Revenues designated by the Authority as Available Funds.
(5) In November 2018, the 2018A Subordinated Obligations were issued to provide bridge financing for a portion of the Conley Terminal Berth 10 project, pending receipt of funds from The Commonwealth of Massachusetts pursuant to a Memorandum of Understanding with the Authority in May 2018. The 2018A Subordinated Obligations were retired in May 2021.

Source: Authority's accounting reports.


TRADITION
LOCAL 7

MASSACHUSETTS PORT AUTHORITY
Statistical Section
Largest Private Sector Employers
Current Year and Nine Years Ago
(Listed in alphabetical order)

S-9 Largest Private Sector Employers - Top 20 Massachusetts Employers with 10,000+ Employees (1)

Calendar Year 2021 (2)

Employer	Headquarters	Product or Service
Bj's Wholesale Club Inc	Westborough	Wholesale Clubs
Boston Scientific Corp	Marlborough	Physicians & Surgeons Equip & Supls-Whls
Bright Horizons Family Sltns	Newton	Child Care Service
Charles River Labs Intl Inc	Wilmington	Laboratories
Five Star Senior Living Inc	Newton	Health Care Management
FMR LLC	Boston	Financial Advisory Services
Fresenius Medical Care North	Waltham	Dialysis
General Electric Co	Boston	Electronic Equipment & Supplies-Mfrs
Iron Mountain Inc	Boston	Business Records & Documents-Storage
John Hancock	Boston	Insurance
Keurig Dr Pepper Inc	Burlington	Beverages (Whls)
Liberty Mutual Holding Co Inc	Boston	Insurance-Holding Companies
National Amusements Inc	Norwood	Theatres-Movie
National MENTOR Holdings Inc	Boston	Human Services Organizations
Partners Healthcare System Inc	Boston	Health Care Management
Philips Electronics N America	Andover	Health Equipment & Supls-Manufacturers
Raytheon Technologies Corp	Waltham	Aerospace Industries (Mfrs)
State Street Corp	Boston	Holding Companies (Bank)
Thermo Fisher Scientific Inc	Waltham	Laboratory Equipment & Supplies (Whls)
Virtusa Corp	Southborough	Computer Programming Services

Calendar Year 2012

Employer	Headquarters	Product or Service
Alere Inc	Waltham	Professional Diagnostics & Health Management
Boston Scientific Corp	Natick	Surgical Instruments-Manufacturers
Care Group Inc.	Boston	Health Services
De Moulas Super Markets Inc.	Tewksbury	Grocers-Retail
EMC Corp	Hopkinton	Information Technology Services
Five Star Quality Care Inc.	Newton	Residential Care Homes
FMR LLC	Boston	Financial Advisory Services
Fresenius Medical Care North	Waltham	Kidney Dialysis Centers
Iron Mountain Inc	Boston	Business Records & Documents-Storage
John Hancock	Boston	Insurance
Massachusetts Mutual Life Ins	Springfield	Insurance
National Amusements Inc	Dedham	Theatres-Movie
Partners Health Care System	Boston	Health Care Management Organizations
Philips Electronics N America	Andover	Health Equipment & Supls-Manufacturers
Raytheon Technologies Corp	Waltham	Aerospace Industries (Mfrs)
Staples Inc.	Framingham	Office Supplies
State Street Corp	Boston	Holding Companies (Bank)
Stream Global Svc Inc.	Wellesley	Business Support Service
Thermo Fisher Scientific Inc.	Waltham	Measuring/Controlling Devices Nec (Mfrs)
University of MA System	Shrewsbury	Schools-Universities & Colleges Academic

(1) Largest employers headquartered in MA only, excludes subsidiaries that are headquartered outside of MA.
(2) Updated data as of November 2021.

Sources: Data Axle, Inc.

MASSACHUSETTS PORT AUTHORITY
Statistical Section
Demographics and Employment Data
Calendar Years Ended 2011 through 2020

S-10 Demographics and Employment Data

(Calendar Years)

Boston Metropolitan Statistical Area (1)	2020	2019	2018	2017	2016
Population (5)	4,878,211	4,873,019	4,859,536	4,844,597	4,805,942
Total personal income (in millions)	N/A (2)	397,139	383,665	358,021	$336,363
Per capita personal income	N/A (2)	81,498	78,694	74,024	$70,157
Unemployment rate (annual average) (4)	8.5%	2.7%	3.1%	3.4%	3.5%
Employment By Industry					
Industry Type (In thousands) (3, 4)					
Educational and Health Services	553.8	595.9	593.0	585.9	582.4
Trade, Transportation and Utilities	408.6	443.7	440.1	440.9	437.8
Professional and Business Services	502.5	524.0	513.6	494.3	477.2
Government	299.8	321.8	320.2	317.8	319.6
Manufacturing	177.1	188.4	188.5	188.5	187.6
Leisure and Hospitality	175.3	279.2	271.4	270.9	263.6
Financial Activities	179.9	186.4	185.3	185.3	185.4
Construction	120.0	122.2	119.2	113.8	110.0
Other Services	84.2	105.1	103.2	102.0	101.1
Information	76.8	83.4	80.1	80.4	79.3
Total	2,578.0	2,850.1	2,814.6	2,779.8	2,744.0

(1) The Metropolitan Statistical Area as defined by the Office of Management and Budget for Federal statistical purposes.

(2) U.S. Department of Labor changed its release date for statistical data estimates of personal income for all local areas. Data is expected to be released 11 months after the end of the referenced year.

(3) On February 28, 2013, the Office of Management and Budget announced through Bulletin No. 13-01 revised delineations of Metropolitan Statistical Areas. The Local Area Unemployment Statistics implemented these 2010 Census-based delineations on March 17, 2015. Employment figures are reflected as of December 31 each calendar year.

(4) Employment data for calendar year 2019 has been revised from what was reflected in Table S-10 of the Authority's fiscal year 2020 ACFR.updated data released by the Bureau of Labor Statistics. reflecting updated data released by the Bureau of Labor Statistics.

(5) Population data for calendar year 2019 has been revised from what was reflected in Table S-10 of the Authority's fiscal year 2020 ACFR, reflecting updated data released by the U.S. Census Bureau. Population estimate as of July 1.

Sources: Bureau of Economic Analysis - U.S. Department of Commerce and Bureau of Labor Statistics - U.S. Department of Labor.

MASSACHUSETTS PORT AUTHORITY
Statistical Section
Demographics and Employment Data
Calendar Years Ended 2011 through 2020

S-10 Demographics and Employment Data (Continued)

(Calendar Years)

Boston Metropolitan Statistical Area (1)	2015	2014	2013	2012	2011
Population (5)	4,766,755	4,739,385	4,698,356	4,642,095	4,591,112
Total personal income (in millions)	$326,046	$304,329	$289,275	$280,244	$265,794
Per capita personal income	$68,292	$64,311	$61,754	$60,387	$57,893
Unemployment rate (annual average) (4)	4.4%	5.2%	6.1%	6.1%	6.6%
Employment By Industry					
Industry Type (In thousands) (3, 4)					
Educational and Health Services	570.6	558.6	539.9	532.8	521.9
Trade, Transportation and Utilities	434.6	432.4	423.8	419.6	417.3
Professional and Business Services	464.9	449.2	439.0	425.8	412.3
Government	318.4	320.1	313.5	309.7	308.1
Manufacturing	189.5	193.1	193.3	193.6	192.9
Leisure and Hospitality	257.1	250.0	242.4	233.6	225.8
Financial Activities	184.8	180.4	178.9	178.7	177.9
Construction	107.8	97.9	90.5	86.3	80.9
Other Services	100.1	99.8	98.3	97.6	95.8
Information	77.7	76.3	75.1	74.6	74.8
Total	2,705.5	2,657.8	2,594.7	2,552.3	2,507.7

(1) The Metropolitan Statistical Area as defined by the Office of Management and Budget for Federal statistical purposes.

(2) U.S. Department of Labor changed its release date for statistical data estimates of personal income for all local areas. Data is expected to be released 11 months after the end of the referenced year.

(3) On February 28, 2013, the Office of Management and Budget announced through Bulletin No. 13-01 revised delineations of Metropolitan Statistical Areas. The Local Area Unemployment Statistics implemented these 2010 Census-based delineations on March 17, 2015. Employment figures are reflected as of December 31 each calendar year.

(4) Employment data for calendar year 2019 has been revised from what was reflected in Table S-10 of the Authority's fiscal year 2020 ACFR.updated data released by the Bureau of Labor Statistics. reflecting updated data released by the Bureau of Labor Statistics.

(5) Population data for calendar year 2019 has been revised from what was reflected in Table S-10 of the Authority's fiscal year 2020 ACFR, reflecting updated data released by the U.S. Census Bureau. Population estimate as of July 1.

Sources: Bureau of Economic Analysis - U.S. Department of Commerce and Bureau of Labor Statistics - U.S. Department of Labor.

MASSACHUSETTS PORT AUTHORITY
Statistical Section
Number of Employees by Facility
Fiscal Years Ended June 30, 2012 through June 30, 2021

S-11 Number of Employees by Facility (1):

Facility	2021	2020	2019	2018	2017
Logan Airport	696.0	829.0	819.0	777.0	780.0
Hanscom Field	18.0	19.0	19.0	19.0	18.0
Worcester Regional Airport	13.0	25.0	24.0	33.0	32.0
Maritime	105.0	121.0	122.0	119.0	121.0
General Administration	251.0	349.0	346.0	336.0	322.0
Total Employees	1,083.0	1,343.0	1,330.0	1,284.0	1,273.0

(1) Excludes policing services that are provided to the Authority by Troop F of the Massachusetts State Police who are employees of the Commonwealth. In fiscal year 2021, there were 150 State Police positions assigned to the Authority.

Source: Authority-Wide Vacancy report as of June 30 each fiscal year.

