

# 2026 Proposed Operating Budget

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OCTOBER 14, 2025 – PORT COUNCIL MEETING  
WOODS HOLE, MARTHA'S VINEYARD AND NANTUCKET STEAMSHIP AUTHORITY



# 2026 Operating Budget Assumptions

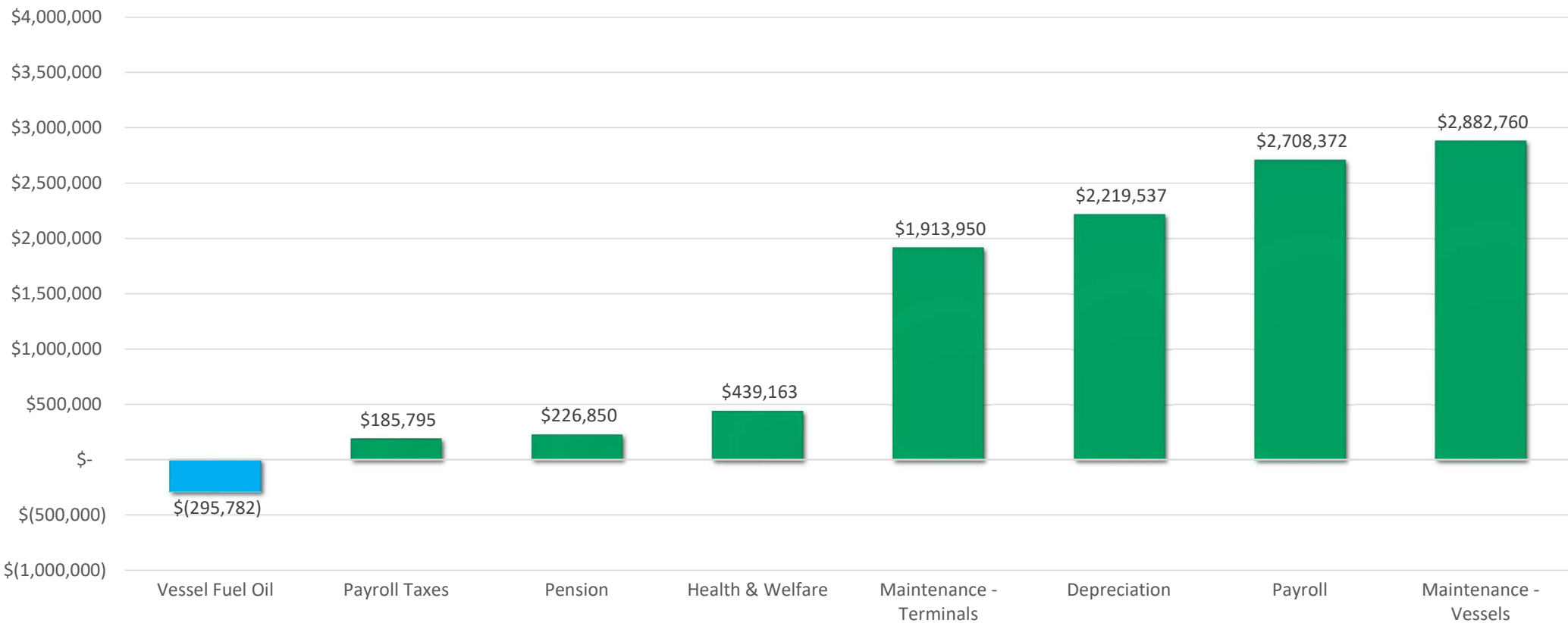
- Baseline for revenues is actual traffic statistics:  
**August 2024 – July 2025** (Previous 12 months)
- Vessel dry-dock and terminal maintenance expenses are projected up to 18 months ahead of schedule – new repair items, additional steel work and the overall age of the vessels can increase costs.
- Operating budget is based on the 2026 approved operating schedule
- M/V Monomoy – Scheduled to operate in 2026
- New Reservation System Launching in 4<sup>th</sup> Quarter

## The Bottom Line

|                                   |          |                      |
|-----------------------------------|----------|----------------------|
| <b>Operating Revenues</b>         | <b>+</b> | <b>\$152,742,907</b> |
| <b>Operating Expenses</b>         | <b>-</b> | <b>\$162,081,970</b> |
| <b>Other Income</b>               | <b>+</b> | <b>\$ 16,313,077</b> |
| <b>Other Expenses</b>             | <b>-</b> | <b>\$ 4,378,848</b>  |
| <b>Net Income From Operations</b> |          | <b>\$ 2,595,166</b>  |

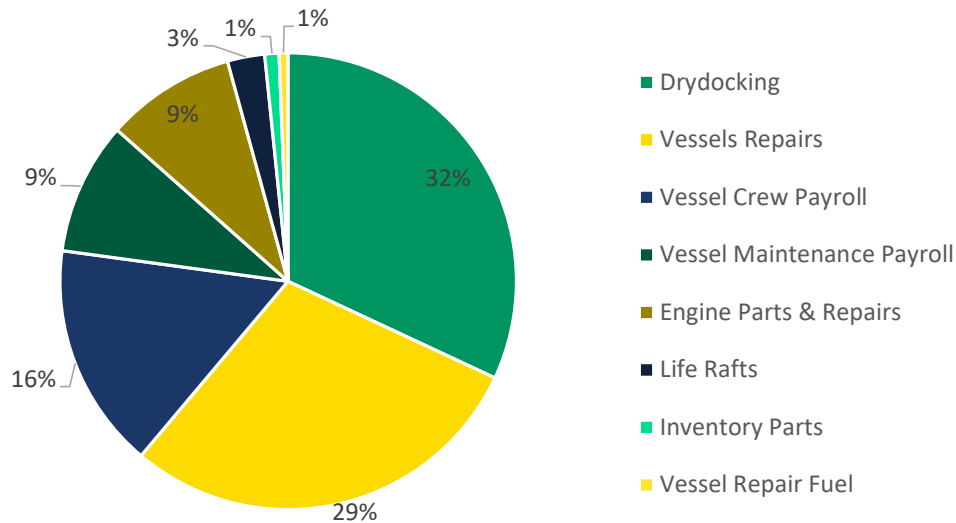
# Significant operating expense changes

## Variances from 2025 budget

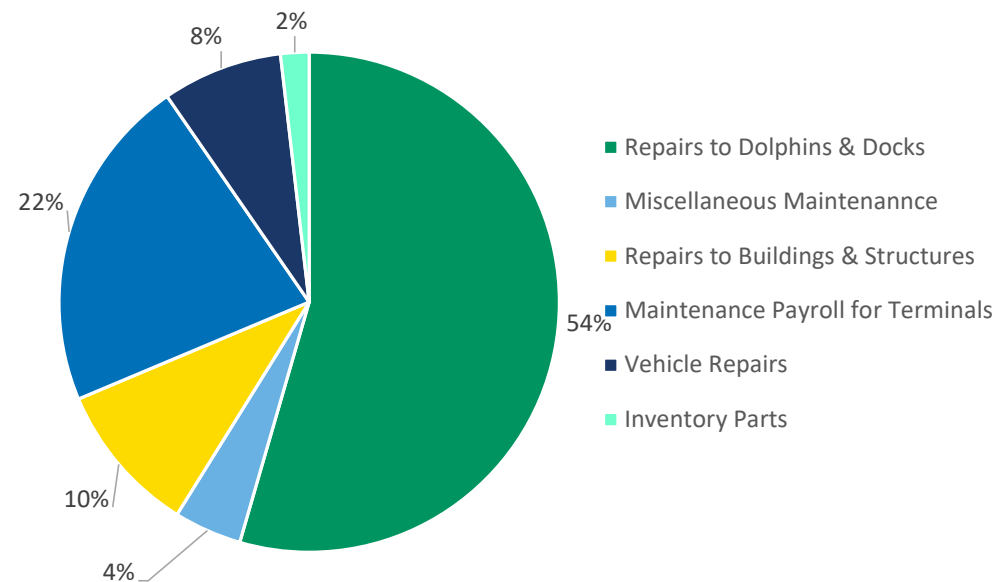


# Maintenance Budget Breakdown by Category

Vessel Maintenance \$20,720,105



Landside Maintenance \$7,681,826



# 2026 Maintenance Expenses

## Vessel Dry Docks

- Total budgeted: \$6,622,873
  - *M/V Nantucket*
  - *M/V Eagle*
  - *M/V Barnstable*
  - *M/V Island Home*
  - *M/V Iyanough*

