

2026 Proposed Operating Budget

SEPTEMBER 16, 2025 – BOARD MEETING

WOODS HOLE, MARTHA'S VINEYARD AND NANTUCKET STEAMSHIP AUTHORITY



2026 Operating Budget Assumptions

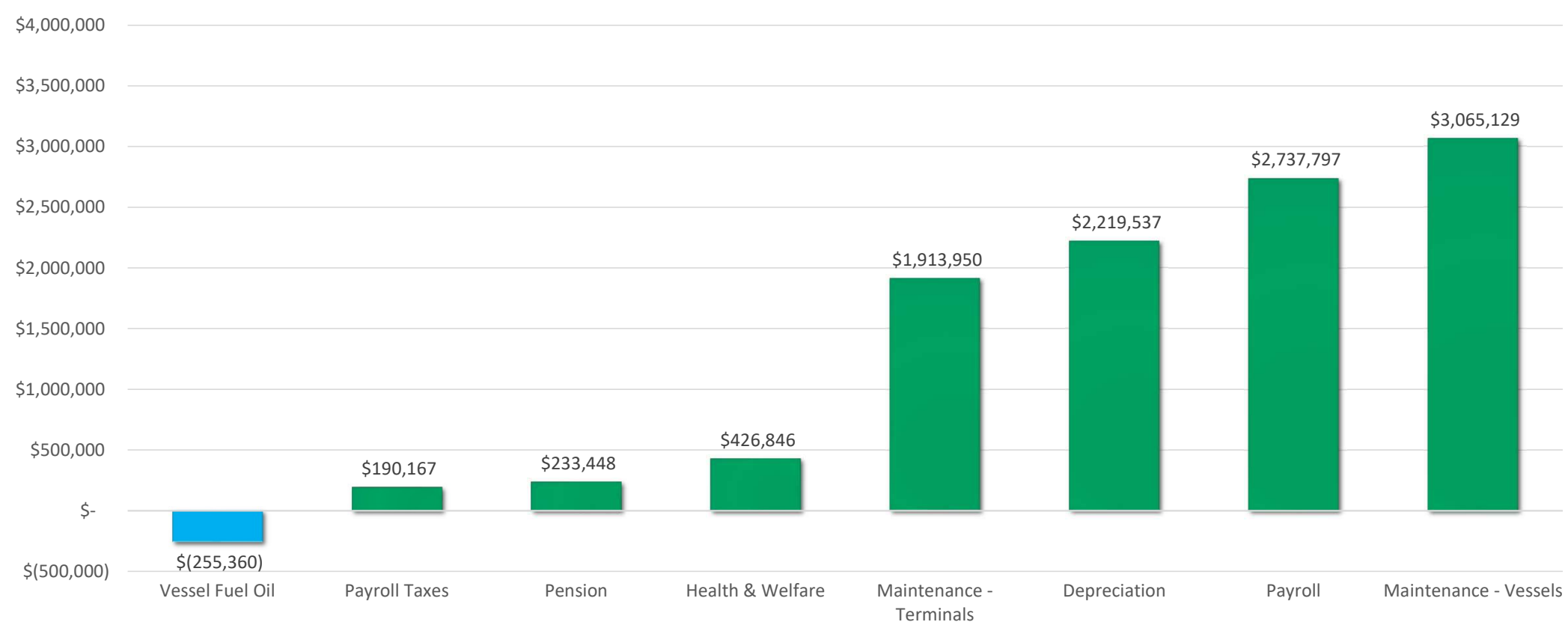
- Baseline for revenues is actual traffic statistics:
August 2024 – July 2025 (Previous 12 months)
- Vessel dry-dock and terminal maintenance expenses are projected up to 18 months ahead of schedule – new repair items, additional steel work and the overall age of the vessels can increase costs.
- Operating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

The Bottom Line

Operating Revenues	+	\$152,742,907
Operating Expenses	-	\$162,206,097
Other Income	+	\$ 16,590,277
Other Expenses	-	\$ 4,378,848
Net Income From Operations		\$ 2,748,239