MASSACHUSETTS PORT AUTHORITY
Statistical Section
Number of Employees by Facility
Fiscal Years Ended June 30, 2012 through June 30, 2021

S-11 Number of Employees by Facility (1): (Continued)

Facility	2016	2015	2014	2013	2012
Logan Airport	750.5	725.0	707.0	678.5	696.5
Hanscom Field	19.0	19.0	18.0	19.0	19.0
Worcester Regional Airport	31.0	32.0	26.5	21.0	24.0
Maritime	120.5	115.5	121.0	118.0	114.0
General Administration	318.0	311.5	300.5	287.5	255.0
Total Employees	1,239.0	1,203.0	1,173.0	1,124.0	1,108.5

(1) Excludes policing services that are provided to the Authority by Troop F of the Massachusetts State Police who are employees of the Commonwealth. In fiscal year 2021, there were 150 State Police positions assigned to the Authority.

Source: Authority-Wide Vacancy report as of June 30 each fiscal year.

S-12 Logan International Airport Activity:

	2021 (10)	2020 (10)	2019	2018	2017
Aircraft Operations (1)					
Domestic (2)	111,889	208,986	263,545	257,296	244,857
International (3)	15,784	39,318	54,736	52,483	51,500
Regional	44,163	71,285	77,809	71,198	68,223
General Aviation	15,706	21,534	30,420	31,186	31,300
Total Operations	187,542	341,123	426,510	412,163	395,880
Aircraft Landed Weights (1,000 pounds) (4)	11,355,731	21,462,516	26,547,968	25,249,192	24,040,957
Passengers Traffic					
Domestic (2)					
Enplaned	5,045,352	11,281,039	15,620,740	14,995,819	14,257,124
Deplaned	5,078,662	11,285,569	15,696,004	15,079,032	14,348,544
International (3)					
Enplaned	651,054	2,820,055	4,011,290	3,609,751	3,493,005
Deplaned	607,317	2,926,919	4,018,879	3,649,730	3,506,567
Regional					
Enplaned	405,660	995,484	1,200,779	1,030,643	881,940
Deplaned	404,688	980,667	1,204,503	1,028,876	871,399
Subtotal	12,192,733	30,289,733	41,752,195	39,393,851	37,358,579
General Aviation ("GA")					
Enplaned	28,477	39,038	55,608	56,329	55,886
Deplaned	28,477	39,038	55,608	56,329	55,886
Total Passengers	12,249,687	30,367,809	41,863,411	39,506,509	37,470,351
Total Enplaned Passengers (excluding GA)	6,102,066	15,096,578	20,832,809	19,636,213	18,632,069
Average Passengers Per Flight					
Domestic (2)	90.5	108.0	118.8	116.9	116.8
International (3)	79.7	146.2	146.7	138.3	135.9
Regional	18.3	27.7	30.9	28.9	25.7
Air Carrier and Passenger Metrics					
Primary carrier (5)	JetBlue	JetBlue	JetBlue	JetBlue	JetBlue
Primary carrier market share (5)	33.6%	29.3%	28.5%	27.9%	27.2%
Two top carriers market share (5)	51.6%	43.9%	43.9%	44.1%	44.3%
Origination & destination share (6)	96.7% (7)	94.4%	94.5%	94.2%	94.4%
Compensatory airline payments to Massport per enplaned passenger (8)	$50.97	$20.21	$14.63	$14.37	$13.98
Logan Airport revenue per enplaned passenger (9)	$85.68	$44.02	$35.40	$35.39	$34.25
Total Cargo & Mail (1,000 pounds)	610,444	657,848	733,465	727,175	672,402

(1) Includes all-cargo flights.
(2) Includes domestic flights on jets and charters.
(3) Includes international flights on jet, charter and commuter carriers.
(4) Excludes general aviation and non-tenant.
(5) Data consists of mainline activity only.
(6) Source: the Authority and U.S. DOT, Air Passenger Origin-Destination Survey, reconciled to Schedule T1, as reported in Appendix CFC-1 to the Authority's ACFR; this statistic is calculated based on outbound passengers only as of fiscal year end.
(7) Fiscal year 2021 data is preliminary.
(8) Consists of landing fees, terminal rents, certain non-PFC passenger fees and aircraft parking fees.
(9) Consists of landing fees, terminal rents, parking, utilities, non-terminal and ground rent, concessions and baggage fees.
(10) Fiscal year 2020 and 2021 traffic statistics reflect impact of COVID-19 pandemic.

Source: Authority reports.

MASSACHUSETTS PORT AUTHORITY
Statistical Section
Logan International Airport
Traffic Metrics
Fiscal Years Ended June 30, 2012 through June 30, 2021

S-12 Logan International Airport Activity: (Continued)

	2016	2015	2014	2013	2012
Aircraft Operations (1)					
Domestic (2)	237,479	224,928	219,534	206,566	210,309
International (3)	46,687	41,084	38,059	38,400	37,956
Regional	72,416	71,233	79,983	79,608	87,895
General Aviation	30,026	26,114	26,286	26,924	29,062
Total Operations	386,608	363,359	363,862	351,498	365,222
Aircraft Landed Weights (1,000 pounds) (4)	22,652,895	20,784,046	20,297,245	19,494,836	19,858,768
Passengers Traffic					
Domestic (2)					
Enplaned	13,368,762	12,551,985	11,990,184	11,374,807	11,296,136
Deplaned	13,466,887	12,591,542	12,045,512	11,409,669	11,308,598
International (3)					
Enplaned	3,004,322	2,611,642	2,337,269	2,216,937	2,146,491
Deplaned	3,034,210	2,634,590	2,348,399	2,255,775	2,182,472
Regional					
Enplaned	962,163	903,180	1,011,299	1,029,877	1,114,704
Deplaned	952,308	910,348	1,021,968	1,024,898	1,117,810
Subtotal	34,788,652	32,203,287	30,754,631	29,311,963	29,166,211
General Aviation ("GA")					
Enplaned	54,883	47,967	47,816	48,471	58,899
Deplaned	54,883	47,967	47,816	48,471	58,899
Total Passengers	34,898,418	32,299,221	30,850,263	29,408,905	29,284,009
Total Enplaned Passengers (excluding GA)	17,335,247	16,066,807	15,338,752	14,621,621	14,557,331
Average Passengers Per Flight					
Domestic (2)	113.0	111.8	109.5	110.3	107.5
International (3)	129.3	127.7	123.1	116.5	114.1
Regional	26.4	25.5	25.4	25.8	25.4
Air Carrier and Passenger Metrics					
Primary carrier (5)	JetBlue	JetBlue	JetBlue	JetBlue	JetBlue
Primary carrier market share (5)	26.5%	26.9%	26.5%	26.2%	23.8%
Two top carriers market share (5)	40.7%	39.2%	37.7%	37.6%	35.0%
Origination & destination share (6)	94.8%	94.5%	94.5%	95.0%	95.5%
Compensatory airline payments to Massport per enplaned passenger (8)	$13.45	$13.78	$13.55	$13.16	$13.20
Logan Airport revenue per enplaned passenger (9)	$33.85	$34.76	$34.07	$33.00	$32.75
Total Cargo & Mail (1,000 pounds)	606,101	625,749	572,226	552,378	546,243

(1) Includes all-cargo flights.
(2) Includes domestic flights on jets and charters.
(3) Includes international flights on jet, charter and commuter carriers.
(4) Excludes general aviation and non-tenant.
(5) Data consists of mainline activity only.
(6) Source: the Authority and U.S. DOT, Air Passenger Origin-Destination Survey, reconciled to Schedule T1, as reported in Appendix CFC-1 to the Authority's ACFR; this statistic is calculated based on outbound passengers only as of fiscal year end.
(7) Fiscal year 2021 data is preliminary.
(8) Consists of landing fees, terminal rents, certain non-PFC passenger fees and aircraft parking fees.
(9) Consists of landing fees, terminal rents, parking, utilities, non-terminal and ground rent, concessions and baggage fees.
(10) Fiscal year 2020 and 2021 traffic statistics reflect impact of COVID-19 pandemic.

Source: Authority reports.

MASSACHUSETTS PORT AUTHORITY
Statistical Section
Logan International Airport
Market Share of Total Passenger Traffic
Current Year and Nine Years Ago

S-13 Passenger Traffic Market Shares

Air Carrier (1)	Fiscal Year 2021 Passenger	Fiscal Year 2021 %	Fiscal Year 2012 (8) Passenger	Fiscal Year 2012 (8) %
JetBlue Airways Corp.	4,113,090	33.7%	6,970,516	23.9%
American Airlines, Inc. (2)	2,203,644	18.1%	6,417,718	22.0%
Delta Air Lines, Inc.	1,791,421	14.7%	3,246,763	11.1%
Foreign Flag	412,142	3.4%	2,822,066	9.7%
United Air Lines, Inc. (3)	1,016,730	8.3%	3,391,731	11.6%
Southwest Airlines Co. (4)	724,607	5.9%	2,749,065	9.4%
Others (6)	1,120,751	9.3%	1,288,853	4.5%
Regional Carriers (5)	810,348	6.6%	2,279,499	7.8%
Total	**12,192,733**	**100.0%**	**29,166,211**	**100.0%**

