2027 Preliminary Operating Budget

OCTOBER 20, 2026 – BOARD MEETING

WOODS HOLE, MARTHA'S VINEYARD AND NANTUCKET STEAMSHIP AUTHORITY

2027 Operating Budget Assumptions

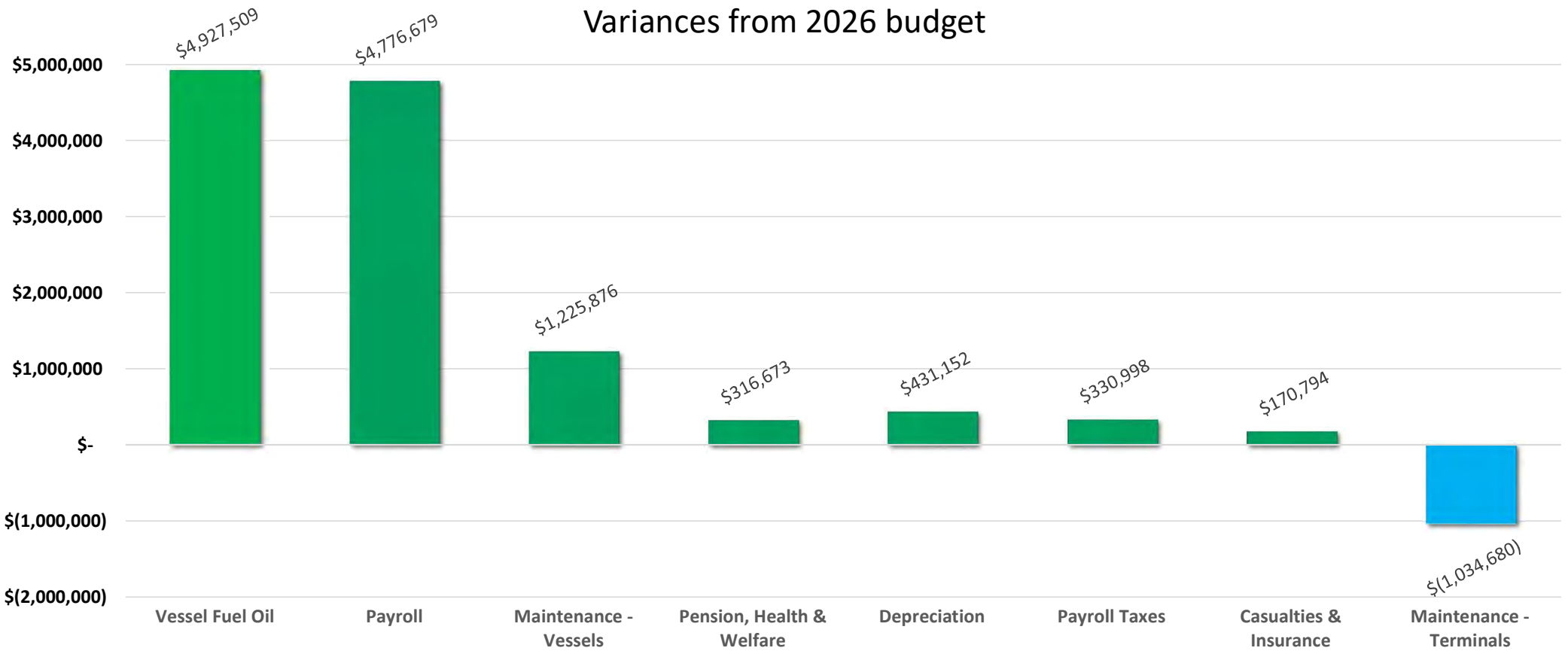
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- Baseline for revenues is actual traffic statistics from **September 2025 – August 2026** (Previous 12 months)
- Vessel dry dock and terminal maintenance expenses are projected up to 18 months ahead of schedule – new repair items, additional steel work and price uncertainty.
- Operating budget is based on the proposed 2027 Operating Schedule
- New reservation system launching in 2027

The Bottom Line

Operating Revenues	**+**	**$161,821,169**
Operating Expenses	**-**	**$174,196,503**
Other Income	+	$ 16,711,271
Other Expenses	-	$ 3,762,691
Net Income From Operations		**$ 573,246**

Significant operating expense changes



Impacts of Fuel Price Increases

- Fuel prices are estimated to increase by $4.9 million, or 43%
- Currently hedged for 63% of 2027
- Cost to purchase hedge prices are significantly higher for 2027 compared to 2026
- 2026 fuel expense is close to 2026 budget
- Impacting transportation industry across the board

2027 Maintenance Expenses

Vessel Dry Docks

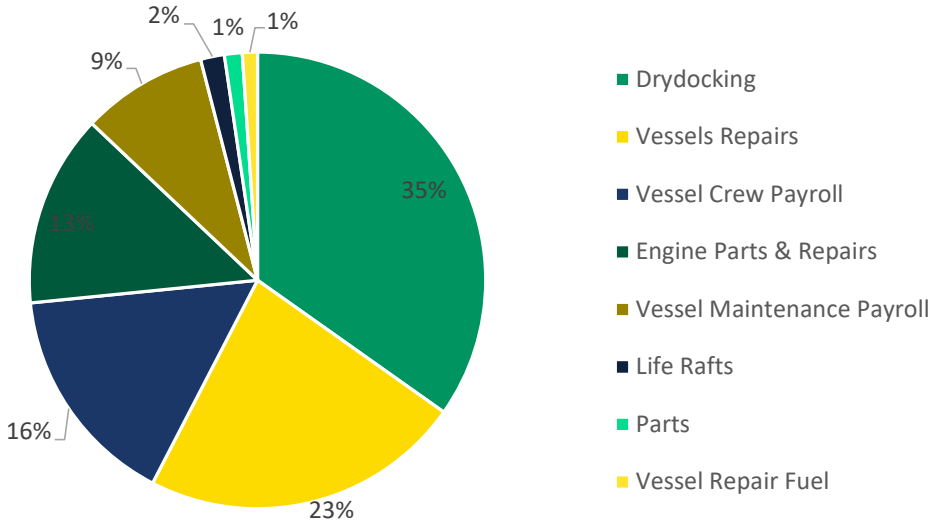
- Total budgeted: $7,802,979
  - *M/V Martha's Vineyard*
  - *M/V Woods Hole*
  - *M/V Sankaty*
  - *M/V Aquinnah*
  - *M/V Monomoy*
  - *M/V Iyanough*

