2026 Proposed Operating Budget

SEPTEMBER 9, 2025 – PORT COUNCIL MEETING

WOODS HOLE, MARTHA'S VINEYARD AND NANTUCKET STEAMSHIP AUTHORITY

2026 Operating Budget Assumptions

- Baseline for revenues is actual traffic statistics:

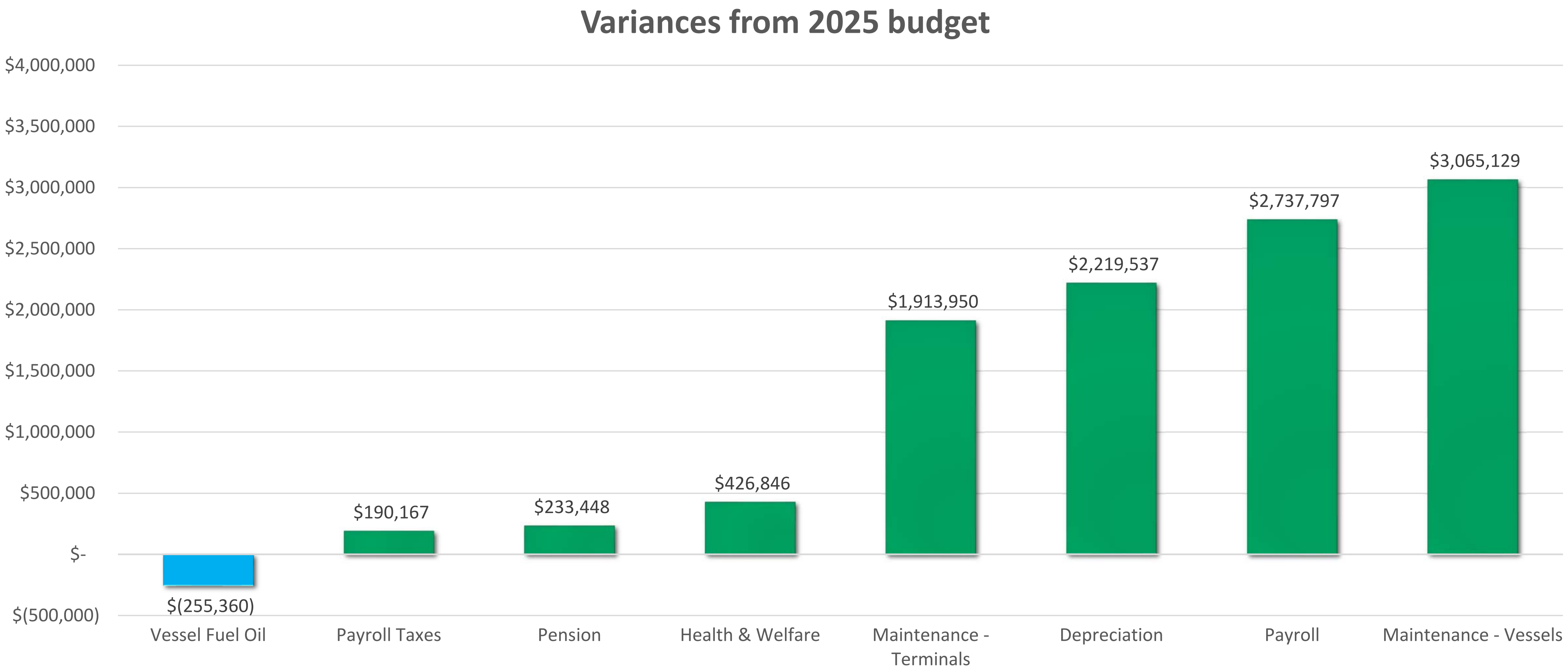
  August 2024 – July 2025 (Previous 12 months)