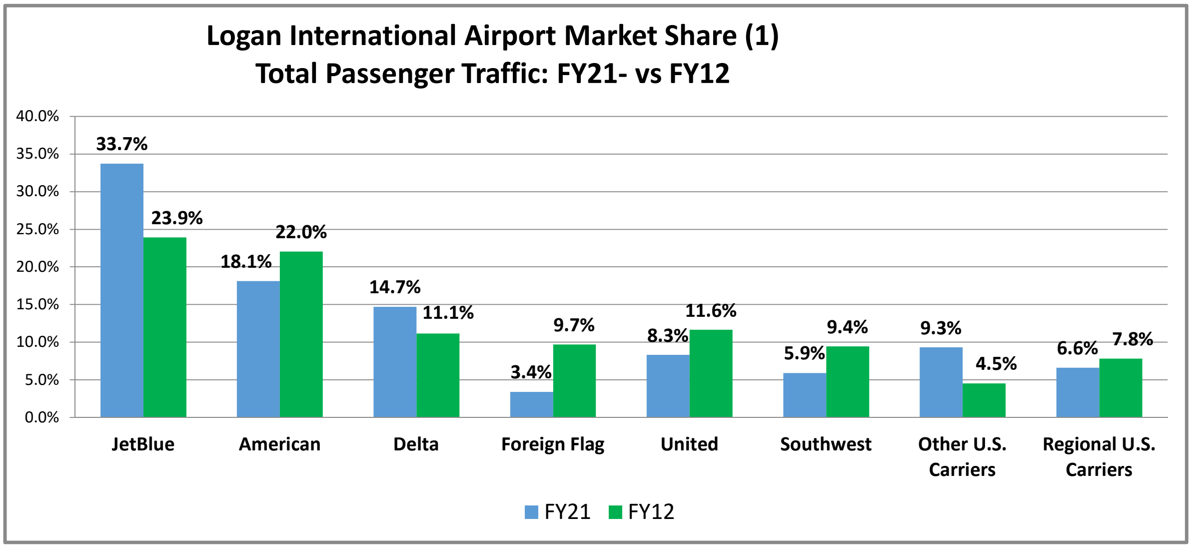
Air Carrier (1)	2021	2020	2019	2018	2017
American (2)	**18.1%**	**14.6%**	**15.4%**	**16.2%**	**17.1%**
American	-	-	-	-	-
US Airways	-	-	-	-	-
Delta Air Lines	**14.7%**	**14.4%**	**13.5%**	**12.6%**	**12.0%**
JetBlue Airways	**33.7%**	**29.3%**	**28.5%**	**27.9%**	**27.2%**
Southwest (4)	**5.9%**	**5.8%**	**6.6%**	**7.6%**	**8.2%**
AirTran Airways	-	-	-	-	-
Southwest	-	-	-	-	-
United Airlines (3)	**8.3%**	**8.7%**	**9.5%**	**9.8%**	**10.1%**
Continental Airlines	-	-	-	-	-
United	-	-	-	-	-
Foreign Flag	**3.4%**	**14.0%**	**14.6%**	**14.2%**	**14.4%**
Regional U.S. Carriers (5)	**6.6%**	**6.5%**	**5.7%**	**5.2%**	**4.7%**
Other U.S. Carriers (6)	**9.3%**	**6.7%**	**6.2%**	**6.5%**	**6.3%**
Total (7)	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**

(1) For purposes of comparison, data for consolidated air carriers (American, Delta, Southwest and United) is presented for all fiscal years. In the case of each such consolidated air carrier, the data provided for each period occurring prior to the consolidation is estimated based on a summation of the individual carrier information for such period. The data provided for period(s) occurring after the consolidation reflects actual data for such period(s). To the extent individual merged carriers continue to operate separately, individual carrier information is also shown for the periods occurring post-merger, which information may not add to the consolidated figure.
(2) In December 2013, American merged with US Airways, and effective October 1, 2015, the two airlines were fully integrated under the American name.
(3) In March 2012, Continental merged into United and discontinued service as an independent entity.
(4) In May 2011, Southwest merged with Air Tran Airways, and effective January 1, 2015, the two airlines were fully integrated under the Southwest name.
(5) Includes PenAir, Cape Air, American Eagle, US Airways Shuttle, Delta Shuttle, United Express, Continental Express and associated regional carriers. These figures for passengers traveling on U.S. flag regional carriers include passengers traveling internationally.
(6) Includes Alaska Airlines, Spirit Airlines, Sun Country, Virgin America (merged with Alaska effective January 11, 2018) and chartered/non-scheduled domestic service.
(7) Includes General Aviation figures.
(8) FY2012 passengers numbers revised.

Source: Authority reports.

MASSACHUSETTS PORT AUTHORITY
Statistical Section
Logan International Airport
Market Share of Total Passenger Traffic
Current Year and Nine Years Ago

S-13 Passenger Traffic Market Shares (Continued)



Air Carrier (1)	2016	2015	2014	2013	2012
American (2)	**19.4%**	**20.3%**	**21.0%**	**21.7%**	**22.0%**
American	*14.2*	*9.4*	*10.0*	*10.8*	*10.7*
US Airways	*5.2*	*10.9*	*11.0*	*10.9*	*11.3*
Delta Air Lines	**11.5%**	**12.3%**	**10.8%**	**10.7%**	**11.1%**
JetBlue Airways	**26.5%**	**26.9%**	**26.5%**	**26.2%**	**23.9%**
Southwest (4)	**8.1%**	**7.6%**	**8.2%**	**8.1%**	**9.4%**
AirTran Airways	*0.0*	*0.3*	*1.9*	*2.9*	*3.9*
Southwest	*0.0*	*7.3*	*6.3*	*5.2*	*5.5*
United Airlines (3)	**10.3%**	**10.2%**	**11.2%**	**11.3%**	**11.6%**
Continental Airlines	-	-	-	-	*2.6*
United	-	-	-	-	*9.0*
Foreign Flag	**13.0%**	**12.0%**	**10.9%**	**10.3%**	**9.7%**
Regional U.S. Carriers (5)	**5.5%**	**5.6%**	**6.6%**	**7.1%**	**7.8%**
Other U.S. Carriers (6)	**5.7%**	**5.1%**	**4.7%**	**4.5%**	**4.5%**
Total (7)	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**

(1) For purposes of comparison, data for consolidated air carriers (American, Delta, Southwest and United) is presented for all fiscal years. In the case of each such consolidated air carrier, the data provided for each period occurring prior to the consolidation is estimated based on a summation of the individual carrier information for such period. The data provided for period(s) occurring after the consolidation reflects actual data for such period(s). To the extent individual merged carriers continue to operate separately, individual carrier information is also shown for the periods occurring post-merger, which information may not add to the consolidated figure.
(2) In December 2013, American merged with US Airways, and effective October 1, 2015, the two airlines were fully integrated under the American name.
(3) In March 2012, Continental merged into United and discontinued service as an independent entity.
(4) In May 2011, Southwest merged with Air Tran Airways, and effective January 1, 2015, the two airlines were fully integrated under the Southwest name.
(5) Includes PenAir, Cape Air, American Eagle, US Airways Shuttle, Delta Shuttle, United Express, Continental Express and associated regional carriers.
These figures for passengers traveling on U.S. flag regional carriers include passengers traveling internationally.
(6) Includes Alaska Airlines, Spirit Airlines, Sun Country, Virgin America (merged with Alaska effective January 11, 2018) and chartered/non-scheduled domestic service.
(7) Includes General Aviation figures.
(8) FY2012 passengers numbers revised.

Source: Authority reports.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stars


Massachusetts Port Authority

MASSACHUSETTS PORT AUTHORITY
Statistical Section
Logan International Airport
Passenger Markets
Calendar Year 2020 and Nine Years Ago

S-14 Logan International Airport - Passenger Markets

The following table shows the percentage of passengers traveling on U.S. air carrier airlines to or from the Airport and other final domestic destinations for calendar year 2020, as reported by the United States Department of Transportation. International passengers are not included.
It also shows the comparative ranking of the top 20 domestic destinations for the same period and for calendar year 2011.

Market	Calendar 2020 Percentage	Calendar 2020 Rank	Calendar 2011 Rank
MCO : Orlando, FL	6.3%	1	6
FLL : Fort Lauderdale, FL	5.0%	2	8
Los Angeles Area : (LAX and LGB)	4.7%	3	5
Chicago, IL (ORD, MDW) (2)	4.6%	4	3
San Francisco Area : (SFO and SJC)	3.9%	5	4
Washington DC (IAD, DCA) (3)	3.9%	6	1
ATL : Atlanta, GA	3.6%	7	9
New York Area (JFK, LGA, EWR) (1)	3.6%	8	2
RSW : Fort Myers, FL	3.6%	9	12
TPA : Tampa, FL	3.5%	10	14
DEN : Denver, CO	2.9%	11	11
Dallas/Fort Worth, TX (DFW & DAL) (4)	2.8%	12	13
MIA : Miami, FL	2.6%	13	23
PBI: West Palm Beach, FL	2.5%	14	17
SJU : San Juan, PR	2.4%	15	25
LAS : Las Vegas, NV	2.0%	16	18
PHL : Philadelphia, PA	2.0%	17	10
BWI : Baltimore, MD	1.8%	18	7
PHX : Phoenix, AZ	1.7%	19	22
RDU : Raleigh/Durham, NC	1.7%	20	16

Total for Cities Listed 65.1%

(1) Includes JFK, La Guardia and Newark Liberty International Airports.
(2) Includes Chicago O'Hare Airport and Midway Airport.
(3) Includes Dulles Airport & National Airport.
(4) Includes Dallas/Fort Worth Airport and Dallas Love Field Airport.

Source: Airline Data Inc.: USDOT, O&D Survey.

MASSACHUSETTS PORT AUTHORITY
Statistical Section
Port of Boston
Cargo and Passenger Activity
Fiscal Years Ended June 30, 2012 through June 30, 2021

S-15 Port of Boston Cargo and Passenger Activity

Port	2021	2020	2019	2018	2017
Activity					
Containers (1)	140,750	161,171	174,849	161,130	145,540
Cruise (3) Passengers	0	298,029	395,971	406,369	351,914
Automobiles (2)	46,650	50,499	49,613	52,736	48,983
Bulk Tonnage	122,839	111,875	83,844	82,868	110,480

(1) Does not include over-the-road volumes.
(2) Does not include vehicles entered by over-the-road means.
(3) 2021 cruise season canceled due to COVID-19 pandemic and CDC No Sail and Conditional Sail Orders.

Source: Authority reports.

S-15 Port of Boston Cargo and Passenger Activity (Continued)

Port Activity	2016	2015	2014	2013	2012
Containers (1)	140,967	125,809	116,800	110,163	107,477
Cruise Passengers	289,076	330,535	338,442	369,428	380,151
Automobiles (2)	59,740	57,522	57,662	46,116	37,215
Bulk Tonnage	110,673	155,415	182,714	121,890	144,430

(1) Does not include over-the-road volumes.

(2) Does not include vehicles entered by over-the-road means.

(3) 2021 cruise season canceled due to COVID-19 pandemic and CDC No Sail and Conditional Sail Orders.

Source: Authority reports.