Terminal, Dolphin and Dock Repairs

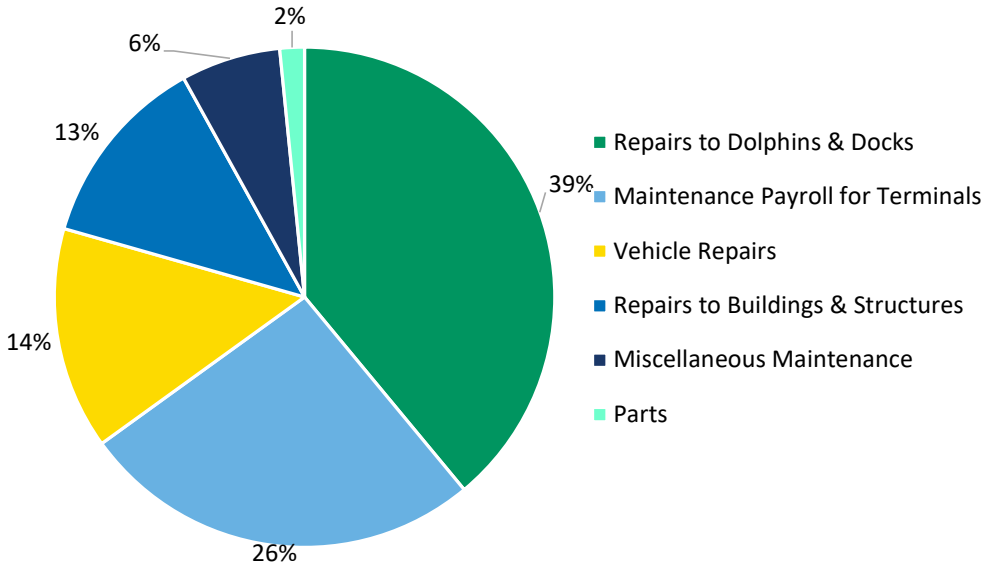
- Total budgeted: $3,913,105
  - Window replacement at the Nantucket Terminal
  - Engineering of the HVAC design for the Hyannis Terminal
  - Vineyard Haven slip repairs to concrete decking, dolphins and fenders
  - Nantucket counterweights for the south slip