## Terminal, Dolphin and Dock Repairs

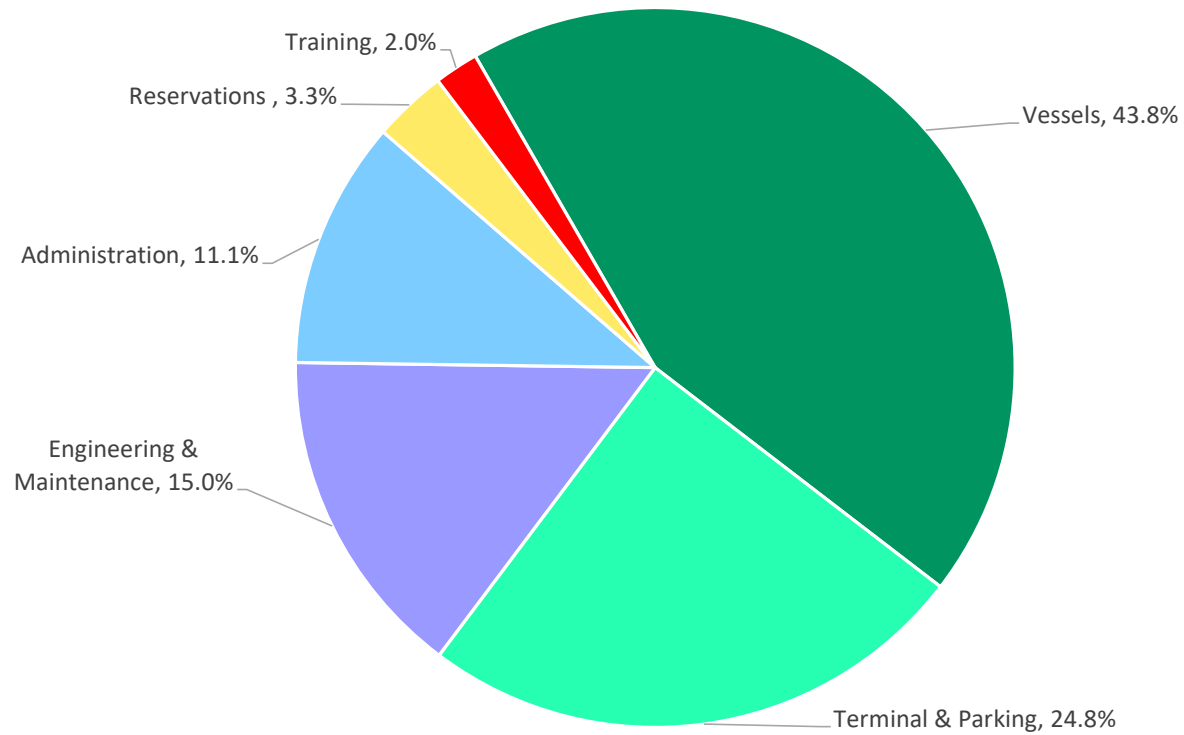
- Total budgeted: \$4,937,685
  - Vineyard Haven Pier and Decking Repairs
  - Oak Bluffs Pier Decking Repairs & Repairs to the Underdeck Sprinkler System
  - Fairhaven Transfer Bridge Replacement

# 2026 Training and Crewing Expenses

Total budgeted \$1,634,882:

- *New Pilot and Captain Training*
- *Additional Able-Bodied Seamen (ABs) – feeder system for potential new Licensed Deck Officers*
- *Vessel Familiarization Training*
- *Standards of Training, Certification and Watchkeeping (STCW) Training for vessel employees*
- *Cyber Security and additional IT training*
- *Training and Development Expo*

# 2026 Budget Payroll Distribution Summary





## Operating Revenue Variances – 2026 vs 2025

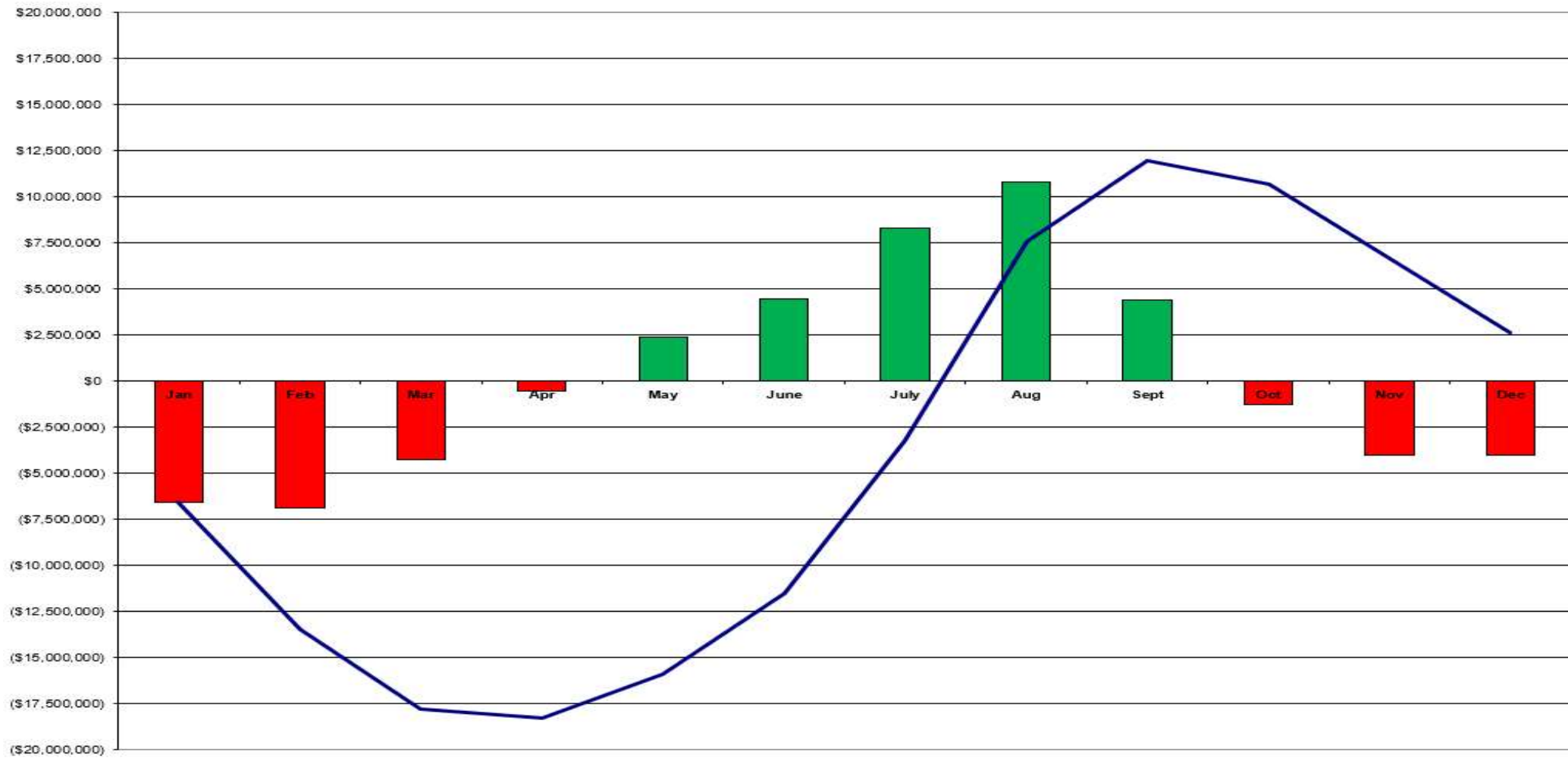
|                           |                       |                |
|---------------------------|-----------------------|----------------|
| <b>Passenger revenue</b>  | <b>\$ 1,333,214</b>   | <b>3.6%</b>    |
| <b>Freight revenue</b>    | <b>\$ 765,650</b>     | <b>1.6%</b>    |
| <b>Parking revenue</b>    | <b>-\$ 33,929</b>     | <b>- 0.3%</b>  |
| <b>Rent revenue</b>       | <b>-\$ 1,059,001</b>  | <b>- 41.6%</b> |
| <b>Automobile revenue</b> | <b>- \$ 1,732,583</b> | <b>- 3.5%</b>  |

# 2026 Grant Revenue Summary

Grant Revenue Budgeted Increase of \$3,897,000

- *Vessel Drydocks - \$5,200,000*
- *Vineyard Haven Slip and Pier Repairs - \$1,500,000*
- *Fairhaven Transfer Bridge Repairs - \$1,400,000*
- *Vessel Engine and Machinery Parts - \$1,000,000*

**2026 Budgeted Net Income by Month  
and Cumulative Net Income**



# Operational Benefits from Last Year's Budget

- Increased Preventative Vessel Maintenance Investments
- Continued Investment in Training Costs
- Settled all Union Contracts
- 49% Decrease in Mechanical Trip Cancellations compared to 2024
- 63% Decrease in Crewing and Schedule Trip Cancellations compared to 2024
- New Reservation System Expected to Go Live in 4<sup>th</sup> Quarter 2026