MASSACHUSETTS PORT AUTHORITY
Statistical Section
Port of Boston
Principal Customers
Current Year and Nine Years Ago

S-16 Port of Boston Principal Customers

Fiscal Year 2021

Direct Service	Shipping Lines	Cruise Lines (1)	Large Customs House Brokers
APL	APL	American Queen Steamboat	A.N. Deringer
China Ocean Shipping Co.	China Ocean Shipping Co.	Carnival	Agility Logistics
CMA CGM	CMA CGM	Celebrity	Albatrans, Inc.
Columbia Coastal	Columbia Coastal	Crystal	BDP International, Inc.
Evergreen America	Evergreen America	Cunard	BOC International
Mediterranean Shipping Corp.	Mediterranean Shipping Corp.	Holland America	Bollore Logistics (acquired SDV)
OOCL	OOCL	Hapag-Lloyd	C.H. Powell Company
		Hurtigruten	C.H. Robinson
		MSC	Carotrans Int'l
		Norwegian	Ceva Logistics (acquired Eagle Global Logistics)
		NYK	DB Schenker
		Oceania	DHL Forwarding
		Phoenix Reisen	DHL Supply Chain: North America (acquired Exel Global Logistics)
		Ponant	Dolliff & Company, Inc.
		Princess	DSV Air & Sea
		Royal Caribbean	Expeditors Int'l
		Regent	Fedex Trade Networks
		Ritz-Carlton	Hellmann Worldwide Logistics, Inc.
		Saga	J.F. Moran Co., Inc.
		Scenic	Janel (formerly Liberty Intl)
		Seabourn	Kuehne & Nagel, Inc.
		Silversea	Magic Customs Brokers, Inc.
		TUI	OceanAir, Inc
		Vantage	OEC
		Windstar	Panalpina, Inc.
			Savino Del Bene, Inc.
			Shipco
			Unique Logistics (formerly Dynasty Intl)
			UPS Supply Chain Solutions
			Vandegrift Intl.

Fiscal Year 2012

Direct Service	Shipping Lines	Cruise Lines	Large Customs House Brokers
China Ocean Shipping Co.	China Ocean Shipping Co	Aida CruiseSeeTours	A.N. Deringer
Hanjin Shipping	Hanjin	Carnival Cruise	Albatrans, Inc.
K-Line	K Line	Crystal Cruise Line	BDP International, Inc.
Mediterranean Shipping Corp.	Mediterranean Shipping Co.	Cunard	C.H. Powell Company
Yang Ming Line	Yang Ming	Holland America	DB Schenker
		Navitrans Shipping	DHL Forwarding
		Norwegian Cruise Line	Dolliff & Company, Inc.
		Oceania Cruises	Dynasty International, Inc.
		P&O Cruises	EGL Eagle Global Logistics
		Princess	Exel Global Logistics
		Regent Seven Seas	Expeditors Int'l
		Residen Sea	Fedex Trade Networks
		Royal Caribbean	Hellmann Worldwide Logistics, Inc.
		Seabourn Cruise Lines	J.F. Moran Co., Inc.
		Silversea Cruises	Kuehne & Nagel, Inc.
		V-Ships Leisure	Liberty International
			Magic Customs Brokers, Inc.
			OceanAir, Inc
			Panalpina, Inc.
			Savino Del Bene, Inc.
			SDV (USA)
			UPS Supply Chain Solutions
			Vandegrift Intl.

(1) 2021 cruise season canceled due to COVID-19 pandemic and CDC No Sail and Conditional Sail Orders.

Source: Authority reports.

S-17 Insurance Coverage

POLICY - 7/01/2020- 6/30/2021	BROKER / UNDERWRITER	LIMITS	RETENTION / UNDERLYING
PROPERTY INSURANCE			
All Risk Property Insurance including Boiler & Mach., Contractor's Equip. & Bus. Int. & Terrorism	Lockton/AIG	$500,000,000	$1,000,000 + 10% of first $50,000,000 occurrence
Hull Insurance - Including Terrorism	HUB International/CNA	Agreed Value	$1,000 - $50,000
LIABILITY INSURANCE			
Aviation General Liability War Risk Coverage Primary and Excess	Aon /Chubb	$500,000,000	$250,000
Marine Liability Terminal Operator's Liability Protection & Indemnity Including Port & Stevedore Liability Primary and Excess Including Terrorism	Marsh/Berkley	$100,000,000	$25,000
Automobile Liability Primary & Excess	Knapp, Schenck/Arbella	$5,000,000	
Comprehensive & Collision Deductible			$5,000
WORKERS' COMPENSATION			
Excess Workers' Compensation	HUB International/Chubb	Statutory	$1,000,000
OTHER COVERAGE			
Crime, Dishonesty Burglary and Robbery	Braley & Wellington/ Hartford Insurance Company	$3,000,000	$10,000-$100,000
Secretary-Treasurer's Bond	Braley & Wellington/ Hartford Insurance Company	$1,000,000	$0
Customs Bond	Braley & Wellington American Casualty Company	$50,000	$0
Marine Terminal Operator's Bond	Braley & Wellington Western Surety Company	$100,000	$0

Source: Authority reports.

MASSACHUSETTS PORT AUTHORITY
Statistical Section
Physical Asset Data
Fiscal Year Ended June 30, 2021

S-18 List of Certain Physical Asset Characteristics

	2021
Logan Airport	
Area of Airport (acres - approximate)	2,411
Runways	
Runway 15R/33L (length in feet)	10,083
Runway 4R/22L (length in feet)	10,006
Runway 4L/22R (length in feet)	7,864
Runway 9/27 (length in feet)	7,001
Runway 15L/33R (length in feet)	2,557
Runway 14/32 (length in feet)	5,000
Terminal Buildings	
Terminal A (number of jet contact gates)	21
Terminal B (number of jet contact gates)	39
Terminal C (number of jet contact gates)	28
Terminal E (number of jet contact gates)	12
Parking	
Number of commercial and employee parking spaces	19,542
Cargo Facilities (square feet)	268,461
Hanscom Field	
Area of Airport (acres - approximate)	1,302
Runways	
Runway 11/29 (length in feet)	7,011
Runway 5/23 (length in feet)	5,107
Worcester Regional Airport	
Area of Airport (acres - approximate)	1,330
Runways	
Runway 11/29 (length in feet)	7,001
Runway 15/33 (length in feet)	5,000
Port of Boston	
Conley Terminal (101 acres)	
Berth 10 (length in feet) (1)	1,275
Berth 11 (length in feet)	1,000
Berth 12 (length in feet)	1,000
Berth 14 (length in feet)	500
Berth 15 (length in feet)	500
Berth 16 (length in feet)	580
Berth 17 (length in feet)	580
Moran Terminal (64 acres)	
Berth 1 (length in feet)	1,000
Flynn Cruiseport Terminal	
10 berths (length in feet (each))	500
Commercial Real Estate (approximate acres)	91.7

(1) In use as of October 2021

Sour Source: Authority reports.

ANNUAL DISCLOSURE

STATEMENT OF THE 1978 TRUST AGREEMENT

ANNUAL FINANCIAL INFORMATION AND OPERATING DATA OF THE MASSACHUSETTS PORT AUTHORITY FOR FISCAL YEAR 2021

Introduction

This Statement of Annual Financial Information and Operating Data dated as of November 24, 2021 (the "Annual Disclosure Statement") of the Massachusetts Port Authority (the "Authority") is prepared and submitted in accordance with the requirements of (i) its Continuing Disclosure Certificate, dated as of July 19, 2012 and (ii) its Continuing Disclosure Certificate dated July 10, 2019 (collectively, the "Continuing Disclosure Undertaking"). Set forth below is certain financial information and operating data relating to the Authority for the fiscal year ended June 30, 2021 ("fiscal year 2021"), which updates financial information and operating data presented in the Authority's Statement of Annual Financial Information and Operating Data dated as of November 24, 2020 (the "2020 Annual Disclosure Statement"). Capitalized terms not otherwise defined herein shall have the meanings ascribed to such terms in the Authority's Official Statement dated March 10, 2021 (the "2021 Official Statement"). This Annual Disclosure Statement is part of the Authority's Annual Comprehensive Financial Report (the "2021 ACFR") dated November 24, 2021 for fiscal year 2021 and the remaining sections of the 2021 ACFR are incorporated herein by reference. The Authority's audited financial statements for fiscal year 2021 and comparative information for fiscal year 2020, prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP"), with a report thereon by Ernst & Young LLP, independent auditors, are also included in the financial section of the 2021 ACFR. The 2021 Official Statement and the 2021 Annual Disclosure Statement are each on file with the Municipal Securities Rulemaking Board ("MSRB"). For a more complete description of the Authority and the Bonds, reference is made to the 2021 Official Statement.

This Annual Disclosure Statement applies to the following Series of Bonds issued by the Authority and outstanding at June 30, 2021 (collectively, the "Bonds"):

Massachusetts Port Authority Revenue Refunding Bonds, Series 2021-A (Non-AMT)
Massachusetts Port Authority Revenue Refunding Bonds, Series 2021-B (AMT)
Massachusetts Port Authority Revenue Refunding Bonds, Series 2021-C (Taxable)
Massachusetts Port Authority Revenue Bonds, Series 2021-D (Non-AMT)
Massachusetts Port Authority Revenue Bonds, Series 2021-E (AMT)
Massachusetts Port Authority Revenue Refunding Bonds, Series 2020-A (AMT)
Massachusetts Port Authority Revenue Bonds, Series 2020-B (Taxable)
Massachusetts Port Authority Revenue Bonds, Series 2019-A (AMT)
Massachusetts Port Authority Revenue Bonds, Series 2019-B (Non-AMT)
Massachusetts Port Authority Revenue Bonds, Series 2019-C (AMT)
Massachusetts Port Authority Revenue Bonds, Series 2017-A (AMT)
Massachusetts Port Authority Revenue Refunding Bonds, Series 2016-A (Non-AMT)
Massachusetts Port Authority Revenue Bonds, Series 2016-B (AMT)
Massachusetts Port Authority Revenue Bonds, Series 2015-A (Non-AMT)
Massachusetts Port Authority Revenue Bonds, Series 2015-B (AMT)
Massachusetts Port Authority Revenue Refunding Bonds, Series 2015-C (Non-AMT)
Massachusetts Port Authority Revenue Bonds, Series 2014-A (Non-AMT)
Massachusetts Port Authority Revenue Bonds, Series 2014-B (AMT)
Massachusetts Port Authority Revenue Refunding Bonds, Series 2014-C (Non-AMT)

As of June 30, 2021, the Authority had issued and outstanding 19 series of bonds pursuant to the Trust Agreement dated as of August 1, 1978, as supplemented and amended (the "1978 Trust Agreement") between the Authority and the Trustee. Please see Note 5 of the Authority's Financial Statements as of June 30, 2021 for more detailed information.

