

Business Summary for the Month of January, 2019

Part I - Traffic Statistics

	Month of January 2018	Month of January 2019	DIFF	%DIFF	YTD through January 2018	YTD through January 2019	DIFF	%DIFF
Number of Passengers Carried								
Martha's Vineyard	96,101	99,932	3,831	4.0%	96,101	99,932	3,831	4.0%
Nantucket								
Regular	14,905	11,887	(3,018)	-20.2%	14,905	11,887	(3,018)	-20.2%
Fast Ferry	0	893	893	100.0%	0	893	893	100.0%
Subtotal - Nantucket	<u>14,905</u>	<u>12,780</u>	<u>(2,125)</u>	<u>-14.3%</u>	<u>14,905</u>	<u>12,780</u>	<u>(2,125)</u>	<u>-14.3%</u>
Total	<u>111,006</u>	<u>112,712</u>	<u>1,706</u>	<u>1.5%</u>	<u>111,006</u>	<u>112,712</u>	<u>1,706</u>	<u>1.5%</u>
Number of Automobiles Carried								
Martha's Vineyard								
Regular	7,652	7,978	326	4.3%	7,652	7,978	326	4.3%
Excursion	11,736	12,297	561	4.8%	11,736	12,297	561	4.8%
Subtotal - M. Vineyard	<u>19,388</u>	<u>20,275</u>	<u>887</u>	<u>4.6%</u>	<u>19,388</u>	<u>20,275</u>	<u>887</u>	<u>4.6%</u>
Nantucket								
Regular	786	883	97	12.3%	786	883	97	12.3%
Excursion	1,587	1,776	189	11.9%	1,587	1,776	189	11.9%
Subtotal - Nantucket	<u>2,373</u>	<u>2,659</u>	<u>286</u>	<u>12.1%</u>	<u>2,373</u>	<u>2,659</u>	<u>286</u>	<u>12.1%</u>
Total	<u>21,761</u>	<u>22,934</u>	<u>1,173</u>	<u>5.4%</u>	<u>21,761</u>	<u>22,934</u>	<u>1,173</u>	<u>5.4%</u>
Number of Trucks Carried								
Martha's Vineyard								
Less than 20' - Regular	2,731	2,923	192	7.0%	2,731	2,923	192	7.0%
Less than 20' - Excursion	2,831	2,970	139	4.9%	2,831	2,970	139	4.9%
20' and over	3,221	3,459	238	7.4%	3,221	3,459	238	7.4%
sub-total - M.Vineyard	<u>8,783</u>	<u>9,352</u>	<u>569</u>	<u>6.5%</u>	<u>8,783</u>	<u>9,352</u>	<u>569</u>	<u>6.5%</u>
Nantucket								
Less than 20' - Regular	698	761	63	9.0%	698	761	63	9.0%
Less than 20' - Excursion	606	755	149	24.6%	606	755	149	24.6%
20' and over	1,951	2,200	249	12.8%	1,951	2,200	249	12.8%
sub-total - Nantucket	<u>3,255</u>	<u>3,716</u>	<u>461</u>	<u>14.2%</u>	<u>3,255</u>	<u>3,716</u>	<u>461</u>	<u>14.2%</u>
Total	<u>12,038</u>	<u>13,068</u>	<u>1,030</u>	<u>8.6%</u>	<u>12,038</u>	<u>13,068</u>	<u>1,030</u>	<u>8.6%</u>