- 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 4th Quarter

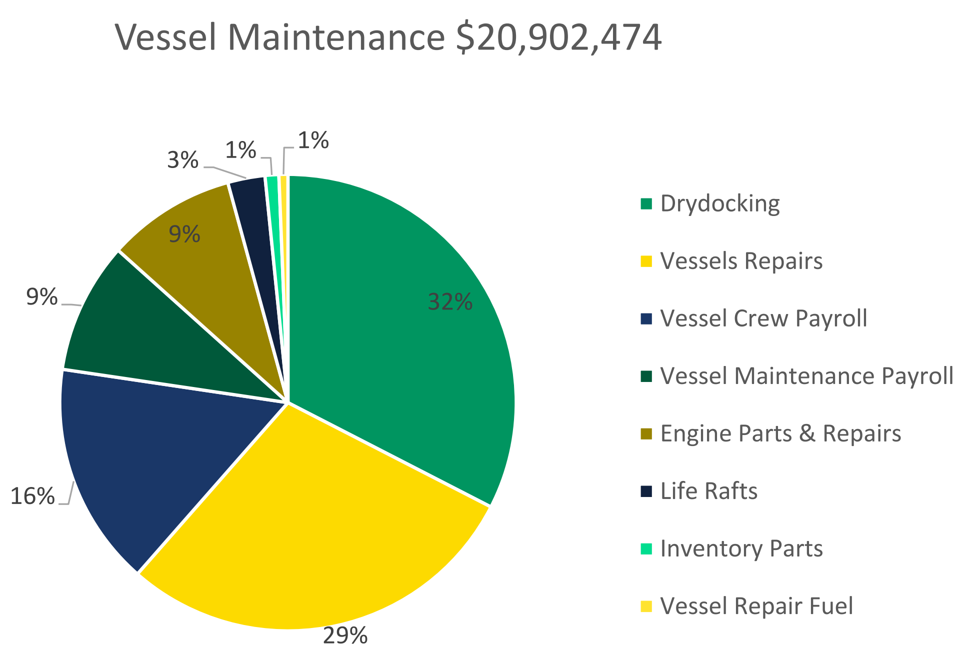
The Bottom Line

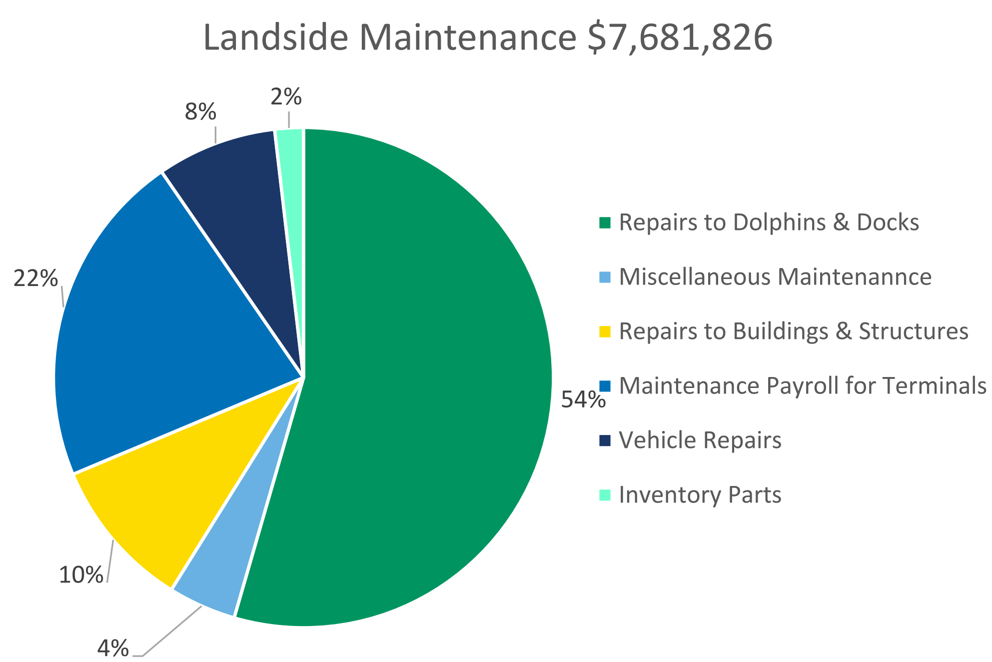
Operating Revenues	**+**	**$152,742,907**
Operating Expenses	**-**	**$162,206,097**
Other Income	+	$ 16,590,277
Other Expenses	-	$ 4,378,848
Net Income From Operations		**$ 2,748,239**

Significant operating expense changes



Maintenance Budget Breakdown by Category