As of June 30, 2021, the Authority had $74.0 million aggregate principal amount of Subordinated Indebtedness outstanding, consisting of its Subordinated Revenue Bonds, Series 2000-A, 2000-B and 2000-C (the "Series 2000 Subordinated Obligations"), and its Subordinated Revenue Bonds, Series 2001-A, 2001-B and 2001-C (the "Series 2001 Subordinated Obligations", and together with the Series 2000 Subordinated Obligations, the "Subordinated Indebtedness"). The Subordinated Indebtedness is payable solely from amounts on deposit in the Improvement and Extension Fund established under the 1978 Trust Agreement and in separate accounts not subject to the pledge of the 1978 Trust Agreement. The Subordinated Indebtedness is subordinate to all of the revenue bonds issued prior to the date hereof by the Authority pursuant to the 1978 Trust Agreement. Please see Note 5 of the Authority's Financial Statements as of June 30, 2021 for more detailed information.

As of June 30, 2021, the Authority had one outstanding series of CFC Revenue Bonds with a balance of $120.3 million, consisting of the Special Facilities Revenue Bonds (ConRAC Project), Series 2011B (the "CFC Bonds") issued pursuant to a Trust Agreement dated May 18, 2011 (the "CFC Trust Agreement") between the Authority and U.S. Bank National Association (the "CFC Trustee"). The CFC Bonds were issued for the purpose of providing funds sufficient, together with other available funds, to finance the design and construction of a new consolidated rental car facility and related improvements at Logan Airport, fund certain deposits to the debt service reserve and supplemental reserve funds for the CFC Bonds, and pay certain costs of issuance of the CFC Bonds. Please see Note 5 of the Authority's Financial Statements as of June 30, 2021 for more detailed information.

Pursuant to the Continuing Disclosure Certificate dated as of June 15, 2011 (the "CFC Disclosure Certificate") delivered by the Authority, the Authority is also including as part of the 2021 ACFR its Statement of Annual Financial Information and Operating Data for fiscal year 2021 (the "2021 CFC Disclosure Statement") with respect to the CFC Bonds.

As of June 30, 2021, the Authority had two outstanding series of BOSFUEL Project Special Facilities Revenue Bonds (the "2019 BOSFUEL Bonds"). The 2019 BOSFUEL Bonds were issued to finance enhancements to the fuel facilities at Logan Airport and to currently refund the previously issued 2007 BOSFUEL Bonds. The 2019 BOSFUEL Bonds are not subject to the Authority's Continuing Disclosure Undertaking or the CFC Disclosure Certificate. Please see Note 5 of the Authority's Financial Statements as of June 30, 2021 for more detailed information.

COMMERCIAL PAPER

On December 2, 2020, the Authority renewed and increased its commercial paper program in an aggregate principal amount not to exceed $200.0 million, which notes may be issued as Series A tax-exempt Non-AMT notes, Series B tax-exempt AMT notes or Series C taxable notes, and entered into an Amended and Restated Letter of Credit and Reimbursement Agreement with TD Bank, N.A. ("TD Bank"), which expires June 1, 2022, to provide security for the commercial paper program. As of June 30, 2021, the Authority had outstanding $22.0 million of commercial paper notes. The obligations of the Authority with respect to its commercial paper notes are secured by the Improvement and Extension Fund and the proceeds of Bonds subsequently issued for that purpose. The Authority currently expects to repay a significant portion of the outstanding notes from the PFC Capital Fund. Please see Note 5 of the Authority's Financial Statements as of June 30, 2021 for more detailed information.

IMPACT OF COVID-19 PANDEMIC

The information provided by the Authority in this Annual Disclosure Statement includes fiscal year 2021 results, which reflects the impact from the COVID-19 pandemic. For additional information regarding the impact of the COVID-19 pandemic on the Authority's financial condition and operations, please see the "COVID-19 Impact Statement" which is set forth in the MD&A section of the 2021 ACFR. Reference is also made to the 2021 Official Statement and the Authority's most recent voluntary filing regarding the impact of the COVID-19 pandemic on the Authority's financial and operating condition and the Authority's responses thereto, which was filed on October 6, 2021.

ADDITIONAL INFORMATION

For additional information concerning the Authority, please see the Authority's website, www.massport.com. Financial information can be found in the Financial Publications section of the Authority's website at http://www.massport.com/massport/finance/financial-publications. Copies of the Annual Statements prepared pursuant to Rule 15c2-12 with respect to the Authority's bonds issued under the 1978 Trust Agreement and the CFC Trust Agreement for prior fiscal years are available at http://www.emma.msrb.org and from the Authority. The Authority's principal office is located at One Harborside Drive, Suite 200S, East Boston, Massachusetts 02128. Its telephone number is (617) 568-5000. Questions may be directed to John P. Pranckevicius, CPA, the Authority's Director of Administration and Finance and Secretary-Treasurer.

ANNUAL DISCLOSURE STATEMENT

This Annual Disclosure Statement is of limited scope. It contains only an updating of certain financial information and operating data described below. Except as expressly noted, all information presented in this Annual Disclosure Statement is on the basis required under the 1978 Trust Agreement, and not on the basis of GAAP. For a comparison of the Authority's financial results under the 1978 Trust Agreement and GAAP, please refer to Table S-4 (Conversion of GAAP Revenues and Expenses to 1978 Trust Agreement Revenues and Expenses) set forth in the statistical section of the 2021 ACFR or to Exhibit I at the end of this section. The information set forth herein does not contain all material information concerning the Bonds or the Authority necessary to make an informed investment decision. This Annual Disclosure Statement does not constitute an offer to sell or the solicitation of an offer to buy the Bonds.

This Annual Disclosure Statement is submitted pursuant to the Continuing Disclosure Undertaking. The intent of the Authority's Continuing Disclosure Undertaking is to provide on a continuing basis for the benefit of the owners of the Bonds and any other bonds of the Authority that are designated by resolution of the Authority as subject to and having the benefits of the Continuing Disclosure Undertaking the information described in Rule 15c2-12 (the "Rule") promulgated by the Securities and Exchange Commission (the "SEC") under the Securities Exchange Act of 1934. Pursuant to the Continuing Disclosure Undertaking, the Authority has agreed with respect to the Bonds to provide, or cause to be provided, certain annual financial information and operating data, prepared on the basis of the 1978 Trust Agreement, and notices of certain listed events. The Authority reserves the right to modify the disclosure required under the Continuing Disclosure Undertaking, or the format of such disclosure, so long as any such modification is permitted by the Rule.

The purpose of the Authority's undertaking is to conform to the requirements of the Rule and not to create new contractual or other rights for the Trustee or for the underwriters of the Bonds, any registered owner or beneficial owner of Bonds, any municipal securities broker or dealer, any potential purchaser of the Bonds, the SEC, or any other person. The sole remedy in the event of any actual or alleged failure by the Authority to comply with any provision of the Continuing Disclosure Undertaking shall be an action for the specific performance of the Authority's obligations thereunder and not for money damages in any amount. Any failure by the Authority to comply with any provision of such undertaking shall not constitute an event of default under the 1978 Trust Agreement or any other instrument relating to the Bonds.

Updated Operating Information

AIRPORT PROPERTIES

Boston-Logan International Airport ("Logan Airport") continues to be the principal source of the Authority's Revenues, Net Revenues and net income, and is the dominant factor in the determination of the Authority's financial condition. In fiscal year 2021, Logan Airport accounted for 78.2% of the Authority's Revenues and 87.7% of the Authority's Net Revenues (as defined in the 1978 Trust Agreement), before other Available Funds as defined in the 1978 Trust Agreement. For additional information regarding activities at Logan Airport Properties during fiscal year 2021, please refer to Exhibits S-5, S-12, S-13 and S-14 presented in the statistical section of the 2021 ACFR. Exhibit S-12 summarizes Logan Airport traffic statistics for the ten most recent fiscal years.

Logan Airport plays a leading role in New England's air service infrastructure. According to data from Airports Council International ("ACI"), Logan Airport was the most active airport in New England and the 20th most active airport in North America in reporting year 2020, based upon total passenger volume. In reporting year 2020, Logan Airport was the 68th most active in the world according to data from ACI. Enplaned plus deplaned passengers at Logan Airport for fiscal year 2021 totaled approximately 12.2 million passengers. This is a 59.7% decrease from the 30.3 million passengers that used Logan Airport in fiscal year 2020. The decrease in the passenger volume and business activities are primarily the result of domestic and international travel restrictions due to the COVID-19 pandemic. For additional information regarding the impact of the COVID-19 pandemic on the Authority's financial condition and operations, please see the "COVID-19 Impact Statement" which is set forth in the MD&A section of the 2021 ACFR.

The primary destinations of passengers using Logan Airport for calendar year 2020 were: 25.8% to Florida, 4.7% to the Los Angeles market, which includes traffic to Los Angeles and Long Beach, 4.6% to Chicago and 3.9% to San Francisco.

In fiscal year 2021, international passengers (including those traveling on foreign flag and regional carriers) accounted for 10.3% of passenger traffic, or approximately 1.3 million passengers. This is a decrease of 78.1% or 1.2 million international passengers compared to the prior year. Of the 10.3% of passengers traveling internationally in fiscal year 2021, 21.8% traveled to or from Europe, 59.7% to or from Bermuda and the Caribbean, 2.0% to or from Canada, 9.9% to or from Middle East, 1.7% to or from the Trans-Pacific and 4.9% to or from Central and South America.

