

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 .

Business Summary for the Month of February, 2019

Part I - Traffic Statistics

	Month of February 2018	Month of February 2019	DIFF	%DIFF	YTD through February 2018	YTD through February 2019	DIFF	%DIFF
Number of Passengers Carried								
Martha's Vineyard	97,126	96,995	(131)	-0.1%	96,101	99,932	3,831	4.0%
Nantucket								
Regular	11,517	11,432	(85)	-0.7%	14,905	11,887	(3,018)	-20.2%
Fast Ferry	0	0	0	0.0%	0	893	893	100.0%
Subtotal - Nantucket	<u>11,517</u>	<u>11,432</u>	<u>(85)</u>	<u>-0.7%</u>	<u>14,905</u>	<u>12,780</u>	<u>(2,125)</u>	<u>-14.3%</u>
Total	<u>108,643</u>	<u>108,427</u>	<u>(216)</u>	<u>-0.2%</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	7,565	7,751	186	2.5%	7,652	7,978	326	4.3%
Excursion	11,713	11,758	45	0.4%	11,736	12,297	561	4.8%
Subtotal - M. Vineyard	<u>19,278</u>	<u>19,509</u>	<u>231</u>	<u>1.2%</u>	<u>19,388</u>	<u>20,275</u>	<u>887</u>	<u>4.6%</u>
Nantucket								
Regular	709	729	20	2.8%	786	883	97	12.3%
Excursion	1,638	1,704	66	4.0%	1,587	1,776	189	11.9%
Subtotal - Nantucket	<u>2,347</u>	<u>2,433</u>	<u>86</u>	<u>3.7%</u>	<u>2,373</u>	<u>2,659</u>	<u>286</u>	<u>12.1%</u>
Total	<u>21,625</u>	<u>21,942</u>	<u>317</u>	<u>1.5%</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	2,843	2,897	54	1.9%	2,731	2,923	192	7.0%
Less than 20' - Excursion	2,866	2,951	85	3.0%	2,831	2,970	139	4.9%
20' and over	3,136	3,181	45	1.4%	3,221	3,459	238	7.4%
sub-total - M.Vineyard	<u>8,845</u>	<u>9,029</u>	<u>184</u>	<u>2.1%</u>	<u>8,783</u>	<u>9,352</u>	<u>569</u>	<u>6.5%</u>
Nantucket								
Less than 20' - Regular	757	719	(38)	-5.0%	698	761	63	9.0%
Less than 20' - Excursion	692	730	38	5.5%	606	755	149	24.6%
20' and over	2,104	1,959	(145)	-6.9%	1,951	2,200	249	12.8%
sub-total - Nantucket	<u>3,553</u>	<u>3,408</u>	<u>(145)</u>	<u>-4.1%</u>	<u>3,255</u>	<u>3,716</u>	<u>461</u>	<u>14.2%</u>
Total	<u>12,398</u>	<u>12,437</u>	<u>39</u>	<u>0.3%</u>	<u>12,038</u>	<u>13,068</u>	<u>1,030</u>	<u>8.6%</u>

Business Summary for the Month of February, 2019

Part I - Traffic Statistics

	Month of February 2018	Month of February 2019	DIFF	%DIFF	YTD through February 2018	YTD through February 2019	DIFF	%DIFF
Number of Cars Parked								
Woods Hole, Falmouth and Cataumet	3,577	3,427	(150)	-4.2%	3,418	3,531	113	3.3%
Hyannis, Nantucket	357	366	9	2.5%	587	486	(101)	-17.2%
Total	3,934	3,793	(141)	-3.6%	4,005	4,017	12	0.3%
Average Length of Stay - Cars Parked (Days)								
Woods Hole, Falmouth and Cataumet	1.72	1.68	(0.04)	-2.3%	1.82	1.72	(0.10)	-5.5%
Hyannis, Nantucket	2.84	2.68	(0.16)	-5.6%	3.42	3.22	(0.20)	-5.8%
Total	1.82	1.78	(0.04)	-2.2%	2.06	1.90	(0.16)	-7.8%
Average Revenue per Passenger *								
Martha's Vineyard	\$ 6.82	\$ 6.81	\$ (0.01)	-0.1%	\$ 6.76	\$ 6.75	\$ (0.01)	-0.1%
Nantucket	17.29	17.29	-	0.0%	17.19	18.13	0.94	5.5%
Total	\$ 7.93	\$ 7.92	\$ (0.01)	-0.1%	\$ 8.16	\$ 8.04	\$ (0.12)	-1.5%
Average Revenue per Automobile								
Martha's Vineyard	\$ 26.55	\$ 26.67	\$ 0.12	0.5%	\$ 26.54	\$ 26.55	\$ 0.01	0.0%
Nantucket	73.62	73.20	(0.42)	-0.6%	76.63	76.14	(0.49)	-0.6%
Total	\$ 31.66	\$ 31.82	\$ 0.16	0.5%	\$ 32.00	\$ 32.30	\$ 0.30	0.9%
Average Revenue per Truck								
Martha's Vineyard	\$ 88.81	\$ 98.12	\$ 9.31	10.5%	\$ 92.74	\$ 100.60	\$ 7.86	8.5%
Nantucket	263.62	282.34	18.72	7.1%	268.05	289.25	21.20	7.9%
Total	\$ 138.91	\$ 148.60	\$ 9.69	7.0%	\$ 140.14	\$ 154.24	\$ 14.10	10.1%

* Excludes any town embarkation fees.

Business Summary for the Month of February, 2019

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

	February ACTUAL 2018	February ACTUAL 2019	ACTUAL 2019 vs. ACTUAL 2018	February BUDGET 2019	ACTUAL 2019 vs. BUDGET
Vs. 2018 Operating Budget					
Net Income (Loss) from Operations					
Operating Revenues	\$ 3,617,261	\$ 3,817,997	\$ 200,736	\$ 3,947,887	\$ (129,890)
Other Income	160,950	190,706	29,756	171,910	18,796
Total Income	<u>3,778,211</u>	<u>4,008,703</u>	<u>230,492</u>	<u>4,119,797</u>	<u>(111,094)</u>
Operating Expenses	7,722,852	8,274,075	551,223	7,785,827	488,248
Fixed Charges and Other Expenses	237,153	307,745	70,592	326,186	(18,441)
Total Expenses	<u>7,960,005</u>	<u>8,581,820</u>	<u>621,815</u>	<u>8,112,013</u>	<u>469,807</u>
Net Operating Income (Loss)	<u>\$ (4,181,794)</u>	<u>\$ (4,573,117)</u>	<u>\$ (391,323)</u>	<u>\$ (3,992,216)</u>	<u>\$ (580,901)</u>
Operating Revenues:					
Auto Revenue	\$ 669,440	\$ 707,606	\$ 38,166	\$ 807,669	\$ (100,063)
Freight Revenue	1,715,474	1,841,881	126,407	1,903,432	(61,551)
Passenger Revenue	887,891	897,746	9,855	882,218	15,528
Bicycle, Mail, Misc. Voyage Rev.	49,500	53,276	3,776	49,613	3,663
Revenue from Terminal Operations	160,863	154,461	(6,402)	162,675	(8,214)
Parking Revenue	88,142	86,280	(1,862)	95,780	(9,500)
Rents	45,951	76,747	30,796	46,500	30,247
Sub-Total - Operating Revenue	<u>3,617,261</u>	<u>3,817,997</u>	<u>200,736</u>	<u>3,947,887</u>	<u>(129,890)</u>
Other Income:					
Interest Income	6,970	17,142	10,172	6,500	10,642
Miscellaneous Income	153,980	173,564	19,584	165,410	8,154
Sub-Total - Other Income	<u>160,950</u>	<u>190,706</u>	<u>29,756</u>	<u>171,910</u>	<u>18,796</u>
Total Income	<u>\$ 3,778,211</u>	<u>\$ 4,008,703</u>	<u>\$ 230,492</u>	<u>\$ 4,119,797</u>	<u>\$ (111,094)</u>

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

	February ACTUAL 2018	February ACTUAL 2019	ACTUAL 2019 vs. ACTUAL 2018	February BUDGET 2019	ACTUAL 2019 vs. BUDGET
Vs. 2018 Operating Budget					
Operating Expenses:					
Wages	\$ 2,339,111	\$ 2,634,069	\$ 294,958	\$ 2,476,442	\$ 157,627
Pensions Health & Welfare	1,218,945	1,237,453	18,508	1,176,262	61,191
Payroll Taxes	168,793	189,702	20,909	183,576	6,126
Depreciation	845,899	955,547	109,648	979,949	(24,402)
Vessel Fuel Oil	281,538	306,398	24,860	357,592	(51,194)
Insurance	298,657	346,521	47,864	328,459	18,062
Direct Vessel Maintenance (Excl. Wages)	1,280,237	1,475,334	195,097	1,244,670	230,664
Direct Terminal Maintenance (Excl. Wages)	362,106	35,656	(326,450)	89,500	(53,844)
Utilities	96,181	105,445	9,264	162,512	(57,067)
Other	831,385	987,950	156,565	786,865	201,085
Sub-Total - Operating Expenses	7,722,852	8,274,075	551,223	7,785,827	488,248
Fixed Charges and Other Expenses:					
Bond Interest & Expense	193,384	265,238	71,854	283,694	(18,456)
Misc. Charges or Deductions	43,769	42,507	(1,262)	42,492	15
Sub-Total - Other Expenses	237,153	307,745	70,592	326,186	(18,441)
Total Expenses	\$ 7,960,005	\$ 8,581,820	\$ 621,815	\$ 8,112,013	\$ 469,807
Net Operating Income (Loss)	\$ (4,181,794)	\$ (4,573,117)	\$ (391,323)	\$ (3,992,216)	\$ (580,901)

Budgetary Management Discussion and Analysis - February, 2019

Total operating revenues for February decreased by \$129,890 or 3.3% versus the amount projected in the 2019 operating budget, for a total of \$3,817,997 in operating revenues. Passenger revenues for the month were up \$16,000 versus budget projections, which represents an increase of 1.8%. Automobile revenues were down \$100,000, or 12.4%, versus budget projections for February. Freight revenues were down \$62,000, or 3.2%, versus budget projections for the month. Parking revenues were down during February by \$9,000, or 9.9%. Concession revenues in February were up \$1,000 or 5.9%. Rent revenues from barge unloading and rental car space were up \$30,000, or 65.0%, in February versus budget.

During February, the vessels made a combined 1,284 trips. This represents an increase of 10 trips, or 0.8%, versus budget for the month. On the Vineyard route, 0 trips were canceled for mechanical reasons, 14 for weather related and 8 for traffic demands while 0 unscheduled trips and 4 available trips were added. On the Nantucket route, 0 trips were canceled for mechanical reasons, 14 for weather related and 2 for traffic demands while 4 unscheduled and 40 available trips were added.

Total operating expenses for the month were up \$488,248 or 6.3%, versus the amount projected in the 2019 budget for a total of \$8,274,075. Maintenance expenses for the month were up \$275,000, or 13.2%, versus budget. Overhaul repairs for the M/V Martha's Vineyard were down \$74,000; overhaul expenses for the M/V Woods Hole were up \$66,000 dry-dock expense by \$415,000 and engine parts by \$142,000; dry-dock expense for the M/V Eagle were up \$77,000; repairs for the M/V Katama were up \$53,000; while engine parts expense for the M/V Island Home were down \$397,000 and repairs were down \$198,000 versus budget. Repairs to buildings and structures were down \$69,000 versus budget while repairs to office and terminal equipment was up \$17,000 for the month.

Vessel fuel expense of \$306,000 was down by \$51,000 or 14.3% versus budget estimates. The average actual cost per gallon for vessel fuel oil in February was \$2.187, including net hedging costs, while the budgeted cost was \$2.601 per gallon. During February, the vessels logged 16,696 miles, which were 696 miles higher than budget, or an increase of 4.4%. During February, 140,000 gallons of vessel fuel were consumed. This represents an increase of 2,000 gallons, or 1.8%, versus budget. Insurance expenses were up \$18,000. General administrative expenses for the month were up \$141,000 or 7.5%. Legal expense was down \$10,000; pension expense was up \$43,000, health care expense was up \$53,000, disability contributions were down \$31,000, unemployment contributions were down \$4,000, training expense was up \$29,000, and supplies & equipment expense was up \$16,000. Credit card expense was up \$17,000.

Other income, including interest income, debt premium and license income, totaled \$190,706 and was \$18,796 higher than budget projections. Income deductions, including interest on funded debt and pension withdrawal, totaled \$307,705 and were \$18,441 lower than budget. The Authority's net operating loss for the month of February, including other income, income deductions and bond interest expense, was \$3,992,216 or \$580,901 higher than budget projections for the month.

Business Summary for the Month of February, 2019 (Continued)

Part IIb- Net Income (Loss) from Operations (Year to Date)

	YTD - February ACTUAL 2018	YTD - February ACTUAL 2019	YTD ACTUAL 2019 vs. YTD ACTUAL 2018	YTD - February BUDGET 2019	YTD ACTUAL 2019 vs. YTD BUDGET
Vs. 2018 Operating Budget					
Net Income (Loss) from Operations					
Operating Revenues	\$ 7,318,593	\$ 7,951,601	\$ 633,008	\$ 8,059,246	\$ (107,645)
Other Income	300,835	382,265	81,430	323,820	58,445
Total Income	7,619,428	8,333,866	714,438	8,383,066	(49,200)
Operating Expenses	14,401,174	17,573,888	3,172,714	16,923,787	650,101
Fixed Charges and Other Expenses	495,417	644,269	148,852	682,905	(38,636)
Total Expenses	14,896,591	18,218,157	3,321,566	17,606,692	611,465
Net Operating Income (Loss)	\$ (7,277,163)	\$ (9,884,291)	\$ (2,607,128)	\$ (9,223,626)	\$ (660,665)
Operating Revenues:					
Auto Revenue	\$ 1,363,312	\$ 1,445,893	\$ 82,581	\$ 1,629,258	\$ (183,365)
Freight Revenue	3,398,426	3,849,242	450,816	3,768,419	80,823
Passenger Revenue	1,834,087	1,843,337	9,250	1,831,795	11,542
Bicycle, Mail, Misc. Voyage Rev.	113,165	107,371	(5,794)	110,951	(3,580)
Revenue from Terminal Operations	333,018	404,449	71,431	336,375	68,074
Parking Revenue	184,801	178,933	(5,868)	210,948	(32,015)
Rents	91,784	122,376	30,592	171,500	(49,124)
Sub-Total - Operating Revenue	7,318,593	7,951,601	633,008	8,059,246	(107,645)
Other Income:					
Interest Income	13,667	32,890	19,223	13,000	19,890
Miscellaneous Income	287,168	349,375	62,207	310,820	38,555
Sub-Total - Other Income	300,835	382,265	81,430	323,820	58,445
Total Income	\$ 7,619,428	\$ 8,333,866	\$ 714,438	\$ 8,383,066	\$ (49,200)

Part IIb- Net Income (Loss) from Operations (Year to Date)

	YTD - February ACTUAL 2018	YTD - February ACTUAL 2019	YTD ACTUAL 2019 vs. YTD ACTUAL 2018	YTD - February BUDGET 2019	YTD ACTUAL 2019 vs. YTD BUDGET
Vs. 2018 Operating Budget					
Operating Expenses:					
Wages	\$ 4,684,195	\$ 5,522,256	\$ 838,061	\$ 5,239,440	\$ 282,816
Pensions Health & Welfare	2,578,860	2,546,428	(32,432)	2,462,339	84,089
Payroll Taxes	326,495	355,459	28,964	381,728	(26,269)
Depreciation	1,715,452	2,104,585	389,133	1,960,081	144,504
Vessel Fuel Oil	599,160	645,013	45,853	771,657	(126,644)
Insurance	598,469	689,324	90,855	656,918	32,406
Direct Vessel Maintenance (Excl. Wages)	1,598,920	3,302,594	1,703,674	3,226,820	75,774
Direct Terminal Maintenance (Excl. Wages)	409,645	56,255	(353,390)	303,700	(247,445)
Utilities	241,963	250,459	8,496	356,301	(105,842)
Other	1,648,015	2,101,515	453,500	1,564,803	536,712
Sub-Total - Operating Expenses	14,401,174	17,573,888	3,172,714	16,923,787	650,101
Fixed Charges and Other Expenses:					
Bond Interest & Expense	408,165	558,994	150,829	597,785	(38,791)
Misc. Charges or Deductions	87,252	85,275	(1,977)	85,120	155
Sub-Total - Other Expenses	495,417	644,269	148,852	682,905	(38,636)
Total Expenses	14,896,591	18,218,157	3,321,566	17,606,692	611,465
Net Operating Income (Loss)	(7,277,163)	(9,884,291)	(2,607,128)	(9,223,626)	(660,665)

Budgetary Management Discussion and Analysis: January - February, 2019

Year to date total operating revenues decreased by \$107,645 or 1.3% versus the amount projected in the 2019 operating budget, for a total of \$8,059,246 in operating revenues. Passenger revenues for the year to date were up \$12,000 versus budget projections, which represents a 0.6% increase. Automobile revenues were down \$183,000, or 11.3%, versus budget projections. Freight revenues were up \$81,000 or 2.1%, versus budget projections. Parking revenues were down \$32,000, or 15.2%, compared to budget forecast. Rent revenues from barge unloading and rental car space were down \$49,000, or 28.6%, versus budget.

Year to date, the vessels made a combined 2,694 trips. This represents a decrease of 4 trips, or 0.1%, versus budget. On the Vineyard route, 18 trips were canceled for mechanical reasons, 32 for weather related and 25 for traffic demands, while 15 unscheduled trips and 6 available trips were added. On the Nantucket route, 6 trips were canceled for mechanical reasons, 27 for weather related and 6 for traffic demands, while 7 unscheduled trips and 82 available trips were added.

Year to date operating expenses were up \$650,101 or 3.8%, versus the amount projected in the 2019 budget for a total of \$17,573,888. Maintenance expenses for the year are up \$88,000, or 1.7%, versus budget. Overhaul repairs for the M/V Martha's Vineyard were down \$105,000; the M/V Woods Hole overhaul and dry-dock expense was up \$674,000; overhaul expenses for the M/V Governor were down \$37,000; overhaul expenses for the M/V Sankaty were down \$11,000; M/V Nantucket, repair expenses were down \$65,000; engine parts expenses for the M/V Katama were down \$150,000; the M/V Island Home repair expenses were down \$275,000; and overhaul expenses for the M/V Iyanough was up \$94,000. Terminal and dolphin and dock repairs in Nantucket were down \$140,000 and were down in Hyannis by \$100,000. Motor vehicle repairs were down \$15,000, equipment repairs were up \$113,000 and other maintenance expense was up by \$16,000.

Vessel fuel expense of \$645,000 was \$127,000, or 16.4%, below budget estimates. The average actual cost per gallon for vessel fuel oil was \$2.139 including net hedging costs, while the budgeted cost was \$2.619 per gallon. 35,280 vessel miles have been logged in the year, an increase of 1,068 miles, or 3.1%, versus budget. 301,000 gallons of vessel fuel were consumed. This represents an increase of 6,000 gallons or 2.2% versus budget. General administrative expenses for the year were up 6.3%, or \$244,000. Legal expense was down \$19,000, pension expense was up \$111,000, health care costs were up \$47,000, disability contributions were down \$42,000, and unemployment contributions were down \$32,000. Training expense was up \$40,000; while credit card fees were up \$28,000, telephone expense was up \$3,000.

Other income, including interest income, debt premium and license income, totaled \$382,265 and was \$58,445 higher than budget projections. Income deductions, including interest on funded debt and pension withdrawal, totaled \$644,269 and were \$38,636 lower than budget. Year to date, the Authority's net operating income, including other income, income deductions and bond interest expense, was \$9,223,626 or \$660,665 lower than budget projections.

Part III - Cash Balances

	February, 2019 Amount	Variance vs. Budget Positive / (Negative)	Year to Date Amount	Variance vs. Budget Positive / (Negative)
Cash Balance - Operations Fund				
Beginning Balance	\$ 17,171,134	\$ (2,297,396)	\$ 13,078,366	\$ 78,366
Cash Receipts	7,077,282	431,622	20,751,207	628,834
Cash Receipts - Grants	203,378	203,378	203,378	203,378
Cash Receipts - Capital Projects	-	-	-	-
Cash Disbursements	(6,947,974)	402,527	(16,092,904)	(1,734,220)
Cash Disbursements - Capital Projects	(106,873)	(106,873)	(543,100)	(543,100)
Transfers to Special Purpose Funds	-	2,210,161	-	2,210,161
Ending Balance	<u>\$ 17,396,947</u>	<u>\$ 843,419</u>	<u>\$ 17,396,947</u>	<u>\$ 843,419</u>
Cash Balance - Special-Purpose Funds				
Sinking Fund				
Beginning Balance	\$ 9,067,068	\$ 50,427	\$ 9,046,734	\$ 35,843
Transfers from Revenue Fund	-	(2,210,161)	-	(2,210,161)
Income from Investments	18,456	13,256	38,790	27,840
Accrued Interest Received	-	-	-	-
Debt Service Payments	-	-	-	-
Ending Balance	<u>\$ 9,085,524</u>	<u>\$ (2,146,478)</u>	<u>\$ 9,085,524</u>	<u>\$ (2,146,478)</u>
Replacement Fund				
Beginning Balance	\$ 13,454,234	\$ 4,754,410	\$ 13,424,061	\$ 3,155,787
Transfers from Revenue Fund	-	-	-	-
Transfers from Bond Redemption	-	-	-	-
Proceeds from Disposal of Property	-	-	-	-
Income from Investments	27,387	22,337	57,560	45,960
Withdrawals	-	1,300,000	-	2,875,000
Ending Balance	<u>\$ 13,481,621</u>	<u>\$ 6,076,747</u>	<u>\$ 13,481,621</u>	<u>\$ 6,076,747</u>
Reserve Fund				
Beginning Balance	\$ 3,645,990	\$ 6,674	\$ 3,637,813	\$ 847
Transfers from Revenue Fund	-	-	-	-
Income from Investments	7,421	5,321	15,598	11,148
Transfers to Bond Redemption Acct.	-	-	-	-
Ending Balance	<u>\$ 3,653,411</u>	<u>\$ 11,995</u>	<u>\$ 3,653,411</u>	<u>\$ 11,995</u>
Bond Redemption Account				
Beginning Balance	\$ 855,513	\$ 2,138	\$ 853,594	\$ 769
Transfers from Revenue Fund	-	-	-	-
Transfers from Reserve Fund	-	-	-	-
Transfers to Replacement Fund	-	-	-	-
Income from Investments	1,741	1,241	3,660	2,610
Ending Balance	<u>\$ 857,254</u>	<u>\$ 3,379</u>	<u>\$ 857,254</u>	<u>\$ 3,379</u>

Part III - Cash Balances

	February, 2019 Amount	Variance vs. Budget Positive / (Negative)	Year to Date Amount	Variance vs. Budget Positive / (Negative)
Capital Improvement Fund				
Beginning Balance	\$ 8,487,272	\$ 8,487,272	\$ 8,468,242	\$ 8,055,256
From Bond/Note Issue	-	-	-	-
Income from Investments	15,439	15,439	34,469	34,469
Withdrawals	(2,269,146)	(2,269,146)	(2,269,146)	(1,856,160)
Ending Balance	<u>\$ 6,233,565</u>	<u>\$ 6,233,565</u>	<u>\$ 6,233,565</u>	<u>\$ 6,233,565</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	7,545,689
To Reserve Fund	-	-
To Bond Redemption Account	-	-
Total Transfers to Special Purpose Funds	<u>\$ 22,325,263</u>	<u>\$ 18,409,639</u>

* Current estimate is based on the actual cash balance as of 02/28/2019 plus projected cash receipts and disbursements for the remainder of the year, per the 2019 Operating Budget.