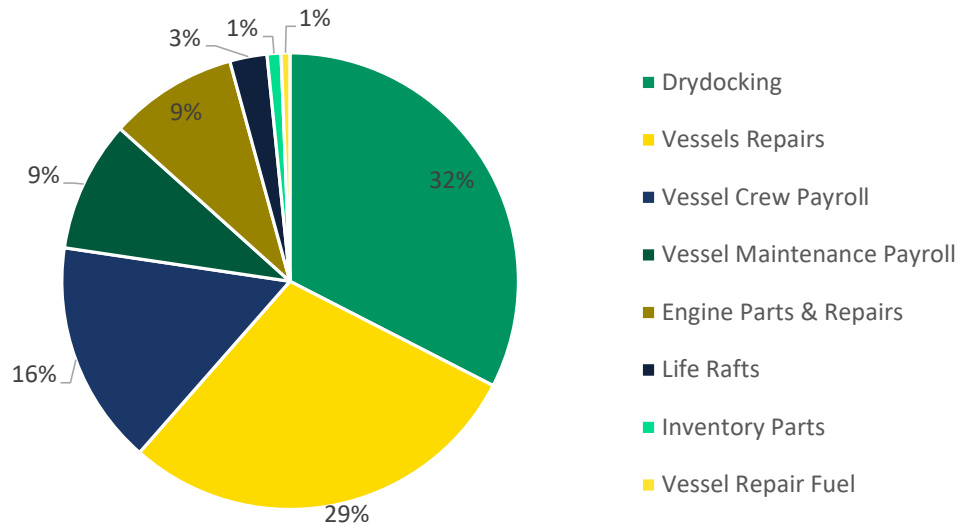
Significant operating expense changes

Variances from 2025 budget

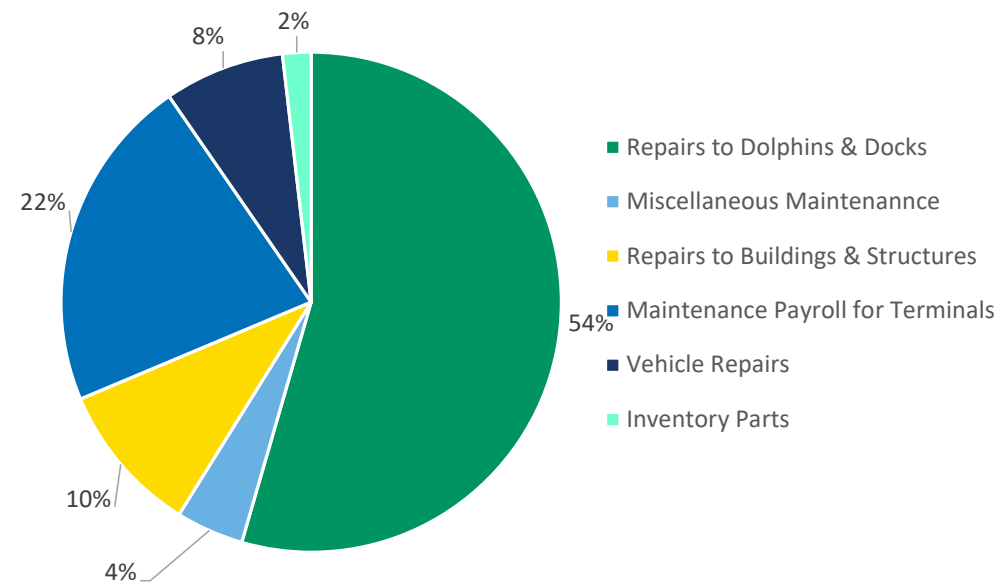


Maintenance Budget Breakdown by Category

Vessel Maintenance \$20,902,474



Landside Maintenance \$7,681,826



2026 Maintenance Expenses

Vessel Dry Docks

- Total budgeted: \$6,805,242
 - *M/V Nantucket*
 - *M/V Eagle*
 - *M/V Barnstable*
 - *M/V Island Home*
 - *M/V Iyanough*

Terminal, Dolphin and Dock Repairs

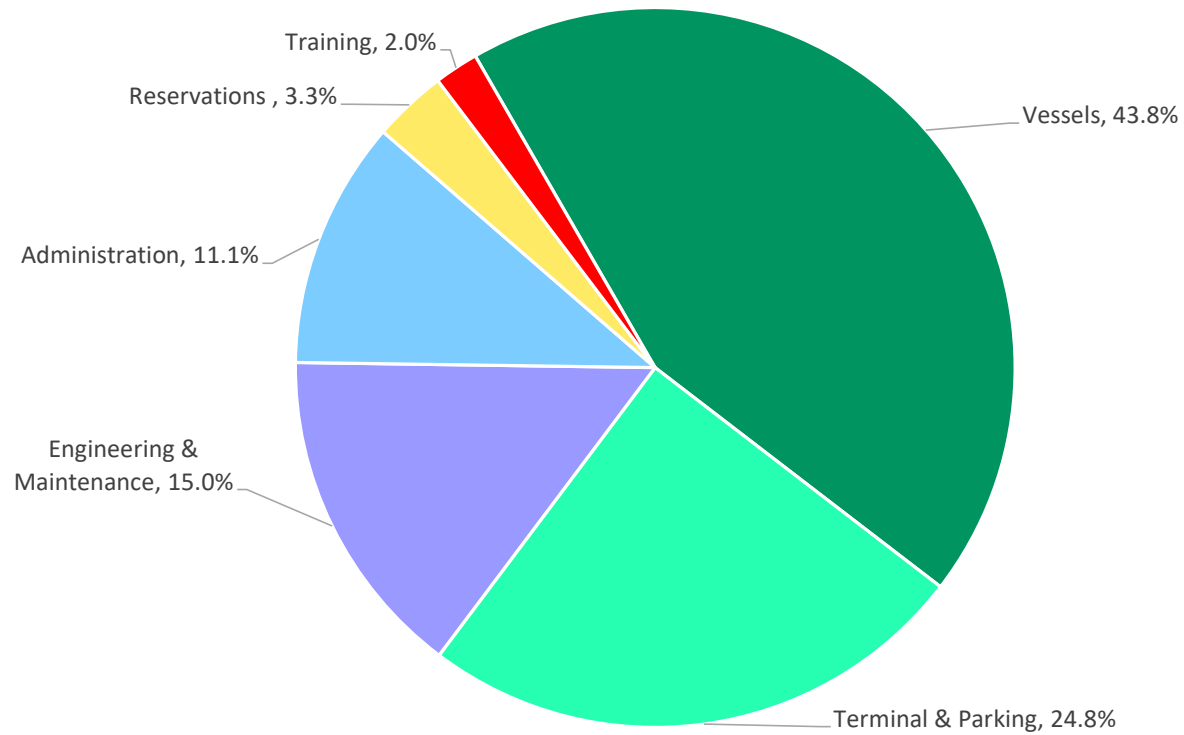
- Total budgeted: \$4,937,685
 - Vineyard Haven Pier and Decking Repairs
 - Oak Bluffs Pier Decking Repairs & Repairs to the Underdeck Sprinkler System
 - Fairhaven Transfer Bridge Replacement

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

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

2026 Grant Revenue Summary

Grant Revenue Budgeted Increase of \$4,174,000

- *Vessel Drydocks - \$5,400,000*
- *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
- 36% Decrease in Mechanical Trip Cancellations compared to 2024
- 58% Decrease in Crewing and Schedule Trip Cancellations compared to 2024
- New Reservation System Expected to Go Live in 4th Quarter 2026