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

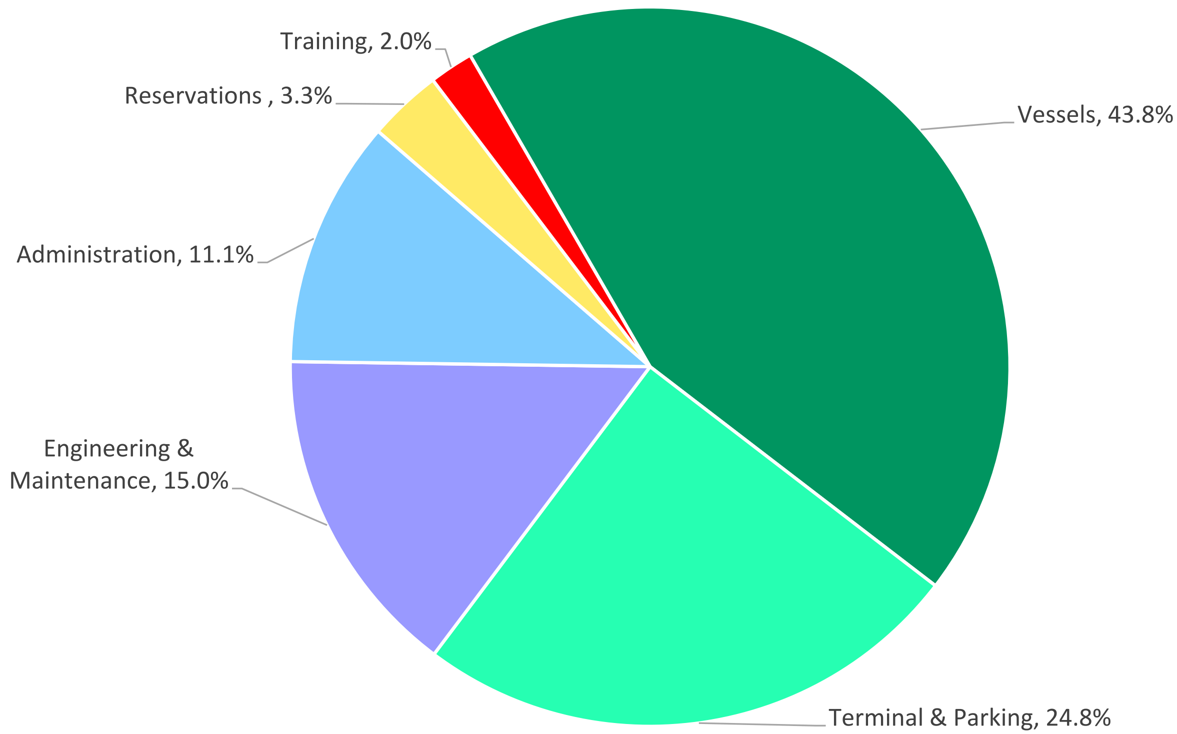
- Total budgeted: $4,937,685
  - Vineyard Haven Pier and Decking Repairs
  - Oak Bluffs Pier Decking Repairs & Repairs to the Underdeck Sprinkler System
  - Fairhaven Transfer Bridge Replacement

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



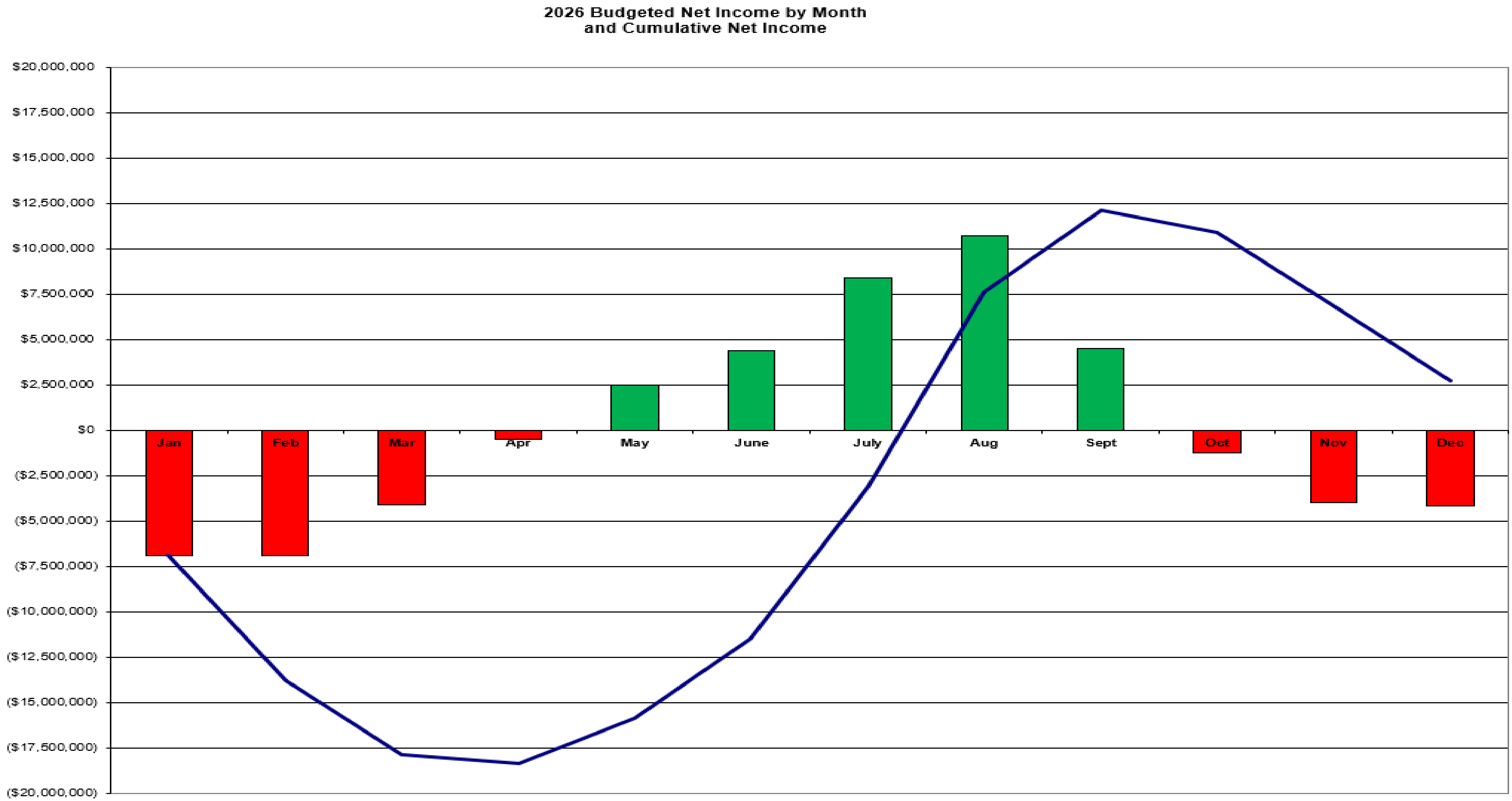
Operating Revenue Variances – 2026 vs 2025