Business Summary for the Month of January, 2019

Part I - Traffic Statistics

	Month of January 2018	Month of January 2019	DIFF	%DIFF	YTD through January 2018	YTD through January 2019	DIFF	%DIFF
Number of Cars Parked								
Woods Hole, Falmouth and Cataumet	3,418	3,531	113	3.3%	3,418	3,531	113	3.3%
Hyannis, Nantucket	587	486	(101)	-17.2%	587	486	(101)	-17.2%
Total	4,005	4,017	12	0.3%	4,005	4,017	12	0.3%
Average Length of Stay - Cars Parked (Days)								
Woods Hole, Falmouth and Cataumet	1.82	0.00	(1.82)	-100.0%	1.82	0.00	(1.82)	-100.0%
Hyannis, Nantucket	3.42	0.00	(3.42)	-100.0%	3.42	0.00	(3.42)	-100.0%
Total	2.06	0.00	(2.06)	-100.0%	2.06	0.00	(2.06)	-100.0%
Average Revenue per Passenger *								
Martha's Vineyard	\$ 6.76	\$ 6.75	\$ (0.01)	-0.1%	\$ 6.76	\$ 6.75	\$ (0.01)	-0.1%
Nantucket	17.19	18.13	0.94	5.5%	17.19	18.13	0.94	5.5%
Total	\$ 8.16	\$ 8.04	\$ (0.12)	-1.5%	\$ 8.16	\$ 8.04	\$ (0.12)	-1.5%
Average Revenue per Automobile								
Martha's Vineyard	\$ 26.54	\$ 26.55	\$ 0.01	0.0%	\$ 26.54	\$ 26.55	\$ 0.01	0.0%
Nantucket	76.63	76.14	(0.49)	-0.6%	76.63	76.14	(0.49)	-0.6%
Total	\$ 32.00	\$ 32.30	\$ 0.30	0.9%	\$ 32.00	\$ 32.30	\$ 0.30	0.9%
Average Revenue per Truck								
Martha's Vineyard	\$ 92.74	\$ 100.60	\$ 7.86	8.5%	\$ 92.74	\$ 100.60	\$ 7.86	8.5%
Nantucket	268.05	289.25	21.20	7.9%	268.05	289.25	21.20	7.9%
Total	\$ 140.14	\$ 154.24	\$ 14.10	10.1%	\$ 140.14	\$ 154.24	\$ 14.10	10.1%

* Excludes any town embarkation fees.

Business Summary for the Month of January, 2019

Part Ila- Net Income (Loss) from Operations (Monthly)

	January ACTUAL 2018	January ACTUAL 2019	ACTUAL 2019 vs. ACTUAL 2018	January BUDGET 2019	ACTUAL 2019 vs. BUDGET
Vs. 2018 Operating Budget					
Net Income (Loss) from Operations					
Operating Revenues	\$ 3,701,332	\$ 4,133,604	\$ 432,272	\$ 4,111,359	\$ 22,245
Other Income	139,885	191,559	51,674	151,910	39,649
Total Income	<u>3,841,217</u>	<u>4,325,163</u>	<u>483,946</u>	<u>4,263,269</u>	<u>61,894</u>
Operating Expenses	6,678,322	9,299,813	2,621,491	9,137,960	161,853
Fixed Charges and Other Expenses	258,264	336,524	78,260	356,718	(20,194)
Total Expenses	<u>6,936,586</u>	<u>9,636,337</u>	<u>2,699,751</u>	<u>9,494,678</u>	<u>141,659</u>
Net Operating Income (Loss)	<u>\$ (3,095,369)</u>	<u>\$ (5,311,174)</u>	<u>\$ (2,215,805)</u>	<u>\$ (5,231,409)</u>	<u>\$ (79,765)</u>
Operating Revenues:					
Auto Revenue	\$ 693,872	\$ 738,287	\$ 44,415	\$ 821,589	\$ (83,302)
Freight Revenue	1,682,952	2,007,361	324,409	1,864,987	142,374
Passenger Revenue	946,196	945,591	(605)	949,577	(3,986)
Bicycle, Mail, Misc. Voyage Rev.	63,665	54,095	(9,570)	61,338	(7,243)
Revenue from Terminal Operations	172,155	249,988	77,833	173,700	76,288
Parking Revenue	96,659	92,653	(4,006)	115,168	(22,515)
Rents	45,833	45,629	(204)	125,000	(79,371)
Sub-Total - Operating Revenue	<u>3,701,332</u>	<u>4,133,604</u>	<u>432,272</u>	<u>4,111,359</u>	<u>22,245</u>
Other Income:					
Interest Income	6,697	15,748	9,051	6,500	9,248
Miscellaneous Income	133,188	175,811	42,623	145,410	30,401
Sub-Total - Other Income	<u>139,885</u>	<u>191,559</u>	<u>51,674</u>	<u>151,910</u>	<u>39,649</u>
Total Income	<u>\$ 3,841,217</u>	<u>\$ 4,325,163</u>	<u>\$ 483,946</u>	<u>\$ 4,263,269</u>	<u>\$ 61,894</u>

Part IIa- Net Income (Loss) from Operations (Monthly)