In fiscal year 2021, passengers traveling domestically on regional airlines accounted for approximately 6.6% of total passenger traffic at Logan Airport, or approximately 0.8 million passengers. The number of regional passengers (excluding passengers traveling internationally) decreased by 59.0% in fiscal year 2021. As of June 30, 2021, the top five regional airlines were Republic Airlines with 80.2% of domestic regional passengers, followed by Cape Air with 9.2%, Endeavor Air with 6.8%, SkyWest with 1.2%, and Piedmont with 0.8%.

During fiscal year 2021, five domestic low-cost carriers ("LCCs") and ultra-low cost carriers ("ULCCs")—JetBlue Airways, Southwest Airlines, Spirit Airlines, Sun Country (MN Airlines) and Frontier—handled 46.4% of Logan Airport's passengers.

In fiscal year 2021, total combined cargo and mail volume was approximately 610.4 million pounds. The total volume of air cargo and mail handled at Logan Airport decreased in fiscal year 2021 by 7.2% compared to fiscal year 2020. A large percentage of the total volume of air cargo for the period was attributable to integrated all-cargo companies and small package/express carriers, including Federal Express (with Wiggins), United Parcel Service, DHL (with Atlas Air, Kalitta 21-Air). Integrated carriers accounted for 65.8% of total domestic and international cargo (including mail) volume in fiscal years 2021.

SELECTED FINANCIAL DATA

Table S-5 set forth in the statistical section of the 2021 ACFR reflects Revenues and Operating Expenses for the ten most recent fiscal years, prepared in accordance with accounting principles required by the 1978 Trust Agreement. Information for each of the ten fiscal years is derived from the Authority's financial statements for the respective fiscal years; note that in certain cases information from prior fiscal years has been conformed to comply with current GASB standards. Financial statements of the Authority for fiscal year 2021 and comparative data for fiscal year 2020, together with the report thereon of Ernst & Young LLP, independent auditors, are included in the 2021 ACFR.

Tables S-7 and S-8 of the 2021 ACFR show the calculation of Annual Debt Service Coverage of the Authority, as provided under the 1978 Trust Agreement, which equals the ratio of the Net Revenues of the Authority to the Annual Debt Service for such year. "Net Revenues" is defined in the 1978 Trust Agreement as the excess of Revenues over Operating Expenses. For the purposes of the calculations, proceeds of passenger facility charges ("PFCs") and customer facility charges ("CFCs") have been excluded from Revenues because such proceeds have been excluded from Revenues under the 1978 Trust Agreement. In addition, commencing February 13, 2019, all rental revenues the Authority receives from Delta and other Terminal A airline tenants ("Terminal A Rental Revenues") are included as Revenues, reflecting the impact of the refunding and defeasance of the Authority's Special Facilities Revenue Bonds (Delta Airlines, Inc. Project), Series 2001A, 2001B and 2001C (the "Terminal A Bonds") in February 2019. As used in the tables, "Annual Debt Service" is equal to the "Principal and Interest Requirements" on Bonds (other than the Special Facilities Revenue Bonds) outstanding for the applicable fiscal year, less the capitalized interest paid from the applicable project fund, less debt service paid from PFCs that have been designated by the Authority as Available Funds beginning in fiscal year 2020. "Available Funds" is defined in the 1978 Trust Agreement to mean, for any period of time, (i) the amount of PFCs and/or CFCs to be received by the Authority during such period and not previously pledged or irrevocably committed to payment of principal of, interest on or premium, if any, on a series of Bonds, and (ii) the amount of any other future income or revenue source not then included in the definition of "Revenues" that the Authority designates as "Available Funds" in a future resolution adopted by the Authority supplementing the 1978 Trust Agreement.

MANAGEMENT'S DISCUSSION OF HISTORICAL OPERATING RESULTS

PREPARED IN ACCORDANCE WITH THE 1978 TRUST AGREEMENT

Total Operating Revenues in fiscal year 2021 were $657.8 million compared to $822.9 million in fiscal year 2020, while Operating Expenses were $416.6 million in fiscal year 2021 compared to $484.0 million in fiscal year 2020, resulting in Net Revenues, prior to the application of other Available Funds, of $251.7 million and $362.3 million in fiscal year 2021 and fiscal year 2020, respectively. During fiscal year 2021, the Authority used $121.1 million of grant funds received pursuant to the federal Coronavirus Aid, Relief, and Economic Security Act ("CARES Act") and the Coronavirus Response and Relief Supplemental Appropriations Act ("CRRSA Act") for operating expenses and designated such grant funds as Available Funds under the 1978 Trust Agreement. Taking into account these Available Funds, fiscal year 2021 Net Revenues were $372.8 million. Logan Airport is the primary source of the Authority's Revenues, Net Revenues and Operating Expenses. For a discussion of the differences between the accounting principles required by the 1978 Trust Agreement and GAAP, see Note 2 to the Authority's Financial Statements as of June 30, 2021 or Exhibit I at the end of this section. Revenues and Net Revenues do not include PFC revenues, which are required under federal law to be applied to certain FAA-authorized capital projects at the Airport and are not pledged for the benefit of holders of the Bonds, or CFC revenues, which are pledged as security for the CFC Bonds. Commencing February 13, 2019, all Terminal A Rental Revenues are included in Revenues and Net Revenues of the Authority, reflecting the impact of the refunding and defeasance of the Terminal A Bonds.

AIRPORT PROPERTIES

Airport Properties Net Revenues (Airport Properties Revenues less Airport Properties Operating Expenses) prior to the application of other Available Funds, decreased by $84.3 million or 28.4% from fiscal year 2020. The number of passengers using Logan Airport (excluding general aviation) in fiscal year 2021 was 59.7% lower than in fiscal year 2020. Landed weights were 47.1% lower than the prior fiscal year. Logan Airport Parking revenues were 57.4% lower than such revenues in fiscal year 2020. Logan Airport generated approximately $522.8 million of Operating Revenues and incurred $302.1 million of Operating Expenses in fiscal year 2021 compared to $664.6 million of Operating Revenues and $352.4 million of Operating Expenses in fiscal year 2020. Operating revenue and expense figures for Logan Airport stated in this paragraph do not include certain items, particularly expense items, such as interest, depreciation and amortization, properly allocable to Logan Airport, that are excluded from the definition of operating expenses pursuant to the 1978 Trust Agreement.

Unlike many airport operators, the Authority is not constrained by contractual arrangements with the air carriers serving Logan Airport governing the incurrence of aeronautical costs and the recovery of such costs in the landing fee and terminal rentals. Instead, landing fees and terminal rentals are set annually by the Authority on a compensatory basis to cover direct and allocated capital, administration, maintenance and operating costs. The Authority can also make adjustments during the year to the landing fee and to terminal rental rates, if necessary. Accordingly, each July, the Authority establishes the landing fee per thousand pounds of landed weight and the rental rates for the terminals, based upon historical capital costs and projected landed weights and the budgeted direct and allocable indirect operating costs of providing these facilities for that fiscal year.

Landing Fees. Logan Airport generated $122.6 million in landing fee revenue in fiscal year 2021. This was a $12.1 million or 10.9% increase from the $110.5 million generated in fiscal year 2020. Logan Airport's 2021 landing fee adjusted rate of $10.53 per thousand pounds was higher than the $5.46 per thousand pounds approved in 2020. Total landed weights in fiscal year 2021 was 11,355,731 pounds, a decrease of 10,106,785 pounds compared to fiscal year 2020.

Parking Fees. Logan Airport parking revenues (including Logan Express) decreased from $136.4 million in fiscal year 2020 to $58.1 million in fiscal year 2021. The number of commercial parking spaces at Logan Airport is subject to a limitation imposed by the EPA.

Terminal Rentals. Each fiscal year, the Authority establishes terminal building rental rates and fees for all of the Terminals on a compensatory basis. All leases with air carriers for terminal space at the Airport currently provide that the Authority may revise rental rates periodically, at the discretion of the Authority, to recover the actual direct and indirect capital and operating costs for such leased space. The Authority resets these rates each fiscal year to recover its actual capital and budget operating costs. Similar to its policy regarding landing fees, the Authority calculates the variance from the projections after the fiscal year ends, and the adjustment is invoiced to (in the case of a shortfall) or paid to (in the case of a surplus) the air carriers. The Authority's practice, however, is that the Authority does not recover through its terminal rentals the cost allocable to unrented space. The Authority can also make adjustments during the year to the rates charged to air carriers for terminal usage.

The Authority exercises significant control over Terminal facilities at Logan Airport through the leasing arrangements it has entered into with the carriers operating at the Airport. The Authority uses a combination of short-term leases, preferential use provisions, recapture provisions and forced subletting provisions to allow it to allocate its gate resources effectively and accommodate new entrant carriers.

In general, the Authority prefers to lease space on a short term basis—either on a month-to-month or year-to-year basis. This provides the Authority the flexibility to allocate gates so that carriers will maximize usage of these facilities. The Authority also has adopted a preferential gate use policy applicable to all gates at Logan Airport. Under the conditions specified in the policy, the Authority may schedule arrivals and departures at a gate by carriers other than the tenant for any period that the tenant is not using the gate. The tenant carrier must permit the carrier being accommodated under the policy to use the facilities required for the functional use of the gate, and may assess reasonable fees for such use. If a tenant carrier fails to accommodate a carrier under the terms of the preferential use policy, then the Authority may convert the gate to a common use gate.

The table below reflects the Authority's lease arrangements for contact gates at the Airport as of June 30, 2021. In addition to those listed below, as of June 30, 2021 three gates were closed for renovations in Terminal C. As of June 30, 2021, all of the gates in Terminal E are common use facilities, except for one utilized by JetBlue; however, there are five domestic carriers (Allegiant, Frontier, Hawaiian, JetBlue and Sun Country) that serve U.S. destinations that leased gates on a preferential hourly basis during off-peak hours.