Business Summary for the Month of February, 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	\$ 64,340,663	\$ 48,422,172	\$ 112,762,835
Other Non-Service Income - Net	1,026,290	2,563,074	3,589,364
Total Income	<u>\$ 65,366,953</u>	<u>\$ 50,985,246</u>	<u>\$ 116,352,199</u>
% Distribution by Route	56.2%	43.8%	100.0%
Cost of Service	<u>\$ 62,947,260</u>	<u>\$ 46,789,449</u>	<u>\$ 109,736,709</u>
% Distribution by Route	57.4%	42.6%	100.0%
Net Operating Income by Route for 2019	<u><u>\$ 2,419,693</u></u>	<u><u>\$ 4,195,797</u></u>	<u><u>\$ 6,615,490</u></u>
% Distribution by Route	36.6%	63.4%	100.0%

Part VI - Share of Market versus Licensed Ferry Services

	February Amount	Change vs. Prev. Yr.	Year to Date Amount	Change vs. Prev. Yr.
License Fee Income	\$ 55,326	\$ 607	\$ 112,899	\$ 24,253
	February Amount	Change vs. Prev. Yr.		
Weather Observations #				
Average Maximum Temperature (Fahrenheit)	40.5	-5.0		
Total Precipitation (in water equivalent inches)	2.63	-3.84		
Number of Days with Measurable Precipitation	12	(4)		

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

Part VI - Share of Market versus Licensed Ferry Services

	February Amount	Change vs. Prev. Yr.		Year to Date Amount	Change vs. Prev. Yr.	
Martha's Vineyard						
Steamship Authority	96,995	(131)	-0.1%	196,927	3,700	1.9%
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 *	96,995	(131)	-0.1%	196,927	3,700	1.9%
Nantucket						
Steamship Authority						
Regular	11,432	(85)	-0.7%	23,319	(3,103)	-11.7%
Fast Ferry (Prior to April 1)	0	0	#DIV/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	11,432	(85)	-0.7%	24,212	(2,210)	-8.4%
Hy-Line						
Regular	0	0	0.0%	0	0	0.0%
HighSpeed (Prior to April 1)	34,413	280	0.8%	71,179	14,090	24.7%
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	34,413	280	0.8%	71,179	14,090	24.7%
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	45,845	195	0.4%	95,391	11,880	14.2%

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 .

Business Summary for the Month of March, 2019

Part I - Traffic Statistics

	Month of March 2018	Month of March 2019	DIFF	%DIFF	YTD through March 2018	YTD through March 2019	DIFF	%DIFF
Number of Passengers Carried								
Martha's Vineyard	92,769	113,079	20,310	21.9%	96,101	99,932	3,831	4.0%
Nantucket								
Regular	13,414	14,443	1,029	7.7%	14,905	11,887	(3,018)	-20.2%
Fast Ferry	0	0	0	0.0%	0	893	893	100.0%
Subtotal - Nantucket	<u>13,414</u>	<u>14,443</u>	<u>1,029</u>	<u>7.7%</u>	<u>14,905</u>	<u>12,780</u>	<u>(2,125)</u>	<u>-14.3%</u>
Total	<u>106,183</u>	<u>127,522</u>	<u>21,339</u>	<u>20.1%</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	7,700	9,887	2,187	28.4%	7,652	7,978	326	4.3%
Excursion	10,727	13,829	3,102	28.9%	11,736	12,297	561	4.8%
Subtotal - M. Vineyard	<u>18,427</u>	<u>23,716</u>	<u>5,289</u>	<u>28.7%</u>	<u>19,388</u>	<u>20,275</u>	<u>887</u>	<u>4.6%</u>
Nantucket								
Regular	1,070	1,176	106	9.9%	786	883	97	12.3%
Excursion	1,708	1,905	197	11.5%	1,587	1,776	189	11.9%
Subtotal - Nantucket	<u>2,778</u>	<u>3,081</u>	<u>303</u>	<u>10.9%</u>	<u>2,373</u>	<u>2,659</u>	<u>286</u>	<u>12.1%</u>
Total	<u>21,205</u>	<u>26,797</u>	<u>5,592</u>	<u>26.4%</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	2,666	3,923	1,257	47.1%	2,731	2,923	192	7.0%
Less than 20' - Excursion	2,649	3,655	1,006	38.0%	2,831	2,970	139	4.9%
20' and over	3,496	4,029	533	15.2%	3,221	3,459	238	7.4%
sub-total - M.Vineyard	<u>8,811</u>	<u>11,607</u>	<u>2,796</u>	<u>31.7%</u>	<u>8,783</u>	<u>9,352</u>	<u>569</u>	<u>6.5%</u>
Nantucket								
Less than 20' - Regular	714	887	173	24.2%	698	761	63	9.0%
Less than 20' - Excursion	695	844	149	21.4%	606	755	149	24.6%
20' and over	2,183	2,580	397	18.2%	1,951	2,200	249	12.8%
sub-total - Nantucket	<u>3,592</u>	<u>4,311</u>	<u>719</u>	<u>20.0%</u>	<u>3,255</u>	<u>3,716</u>	<u>461</u>	<u>14.2%</u>
Total	<u>12,403</u>	<u>15,918</u>	<u>3,515</u>	<u>28.3%</u>	<u>12,038</u>	<u>13,068</u>	<u>1,030</u>	<u>8.6%</u>

Business Summary for the Month of March, 2019

Part I - Traffic Statistics

	Month of March 2018	Month of March 2019	DIFF	%DIFF	YTD through March 2018	YTD through March 2019	DIFF	%DIFF
Number of Cars Parked								
Woods Hole, Falmouth and Cataumet	3,844	4,054	210	5.5%	3,418	3,531	113	3.3%
Hyannis, Nantucket	501	560	59	11.8%	587	486	(101)	-17.2%
Total	4,345	4,614	269	6.2%	4,005	4,017	12	0.3%
Average Length of Stay - Cars Parked (Days)								
Woods Hole, Falmouth and Cataumet	1.76	1.70	(0.06)	-3.4%	1.82	1.72	(0.10)	-5.5%
Hyannis, Nantucket	2.74	2.73	(0.01)	-0.4%	3.42	3.22	(0.20)	-5.8%
Total	1.87	1.83	(0.04)	-2.1%	2.06	1.90	(0.16)	-7.8%
Average Revenue per Passenger *								
Martha's Vineyard	\$ 6.99	\$ 6.97	\$ (0.02)	-0.3%	\$ 6.76	\$ 6.75	\$ (0.01)	-0.1%
Nantucket	17.22	17.37	0.15	0.9%	17.19	18.13	0.94	5.5%
Total	\$ 8.29	\$ 8.15	\$ (0.14)	-1.7%	\$ 8.16	\$ 8.04	\$ (0.12)	-1.5%
Average Revenue per Automobile								
Martha's Vineyard	\$ 27.35	\$ 27.33	\$ (0.02)	-0.1%	\$ 26.54	\$ 26.55	\$ 0.01	0.0%
Nantucket	82.37	81.53	(0.84)	-1.0%	76.63	76.14	(0.49)	-0.6%
Total	\$ 34.56	\$ 33.56	\$ (1.00)	-2.9%	\$ 32.00	\$ 32.30	\$ 0.30	0.9%
Average Revenue per Truck								
Martha's Vineyard	\$ 95.98	\$ 96.73	\$ 0.75	0.8%	\$ 92.74	\$ 100.60	\$ 7.86	8.5%
Nantucket	260.54	284.64	24.10	9.3%	268.05	289.25	21.20	7.9%
Total	\$ 143.64	\$ 147.62	\$ 3.98	2.8%	\$ 140.14	\$ 154.24	\$ 14.10	10.1%

* Excludes any town embarkation fees.

Business Summary for the Month of March, 2019

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

	March ACTUAL 2018	March ACTUAL 2019	ACTUAL 2019 vs. ACTUAL 2018	March BUDGET 2019	ACTUAL 2019 vs. BUDGET
Vs. 2018 Operating Budget					
Net Income (Loss) from Operations					
Operating Revenues	\$ 3,891,601	\$ 4,746,529	\$ 854,928	\$ 4,265,364	\$ 481,165
Other Income	163,147	199,066	35,919	175,910	23,156
Total Income	<u>4,054,748</u>	<u>4,945,595</u>	<u>890,847</u>	<u>4,441,274</u>	<u>504,321</u>
Operating Expenses	8,982,940	7,300,606	(1,682,334)	8,184,077	(883,471)
Fixed Charges and Other Expenses	243,830	323,823	79,993	324,048	(225)
Total Expenses	<u>9,226,770</u>	<u>7,624,429</u>	<u>(1,602,341)</u>	<u>8,508,125</u>	<u>(883,696)</u>
Net Operating Income (Loss)	<u>\$ (5,172,022)</u>	<u>\$ (2,678,834)</u>	<u>\$ 2,493,188</u>	<u>\$ (4,066,851)</u>	<u>\$ 1,388,017</u>
Operating Revenues:					
Auto Revenue	\$ 731,891	\$ 895,428	\$ 163,537	\$ 855,873	\$ 39,555
Freight Revenue	1,781,439	2,345,620	564,181	1,969,952	375,668
Passenger Revenue	940,949	1,094,063	153,114	986,674	107,389
Bicycle, Mail, Misc. Voyage Rev.	51,036	58,381	7,345	51,211	7,170
Revenue from Terminal Operations	226,570	198,080	(28,490)	226,875	(28,795)
Parking Revenue	101,042	105,261	4,219	113,279	(8,018)
Rents	58,674	49,696	(8,978)	61,500	(11,804)
Sub-Total - Operating Revenue	<u>3,891,601</u>	<u>4,746,529</u>	<u>854,928</u>	<u>4,265,364</u>	<u>481,165</u>
Other Income:					
Interest Income	9,835	12,065	2,230	10,500	1,565
Miscellaneous Income	153,312	187,001	33,689	165,410	21,591
Sub-Total - Other Income	<u>163,147</u>	<u>199,066</u>	<u>35,919</u>	<u>175,910</u>	<u>23,156</u>
Total Income	<u>\$ 4,054,748</u>	<u>\$ 4,945,595</u>	<u>\$ 890,847</u>	<u>\$ 4,441,274</u>	<u>\$ 504,321</u>

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

	March ACTUAL 2018	March ACTUAL 2019	ACTUAL 2019 vs. ACTUAL 2018	March BUDGET 2019	ACTUAL 2019 vs. BUDGET
Vs. 2018 Operating Budget					
Operating Expenses:					
Wages	\$ 2,701,852	\$ 2,961,966	\$ 260,114	\$ 2,741,277	\$ 220,689
Pensions Health & Welfare	1,198,456	1,411,274	212,818	1,351,888	59,386
Payroll Taxes	173,870	192,681	18,811	176,771	15,910
Depreciation	911,636	943,204	31,568	967,607	(24,403)
Vessel Fuel Oil	267,617	392,650	125,033	465,934	(73,284)
Insurance	302,678	345,549	42,871	328,459	17,090
Direct Vessel Maintenance (Excl. Wages)	1,970,111	(130,892)	(2,101,003)	853,970	(984,862)
Direct Terminal Maintenance (Excl. Wages)	46,655	42,625	(4,030)	296,700	(254,075)
Utilities	128,912	107,892	(21,020)	186,662	(78,770)
Other	1,281,153	1,033,657	(247,496)	814,809	218,848
Sub-Total - Operating Expenses	8,982,940	7,300,606	(1,682,334)	8,184,077	(883,471)
Fixed Charges and Other Expenses:					
Bond Interest & Expense	200,400	281,451	81,051	281,691	(240)
Misc. Charges or Deductions	43,430	42,372	(1,058)	42,357	15
Sub-Total - Other Expenses	243,830	323,823	79,993	324,048	(225)
Total Expenses	\$ 9,226,770	\$ 7,624,429	\$ (1,602,341)	\$ 8,508,125	\$ (883,696)
Net Operating Income (Loss)	\$ (5,172,022)	\$ (2,678,834)	\$ 2,493,188	\$ (4,066,851)	\$ 1,388,017

Budgetary Management Discussion and Analysis - March, 2019

Total operating revenues for March increased by \$481,165 or 11.3% versus the amount projected in the 2019 operating budget, for a total of \$4,746,529 in operating revenues. Passenger revenues for the month were up \$107,000 versus budget projections, which represents an increase of 10.9%. Automobile revenues were up \$40,000, or 4.6%, versus budget projections for March. Freight revenues were up \$376,000, or 19.1%, versus budget projections for the month. Parking revenues were down during March by \$8,000, or 7.1%. Concession revenues in March were up \$7,000 or 36.2%. Rent revenues from barge unloading and rental car space were down \$12,000, or 19.2%, in March versus budget.

During March, the vessels made a combined 1,540 trips. This represents an increase of 26 trips, or 1.7%, versus budget for the month. On the Vineyard route, 0 trips were canceled for mechanical reasons, 4 for weather related and 3 for traffic demands while 0 unscheduled trips and 12 available trips were added. On the Nantucket route, 1 trips were canceled for mechanical reasons, 8 for weather related and 0 for traffic demands while 0 unscheduled and 30 available trips were added.

Total operating expenses for the month were down \$883,471 or 10.8%, versus the amount projected in the 2019 budget for a total of \$7,300,606. Maintenance expenses for the month were down \$1,078,000, or 55.3%, versus budget. Overhaul repairs for the M/V Martha's Vineyard were down \$21,000; dry-dock expenses for the M/V Woods Hole were down \$347,000 and engine repairs by \$66,000; overhaul expense for the M/V Nantucket were down \$130,000; repairs for the M/V Eagle were up \$60,000; while dry-dock expense for the M/V Gay Head were up \$74,000 and repairs to the M/V Island Home were down \$143,000 and engine repairs and overhaul repairs for the M/V Iyanough were down \$339,000 versus budget. Repairs to buildings and structures were down \$244,000 versus budget while repairs to office and terminal equipment was up \$28,000 for the month.

Vessel fuel expense of \$393,000 was down by \$73,000 or 15.7% versus budget estimates. The average actual cost per gallon for vessel fuel oil in March was \$2.287, including net hedging costs, while the budgeted cost was \$2.563 per gallon. During March, the vessels logged 19,998 miles, which were 670 miles higher than budget, or an increase of 3.5%. During March, 171,000 gallons of vessel fuel were consumed. This represents a decrease of 10,000 gallons, or 5.5%, versus budget. Insurance expenses were up \$17,000. General administrative expenses for the month were up \$158,000 or 7.8%. Legal expense was down \$10,000; pension expense was down \$12,000, health care expense was up \$145,000, disability contributions were down \$28,000, unemployment contributions were up \$46,000, training expense was up \$82,000, and credit card expense was up \$16,000.

Other income, including interest income, debt premium and license income, totaled \$199,066 and was \$23,156 higher than budget projections. Income deductions, including interest on funded debt and pension withdrawal, totaled \$323,823 and were \$225 lower than budget. The Authority's net operating loss for the month of March, including other income, income deductions and bond interest expense, was \$2,678,834 or \$1,388,017 lower than budget projections for the month.

Business Summary for the Year-To-Date as of March, 2019 (Continued)

Part IIb- Net Income (Loss) from Operations (Year to Date)

	YTD - March ACTUAL 2018	YTD - March ACTUAL 2019	YTD ACTUAL 2019 vs. YTD ACTUAL 2018	YTD - March BUDGET 2019	YTD ACTUAL 2019 vs. YTD BUDGET
Vs. 2018 Operating Budget					
Net Income (Loss) from Operations					
Operating Revenues	\$ 11,210,194	\$ 12,698,130	\$ 1,487,936	\$ 12,324,610	\$ 373,520
Other Income	463,982	581,331	117,349	499,730	81,601
Total Income	11,674,176	13,279,461	1,605,285	12,824,340	455,121
Operating Expenses	23,384,114	24,874,494	1,490,380	25,107,864	(233,370)
Fixed Charges and Other Expenses	739,247	968,092	228,845	1,006,953	(38,861)
Total Expenses	24,123,361	25,842,586	1,719,225	26,114,817	(272,231)
Net Operating Income (Loss)	\$ (12,449,185)	\$ (12,563,125)	\$ (113,940)	\$ (13,290,477)	\$ 727,352
Operating Revenues:					
Auto Revenue	\$ 2,095,203	\$ 2,341,321	\$ 246,118	\$ 2,485,131	\$ (143,810)
Freight Revenue	5,179,865	6,194,862	1,014,997	5,738,371	456,491
Passenger Revenue	2,775,036	2,937,400	162,364	2,818,469	118,931
Bicycle, Mail, Misc. Voyage Rev.	164,201	165,752	1,551	162,162	3,590
Revenue from Terminal Operations	559,588	602,529	42,941	563,250	39,279
Parking Revenue	285,843	284,194	(1,649)	324,227	(40,033)
Rents	150,458	172,072	21,614	233,000	(60,928)
Sub-Total - Operating Revenue	11,210,194	12,698,130	1,487,936	12,324,610	373,520
Other Income:					
Interest Income	23,502	44,955	21,453	23,500	21,455
Miscellaneous Income	440,480	536,376	95,896	476,230	60,146
Sub-Total - Other Income	463,982	581,331	117,349	499,730	81,601
Total Income	\$ 11,674,176	\$ 13,279,461	\$ 1,605,285	\$ 12,824,340	\$ 455,121

Part IIb- Net Income (Loss) from Operations (Year to Date)

	YTD - March ACTUAL 2018	YTD - March ACTUAL 2019	YTD ACTUAL 2019 vs. YTD ACTUAL 2018	YTD - March BUDGET 2019	YTD ACTUAL 2019 vs. YTD BUDGET
Vs. 2018 Operating Budget					
Operating Expenses:					
Wages	\$ 7,386,047	\$ 8,484,222	\$ 1,098,175	\$ 7,980,717	\$ 503,505
Pensions Health & Welfare	3,777,316	3,957,702	180,386	3,814,227	143,475
Payroll Taxes	500,365	548,140	47,775	558,499	(10,359)
Depreciation	2,627,088	3,047,789	420,701	2,927,688	120,101
Vessel Fuel Oil	866,777	1,037,663	170,886	1,237,591	(199,928)
Insurance	901,147	1,034,873	133,726	985,377	49,496
Direct Vessel Maintenance (Excl. Wages)	3,569,031	3,171,702	(397,329)	4,080,790	(909,088)
Direct Terminal Maintenance (Excl. Wages)	456,300	98,880	(357,420)	600,400	(501,520)
Utilities	370,875	358,351	(12,524)	542,963	(184,612)
Other	2,929,168	3,135,172	206,004	2,379,612	755,560
Sub-Total - Operating Expenses	23,384,114	24,874,494	1,490,380	25,107,864	(233,370)
Fixed Charges and Other Expenses:					
Bond Interest & Expense	608,565	840,445	231,880	879,476	(39,031)
Misc. Charges or Deductions	130,682	127,647	(3,035)	127,477	170
Sub-Total - Other Expenses	739,247	968,092	228,845	1,006,953	(38,861)
Total Expenses	24,123,361	25,842,586	1,719,225	26,114,817	(272,231)
Net Operating Income (Loss)	(12,449,185)	(12,563,125)	(113,940)	(13,290,477)	727,352

Budgetary Management Discussion and Analysis: January - March, 2019

Year to date total operating revenues increased by \$373,520 or 3.0% versus the amount projected in the 2019 operating budget, for a total of \$12,324,610 in operating revenues. Passenger revenues for the year to date were up \$119,000 versus budget projections, which represents a 4.2% increase. Automobile revenues were down \$143,000, or 5.8%, versus budget projections. Freight revenues were up \$456,000 or 8.0%, versus budget projections. Parking revenues were down \$40,000, or 12.3%, compared to budget forecast. Rent revenues from barge unloading and rental car space were down \$61,000, or 26.1%, versus budget.

Year to date, the vessels made a combined 4,234 trips. This represents an increase of 22 trips, or 0.5%, versus budget. On the Vineyard route, 18 trips were canceled for mechanical reasons, 36 for weather related and 28 for traffic demands, while 15 unscheduled trips and 18 available trips were added. On the Nantucket route, 7 trips were canceled for mechanical reasons, 35 for weather related and 6 for traffic demands, while 7 unscheduled trips and 112 available trips were added.

Year to date operating expenses were down \$233,370 or 0.9%, versus the amount projected in the 2019 budget for a total of \$25,107,864. Maintenance expenses for the year are down \$991,000, or 14.2%, versus budget. Overhaul repairs for the M/V Martha's Vineyard were down \$126,000; the M/V Woods Hole overhaul and dry-dock expense was up \$290,000; overhaul expenses for the M/V Governor were down \$36,000; overhaul expenses for the M/V Sankaty were down \$17,000; M/V Nantucket repair expenses were down \$195,000; engine parts expenses for the M/V Katama were down \$150,000; the M/V Island Home repair expenses were down \$418,000; and overhaul expenses for the M/V Iyanough was down \$244,000. Terminal and dolphin and dock repairs in Nantucket were down \$200,000 and were down in Hyannis by \$230,000. Motor vehicle repairs were down \$33,000, equipment repairs were up \$141,000 and other maintenance expense was up by \$48,000.

Vessel fuel expense of \$1,038,000 was \$200,000, or 16.2%, below budget estimates. The average actual cost per gallon for vessel fuel oil was \$2.193 including net hedging costs, while the budgeted cost was \$2.598 per gallon. 55,278 vessel miles have been logged in the year, an increase of 1,738 miles, or 3.2%, versus budget. 473,000 gallons of vessel fuel were consumed. This represents a decrease of 4,000 gallons or 0.7% versus budget. General administrative expenses for the year were up 6.8%, or \$402,000. Legal expense was down \$29,000, pension expense was up \$99,000, health care costs were up \$154,000, disability contributions were down \$70,000, and unemployment contributions were up \$15,000. Training expense was up \$122,000; while credit card fees were up \$44,000, telephone expense was up \$10,000.

Other income, including interest income, debt premium and license income, totaled \$581,331 and was \$81,601 higher than budget projections. Income deductions, including interest on funded debt and pension withdrawal, totaled \$968,092 and were \$38,861 lower than budget. Year to date, the Authority's net operating loss, including other income, income deductions and bond interest expense, was \$13,290,477 or \$727,352 lower than budget projections.

Part III - Cash Balances

	March, 2019 Amount	Variance vs. Budget Positive / (Negative)	Year to Date Amount	Variance vs. Budget Positive / (Negative)
Cash Balance - Operations Fund				
Beginning Balance	\$ 17,396,947	\$ 843,419	\$ 13,078,366	\$ 78,366
Cash Receipts	7,576,863	216,996	28,328,070	845,830
Cash Receipts - Grants	-	-	203,378	203,378
Cash Receipts - Capital Projects	1,552,710	1,552,710	1,552,710	1,552,710
Cash Disbursements	(6,225,074)	1,030,366	(22,317,978)	(703,854)
Cash Disbursements - Capital Projects	(625,890)	(625,890)	(1,168,990)	(1,168,990)
Transfers to Special Purpose Funds	-	-	-	2,210,161
Ending Balance	<u>\$ 19,675,556</u>	<u>\$ 3,017,601</u>	<u>\$ 19,675,556</u>	<u>\$ 3,017,601</u>
Cash Balance - Special-Purpose Funds				
Sinking Fund				
Beginning Balance	\$ 9,085,524	\$ (2,146,478)	\$ 9,046,734	\$ 35,843
Transfers from Revenue Fund	-	-	-	(2,210,161)
Income from Investments	240	(6,960)	39,030	20,880
Accrued Interest Received	-	-	-	-
Debt Service Payments	(8,978,881)	-	(8,978,881)	-
Ending Balance	<u>\$ 106,883</u>	<u>\$ (2,153,438)</u>	<u>\$ 106,883</u>	<u>\$ (2,153,438)</u>
Replacement Fund				
Beginning Balance	\$ 13,481,621	\$ 6,076,747	\$ 13,424,061	\$ 3,155,787
Transfers from Revenue Fund	-	-	-	-
Transfers from Bond Redemption	-	-	-	-
Proceeds from Disposal of Property	-	-	-	-
Income from Investments	29,205	24,455	86,765	70,415
Withdrawals	(1,813,300)	611,700	(1,813,300)	3,486,700
Ending Balance	<u>\$ 11,697,526</u>	<u>\$ 6,712,902</u>	<u>\$ 11,697,526</u>	<u>\$ 6,712,902</u>
Reserve Fund				
Beginning Balance	\$ 3,653,411	\$ 11,995	\$ 3,637,813	\$ 847
Transfers from Revenue Fund	-	-	-	-
Income from Investments	8,239	5,889	23,837	17,037
Transfers to Bond Redemption Acct.	-	-	-	-
Ending Balance	<u>\$ 3,661,650</u>	<u>\$ 17,884</u>	<u>\$ 3,661,650</u>	<u>\$ 17,884</u>
Bond Redemption Account				
Beginning Balance	\$ 857,254	\$ 3,379	\$ 853,594	\$ 769
Transfers from Revenue Fund	-	-	-	-
Transfers from Reserve Fund	-	-	-	-
Transfers to Replacement Fund	-	-	-	-
Income from Investments	1,933	1,383	5,593	3,993
Ending Balance	<u>\$ 859,187</u>	<u>\$ 4,762</u>	<u>\$ 859,187</u>	<u>\$ 4,762</u>

Part III - Cash Balances

	March, 2019 Amount	Variance vs. Budget Positive / (Negative)	Year to Date Amount	Variance vs. Budget Positive / (Negative)
Capital Improvement Fund				
Beginning Balance	\$ 6,233,565	\$ 6,233,565	\$ 8,468,242	\$ 8,055,256
From Bond/Note Issue	-	-	-	-
Income from Investments	14,034	14,034	48,503	48,503
Withdrawals	(78,754)	(78,754)	(2,347,900)	(1,934,914)
Ending Balance	<u>\$ 6,168,845</u>	<u>\$ 6,168,845</u>	<u>\$ 6,168,845</u>	<u>\$ 6,168,845</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)	8,912,431	9,719,871
To Reserve Fund	-	-
To Bond Redemption Account	-	-
Total Transfers to Special Purpose Funds	<u>\$ 19,776,381</u>	<u>\$ 20,583,821</u>

* Current estimate is based on the actual cash balance as of 03/31/2019 plus projected cash receipts and disbursements for the remainder of the year, per the 2019 Operating Budget.