	January ACTUAL 2018	January ACTUAL 2019	ACTUAL 2019 vs. ACTUAL 2018	January BUDGET 2019	ACTUAL 2019 vs. BUDGET
Vs. 2018 Operating Budget					
Operating Expenses:					
Wages	\$ 2,345,084	\$ 2,888,187	\$ 543,103	\$ 2,762,998	\$ 125,189
Pensions Health & Welfare	1,359,915	1,308,975	(50,940)	1,286,077	22,898
Payroll Taxes	157,702	165,757	8,055	198,152	(32,395)
Depreciation	869,553	1,149,038	279,485	980,132	168,906
Vessel Fuel Oil	317,622	338,615	20,993	414,065	(75,450)
Insurance	299,812	342,803	42,991	328,459	14,344
Direct Vessel Maintenance (Excl. Wages)	318,683	1,827,260	1,508,577	1,982,150	(154,890)
Direct Terminal Maintenance (Excl. Wages)	47,539	20,599	(26,940)	214,200	(193,601)
Utilities	145,782	145,014	(768)	193,789	(48,775)
Other	816,630	1,113,565	296,935	777,938	335,627
Sub-Total - Operating Expenses	6,678,322	9,299,813	2,621,491	9,137,960	161,853
Fixed Charges and Other Expenses:					
Bond Interest & Expense	214,781	293,756	78,975	314,090	(20,334)
Misc. Charges or Deductions	43,483	42,768	(715)	42,628	140
Sub-Total - Other Expenses	258,264	336,524	78,260	356,718	(20,194)
Total Expenses	\$ 6,936,586	\$ 9,636,337	\$ 2,699,751	\$ 9,494,678	\$ 141,659
Net Operating Income (Loss)	\$ (3,095,369)	\$ (5,311,174)	\$ (2,215,805)	\$ (5,231,409)	\$ (79,765)

Budgetary Management Discussion and Analysis - January, 2019

Total operating revenues for January increased by \$22,245 or 0.5% versus the amount projected in the 2019 operating budget, for a total of \$4,133,604 in operating revenues. Passenger revenues for the month were down \$4,000 versus budget projections, which represents a decrease of 0.4%. Automobile revenues were down \$83,000, or 10.1%, versus budget projections for January. Freight revenues were up \$142,000, or 7.6%, versus budget projections for the month. Parking revenues were down during January by \$23,000, or 19.5%. Concession revenues in January were down \$7,000 or 24.3%. Rent revenues from barge unloading and rental car space were down \$79,000, or 6.5%, in January versus budget.

During January, the vessels made a combined 1,410 trips. This represents a decrease of 14 trips, or 1.0%, versus budget for the month. On the Vineyard route, 18 trips were canceled for mechanical reasons, 18 for weather related and 17 for traffic demands while 15 unscheduled trips and 2 available trips were added. On the Nantucket route, 6 trips were canceled for mechanical reasons, 13 for weather related and 4 for traffic demands while 3 unscheduled and 42 available trips were added.

Total operating expenses for the month were up \$161,853 or 1.8%, versus the amount projected in the 2019 budget for a total of \$9,299,813. Maintenance expenses for the month were down \$188,000, or 6.4%, versus budget. Engine parts and repairs for the M/V Martha's Vineyard were down \$15,000; overhaul expenses for the M/V Woods Hole were up \$50,000 over budget; engine repairs for the M/V Governor were down \$85,000; engine parts for the M/V Katama were down \$150,000; while engine parts expense for the M/V Island Home were up \$317,000 versus budget. Repairs to buildings and structures were down \$207,000 versus budget while repairs to office and terminal equipment was up \$96,000 for the month.

Vessel fuel expense of \$339,000 was down by \$75,000 or 18.2% versus budget estimates. The average actual cost per gallon for vessel fuel oil in January was \$2.098, including net hedging costs, while the budgeted cost was \$2.635 per gallon. During January, the vessels logged 18,584 miles, which were 400 miles higher than budget, or an increase of 2.0%. During January, 161,000 gallons of vessel fuel were consumed. This represents a decrease of 4,000 gallons, or 2.6%, versus budget. Insurance expenses were up \$14,000. General administrative expenses for the month were up \$103,000 or 5.2%. Legal expense was down \$10,000; pension expense was up \$68,000, health care expense was up \$6,000, disability contributions were down \$11,000, unemployment contributions were down \$28,000, training expense was up \$10,000, and supplies & equipment expense was up \$50,000. Credit card expense was up \$10,000.