TERMINAL	CARRIER	# OF GATES	LEASE TERM	EXPIRATION DATE
TERMINAL A	DELTA	21	5 YEARS	*
TERMINAL B	AIR CANADA	3	MONTHLY	N/A
	ALASKA	2	MONTHLY	N/A
	AMERICAN	18	VARIED*****	SEPTEMBER 30, 2023
	SOUTHWEST	5	1 YEAR	**
	SPIRIT	2	MONTHLY	N/A
	UNITED	9	1 YEAR	***
TERMINAL C	JET BLUE	25†	1 YEAR	****
TERMINAL E	JET BLUE	1	1 YEAR	****
		TOTAL: 86		

* The Delta lease was entered into on July 1, 2006, with an original term of ten years. Effective as of July 1, 2016, the lease was amended to extend the term with automatic one-year extensions, until terminated by either party. Delta subleases one gate to WestJet. Effective September 1, 2019, Delta and the Authority agreed to modify Delta's lease agreement to extend the term for five years through August 31, 2024, and Delta will have the option to extend the term an additional five years.

** The Southwest lease was entered into on August 29, 2019, with an original term of one year and automatic one-year extensions thereafter, until terminated by either party. Lease is effective, but not yet fully executed.

*** The United lease was entered into on May 1, 2014 with an original term of one year and automatic one-year extensions thereafter, until terminated by either party.

**** The JetBlue lease was entered into on March 18, 2005 with an effective date of May 1, 2005 and an original term of five years with 20 automatic one-year extensions thereafter, until terminated by either party.

***** American has 18 contact gates. Ten gates are subject to a 25 year lease expiring September 30, 2023. Eight gates were subject to an original 20 year lease, expiring June 13, 2021; this term was extended to September 30, 2023.

† JetBlue subleases one gate to Cape Air. It also allows Aer Lingus to operate out of two of its gates pursuant to a Facility Use Agreement and allows TAP to operate out of one of its gates pursuant to a Facility Use Agreement.

The leases with Delta, American, Southwest, United and JetBlue provide for the "recapture" of gates by the Authority if the tenant carrier's average usage (measured in the number of daily operations per gate) falls below a certain Airport-wide average for such usage. These leases also generally require that, at the request of the Authority, the tenant carrier sublease a certain number of gates, as specified in the lease. The monthly leases with Spirit, Alaska and Air Canada do not contain "recapture" language, but rather provide the Authority with the right to terminate portions of the premises on 30-days' notice.

The Authority's preference is to lease space on a short-term basis. The only long-term lease arrangements currently in place are with Delta and American (previously US Airways). Effective September 1, 2019, Delta and the Authority agreed to modify Delta's lease agreement to extend the term for five years through August 31, 2024, and Delta will have the option to extend the term for an additional five years. American's lease arrangement was entered into in connection with the significant capital investments the carrier made in the Authority's Terminal B facilities. Such terminal improvements were largely financed with special facilities revenue bonds issued by the Authority for the benefit of US Airways (now American) on a non-recourse basis. American has fully repaid its special facilities revenue bonds.

As reflected above, as of June 30, 2021, the Authority leased 86 of its 100 contact gates to various carriers serving the Airport. Rental revenue from Terminals totaled $209.3 million in fiscal year 2021 and rental income from non-terminal buildings and ground rents other than Terminals totaled $52.3 million in fiscal year 2021.

Concessions. Revenues from concessions decreased from $110.7 million in fiscal year 2020 to $57.7 million in fiscal year 2021, primarily due to decreased passenger volume as a result of the COVID-19 pandemic. Concession revenues include payments made by rental car companies that operate at Logan

Airport and commissions from the following concessions: food and beverage, news and gifts, duty free shops, specialty shops, ground transportation services and other concessions. Ground transportation services include taxis, Ride Apps and buses and limousines. Revenues from ground transportation services decreased from $12.5 million in fiscal year 2020 to $3.8 million in fiscal year 2021 (excluding Ride App Drop Off Fees). In fiscal year 2021, the Authority's Ride App Drop Off Fee of $3.25 per drop off generated $3.0 million of additional ground transportation services revenue compared to $3.8 million in fiscal year 2020.

Hanscom Field. During fiscal year 2021, Revenues from operations at Hanscom Field represented approximately 2.1% of the total Revenues of the Authority prior to the application of other Available Funds, and Hanscom Field's Operating Expenses constituted approximately 3.2% of the Authority's Operating Expenses. In fiscal year 2021, Hanscom Field contributed $14.1 million of Revenue, with Operating Expenses of $13.3 million, yielding an operating surplus before debt service or other capital expenses of approximately $745,000. Operating revenue and expense figures for Hanscom Field stated in this paragraph do not include certain items, particularly expense items, such as interest, depreciation and amortization, properly allocable to Hanscom Field, that are excluded from the definition of operating expenses pursuant to the 1978 Trust Agreement.

Worcester Regional Airport. In fiscal year 2021, Revenues from operations at Worcester Airport represented less than 1% of the total Revenues of the Authority prior to the application of other Available Funds, and Worcester's Operating Expenses constituted approximately 2.6% of the Authority's Operating Expenses and represented an operating loss of approximately $8.9 million before debt service and other capital expenses. In fiscal year 2020, Worcester Regional Airport generated an operating loss of approximately $14.8 million before debt service and other capital expenses. Worcester Airport had $1.9 million in operating revenues in fiscal year 2021, a decrease of $0.1 million compared to the prior year.

PORT PROPERTIES

In fiscal year 2021, the Revenue attributable to the Port Properties totaled approximately $119.0 million, or approximately 17.8% of the Revenues of the Authority, and the Port Properties accounted for approximately $90.3 million of Operating Expenses according to the 1978 Trust Agreement, or approximately 21.7% of the Authority's Operating Expenses. The Port Properties realized a surplus of approximately $28.7 million and $42.0 million in Net Revenues in fiscal years 2021 and 2020, respectively.

The Net Revenue from Maritime Operations, which includes the auto, container, cruise and seafood business lines, was a surplus of $12.5 million and $15.9 million in fiscal year 2021 and 2020, respectively. The Net Revenue from Maritime Real Estate was a surplus of $16.3 million and $26.1 million in fiscal years 2021 and 2020, respectively (primarily due to one-time transaction rent fees in both fiscal years). Over the period shown, the Authority has pursued a policy of seeking compensatory (or cost recovery) pricing, aggressively negotiating new lease terms when possible, and revenue development through more intense use of the Port Properties and a marketing program designed to increase the volume of containers handled and the number of cruise passengers who embark or disembark in Boston.

Operating revenue and expense figures for the Port Properties stated in the above paragraph do not include certain items, particularly expense items such as payments in lieu of taxes, interest and depreciation and amortization, properly allocable to the Port Properties, that are excluded from the definition of operating expenses pursuant to the 1978 Trust Agreement.

OTHER

Investment Income. Investment income (excluding CFCs, PFCs and other funds not held under the 1978 Trust Agreement) during fiscal year 2021 was $10.4 million, a decrease of $13.0 million from fiscal year 2020, as the Authority had less cash available to invest due to lower rates.

Exhibit - 1

Unaudited (IN THOUSANDS)

Reconciliation of Revenues and Operating Expenses as Determined by Accounting Practices Prescribed by the 1978 Trust Agreement to the Financial Statement: Trust Operating Results and Change in Net Assets

Presented below are the revenues and operating expenses as determined in accordance with the 1978 Trust Agreement, and a reconciliation to net assets as determined under accounting

(In Thousands)	**Airport Properties**	**Port Properties**	**Investment Income**	**Net change in the fair value of investments**	**6/30/21 Fiscal Year 2021 Total**	**6/30/20 Fiscal Year 2020 Total**
Trust revenues:						
Pledged revenues	$ 540,316	$ 118,137	$ -	$ -	$ 658,453	$ 821,775
Operating grants	1,715	67	-	-	1,782	3,264
Subtotal	542,031	118,204	-	-	660,235	825,039
Operating interest income	-	-	10,396	-	10,396	23,394
Adjustment for uncollectible accounts	(3,214)	813	-	-	(2,401)	(2,179)
Total Trust Revenues	538,817	119,017	10,396	-	668,230	846,254
Trust operating expenses:						
Operations and maintenance	246,724	68,918	-	-	315,642	374,936
Administration	43,700	14,200	-	-	57,900	70,350
Insurance	10,214	2,140	-	-	12,354	8,864
Pension	12,451	2,203	-	-	14,654	12,038
Other Postemployment Benefits (1978 Trust)	13,175	2,825	-	-	16,000	17,787
Total Trust Expenses	326,264	90,286	-	-	416,550	483,975
Excess of revenues over operating Expenses as prescribed by the 1978 Trust Agreement before Other Available Funds	212,553	28,731	10,396	-	251,680	362,279
Other Available Funds:						
CARES Act and CRRSA Act Airport grants-other Federal-assistance programs (1)	121,127	-	-	-	121,127	57,080
Excess of revenues over operating Expenses as prescribed by the 1978 Trust Agreement	**333,680**	**28,731**	**10,396**	**-**	**372,807**	**419,359**
ADD:						
Revenues recognized under GAAP which are excluded under 1978 Trust Agreement:						
Investment income self insurance / others	-	-	4,187	-	4,187	8,981
Passenger facility charge (PFC)-Logan	27,948	-	-	-	27,948	59,875
Investment income PFC-FAA	-	-	240	-	240	1,101
Customer facility charge (CFC)	11,657	-	-	-	11,657	25,884
Investment income CFC	-	-	698	-	698	2,455
Capital grant revenue	22,905	39,018	-	-	61,923	59,899
Gain/Loss on sale of equipment	(41)	-	-	-	(41)	264
Realized net increase in the fair value of investments	-	-	-	11	11	223
Unrealized net increase in the fair value of investments	-	-	-	(7,008)	(7,008)	7,984
Administration Expenses	1,381	323	-	-	1,704	2,267
Operating revenues	114	1,032			1,146	(528)
Adjust for Operating Grant	(3)	-	-	-	(3)	3
Settlement of claims	2	-	-	-	2	(22)
Nonoperating other revenues	5,365	-	-	-	5,365	8,172
Pension	22,222	3,678	-	-	25,900	-
LESS:						
Expenses recognized under GAAP which are excluded under 1978 Trust Agreement:						
PILOT	(19,369)	(2,878)	-	-	(22,247)	(21,030)
Other Postemployment Benefits	11,974	2,544	-	-	14,518	(4,799)
Self insurance cost	(298)	(1,125)	-	-	(1,423)	237
Pension	-	-	-	-	-	(1,434)
Interest expense	(93,957)	(4,189)	-	-	(98,146)	(109,441)
Depreciation and amortization (2)	(285,904)	(21,679)	-	-	(307,583)	(299,334)
Operating expenses	(6,061)	136	-	-	(5,925)	3,128
Adjustment for uncollectible accounts-nonTrust fund	(338)	(1,917)	-	-	(2,255)	1,122
Nonoperating other expenses	(429)	-	-	-	(429)	(187)
Increase / (decrease) in net assets	$ 30,848	$ 43,674	$ 15,521	$ (6,997)	$ 83,046	$ 164,179

(1) Reflects Federal CARES Act and CRRSA Act grant funding received by the Authority and used for operating expenses; such amounts were designated as Available Funds under the 1978 Trust Agreement.