# Questions?

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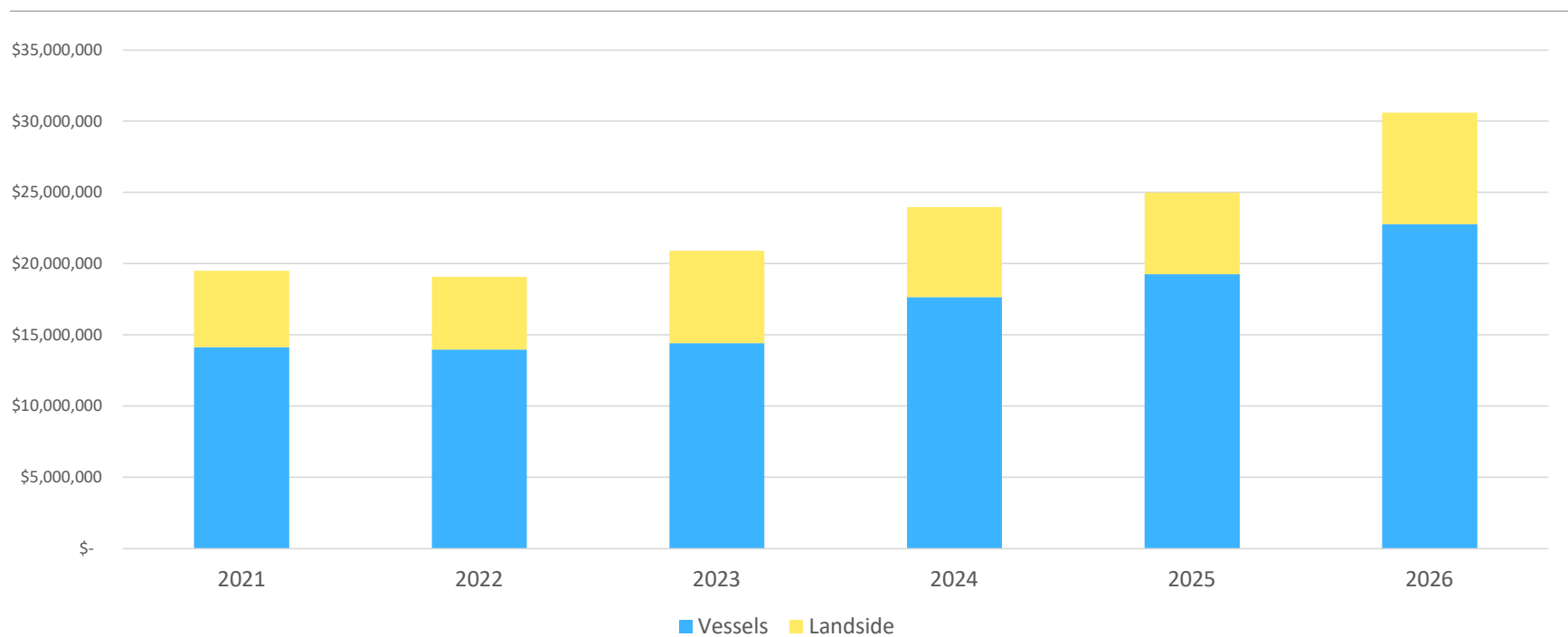
# 2026 Proposed Rate Adjustments

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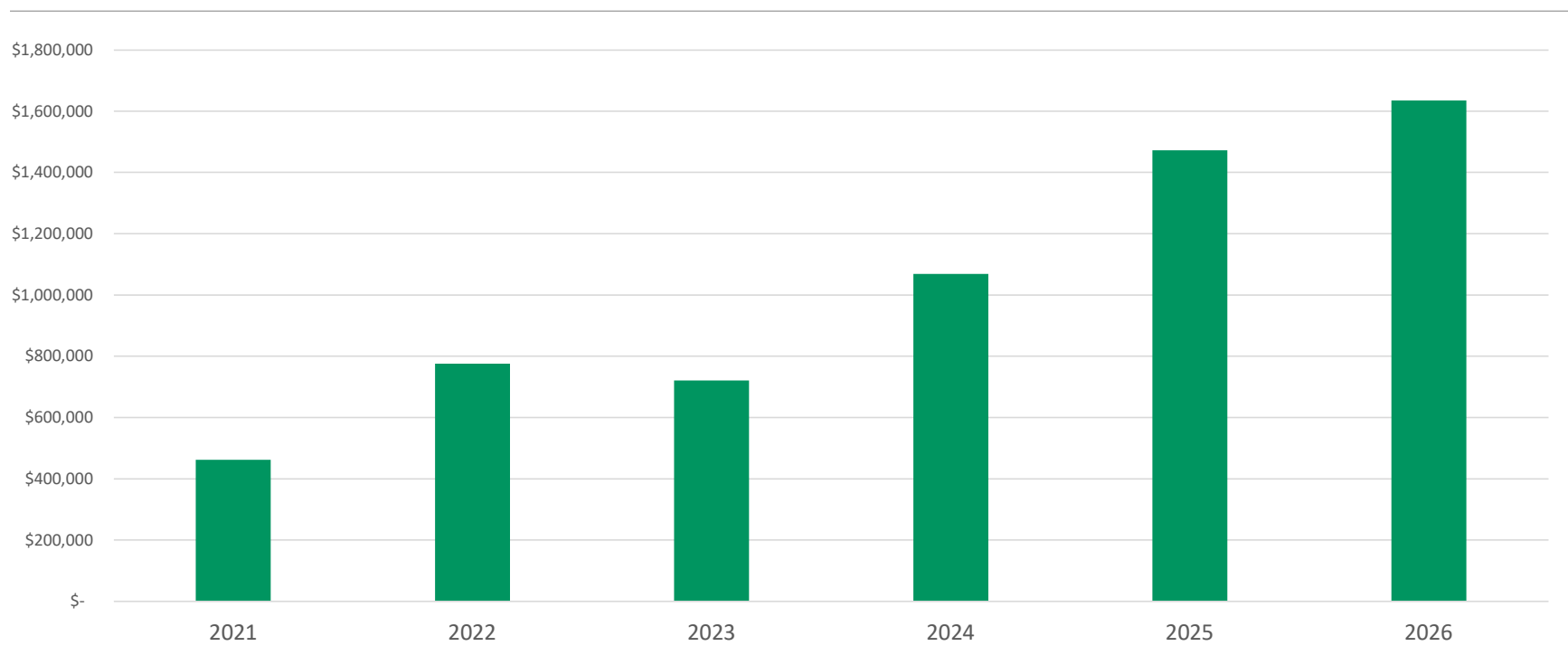
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# Budgeted Maintenance Expenses 2021-2026

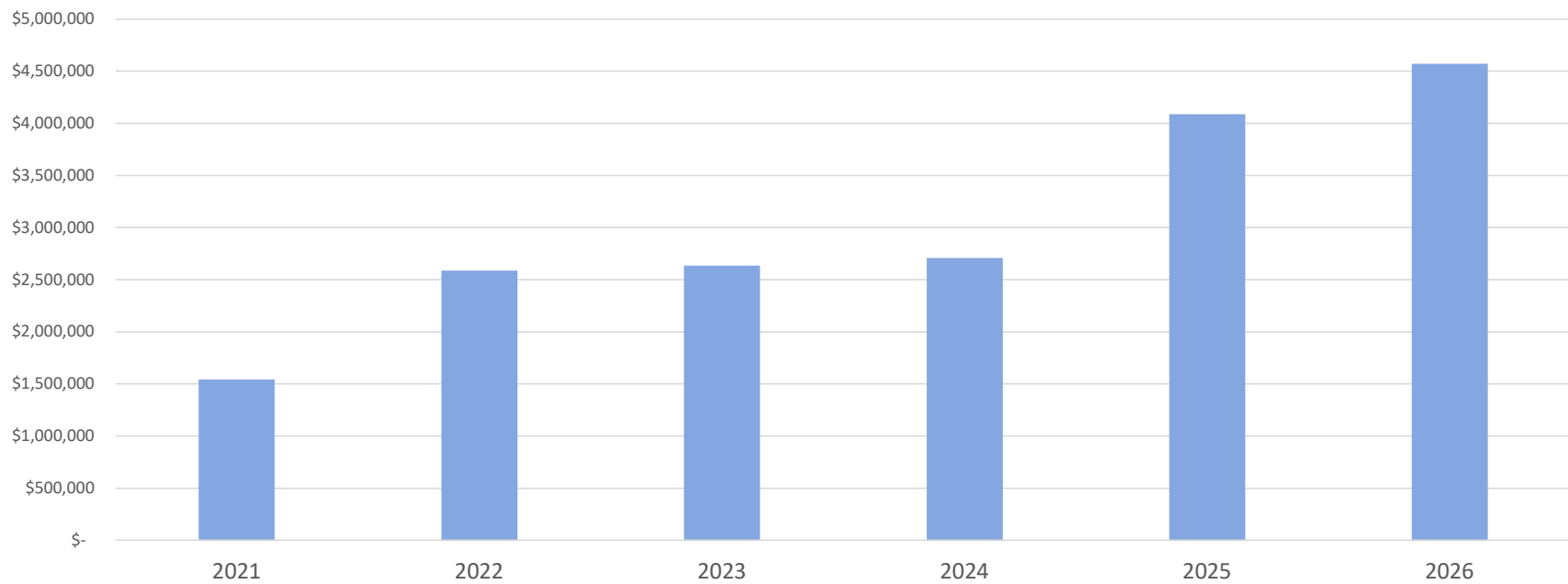


# Budgeted Training Expenses 2021-2026





# Budgeted IT Expenses 2021-2026



# Summary of Proposed Rate Adjustments

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|                                                        |                      |
|--------------------------------------------------------|----------------------|
| <b>Target net operating revenue</b>                    | <b>\$ 10,032,060</b> |
| <u>Net operating revenue before adjustment</u>         | <b>\$ 2,595,170</b>  |
| <u>Additional revenue required by rate adjustments</u> | <b>\$ 7,436,890</b>  |