Other income, including interest income, debt premium and license income, totaled \$191,559 and was \$39,649 higher than budget projections. Income deductions, including interest on funded debt and pension withdrawal, totaled \$336,524 and were \$20,194 lower than budget. The Authority's net operating loss for the month of January, including other income, income deductions and bond interest expense, was \$5,311,174 or \$79,765 higher than budget projections for the month.

Part III - Cash Balances

	January, 2019 Amount	Variance vs. Budget Positive / (Negative)	Year to Date Amount	Variance vs. Budget Positive / (Negative)
Cash Balance - Operations Fund				
Beginning Balance	\$ 13,078,366	\$ 78,366	\$ 13,078,366	\$ 78,366
Cash Receipts	13,673,925	197,212	13,673,925	197,212
Cash Receipts - Grants	-	-	-	-
Cash Receipts - Capital Projects	-	-	-	-
Cash Disbursements	(9,144,930)	(2,136,747)	(9,144,930)	(2,136,747)
Cash Disbursements - Capital Projects	(436,227)	(436,227)	(436,227)	(436,227)
Transfers to Special Purpose Funds	-	-	-	-
Ending Balance	<u>\$ 17,171,134</u>	<u>\$ (2,297,396)</u>	<u>\$ 17,171,134</u>	<u>\$ (2,297,396)</u>
Cash Balance - Special-Purpose Funds				
Sinking Fund				
Beginning Balance	\$ 9,046,734	\$ 35,843	\$ 9,046,734	\$ 35,843
Transfers from Revenue Fund	-	-	-	-
Income from Investments	20,334	14,584	20,334	14,584
Accrued Interest Received	-	-	-	-
Debt Service Payments	-	-	-	-
Ending Balance	<u>\$ 9,067,068</u>	<u>\$ 50,427</u>	<u>\$ 9,067,068</u>	<u>\$ 50,427</u>
Replacement Fund				
Beginning Balance	\$ 13,424,061	\$ 3,155,787	\$ 13,424,061	\$ 3,155,787
Transfers from Revenue Fund	-	-	-	-
Transfers from Bond Redemption	-	-	-	-
Proceeds from Disposal of Property	-	-	-	-
Income from Investments	30,173	23,623	30,173	23,623
Withdrawals	-	1,575,000	-	1,575,000
Ending Balance	<u>\$ 13,454,234</u>	<u>\$ 4,754,410</u>	<u>\$ 13,454,234</u>	<u>\$ 4,754,410</u>
Reserve Fund				
Beginning Balance	\$ 3,637,813	\$ 847	\$ 3,637,813	\$ 847
Transfers from Revenue Fund	-	-	-	-
Income from Investments	8,177	5,827	8,177	5,827
Transfers to Bond Redemption Acct.	-	-	-	-
Ending Balance	<u>\$ 3,645,990</u>	<u>\$ 6,674</u>	<u>\$ 3,645,990</u>	<u>\$ 6,674</u>
Bond Redemption Account				
Beginning Balance	\$ 853,594	\$ 769	\$ 853,594	\$ 769
Transfers from Revenue Fund	-	-	-	-
Transfers from Reserve Fund	-	-	-	-
Transfers to Replacement Fund	-	-	-	-
Income from Investments	1,919	1,369	1,919	1,369
Ending Balance	<u>\$ 855,513</u>	<u>\$ 2,138</u>	<u>\$ 855,513</u>	<u>\$ 2,138</u>

Part III - Cash Balances

	January, 2019 Amount	Variance vs. Budget Positive / (Negative)	Year to Date Amount	Variance vs. Budget Positive / (Negative)
Capital Improvement Fund				
Beginning Balance	\$ 8,468,242	\$ 8,055,256	\$ 8,468,242	\$ 8,055,256
From Bond/Note Issue	-	-	-	-
Income from Investments	19,030	19,030	19,030	19,030
Withdrawals	-	412,986	-	412,986
Ending Balance	<u>\$ 8,487,272</u>	<u>\$ 8,487,272</u>	<u>\$ 8,487,272</u>	<u>\$ 8,487,272</u>

Part IV - Cash Transfers to Special Purpose Funds for 2019

	2019 Budget	2019 Estimated
Cash Transfers from Revenue Fund:		
To Sinking Fund (for current debt service requirements)	\$ 10,863,950	\$ 10,863,950
To Replacement Fund (2019 max. transfers - \$11,461,313)	11,461,313	6,615,035
To Reserve Fund	-	-
To Bond Redemption Account	-	-
Total Transfers to Special Purpose Funds	<u>\$ 22,325,263</u>	<u>\$ 17,478,985</u>

* Current estimate is based on the actual cash balance as of 01/31/2019 plus projected cash receipts and disbursements for the remainder of the year, per the 2019 Operating Budget.