Business Summary for the Month of March, 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	\$ 64,622,542	\$ 48,621,457	\$ 113,243,999
Other Non-Service Income - Net	1,032,901	2,579,659	3,612,560
Total Income	<u>\$ 65,655,443</u>	<u>\$ 51,201,116</u>	<u>\$ 116,856,559</u>
% Distribution by Route	56.2%	43.8%	100.0%
Cost of Service	<u>\$ 62,647,328</u>	<u>\$ 46,205,686</u>	<u>\$ 108,853,014</u>
% Distribution by Route	57.6%	42.4%	100.0%
Net Operating Income by Route for 2019	<u><u>\$ 3,008,115</u></u>	<u><u>\$ 4,995,430</u></u>	<u><u>\$ 8,003,545</u></u>
% Distribution by Route	37.6%	62.4%	100.0%

Part VI - Share of Market versus Licensed Ferry Services

	March Amount	Change vs. Prev. Yr.	Year to Date Amount	Change vs. Prev. Yr.
License Fee Income	\$ 68,763	\$ 14,713	\$ 181,662	\$ 38,966
Weather Observations #				
Average Maximum Temperature (Fahrenheit)	44.4	0.8		
Total Precipitation (in water equivalent inches)	4.15	-1.57		
Number of Days with Measurable Precipitation	6	(4)		

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

Part VI - Share of Market versus Licensed Ferry Services

Number of Passengers Carried	March Amount	Change vs. Prev. Yr.		Year to Date Amount	Change vs. Prev. Yr.	
Martha's Vineyard						
Steamship Authority	113,079	20,310	21.9%	310,006	24,010	8.4%
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 *	113,079	20,310	21.9%	310,006	24,010	8.4%
Nantucket						
Steamship Authority						
Regular	14,443	1,029	7.7%	37,762	(2,074)	-5.2%
Fast Ferry (Prior to April 2)	0	0	0.0%	893	893	100.0%
Fast Ferry (April 2) (in service 2018)	0	0	0.0%	0	0	0.0%
Fast Ferry (April 3 and after)(in service 2019)	0	0	0.0%	0	0	0.0%
Subtotal - Nantucket	14,443	1,029	7.7%	38,655	(1,181)	-3.0%
Hy-Line						
Regular	0	0	0.0%	0	0	0.0%
HighSpeed (Prior to April 2)	40,714	8,470	26.3%	111,893	22,560	25.3%
HighSpeed (April 2)(IYA in service 2018)	0	0	0.0%	0	0	0.0%
HighSpeed (April 3 & after)(IYA in service 2019)	0	0	0.0%	0	0	0.0%
Subtotal Hy-Line	40,714	8,470	26.3%	111,893	22,560	25.3%
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	55,157	9,499	20.8%	150,548	21,379	16.6%

M/V Iyanough in service 04/02/2018 - 01/02/2019 and 04/03/2019 - 01/03/2020.

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

Business Summary for the Month of April, 2019

Part I - Traffic Statistics

	Month of April 2018	Month of April 2019	DIFF	%DIFF	YTD through April 2018	YTD through April 2019	DIFF	%DIFF
Number of Passengers Carried								
Martha's Vineyard	145,366	151,139	5,773	4.0%	431,362	461,145	29,783	6.9%
Nantucket								
Regular	16,970	17,087	117	0.7%	56,806	54,849	(1,957)	-3.4%
Fast Ferry	21,684	21,649	(35)	-0.2%	21,684	22,542	858	4.0%
Subtotal - Nantucket	<u>38,654</u>	<u>38,736</u>	<u>82</u>	<u>0.2%</u>	<u>78,490</u>	<u>77,391</u>	<u>(1,099)</u>	<u>-1.4%</u>
Total	<u>184,020</u>	<u>189,875</u>	<u>5,855</u>	<u>3.2%</u>	<u>509,852</u>	<u>538,536</u>	<u>28,684</u>	<u>5.6%</u>
Number of Automobiles Carried								
Martha's Vineyard								
Regular	13,810	13,724	(86)	-0.6%	36,727	39,340	2,613	7.1%
Excursion	14,063	14,827	764	5.4%	48,239	52,711	4,472	9.3%
Subtotal - M. Vineyard	<u>27,873</u>	<u>28,551</u>	<u>678</u>	<u>2.4%</u>	<u>84,966</u>	<u>92,051</u>	<u>7,085</u>	<u>8.3%</u>
Nantucket								
Regular	2,090	2,043	(47)	-2.2%	4,655	4,831	176	3.8%
Excursion	1,850	1,922	72	3.9%	6,783	7,307	524	7.7%
Subtotal - Nantucket	<u>3,940</u>	<u>3,965</u>	<u>25</u>	<u>0.6%</u>	<u>11,438</u>	<u>12,138</u>	<u>700</u>	<u>6.1%</u>
Total	<u>31,813</u>	<u>32,516</u>	<u>703</u>	<u>2.2%</u>	<u>96,404</u>	<u>104,189</u>	<u>7,785</u>	<u>8.1%</u>
Number of Trucks Carried								
Martha's Vineyard								
Less than 20' - Regular	4,021	4,363	342	8.5%	12,261	14,106	1,845	15.0%
Less than 20' - Excursion	3,489	3,709	220	6.3%	11,835	13,285	1,450	12.3%
20' and over	4,415	4,729	314	7.1%	14,268	15,398	1,130	7.9%
sub-total - M.Vineyard	<u>11,925</u>	<u>12,801</u>	<u>876</u>	<u>7.3%</u>	<u>38,364</u>	<u>42,789</u>	<u>4,425</u>	<u>11.5%</u>
Nantucket								
Less than 20' - Regular	1,068	1,103	35	3.3%	3,237	3,470	233	7.2%
Less than 20' - Excursion	836	819	(17)	-2.0%	2,829	3,148	319	11.3%
20' and over	3,018	3,162	144	4.8%	9,256	9,901	645	7.0%
sub-total - Nantucket	<u>4,922</u>	<u>5,084</u>	<u>162</u>	<u>3.3%</u>	<u>15,322</u>	<u>16,519</u>	<u>1,197</u>	<u>7.8%</u>
Total	<u>16,847</u>	<u>17,885</u>	<u>1,038</u>	<u>6.2%</u>	<u>53,686</u>	<u>59,308</u>	<u>5,622</u>	<u>10.5%</u>

Business Summary for the Month of April, 2019

Part I - Traffic Statistics

	Month of April 2018	Month of April 2019	DIFF	%DIFF	YTD through April 2018	YTD through April 2019	DIFF	%DIFF
Number of Cars Parked								
Woods Hole, Falmouth and Cataumet	7,158	6,852	(306)	-4.3%	17,997	17,864	(133)	-0.7%
Hyannis, Nantucket	2,144	2,210	66	3.1%	3,589	3,622	33	0.9%
Total	9,302	9,062	(240)	-2.6%	21,586	21,486	(100)	-0.5%
Average Length of Stay - Cars Parked (Days)								
Woods Hole, Falmouth and Cataumet	1.80	1.75	(0.05)	-2.8%	1.78	1.72	(0.06)	-3.4%
Hyannis, Nantucket	2.34	2.34	0.00	0.0%	2.62	2.55	(0.07)	-2.7%
Total	1.92	1.89	(0.03)	-1.6%	1.92	1.86	(0.06)	-3.1%
Average Revenue per Passenger *								
Martha's Vineyard	\$ 6.93	\$ 6.90	\$ (0.03)	-0.4%	\$ 6.88	\$ 6.87	\$ (0.01)	-0.1%
Nantucket	22.12	22.15	0.03	0.1%	19.64	19.87	0.23	1.2%
Total	\$ 10.12	\$ 10.01	\$ (0.11)	-1.1%	\$ 8.84	\$ 8.74	\$ (0.10)	-1.1%
Average Revenue per Automobile								
Martha's Vineyard	\$ 41.61	\$ 46.70	\$ 5.09	12.2%	\$ 31.66	\$ 33.03	\$ 1.37	4.3%
Nantucket	126.45	136.11	9.66	7.6%	94.57	96.51	1.94	2.1%
Total	\$ 52.12	\$ 57.60	\$ 5.48	10.5%	\$ 39.13	\$ 40.42	\$ 1.29	3.3%
Average Revenue per Truck								
Martha's Vineyard	\$ 99.97	\$ 111.70	\$ 11.73	11.7%	\$ 94.82	\$ 102.35	\$ 7.53	7.9%
Nantucket	283.23	319.37	36.14	12.8%	270.14	295.89	25.75	9.5%
Total	\$ 153.51	\$ 170.73	\$ 17.22	11.2%	\$ 144.86	\$ 156.25	\$ 11.39	7.9%

* Excludes any town embarkation fees.

Business Summary for the Month of April, 2019

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

	April ACTUAL 2018	April ACTUAL 2019	ACTUAL 2019 vs. ACTUAL 2018	April BUDGET 2019	ACTUAL 2019 vs. BUDGET
Vs. 2018 Operating Budget					
Net Income (Loss) from Operations					
Operating Revenues	\$ 6,856,383	\$ 7,661,469	\$ 805,086	\$ 7,441,414	\$ 220,055
Other Income	174,739	206,874	32,135	186,910	19,964
Total Income	<u>7,031,122</u>	<u>7,868,343</u>	<u>837,221</u>	<u>7,628,324</u>	<u>240,019</u>
Operating Expenses	8,366,297	8,329,936	(36,361)	8,404,727	(74,791)
Fixed Charges and Other Expenses	230,223	312,193	81,970	314,826	(2,633)
Total Expenses	<u>8,596,520</u>	<u>8,642,129</u>	<u>45,609</u>	<u>8,719,553</u>	<u>(77,424)</u>
Net Operating Income (Loss)	<u>\$ (1,565,398)</u>	<u>\$ (773,786)</u>	<u>\$ 791,612</u>	<u>\$ (1,091,229)</u>	<u>\$ 317,443</u>
Operating Revenues:					
Auto Revenue	\$ 1,656,253	\$ 1,876,766	\$ 220,513	\$ 1,885,104	\$ (8,338)
Freight Revenue	2,584,852	3,045,151	460,299	2,866,177	178,974
Passenger Revenue	1,935,567	1,994,163	58,596	1,985,860	8,303
Bicycle, Mail, Misc. Voyage Rev.	80,342	79,395	(947)	79,829	(434)
Revenue from Terminal Operations	252,689	320,953	68,264	255,600	65,353
Parking Revenue	286,080	273,857	(12,223)	306,344	(32,487)
Rents	60,600	71,184	10,584	62,500	8,684
Sub-Total - Operating Revenue	<u>6,856,383</u>	<u>7,661,469</u>	<u>805,086</u>	<u>7,441,414</u>	<u>220,055</u>
Other Income:					
Interest Income	10,637	21,296	10,659	11,500	9,796
Miscellaneous Income	164,102	185,578	21,476	175,410	10,168
Sub-Total - Other Income	<u>174,739</u>	<u>206,874</u>	<u>32,135</u>	<u>186,910</u>	<u>19,964</u>
Total Income	<u>\$ 7,031,122</u>	<u>\$ 7,868,343</u>	<u>\$ 837,221</u>	<u>\$ 7,628,324</u>	<u>\$ 240,019</u>

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

	April ACTUAL 2018	April ACTUAL 2019	ACTUAL 2019 vs. ACTUAL 2018	April BUDGET 2019	ACTUAL 2019 vs. BUDGET
Vs. 2018 Operating Budget					
Operating Expenses:					
Wages	\$ 2,880,335	\$ 3,167,149	\$ 286,814	\$ 2,919,287	\$ 247,862
Pensions Health & Welfare	1,203,312	1,427,699	224,387	1,300,917	126,782
Payroll Taxes	192,977	208,822	15,845	197,138	11,684
Depreciation	974,097	950,781	(23,316)	967,606	(16,825)
Vessel Fuel Oil	523,723	611,157	87,434	688,020	(76,863)
Insurance	299,922	342,866	42,944	328,459	14,407
Direct Vessel Maintenance (Excl. Wages)	1,116,197	338,075	(778,122)	451,750	(113,675)
Direct Terminal Maintenance (Excl. Wages)	53,126	51,726	(1,400)	522,000	(470,274)
Utilities	102,572	92,148	(10,424)	167,506	(75,358)
Other	1,020,036	1,139,513	119,477	862,044	277,469
Sub-Total - Operating Expenses	8,366,297	8,329,936	(36,361)	8,404,727	(74,791)
Fixed Charges and Other Expenses:					
Bond Interest & Expense	187,006	270,166	83,160	272,605	(2,439)
Misc. Charges or Deductions	43,217	42,027	(1,190)	42,221	(194)
Sub-Total - Other Expenses	230,223	312,193	81,970	314,826	(2,633)
Total Expenses	\$ 8,596,520	\$ 8,642,129	\$ 45,609	\$ 8,719,553	\$ (77,424)
Net Operating Income (Loss)	\$ (1,565,398)	\$ (773,786)	\$ 791,612	\$ (1,091,229)	\$ 317,443

Budgetary Management Discussion and Analysis - April, 2019

Total operating revenues for April increased by \$220,055 or 3.0% versus the amount projected in the 2019 operating budget, for a total of \$7,661,469 in operating revenues. Passenger revenues for the month were up \$8,000 versus budget projections, which represents an increase of 0.4%. Automobile revenues were down \$8,000, or 0.4%, versus budget projections for April. Freight revenues were up \$179,000, or 6.2%, versus budget projections for the month. Parking revenues were down during April by \$32,000, or 10.6%. Concession revenues in April were down \$100 or 0.1%. Rent revenues from barge unloading and rental car space were up \$9,000, or 13.9%, in April versus budget.

During April, the vessels made a combined 1,860 trips. This represents a decrease of 12 trips, or 0.6%, versus budget for the month. On the Vineyard route, 0 trips were canceled for mechanical reasons, 4 for weather related and 0 for traffic demands while 0 unscheduled trips and 0 available trips were added. On the Nantucket route, 0 trips were canceled for mechanical reasons, 12 for weather related and 6 for traffic demands while 0 unscheduled and 10 available trips were added.

Total operating expenses for the month were down \$74,791 or 0.9%, versus the amount projected in the 2019 budget for a total of \$8,329,936. Maintenance expenses for the month were down \$402,000, or 24.0%, versus budget. Overhaul repairs for the M/V Woods Hole were down \$55,000; overhaul expense for the M/V Governor were down \$98,000; repairs for the M/V Eagle were up \$20,000; while expense for the M/V Gay Head were up \$27,000 and repairs to the M/V Island Home were up \$16,000 and engine repairs and overhaul repairs for the M/V Iyanough were up \$66,000 versus budget. Repairs to buildings and structures at the Oak Bluffs terminal were down \$165,000; at the Nantucket terminal were down \$187,000; and at the Hyannis terminal repairs were down \$80,000 versus budget while repairs to office and terminal equipment was up \$41,000 for the month.

Vessel fuel expense of \$611,000 was down by \$77,000 or 11.2% versus budget estimates. The average actual cost per gallon for vessel fuel oil in April was \$2.401, including net hedging costs, while the budgeted cost was \$2.544 per gallon. During April, the vessels logged 29,312 miles, which were 272 miles lower than budget, or a decrease of 0.9%. During April, 247,000 gallons of vessel fuel were consumed. This represents a decrease of 23,000 gallons, or 8.5%, versus budget. Insurance expenses were up \$14,000. General administrative expenses for the month were up \$233,000 or 11.7%. Legal expense was up \$12,000; pension expense was up \$42,000, health care expense was up \$160,000, disability contributions were down \$22,000, unemployment contributions were down \$11,000, training expense was up \$25,000, and credit card expense was up \$21,000.

Other income, including interest income, debt premium and license income, totaled \$206,874 and was \$19,964 higher than budget projections. Income deductions, including interest on funded debt and pension withdrawal, totaled \$312,193 and were \$2,633 lower than budget. The Authority's net operating loss for the month of April, including other income, income deductions and bond interest expense, was \$773,786 or \$317,443 lower than budget projections for the month.

Business Summary for the Year-To-Date as of April, 2019 (Continued)

Part IIb- Net Income (Loss) from Operations (Year to Date)

	YTD - April ACTUAL 2018	YTD - April ACTUAL 2019	YTD ACTUAL 2019 vs. YTD ACTUAL 2018	YTD - April BUDGET 2019	YTD ACTUAL 2019 vs. YTD BUDGET
Vs. 2018 Operating Budget					
Net Income (Loss) from Operations					
Operating Revenues	\$ 18,066,577	\$ 20,359,599	\$ 2,293,022	\$ 19,766,024	\$ 593,575
Other Income	638,721	788,205	149,484	686,640	101,565
Total Income	<u>18,705,298</u>	<u>21,147,804</u>	<u>2,442,506</u>	<u>20,452,664</u>	<u>695,140</u>
Operating Expenses	31,750,411	33,204,430	1,454,019	33,512,591	(308,161)
Fixed Charges and Other Expenses	969,470	1,280,285	310,815	1,321,779	(41,494)
Total Expenses	<u>32,719,881</u>	<u>34,484,715</u>	<u>1,764,834</u>	<u>34,834,370</u>	<u>(349,655)</u>
Net Operating Income (Loss)	<u>\$ (14,014,583)</u>	<u>\$ (13,336,911)</u>	<u>\$ 677,672</u>	<u>\$ (14,381,706)</u>	<u>\$ 1,044,795</u>
Operating Revenues:					
Auto Revenue	\$ 3,751,456	\$ 4,218,087	\$ 466,631	\$ 4,370,235	\$ (152,148)
Freight Revenue	7,764,717	9,240,013	1,475,296	8,604,548	635,465
Passenger Revenue	4,710,603	4,931,563	220,960	4,804,329	127,234
Bicycle, Mail, Misc. Voyage Rev.	244,543	245,147	604	241,991	3,156
Revenue from Terminal Operations	812,277	923,482	111,205	818,850	104,632
Parking Revenue	571,923	558,051	(13,872)	630,571	(72,520)
Rents	211,058	243,256	32,198	295,500	(52,244)
Sub-Total - Operating Revenue	<u>18,066,577</u>	<u>20,359,599</u>	<u>2,293,022</u>	<u>19,766,024</u>	<u>593,575</u>
Other Income:					
Interest Income	34,139	66,251	32,112	35,000	31,251
Miscellaneous Income	604,582	721,954	117,372	651,640	70,314
Sub-Total - Other Income	<u>638,721</u>	<u>788,205</u>	<u>149,484</u>	<u>686,640</u>	<u>101,565</u>
Total Income	<u>\$ 18,705,298</u>	<u>\$ 21,147,804</u>	<u>\$ 2,442,506</u>	<u>\$ 20,452,664</u>	<u>\$ 695,140</u>

Part IIb- Net Income (Loss) from Operations (Year to Date)

	YTD - April ACTUAL 2018	YTD - April ACTUAL 2019	YTD ACTUAL 2019 vs. YTD ACTUAL 2018	YTD - April BUDGET 2019	YTD ACTUAL 2019 vs. YTD BUDGET
Vs. 2018 Operating Budget					
Operating Expenses:					
Wages	\$ 10,266,382	\$ 11,651,371	\$ 1,384,989	\$ 10,900,004	\$ 751,367
Pensions Health & Welfare	4,980,628	5,385,401	404,773	5,115,144	270,257
Payroll Taxes	693,342	756,962	63,620	755,637	1,325
Depreciation	3,601,185	3,998,570	397,385	3,895,294	103,276
Vessel Fuel Oil	1,390,500	1,648,820	258,320	1,925,611	(276,791)
Insurance	1,201,069	1,377,739	176,670	1,313,836	63,903
Direct Vessel Maintenance (Excl. Wages)	4,685,228	3,509,777	(1,175,451)	4,532,540	(1,022,763)
Direct Terminal Maintenance (Excl. Wages)	509,426	150,606	(358,820)	1,122,400	(971,794)
Utilities	473,447	450,499	(22,948)	710,469	(259,970)
Other	3,949,204	4,274,685	325,481	3,241,656	1,033,029
Sub-Total - Operating Expenses	31,750,411	33,204,430	1,454,019	33,512,591	(308,161)
Fixed Charges and Other Expenses:					
Bond Interest & Expense	795,571	1,110,611	315,040	1,152,081	(41,470)
Misc. Charges or Deductions	173,899	169,674	(4,225)	169,698	(24)
Sub-Total - Other Expenses	969,470	1,280,285	310,815	1,321,779	(41,494)
Total Expenses	32,719,881	34,484,715	1,764,834	34,834,370	(349,655)
Net Operating Income (Loss)	(14,014,583)	(13,336,911)	677,672	(14,381,706)	1,044,795

Budgetary Management Discussion and Analysis: January - April, 2019

Year to date total operating revenues increased by \$593,575 or 3.0% versus the amount projected in the 2019 operating budget, for a total of \$19,766,024 in operating revenues. Passenger revenues for the year to date were up \$127,000 versus budget projections, which represents a 2.6% increase. Automobile revenues were down \$152,000, or 3.5%, versus budget projections. Freight revenues were up \$635,000 or 7.4%, versus budget projections. Parking revenues were down \$73,000, or 11.5%, compared to budget forecast. Rent revenues from barge unloading and rental car space were down \$52,000, or 17.7%, versus budget.

Year to date, the vessels made a combined 6,094 trips. This represents an increase of 10 trips, or 0.2%, versus budget. On the Vineyard route, 18 trips were canceled for mechanical reasons, 40 for weather related and 28 for traffic demands, while 15 unscheduled trips and 18 available trips were added. On the Nantucket route, 7 trips were canceled for mechanical reasons, 47 for weather related and 12 for traffic demands, while 17 unscheduled trips and 112 available trips were added.

Year to date operating expenses were down \$308,161 or 0.9%, versus the amount projected in the 2019 budget for a total of \$33,204,430. Maintenance expenses for the year are down \$1,382,000, or 16.0%, versus budget. Overhaul repairs for the M/V Martha's Vineyard were down \$129,000; the M/V Woods Hole overhaul and dry-dock expense was up \$235,000; overhaul expenses for the M/V Governor were down \$134,000; overhaul expenses for the M/V Sankaty were up \$17,000; M/V Nantucket repair expenses were down \$214,000; engine parts expenses for the M/V Katama were down \$150,000; the M/V Island Home repair expenses were down \$402,000; and overhaul expenses for the M/V Iyanough was down \$178,000. Terminal and dolphin and dock repairs in Nantucket were down \$388,000 and were down in Hyannis by \$315,000. Motor vehicle repairs were down \$53,000, equipment repairs were up \$182,000 and other maintenance expense was up by \$84,000.

Vessel fuel expense of \$1,649,000 was \$277,000, or 14.4%, below budget estimates. The average actual cost per gallon for vessel fuel oil was \$2.264 including net hedging costs, while the budgeted cost was \$2.578 per gallon. 84,590 vessel miles have been logged in the year, an increase of 1,466 miles, or 1.8%, versus budget. 720,000 gallons of vessel fuel were consumed. This represents a decrease of 26,000 gallons or 3.5% versus budget. General administrative expenses for the year were up 8.1%, or \$634,000. Legal expense was down \$17,000, pension expense was up \$140,000, health care costs were up \$260,000, disability contributions were down \$92,000, and unemployment contributions were up \$8,000. Training expense was up \$147,000; while credit card fees were up \$65,000, telephone expense was down \$17,000.

Other income, including interest income, debt premium and license income, totaled \$686,640 and was \$101,565 higher than budget projections. Income deductions, including interest on funded debt and pension withdrawal, totaled \$1,321,779 and were \$41,494 lower than budget. Year to date, the Authority's net operating loss, including other income, income deductions and bond interest expense, was \$14,381,706 or \$1,044,795 lower than budget projections.