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
$20,000,000
$17,500,000
$15,000,000
$12,500,000
$10,000,000
$7,500,000
$5,000,000
$2,500,000
$0
($2,500,000)
($5,000,000)
($7,500,000)
($10,000,000)
($12,500,000)
($15,000,000)
($17,500,000)
($20,000,000)
Jan
Feb
Mar
Apr
May
June
July
Aug
Sept
Oct
Nov
Dec

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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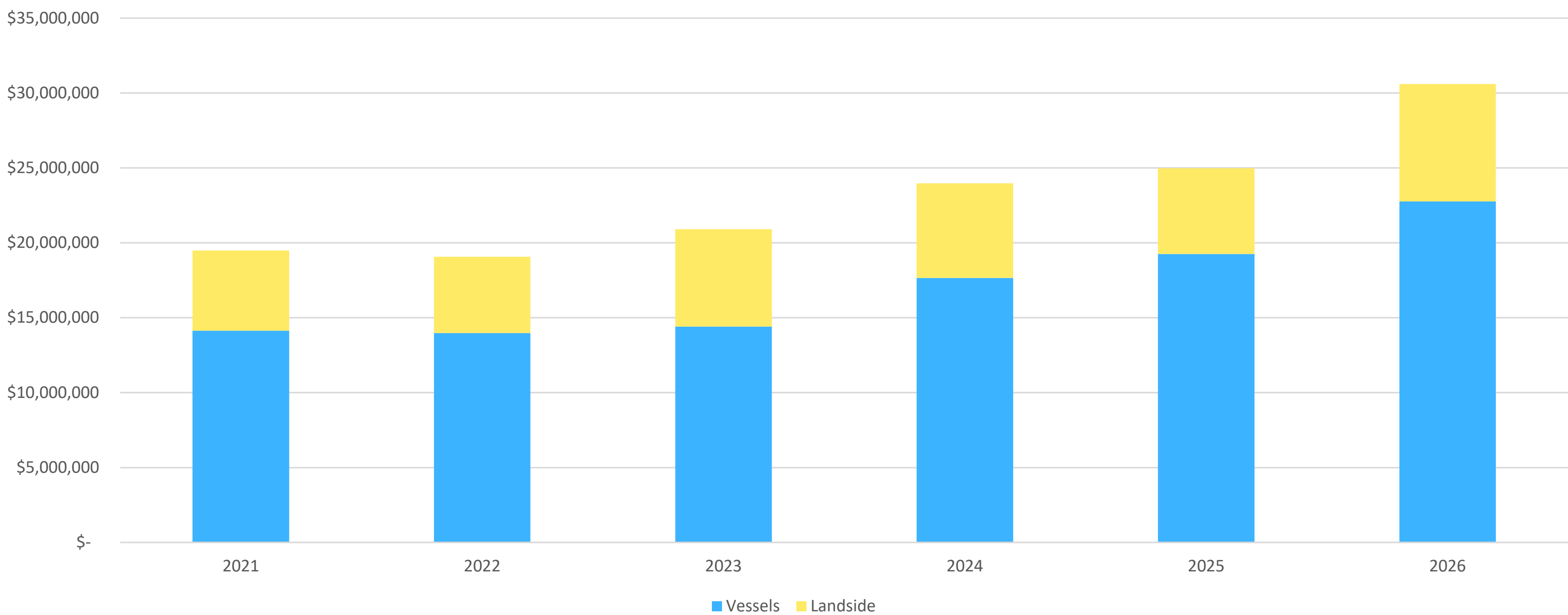
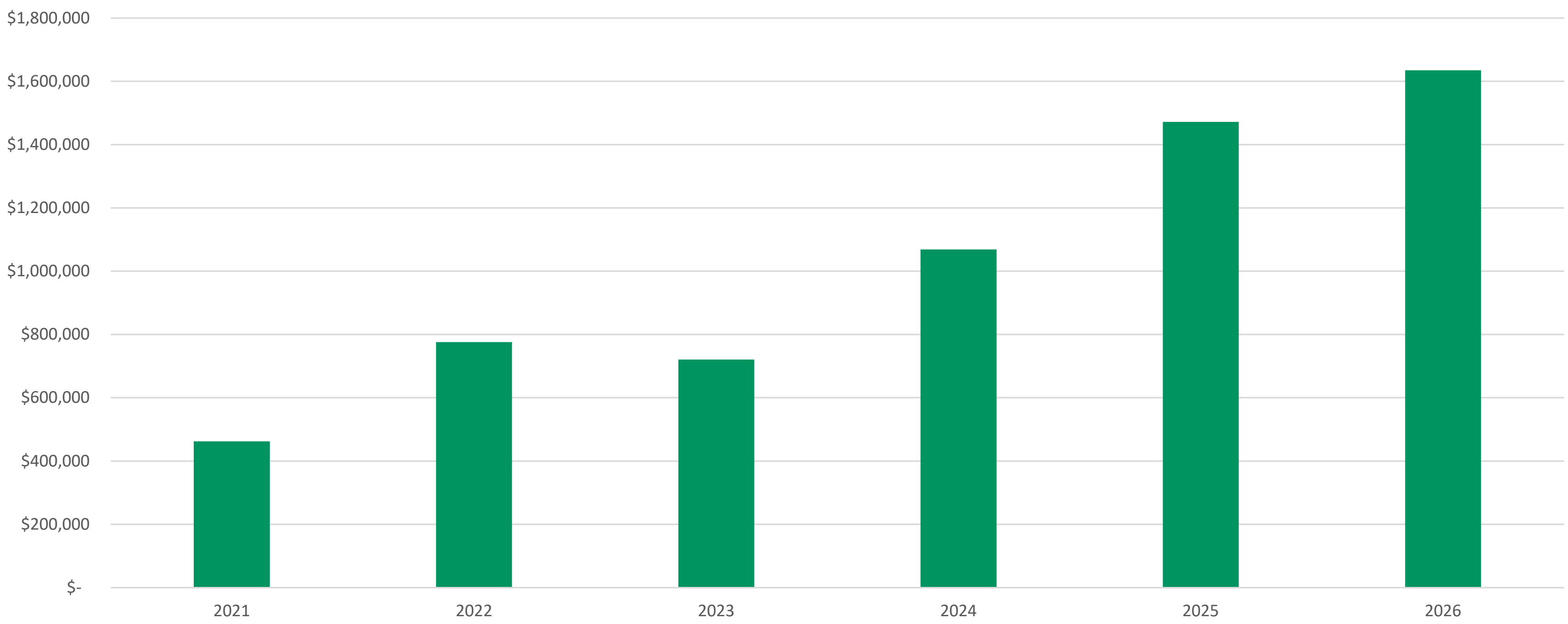
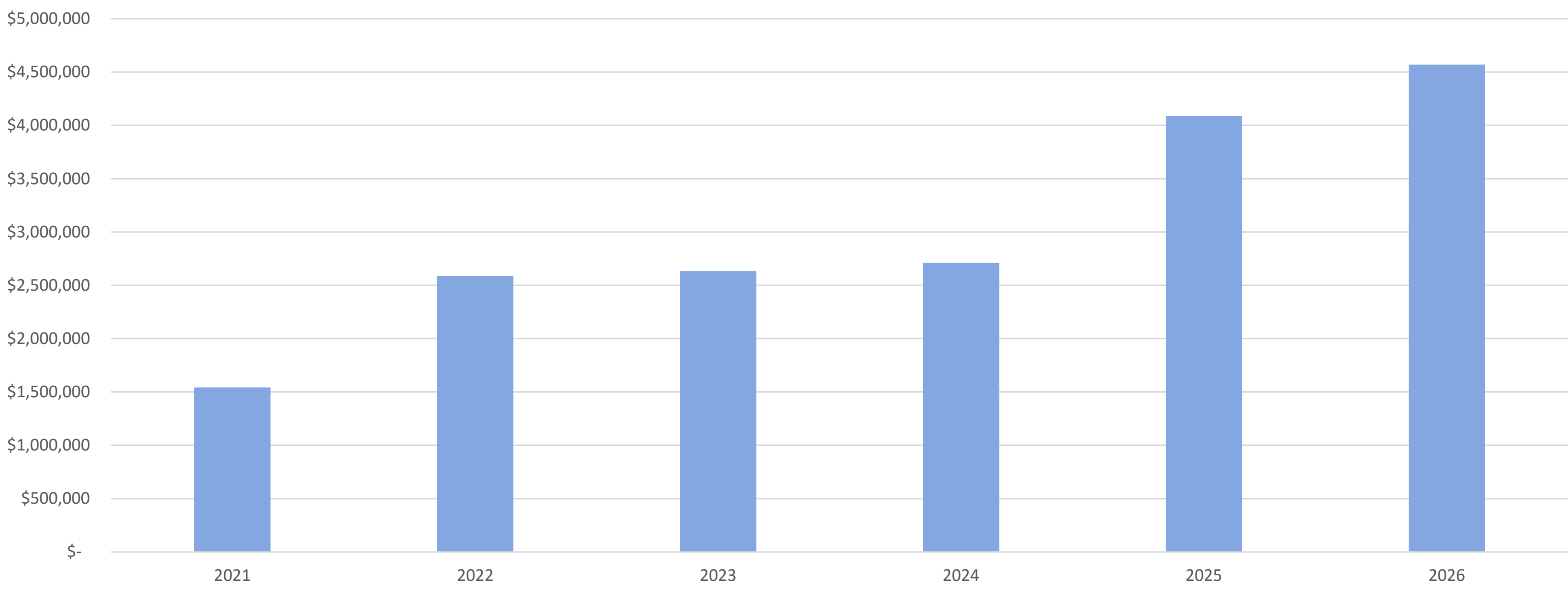
Budgeted Maintenance Expenses 2021-2026