Maintenance Budget Breakdown by Category

Vessel Maintenance $22,424,412



Landside Maintenance $7,597,830

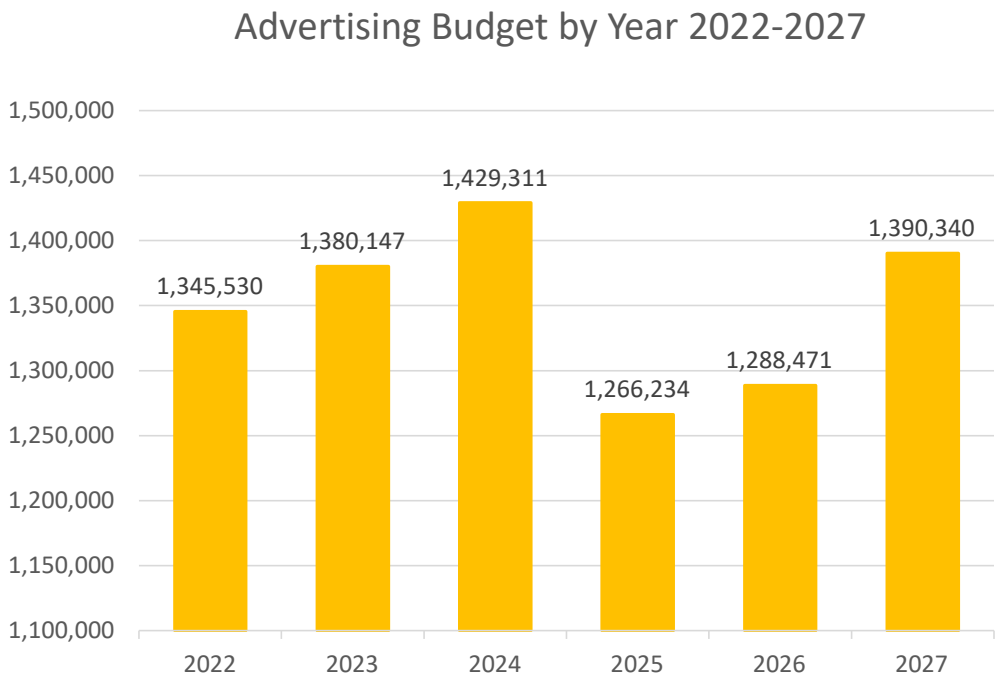


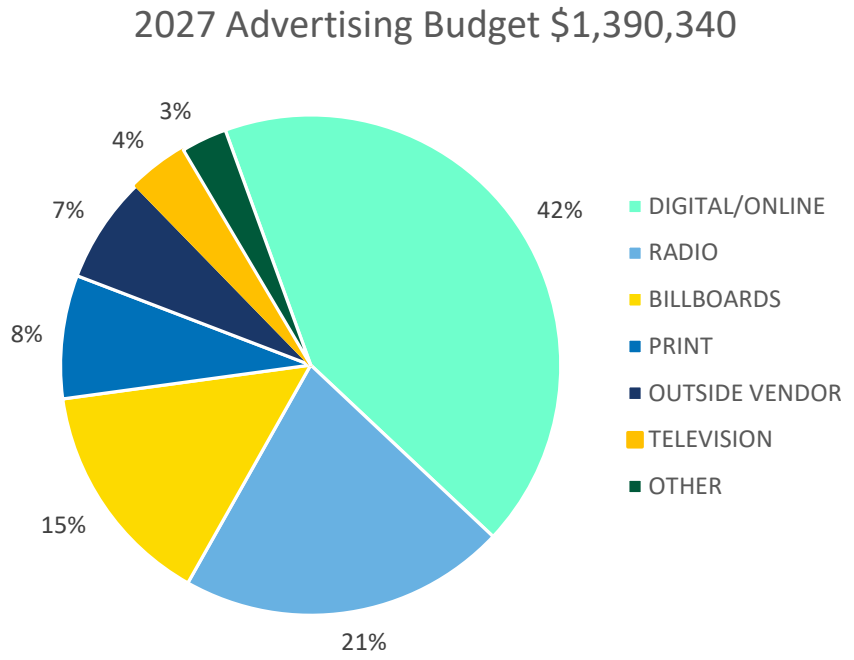
2027 Training and Crewing Expenses

Total budgeted: $1,699,523

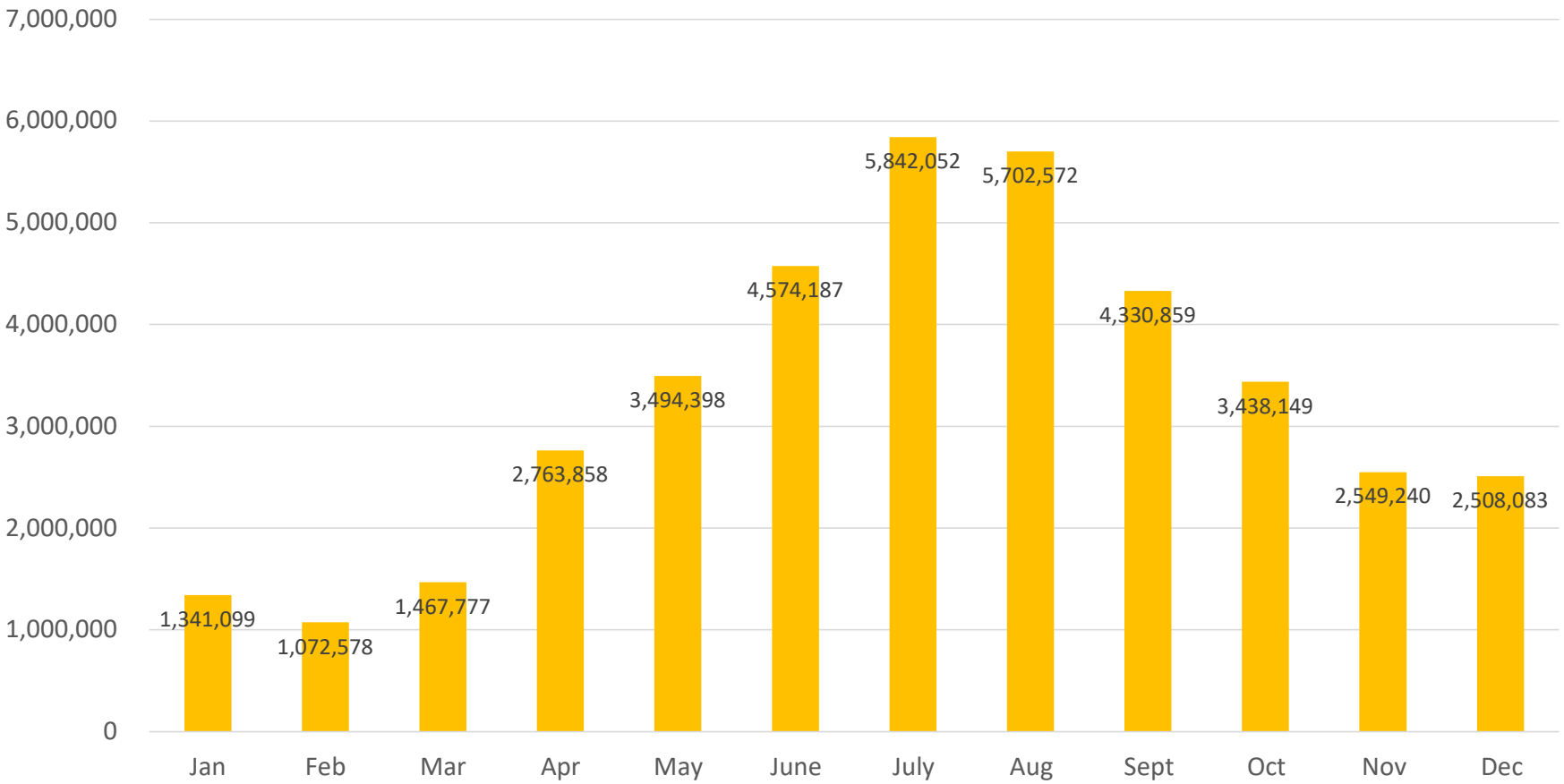
- *New reservation system training*
- *New pilot and captain training*
- *Additional able-bodied seafarers (ABs) – feeder system for potential new licensed deck officers*
- *Vessel familiarization training*
- *Standards of Training, Certification and Watchkeeping (STCW) training for vessel employees*
- *Cyber security and additional IT training*
- *Semiannual Training and Development Expo*