Part III - Cash Balances

	April, 2019 Amount	Variance vs. Budget Positive / (Negative)	Year to Date Amount	Variance vs. Budget Positive / (Negative)
Cash Balance - Operations Fund				
Beginning Balance	\$ 19,675,556	\$ 3,017,601	\$ 13,078,366	\$ 78,366
Cash Receipts	10,334,152	853,564	38,662,222	1,699,394
Cash Receipts - Grants	-	-	203,378	203,378
Cash Receipts - Capital Projects	-	-	1,552,710	1,552,710
Cash Disbursements	(8,511,849)	(404,051)	(30,829,827)	(1,107,905)
Cash Disbursements - Capital Projects	(581,685)	(581,685)	(1,750,675)	(1,750,675)
Transfers to Special Purpose Funds	-	-	-	2,210,161
Ending Balance	<u>\$ 20,916,174</u>	<u>\$ 2,885,429</u>	<u>\$ 20,916,174</u>	<u>\$ 2,885,429</u>
Cash Balance - Special-Purpose Funds				
Sinking Fund				
Beginning Balance	\$ 106,883	\$ (2,153,438)	\$ 9,046,734	\$ 35,843
Transfers from Revenue Fund	1,540,216	1,540,216	1,540,216	(669,945)
Income from Investments	2,439	1,039	41,469	21,919
Accrued Interest Received	-	-	-	-
Debt Service Payments	-	-	(8,978,881)	-
Ending Balance	<u>\$ 1,649,538</u>	<u>\$ (612,183)</u>	<u>\$ 1,649,538</u>	<u>\$ (612,183)</u>
Replacement Fund				
Beginning Balance	\$ 11,697,526	\$ 6,712,902	\$ 13,424,061	\$ 3,155,787
Transfers from Revenue Fund	-	-	-	-
Transfers from Bond Redemption	-	-	-	-
Proceeds from Disposal of Property	-	-	-	-
Income from Investments	25,225	22,125	111,990	92,540
Withdrawals	-	1,225,000	(1,813,300)	4,711,700
Ending Balance	<u>\$ 11,722,751</u>	<u>\$ 7,960,027</u>	<u>\$ 11,722,751</u>	<u>\$ 7,960,027</u>
Reserve Fund				
Beginning Balance	\$ 3,661,650	\$ 17,884	\$ 3,637,813	\$ 847
Transfers from Revenue Fund	-	-	-	-
Income from Investments	7,896	5,646	31,733	22,683
Transfers to Bond Redemption Acct.	-	-	-	-
Ending Balance	<u>\$ 3,669,546</u>	<u>\$ 23,530</u>	<u>\$ 3,669,546</u>	<u>\$ 23,530</u>
Bond Redemption Account				
Beginning Balance	\$ 859,187	\$ 4,762	\$ 853,594	\$ 769
Transfers from Revenue Fund	-	-	-	-
Transfers from Reserve Fund	-	-	-	-
Transfers to Replacement Fund	-	-	-	-
Income from Investments	1,853	1,303	7,446	5,296
Ending Balance	<u>\$ 861,040</u>	<u>\$ 6,065</u>	<u>\$ 861,040</u>	<u>\$ 6,065</u>

Part III - Cash Balances

	April, 2019 Amount	Variance vs. Budget Positive / (Negative)	Year to Date Amount	Variance vs. Budget Positive / (Negative)
Capital Improvement Fund				
Beginning Balance	\$ 6,168,845	\$ 6,168,845	\$ 8,468,242	\$ 8,055,256
From Bond/Note Issue	-	-	-	-
Income from Investments	12,946	12,946	61,449	61,449
Withdrawals	(389,095)	(389,095)	(2,736,995)	(2,324,009)
Ending Balance	<u>\$ 5,792,696</u>	<u>\$ 5,792,696</u>	<u>\$ 5,792,696</u>	<u>\$ 5,792,696</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)	8,912,431	11,127,915
To Reserve Fund	-	-
To Bond Redemption Account	-	-
Total Transfers to Special Purpose Funds	<u>\$ 19,776,381</u>	<u>\$ 21,991,865</u>

* Current estimate is based on the actual cash balance as of 04/30/2019 plus projected cash receipts and disbursements for the remainder of the year, per the 2019 Operating Budget.

Business Summary for the Month of April, 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	\$ 64,812,250	\$ 48,651,757	\$ 113,464,007
Other Non-Service Income - Net	1,043,172	2,589,352	3,632,524
Total Income	<u>\$ 65,855,422</u>	<u>\$ 51,241,109</u>	<u>\$ 117,096,531</u>
% Distribution by Route	56.2%	43.8%	100.0%
Cost of Service	<u>\$ 62,418,646</u>	<u>\$ 46,356,942</u>	<u>\$ 108,775,588</u>
% Distribution by Route	57.4%	42.6%	100.0%
Net Operating Income by Route for 2019	<u>\$ 3,436,776</u>	<u>\$ 4,884,167</u>	<u>\$ 8,320,943</u>
% Distribution by Route	41.3%	58.7%	100.0%

* Based on actual net operating income (loss) for the first 4 months plus 8 month of projected net operating income (loss) for the remainder of the year, per the 2019 Operating Budget

Part VI - Share of Market versus Licensed Ferry Services

	April Amount	Change vs. Prev. Yr.	Year to Date Amount	Change vs. Prev. Yr.
License Fee Income	\$ 67,340	\$ 2,499	\$ 249,002	\$ 41,465
	April Amount	Change vs. Prev. Yr.		
Weather Observations #				
Average Maximum Temperature (Fahrenheit)	55.8	4.4		
Total Precipitation (in water equivalent inches)	4.54	0.70		
Number of Days with Measurable Precipitation	22	8		

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

Part VI - Share of Market versus Licensed Ferry Services

	April Amount	Change vs. Prev. Yr.		Year to Date Amount	Change vs. Prev. Yr.	
Martha's Vineyard						
Steamship Authority	151,139	5,773	4.0%	461,145	29,783	6.9%
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 *	151,139	5,773	4.0%	461,145	29,783	6.9%
Nantucket						
Steamship Authority						
Regular	17,087	117	0.7%	54,849	(1,957)	-3.4%
Fast Ferry (Prior to April 2)	0	0	0.0%	893	893	100.0%
Fast Ferry (April 2) (in service 2018)	0	0	0.0%	0	0	0.0%
Fast Ferry (April 3 and after)(in service 2019)	21,649	328	1.5%	21,649	328	1.5%
Subtotal - Nantucket	38,736	82	0.2%	77,391	(1,099)	-1.4%
Hy-Line						
Regular	0	0	0.0%	0	0	0.0%
HighSpeed (Prior to April 2)	1,402	(40)	-2.8%	113,295	22,520	24.8%
HighSpeed (April 2)(IYA in service 2018)	1,585	226	0.0%	1,585	226	16.6%
HighSpeed (April 3 & after)(IYA in service 2019)	38,303	1,762	4.8%	38,303	1,762	4.8%
Subtotal Hy-Line	41,290	1,948	5.0%	153,183	24,508	19.0%
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	80,026	2,030	2.6%	230,574	23,409	11.3%

M/V Iyanough in service 04/02/2018 - 01/02/2019 and 04/03/2019 - 01/03/2020.

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

Business Summary for the Month of May, 2019

Part I - Traffic Statistics

	Month of May 2018	Month of May 2019	DIFF	%DIFF	YTD through May 2018	YTD through May 2019	DIFF	%DIFF
Number of Passengers Carried								
Martha's Vineyard	223,860	224,748	888	0.4%	655,222	685,893	30,671	4.7%
Nantucket								
Regular	22,431	22,652	221	1.0%	79,237	77,501	(1,736)	-2.2%
Fast Ferry	36,826	34,469	(2,357)	-6.4%	58,510	57,011	(1,499)	-2.6%
Subtotal - Nantucket	59,257	57,121	(2,136)	-3.6%	137,747	134,512	(3,235)	-2.3%
Total	283,117	281,869	(1,248)	-0.4%	792,969	820,405	27,436	3.5%
Number of Automobiles Carried								
Martha's Vineyard								
Regular	23,640	23,040	(600)	-2.5%	60,367	62,380	2,013	3.3%
Excursion	13,737	13,846	109	0.8%	61,976	66,557	4,581	7.4%
Subtotal - M. Vineyard	37,377	36,886	(491)	-1.3%	122,343	128,937	6,594	5.4%
Nantucket								
Regular	3,608	3,575	(33)	-0.9%	8,263	8,406	143	1.7%
Excursion	1,691	1,640	(51)	-3.0%	8,474	8,947	473	5.6%
Subtotal - Nantucket	5,299	5,215	(84)	-1.6%	16,737	17,353	616	3.7%
Total	42,676	42,101	(575)	-1.3%	139,080	146,290	7,210	5.2%
Number of Trucks Carried								
Martha's Vineyard								
Less than 20' - Regular	5,221	5,203	(18)	-0.3%	17,482	19,309	1,827	10.5%
Less than 20' - Excursion	3,443	3,475	32	0.9%	15,278	16,760	1,482	9.7%
20' and over	5,373	5,456	83	1.5%	19,641	20,854	1,213	6.2%
sub-total - M.Vineyard	14,037	14,134	97	0.7%	52,401	56,923	4,522	8.6%
Nantucket								
Less than 20' - Regular	1,208	1,291	83	6.9%	4,445	4,761	316	7.1%
Less than 20' - Excursion	759	746	(13)	-1.7%	3,588	3,894	306	8.5%
20' and over	3,747	3,795	48	1.3%	13,003	13,696	693	5.3%
sub-total - Nantucket	5,714	5,832	118	2.1%	21,036	22,351	1,315	6.3%
Total	19,751	19,966	215	1.1%	73,437	79,274	5,837	7.9%

Business Summary for the Month of May, 2019

Part I - Traffic Statistics

	Month of May 2018	Month of May 2019	DIFF	%DIFF	YTD through May 2018	YTD through May 2019	DIFF	%DIFF
Number of Cars Parked								
Woods Hole, Falmouth and Cataumet	13,640	13,524	(116)	-0.9%	31,637	31,388	(249)	-0.8%
Hyannis, Nantucket	4,175	4,002	(173)	-4.1%	7,764	7,624	(140)	-1.8%
Total	17,815	17,526	(289)	-1.6%	39,401	39,012	(389)	-1.0%
Average Length of Stay - Cars Parked (Days)								
Woods Hole, Falmouth and Cataumet	2.02	2.02	0.00	0.0%	1.88	1.85	(0.03)	-1.6%
Hyannis, Nantucket	2.56	2.48	(0.08)	-3.1%	2.59	2.51	(0.08)	-3.1%
Total	2.15	2.13	(0.02)	-0.9%	2.02	1.98	(0.04)	-2.0%
Average Revenue per Passenger *								
Martha's Vineyard	\$ 7.06	\$ 7.04	\$ (0.02)	-0.3%	\$ 6.94	\$ 6.92	\$ (0.02)	-0.3%
Nantucket	23.22	23.09	(0.13)	-0.6%	21.18	21.24	0.06	0.3%
Total	\$ 10.44	\$ 10.29	\$ (0.15)	-1.4%	\$ 9.41	\$ 9.27	\$ (0.14)	-1.5%
Average Revenue per Automobile								
Martha's Vineyard	\$ 51.51	\$ 58.85	\$ 7.34	14.2%	\$ 37.72	\$ 40.41	\$ 2.69	7.1%
Nantucket	153.40	170.67	17.27	11.3%	113.19	118.79	5.60	4.9%
Total	\$ 64.16	\$ 72.70	\$ 8.54	13.3%	\$ 46.81	\$ 49.71	\$ 2.90	6.2%
Average Revenue per Truck								
Martha's Vineyard	\$ 102.61	\$ 116.92	\$ 14.31	13.9%	\$ 96.91	\$ 105.96	\$ 9.05	9.3%
Nantucket	298.57	331.15	32.58	10.9%	277.86	305.09	27.23	9.8%
Total	\$ 159.30	\$ 179.49	\$ 20.19	12.7%	\$ 148.74	\$ 162.11	\$ 13.37	9.0%

* Excludes any town embarkation fees.

Business Summary for the Month of May, 2019

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

	May ACTUAL 2018	May ACTUAL 2019	ACTUAL 2019 vs. ACTUAL 2018	May BUDGET 2019	ACTUAL 2019 vs. BUDGET
Vs. 2018 Operating Budget					
Net Income (Loss) from Operations					
Operating Revenues	\$ 10,248,874	\$ 10,936,196	\$ 687,322	\$ 11,077,601	\$ (141,405)
Other Income	206,771	254,022	47,251	214,410	39,612
Total Income	<u>10,455,645</u>	<u>11,190,218</u>	<u>734,573</u>	<u>11,292,011</u>	<u>(101,793)</u>
Operating Expenses	8,971,405	9,711,041	739,636	8,754,531	956,510
Fixed Charges and Other Expenses	235,727	316,086	80,359	323,776	(7,690)
Total Expenses	<u>9,207,132</u>	<u>10,027,127</u>	<u>819,995</u>	<u>9,078,307</u>	<u>948,820</u>
Net Operating Income (Loss)	<u>\$ 1,248,513</u>	<u>\$ 1,163,091</u>	<u>\$ (85,422)</u>	<u>\$ 2,213,704</u>	<u>\$ (1,050,613)</u>
Operating Revenues:					
Auto Revenue	\$ 2,740,193	\$ 3,072,431	\$ 332,238	\$ 3,154,251	\$ (81,820)
Freight Revenue	3,150,792	3,580,678	429,886	3,456,689	123,989
Passenger Revenue	3,057,768	3,011,052	(46,716)	3,088,563	(77,511)
Bicycle, Mail, Misc. Voyage Rev.	116,928	123,860	6,932	118,360	5,500
Revenue from Terminal Operations	418,467	361,797	(56,670)	422,525	(60,728)
Parking Revenue	664,223	706,028	41,805	734,713	(28,685)
Rents	100,503	80,350	(20,153)	102,500	(22,150)
Sub-Total - Operating Revenue	<u>10,248,874</u>	<u>10,936,196</u>	<u>687,322</u>	<u>11,077,601</u>	<u>(141,405)</u>
Other Income:					
Interest Income	9,529	30,659	21,130	9,000	21,659
Miscellaneous Income	197,242	223,363	26,121	205,410	17,953
Sub-Total - Other Income	<u>206,771</u>	<u>254,022</u>	<u>47,251</u>	<u>214,410</u>	<u>39,612</u>
Total Income	<u>\$ 10,455,645</u>	<u>\$ 11,190,218</u>	<u>\$ 734,573</u>	<u>\$ 11,292,011</u>	<u>\$ (101,793)</u>

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

	May ACTUAL 2018	May ACTUAL 2019	ACTUAL 2019 vs. ACTUAL 2018	May BUDGET 2019	ACTUAL 2019 vs. BUDGET
Vs. 2018 Operating Budget					
Operating Expenses:					
Wages	\$ 3,394,902	\$ 3,552,128	\$ 157,226	\$ 3,344,824	\$ 207,304
Pensions Health & Welfare	1,412,135	1,717,821	305,686	1,474,221	243,600
Payroll Taxes	258,740	273,623	14,883	272,610	1,013
Depreciation	1,068,218	950,780	(117,438)	967,606	(16,826)
Vessel Fuel Oil	623,185	767,789	144,604	791,174	(23,385)
Insurance	307,517	343,234	35,717	328,459	14,775
Direct Vessel Maintenance (Excl. Wages)	459,316	365,812	(93,504)	275,420	90,392
Direct Terminal Maintenance (Excl. Wages)	269,049	220,447	(48,602)	143,350	77,097
Utilities	101,073	73,689	(27,384)	163,127	(89,438)
Other	1,077,270	1,445,718	368,448	993,740	451,978
Sub-Total - Operating Expenses	8,971,405	9,711,041	739,636	8,754,531	956,510
Fixed Charges and Other Expenses:					
Bond Interest & Expense	192,642	274,195	81,553	281,691	(7,496)
Misc. Charges or Deductions	43,085	41,891	(1,194)	42,085	(194)
Sub-Total - Other Expenses	235,727	316,086	80,359	323,776	(7,690)
Total Expenses	\$ 9,207,132	\$ 10,027,127	\$ 819,995	\$ 9,078,307	\$ 948,820
Net Operating Income (Loss)	\$ 1,248,513	\$ 1,163,091	\$ (85,422)	\$ 2,213,704	\$ (1,050,613)

Budgetary Management Discussion and Analysis - May, 2019

Total operating revenues for May decreased by \$141,405 or 1.3% versus the amount projected in the 2019 operating budget, for a total of \$10,936,196 in operating revenues. Passenger revenues for the month were down \$78,000 versus budget projections, which represents a decrease of 2.5%. Automobile revenues were down \$82,000, or 2.6%, versus budget projections for May. Freight revenues were up \$124,000, or 3.6%, versus budget projections for the month. Parking revenues were down during May by \$27,000, or 3.9%. Concession revenues in May were down \$6,000 or 8.3%. Rent revenues from barge unloading and rental car space were down \$22,000, or 21.6%, in May versus budget.

During May, the vessels made a combined 2,277 trips. This represents an increase of 49 trips, or 2.2%, versus budget for the month. On the Vineyard route, 4 trips were canceled for mechanical reasons, 0 for weather related and 0 for traffic demands while 3 unscheduled trips and 39 available trips were added. On the Nantucket route, 2 trips were canceled for mechanical reasons, 10 for weather related and 3 for traffic demands while 10 unscheduled and 16 available trips were added.

Total operating expenses for the month were up \$956,510 or 10.9%, versus the amount projected in the 2019 budget for a total of \$9,711,041. Maintenance expenses for the month were up \$341,000, or 30.2%, versus budget. Overhaul repairs for the M/V Martha's Vineyard were down \$69,000; overhaul expense for the M/V Governor were up \$37,000; repairs for the M/V Sankaty were up \$43,000; while expense for the M/V Iyanough were up \$69,000 versus budget. Repairs to buildings and structures at the Vineyard Haven terminal were up \$150,000; at the Oak Bluffs terminal dolphin & dock repairs were down \$52,000; at the Nantucket terminal were down \$2,000; and at the Hyannis terminal repairs were down \$42,000 versus budget while repairs to office and terminal equipment was up \$60,000 for the month and for motor vehicles by \$42,000.

Vessel fuel expense of \$768,000 was down by \$23,000 or 3.0% versus budget estimates. The average actual cost per gallon for vessel fuel oil in May was \$2.369, including net hedging costs, while the budgeted cost was \$2.523 per gallon. During May, the vessels logged 35,618 miles, which were 634 miles higher than budget, or an increase of 1.8%. During May, 320,000 gallons of vessel fuel were consumed. This represents an increase of 7,000 gallons, or 2.1%, versus budget. Insurance expenses were up \$15,000. General administrative expenses for the month were up \$389,000 or 17.7%. Legal expense was down \$10,000; pension expense was up \$341,000, health care expense was down \$120,000, disability contributions were down \$25,000, unemployment contributions were up \$48,000, training expense was down \$14,000, and credit card expense was up \$19,000.

Other income, including interest income, debt premium and license income, totaled \$254,022 and was \$39,612 higher than budget projections. Income deductions, including interest on funded debt and pension withdrawal, totaled \$316,086 and were \$7,690 lower than budget. The Authority's net operating income for the month of May, including other income, income deductions and bond interest expense, was \$1,163,091 or \$1,050,613 lower than budget projections for the month.

Business Summary for the Year-To-Date as of May, 2019 (Continued)

Part IIb- Net Income (Loss) from Operations (Year to Date)

	YTD - May ACTUAL 2018	YTD - May ACTUAL 2019	YTD ACTUAL 2019 vs. YTD ACTUAL 2018	YTD - May BUDGET 2019	YTD ACTUAL 2019 vs. YTD BUDGET
Vs. 2018 Operating Budget					
Net Income (Loss) from Operations					
Operating Revenues	\$ 28,315,451	\$ 31,295,795	\$ 2,980,344	\$ 30,843,625	\$ 452,170
Other Income	845,492	1,042,227	196,735	901,050	141,177
Total Income	<u>29,160,943</u>	<u>32,338,022</u>	<u>3,177,079</u>	<u>31,744,675</u>	<u>593,347</u>
Operating Expenses	40,721,816	42,915,471	2,193,655	42,267,122	648,349
Fixed Charges and Other Expenses	1,205,197	1,596,371	391,174	1,645,555	(49,184)
Total Expenses	<u>41,927,013</u>	<u>44,511,842</u>	<u>2,584,829</u>	<u>43,912,677</u>	<u>599,165</u>
Net Operating Income (Loss)	<u>\$ (12,766,070)</u>	<u>\$ (12,173,820)</u>	<u>\$ 592,250</u>	<u>\$ (12,168,002)</u>	<u>\$ (5,818)</u>
Operating Revenues:					
Auto Revenue	\$ 6,491,649	\$ 7,290,518	\$ 798,869	\$ 7,524,486	\$ (233,968)
Freight Revenue	10,915,509	12,820,691	1,905,182	12,061,237	759,454
Passenger Revenue	7,768,371	7,942,615	174,244	7,892,892	49,723
Bicycle, Mail, Misc. Voyage Rev.	361,471	369,007	7,536	360,351	8,656
Revenue from Terminal Operations	1,230,744	1,285,279	54,535	1,241,375	43,904
Parking Revenue	1,236,146	1,264,079	27,933	1,365,284	(101,205)
Rents	311,561	323,606	12,045	398,000	(74,394)
Sub-Total - Operating Revenue	<u>28,315,451</u>	<u>31,295,795</u>	<u>2,980,344</u>	<u>30,843,625</u>	<u>452,170</u>
Other Income:					
Interest Income	43,668	96,910	53,242	44,000	52,910
Miscellaneous Income	801,824	945,317	143,493	857,050	88,267
Sub-Total - Other Income	<u>845,492</u>	<u>1,042,227</u>	<u>196,735</u>	<u>901,050</u>	<u>141,177</u>
Total Income	<u>\$ 29,160,943</u>	<u>\$ 32,338,022</u>	<u>\$ 3,177,079</u>	<u>\$ 31,744,675</u>	<u>\$ 593,347</u>

Part IIb- Net Income (Loss) from Operations (Year to Date)

	YTD - May ACTUAL 2018	YTD - May ACTUAL 2019	YTD ACTUAL 2019 vs. YTD ACTUAL 2018	YTD - May BUDGET 2019	YTD ACTUAL 2019 vs. YTD BUDGET
Vs. 2018 Operating Budget					
Operating Expenses:					
Wages	\$ 13,661,284	\$ 15,203,499	\$ 1,542,215	\$ 14,244,828	\$ 958,671
Pensions Health & Welfare	6,392,763	7,103,222	710,459	6,589,365	513,857
Payroll Taxes	952,082	1,030,585	78,503	1,028,247	2,338
Depreciation	4,669,403	4,949,350	279,947	4,862,900	86,450
Vessel Fuel Oil	2,013,685	2,416,609	402,924	2,716,785	(300,176)
Insurance	1,508,586	1,720,973	212,387	1,642,295	78,678
Direct Vessel Maintenance (Excl. Wages)	5,144,544	3,875,589	(1,268,955)	4,807,960	(932,371)
Direct Terminal Maintenance (Excl. Wages)	778,475	371,053	(407,422)	1,265,750	(894,697)
Utilities	574,520	524,188	(50,332)	873,596	(349,408)
Other	5,026,474	5,720,403	693,929	4,235,396	1,485,007
Sub-Total - Operating Expenses	40,721,816	42,915,471	2,193,655	42,267,122	648,349
Fixed Charges and Other Expenses:					
Bond Interest & Expense	988,213	1,384,806	396,593	1,433,772	(48,966)
Misc. Charges or Deductions	216,984	211,565	(5,419)	211,783	(218)
Sub-Total - Other Expenses	1,205,197	1,596,371	391,174	1,645,555	(49,184)
Total Expenses	41,927,013	44,511,842	2,584,829	43,912,677	599,165
Net Operating Income (Loss)	(12,766,070)	(12,173,820)	592,250	(12,168,002)	(5,818)

Budgetary Management Discussion and Analysis: January - May, 2019

Year to date total operating revenues increased by \$452,170 or 1.5% versus the amount projected in the 2019 operating budget, for a total of \$31,295,794 in operating revenues. Passenger revenues for the year to date were up \$50,000 versus budget projections, which represents a 0.6% increase. Automobile revenues were down \$234,000, or 3.1%, versus budget projections. Freight revenues were up \$759,000 or 6.3%, versus budget projections. Parking revenues were down \$101,000, or 7.4%, compared to budget forecast. Rent revenues from barge unloading and rental car space were down \$74,000, or 18.7%, versus budget.