Budgeted Training Expenses 2021-2026



Budgeted IT Expenses 2021-2026



Summary of Proposed Rate Adjustments

Target net operating revenue	**$ 10,156,105**
Net operating revenue before adjustment	**$ 2,719,215**
Additional revenue required by rate adjustments	**$ 7,436,890**

Martha's Vineyard route: $4,397,962

Nantucket route: $3,038,928

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

Rate	Proposed Adjustment	Additional Revenue
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

Dates	Days	Proposed Adjustment	Current Rate	Propose Rate
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

Rate	Proposed adjustment	Additional revenue
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

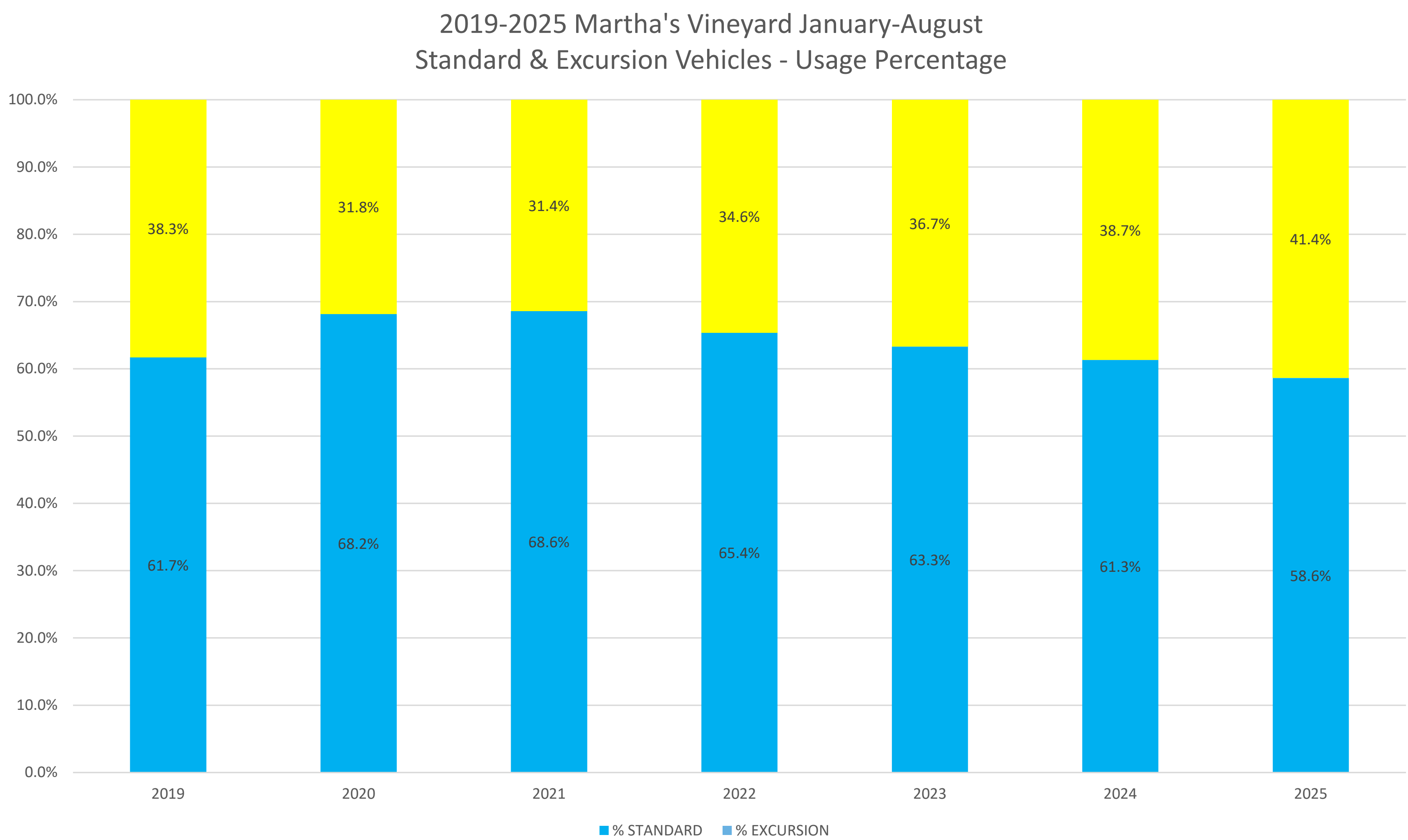
Dates	Days	Proposed Adjustment	Current Rate	Propose Rate
01/01 - 03/31	ALL	$10.00	$195.00	$205.00
04/01 - 05/14	ALL	$15.00	$285.00	$300.00
05/15 - 09/14	MON-THUR	$15.00	$305.00	$320.00
05/15 - 09/14	FRI-SUN	$20.00	$350.00	$370.00
09/15 - 10/31	ALL	$15.00	$305.00	$320.00
11/01 - 12/31	ALL	$10.00	$198.00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

Hyannis Parking Rates

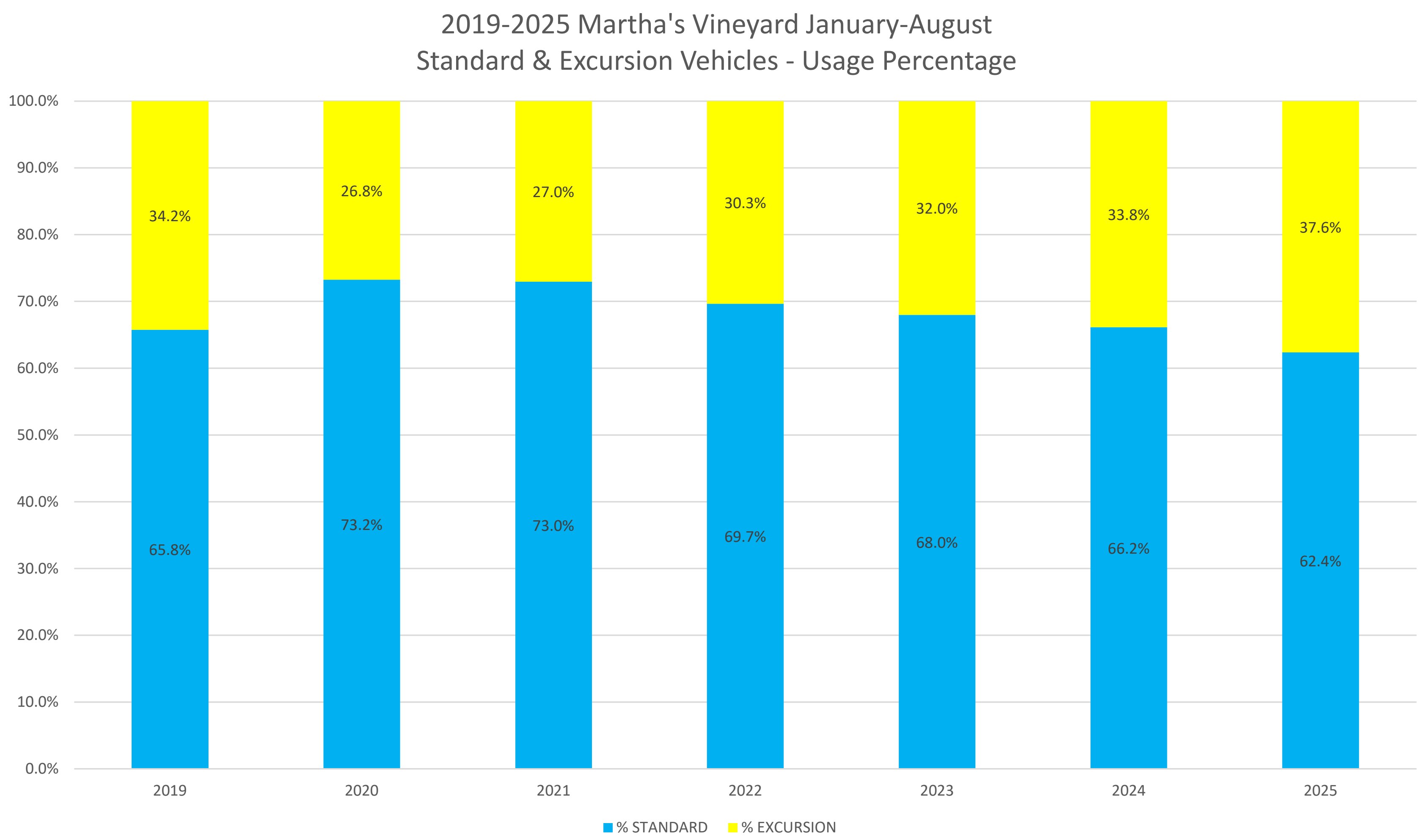
Dates	Days	Proposed Adjustment	Current Rate	Propose Rate
1/1 - 03/31 & 12/15 – 12/31	ALL	$ 5.00	$ 5.00	$10.00
04/01 - 04/30	ALL	$ 5.00	$ 10.00	$15.00
05/1 - 06/14	ALL	$ 4.00	$ 16.00	$20.00
06/15 - 09/14	ALL	$4.00	$ 16.00 & $21.00	$20.00 & $25.00
09/15 - 10/31	ALL	$7.00 & $4.00	$ 13.00 & $16.00	$20.00
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
100.0%
90.0%
80.0%
70.0%
60.0%
50.0%
40.0%
30.0%
20.0%
10.0%
0.0%
38.3%
31.8%
31.4%
34.6%
36.7%
38.7%
41.4%
61.7%
68.2%
68.6%
65.4%
63.3%
61.3%
58.6%
2019
2020
2021
2022
2023
2024
2025
% STANDARD
% EXCURSION