(2) Capital Assets are depreciated under GAAP but not under 1978 Trust Agreement.

CFC DISCLOSURE

STATEMENT OF CFC ANNUAL FINANCIAL INFORMATION AND OPERATING DATA
OF THE MASSACHUSETTS PORT AUTHORITY FOR FISCAL YEAR 2021

INTRODUCTION

This Statement of CFC Annual Financial Information and Operating Data dated as of November 24, 2021 (the "CFC Annual Disclosure Statement") of the Massachusetts Port Authority (the "Authority") is prepared and submitted in accordance with the requirements of the Continuing Disclosure Certificate dated as of June 15, 2011 (the "CFC Disclosure Certificate") executed and delivered by the Authority for the benefit of the owners of the CFC Bonds. (defined below). Set forth below is certain financial information and operating data relating to the Authority for the fiscal year ended June 30, 2021 ("fiscal year 2021") updating the financial information and operating data presented in the Authority's Official Statement dated June 8, 2011 relating to the CFC Bonds (the "2011 CFC Official Statement"). Capitalized terms not otherwise defined herein shall have the meanings ascribed to such terms in the 2011 CFC Official Statement. This CFC Annual Disclosure Statement is part of the Authority's Annual Comprehensive Financial Report (the "2021 ACFR") dated November 24, 2021 for fiscal year 2021. The Authority's audited financial statements for fiscal year 2021 and comparative information for fiscal year 2020, prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP"), with a report thereon by Ernst & Young LLP, independent auditors, are included in the Financial Section of the 2021 ACFR. The 2011 CFC Official Statement is on file with the Municipal Securities Rulemaking Board ("MSRB"). For a more complete description of the Authority and the CFC Bonds, reference is made to the 2011 CFC Official Statement.

This CFC Annual Disclosure Statement applies to the following Series of Bonds issued by the Authority and outstanding as of June 30, 2021 (the "CFC Bonds"):

Massachusetts Port Authority
Special Facilities Revenue Bonds (ConRAC Project),
Series 2011-B (Federally Taxable)

The CFC Bonds were issued pursuant to a Trust Agreement dated as of May 18, 2011, as supplemented and amended (the "CFC Trust Agreement"), between the Authority and U.S. Bank National Association, as trustee (the "CFC Trustee").

IMPACT OF COVID-19 PANDEMIC

The information provided by the Authority in this CFC Annual Disclosure Statement includes fiscal year 2021 results, which reflects the impact from the COVID-19 pandemic. For additional information regarding the impact of the COVID-19 pandemic on the Authority's financial condition and operations, please see the "COVID-19 Impact Statement" which is set forth in the MD&A section of the 2021 ACFR. Reference is also made to the Authority's Official Statement dated March 10, 2021 and the Authority's most recent voluntary filing regarding the impact of the COVID-19 pandemic on the Authority's financial and operating condition and the Authority's responses thereto, which was filed on October 6, 2021.

ADDITIONAL INFORMATION

For additional information concerning the Authority, please see the Authority's website, www.massport.com. Financial information can be found in the Financial Publications section of the Authority's website at http://www.massport.com/massport/finance/financial-publications. Copies of the Annual Statements prepared pursuant to Rule 15c2-12 with respect to the Authority's bonds issued under the 1978 Trust Agreement and the CFC Trust Agreement for prior fiscal years are available at http://www.emma.msrb.org and from the Authority. The Authority's principal office is located at One Harborside Drive, Suite 200S, East Boston, Massachusetts 02128. Its telephone number is (617) 568-5000. Questions may be directed to John P. Pranckevicius, CPA, the Authority's Director of Administration and Finance and Secretary-Treasurer.

ANNUAL DISCLOSURE STATEMENT

This CFC Annual Disclosure Statement is of limited scope. It contains only an updating of certain financial information and operating data described below. **Except as expressly noted, all information presented in this CFC Annual Disclosure Statement is on the basis required under the CFC Trust Agreement, and not on the basis of GAAP.** The information set forth herein does not contain all material information concerning the CFC Bonds or the Authority necessary to make an informed investment decision. This CFC Annual Disclosure Statement does not constitute an offer to sell or the solicitation of an offer to buy the CFC Bonds.

This CFC Annual Disclosure Statement is submitted pursuant to the CFC Disclosure Certificate dated June 15, 2011, executed by the Authority in connection with the issuance of the CFC Bonds. The intent of the Authority's undertaking under the CFC Disclosure Certificate is to provide on a continuing basis for the benefit of the owners of the CFC Bonds and any other bonds of the Authority that are designated by resolution of the Authority as subject to and having the benefits of the CFC Disclosure Certificate the information described in Rule 15c2-12 (the "Rule") promulgated by the Securities and Exchange Commission (the "SEC") under the Securities Exchange Act of 1934, as in effect as of the date of the CFC Disclosure Certificate. Pursuant to the CFC Disclosure Certificate, the Authority has agreed with respect to the CFC Bonds to provide, or cause to be provided, certain annual financial information and operating data, prepared on the basis of the CFC Trust Agreement, and notices of material events. The Authority reserves the right to modify the disclosure required under the CFC Disclosure Certificate, or the format of such disclosure, so long as any such modification is permitted by the Rule.

The purpose of the Authority's undertaking is to conform to the requirements of the Rule and not to create new contractual or other rights for the CFC Trustee or for the underwriters of the CFC Bonds, any registered owner or beneficial owner of CFC Bonds, any municipal securities broker or dealer, any potential purchaser of the CFC Bonds, the SEC, or any other person. The sole remedy in the event of any actual or alleged failure by the Authority to comply with any provision of the CFC Disclosure Certificate shall be an action for the specific performance of the Authority's obligations thereunder and not for money damages in any amount. Any failure by the Authority to comply with any provision of such undertaking shall not constitute an event of default under the CFC Trust Agreement or any other instruments relating to the CFC Bonds.

Updated Operating Information

INCORPORATION BY REFERENCE

To view the 2021 ACFR on-line, please visit:
https://www.massport.com/massport/finance/financial-publications/annual-comprehensive-financial-report/

CFC Annual Filing

The following information is provided with respect to the CFC Bonds pursuant to the CFC Disclosure Certificate.

HISTORICAL TOTAL ENPLANED PASSENGERS, BY TYPE OF PASSENGER

A table presenting historical Total Enplaned Passengers, by Type of Passenger as of June 30, 2021 is attached hereto as APPENDIX CFC-1.

DEBT SERVICE COVERAGE – RATE COVENANT

A table presenting CFC Revenues (as defined in the CFC Trust Agreement) and debt service coverage on the CFC Bonds as of June 30, 2021 is attached hereto as APPENDIX CFC-2.

ADDITIONAL INFORMATION

The remaining information required to be included in the Authority's Annual Filing under subsection 4(a) of the CFC Disclosure Certificate is included in the Authority's audited financial statements for the fiscal year ended June 30, 2021, which are part of the 2021 ACFR.

* * *

This CFC Annual Disclosure Statement has been executed and delivered on behalf of the Authority pursuant to the CFC Disclosure Certificate.

Appendix CFC-1 TOTAL ENPLANED PASSENGERS, BY TYPE OF PASSENGER

Boston-Logan International Airport
Fiscal Years 2017 through 2021
(Passengers in Thousands)

	Outbound O&D passengers						
	Residents		Visitors				
Fiscal Year	Passengers	Percent of O&D total	Passengers	Percent of O&D total	Total	Connecting and other passengers	Total
2017	8,947	50.7%	8,698	49.3%	17,645	1,043	18,688
2018	9,403	50.7%	9,151	49.3%	18,554	1,139	19,693
2019	9,977	50.5%	9,760	49.5%	19,737	1,151	20,888
2020	7,299	51.1%	6,986	48.9%	14,286	850	15,136
2021*	3,405	57.4%	2,524	42.6%	5,930	201	6,131

Notes: Figures may not sum due to rounding.
Because foreign-flag carriers are not required to report with respect to the U.S. DOT Air Passenger Origin-Destination Survey, some LeighFisher estimates were used to develop the data in the above table.

* U.S. DOT data for 2021 is preliminary. The decreases in fiscal years 2020 and 2021 reflect the impact of the COVID-19 pandemic.

Source: Massachusetts Port Authority; U.S. DOT, Air Passenger Origin-Destination Survey, reconciled to Schedule T100.

Appendix CFC-2 DEBT SERVICE COVERAGE - RATE COVENANT

	Fiscal Year 2021
Rental car transaction days	1,942,752
Percentage change from prior year	-54.97%
CFC Revenues	$ 11,656,512
Plus: Portion of Rolling Coverage Fund balance *(a)*	$ 1,669,235
Plus: Portion of Supplemental Reserve Fund balance *(b)*	$ 333,847
Total	$ 13,659,594
Aggregate Debt Service	$ 6,676,939
Debt service coverage	2.05
Debt service coverage (without Rolling Coverage Fund and Supplemental Reserve Fund balances)	1.75

(a) An amount equivalent to not more than 25% of Aggregate Debt Service.
(b) An amount equivalent to not more than 5% of Aggregate Debt Service.

Pictured above is the 2021 Pride Flag Raising Ceremony
at the Massport Logan Office Center.

One Harborside Drive Suite 200S, East Boston, Massachusetts 02128