Year to date, the vessels made a combined 8,371 trips. This represents an increase of 59 trips, or 0.7%, versus budget. On the Vineyard route, 22 trips were canceled for mechanical reasons, 40 for weather related and 28 for traffic demands, while 18 unscheduled trips and 57 available trips were added. On the Nantucket route, 9 trips were canceled for mechanical reasons, 57 for weather related and 15 for traffic demands, while 27 unscheduled trips and 128 available trips were added.

Year to date operating expenses were up \$648,349 or 1.5%, versus the amount projected in the 2019 budget for a total of \$42,915,471. Maintenance expenses for the year are down \$1,041,000, or 10.6%, versus budget. Overhaul repairs for the M/V Martha's Vineyard were down \$199,000; the M/V Woods Hole overhaul and dry-dock expense was up \$237,000; overhaul expenses for the M/V Governor were down \$97,000; overhaul expenses for the M/V Sankaty were up \$60,000; M/V Nantucket repair expenses were down \$199,000; engine parts expenses for the M/V Katama were down \$150,000; repairs on the M/V Eagle were up \$203,000; repairs on the M/V Gay Head were up \$34,000; the M/V Island Home repair expenses were down \$392,000; and overhaul expenses for the M/V Iyanough was down \$109,000. Terminal and dolphin and dock repairs in Nantucket were down \$373,000 and were down in Hyannis by \$349,000. Motor vehicle repairs were up \$3,000, equipment repairs were up \$243,000 and other maintenance expense was up by \$126,000.

Vessel fuel expense of \$2,417,000 was \$300,000, or 11.0%, below budget estimates. The average actual cost per gallon for vessel fuel oil was \$2.297 including net hedging costs, while the budgeted cost was \$2.562 per gallon. 120,208 vessel miles have been logged in the year, an increase of 2,100 miles, or 1.8%, versus budget. 1,041,000 gallons of vessel fuel were consumed. This represents a decrease of 20,000 gallons or 1.9% versus budget. General administrative expenses for the year were up 10.2%, or \$1,023,000. Legal expense was down \$27,000, pension expense was up \$836,000, health care costs were down \$215,000, disability contributions were down \$117,000, and unemployment contributions were up \$9,000. Training expense was up \$132,000; while credit card fees were up \$84,000, telephone expense was up \$62,000.

Other income, including interest income, debt premium and license income, totaled \$1,042,227 and was \$141,177 higher than budget projections. Income deductions, including interest on funded debt and pension withdrawal, totaled \$1,596,371 and were \$49,184 lower than budget. Year to date, the Authority's net operating loss, including other income, income deductions and bond interest expense, was \$12,173,820 or \$5,818 lower than budget projections.

Part III - Cash Balances

	May, 2019 Amount	Variance vs. Budget Positive / (Negative)	Year to Date Amount	Variance vs. Budget Positive / (Negative)
Cash Balance - Operations Fund				
Beginning Balance	\$ 20,916,174	\$ 2,885,429	\$ 13,078,366	\$ 78,366
Cash Receipts	10,006,357	(1,265,145)	48,668,579	434,249
Cash Receipts - Grants	-	-	203,378	203,378
Cash Receipts - Capital Projects	-	-	1,552,710	1,552,710
Cash Disbursements	(7,628,336)	(253,222)	(38,458,163)	(1,361,127)
Cash Disbursements - Capital Projects	(566,700)	(566,700)	(2,317,375)	(2,317,375)
Transfers to Special Purpose Funds	(3,691,572)	(2,885,429)	(3,691,572)	(675,268)
Ending Balance	<u>\$ 19,035,923</u>	<u>\$ (2,085,067)</u>	<u>\$ 19,035,923</u>	<u>\$ (2,085,067)</u>
Cash Balance - Special-Purpose Funds				
Sinking Fund				
Beginning Balance	\$ 1,649,538	\$ (612,183)	\$ 9,046,734	\$ 35,843
Transfers from Revenue Fund	3,691,572	2,885,429	5,231,788	2,215,484
Income from Investments	7,496	6,046	48,965	27,965
Accrued Interest Received	-	-	-	-
Debt Service Payments	-	-	(8,978,881)	-
Ending Balance	<u>\$ 5,348,606</u>	<u>\$ 2,279,292</u>	<u>\$ 5,348,606</u>	<u>\$ 2,279,292</u>
Replacement Fund				
Beginning Balance	\$ 11,722,751	\$ 7,960,027	\$ 13,424,061	\$ 3,155,787
Transfers from Revenue Fund	-	-	-	-
Transfers from Bond Redemption	-	-	-	-
Proceeds from Disposal of Property	-	-	-	-
Income from Investments	25,649	23,249	137,639	115,789
Withdrawals	-	290,000	(1,813,300)	5,001,700
Ending Balance	<u>\$ 11,748,400</u>	<u>\$ 8,273,276</u>	<u>\$ 11,748,400</u>	<u>\$ 8,273,276</u>
Reserve Fund				
Beginning Balance	\$ 3,669,546	\$ 23,530	\$ 3,637,813	\$ 847
Transfers from Revenue Fund	-	-	-	-
Income from Investments	8,029	5,679	39,762	28,362
Transfers to Bond Redemption Acct.	-	-	-	-
Ending Balance	<u>\$ 3,677,575</u>	<u>\$ 29,209</u>	<u>\$ 3,677,575</u>	<u>\$ 29,209</u>
Bond Redemption Account				
Beginning Balance	\$ 861,040	\$ 6,065	\$ 853,594	\$ 769
Transfers from Revenue Fund	-	-	-	-
Transfers from Reserve Fund	-	-	-	-
Transfers to Replacement Fund	-	-	-	-
Income from Investments	1,884	1,334	9,330	6,630
Ending Balance	<u>\$ 862,924</u>	<u>\$ 7,399</u>	<u>\$ 862,924</u>	<u>\$ 7,399</u>

Part III - Cash Balances

	May, 2019 Amount	Variance vs. Budget Positive / (Negative)	Year to Date Amount	Variance vs. Budget Positive / (Negative)
Capital Improvement Fund				
Beginning Balance	\$ 5,792,696	\$ 5,792,696	\$ 8,468,242	\$ 8,055,256
From Bond/Note Issue	-	-	-	-
Income from Investments	12,247	12,247	73,696	73,696
Withdrawals	(2,819,205)	(2,819,205)	(5,556,200)	(5,143,214)
Ending Balance	<u>\$ 2,985,738</u>	<u>\$ 2,985,738</u>	<u>\$ 2,985,738</u>	<u>\$ 2,985,738</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)	8,912,431	9,042,849
To Reserve Fund	-	-
To Bond Redemption Account	-	-
Total Transfers to Special Purpose Funds	<u>\$ 19,776,381</u>	<u>\$ 19,906,799</u>

* Current estimate is based on the actual cash balance as of 05/31/2019 plus projected cash receipts and disbursements for the remainder of the year, per the 2019 Operating Budget.

Business Summary for the Month of May, 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	\$ 64,739,784	\$ 48,582,865	\$ 113,322,649
Other Non-Service Income - Net	1,060,910	2,611,226	3,672,136
Total Income	<u>\$ 65,800,694</u>	<u>\$ 51,194,091</u>	<u>\$ 116,994,785</u>
% Distribution by Route	56.2%	43.8%	100.0%
Cost of Service	<u>\$ 62,925,222</u>	<u>\$ 46,799,185</u>	<u>\$ 109,724,407</u>
% Distribution by Route	57.3%	42.7%	100.0%
Net Operating Income by Route for 2019	<u><u>\$ 2,875,472</u></u>	<u><u>\$ 4,394,906</u></u>	<u><u>\$ 7,270,378</u></u>
% Distribution by Route	39.6%	60.4%	100.0%

* Based on actual net operating income (loss) for the first 5 months plus 7 months of projected net operating income (loss) for the remainder of the year, per the 2019 Operating Budget

Part VI - Share of Market versus Licensed Ferry Services

	May Amount	Change vs. Prev. Yr.	Year to Date Amount	Change vs. Prev. Yr.
License Fee Income	\$ 105,125	\$ 7,144	\$ 354,127	\$ 48,609
	May Amount	Change vs. Prev. Yr.		
Weather Observations #				
Average Maximum Temperature (Fahrenheit)	62.2	-4.6		
Total Precipitation (in water equivalent inches)	3.79	2.00		
Number of Days with Measurable Precipitation	16	4		

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

Part VI - Share of Market versus Licensed Ferry Services

Number of Passengers Carried	May Amount	Change vs. Prev. Yr.		Year to Date Amount	Change vs. Prev. Yr.	
Martha's Vineyard						
Steamship Authority	224,748	888	0.4%	685,893	30,671	4.7%
Hy-Line						
Regular	0	0	0.0%	0	0	0.0%
High Speed	6,326	856	15.6%	6,326	856	15.6%
Subtotal Hy-Line	6,326	856	15.6%	6,326	856	15.6%
Falmouth Ferry Service	779	277	55.2%	779	277	55.2%
SeaStreak (New Bedford)	4,491	1,241	38.2%	4,491	1,241	38.2%
SeaStreak (New York City)	558	124	0.0%	558	124	28.6%
Total *	236,902	3,386	1.5%	698,047	33,169	5.0%
Nantucket						
Steamship Authority						
Regular	22,652	221	1.0%	77,501	(1,736)	-2.2%
Fast Ferry (Prior to April 2)	0	0	0.0%	893	893	100.0%
Fast Ferry (April 2) (in service 2018)	0	0	0.0%	0	0	0.0%
Fast Ferry (April 3 and after)(in service 2019)	34,469	(2,357)	-6.4%	56,118	(2,029)	-3.5%
Subtotal - Nantucket	57,121	(2,136)	-3.6%	134,512	(3,235)	-2.3%
Hy-Line						
Regular	0	0	0.0%	0	0	0.0%
HighSpeed (Prior to April 2)	0	0	0.0%	113,295	22,520	24.8%
HighSpeed (April 2)(IYA in service 2018)	0	0	0.0%	1,585	226	16.6%
HighSpeed (April 3 & after)(IYA in service 2019)	60,242	1,013	1.7%	98,545	2,775	2.9%
Subtotal Hy-Line	60,242	1,013	1.7%	213,425	25,521	13.6%
Freedom Cruise Line (Harwich)	644	253	64.7%	644	253	64.7%
SeaStreak (New Bedford)	3,735	1,480	65.6%	3,735	1,480	65.6%
SeaStreak (New York City)	519	68	0.0%	519	68	15.1%
Total	122,261	678	0.6%	352,835	24,087	7.3%

M/V Iyanough in service 04/02/2018 - 01/02/2019 and 04/03/2019 - 01/03/2020.

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

Business Summary for the Month of June, 2019

Part I - Traffic Statistics

	Month of June 2018	Month of June 2019	DIFF	%DIFF	YTD through June 2018	YTD through June 2019	DIFF	%DIFF
Number of Passengers Carried								
Martha's Vineyard	271,314	269,169	(2,145)	-0.8%	926,536	955,062	28,526	3.1%
Nantucket								
Regular	25,856	25,892	36	0.1%	105,093	103,393	(1,700)	-1.6%
Fast Ferry	42,721	39,495	(3,226)	-7.6%	101,231	96,506	(4,725)	-4.7%
Subtotal - Nantucket	68,577	65,387	(3,190)	-4.7%	206,324	199,899	(6,425)	-3.1%
Total	339,891	334,556	(5,335)	-1.6%	1,132,860	1,154,961	22,101	2.0%
Number of Automobiles Carried								
Martha's Vineyard								
Regular	33,412	32,823	(589)	-1.8%	93,779	95,203	1,424	1.5%
Excursion	11,384	11,575	191	1.7%	73,360	78,132	4,772	6.5%
Subtotal - M. Vineyard	44,796	44,398	(398)	-0.9%	167,139	173,335	6,196	3.7%
Nantucket								
Regular	5,854	5,741	(113)	-1.9%	14,117	14,147	30	0.2%
Excursion	1,017	1,046	29	2.9%	9,491	9,993	502	5.3%
Subtotal - Nantucket	6,871	6,787	(84)	-1.2%	23,608	24,140	532	2.3%
Total	51,667	51,185	(482)	-0.9%	190,747	197,475	6,728	3.5%
Number of Trucks Carried								
Martha's Vineyard								
Less than 20' - Regular	5,275	5,304	29	0.5%	22,757	24,613	1,856	8.2%
Less than 20' - Excursion	2,702	2,800	98	3.6%	17,980	19,560	1,580	8.8%
20' and over	5,824	5,576	(248)	-4.3%	25,465	26,430	965	3.8%
sub-total - M.Vineyard	13,801	13,680	(121)	-0.9%	66,202	70,603	4,401	6.6%
Nantucket								
Less than 20' - Regular	983	1,030	47	4.8%	5,428	5,791	363	6.7%
Less than 20' - Excursion	505	501	(4)	-0.8%	4,093	4,395	302	7.4%
20' and over	3,569	3,603	34	1.0%	16,572	17,299	727	4.4%
sub-total - Nantucket	5,057	5,134	77	1.5%	26,093	27,485	1,392	5.3%
Total	18,858	18,814	(44)	-0.2%	92,295	98,088	5,793	6.3%

Business Summary for the Month of June, 2019

Part I - Traffic Statistics

	Month of June 2018	Month of June 2019	DIFF	%DIFF	YTD through June 2018	YTD through June 2019	DIFF	%DIFF
Number of Cars Parked								
Woods Hole, Falmouth and Cataumet	16,073	16,100	27	0.2%	47,710	47,488	(222)	-0.5%
Hyannis, Nantucket	4,918	4,484	(434)	-8.8%	12,682	12,108	(574)	-4.5%
Total	20,991	20,584	(407)	-1.9%	60,392	59,596	(796)	-1.3%
Average Length of Stay - Cars Parked (Days)								
Woods Hole, Falmouth and Cataumet	2.02	2.07	0.05	2.5%	1.93	1.93	0.00	0.0%
Hyannis, Nantucket	2.57	2.59	0.02	0.8%	2.58	2.54	(0.04)	-1.6%
Total	2.15	2.19	0.04	1.9%	2.06	2.05	(0.01)	-0.5%
Average Revenue per Passenger *								
Martha's Vineyard	\$ 7.16	\$ 7.13	\$ (0.03)	-0.4%	\$ 7.01	\$ 6.98	\$ (0.03)	-0.4%
Nantucket	23.84	23.63	(0.21)	-0.9%	22.06	22.02	(0.04)	-0.2%
Total	\$ 10.53	\$ 10.35	\$ (0.18)	-1.7%	\$ 9.75	\$ 9.59	\$ (0.16)	-1.6%
Average Revenue per Automobile								
Martha's Vineyard	\$ 59.21	\$ 68.15	\$ 8.94	15.1%	\$ 43.48	\$ 47.52	\$ 4.04	9.3%
Nantucket	182.48	202.39	19.91	10.9%	133.36	142.30	8.94	6.7%
Total	\$ 75.60	\$ 85.95	\$ 10.35	13.7%	\$ 54.61	\$ 59.10	\$ 4.49	8.2%
Average Revenue per Truck								
Martha's Vineyard	\$ 110.56	\$ 122.48	\$ 11.92	10.8%	\$ 99.76	\$ 109.17	\$ 9.41	9.4%
Nantucket	310.60	345.34	34.74	11.2%	284.21	312.61	28.40	10.0%
Total	\$ 164.20	\$ 183.30	\$ 19.10	11.6%	\$ 151.90	\$ 166.17	\$ 14.27	9.4%

* Excludes any town embarkation fees.

Business Summary for the Month of June, 2019

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

	June ACTUAL 2018	June ACTUAL 2019	ACTUAL 2019 vs. ACTUAL 2018	June BUDGET 2019	ACTUAL 2019 vs. BUDGET
Vs. 2018 Operating Budget					
Net Income (Loss) from Operations					
Operating Revenues	\$ 12,268,417	\$ 13,095,425	\$ 827,008	\$ 13,320,283	\$ (224,858)
Other Income	266,376	322,019	55,643	277,410	44,609
Total Income	<u>12,534,793</u>	<u>13,417,444</u>	<u>882,651</u>	<u>13,597,693</u>	<u>(180,249)</u>
Operating Expenses	8,930,661	8,995,441	64,780	8,751,999	243,442
Fixed Charges and Other Expenses	230,380	303,358	72,978	314,553	(11,195)
Total Expenses	<u>9,161,041</u>	<u>9,298,799</u>	<u>137,758</u>	<u>9,066,552</u>	<u>232,247</u>
Net Operating Income (Loss)	<u>\$ 3,373,752</u>	<u>\$ 4,118,645</u>	<u>\$ 744,893</u>	<u>\$ 4,531,141</u>	<u>\$ (412,496)</u>
Operating Revenues:					
Auto Revenue	\$ 3,912,493	\$ 4,400,194	\$ 487,701	\$ 4,428,177	\$ (27,983)
Freight Revenue	3,118,746	3,460,165	341,419	3,453,238	6,927
Passenger Revenue	3,720,050	3,592,464	(127,586)	3,820,850	(228,386)
Bicycle, Mail, Misc. Voyage Rev.	177,884	158,322	(19,562)	177,733	(19,411)
Revenue from Terminal Operations	455,367	447,084	(8,283)	485,900	(38,816)
Parking Revenue	831,770	907,532	75,762	901,885	5,647
Rents	52,107	129,664	77,557	52,500	77,164
Sub-Total - Operating Revenue	<u>12,268,417</u>	<u>13,095,425</u>	<u>827,008</u>	<u>13,320,283</u>	<u>(224,858)</u>
Other Income:					
Interest Income	7,651	45,019	37,368	7,000	38,019
Miscellaneous Income	258,725	277,000	18,275	270,410	6,590
Sub-Total - Other Income	<u>266,376</u>	<u>322,019</u>	<u>55,643</u>	<u>277,410</u>	<u>44,609</u>
Total Income	<u>\$ 12,534,793</u>	<u>\$ 13,417,444</u>	<u>\$ 882,651</u>	<u>\$ 13,597,693</u>	<u>\$ (180,249)</u>

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

	June ACTUAL 2018	June ACTUAL 2019	ACTUAL 2019 vs. ACTUAL 2018	June BUDGET 2019	ACTUAL 2019 vs. BUDGET
Vs. 2018 Operating Budget					
Operating Expenses:					
Wages	\$ 3,344,355	\$ 3,686,297	\$ 341,942	\$ 3,444,832	\$ 241,465
Pensions Health & Welfare	1,456,621	1,479,095	22,474	1,354,644	124,451
Payroll Taxes	227,773	244,001	16,228	224,278	19,723
Depreciation	1,072,919	943,586	(129,333)	967,605	(24,019)
Vessel Fuel Oil	644,312	715,116	70,804	838,152	(123,036)
Insurance	302,255	347,599	45,344	328,459	19,140
Direct Vessel Maintenance (Excl. Wages)	118,111	155,709	37,598	191,570	(35,861)
Direct Terminal Maintenance (Excl. Wages)	208,662	94,501	(114,161)	118,500	(23,999)
Utilities	104,156	48,534	(55,622)	172,786	(124,252)
Other	1,451,497	1,281,003	(170,494)	1,111,173	169,830
Sub-Total - Operating Expenses	8,930,661	8,995,441	64,780	8,751,999	243,442
Fixed Charges and Other Expenses:					
Bond Interest & Expense	186,177	261,395	75,218	272,605	(11,210)
Misc. Charges or Deductions	44,203	41,963	(2,240)	41,948	15
Sub-Total - Other Expenses	230,380	303,358	72,978	314,553	(11,195)
Total Expenses	\$ 9,161,041	\$ 9,298,799	\$ 137,758	\$ 9,066,552	\$ 232,247
Net Operating Income (Loss)	\$ 3,373,752	\$ 4,118,645	\$ 744,893	\$ 4,531,141	\$ (412,496)

Budgetary Management Discussion and Analysis - June, 2019

Total operating revenues for June decreased by \$224,858 or 1.7% versus the amount projected in the 2019 operating budget, for a total of \$13,095,425 in operating revenues. Passenger revenues for the month were down \$228,000 versus budget projections, which represents a decrease of 6.0%. Automobile revenues were down \$28,000, or 0.6%, versus budget projections for June. Freight revenues were up \$7,000, or 0.2%, versus budget projections for the month. Parking revenues were up during June by \$6,000, or 0.6%. Concession revenues in June were down \$20,000 or 16.9%. Rent revenues from barge unloading and rental car space were up \$77,000, or 147.0%, in June versus budget.

During June, the vessels made a combined 2,512 trips. This represents an increase of 144 trips, or 6.1%, versus budget for the month. On the Vineyard route, 0 trips were canceled for mechanical reasons, 2 for weather related and 0 for traffic demands while 126 unscheduled trips and 52 available trips were added. On the Nantucket route, 3 trips were canceled for mechanical reasons, 6 for weather related and 54 for traffic demands while 25 unscheduled and 6 available trips were added.

Total operating expenses for the month were up \$243,442 or 2.8%, versus the amount projected in the 2019 budget for a total of \$8,995,441. Maintenance expenses for the month were down \$31,000, or 3.1%, versus budget. Overhaul repairs for the M/V Martha's Vineyard were up \$59,000; repairs on the M/V Woods Hole were up \$65,000; overhaul expense for the M/V Governor were up \$24,000; repairs for the M/V Nantucket were up \$54,000; repairs on the M/V Island Home were down \$77,000; while expense for the M/V Iyanough were down \$195,000 versus budget. Repairs to buildings and structures at the Woods Hole terminal were down \$8,000; at the Vineyard Haven terminal were down \$3,000; at the Oak Bluffs terminal dolphin & dock repairs were down \$2,000; at the Nantucket terminal were down \$6,000; and at the Hyannis terminal repairs were up \$23,000 versus budget while repairs to office and terminal equipment was up \$3,000 for the month and for motor vehicles by \$14,000.

Vessel fuel expense of \$715,000 was down by \$123,000 or 14.7% versus budget estimates. The average actual cost per gallon for vessel fuel oil in June was \$2.172, including net hedging costs, while the budgeted cost was \$2.552 per gallon. During June, the vessels logged 38,004 miles, which were 448 miles higher than budget, or an increase of 1.2%. During June, 328,000 gallons of vessel fuel were consumed. This represents a decrease of 4,000 gallons, or 1.3%, versus budget. Insurance expenses were up \$19,000. General administrative expenses for the month were up \$389,000 or 17.7%. Legal expense was up \$13,000; pension expense was up \$297,000, health care expense was down \$101,000, disability contributions were down \$20,000, unemployment contributions were down \$3,000, training expense was up \$44,000, and credit card expense was up \$15,000.

Other income, including interest income, debt premium and license income, totaled \$322,019 and was \$44,609 higher than budget projections. Income deductions, including interest on funded debt and pension withdrawal, totaled \$303,358 and were \$11,195 lower than budget. The Authority's net operating income for the month of June, including other income, income deductions and bond interest expense, was \$4,118,645 or \$412,496 lower than budget projections for the month.