2019-2025 Martha's Vineyard January-August
Standard & Excursion Vehicles - Usage Percentage
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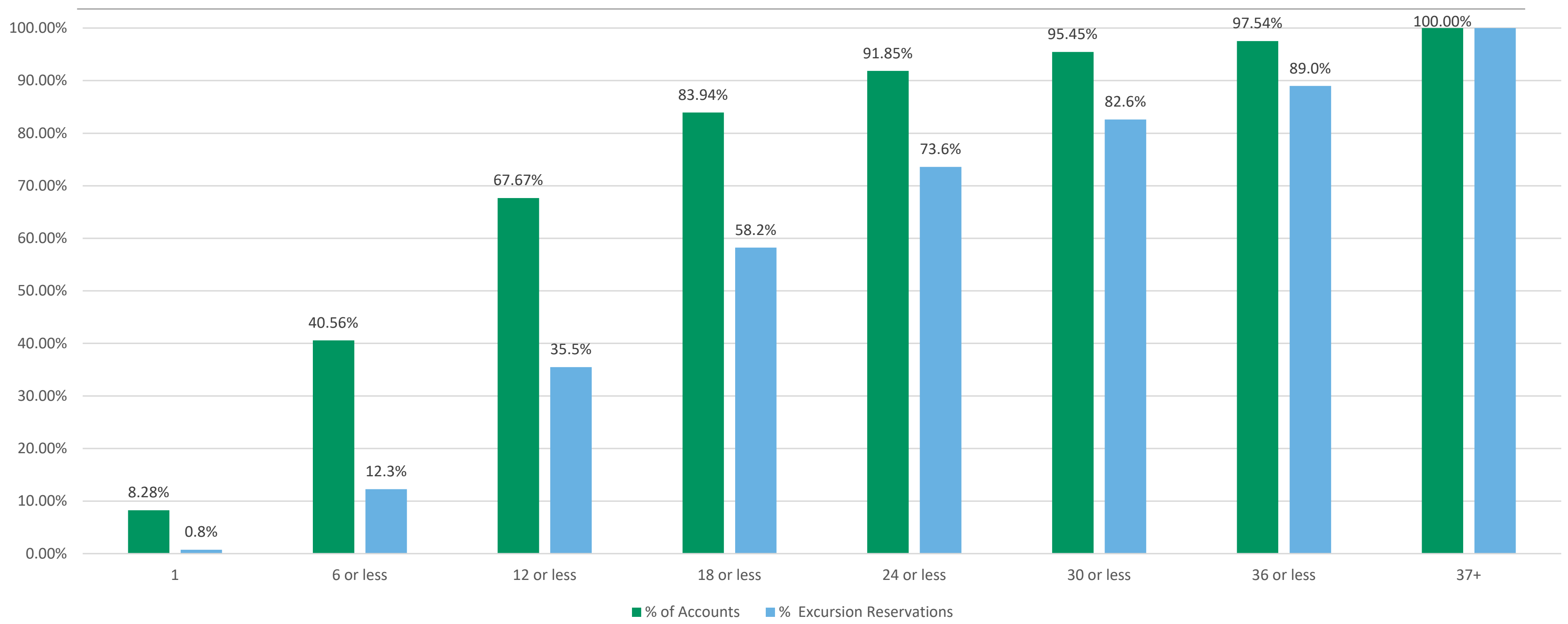
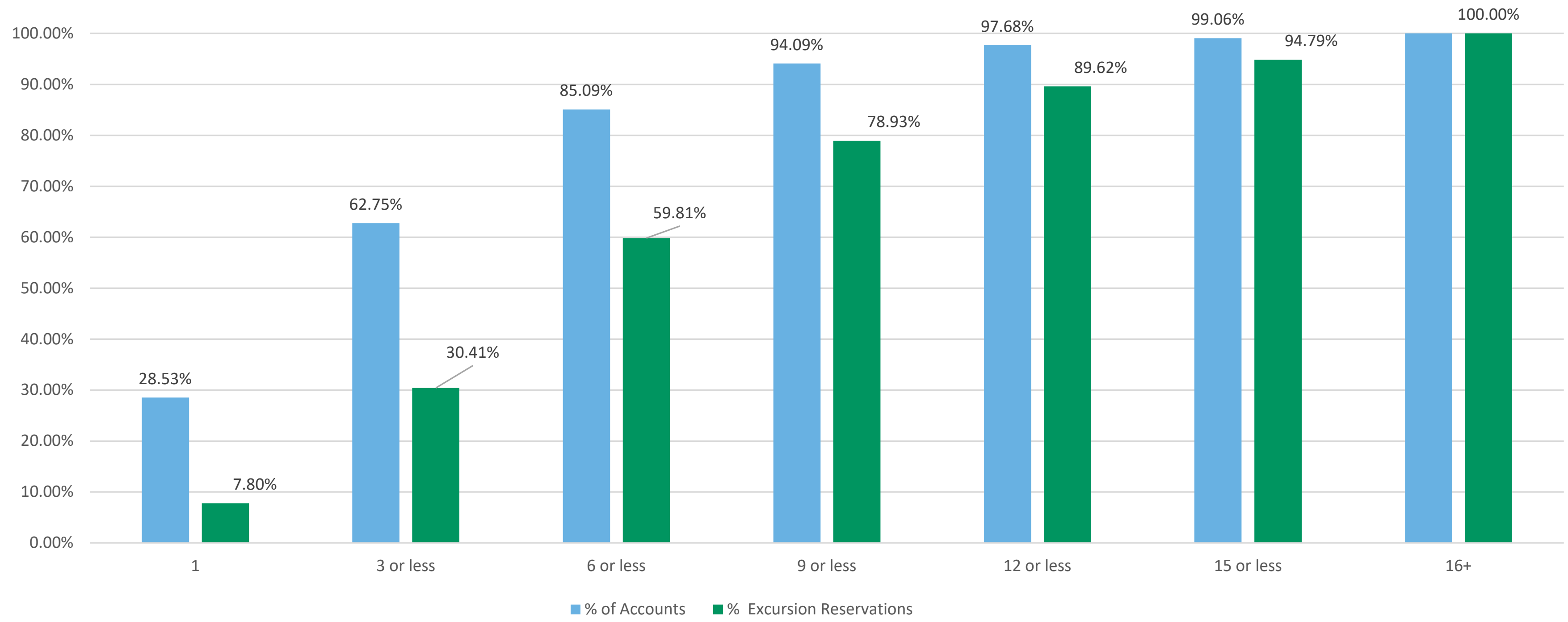