Advertising Budget Breakdown by Year & Category

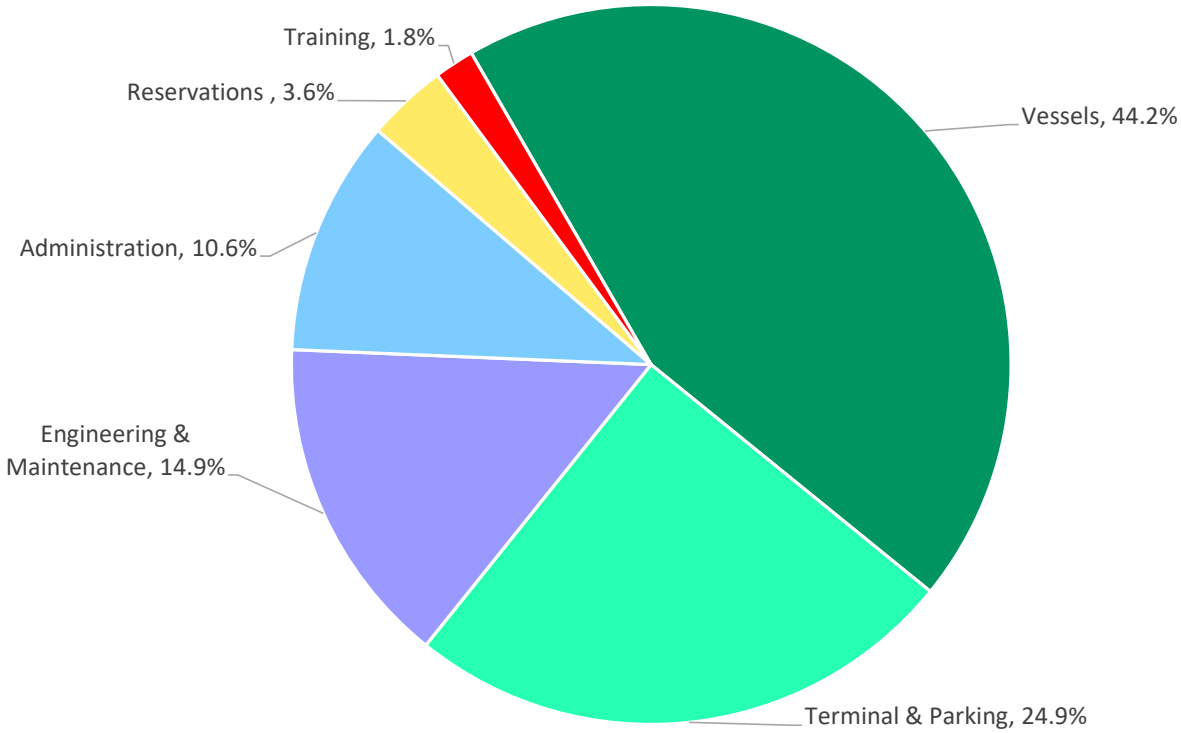




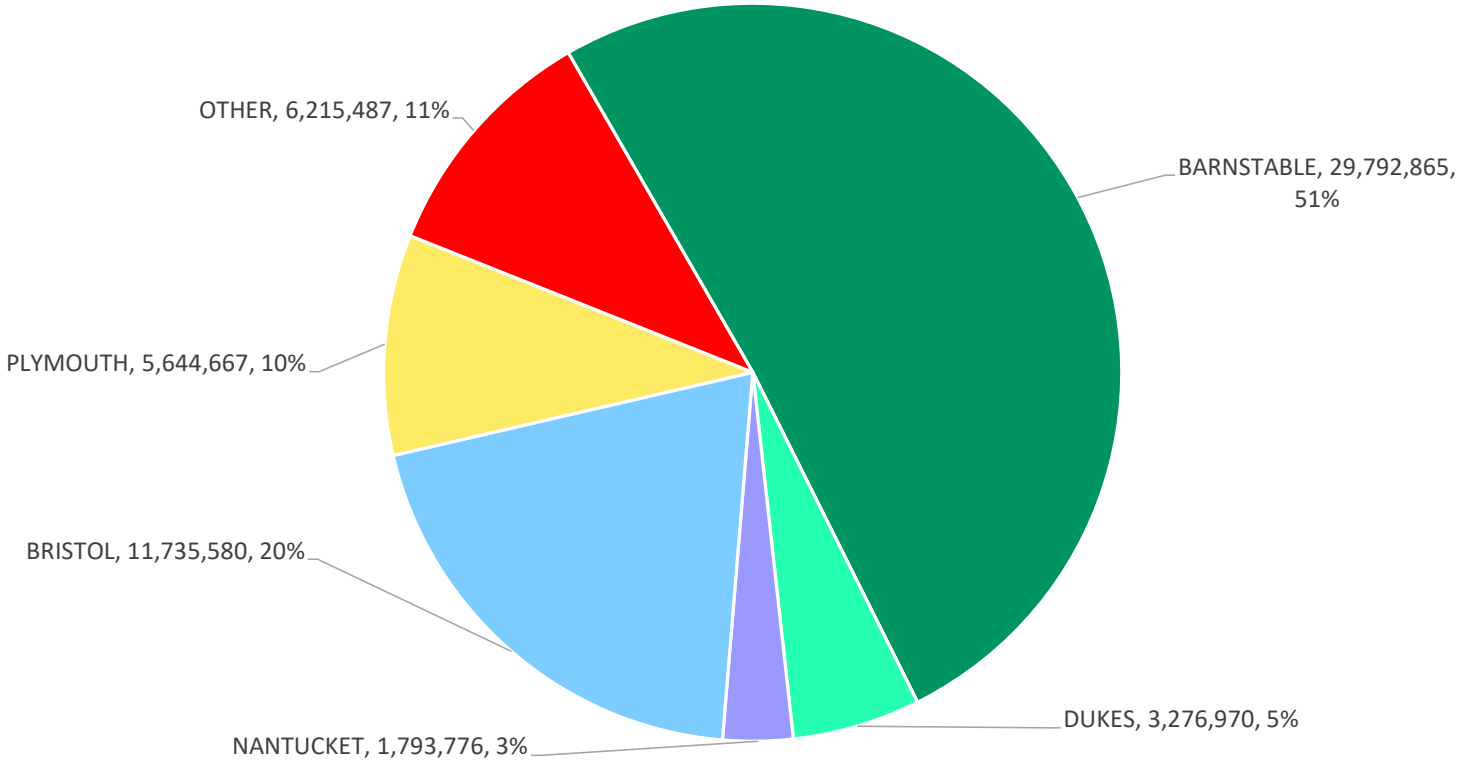
2027 Proposed Budget – Passenger Revenue By Month



2027 Budget Payroll Distribution Summary



2025 Employee Wages by County



Operating Revenue Variances – 2027 vs. 2026

Automobile revenue	- $ 23,223	- 0.0%
Parking revenue	-$ 220,206	- 2.0%
Passenger revenue	- $ 931,170	- 2.3%
Rent revenue	$ 446,000	29.0%
Revenue from terminal ops	$ 1,006,250	15.1%
Freight revenue	$ 1,415,836	2.8%