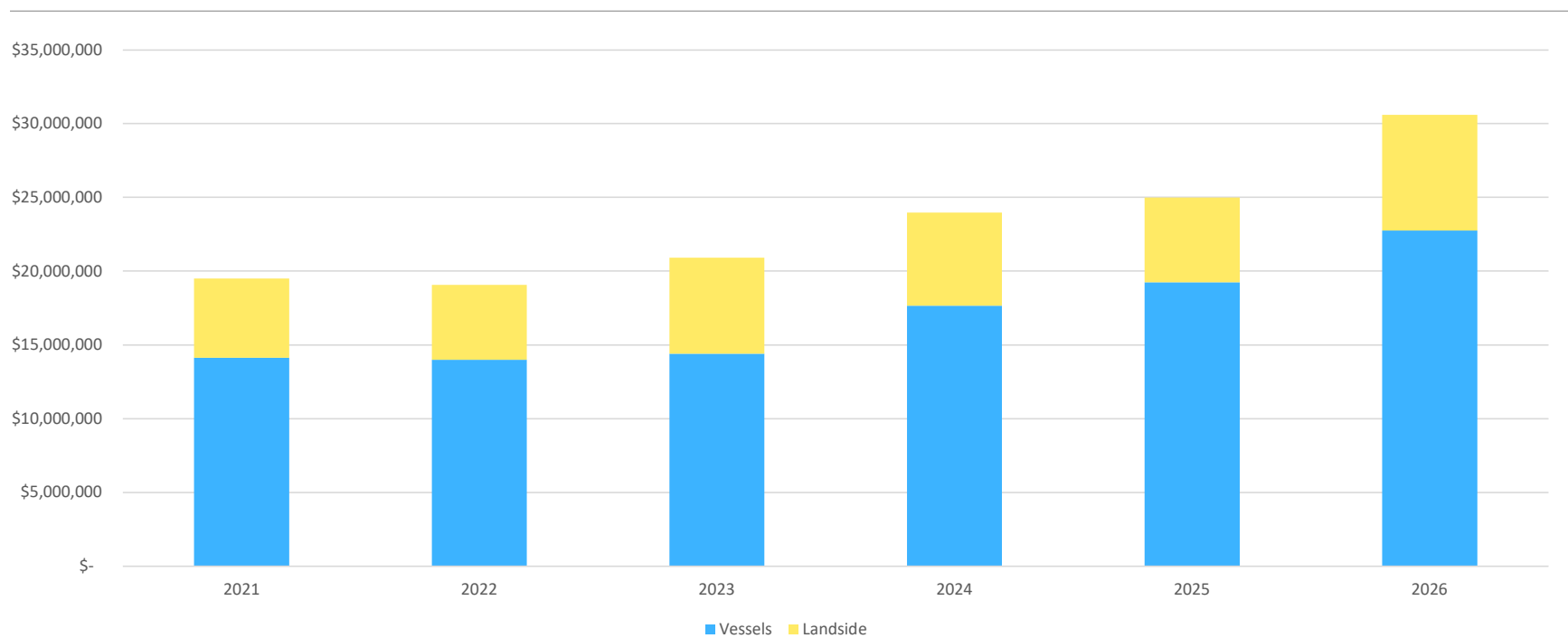
Questions?

2026 Proposed Rate Adjustments

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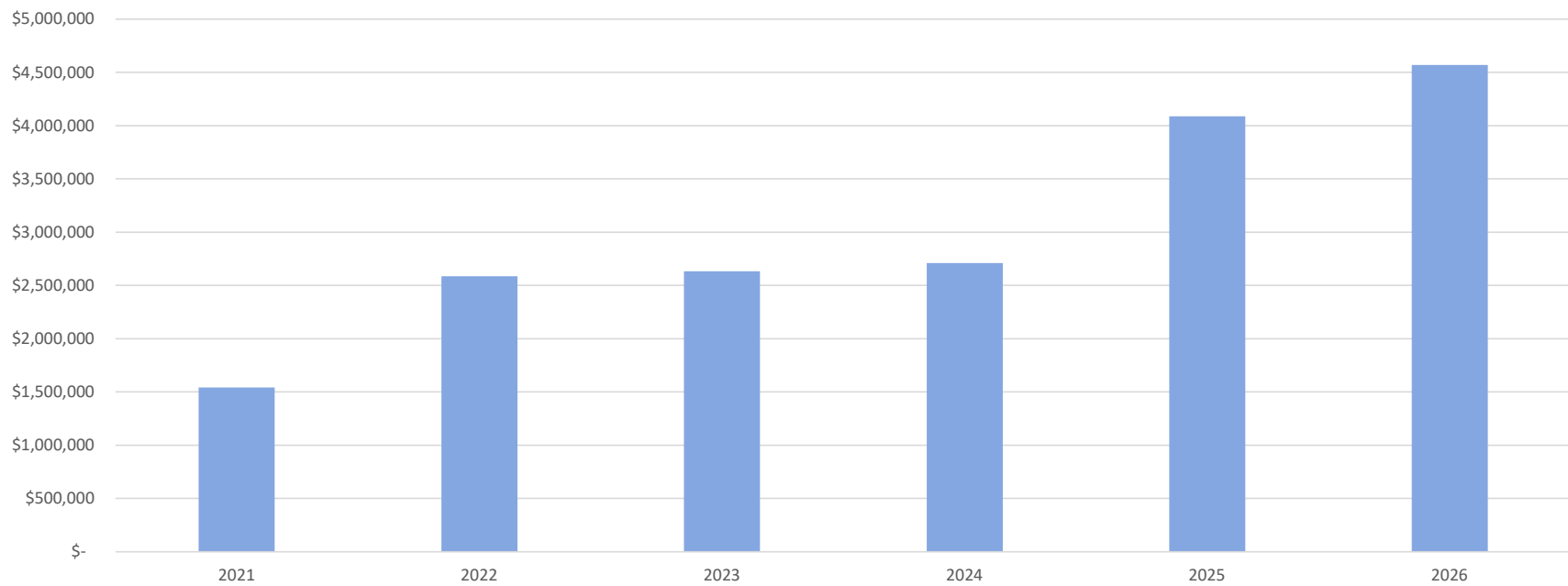
Budgeted Maintenance Expenses 2021-2026