A green line originates from the bottom of the 'Additional revenue required by rate adjustments' cell in the table above. It splits into two arrows pointing down to two separate boxes. The left box is labeled 'Martha's Vineyard route: \$4,397,962' and the right box is labeled 'Nantucket route: \$3,038,928'.

|                                                       |                                               |
|-------------------------------------------------------|-----------------------------------------------|
| <b>Martha's Vineyard route:</b><br><b>\$4,397,962</b> | <b>Nantucket route:</b><br><b>\$3,038,928</b> |
|-------------------------------------------------------|-----------------------------------------------|

# Proposed Fare Adjustments by Category

|                                 |   |    |           |
|---------------------------------|---|----|-----------|
| • Passenger fares               | + | \$ | 1,810,043 |
| • Excursion rates               | + | \$ | 489,559   |
| • Standard fare vehicles        | + | \$ | 1,797,955 |
| • Vehicles over 20' in length   | + | \$ | 1,991,234 |
| • Parking – Permits & Daily Fee | + | \$ | 1,269,457 |
| • Miscellaneous                 | + | \$ | 78,642    |

# Proposed Fare Adjustments – Vineyard Route

| <u>Rate</u>                                     | <u>Proposed Adjustment</u>                                                                                                                                                                                                                          | <u>Additional Revenue</u> |
|-------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------|
| Standard fare vehicles -<br>under 20' in length | <ul style="list-style-type: none"> <li>• \$3.50 - \$5.50 for 1/1 - 5/14 and 11/1 - 12/31</li> <li>• \$6.00 from 9/15 to 10/31</li> <li>• \$6.00 Mon-Thurs &amp; \$8.00 Fri-Sun 5/15 – 9/14</li> <li>• \$55.00 – Auto 10-Ride coupon book</li> </ul> | + \$ 1,198,350            |
| Excursion Fare                                  | <ul style="list-style-type: none"> <li>• \$1.75 from 1/1 – 5/14 and 9/15-12/31, each segment</li> <li>• \$2.75 from 5/15 – 9/14, each segment</li> </ul>                                                                                            | + \$ 350,026              |
| Freight                                         | <ul style="list-style-type: none"> <li>• 5.5% increase</li> </ul>                                                                                                                                                                                   | + \$ 866,449              |
| Passengers                                      | <ul style="list-style-type: none"> <li>• \$0.50 one-way Adult</li> <li>• \$0.25 one-way Child/Senior</li> <li>• \$4.50 per 10-Ride Adult book</li> <li>• \$2.75 per 10-Ride Child/Senior book</li> <li>• \$9.25 per 46-Ride book</li> </ul>         | + \$ 1,078,277            |
| Daily Fee Parking                               | <ul style="list-style-type: none"> <li>• \$5.00 per day from 1/1 - 3/31 &amp; 11/1 - 12/31</li> <li>• \$8.00 per day from 4/1 - 5/14 &amp; 9/15 - 10/31</li> </ul>                                                                                  | + \$ 760,415              |
| Parking Permits                                 | <ul style="list-style-type: none"> <li>• \$200.00 Woods Hole Lot</li> <li>• \$50.00 Palmer Lot</li> </ul>                                                                                                                                           | + \$ 129,100              |

# Standard Fare Vehicles– Vineyard Route

| <u>Dates</u>  | <u>Days</u> | <u>Proposed Adjustment</u> | <u>Current Rate</u> | <u>Propose Rate</u> |
|---------------|-------------|----------------------------|---------------------|---------------------|
| 01/01 - 03/31 | ALL         | \$ 3.50                    | \$70.00             | \$73.50             |
| 04/01 - 05/14 | ALL         | \$ 5.50                    | \$110.00            | \$115.50            |
| 05/15 - 09/14 | MON-THUR    | \$ 6.00                    | \$121.00            | \$127.00            |
| 05/15 - 09/14 | FRI-SUN     | \$ 8.00                    | \$160.00            | \$168.00            |
| 09/15 - 10/31 | ALL         | \$ 6.00                    | \$121.00            | \$127.00            |
| 11/01 - 12/31 | ALL         | \$ 4.00                    | \$75.00             | \$79.00             |

# Proposed Fare Adjustments – Nantucket Route

| <u>Rate</u>                                   | <u>Proposed Adjustment</u>                                                                                                                                                                                                                                                            | <u>Additional revenue</u> |
|-----------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------|
| Standard fare vehicles<br>under 20' in length | <ul style="list-style-type: none"> <li>• \$10.00 &amp; \$15.00 – 1/1-5/14 and 11/1-12/31</li> <li>• \$15.00 - MON-THUR and \$20 FRI-SUN - 5/15-9/14</li> <li>• \$15.00 - 9/15 to 10/31</li> <li>• \$80.00 – Auto 6-Ride coupon book</li> </ul>                                        | + \$ 599,605              |
| Excursion Fare                                | <ul style="list-style-type: none"> <li>• \$4.50 from 1/1 – 5/14 and 9/15-12/31, each segment</li> <li>• \$6.25 from 5/15 – 9/14, each segment</li> </ul>                                                                                                                              | + \$ 139,533              |
| Vehicles 20' and over in length               | <ul style="list-style-type: none"> <li>• 5.5% increase</li> </ul>                                                                                                                                                                                                                     | + \$ 1,124,785            |
| Passengers – High Speed Ferry                 | <ul style="list-style-type: none"> <li>• \$2.00 one-way Adult/\$3.00 Same Day RT Adult</li> <li>• \$1.00 one-way Child/\$2.00 Same Day RT Child</li> <li>• \$1.00 one-way Senior/\$2.50 Same Day RT Senior</li> <li>• \$8.00-16.00 per 10-Ride book (Adult, Child, Senior)</li> </ul> | + \$ 496,289              |
| Passengers – Conventional Ferry               | <ul style="list-style-type: none"> <li>• \$1.00 one-way Adult</li> <li>• \$0.50 one-way Child/Senior</li> <li>• \$8.00 per 10-Ride Adult book</li> <li>• \$5.00 per 10-Ride Child/Senior book</li> </ul>                                                                              | + \$ 235,478              |
| Parking Permits                               | <ul style="list-style-type: none"> <li>• \$75 Lewis Bay</li> <li>• \$50 Yarmouth Road</li> </ul>                                                                                                                                                                                      | + \$ 16,900               |

# Standard Fare Vehicles– Nantucket Route

| <u>Dates</u>  | <u>Days</u> | <u>Proposed Adjustment</u> | <u>Current Rate</u> | <u>Propose Rate</u> |
|---------------|-------------|----------------------------|---------------------|---------------------|
| 01/01 - 03/31 | ALL         | \$10.00                    | \$195.00            | \$205.00            |
| 04/01 - 05/14 | ALL         | \$15.00                    | \$285.00            | \$300.00            |
| 05/15 - 09/14 | MON-THUR    | \$15.00                    | \$305.00            | \$320.00            |
| 05/15 - 09/14 | FRI-SUN     | \$20.00                    | \$350.00            | \$370.00            |
| 09/15 - 10/31 | ALL         | \$15.00                    | \$305.00            | \$320.00            |
| 11/01 - 12/31 | ALL         | \$10.00                    | \$198.00            | \$208.00            |