Business Summary for the Year-To-Date as of June, 2019 (Continued)

Part IIb- Net Income (Loss) from Operations (Year to Date)

	YTD - June ACTUAL 2018	YTD - June ACTUAL 2019	YTD ACTUAL 2019 vs. YTD ACTUAL 2018	YTD - June BUDGET 2019	YTD ACTUAL 2019 vs. YTD BUDGET
Vs. 2018 Operating Budget					
Net Income (Loss) from Operations					
Operating Revenues	\$ 40,583,868	\$ 44,391,220	\$ 3,807,352	\$ 44,163,908	\$ 227,312
Other Income	1,111,868	1,364,246	252,378	1,178,460	185,786
Total Income	<u>41,695,736</u>	<u>45,755,466</u>	<u>4,059,730</u>	<u>45,342,368</u>	<u>413,098</u>
Operating Expenses	49,652,477	51,910,912	2,258,435	51,019,121	891,791
Fixed Charges and Other Expenses	1,435,577	1,899,729	464,152	1,960,108	(60,379)
Total Expenses	<u>51,088,054</u>	<u>53,810,641</u>	<u>2,722,587</u>	<u>52,979,229</u>	<u>831,412</u>
Net Operating Income (Loss)	<u>\$ (9,392,318)</u>	<u>\$ (8,055,175)</u>	<u>\$ 1,337,143</u>	<u>\$ (7,636,861)</u>	<u>\$ (418,314)</u>
Operating Revenues:					
Auto Revenue	\$ 10,404,142	\$ 11,690,712	\$ 1,286,570	\$ 11,952,663	\$ (261,951)
Freight Revenue	14,034,255	16,280,856	2,246,601	15,514,475	766,381
Passenger Revenue	11,488,421	11,535,079	46,658	11,713,742	(178,663)
Bicycle, Mail, Misc. Voyage Rev.	539,355	527,329	(12,026)	538,084	(10,755)
Revenue from Terminal Operations	1,686,111	1,732,363	46,252	1,727,275	5,088
Parking Revenue	2,067,916	2,171,611	103,695	2,267,169	(95,558)
Rents	363,668	453,270	89,602	450,500	2,770
Sub-Total - Operating Revenue	<u>40,583,868</u>	<u>44,391,220</u>	<u>3,807,352</u>	<u>44,163,908</u>	<u>227,312</u>
Other Income:					
Interest Income	51,319	141,929	90,610	51,000	90,929
Miscellaneous Income	1,060,549	1,222,317	161,768	1,127,460	94,857
Sub-Total - Other Income	<u>1,111,868</u>	<u>1,364,246</u>	<u>252,378</u>	<u>1,178,460</u>	<u>185,786</u>
Total Income	<u>\$ 41,695,736</u>	<u>\$ 45,755,466</u>	<u>\$ 4,059,730</u>	<u>\$ 45,342,368</u>	<u>\$ 413,098</u>

Part IIb- Net Income (Loss) from Operations (Year to Date)

	YTD - June ACTUAL 2018	YTD - June ACTUAL 2019	YTD ACTUAL 2019 vs. YTD ACTUAL 2018	YTD - June BUDGET 2019	YTD ACTUAL 2019 vs. YTD BUDGET
Vs. 2018 Operating Budget					
Operating Expenses:					
Wages	\$ 17,005,639	\$ 18,889,796	\$ 1,884,157	\$ 17,689,660	\$ 1,200,136
Pensions Health & Welfare	7,849,384	8,582,317	732,933	7,944,009	638,308
Payroll Taxes	1,179,855	1,274,586	94,731	1,252,525	22,061
Depreciation	5,742,322	5,892,936	150,614	5,830,505	62,431
Vessel Fuel Oil	2,657,997	3,131,725	473,728	3,554,937	(423,212)
Insurance	1,810,841	2,068,572	257,731	1,970,754	97,818
Direct Vessel Maintenance (Excl. Wages)	5,262,655	4,031,298	(1,231,357)	4,999,530	(968,232)
Direct Terminal Maintenance (Excl. Wages)	987,137	465,554	(521,583)	1,384,250	(918,696)
Utilities	678,676	572,722	(105,954)	1,046,382	(473,660)
Other	6,477,971	7,001,406	523,435	5,346,569	1,654,837
Sub-Total - Operating Expenses	49,652,477	51,910,912	2,258,435	51,019,121	891,791
Fixed Charges and Other Expenses:					
Bond Interest & Expense	1,174,390	1,646,201	471,811	1,706,377	(60,176)
Misc. Charges or Deductions	261,187	253,528	(7,659)	253,731	(203)
Sub-Total - Other Expenses	1,435,577	1,899,729	464,152	1,960,108	(60,379)
Total Expenses	51,088,054	53,810,641	2,722,587	52,979,229	831,412
Net Operating Income (Loss)	(9,392,318)	(8,055,175)	1,337,143	(7,636,861)	(418,314)

Budgetary Management Discussion and Analysis: January - June, 2019

Year to date total operating revenues increased by \$227,311 or 0.5% versus the amount projected in the 2019 operating budget, for a total of \$44,391,219 in operating revenues. Passenger revenues for the year to date were down \$179,000 versus budget projections, which represents a 1.5% decrease. Automobile revenues were down \$262,000, or 2.2%, versus budget projections. Freight revenues were up \$766,000 or 4.9%, versus budget projections. Parking revenues were down \$96,000, or 4.2%, compared to budget forecast. Rent revenues from barge unloading and rental car space were up \$3,000, or 0.6%, versus budget.

Year to date, the vessels made a combined 10,811 trips. This represents an increase of 131 trips, or 1.2%, versus budget. On the Vineyard route, 22 trips were canceled for mechanical reasons, 42 for weather related and 28 for traffic demands, while 144 unscheduled trips and 109 available trips were added. On the Nantucket route, 84 trips were canceled for mechanical reasons (72 of which were made up by a charter), 63 for weather related and 69 for traffic demands, while 52 unscheduled trips and 134 available trips were added.

Year to date operating expenses were up \$891,791 or 1.7%, versus the amount projected in the 2019 budget for a total of \$51,019,121. Maintenance expenses for the year are down \$1,070,000, or 9.9%, versus budget. Overhaul repairs for the M/V Martha's Vineyard were down \$140,000; the M/V Woods Hole overhaul and dry-dock expense was up \$302,000; overhaul expenses for the M/V Governor were down \$73,000; overhaul expenses for the M/V Sankaty were up \$70,000; M/V Nantucket repair expenses were down \$145,000; engine parts expenses for the M/V Katama were down \$150,000; repairs on the M/V Eagle were up \$213,000; repairs on the M/V Gay Head were up \$8,000; the M/V Island Home repair expenses were down \$469,000; and overhaul expenses for the M/V Iyanough was down \$304,000. Terminal and dolphin and dock repairs in Vineyard Haven were up \$121,000; while Nantucket were down \$397,000 and were down in Hyannis by \$372,000. Motor vehicle repairs were up \$17,000 and other maintenance expense was up by \$165,000.

Vessel fuel expense of \$3,132,000 was \$423,000, or 11.9%, below budget estimates. The average actual cost per gallon for vessel fuel oil was \$2.267 including net hedging costs, while the budgeted cost was \$2.552 per gallon. 156,052 vessel miles have been logged in the year, an increase of 388 miles, or 0.2%, versus budget. 1,369,000 gallons of vessel fuel were consumed. This represents a decrease of 24,000 gallons or 1.7% versus budget. General administrative expenses for the year were up 10.4%, or \$1,258,000. Legal expense was down \$14,000, pension expense was up \$1,133,000, health care costs were down \$228,000, disability contributions were down \$167,000, and unemployment contributions were up \$6,000. Training expense was up \$176,000; while credit card fees were up \$99,000, telephone expense was up \$44,000.

Other income, including interest income, debt premium and license income, totaled \$1,178,460 and was \$185,786 higher than budget projections. Income deductions, including interest on funded debt and pension withdrawal, totaled \$1,960,108 and were \$60,379 lower than budget. Year to date, the Authority's net operating loss, including other income, income deductions and bond interest expense, was \$7,636,861 or \$418,314 lower than budget projections.

Part III - Cash Balances

	June, 2019 Amount	Variance vs. Budget Positive / (Negative)	Year to Date Amount	Variance vs. Budget Positive / (Negative)
Cash Balance - Operations Fund				
Beginning Balance	\$ 19,035,923	\$ (2,085,067)	\$ 13,078,366	\$ 78,366
Cash Receipts	10,455,456	(439,240)	59,124,035	(4,991)
Cash Receipts - Grants	-	-	203,378	203,378
Cash Receipts - Capital Projects	-	-	1,552,710	1,552,710
Cash Disbursements	(6,806,504)	390,556	(45,264,667)	(970,571)
Cash Disbursements - Capital Projects	(524,993)	(524,993)	(2,842,368)	(2,842,368)
Transfers to Special Purpose Funds	-	80,370	(3,691,572)	(594,898)
Ending Balance	<u>\$ 22,159,882</u>	<u>\$ (2,578,374)</u>	<u>\$ 22,159,882</u>	<u>\$ (2,578,374)</u>
Cash Balance - Special-Purpose Funds				
Sinking Fund				
Beginning Balance	\$ 5,348,606	\$ 2,279,292	\$ 9,046,734	\$ 35,843
Transfers from Revenue Fund	-	(80,370)	5,231,788	2,135,114
Income from Investments	11,210	9,310	60,175	37,275
Accrued Interest Received	-	-	-	-
Debt Service Payments	-	-	(8,978,881)	-
Ending Balance	<u>\$ 5,359,816</u>	<u>\$ 2,208,232</u>	<u>\$ 5,359,816</u>	<u>\$ 2,208,232</u>
Replacement Fund				
Beginning Balance	\$ 11,748,400	\$ 8,273,276	\$ 13,424,061	\$ 3,155,787
Transfers from Revenue Fund	-	-	-	-
Transfers from Bond Redemption	-	-	-	-
Proceeds from Disposal of Property	-	-	-	-
Income from Investments	24,622	22,472	162,261	138,261
Withdrawals	-	1,300,000	(1,813,300)	6,301,700
Ending Balance	<u>\$ 11,773,022</u>	<u>\$ 9,595,748</u>	<u>\$ 11,773,022</u>	<u>\$ 9,595,748</u>
Reserve Fund				
Beginning Balance	\$ 3,677,575	\$ 29,209	\$ 3,637,813	\$ 847
Transfers from Revenue Fund	-	-	-	-
Income from Investments	7,707	5,457	47,469	33,819
Transfers to Bond Redemption Acct.	-	-	-	-
Ending Balance	<u>\$ 3,685,282</u>	<u>\$ 34,666</u>	<u>\$ 3,685,282</u>	<u>\$ 34,666</u>
Bond Redemption Account				
Beginning Balance	\$ 862,924	\$ 7,399	\$ 853,594	\$ 769
Transfers from Revenue Fund	-	-	-	-
Transfers from Reserve Fund	-	-	-	-
Transfers to Replacement Fund	-	-	-	-
Income from Investments	1,809	1,259	11,139	7,889
Ending Balance	<u>\$ 864,733</u>	<u>\$ 8,658</u>	<u>\$ 864,733</u>	<u>\$ 8,658</u>

Part III - Cash Balances

	June, 2019 Amount	Variance vs. Budget Positive / (Negative)	Year to Date Amount	Variance vs. Budget Positive / (Negative)
Capital Improvement Fund				
Beginning Balance	\$ 2,985,738	\$ 2,985,738	\$ 8,468,242	\$ 8,055,256
From Bond/Note Issue	-	-	-	-
Income from Investments	6,257	6,257	79,953	79,953
Withdrawals	-	-	(5,556,200)	(5,143,214)
Ending Balance	<u>\$ 2,991,995</u>	<u>\$ 2,991,995</u>	<u>\$ 2,991,995</u>	<u>\$ 2,991,995</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)	8,912,431	8,469,201
To Reserve Fund	-	-
To Bond Redemption Account	-	-
Total Transfers to Special Purpose Funds	<u>\$ 19,776,381</u>	<u>\$ 19,333,151</u>

* Current estimate is based on the actual cash balance as of 06/30/2019 plus projected cash receipts and disbursements for the remainder of the year, per the 2019 Operating Budget.

Business Summary for the Month of June, 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	\$ 65,000,781	\$ 48,097,011	\$ 113,097,792
Other Non-Service Income - Net	1,093,255	2,623,491	3,716,746
Total Income	<u>\$ 66,094,036</u>	<u>\$ 50,720,502</u>	<u>\$ 116,814,538</u>
% Distribution by Route	56.6%	43.4%	100.0%
Cost of Service	<u>\$ 63,396,606</u>	<u>\$ 46,560,048</u>	<u>\$ 109,956,654</u>
% Distribution by Route	57.7%	42.3%	100.0%
Net Operating Income by Route for 2019	<u>\$ 2,697,430</u>	<u>\$ 4,160,454</u>	<u>\$ 6,857,884</u>
% Distribution by Route	39.3%	60.7%	100.0%

* Based on actual net operating income (loss) for the first 6 months plus 6 months of projected net operating income (loss) for the remainder of the year, per the 2019 Operating Budget

Part VI - Share of Market versus Licensed Ferry Services

	June Amount	Change vs. Prev. Yr.	Year to Date Amount	Change vs. Prev. Yr.
License Fee Income	\$ 158,762	\$ (702)	\$ 512,889	\$ 47,907
	June Amount	Change vs. Prev. Yr.		
Weather Observations #				
Average Maximum Temperature (Fahrenheit)	73.6	1.2		
Total Precipitation (in water equivalent inches)	5.74	2.86		
Number of Days with Measurable Precipitation	16	8		

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

Part VI - Share of Market versus Licensed Ferry Services

Number of Passengers Carried	June Amount	Change vs. Prev. Yr.		Year to Date Amount	Change vs. Prev. Yr.	
Martha's Vineyard						
Steamship Authority	269,169	(2,145)	-0.8%	955,062	28,526	3.1%
Hy-Line						
Regular	0	0	0.0%	0	0	0.0%
High Speed	17,442	831	5.0%	23,768	1,687	7.6%
Subtotal Hy-Line	17,442	831	5.0%	23,768	1,687	7.6%
Falmouth Ferry Service	2,406	497	26.0%	3,185	774	32.1%
SeaStreak (New Bedford)	11,069	2,257	25.6%	15,560	3,498	29.0%
SeaStreak (New York City)	773	(25)	0.0%	1,331	99	8.0%
Total *	300,859	1,415	0.5%	998,906	34,584	3.6%
Nantucket						
Steamship Authority						
Regular	25,892	36	0.1%	103,393	(1,700)	-1.6%
Fast Ferry (Prior to April 2)	0	0	0.0%	893	893	100.0%
Fast Ferry (April 2) (in service 2018)	0	0	0.0%	0	0	0.0%
Fast Ferry (April 3 and after)(in service 2019)	39,495	(3,226)	-7.6%	95,613	(5,255)	-5.2%
Subtotal - Nantucket	65,387	(3,190)	-4.7%	199,899	(6,425)	-3.1%
Hy-Line						
Regular	0	0	0.0%	0	0	0.0%
HighSpeed (Prior to April 2)	0	0	0.0%	113,295	22,520	24.8%
HighSpeed (April 2)(IYA in service 2018)	0	0	0.0%	1,585	226	16.6%
HighSpeed (April 3 & after)(IYA in service 2019)	77,492	(1,640)	-2.1%	176,037	1,135	0.6%
Subtotal Hy-Line	77,492	(1,640)	-2.1%	290,917	23,881	8.9%
Freedom Cruise Line (Harwich)	2,772	303	12.3%	3,416	556	19.4%
SeaStreak (New Bedford)	6,336	1,353	27.2%	10,071	2,833	39.1%
SeaStreak (New York City)	116	(155)	0.0%	635	(87)	-12.0%
Total	152,103	(3,329)	-2.1%	504,938	20,758	4.3%

M/V Iyanough in service 04/02/2018 - 01/02/2019 and 04/03/2019 - 01/03/2020.

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

Business Summary for the Month of July, 2019

Part I - Traffic Statistics

	Month of July 2018	Month of July 2019	DIFF	%DIFF	YTD through July 2018	YTD through July 2019	DIFF	%DIFF
Number of Passengers Carried								
Martha's Vineyard	376,297	370,833	(5,464)	-1.5%	1,302,833	1,325,895	23,062	1.8%
Nantucket								
Regular	40,415	39,526	(889)	-2.2%	145,508	142,919	(2,589)	-1.8%
Fast Ferry	59,308	54,158	(5,150)	-8.7%	160,539	150,664	(9,875)	-6.2%
Subtotal - Nantucket	99,723	93,684	(6,039)	-6.1%	306,047	293,583	(12,464)	-4.1%
Total	476,020	464,517	(11,503)	-2.4%	1,608,880	1,619,478	10,598	0.7%
Number of Automobiles Carried								
Martha's Vineyard								
Regular	45,661	44,040	(1,621)	-3.6%	139,440	139,243	(197)	-0.1%
Excursion	9,139	9,529	390	4.3%	82,499	87,661	5,162	6.3%
Subtotal - M. Vineyard	54,800	53,569	(1,231)	-2.2%	221,939	226,904	4,965	2.2%
Nantucket								
Regular	8,638	8,066	(572)	-6.6%	22,755	22,213	(542)	-2.4%
Excursion	836	942	106	12.7%	10,327	10,935	608	5.9%
Subtotal - Nantucket	9,474	9,008	(466)	-4.9%	33,082	33,148	66	0.2%
Total	64,274	62,577	(1,697)	-2.6%	255,021	260,052	5,031	2.0%
Number of Trucks Carried								
Martha's Vineyard								
Less than 20' - Regular	4,928	5,213	285	5.8%	27,685	29,826	2,141	7.7%
Less than 20' - Excursion	2,081	2,218	137	6.6%	20,061	21,778	1,717	8.6%
20' and over	5,709	5,635	(74)	-1.3%	31,174	32,065	891	2.9%
sub-total - M.Vineyard	12,718	13,066	348	2.7%	78,920	83,669	4,749	6.0%
Nantucket								
Less than 20' - Regular	992	1,073	81	8.2%	6,420	6,864	444	6.9%
Less than 20' - Excursion	428	463	35	8.2%	4,521	4,858	337	7.5%
20' and over	3,524	3,568	44	1.2%	20,096	20,867	771	3.8%
sub-total - Nantucket	4,944	5,104	160	3.2%	31,037	32,589	1,552	5.0%
Total	17,662	18,170	508	2.9%	109,957	116,258	6,301	5.7%

Business Summary for the Month of July, 2019

Part I - Traffic Statistics

	Month of July 2018	Month of July 2019	DIFF	%DIFF	YTD through July 2018	YTD through July 2019	DIFF	%DIFF
Number of Cars Parked								
Woods Hole, Falmouth and Cataumet	27,410	25,992	(1,418)	-5.2%	75,120	73,480	(1,640)	-2.2%
Hyannis, Nantucket	7,021	6,452	(569)	-8.1%	19,703	18,560	(1,143)	-5.8%
Total	34,431	32,444	(1,987)	-5.8%	94,823	92,040	(2,783)	-2.9%
Average Length of Stay - Cars Parked (Days)								
Woods Hole, Falmouth and Cataumet	2.37	2.34	(0.03)	-1.3%	2.09	2.07	(0.02)	-1.0%
Hyannis, Nantucket	2.88	2.76	(0.12)	-4.2%	2.69	2.62	(0.07)	-2.6%
Total	2.47	2.42	(0.05)	-2.0%	2.21	2.18	(0.03)	-1.4%
Average Revenue per Passenger *								
Martha's Vineyard	\$ 7.25	\$ 7.22	\$ (0.03)	-0.4%	\$ 7.08	\$ 7.05	\$ (0.03)	-0.4%
Nantucket	23.58	23.34	(0.24)	-1.0%	22.56	22.44	(0.12)	-0.5%
Total	\$ 10.67	\$ 10.47	\$ (0.20)	-1.9%	\$ 10.02	\$ 9.84	\$ (0.18)	-1.8%
Average Revenue per Automobile								
Martha's Vineyard	\$ 63.04	\$ 72.70	\$ 9.66	15.3%	\$ 48.31	\$ 53.46	\$ 5.15	10.7%
Nantucket	191.60	210.88	19.28	10.1%	150.04	160.93	10.89	7.3%
Total	\$ 81.99	\$ 92.59	\$ 10.60	12.9%	\$ 61.51	\$ 67.16	\$ 5.65	9.2%
Average Revenue per Truck								
Martha's Vineyard	\$ 114.49	\$ 127.60	\$ 13.11	11.5%	\$ 102.13	\$ 112.04	\$ 9.91	9.7%
Nantucket	312.74	347.69	34.95	11.2%	288.75	318.10	29.35	10.2%
Total	\$ 169.98	\$ 189.42	\$ 19.44	11.4%	\$ 154.81	\$ 169.81	\$ 15.00	9.7%

* Excludes any town embarkation fees.

Business Summary for the Month of July, 2019

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

	July ACTUAL 2018	July ACTUAL 2019	ACTUAL 2019 vs. ACTUAL 2018	July BUDGET 2019	ACTUAL 2019 vs. BUDGET
Vs. 2019 Operating Budget					
Net Income (Loss) from Operations					
Operating Revenues	\$ 15,928,673	\$ 16,754,699	\$ 826,026	\$ 17,335,886	\$ (581,187)
Other Income	320,702	399,626	78,924	328,410	71,216
Total Income	<u>16,249,375</u>	<u>17,154,325</u>	<u>904,950</u>	<u>17,664,296</u>	<u>(509,971)</u>
Operating Expenses	9,656,229	10,066,816	410,587	9,622,560	444,256
Fixed Charges and Other Expenses	235,044	311,401	76,357	323,501	(12,100)
Total Expenses	<u>9,891,273</u>	<u>10,378,217</u>	<u>486,944</u>	<u>9,946,061</u>	<u>432,156</u>
Net Operating Income (Loss)	<u>\$ 6,358,102</u>	<u>\$ 6,776,108</u>	<u>\$ 418,006</u>	<u>\$ 7,718,235</u>	<u>\$ (942,127)</u>
Operating Revenues:					
Auto Revenue	\$ 5,272,315	\$ 5,801,146	\$ 528,831	\$ 5,921,193	\$ (120,047)
Freight Revenue	3,040,892	3,471,326	430,434	3,364,625	106,701
Passenger Revenue	5,206,547	5,077,096	(129,451)	5,451,935	(374,839)
Bicycle, Mail, Misc. Voyage Rev.	221,043	211,037	(10,006)	220,285	(9,248)
Revenue from Terminal Operations	559,698	523,871	(35,827)	562,100	(38,229)
Parking Revenue	1,535,124	1,597,420	62,296	1,730,748	(133,328)
Rents	93,054	72,803	(20,251)	85,000	(12,197)
Sub-Total - Operating Revenue	<u>15,928,673</u>	<u>16,754,699</u>	<u>826,026</u>	<u>17,335,886</u>	<u>(581,187)</u>
Other Income:					
Interest Income	11,858	34,117	22,259	8,000	26,117
Miscellaneous Income	308,844	365,509	56,665	320,410	45,099
Sub-Total - Other Income	<u>320,702</u>	<u>399,626</u>	<u>78,924</u>	<u>328,410</u>	<u>71,216</u>
Total Income	<u>\$ 16,249,375</u>	<u>\$ 17,154,325</u>	<u>\$ 904,950</u>	<u>\$ 17,664,296</u>	<u>\$ (509,971)</u>

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

	July ACTUAL 2018	July ACTUAL 2019	ACTUAL 2019 vs. ACTUAL 2018	July BUDGET 2019	ACTUAL 2019 vs. BUDGET
Vs. 2019 Operating Budget					
Operating Expenses:					
Wages	\$ 3,566,718	\$ 3,799,432	\$ 232,714	\$ 3,577,653	\$ 221,779
Pensions Health & Welfare	1,295,063	1,424,336	129,273	1,498,809	(74,473)
Payroll Taxes	233,336	307,953	74,617	296,155	11,798
Depreciation	951,698	939,736	(11,962)	973,461	(33,725)
Vessel Fuel Oil	717,495	801,171	83,676	946,306	(145,135)
Insurance	322,404	345,411	23,007	328,459	16,952
Direct Vessel Maintenance (Excl. Wages)	1,034,674	984,802	(49,872)	627,820	356,982
Direct Terminal Maintenance (Excl. Wages)	68,233	80,485	12,252	74,700	5,785
Utilities	97,443	68,156	(29,287)	182,132	(113,976)
Other	1,369,165	1,315,334	(53,831)	1,117,065	198,269
Sub-Total - Operating Expenses	9,656,229	10,066,816	410,587	9,622,560	444,256
Fixed Charges and Other Expenses:					
Bond Interest & Expense	191,988	269,878	77,890	281,691	(11,813)
Misc. Charges or Deductions	43,056	41,523	(1,533)	41,810	(287)
Sub-Total - Other Expenses	235,044	311,401	76,357	323,501	(12,100)
Total Expenses	\$ 9,891,273	\$ 10,378,217	\$ 486,944	\$ 9,946,061	\$ 432,156
Net Operating Income (Loss)	\$ 6,358,102	\$ 6,776,108	\$ 418,006	\$ 7,718,235	\$ (942,127)

Budgetary Management Discussion and Analysis - July, 2019

Total operating revenues for July decreased by \$581,187 or 3.4% versus the amount projected in the 2019 operating budget, for a total of \$16,754,699 in operating revenues. Passenger revenues for the month were down \$375,000 versus budget projections, which represents a decrease of 6.9%. Automobile revenues were down \$120,000, or 2.0%, versus budget projections for July. Freight revenues were up \$107,000, or 3.2%, versus budget projections for the month. Parking revenues were down during July by \$133,000, or 7.7%. Concession revenues in July were up \$22,000 or 15.9%. Rent revenues from barge unloading and rental car space were down \$12,000, or 14.3%, in July versus budget.

During July, the vessels made a combined 2,684 trips. This represents a decrease of 44 trips, or 1.6%, versus budget for the month. On the Vineyard route, 4 trips were canceled for mechanical reasons, 0 for weather related and 38 for traffic demands while 0 unscheduled trips and 0 available trips were added. On the Nantucket route, 0 trips were canceled for mechanical reasons, 0 for weather related and 2 for traffic demands while 0 unscheduled and 0 available trips were added.