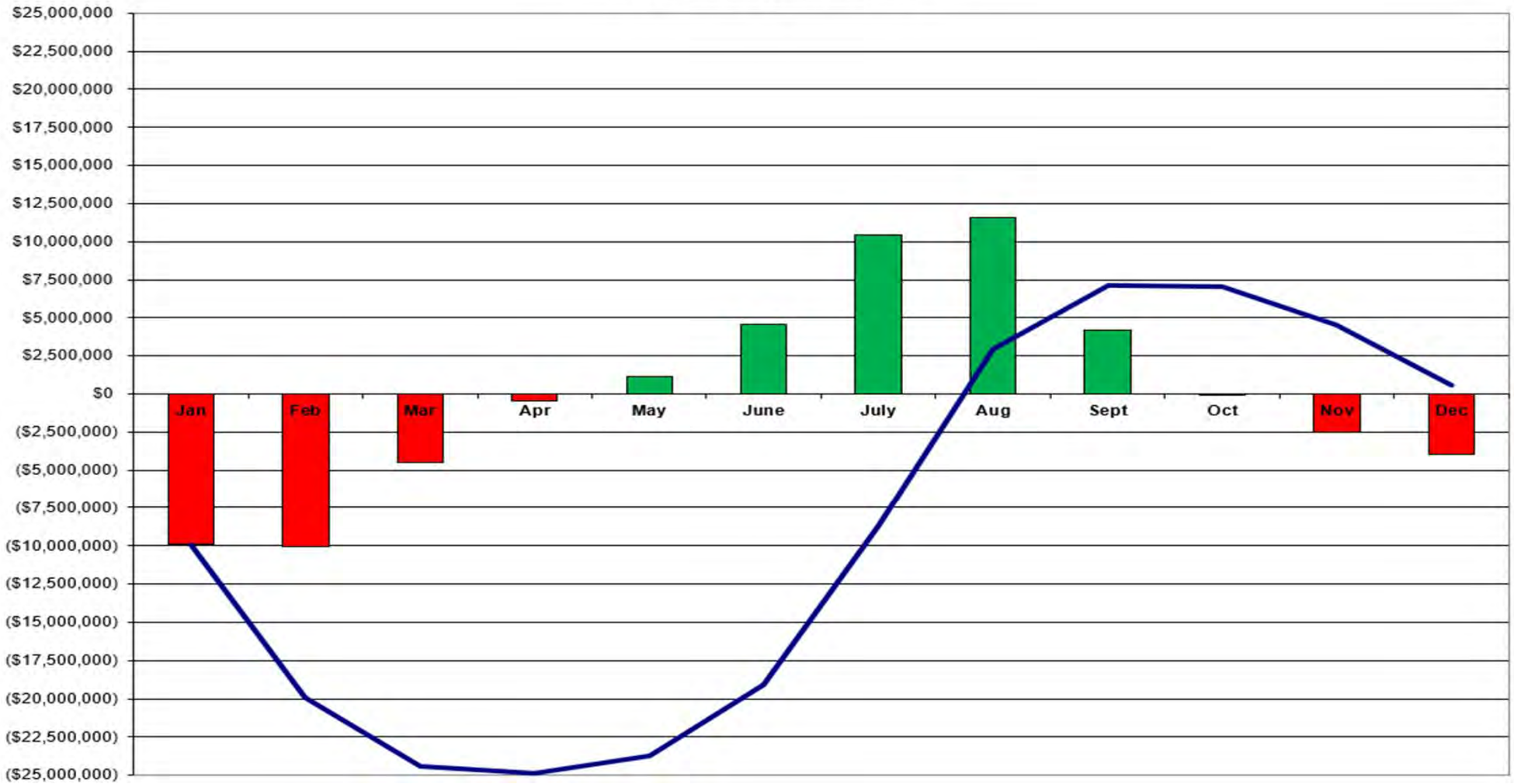
2027 Grant Revenue Summary

Total grant revenue projection: $9,672,000

Potential projects include:

- *Vessel dry docks*
- *Vineyard Haven slip and pier repairs – phase 2*
- *Vessel engine overhauls and machinery parts*

2027 Budgeted Net Income by Month and Cumulative Net Income



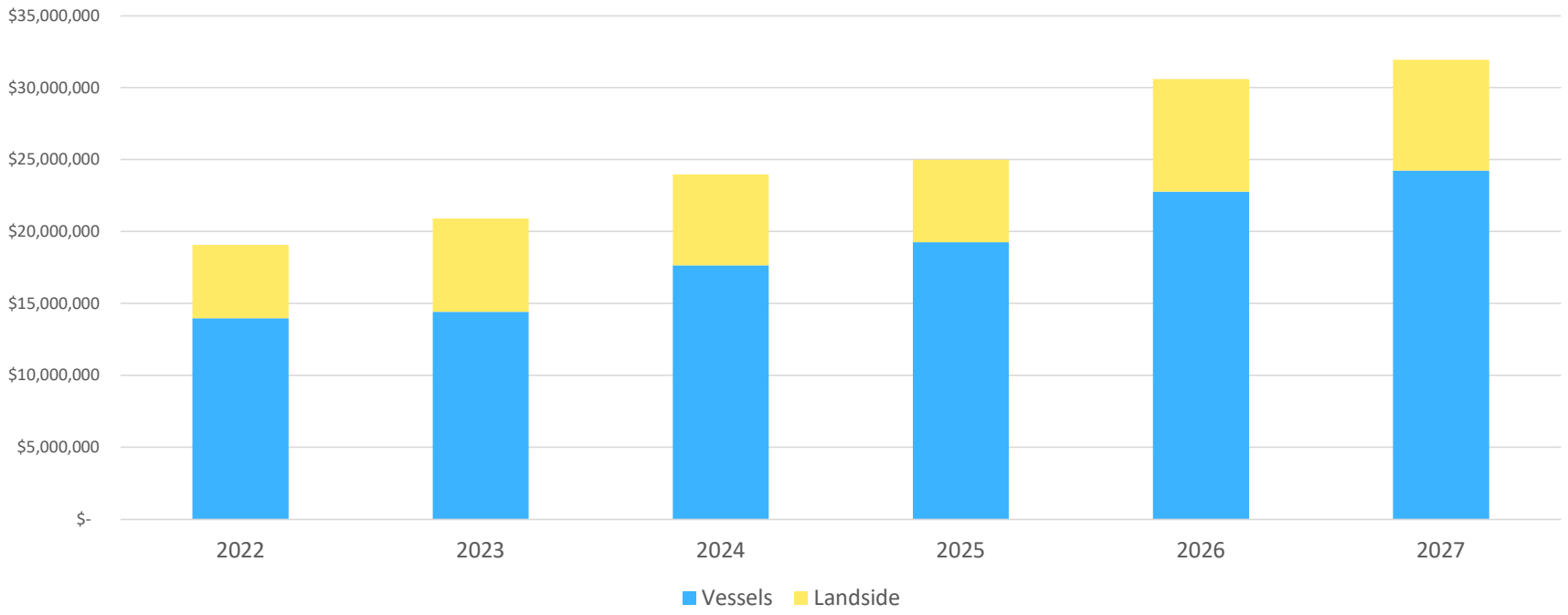
Questions?