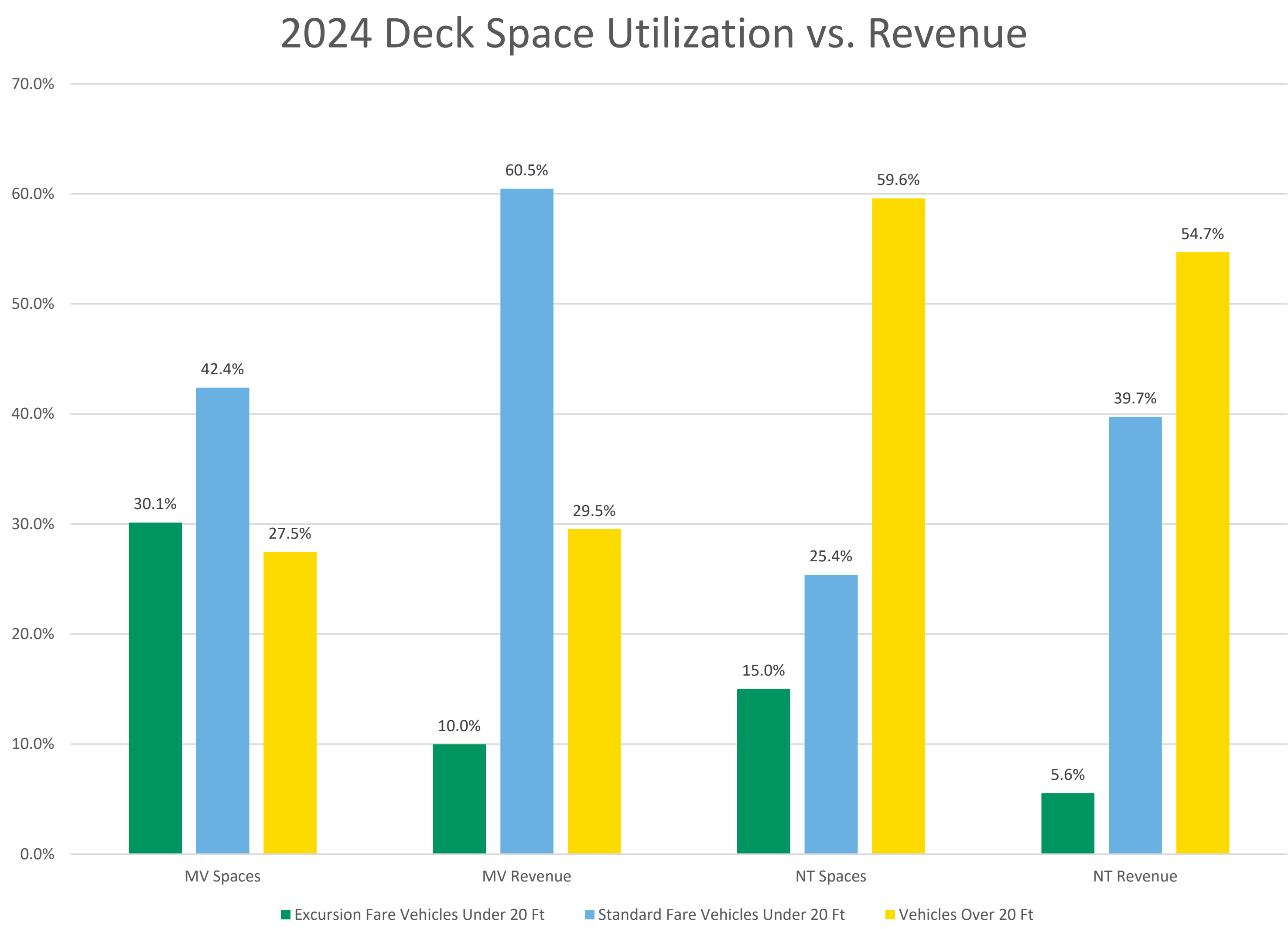
90.0%
80.0%
70.0%
60.0%
50.0%
40.0%
30.0%
20.0%
10.0%
0.0%
34.2%
26.8%
27.0%
30.3%
32.0%
33.8%
37.6%
65.8%
73.2%
73.0%
69.7%
68.0%
66.2%
62.4%
2019
2020
2021
2022
2023
2024
2025
% STANDARD
% EXCURSION