Total operating expenses for the month were up \$444,256 or 4.6%, versus the amount projected in the 2019 budget for a total of \$10,066,816. Maintenance expenses for the month were up \$416,000, or 34.3%, versus budget. Overhaul repairs for the M/V Martha's Vineyard were down \$12,000; repairs on the M/V Governor were up \$60,000; repairs for the M/V Nantucket were up \$21,000; repairs for the M/V Eagle were up \$90,000; repairs on the M/V Island Home were up \$75,000; while expense for the M/V Iyanough were up \$91,000 versus budget. Repairs to buildings and structures at the Vineyard Haven terminal were up \$38,000; at the Nantucket terminal were up \$10,000; at the Hyannis terminal dolphin & dock repairs were down \$12,000 versus budget while repairs to office and terminal equipment was up \$31,000 for the month and for motor vehicles by \$40,000.

Vessel fuel expense of \$801,000 was down by \$145,000 or 15.3% versus budget estimates. The average actual cost per gallon for vessel fuel oil in July was \$2.253, including net hedging costs, while the budgeted cost was \$2.537 per gallon. During July, the vessels logged 40,524 miles, which were 396 miles lower than budget, or a decrease of 1.0%. During July, 371,000 gallons of vessel fuel were consumed. This represents a decrease of 2,000 gallons, or 0.6%, versus budget. Insurance expenses were up \$17,000. General administrative expenses for the month were up \$135,000 or 6.1%. Legal expense was up \$3,000; pension expense was up \$140,000, health care expense was down \$214,000, disability contributions were down \$42,000, unemployment contributions were up \$3,000, training expense was up \$52,000, and credit card expense was up \$25,000.

Other income, including interest income, debt premium and license income, totaled \$399,6269 and was \$71,216 higher than budget projections. Income deductions, including interest on funded debt and pension withdrawal, totaled \$311,401 and were \$12,100 lower than budget. The Authority's net operating income for the month of July, including other income, income deductions and bond interest expense, was \$6,776,108 or \$942,127 lower than budget projections for the month.

Business Summary for the Year-To-Date as of July, 2019 (Continued)

Part IIb- Net Income (Loss) from Operations (Year to Date)

	YTD - July ACTUAL 2018	YTD - July ACTUAL 2019	YTD ACTUAL 2019 vs. YTD ACTUAL 2018	YTD - July BUDGET 2019	YTD ACTUAL 2019 vs. YTD BUDGET
Vs. 2019 Operating Budget					
Net Income (Loss) from Operations					
Operating Revenues	\$ 56,512,541	\$ 61,145,919	\$ 4,633,378	\$ 61,499,794	\$ (353,875)
Other Income	1,432,570	1,763,872	331,302	1,506,870	257,002
Total Income	<u>57,945,111</u>	<u>62,909,791</u>	<u>4,964,680</u>	<u>63,006,664</u>	<u>(96,873)</u>
Operating Expenses	59,308,706	61,977,728	2,669,022	60,641,681	1,336,047
Fixed Charges and Other Expenses	1,670,621	2,211,130	540,509	2,283,608	(72,478)
Total Expenses	<u>60,979,327</u>	<u>64,188,858</u>	<u>3,209,531</u>	<u>62,925,289</u>	<u>1,263,569</u>
Net Operating Income (Loss)	<u>\$ (3,034,216)</u>	<u>\$ (1,279,067)</u>	<u>\$ 1,755,149</u>	<u>\$ 81,375</u>	<u>\$ (1,360,442)</u>
Operating Revenues:					
Auto Revenue	\$ 15,676,457	\$ 17,491,858	\$ 1,815,401	\$ 17,873,856	\$ (381,998)
Freight Revenue	17,075,147	19,752,182	2,677,035	18,879,100	873,082
Passenger Revenue	16,694,968	16,612,175	(82,793)	17,165,677	(553,502)
Bicycle, Mail, Misc. Voyage Rev.	760,398	738,366	(22,032)	758,369	(20,003)
Revenue from Terminal Operations	2,245,809	2,256,234	10,425	2,289,375	(33,141)
Parking Revenue	3,603,040	3,769,031	165,991	3,997,917	(228,886)
Rents	456,722	526,073	69,351	535,500	(9,427)
Sub-Total - Operating Revenue	<u>56,512,541</u>	<u>61,145,919</u>	<u>4,633,378</u>	<u>61,499,794</u>	<u>(353,875)</u>
Other Income:					
Interest Income	63,177	176,046	112,869	59,000	117,046
Miscellaneous Income	1,369,393	1,587,826	218,433	1,447,870	139,956
Sub-Total - Other Income	<u>1,432,570</u>	<u>1,763,872</u>	<u>331,302</u>	<u>1,506,870</u>	<u>257,002</u>
Total Income	<u>\$ 57,945,111</u>	<u>\$ 62,909,791</u>	<u>\$ 4,964,680</u>	<u>\$ 63,006,664</u>	<u>\$ (96,873)</u>

Part IIb- Net Income (Loss) from Operations (Year to Date)

	YTD - July ACTUAL 2018	YTD - July ACTUAL 2019	YTD ACTUAL 2019 vs. YTD ACTUAL 2018	YTD - July BUDGET 2019	YTD ACTUAL 2019 vs. YTD BUDGET
Vs. 2019 Operating Budget					
Operating Expenses:					
Wages	\$ 20,572,357	\$ 22,689,228	\$ 2,116,871	\$ 21,267,313	\$ 1,421,915
Pensions Health & Welfare	9,144,447	10,006,653	862,206	9,442,818	563,835
Payroll Taxes	1,413,191	1,582,539	169,348	1,548,680	33,859
Depreciation	6,694,020	6,832,672	138,652	6,803,966	28,706
Vessel Fuel Oil	3,375,492	3,932,896	557,404	4,501,243	(568,347)
Insurance	2,133,245	2,413,983	280,738	2,299,213	114,770
Direct Vessel Maintenance (Excl. Wages)	6,297,329	5,016,100	(1,281,229)	5,627,350	(611,250)
Direct Terminal Maintenance (Excl. Wages)	1,055,370	546,039	(509,331)	1,458,950	(912,911)
Utilities	776,119	640,878	(135,241)	1,228,514	(587,636)
Other	7,847,136	8,316,740	469,604	6,463,634	1,853,106
Sub-Total - Operating Expenses	59,308,706	61,977,728	2,669,022	60,641,681	1,336,047
Fixed Charges and Other Expenses:					
Bond Interest & Expense	1,366,378	1,916,079	549,701	1,988,067	(71,988)
Misc. Charges or Deductions	304,243	295,051	(9,192)	295,541	(490)
Sub-Total - Other Expenses	1,670,621	2,211,130	540,509	2,283,608	(72,478)
Total Expenses	60,979,327	64,188,858	3,209,531	62,925,289	1,263,569
Net Operating Income (Loss)	(3,034,216)	(1,279,067)	1,755,149	81,375	(1,360,442)

Budgetary Management Discussion and Analysis: January - July, 2019

Year to date total operating revenues decreased by \$353,875 or 0.6% versus the amount projected in the 2019 operating budget, for a total of \$61,145,919 in operating revenues. Passenger revenues for the year to date were down \$554,000 versus budget projections, which represents a 3.2% decrease. Automobile revenues were down \$382,000, or 2.1%, versus budget projections. Freight revenues were up \$873,000 or 4.6%, versus budget projections. Parking revenues were down \$229,000, or 5.7%, compared to budget forecast. Rent revenues from barge unloading and rental car space were down \$9,000, or 1.8%, versus budget.

Year to date, the vessels made a combined 13,495 trips. This represents an increase of 87 trips, or 0.6%, versus budget. On the Vineyard route, 26 trips were canceled for mechanical reasons, 42 for weather related and 30 for traffic demands, while 18 unscheduled trips and 199 available trips were added. On the Nantucket route, 84 trips were canceled for mechanical reasons (72 of which were made up by a charter), 63 for weather related and 17 for traffic demands, while 52 unscheduled trips and 80 available trips were added.

Year to date operating expenses were up \$1,336,047 or 2.2%, versus the amount projected in the 2019 budget for a total of \$61,977,728. Maintenance expenses for the year are down \$653,000, or 5.4%, versus budget. Overhaul repairs for the M/V Martha's Vineyard were down \$152,000; the M/V Woods Hole overhaul and dry-dock expense was up \$304,000; overhaul expenses for the M/V Governor were down \$12,000; overhaul expenses for the M/V Sankaty were up \$62,000; M/V Nantucket repair expenses were down \$124,000; engine parts expenses for the M/V Katama were down \$150,000; repairs on the M/V Eagle were up \$303,000; repairs on the M/V Gay Head were down \$4,000; the M/V Island Home repair expenses were down \$394,000; and overhaul expenses for the M/V Iyanough was down \$213,000. Terminal and dolphin and dock repairs in Vineyard Haven were up \$150,000; while Oak Bluffs were down \$256,000; Nantucket were down \$391,000 and were down in Hyannis by \$373,000. Motor vehicle repairs were up \$56,000 and other maintenance expense was up by \$171,000.

Vessel fuel expense of \$4,501,000 was \$568,000, or 12.6%, below budget estimates. The average actual cost per gallon for vessel fuel oil was \$2.264 including net hedging costs, while the budgeted cost was \$2.549 per gallon. 196,576 vessel miles have been logged in the year, a decrease of 8 miles, or 0.0%, versus budget. 1,739,000 gallons of vessel fuel were consumed. This represents a decrease of 26,000 gallons or 1.5% versus budget. General administrative expenses for the year were up 9.7%, or \$1,394,000. Legal expense was down \$11,000, pension expense was up \$1,311,000, health care costs were down \$578,000, disability contributions were down \$179,000, and unemployment contributions were up \$9,000. Training expense was up \$228,000; while credit card fees were up \$124,000, telephone and communications expense was up \$96,000.

Other income, including interest income, debt premium and license income, totaled \$1,764,872 and was \$257,002 higher than budget projections. Income deductions, including interest on funded debt and pension withdrawal, totaled \$2,211,130 and were \$72,478 lower than budget. Year to date, the Authority's net operating loss, including other income, income deductions and bond interest expense, was \$1,279,067 or \$1,360,442 lower than budget projections.

Part III - Cash Balances

	July, 2019 Amount	Variance vs. Budget Positive / (Negative)	Year to Date Amount	Variance vs. Budget Positive / (Negative)
Cash Balance - Operations Fund				
Beginning Balance	\$ 22,159,882	\$ (2,578,374)	\$ 13,078,366	\$ 78,366
Cash Receipts	12,899,350	528,804	72,023,385	523,813
Cash Receipts - Grants	-	-	203,378	203,378
Cash Receipts - Capital Projects	2,977,259	2,977,259	4,529,969	4,529,969
Cash Disbursements	(11,672,969)	(481,837)	(56,937,636)	(1,452,408)
Cash Disbursements - Capital Projects	(168,721)	(168,721)	(3,011,089)	(3,011,089)
Transfers to Special Purpose Funds	(280,985)	2,578,354	(3,972,557)	1,983,456
Ending Balance	<u>\$ 25,913,816</u>	<u>\$ 2,855,485</u>	<u>\$ 25,913,816</u>	<u>\$ 2,855,485</u>
Cash Balance - Special-Purpose Funds				
Sinking Fund				
Beginning Balance	\$ 5,359,816	\$ 2,208,232	\$ 9,046,734	\$ 35,843
Transfers from Revenue Fund	280,985	(2,578,354)	5,512,773	(443,240)
Income from Investments	11,813	9,763	71,988	47,038
Accrued Interest Received	-	-	-	-
Debt Service Payments	-	-	(8,978,881)	-
Ending Balance	<u>\$ 5,652,614</u>	<u>\$ (360,359)</u>	<u>\$ 5,652,614</u>	<u>\$ (360,359)</u>
Replacement Fund				
Beginning Balance	\$ 11,773,022	\$ 9,595,748	\$ 13,424,061	\$ 3,155,787
Transfers from Revenue Fund	-	-	-	-
Transfers from Bond Redemption	-	-	-	-
Proceeds from Disposal of Property	-	-	-	-
Income from Investments	24,903	23,503	187,164	161,764
Withdrawals	(2,977,259)	(1,652,259)	(4,790,559)	4,649,441
Ending Balance	<u>\$ 8,820,666</u>	<u>\$ 7,966,992</u>	<u>\$ 8,820,666</u>	<u>\$ 7,966,992</u>
Reserve Fund				
Beginning Balance	\$ 3,685,282	\$ 34,666	\$ 3,637,813	\$ 847
Transfers from Revenue Fund	-	-	-	-
Income from Investments	7,859	5,509	55,328	39,328
Transfers to Bond Redemption Acct.	-	-	-	-
Ending Balance	<u>\$ 3,693,141</u>	<u>\$ 40,175</u>	<u>\$ 3,693,141</u>	<u>\$ 40,175</u>
Bond Redemption Account				
Beginning Balance	\$ 864,733	\$ 8,658	\$ 853,594	\$ 769
Transfers from Revenue Fund	-	-	-	-
Transfers from Reserve Fund	-	-	-	-
Transfers to Replacement Fund	-	-	-	-
Income from Investments	1,844	1,294	12,983	9,183
Ending Balance	<u>\$ 866,577</u>	<u>\$ 9,952</u>	<u>\$ 866,577</u>	<u>\$ 9,952</u>

Part III - Cash Balances

	July, 2019 Amount	Variance vs. Budget Positive / (Negative)	Year to Date Amount	Variance vs. Budget Positive / (Negative)
Capital Improvement Fund				
Beginning Balance	\$ 2,991,995	\$ 2,991,995	\$ 8,468,242	\$ 8,055,256
From Bond/Note Issue	-	-	-	-
Income from Investments	4,067	4,067	84,020	84,020
Withdrawals	(2,122,201)	(2,122,201)	(7,678,401)	(7,265,415)
Ending Balance	<u>\$ 873,861</u>	<u>\$ 873,861</u>	<u>\$ 873,861</u>	<u>\$ 873,861</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)	8,912,431	11,324,677
To Reserve Fund	-	-
To Bond Redemption Account	-	-
Total Transfers to Special Purpose Funds	<u>\$ 19,776,381</u>	<u>\$ 22,188,627</u>

* Current estimate is based on the actual cash balance as of 07/31/2019 plus projected cash receipts and disbursements for the remainder of the year, per the 2019 Operating Budget.

Business Summary for the Month of July, 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	\$ 64,559,115	\$ 47,957,411	\$ 112,516,526
Other Non-Service Income - Net	1,114,487	2,673,475	3,787,962
Total Income	<u>\$ 65,673,602</u>	<u>\$ 50,630,886</u>	<u>\$ 116,304,488</u>
% Distribution by Route	56.5%	43.5%	100.0%
Cost of Service	<u>\$ 63,561,201</u>	<u>\$ 46,827,608</u>	<u>\$ 110,388,809</u>
% Distribution by Route	57.6%	42.4%	100.0%
Net Operating Income by Route for 2019	<u><u>\$ 2,112,401</u></u>	<u><u>\$ 3,803,278</u></u>	<u><u>\$ 5,915,679</u></u>
% Distribution by Route	35.7%	64.3%	100.0%

* Based on actual net operating income (loss) for the first 7 months plus 5 months of projected net operating income (loss) for the remainder of the year, per the 2019 Operating Budget

Part VI - Share of Market versus Licensed Ferry Services

	July Amount	Change vs. Prev. Yr.	Year to Date Amount	Change vs. Prev. Yr.
License Fee Income	\$ 247,271	\$ 37,688	\$ 760,160	\$ 85,595

	July Amount	Change vs. Prev. Yr.
Weather Observations #		
Average Maximum Temperature (Fahrenheit)	82.8	2.2
Total Precipitation (in water equivalent inches)	3.67	2.43
Number of Days with Measurable Precipitation	8	2

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

Part VI - Share of Market versus Licensed Ferry Services

Number of Passengers Carried	July Amount	Change vs. Prev. Yr.		Year to Date Amount	Change vs. Prev. Yr.	
Martha's Vineyard						
Steamship Authority	370,833	(5,464)	-1.5%	1,325,895	23,062	1.8%
Hy-Line						
Regular	0	0	0.0%	0	0	0.0%
High Speed	37,101	2,019	5.8%	60,869	3,706	6.5%
Subtotal Hy-Line	37,101	2,019	5.8%	60,869	3,706	6.5%
Falmouth Ferry Service	8,856	1,829	26.0%	12,041	2,603	27.6%
SeaStreak (New Bedford)	25,331	1,865	7.9%	40,891	5,363	15.1%
SeaStreak (New York City)	1,867	(104)	-5.3%	3,198	(5)	-0.2%
Total *	443,988	145	0.0%	1,442,894	34,729	2.5%
Nantucket						
Steamship Authority						
Regular	39,526	(889)	-2.2%	142,919	(2,589)	-1.8%
Fast Ferry (Prior to April 2)	0	0	0.0%	893	893	100.0%
Fast Ferry (April 2) (in service 2018)	0	0	0.0%	0	0	0.0%
Fast Ferry (April 3 and after)(in service 2019)	54,158	(5,150)	-8.7%	149,771	(10,405)	-6.5%
Subtotal - Nantucket	93,684	(6,039)	-6.1%	293,583	(12,464)	-4.1%
Hy-Line						
Regular	0	0	0.0%	0	0	0.0%
HighSpeed (Prior to April 2)	0	0	0.0%	113,295	22,520	24.8%
HighSpeed (April 2)(IYA in service 2018)	0	0	0.0%	1,585	226	16.6%
HighSpeed (April 3 & after)(IYA in service 2019)	99,925	(1,221)	-1.2%	275,962	(86)	0.0%
Subtotal Hy-Line	99,925	(1,221)	-1.2%	390,842	22,660	6.2%
Freedom Cruise Line (Harwich)	9,476	1,393	17.2%	12,892	1,949	17.8%
SeaStreak (New Bedford)	15,130	5,023	49.7%	25,201	7,856	45.3%
SeaStreak (New York City)	735	385	110.0%	1,370	298	27.8%
Total	218,950	(459)	-0.2%	723,888	20,299	2.9%

M/V Iyanough in service 04/02/2018 - 01/02/2019 and 04/03/2019 - 01/03/2020.

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

Business Summary for the Month of August, 2019

Part I - Traffic Statistics

	Month of August 2018	Month of August 2019	DIFF	%DIFF	YTD through August 2018	YTD through August 2019	DIFF	%DIFF
Number of Passengers Carried								
Martha's Vineyard	386,397	395,854	9,457	2.4%	1,689,230	1,721,749	32,519	1.9%
Nantucket								
Regular	44,673	43,349	(1,324)	-3.0%	190,181	186,268	(3,913)	-2.1%
Fast Ferry	61,653	56,012	(5,641)	-9.1%	222,192	206,676	(15,516)	-7.0%
Subtotal - Nantucket	106,326	99,361	(6,965)	-6.6%	412,373	392,944	(19,429)	-4.7%
Total	492,723	495,215	2,492	0.5%	2,101,603	2,114,693	13,090	0.6%
Number of Automobiles Carried								
Martha's Vineyard								
Regular	48,214	47,617	(597)	-1.2%	187,654	186,860	(794)	-0.4%
Excursion	9,304	9,431	127	1.4%	91,803	97,092	5,289	5.8%
Subtotal - M. Vineyard	57,518	57,048	(470)	-0.8%	279,457	283,952	4,495	1.6%
Nantucket								
Regular	9,742	9,494	(248)	-2.5%	32,497	31,707	(790)	-2.4%
Excursion	1,046	1,028	(18)	-1.7%	11,373	11,963	590	5.2%
Subtotal - Nantucket	10,788	10,522	(266)	-2.5%	43,870	43,670	(200)	-0.5%
Total	68,306	67,570	(736)	-1.1%	323,327	327,622	4,295	1.3%
Number of Trucks Carried								
Martha's Vineyard								
Less than 20' - Regular	4,544	4,654	110	2.4%	32,229	34,480	2,251	7.0%
Less than 20' - Excursion	2,187	2,239	52	2.4%	22,248	24,017	1,769	8.0%
20' and over	5,722	5,581	(141)	-2.5%	36,896	37,646	750	2.0%
sub-total - M.Vineyard	12,453	12,474	21	0.2%	91,373	96,143	4,770	5.2%
Nantucket								
Less than 20' - Regular	911	987	76	8.3%	7,331	7,851	520	7.1%
Less than 20' - Excursion	454	476	22	4.8%	4,975	5,334	359	7.2%
20' and over	3,462	3,259	(203)	-5.9%	23,558	24,126	568	2.4%
sub-total - Nantucket	4,827	4,722	(105)	-2.2%	35,864	37,311	1,447	4.0%
Total	17,280	17,196	(84)	-0.5%	127,237	133,454	6,217	4.9%

Business Summary for the Month of August, 2019

Part I - Traffic Statistics

	Month of August 2018	Month of August 2019	DIFF	%DIFF	YTD through August 2018	YTD through August 2019	DIFF	%DIFF
Number of Cars Parked								
Woods Hole, Falmouth and Cataumet	26,602	26,959	357	1.3%	101,722	100,439	(1,283)	-1.3%
Hyannis, Nantucket	7,495	6,730	(765)	-10.2%	27,198	25,290	(1,908)	-7.0%
Total	34,097	33,689	(408)	-1.2%	128,920	125,729	(3,191)	-2.5%
Average Length of Stay - Cars Parked (Days)								
Woods Hole, Falmouth and Cataumet	2.34	2.26	(0.08)	-3.4%	2.15	2.12	(0.03)	-1.4%
Hyannis, Nantucket	2.93	2.77	(0.16)	-5.5%	2.76	2.66	(0.10)	-3.6%
Total	2.47	2.37	(0.10)	-4.0%	2.28	2.23	(0.05)	-2.2%
Average Revenue per Passenger *								
Martha's Vineyard	\$ 6.43	\$ 7.22	\$ 0.79	12.3%	\$ 6.93	\$ 7.09	\$ 0.16	2.3%
Nantucket	26.26	23.19	(3.07)	-11.7%	23.51	22.63	(0.88)	-3.7%
Total	\$ 10.71	\$ 10.42	\$ (0.29)	-2.7%	\$ 10.18	\$ 9.98	\$ (0.20)	-2.0%
Average Revenue per Automobile								
Martha's Vineyard	\$ 63.31	\$ 73.42	\$ 10.11	16.0%	\$ 51.40	\$ 57.47	\$ 6.07	11.8%
Nantucket	190.88	213.33	22.45	11.8%	160.08	173.56	13.48	8.4%
Total	\$ 83.46	\$ 95.21	\$ 11.75	14.1%	\$ 66.15	\$ 72.95	\$ 6.80	10.3%
Average Revenue per Truck								
Martha's Vineyard	\$ 116.39	\$ 130.08	\$ 13.69	11.8%	\$ 104.07	\$ 114.38	\$ 10.31	9.9%
Nantucket	311.88	346.83	34.95	11.2%	291.86	321.74	29.88	10.2%
Total	\$ 171.00	\$ 189.60	\$ 18.60	10.9%	\$ 157.01	\$ 172.36	\$ 15.35	9.8%

* Excludes any town embarkation fees.