2027 Preliminary Rate Adjustments

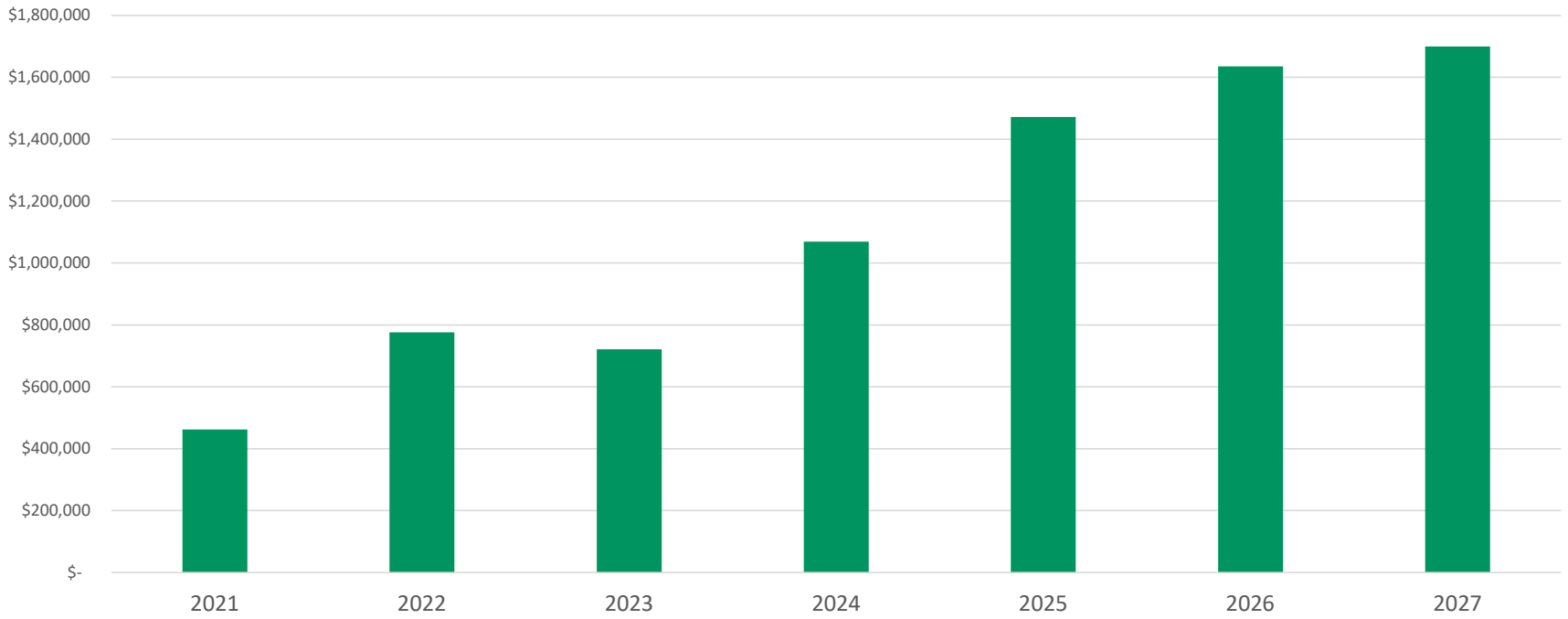
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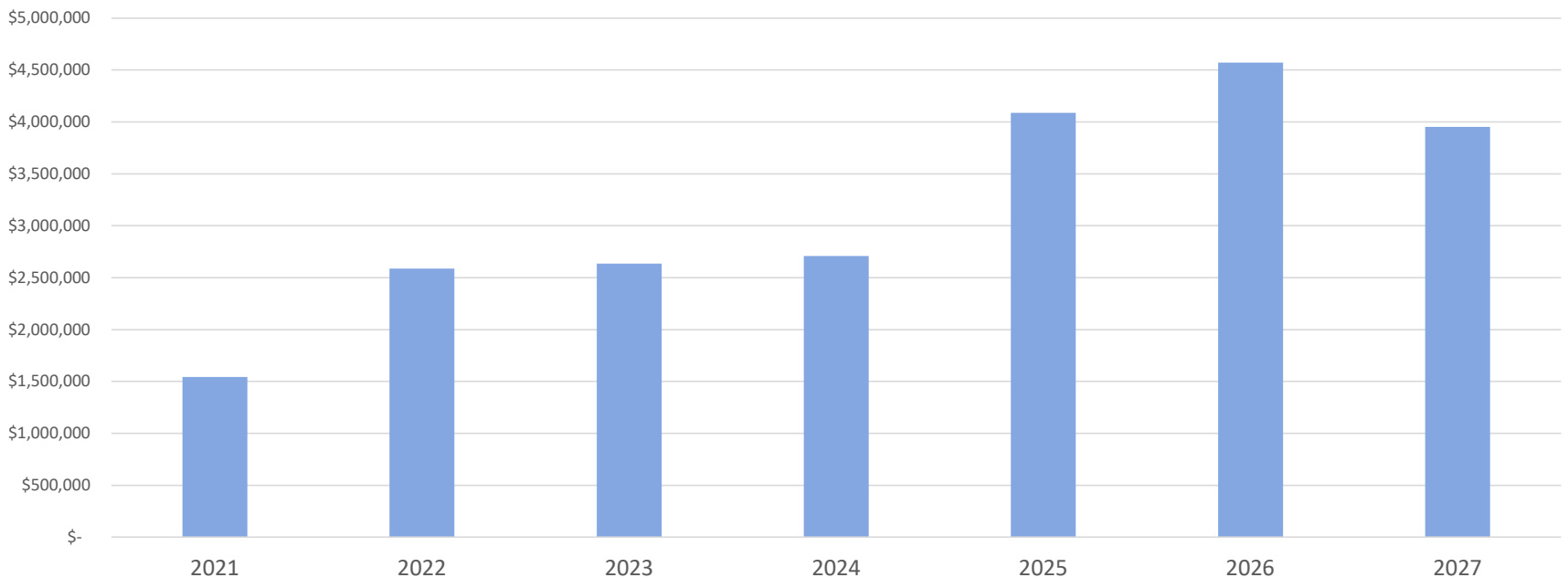
Budgeted Maintenance Expenses 2021-2027



Budgeted Training Expenses 2021-2027



Budgeted IT Expenses 2021-2027



Fuel Surcharge Examples

- Hyline Cruises high-speed adult: 5.7% ($3.00)
- Seastreak: 5.00%
- NY Waterways, Port Liberté adult: 6.3% ($0.50)
- Port Jefferson Ferry: 4.50%
- Cape May Lewes Ferry auto: 17.1% ($7.00)
- Block Island Express: 20.0%
- United States Postal Service: 8.0%
- UPS: 25.25% to 29.25%
- Fedex: 25% to 29.75%

Summary of Proposed Rate Adjustments

Target net operating revenue	**$ 9,830,077**
Net operating revenue before adjustment	**$ 573,246**
Additional revenue required by rate adjustments	**$ 9,256,830**