Budgeted Training Expenses 2021-2026



Budgeted IT Expenses 2021-2026



Summary of Proposed Rate Adjustments

Target net operating revenue	\$ 10,156,105
<u>Net operating revenue before adjustment</u>	\$ 2,719,215
<u>Additional revenue required by rate adjustments</u>	\$ 7,436,890

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

Martha's Vineyard route: \$4,397,962	Nantucket route: \$3,038,928
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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 - under 20' in length	• \$3.50 - \$5.50 for 1/1 - 5/14 and 11/1 - 12/31 • \$6.00 from 9/15 to 10/31 • \$6.00 Mon-Thurs & \$8.00 Fri-Sun 5/15 – 9/14 • \$55.00 – Auto 10-Ride coupon book	+ \$ 1,198,350
Excursion Fare	• \$1.75 from 1/1 – 5/14 and 9/15-12/31, each segment • \$2.75 from 5/15 – 9/14, each segment	+ \$ 350,026
Freight	• 5.5% increase	+ \$ 866,449
Passengers	• \$0.50 one-way Adult • \$0.25 one-way Child/Senior • \$4.50 per 10-Ride Adult book • \$2.75 per 10-Ride Child/Senior book • \$9.25 per 46-Ride book	+ \$ 1,078,277
Daily Fee Parking	• \$5.00 per day from 1/1 - 3/31 & 11/1 - 12/31 • \$8.00 per day from 4/1 - 5/14 & 9/15 - 10/31	+ \$ 760,415
Parking Permits	• \$200.00 Woods Hole Lot • \$50.00 Palmer Lot	+ \$ 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 under 20' in length	• \$10.00 & \$15.00 – 1/1-5/14 and 11/1-12/31 • \$15.00 - MON-THUR and \$20 FRI-SUN - 5/15-9/14 • \$15.00 - 9/15 to 10/31 • \$80.00 – Auto 6-Ride coupon book	+ \$ 599,605
Excursion Fare	• \$4.50 from 1/1 – 5/14 and 9/15-12/31, each segment • \$6.25 from 5/15 – 9/14, each segment	+ \$ 139,533
Vehicles 20' and over in length	• 5.5% increase	+ \$ 1,124,785
Passengers – High Speed Ferry	• \$2.00 one-way Adult/\$3.00 Same Day RT Adult • \$1.00 one-way Child/\$2.00 Same Day RT Child • \$1.00 one-way Senior/\$2.50 Same Day RT Senior • \$8.00-16.00 per 10-Ride book (Adult, Child, Senior)	+ \$ 496,289
Passengers – Conventional Ferry	• \$1.00 one-way Adult • \$0.50 one-way Child/Senior • \$8.00 per 10-Ride Adult book • \$5.00 per 10-Ride Child/Senior book	+ \$ 235,478
Parking Permits	• \$75 Lewis Bay • \$50 Yarmouth Road	+ \$ 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