# Hyannis Parking Rates

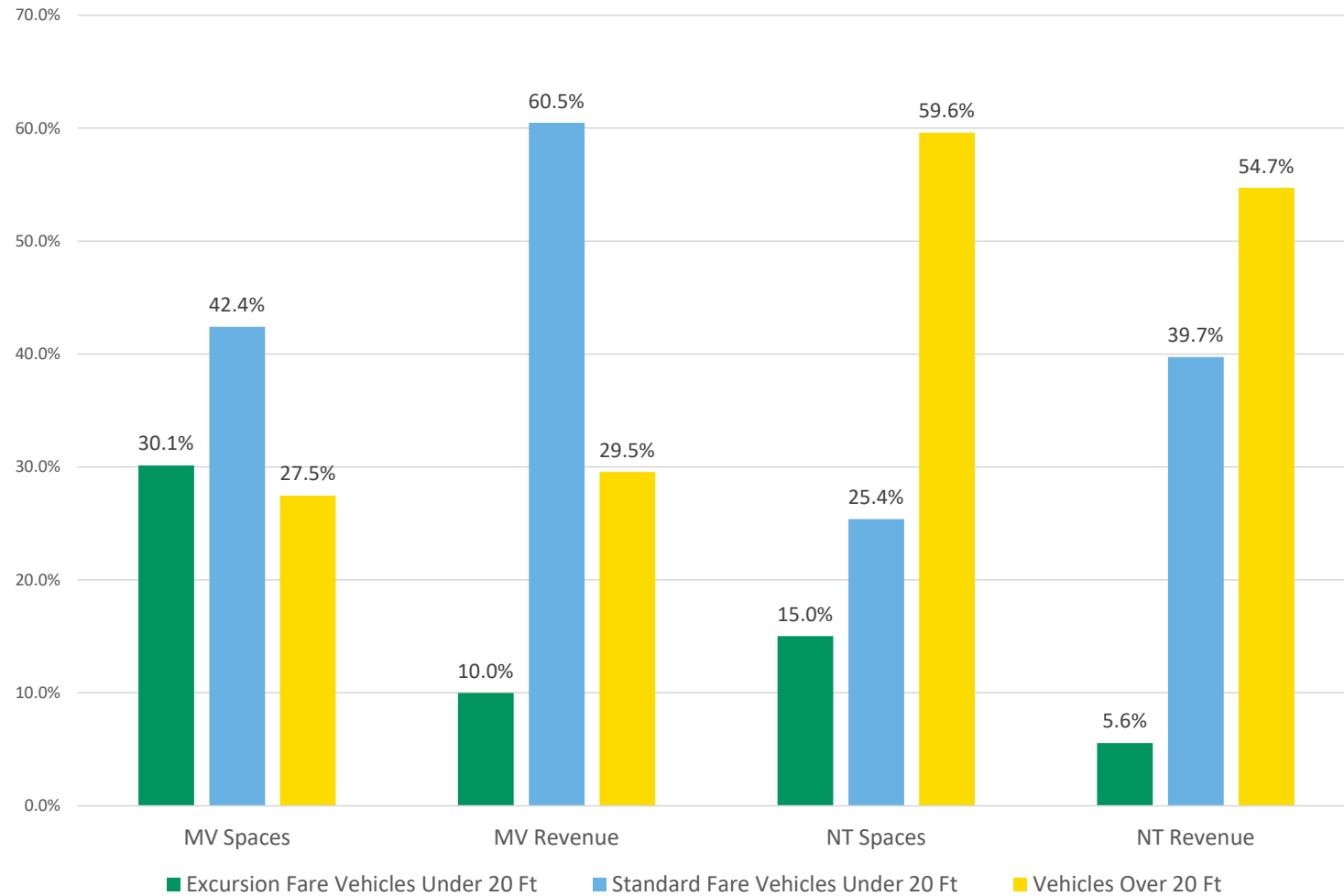
| <u>Dates</u>                   | <u>Days</u> | <u>Proposed Adjustment</u> | <u>Current Rate</u> | <u>Proposed Rate</u> |
|--------------------------------|-------------|----------------------------|---------------------|----------------------|
| 1/1 - 03/31 &<br>12/15 – 12/31 | ALL         | \$ 5.00                    | \$ 5.00             | \$10.00              |
| 04/01 - 04/30                  | ALL         | \$ 5.00                    | \$ 10.00            | \$15.00              |
| 05/1 - 06/14                   | ALL         | \$ 4.00                    | \$ 16.00            | \$20.00              |
| 06/15 - 09/14                  | ALL         | \$4.00                     | \$ 16.00 & \$21.00  | \$20.00 & \$25.00    |
| 09/15 - 10/31                  | ALL         | \$7.00 & \$4.00            | \$ 13.00 & \$16.00  | \$20.00              |
| 11/01 - 12/14                  | ALL         | \$5.00                     | \$ 10.00            | \$15.00              |



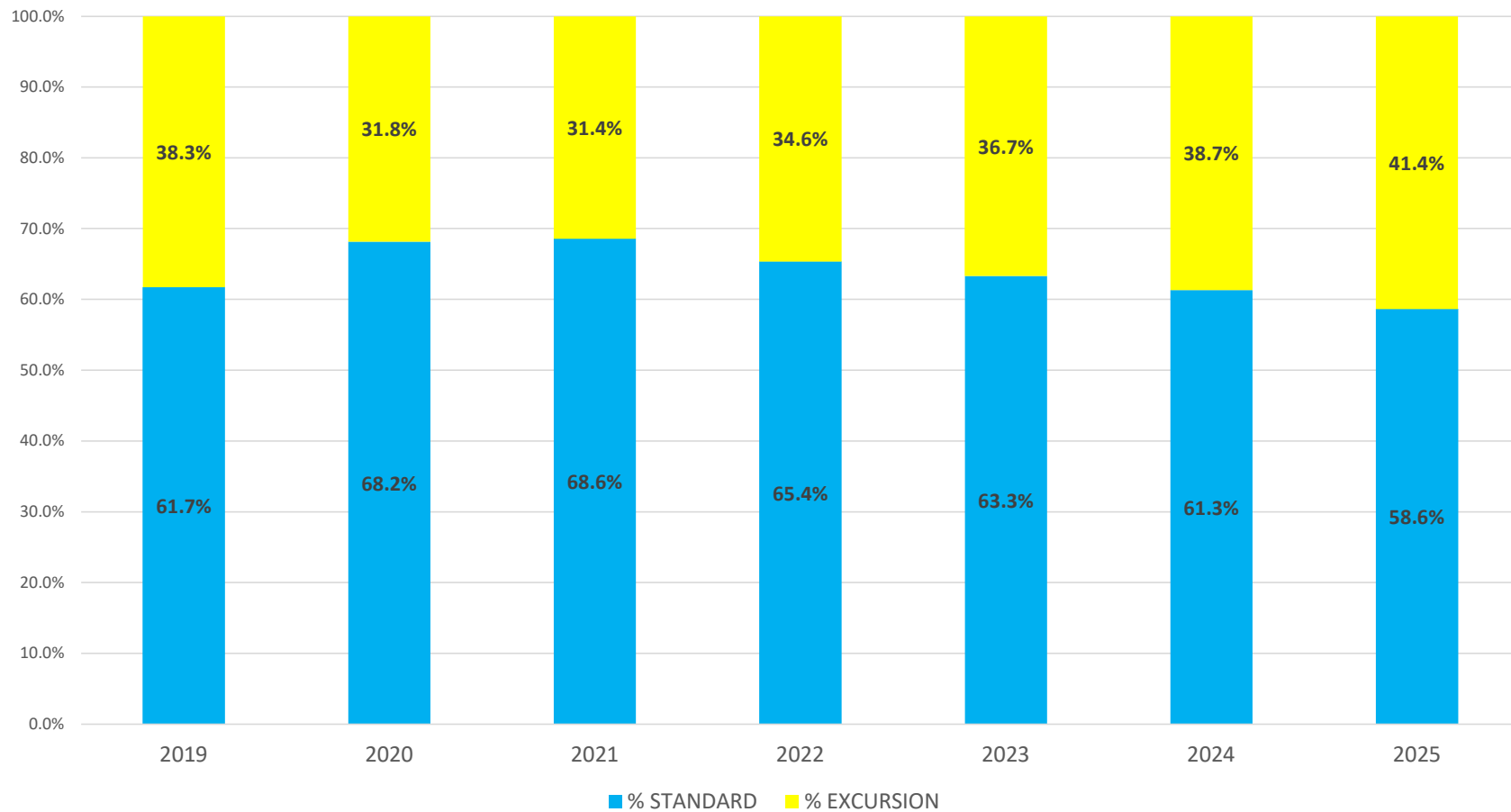
# 2023 vs 2024 Passenger Vehicle Cost of Service

|                       | MARTHAS VINEYARD ROUTE |        |  |  | NANTUCKET ROUTE |        |  |
|-----------------------|------------------------|--------|--|--|-----------------|--------|--|
|                       | 2023                   | 2024   |  |  | 2023            | 2024   |  |
| STANDARD FARE AUTOS   | 132.6%                 | 125.9% |  |  | 147.1%          | 148.4% |  |
| STANDARD FARE TRUCKS  | 129.1%                 | 120.3% |  |  | 141.8%          | 148.4% |  |
|                       |                        |        |  |  |                 |        |  |
| EXCURSION FARE AUTOS  | 29.4%                  | 26.6%  |  |  | 33.7%           | 32.3%  |  |
| EXCURSION FARE TRUCKS | 41.8%                  | 38.0%  |  |  | 41.2%           | 39.6%  |  |
|                       |                        |        |  |  |                 |        |  |
| TOTAL PASSENGER VEH.  | 92.6%                  | 85.1%  |  |  | 107.0%          | 105.2% |  |
|                       |                        |        |  |  |                 |        |  |