2024 Martha 's Vineyard Excursions – Accounts vs. Usage

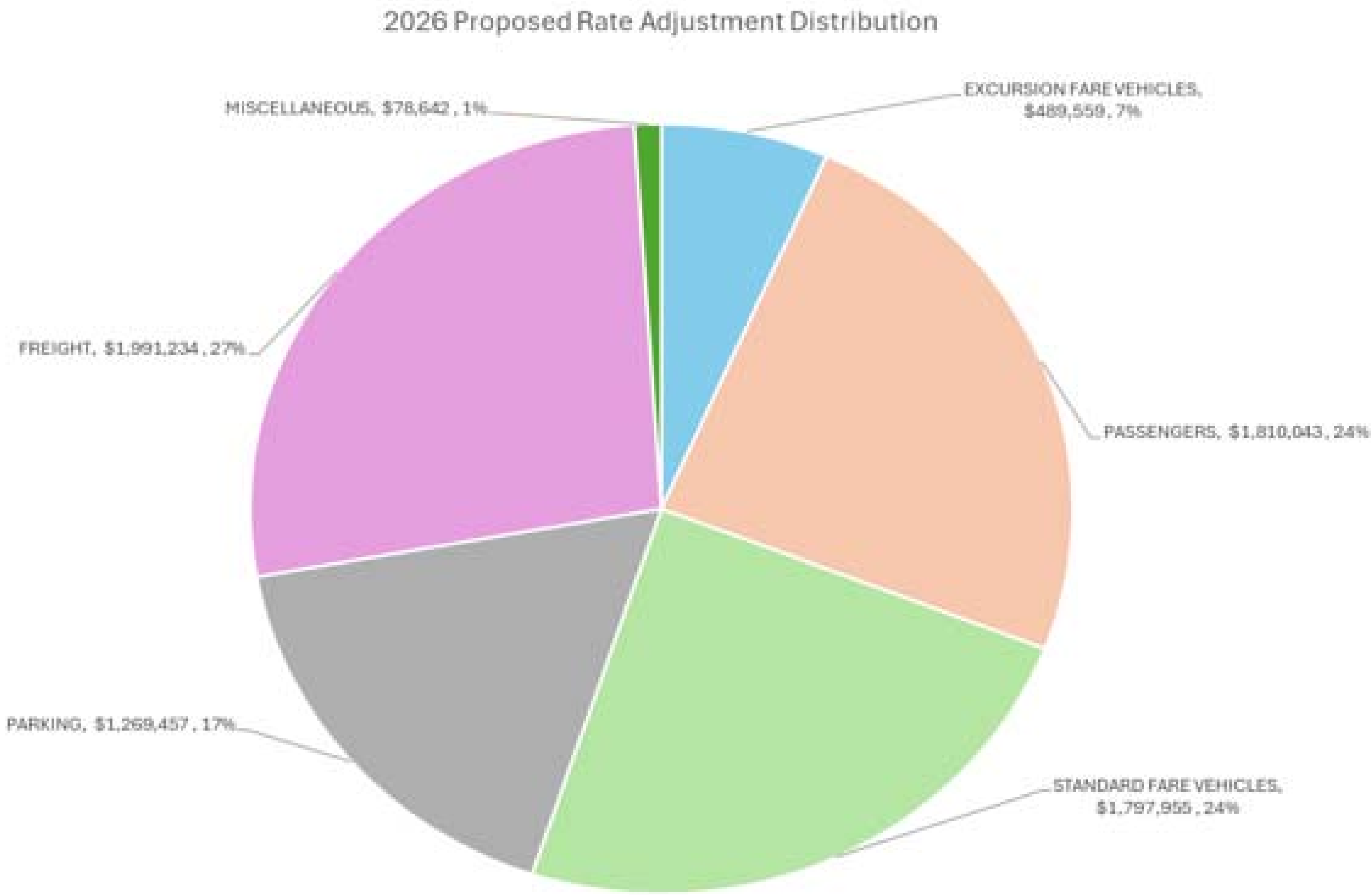


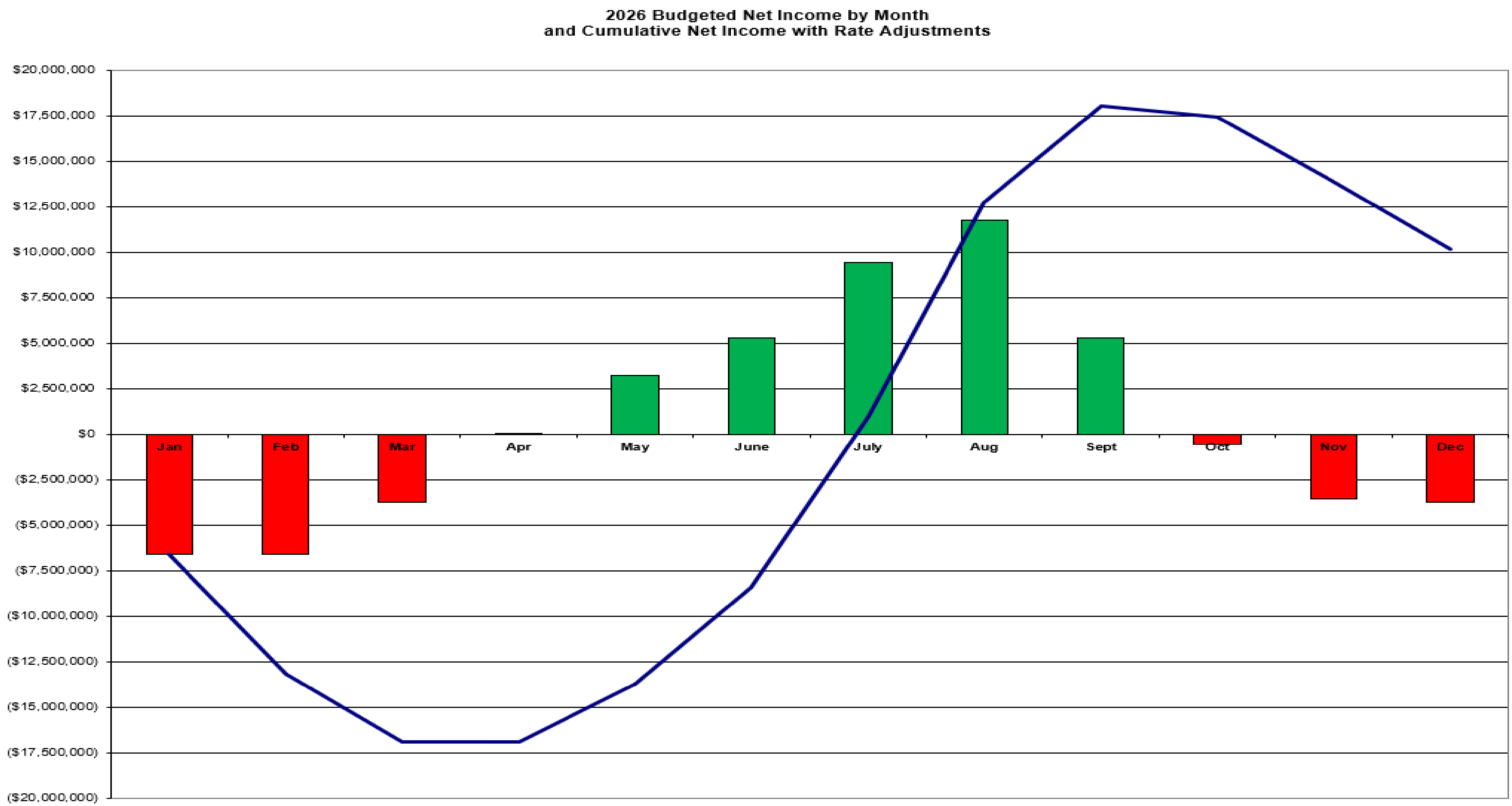
2024 Nantucket Excursions - Accounts vs Usage





2024 Deck Space Utilization vs. Revenue
70.0%
60.0%
50.0%
40.0%
30.0%
20.0%
10.0%
0.0%
30.1%
42.4%
27.5%
10.0%
60.5%
29.5%
15.0%
25.4%
59.6%
5.6%
39.7%
54.7%
MV Spaces
MV Revenue
NT Spaces
NT Revenue
Excursion Fare Vehicles Under 20 Ft
Standard Fare Vehicles Under 20 Ft
Vehicles Over 20 Ft


2026 Proposed Rate Adjustment Distribution
MISCELLANEOUS, $78,642 , 1%
EXCURSION FARE VEHICLES, $489,559 , 7%
FREIGHT, $1,991,234 , 27%
PASSENGERS, $1,810,043 , 24%
PARKING, $1,269,457 , 17%
STANDARD FARE VEHICLES, $1,797,955 , 24%



2026 Budgeted Net Income by Month
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$20,000,000
$17,500,000
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$12,500,000
$10,000,000
$7,500,000
$5,000,000
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($15,000,000)
($17,500,000)
($20,000,000)
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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?