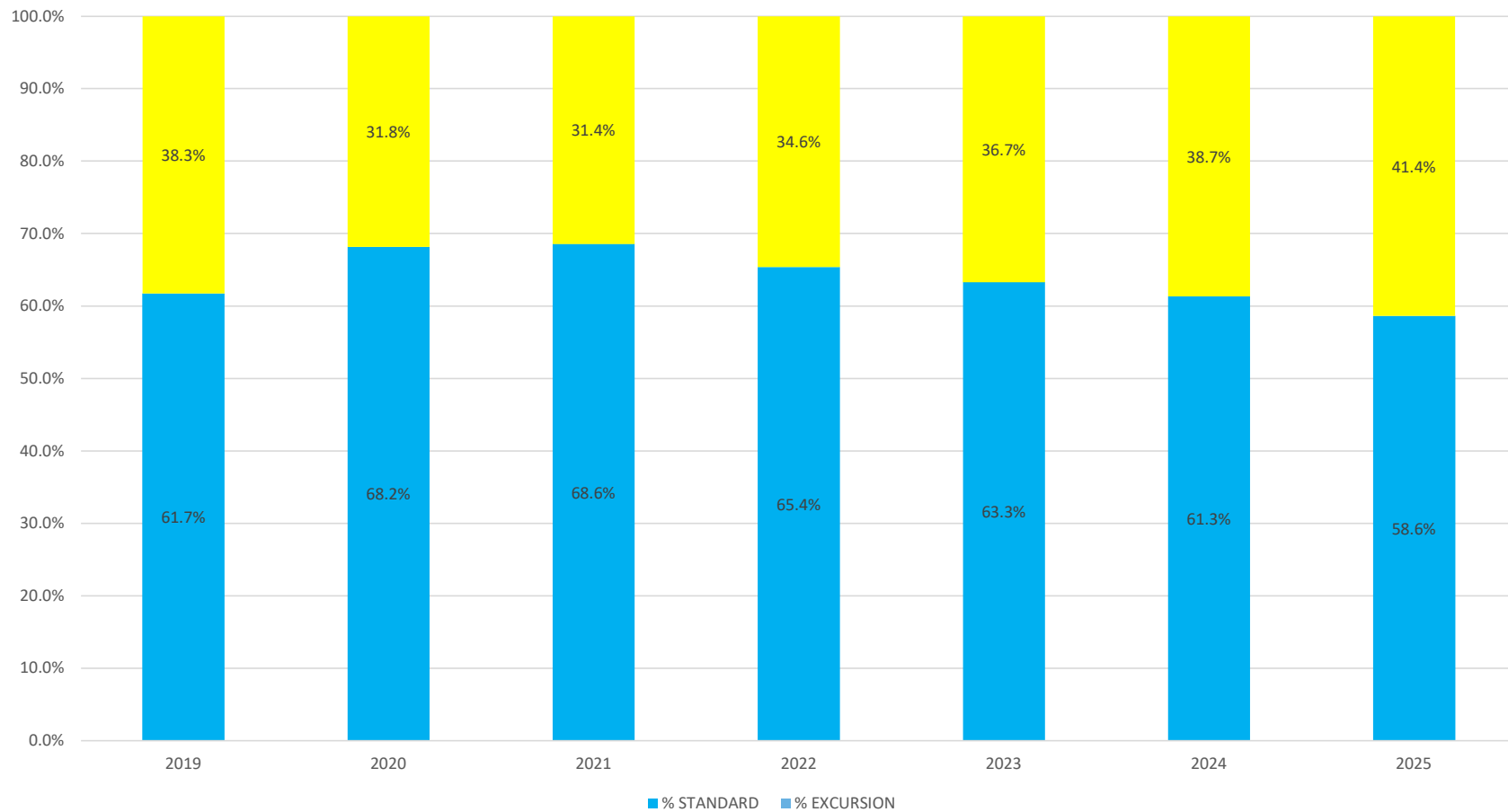
Hyannis Parking Rates

<u>Dates</u>	<u>Days</u>	<u>Proposed Adjustment</u>	<u>Current Rate</u>	<u>Propose Rate</u>
1/1 - 03/31 & 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

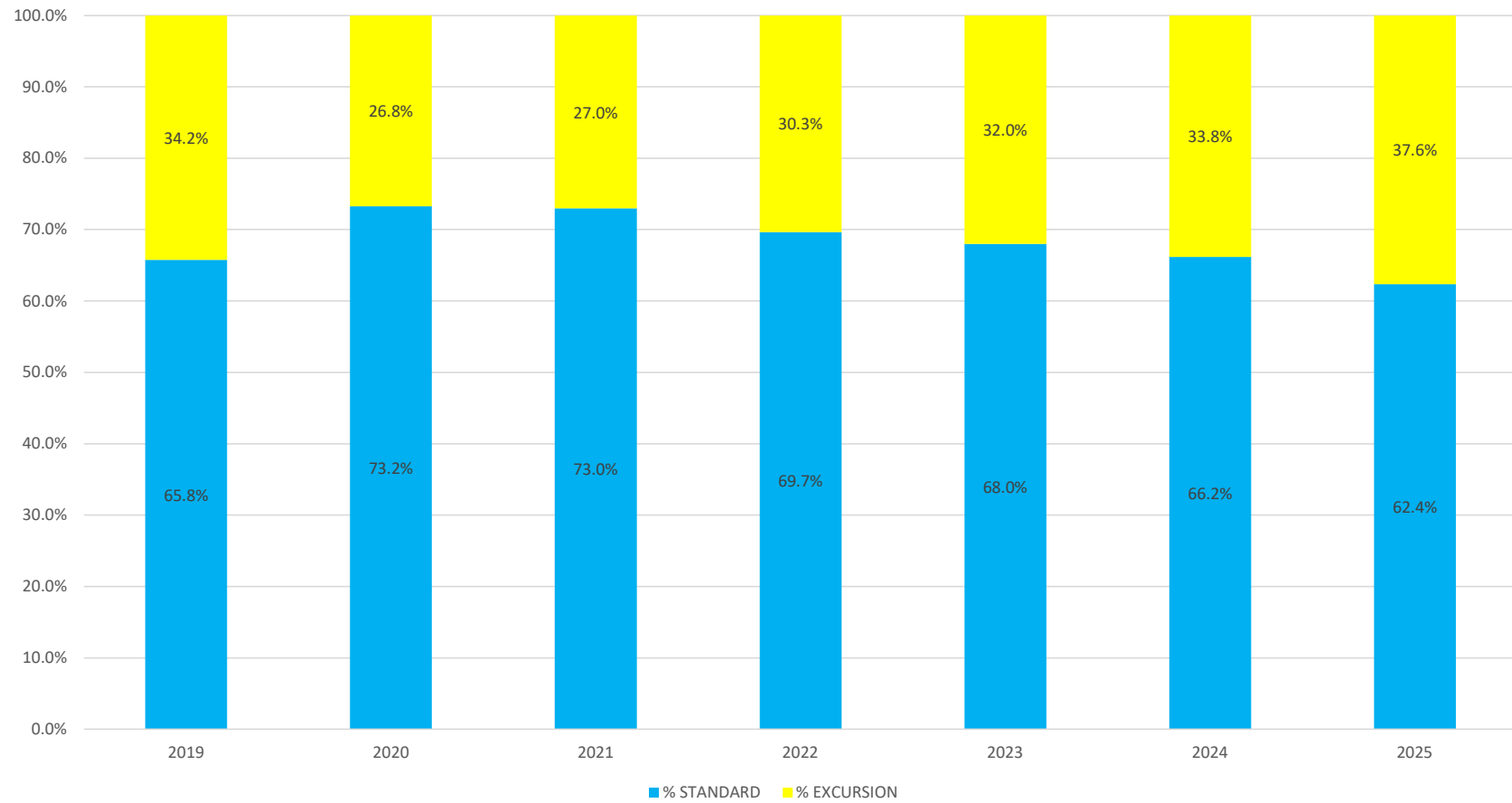
2023 vs 2024 Passenger Vehicle Cost of Service