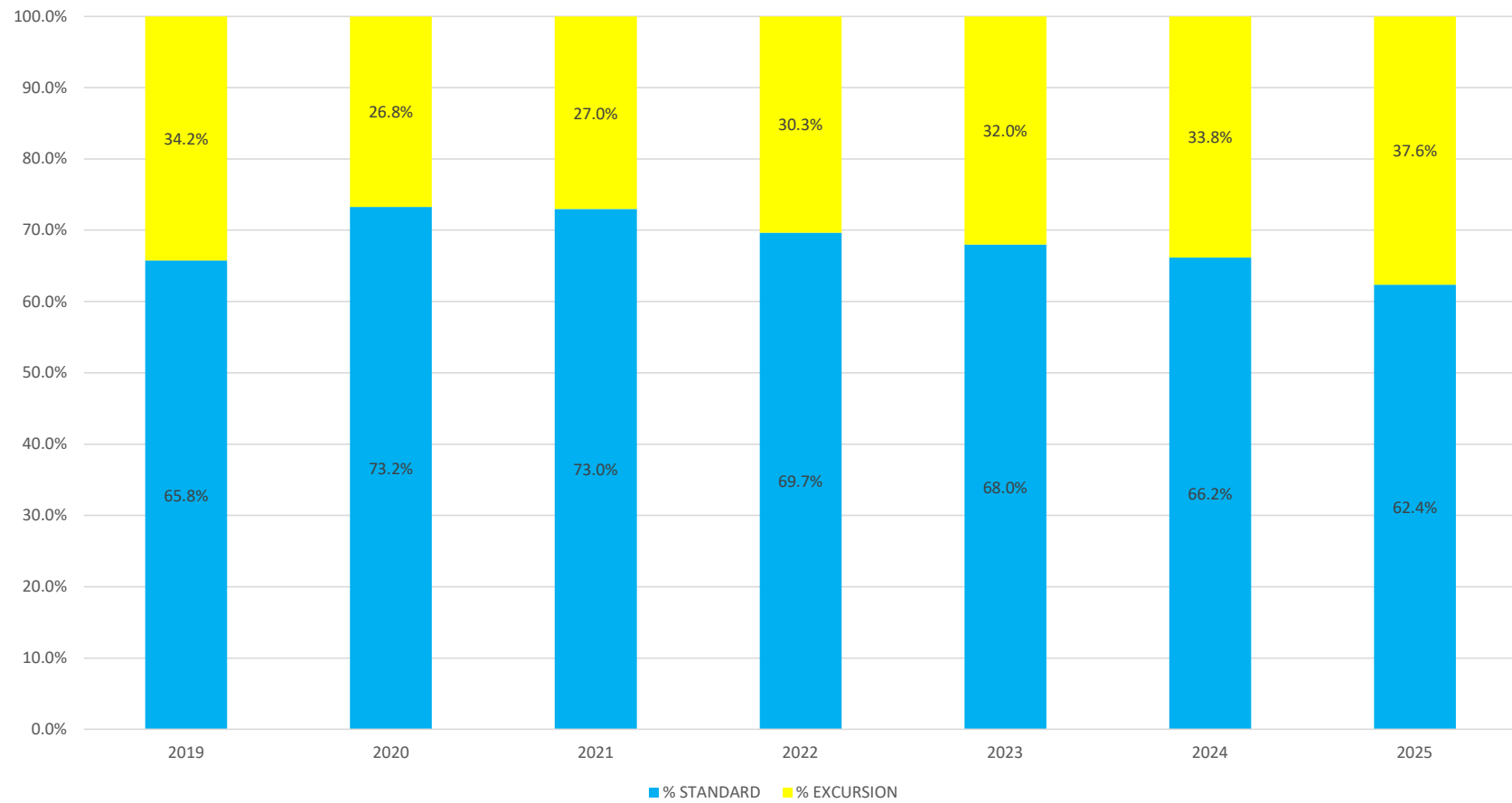
## 2024 Deck Space Utilization vs. Revenue



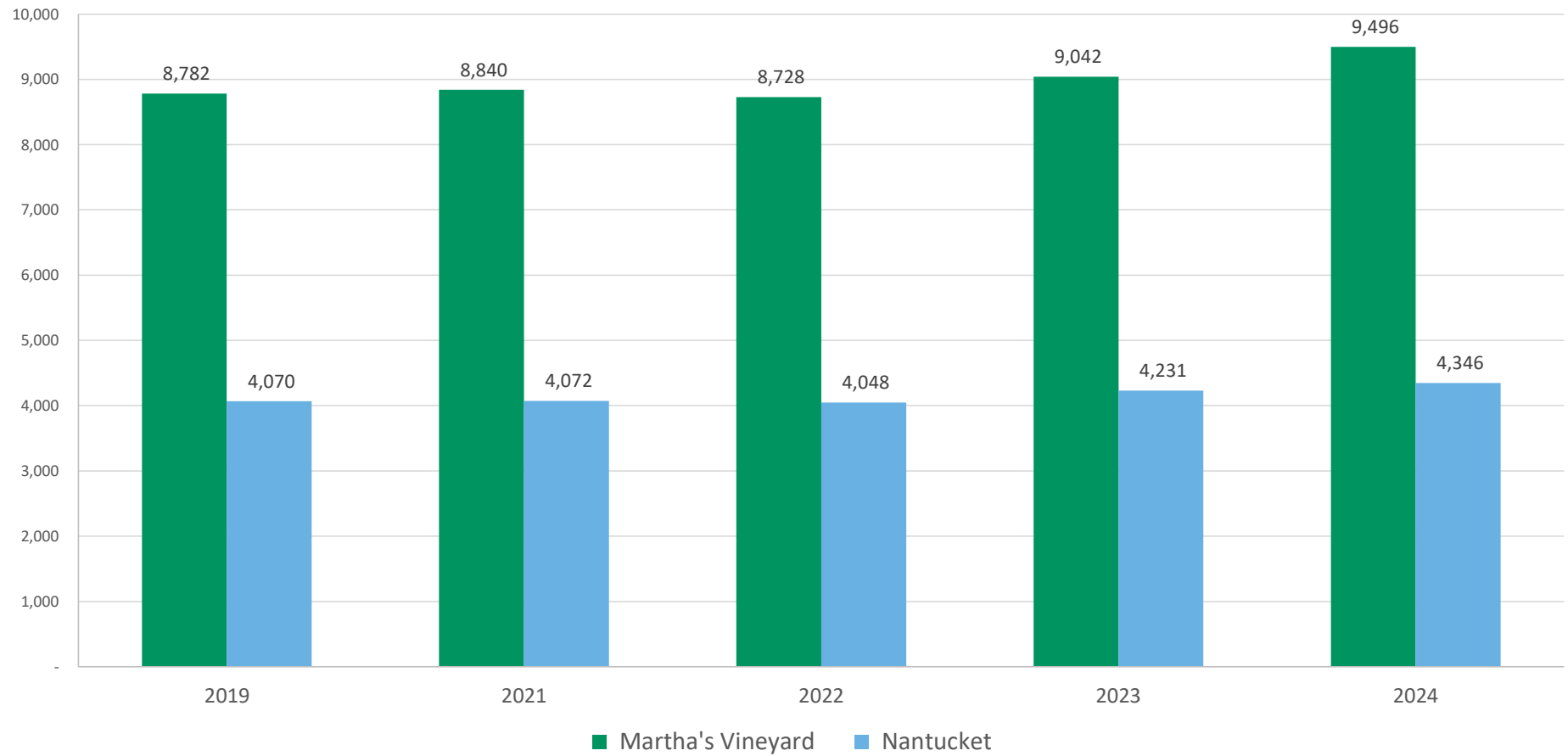
2019-2025 Martha's Vineyard January-August  
Standard & Excursion Vehicles - Usage Percentage



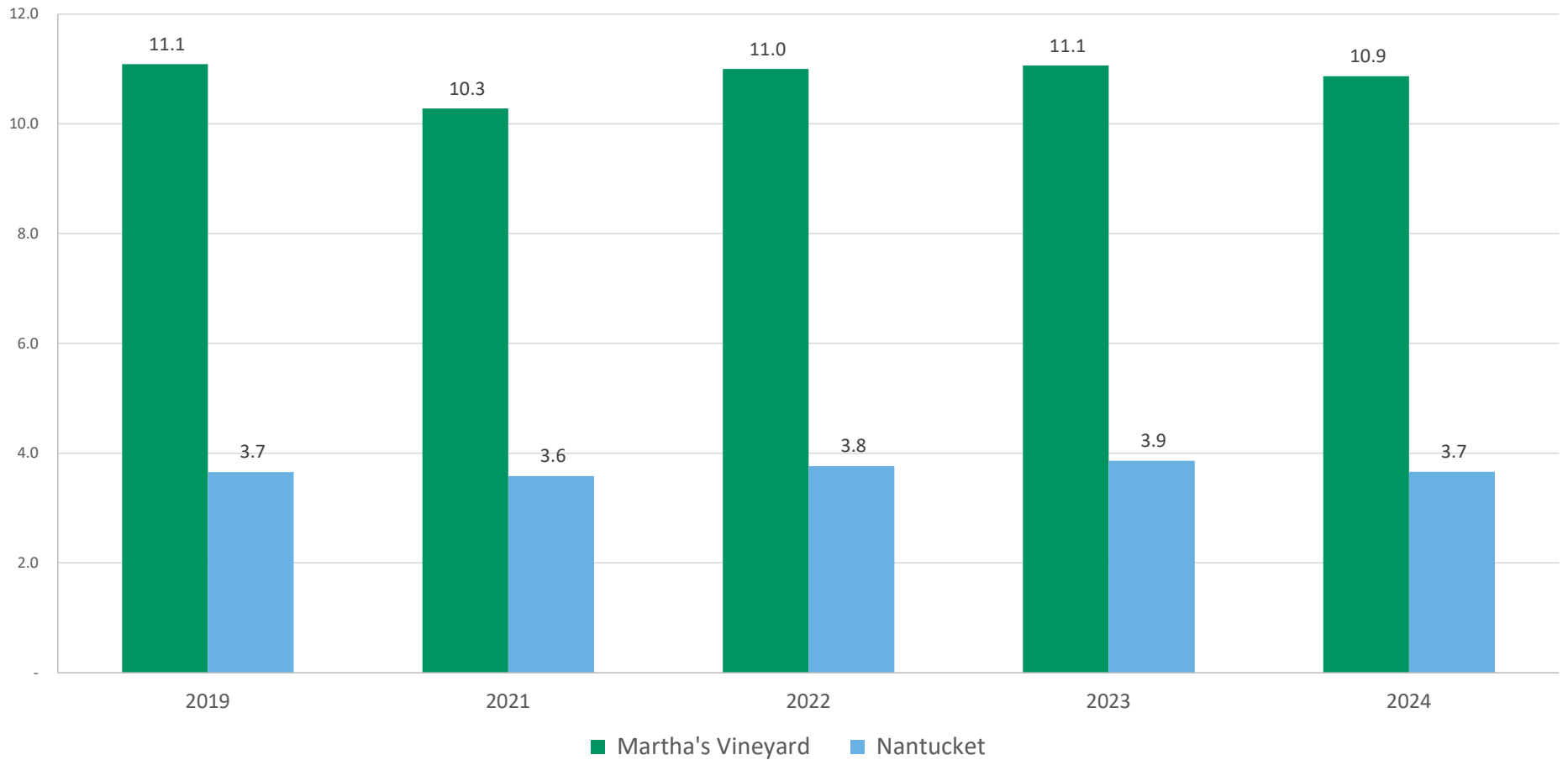
### 2019-2025 Nantucket January-August Standard & Excursion Vehicles - Usage Percentage