Business Summary for the Month of January, 2019

Part V - Allocation of Net Operating Income by Route for 2019

Allocation of Net Operating Income by Route for 2019

	Martha's Vineyard	Nantucket	Total
Operating Revenues	\$ 64,367,345	\$ 48,525,370	\$ 112,892,715
Other Non-Service Income - Net	1,014,266	2,556,302	3,570,568
Total Income	<u>\$ 65,381,611</u>	<u>\$ 51,081,672</u>	<u>\$ 116,463,283</u>
% Distribution by Route	56.1%	43.9%	100.0%
Cost of Service	<u>\$ 63,181,808</u>	<u>\$ 46,085,095</u>	<u>\$ 109,266,903</u>
% Distribution by Route	57.8%	42.2%	100.0%
Net Operating Income by Route for 2019	<u><u>\$ 2,199,803</u></u>	<u><u>\$ 4,996,577</u></u>	<u><u>\$ 7,196,380</u></u>
% Distribution by Route	30.6%	69.4%	100.0%

Part VI - Share of Market versus Licensed Ferry Services

	January Amount	Change vs. Prev. Yr.	Year to Date Amount	Change vs. Prev. Yr.
License Fee Income	\$ -	\$ (205,993)	\$ -	\$ (2,237,125)
	January Amount	Change vs. Prev. Yr.		
Weather Observations #				
Average Maximum Temperature (Fahrenheit)	39.4	1.9		
Total Precipitation (in water equivalent inches)	1.44	-2.35		
Number of Days with Measurable Precipitation	9	(1)		

Based on NOAA, National Climatic Data Center unedited climatological data for Barnstable Airport in Hyannis

Part VI - Share of Market versus Licensed Ferry Services

	January Amount	Change vs. Prev. Yr.		Year to Date Amount	Change vs. Prev. Yr.	
Martha's Vineyard						
Steamship Authority	99,932	3,831	4.0%	99,932	3,831	4.0%
Hy-Line						
Regular	0	0	0.0%	0	0	0.0%
High Speed	0	0	0.0%	0	0	0.0%
Subtotal Hy-Line	0	0	0.0%	0	0	0.0%
Falmouth Ferry Service	0	0	0.0%	0	0	0.0%
SeaStreak (New Bedford)	0	0	0.0%	0	0	0.0%
SeaStreak (New York City)	0	0	0.0%	0	0	0.0%
Total *	99,932	3,831	4.0%	99,932	3,831	4.0%
Nantucket						
Steamship Authority						
Regular	11,887	(3,018)	-20.2%	11,887	(3,018)	-20.2%
Fast Ferry (Prior to April 1)	893	893	100.0%	893	893	100.0%
Fast Ferry (April 1) (in service 2017)	0	0	0.0%	0	0	0.0%
Fast Ferry (April 2 and after)(in service 2018)	0	0	0.0%	0	0	0.0%
Subtotal - Nantucket	12,780	(2,125)	-14.3%	12,780	(2,125)	-14.3%
Hy-Line						
Regular	0	0	0.0%	0	0	0.0%
HighSpeed (Prior to April 1)	36,766	13,810	60.2%	36,766	13,810	60.2%
HighSpeed (April 1)(IYA in service 2017)	0	0	0.0%	0	0	100.0%
HighSpeed (April 2 & after)(IYA in service 2018)	0	0	0.0%	0	0	0.0%
Subtotal Hy-Line	36,766	13,810	60.2%	36,766	13,810	60.2%
Freedom Cruise Line (Harwich)	0	0	0.0%	0	0	0.0%
SeaStreak (New Bedford)	0	0	0.0%	0	0	0.0%
SeaStreak (New York City)	0	0	0.0%	0	0	0.0%
Total	49,546	11,685	30.9%	49,546	11,685	30.9%

M/V Iyanough in service 04/01/2017 - 12/30/17 and 04/02/2018 - 01/02/2019.

* Note: Island Queen passenger service is grandfathered and as such traffic counts are not included .