	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%	

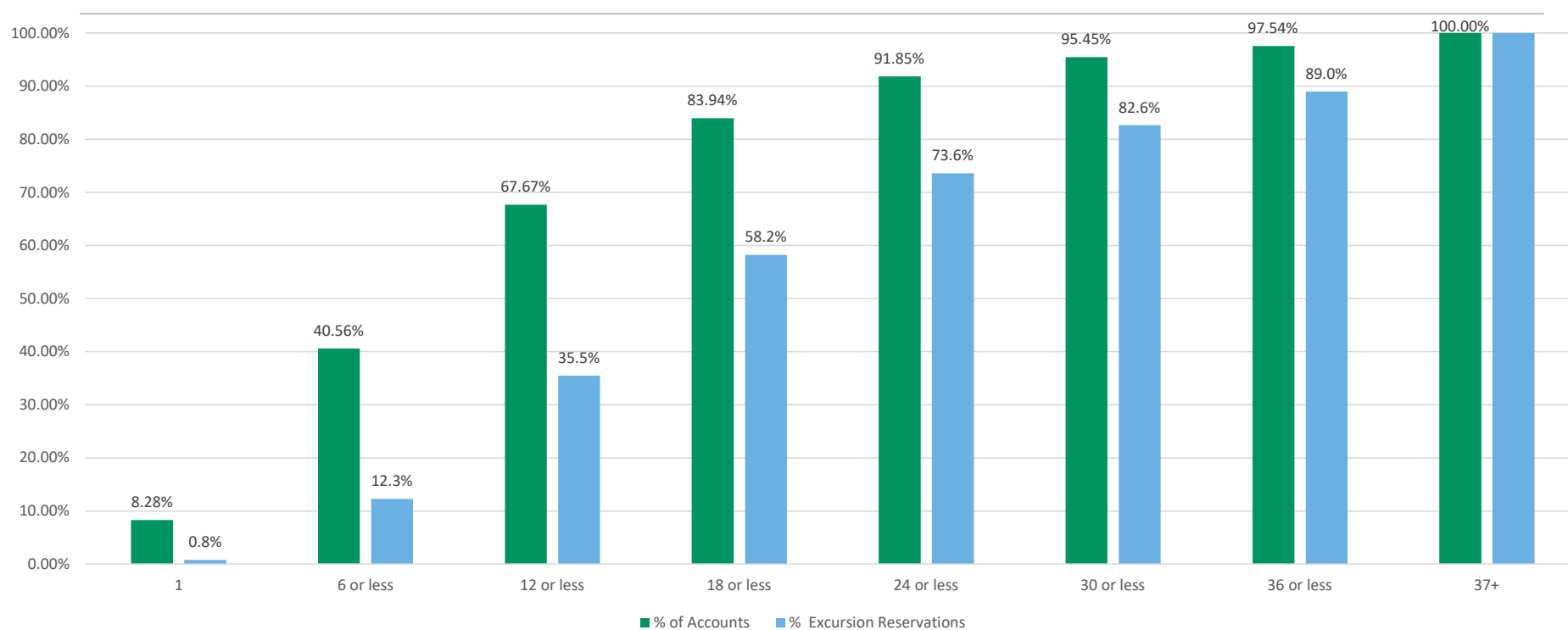
2019-2025 Martha's Vineyard January-August
Standard & Excursion Vehicles - Usage Percentage



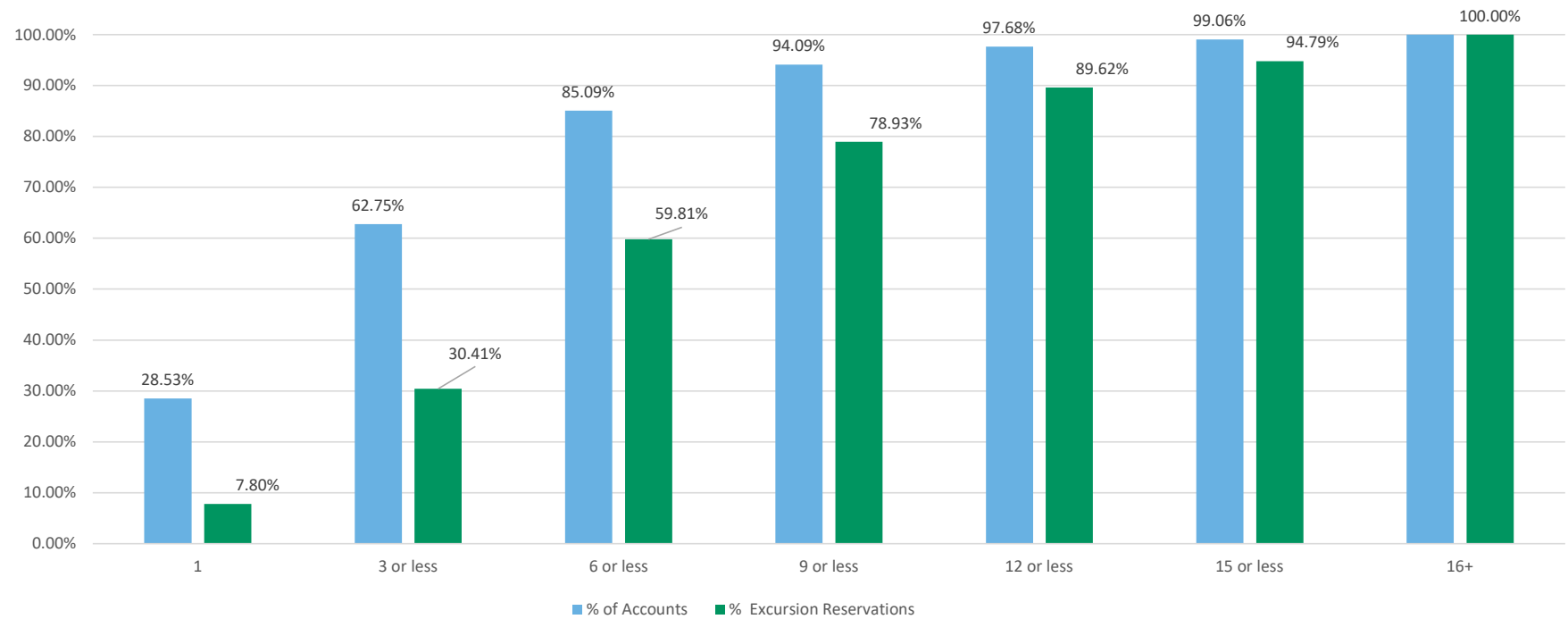
2019-2025 Nantucket January-August Standard & Excursion Vehicles - Usage Percentage