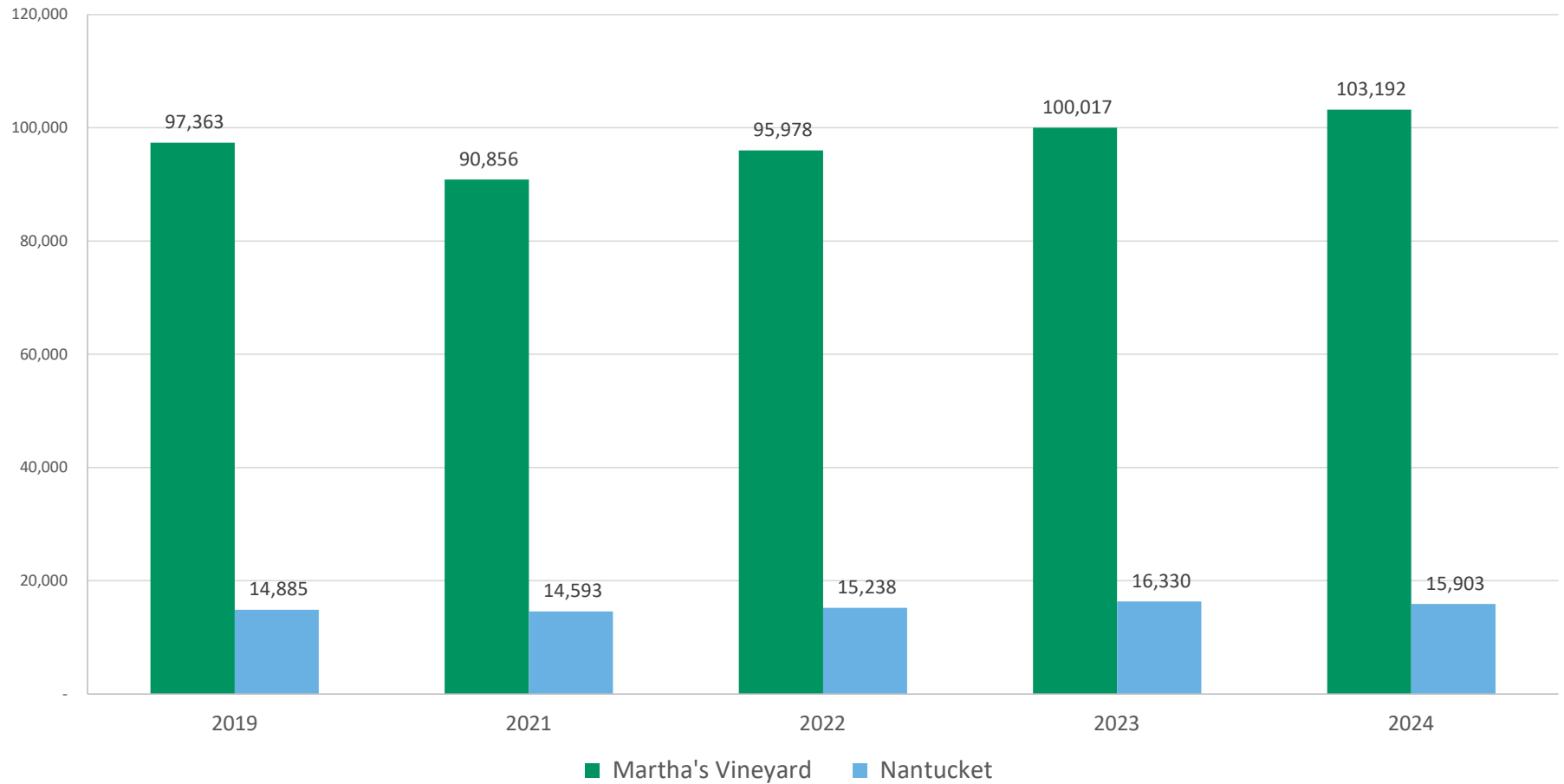
## Accounts Travelling with Excursion Fare Reservations per Year



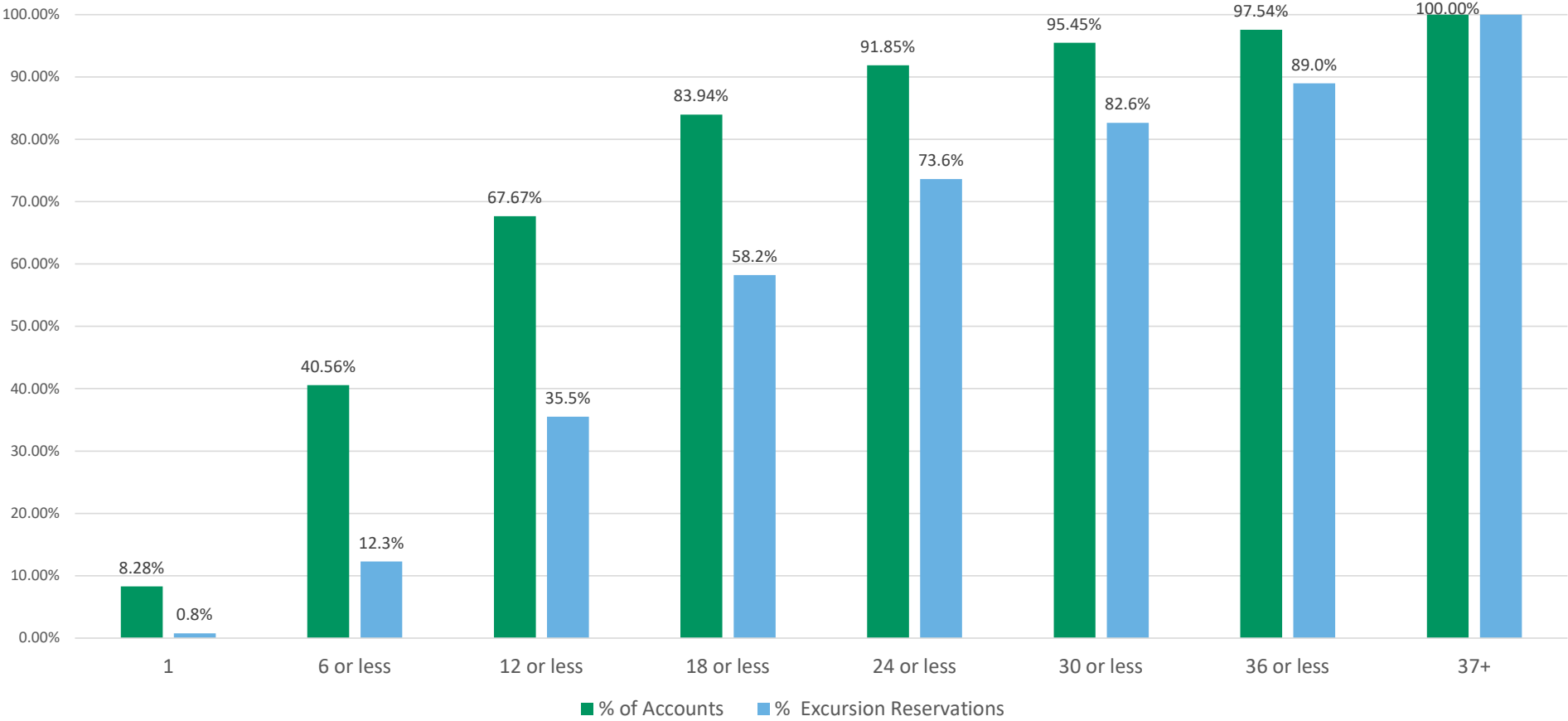
## Excursion Reservations Used per Account