Martha's Vineyard route: $5,623,139

Nantucket route: $3,633,691

Proposed Fare Adjustments by Category

• Passenger fares	+	$	1,908,357
• Excursion-fare vehicles	+	$	658,431
• Standard-fare vehicles	+	$	3,738,925
• Vehicles over 20’ in length	+	$	2,355,624
• Parking (permits & daily fee)	+	$	498,870
• Miscellaneous	+	$	96,623

Proposed Fare Adjustments – Vineyard Route

Rate	Proposed Adjustment	Additional Revenue
Standard-fare vehicles - under 20' in length	• $4.00 for 1/1 – 3/31, $6.50 for 4/1 – 5/14 • $9.00 Mon-Thurs & $17.00 Fri-Sun 5/15 – 9/14 • $7.00 from 9/15 to 10/31, $4.50 from 11/1 to 12/31 • $60.00 – Auto 10-ride coupon book *17-20 Feet vehicles would be adjusted proportionately	+ $ 2,662,629
Excursion fare-vehicles	• $3.00 from 1/1 – 5/31 and 9/1-12/31, each segment • $4.25 from 5/15 – 9/14, each segment	+ $ 350,026
Freight	• 6.0% increase	+ $ 866,449
Passengers	• $0.50 one-way adult • $0.25 one-way child/senior • $4.50 per 10-ride adult book • $2.25 per 10-ride child/senior book • $9.25 per 46-ride book	+ $ 1,078,277
Daily fee parking	• $1.00 per day from 1/1 – 12/31	+ $ 760,415
Parking permits	• $200.00 Woods Hole Lot, $50.00 Palmer Avenue Lot	+ $ 129,100

Standard-Fare Vehicles – Vineyard Route

Dates	Days	Proposed Adjustment	Current Rate	Proposed Rate
01/01 - 03/31	ALL	$ 4.00	$73.50	$77.50
04/01 - 05/14	ALL	$ 6.50	$115.50	$122.00
05/15 - 09/14	MON-THUR	$ 9.00	$127.00	$136.00
05/15 - 09/14	FRI-SUN	$ 17.00	$168.00	$185.00
09/15 - 10/31	ALL	$ 7.00	$127.00	$134.00
11/01 - 12/31	ALL	$ 4.50	$79.00	$83.50

Proposed Fare Adjustments – Nantucket Route

Rate	Proposed Adjustment	Additional revenue
Standard-fare vehicles under 20' in length	• $10.25: 1/1-31 • $17.00: 4/1-5/14 • $20: 5/15-9/14 Mon-Thur • $29: 5/15-9/15 Fri-Sun • $18.00: 9/15-10/31 • $10.50: 11/1-12/31 • $84.00: Auto 6-ride coupon book	+ $ 1,076,296
Excursion-fare vehicles	• $4.50: 1/1-3/31 (each segment) • $5.00: 4/1-5/14 and 9/15-12/31 (each segment) • $6.50: 6/1-8/31 (each segment)	+ $ 186,262
Vehicles 20' and over in length	• 6.0% increase	+ $ 1,345,481
Passengers – high-speed ferry	• $2.50 one-way adult/$2.00 same-day RT adult • $1.25 one-way child/$1.00 same-day RT child • $1.75 one-way senior/$1.25 same-day RT senior • $11.25-18.75 per 10-ride book (adult, child, senior)	+ $ 606,972
Passengers – conventional ferry	• $1.00 one-way adult • $0.50 one-way child/senior • $9.00 per 10-ride adult book • $5.50 per 10-ride child/senior book	+ $ 250,155
Parking	• $75 Lewis Bay • $50 Yarmouth Road • Daily fee parking: $1.00 per day year-round	+ $ 87,331

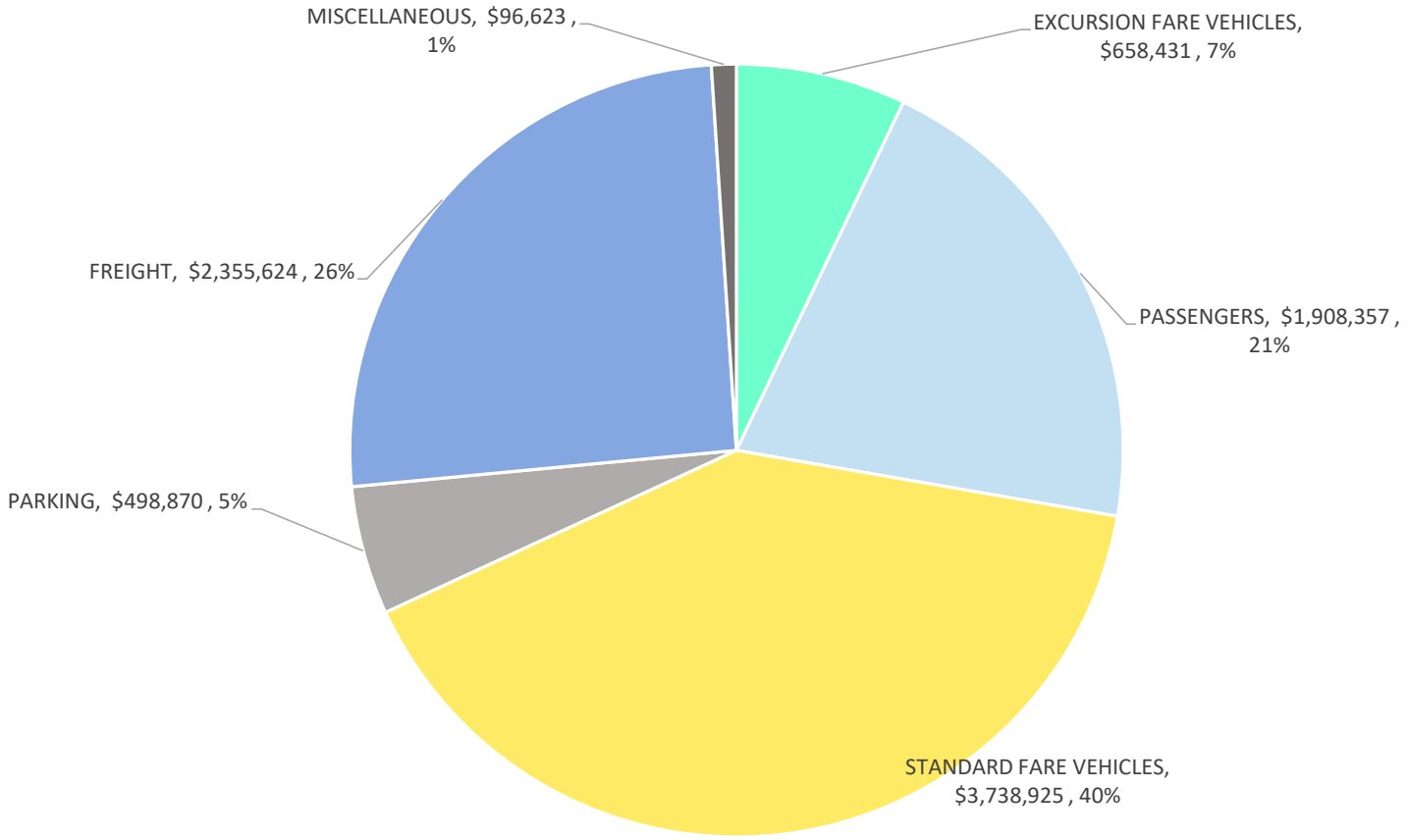
Standard-Fare Vehicles – Nantucket Route