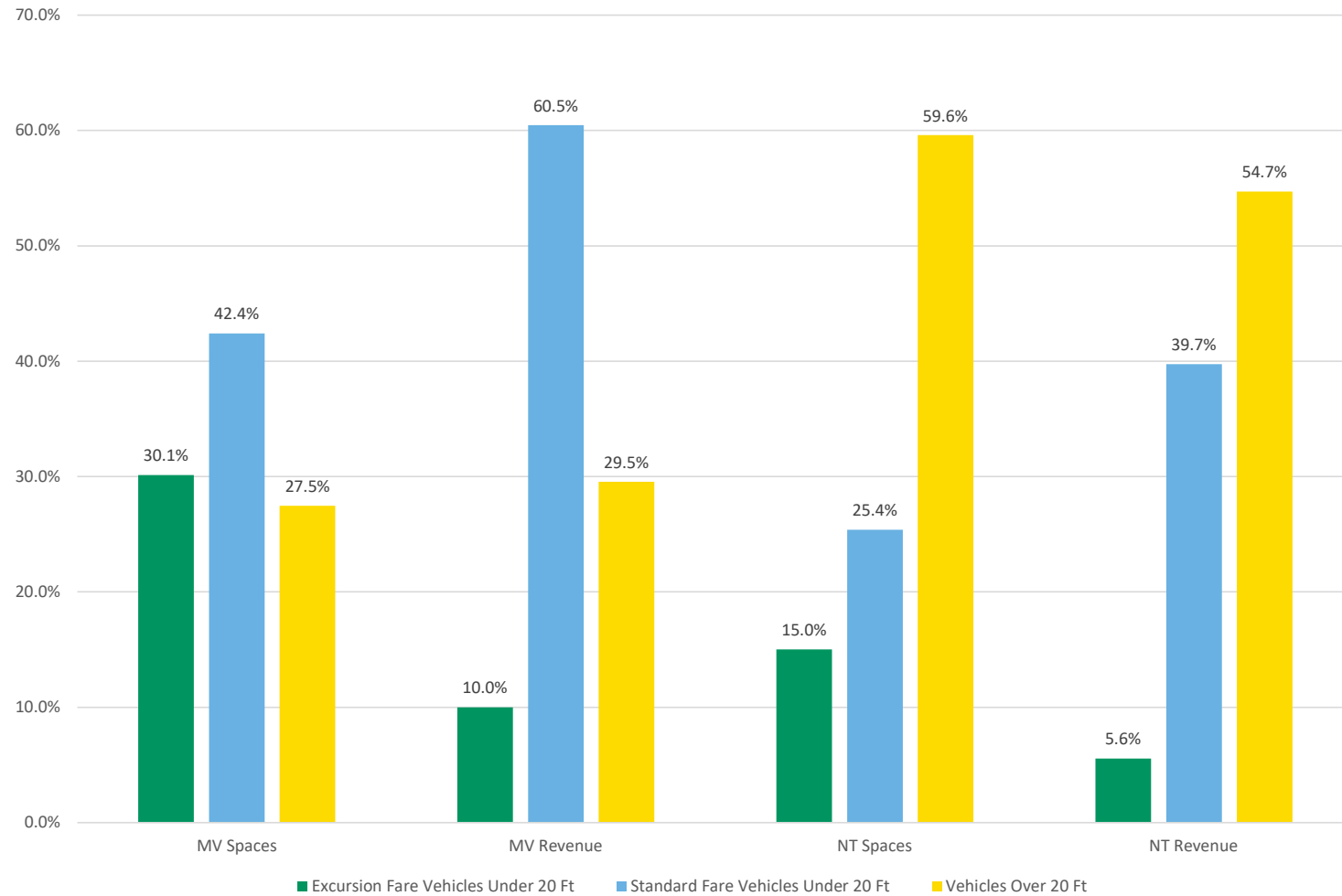
2024 Martha 's Vineyard Excursions – Accounts vs. Usage



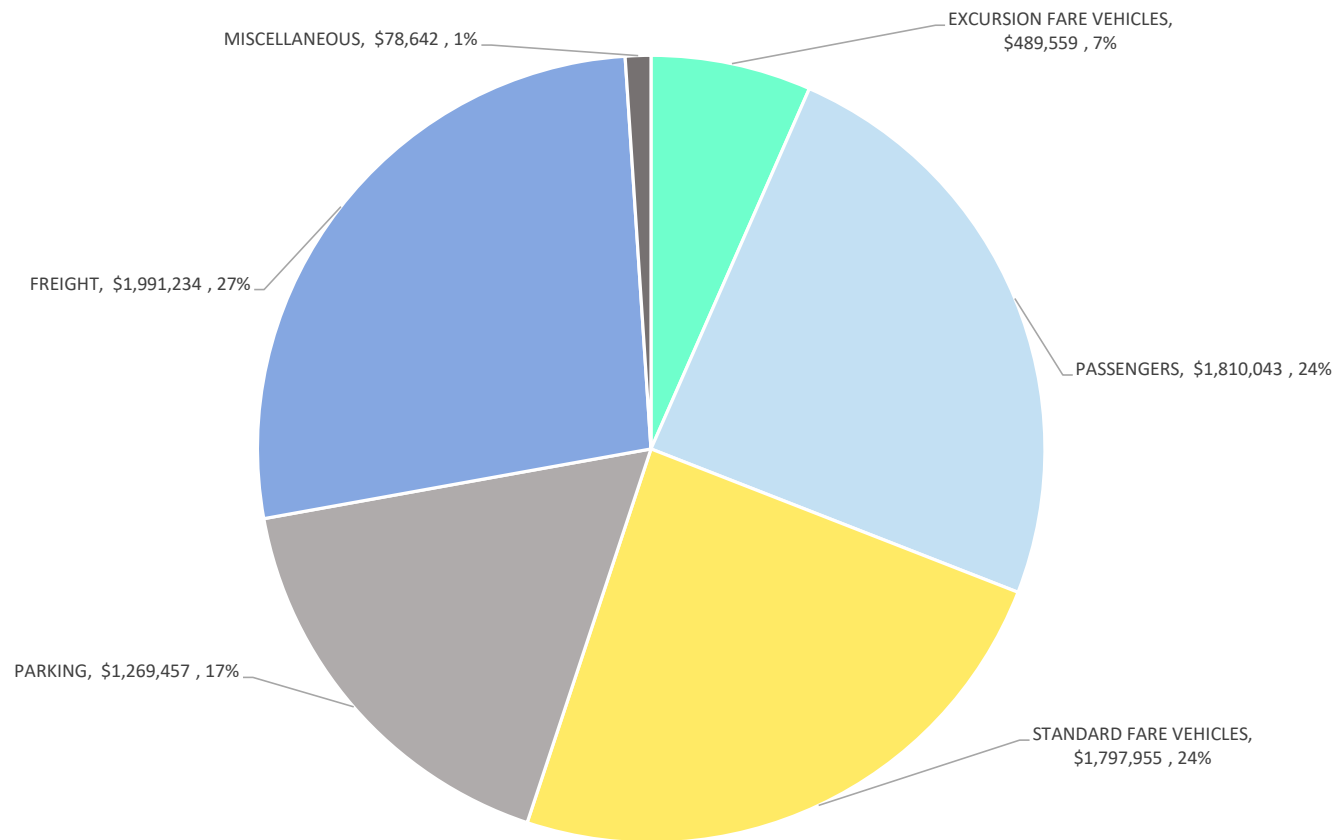
2024 Nantucket Excursions - Accounts vs Usage