## Excursion Reservations per Year

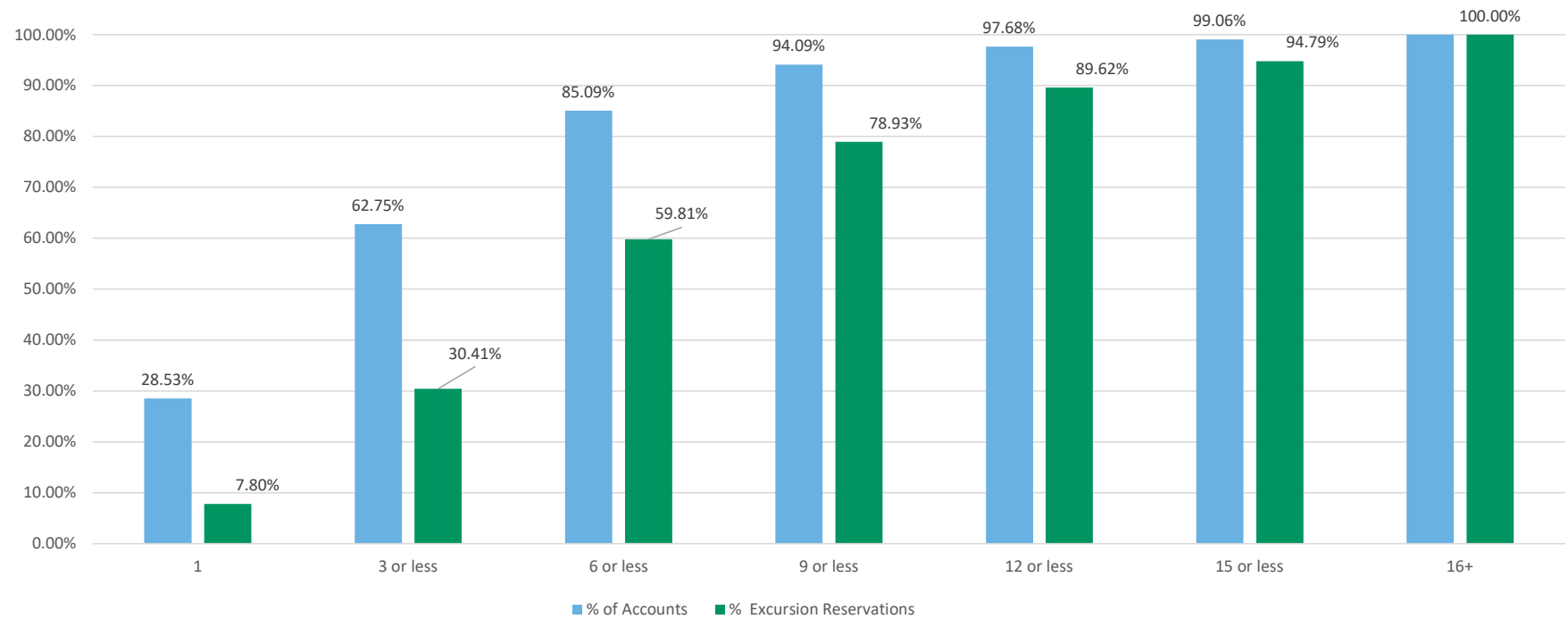


2024 Martha’s Vineyard Excursions – Accounts vs. Usage





## 2024 Nantucket Excursions - Accounts vs Usage



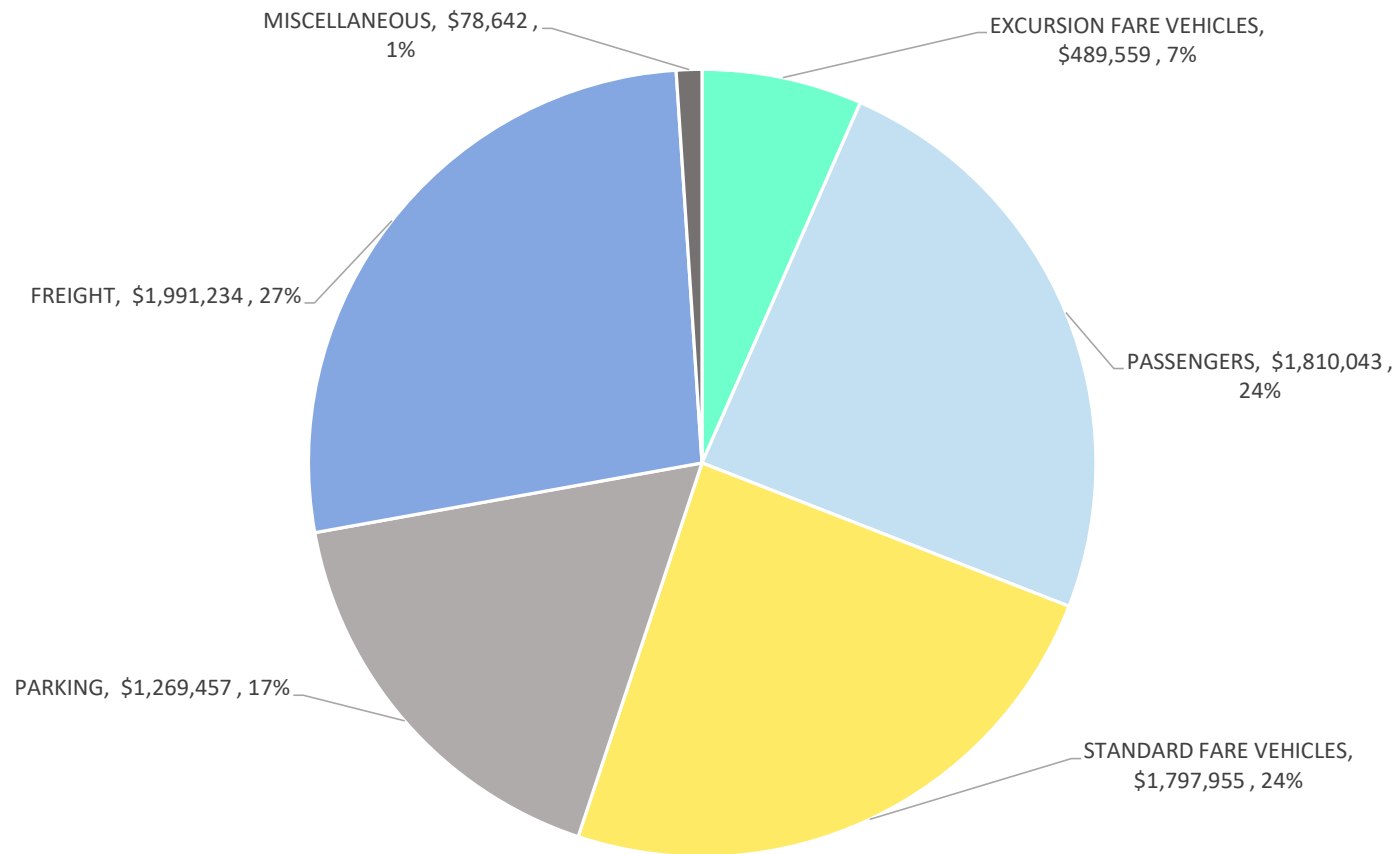
# Martha's Vineyard Excursion Rate Alternatives

|                     | JAN-MAR | APR   | MAY 1-14 | MAY 15-31 | JUN-AUG | SEP 1-14 | SEP 15-30 | OCT-DEC |
|---------------------|---------|-------|----------|-----------|---------|----------|-----------|---------|
| Current             | 36.50   | 36.50 | 36.50    | 53.00     | 53.00   | 53.00    | 36.50     | 36.50   |
| Originally Proposed | 38.25   | 38.25 | 38.25    | 55.75     | 55.75   | 55.75    | 38.25     | 38.25   |
| 3-Tier Flat 5%      | 38.25   | 41.00 | 41.00    | 41.00     | 55.75   | 41.00    | 41.00     | 41.00   |
| 3-Tier Adjusted     | 36.50   | 39.00 | 39.00    | 39.00     | 59.00   | 39.00    | 39.00     | 39.00   |
|                     |         |       |          |           |         |          |           |         |
|                     |         |       |          |           |         |          |           |         |

# Nantucket Excursion Rate Alternatives

|                     | JAN-MAR | APR    | MAY 1-14 | MAY 15-31 | JUN-AUG | SEP 1-14 | SEP 15-30 | OCT-DEC |
|---------------------|---------|--------|----------|-----------|---------|----------|-----------|---------|
| Current             | 91.00   | 91.00  | 91.00    | 123.00    | 123.00  | 123.00   | 91.00     | 91.00   |
| Originally Proposed | 95.50   | 95.50  | 95.50    | 129.25    | 129.25  | 129.25   | 95.50     | 95.50   |
| 3-Tier Flat 5%      | 95.50   | 100.00 | 100.00   | 100.00    | 129.25  | 100.00   | 100.00    | 100.00  |
| 3-Tier Adjusted     | 91.00   | 96.50  | 96.50    | 96.50     | 59.00   | 96.50    | 96.50     | 96.50   |
|                     |         |        |          |           |         |          |           |         |
|                     |         |        |          |           |         |          |           |         |

## 2026 Proposed Rate Adjustment Distribution



**2026 Budgeted Net Income by Month  
and Cumulative Net Income**



# Budget Considerations Follow Up

- *Conducted Three Budget Open Houses*
- *Reviewed impacts to budget and customers of potential schedule changes*
- *Evaluate continuation and impact extension of RD-99 Alternative Fuel Pilot Program*
- *Continued analysis and review of the excursion fare program and qualifications*
- *Analyzed impacts of New Reservation System launching in 4<sup>th</sup> quarter 2026*

# Questions?

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