Dates	Days	Proposed Adjustment	Current Rate	Propose Rate
01/01 - 03/31	ALL	$10.25	$205.00	$215.25
04/01 - 05/14	ALL	$17.00	$300.00	$317.00
05/15 - 09/14	MON-THUR	$20.00	$320.00	$340.00
05/15 - 09/14	FRI-SUN	$29.00	$370.00	$399.00
09/15 - 10/31	ALL	$18.00	$320.00	$338.00
11/01 - 12/31	ALL	$10.50	$208.00	$218.50

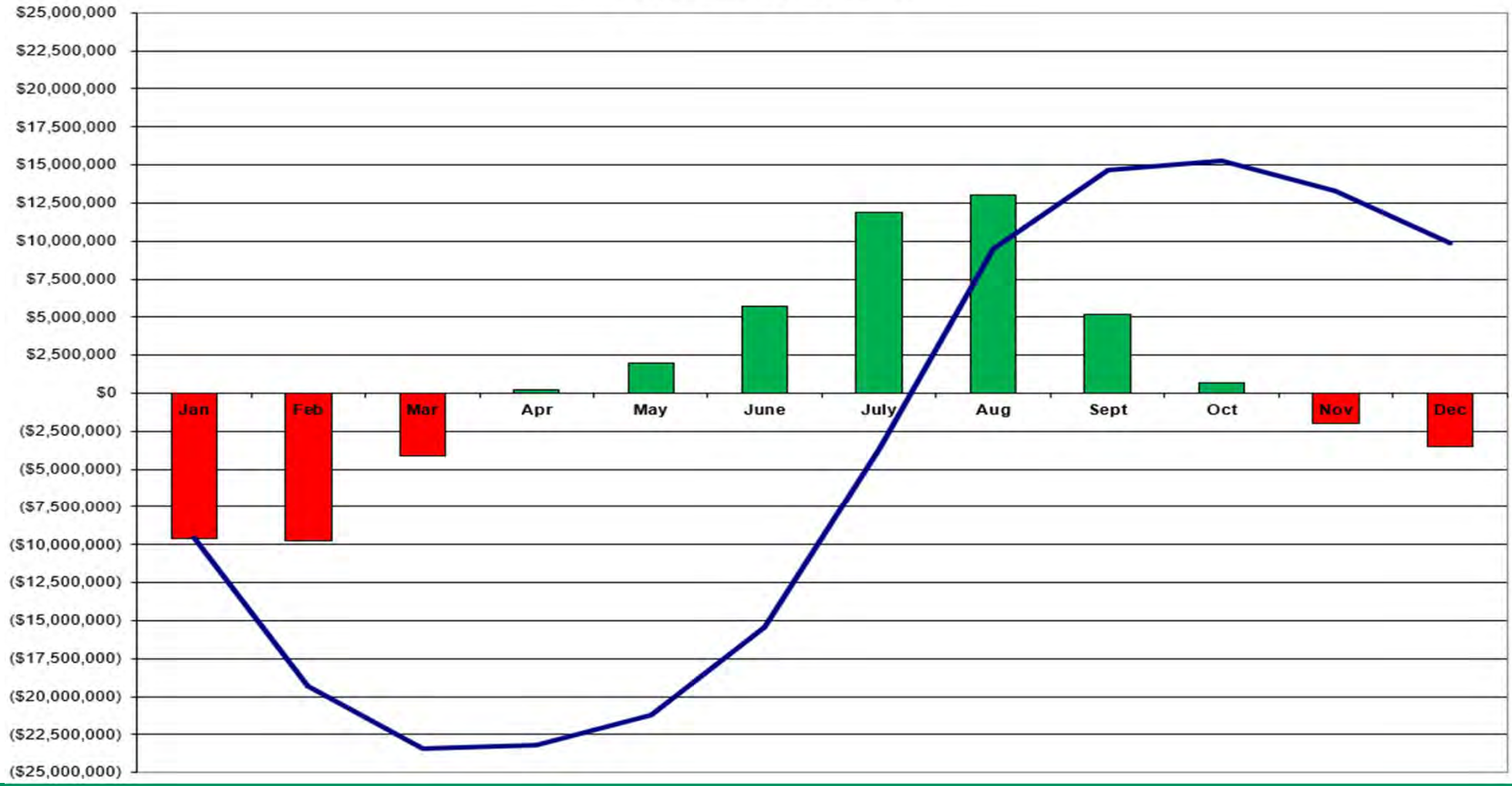
2024 vs 2025 Passenger Vehicle Cost of Service

	MARTHAS VINEYARD ROUTE		NANTUCKET ROUTE	
	2024	2025	2024	2025
STANDARD FARE AUTOS	140.6%	155.5%	175.5%	153.4%
STANDARD FARE TRUCKS	134.3%	144.7%	166.0%	142.9%
EXCURSION FARE AUTOS	29.7%	27.3%	38.2%	30.5%
EXCURSION FARE TRUCKS	42.4%	39.2%	46.8%	37.2%
TOTAL PASSENGER VEHICLES	95.1%	100.2%	124.4%	104.0%

2027 Proposed Rate Adjustment Distribution



2027 Budgeted Net Income by Month and Cumulative Net Income



Budget Considerations For Follow Up

- *Three budget open houses*
- *Continue review of operating revenues and expenses*
- *Continued analysis and review of the excursion fare program and qualifications*
- *Analyze impacts of new reservation system launching*
- *Evaluate fuel oil pricing and fuel hedges*

Questions?