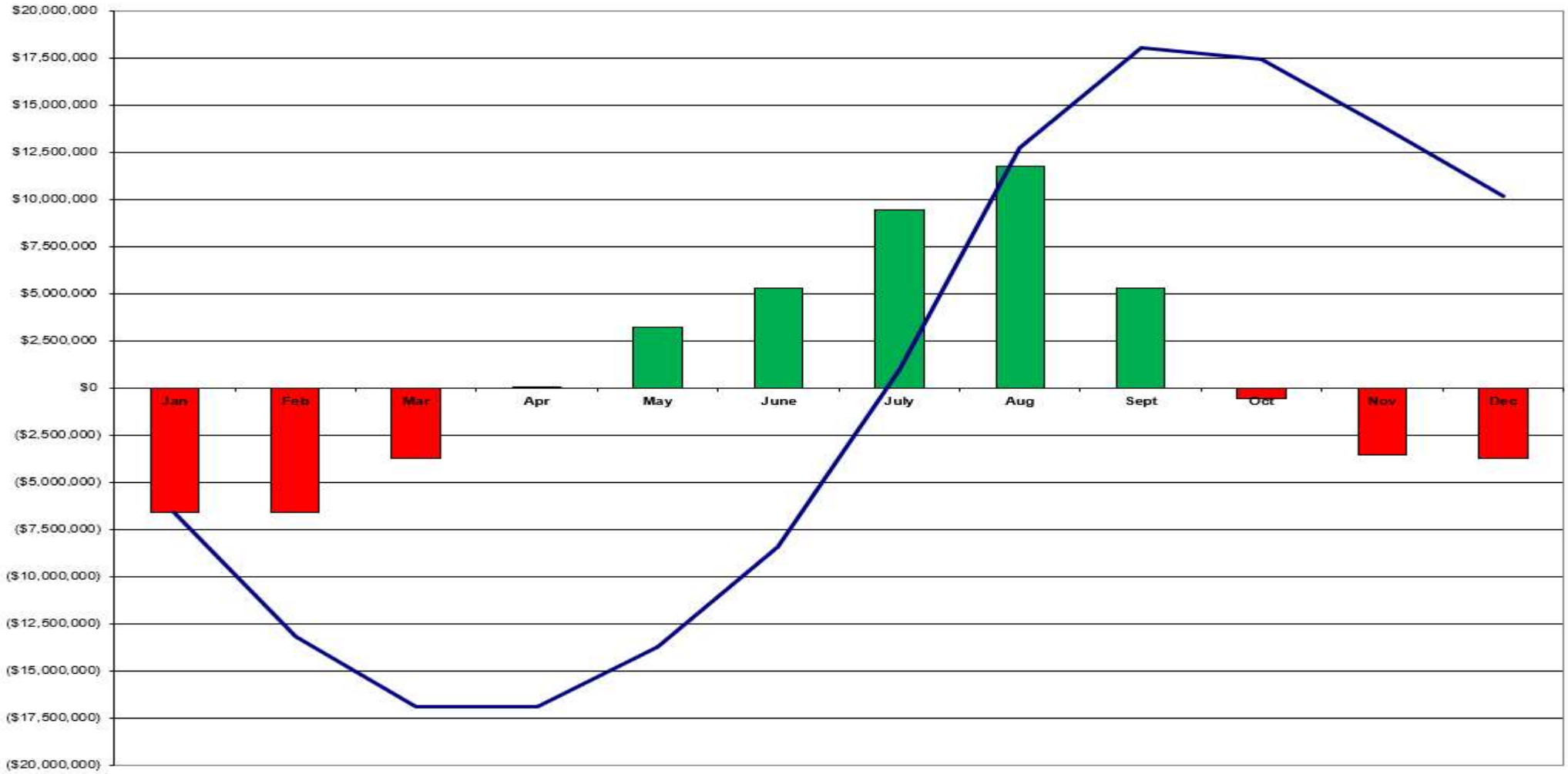
2024 Deck Space Utilization vs. Revenue



2026 Proposed Rate Adjustment Distribution



**2026 Budgeted Net Income by Month
and Cumulative Net Income with Rate Adjustments**



Next Steps Budget Considerations

- *Conduct Budget Open Houses*
- *Determine impacts to budget and customers of potential schedule changes*
- *Evaluate continuation and impact extension of RD-99 Alternative Fuel Pilot Program*
- *Continue analysis and review of the excursion fare program and qualifications*
- *Analyze impacts of New Reservation System launching in 4th quarter 2026*

Questions?