Business Summary for the Month of August, 2019

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

	August ACTUAL 2018	August ACTUAL 2019	ACTUAL 2019 vs. ACTUAL 2018	August BUDGET 2019	ACTUAL 2019 vs. BUDGET
Vs. 2019 Operating Budget					
Net Income (Loss) from Operations					
Operating Revenues	\$ 16,696,356	\$ 17,564,105	\$ 867,749	\$ 17,810,257	\$ (246,152)
Other Income	476,438	629,617	153,179	456,910	172,707
Total Income	<u>17,172,794</u>	<u>18,193,722</u>	<u>1,020,928</u>	<u>18,267,167</u>	<u>(73,445)</u>
Operating Expenses	9,528,597	10,603,471	1,074,874	9,524,412	1,079,059
Fixed Charges and Other Expenses	265,047	307,008	41,961	323,364	(16,356)
Total Expenses	<u>9,793,644</u>	<u>10,910,479</u>	<u>1,116,835</u>	<u>9,847,776</u>	<u>1,062,703</u>
Net Operating Income (Loss)	<u>\$ 7,379,150</u>	<u>\$ 7,283,243</u>	<u>\$ (95,907)</u>	<u>\$ 8,419,391</u>	<u>\$ (1,136,148)</u>
Operating Revenues:					
Auto Revenue	\$ 5,707,468	\$ 6,441,857	\$ 734,389	\$ 6,169,607	\$ 272,250
Freight Revenue	2,983,985	3,296,548	312,563	3,249,125	47,423
Passenger Revenue	5,403,425	5,287,871	(115,554)	5,534,661	(246,790)
Bicycle, Mail, Misc. Voyage Rev.	240,751	222,547	(18,204)	240,909	(18,362)
Revenue from Terminal Operations	640,987	590,496	(50,491)	595,950	(5,454)
Parking Revenue	1,620,609	1,619,224	(1,385)	1,927,505	(308,281)
Rents	99,131	105,562	6,431	92,500	13,062
Sub-Total - Operating Revenue	<u>16,696,356</u>	<u>17,564,105</u>	<u>867,749</u>	<u>17,810,257</u>	<u>(246,152)</u>
Other Income:					
Interest Income	3,643	34,700	31,057	11,500	23,200
Miscellaneous Income	472,795	594,917	122,122	445,410	149,507
Sub-Total - Other Income	<u>476,438</u>	<u>629,617</u>	<u>153,179</u>	<u>456,910</u>	<u>172,707</u>
Total Income	<u>\$ 17,172,794</u>	<u>\$ 18,193,722</u>	<u>\$ 1,020,928</u>	<u>\$ 18,267,167</u>	<u>\$ (73,445)</u>

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

	August ACTUAL 2018	August ACTUAL 2019	ACTUAL 2019 vs. ACTUAL 2018	August BUDGET 2019	ACTUAL 2019 vs. BUDGET
Vs. 2019 Operating Budget					
Operating Expenses:					
Wages	\$ 3,475,202	\$ 3,777,077	\$ 301,875	\$ 3,559,373	\$ 217,704
Pensions Health & Welfare	1,500,736	1,621,415	120,679	1,485,399	136,016
Payroll Taxes	289,806	243,880	(45,926)	230,692	13,188
Depreciation	940,833	1,669,781	728,948	972,333	697,448
Vessel Fuel Oil	728,642	772,155	43,513	943,171	(171,016)
Insurance	326,498	424,357	97,859	328,459	95,898
Direct Vessel Maintenance (Excl. Wages)	502,895	697,139	194,244	657,270	39,869
Direct Terminal Maintenance (Excl. Wages)	477,068	82,801	(394,267)	29,000	53,801
Utilities	115,256	89,823	(25,433)	177,288	(87,465)
Other	1,171,661	1,225,043	53,382	1,141,427	83,616
Sub-Total - Operating Expenses	9,528,597	10,603,471	1,074,874	9,524,412	1,079,059
Fixed Charges and Other Expenses:					
Bond Interest & Expense	191,932	265,018	73,086	281,691	(16,673)
Misc. Charges or Deductions	73,115	41,990	(31,125)	41,673	317
Sub-Total - Other Expenses	265,047	307,008	41,961	323,364	(16,356)
Total Expenses	\$ 9,793,644	\$ 10,910,479	\$ 1,116,835	\$ 9,847,776	\$ 1,062,703
Net Operating Income (Loss)	\$ 7,379,150	\$ 7,283,243	\$ (95,907)	\$ 8,419,391	\$ (1,136,148)

Budgetary Management Discussion and Analysis - August, 2019

Total operating revenues for August decreased by \$246,152 or 1.4% versus the amount projected in the 2019 operating budget, for a total of \$17,564,105 in operating revenues. Passenger revenues for the month were down \$247,000 versus budget projections, which represents a decrease of 4.5%. Automobile revenues were up \$272,000, or 4.4%, versus budget projections for August. Freight revenues were up \$47,000, or 1.5%, versus budget projections for the month. Parking revenues were down during August by \$308,000, or 16.0%. Concession revenues in August were up \$19,000 or 13.6%. Rent revenues from barge unloading and rental car space were up \$13,000, or 14.1%, in August versus budget.

During August, the vessels made a combined 2,710 trips. This represents a decrease of 20 trips, or 0.7%, versus budget for the month. On the Vineyard route, 2 trips were canceled for mechanical reasons, 0 for weather related and 24 for traffic demands while 16 unscheduled trips and 0 available trips were added. On the Nantucket route, 6 trips were canceled for mechanical reasons, 8 for weather related and 2 for traffic demands while 6 unscheduled and 0 available trips were added.

Total operating expenses for the month were up \$1,079,000 or 11.3%, versus the amount projected in the 2019 budget for a total of \$10,603,471. Maintenance expenses for the month were up \$171,000, or 13.9%, versus budget. Overhaul repairs for the M/V Martha's Vineyard were up \$7,000; repairs on the M/V Governor were up \$23,000; repairs for the M/V Katama were up \$118,000; repairs for the M/V Gay Head were down \$176,000; while repairs on the M/V Island Home were up \$23,000 versus budget. Repairs to buildings and structures at the Vineyard Haven terminal were up \$29,000; while repairs to office and terminal equipment was up \$40,000 for the month and for motor vehicles by \$17,000.

Vessel fuel expense of \$772,000 was down by \$171,000 or 18.1% versus budget estimates. The average actual cost per gallon for vessel fuel oil in August was \$2.112, including net hedging costs, while the budgeted cost was \$2.527 per gallon. During August, the vessels logged 40,556 miles, which were 380 miles lower than budget, or a decrease of 0.9%. During August, 365,000 gallons of vessel fuel were consumed. This represents a decrease of 8,000 gallons, or 2.2%, versus budget. Insurance expenses were up \$96,000. General administrative expenses for the month were up \$257,000 or 11.6%. Legal expense was down \$4,000; pension expense was down \$1,199,000, health care expense was up \$1,258,000, disability contributions were up \$88,000, unemployment contributions were down \$10,000, training expense was up \$4,000, and credit card expense was up \$16,000.

Other income, including interest income, debt premium and license income, totaled \$629,617 and was \$172,707 higher than budget projections. Income deductions, including interest on funded debt and pension withdrawal, totaled \$307,008 and were \$16,356 lower than budget. The Authority's net operating income for the month of August, including other income, income deductions and bond interest expense, was \$7,283,243 or \$1,136,148 lower than budget projections for the month.

Business Summary for the Year-To-Date as of August, 2019 (Continued)

Part IIb- Net Income (Loss) from Operations (Year to Date)

	YTD - August ACTUAL 2018	YTD - August ACTUAL 2019	YTD ACTUAL 2019 vs. YTD ACTUAL 2018	YTD - August BUDGET 2019	YTD ACTUAL 2019 vs. YTD BUDGET
Vs. 2019 Operating Budget					
Net Income (Loss) from Operations					
Operating Revenues	\$ 73,208,897	\$ 78,710,024	\$ 5,501,127	\$ 79,310,051	\$ (600,027)
Other Income	1,909,008	2,393,489	484,481	1,963,780	429,709
Total Income	<u>75,117,905</u>	<u>81,103,513</u>	<u>5,985,608</u>	<u>81,273,831</u>	<u>(170,318)</u>
Operating Expenses	68,837,303	72,581,199	3,743,896	70,166,093	2,415,106
Fixed Charges and Other Expenses	1,935,668	2,518,138	582,470	2,606,972	(88,834)
Total Expenses	<u>70,772,971</u>	<u>75,099,337</u>	<u>4,326,366</u>	<u>72,773,065</u>	<u>2,326,272</u>
Net Operating Income (Loss)	<u>\$ 4,344,934</u>	<u>\$ 6,004,176</u>	<u>\$ 1,659,242</u>	<u>\$ 8,500,766</u>	<u>\$ (2,496,590)</u>
Operating Revenues:					
Auto Revenue	\$ 21,383,925	\$ 23,933,715	\$ 2,549,790	\$ 24,043,463	\$ (109,748)
Freight Revenue	20,059,132	23,048,730	2,989,598	22,128,225	920,505
Passenger Revenue	22,098,393	21,900,046	(198,347)	22,700,338	(800,292)
Bicycle, Mail, Misc. Voyage Rev.	1,001,149	960,913	(40,236)	999,278	(38,365)
Revenue from Terminal Operations	2,886,796	2,846,730	(40,066)	2,885,325	(38,595)
Parking Revenue	5,223,649	5,388,255	164,606	5,925,422	(537,167)
Rents	555,853	631,635	75,782	628,000	3,635
Sub-Total - Operating Revenue	<u>73,208,897</u>	<u>78,710,024</u>	<u>5,501,127</u>	<u>79,310,051</u>	<u>(600,027)</u>
Other Income:					
Interest Income	66,820	210,746	143,926	70,500	140,246
Miscellaneous Income	1,842,188	2,182,743	340,555	1,893,280	289,463
Sub-Total - Other Income	<u>1,909,008</u>	<u>2,393,489</u>	<u>484,481</u>	<u>1,963,780</u>	<u>429,709</u>
Total Income	<u>\$ 75,117,905</u>	<u>\$ 81,103,513</u>	<u>\$ 5,985,608</u>	<u>\$ 81,273,831</u>	<u>\$ (170,318)</u>

Part IIb- Net Income (Loss) from Operations (Year to Date)

	YTD - August ACTUAL 2018	YTD - August ACTUAL 2019	YTD ACTUAL 2019 vs. YTD ACTUAL 2018	YTD - August BUDGET 2019	YTD ACTUAL 2019 vs. YTD BUDGET
Vs. 2019 Operating Budget					
Operating Expenses:					
Wages	\$ 24,047,559	\$ 26,466,305	\$ 2,418,746	\$ 24,826,686	\$ 1,639,619
Pensions Health & Welfare	10,645,183	11,628,068	982,885	10,928,217	699,851
Payroll Taxes	1,702,997	1,826,419	123,422	1,779,372	47,047
Depreciation	7,634,853	8,502,453	867,600	7,776,299	726,154
Vessel Fuel Oil	4,104,134	4,705,051	600,917	5,444,414	(739,363)
Insurance	2,459,743	2,838,340	378,597	2,627,672	210,668
Direct Vessel Maintenance (Excl. Wages)	6,800,224	5,713,239	(1,086,985)	6,284,620	(571,381)
Direct Terminal Maintenance (Excl. Wages)	1,532,438	628,840	(903,598)	1,487,950	(859,110)
Utilities	891,375	730,701	(160,674)	1,405,802	(675,101)
Other	9,018,797	9,541,783	522,986	7,605,061	1,936,722
Sub-Total - Operating Expenses	68,837,303	72,581,199	3,743,896	70,166,093	2,415,106
Fixed Charges and Other Expenses:					
Bond Interest & Expense	1,558,310	2,181,097	622,787	2,269,758	(88,661)
Misc. Charges or Deductions	377,358	337,041	(40,317)	337,214	(173)
Sub-Total - Other Expenses	1,935,668	2,518,138	582,470	2,606,972	(88,834)
Total Expenses	70,772,971	75,099,337	4,326,366	72,773,065	2,326,272
Net Operating Income (Loss)	4,344,934	6,004,176	1,659,242	8,500,766	(2,496,590)

Budgetary Management Discussion and Analysis: January - August, 2019

Year to date total operating revenues decreased by \$600,027 or 0.8% versus the amount projected in the 2019 operating budget, for a total of \$78,710,024 in operating revenues. Passenger revenues for the year to date were down \$800,000 versus budget projections, which represents a 3.5% decrease. Automobile revenues were down \$110,000, or 0.5%, versus budget projections. Freight revenues were up \$921,000 or 4.2%, versus budget projections. Parking revenues were down \$537,000, or 9.1%, compared to budget forecast. Rent revenues from barge unloading and rental car space were up \$4,000, or 0.6%, versus budget.

Year to date, the vessels made a combined 16,173 trips. This represents an increase of 35 trips, or 0.2%, versus budget. On the Vineyard route, 10 trips were canceled for mechanical reasons, 62 for weather related and 30 for traffic demands, while 34 unscheduled trips and 145 available trips were added. On the Nantucket route, 90 trips were canceled for mechanical reasons (72 of which were made up by a charter), 71 for weather related and 19 for traffic demands, while 58 unscheduled trips and 80 available trips were added.

Year to date operating expenses were up \$2,415,106 or 3.4%, versus the amount projected in the 2019 budget for a total of \$72,581,199. Maintenance expenses for the year are down \$483,000, or 3.6%, versus budget. Overhaul repairs for the M/V Martha's Vineyard were down \$145,000; the M/V Woods Hole overhaul and dry-dock expense was up \$305,000; overhaul expenses for the M/V Governor were down \$11,000; overhaul expenses for the M/V Sankaty were up \$61,000; M/V Nantucket repair expenses were down \$122,000; engine parts expenses for the M/V Katama were down \$150,000; repairs on the M/V Eagle were up \$307,000; repairs on the M/V Gay Head were down \$180,000; the M/V Island Home repair expenses were down \$370,000; and overhaul expenses for the M/V Iyanough was down \$215,000. Terminal and dolphin and dock repairs in Vineyard Haven were up \$185,000; while Oak Bluffs were down \$233,000; Nantucket were down \$396,000 and were down in Hyannis by \$375,000. Motor vehicle repairs were up \$73,000 and other maintenance expense was up by \$259,000.

Vessel fuel expense of \$4,705,000 was \$739,000, or 13.6%, below budget estimates. The average actual cost per gallon for vessel fuel oil was \$2.227 including net hedging costs, while the budgeted cost was \$2.545 per gallon. 236,876 vessel miles have been logged in the year, a decrease of 644 miles, or 0.3%, versus budget. 2,104,000 gallons of vessel fuel were consumed. This represents a decrease of 35,000 gallons or 1.6% versus budget. General administrative expenses for the year were up 10.0%, or \$1,652,000. Legal expense was down \$15,000, pension expense was up \$112,000, health care costs were down \$680,000, disability contributions were down \$91,000, and unemployment contributions were down \$1,000. Training expense was up \$231,000; while credit card fees were up \$140,000, telephone and communications expense was up \$122,000.

Other income, including interest income, debt premium and license income, totaled \$2,393,489 and was \$429,709 higher than budget projections. Income deductions, including interest on funded debt and pension withdrawal, totaled \$2,518,138 and were \$88,834 lower than budget. Year to date, the Authority's net operating income, including other income, income deductions and bond interest expense, was \$9,850,766 or \$2,496,590 lower than budget projections.

Part III - Cash Balances

	August, 2019 Amount	Variance vs. Budget Positive / (Negative)	Year to Date Amount	Variance vs. Budget Positive / (Negative)
Cash Balance - Operations Fund				
Beginning Balance	\$ 25,913,816	\$ 2,855,485	\$ 13,078,366	\$ 78,366
Cash Receipts	11,896,349	(1,673,363)	83,919,734	(1,149,550)
Cash Receipts - Grants	-	-	203,378	203,378
Cash Receipts - Capital Projects	-	-	4,529,969	4,529,969
Cash Disbursements	(9,984,458)	(1,949,101)	(66,922,094)	(3,401,509)
Cash Disbursements - Capital Projects	(604,263)	(604,263)	(3,615,352)	(3,615,352)
Transfers to Special Purpose Funds	(7,528,332)	(2,855,485)	(11,500,889)	(872,029)
Ending Balance	<u>\$ 19,693,112</u>	<u>\$ (4,226,727)</u>	<u>\$ 19,693,112</u>	<u>\$ (4,226,727)</u>
Cash Balance - Special-Purpose Funds				
Sinking Fund				
Beginning Balance	\$ 5,652,614	\$ (360,359)	\$ 9,046,734	\$ 35,843
Transfers from Revenue Fund	5,223,149	550,302	10,735,922	107,062
Income from Investments	16,674	12,824	88,662	59,862
Accrued Interest Received	-	-	-	-
Debt Service Payments	-	-	(8,978,881)	-
Ending Balance	<u>\$ 10,892,437</u>	<u>\$ 202,767</u>	<u>\$ 10,892,437</u>	<u>\$ 202,767</u>
Replacement Fund				
Beginning Balance	\$ 8,820,666	\$ 7,966,992	\$ 13,424,061	\$ 3,155,787
Transfers from Revenue Fund	2,305,183	2,305,183	2,305,183	2,305,183
Transfers from Bond Redemption	-	-	-	-
Proceeds from Disposal of Property	-	-	-	-
Income from Investments	20,038	19,488	207,202	181,252
Withdrawals	-	225,000	(4,790,559)	4,874,441
Ending Balance	<u>\$ 11,145,887</u>	<u>\$ 10,516,663</u>	<u>\$ 11,145,887</u>	<u>\$ 10,516,663</u>
Reserve Fund				
Beginning Balance	\$ 3,693,141	\$ 40,175	\$ 3,637,813	\$ 847
Transfers from Revenue Fund	-	-	-	-
Income from Investments	7,347	4,997	62,675	44,325
Transfers to Bond Redemption Acct.	-	-	-	-
Ending Balance	<u>\$ 3,700,488</u>	<u>\$ 45,172</u>	<u>\$ 3,700,488</u>	<u>\$ 45,172</u>
Bond Redemption Account				
Beginning Balance	\$ 866,577	\$ 9,952	\$ 853,594	\$ 769
Transfers from Revenue Fund	-	-	-	-
Transfers from Reserve Fund	-	-	-	-
Transfers to Replacement Fund	-	-	-	-
Income from Investments	1,724	1,174	14,707	10,357
Ending Balance	<u>\$ 868,301</u>	<u>\$ 11,126</u>	<u>\$ 868,301</u>	<u>\$ 11,126</u>

Part III - Cash Balances

	August, 2019 Amount	Variance vs. Budget Positive / (Negative)	Year to Date Amount	Variance vs. Budget Positive / (Negative)
Capital Improvement Fund				
Beginning Balance	\$ 873,861	\$ 873,861	\$ 8,468,242	\$ 8,055,256
From Bond/Note Issue	-	-	-	-
Income from Investments	1,738	1,738	85,758	85,758
Withdrawals	-	-	(7,678,401)	(7,265,415)
Ending Balance	<u>\$ 875,599</u>	<u>\$ 875,599</u>	<u>\$ 875,599</u>	<u>\$ 875,599</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)	8,912,431	7,097,950
To Reserve Fund	-	-
To Bond Redemption Account	-	-
Total Transfers to Special Purpose Funds	<u>\$ 19,776,381</u>	<u>\$ 17,961,900</u>

* Current estimate is based on the actual cash balance as of 08/31/2019 plus projected cash receipts and disbursements for the remainder of the year, per the 2019 Operating Budget.

Business Summary for the Month of August, 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	\$ 64,927,692	\$ 47,342,684	\$ 112,270,376
Other Non-Service Income - Net	1,151,442	2,809,227	3,960,669
Total Income	<u>\$ 66,079,134</u>	<u>\$ 50,151,911</u>	<u>\$ 116,231,045</u>
% Distribution by Route	56.9%	43.1%	100.0%
Cost of Service	<u>\$ 64,610,746</u>	<u>\$ 46,840,765</u>	<u>\$ 111,451,511</u>
% Distribution by Route	58.0%	42.0%	100.0%
Net Operating Income by Route for 2019	<u>\$ 1,468,388</u>	<u>\$ 3,311,146</u>	<u>\$ 4,779,534</u>
% Distribution by Route	30.7%	69.3%	100.0%

* Based on actual net operating income (loss) for the first 8 months plus 4 months of projected net operating income (loss) for the remainder of the year, per the 2019 Operating Budget

Part VI - Share of Market versus Licensed Ferry Services

	August Amount	Change vs. Prev. Yr.	Year to Date Amount	Change vs. Prev. Yr.
License Fee Income	\$ -	\$ (373,081)	\$ 760,160	\$ (287,486)
	August Amount	Change vs. Prev. Yr.		
Weather Observations #				
Average Maximum Temperature (Fahrenheit)	79.7	-2.7		
Total Precipitation (in water equivalent inches)	2.11	-0.69		
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

	August Amount	Change vs. Prev. Yr.		Year to Date Amount	Change vs. Prev. Yr.	
Martha's Vineyard						
Steamship Authority	395,854	9,457	2.4%	1,721,749	32,519	1.9%
Hy-Line						
Regular	0	0	0.0%	0	0	0.0%
High Speed	35,080	(3,366)	-8.8%	95,949	340	0.4%
Subtotal Hy-Line	35,080	(3,366)	-8.8%	95,949	340	0.4%
Falmouth Ferry Service	8,807	1,675	23.5%	20,848	4,278	25.8%
SeaStreak (New Bedford)	26,760	2,686	11.2%	67,651	8,049	13.5%
SeaStreak (New York City)	2,783	71	2.6%	5,981	66	1.1%
Total *	469,284	10,523	2.3%	1,912,178	45,252	2.4%
Nantucket						
Steamship Authority						
Regular	43,349	(1,324)	-3.0%	186,268	(3,913)	-2.1%
Fast Ferry (Prior to April 2)	0	0	0.0%	893	893	100.0%
Fast Ferry (April 2) (in service 2018)	0	0	0.0%	0	0	0.0%
Fast Ferry (April 3 and after)(in service 2019)	56,012	(5,641)	-9.1%	205,783	(16,046)	-7.2%
Subtotal - Nantucket	99,361	(6,965)	-6.6%	392,944	(19,429)	-4.7%
Hy-Line						
Regular	0	0	0.0%	0	0	0.0%
HighSpeed (Prior to April 2)	0	0	0.0%	113,295	22,520	24.8%
HighSpeed (April 2)(IYA in service 2018)	0	0	0.0%	1,585	226	16.6%
HighSpeed (April 3 & after)(IYA in service 2019)	107,111	58	0.1%	383,073	(28)	0.0%
Subtotal Hy-Line	107,111	58	0.1%	497,953	22,718	4.8%
Freedom Cruise Line (Harwich)	10,084	898	9.8%	22,976	2,847	14.1%
SeaStreak (New Bedford)	17,056	5,677	49.9%	42,257	13,533	47.1%
SeaStreak (New York City)	536	51	10.5%	1,906	349	22.4%
Total	234,148	(281)	-0.1%	958,036	20,018	2.1%

M/V Iyanough in service 04/02/2018 - 01/02/2019 and 04/03/2019 - 01/03/2020.

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

Business Summary for the Month of September, 2019

Part I - Traffic Statistics

	Month of September 2018	Month of September 2019	DIFF	%DIFF	YTD through September 2018	YTD through September 2019	DIFF	%DIFF
Number of Passengers Carried								
Martha's Vineyard	274,530	254,517	(20,013)	-7.3%	1,963,760	1,976,266	12,506	0.6%
Nantucket								
Regular	28,661	28,742	81	0.3%	218,842	215,010	(3,832)	-1.8%
Fast Ferry	43,580	37,112	(6,468)	-14.8%	265,772	243,788	(21,984)	-8.3%
Subtotal - Nantucket	<u>72,241</u>	<u>65,854</u>	<u>(6,387)</u>	<u>-8.8%</u>	<u>484,614</u>	<u>458,798</u>	<u>(25,816)</u>	<u>-5.3%</u>
Total	<u>346,771</u>	<u>320,371</u>	<u>(26,400)</u>	<u>-7.6%</u>	<u>2,448,374</u>	<u>2,435,064</u>	<u>(13,310)</u>	<u>-0.5%</u>
Number of Automobiles Carried								
Martha's Vineyard								
Regular	32,746	30,455	(2,291)	-7.0%	220,400	217,315	(3,085)	-1.4%
Excursion	12,621	12,550	(71)	-0.6%	104,424	109,642	5,218	5.0%
Subtotal - M. Vineyard	<u>45,367</u>	<u>43,005</u>	<u>(2,362)</u>	<u>-5.2%</u>	<u>324,824</u>	<u>326,957</u>	<u>2,133</u>	<u>0.7%</u>
Nantucket								
Regular	5,998	5,744	(254)	-4.2%	38,495	37,451	(1,044)	-2.7%
Excursion	1,647	1,694	47	2.9%	13,020	13,657	637	4.9%
Subtotal - Nantucket	<u>7,645</u>	<u>7,438</u>	<u>(207)</u>	<u>-2.7%</u>	<u>51,515</u>	<u>51,108</u>	<u>(407)</u>	<u>-0.8%</u>
Total	<u>53,012</u>	<u>50,443</u>	<u>(2,569)</u>	<u>-4.8%</u>	<u>376,339</u>	<u>378,065</u>	<u>1,726</u>	<u>0.5%</u>
Number of Trucks Carried								
Martha's Vineyard								
Less than 20' - Regular	4,753	4,622	(131)	-2.8%	36,982	39,102	2,120	5.7%
Less than 20' - Excursion	2,887	3,162	275	9.5%	25,135	27,179	2,044	8.1%
20' and over	4,543	4,524	(19)	-0.4%	41,439	42,170	731	1.8%
sub-total - M.Vineyard	<u>12,183</u>	<u>12,308</u>	<u>125</u>	<u>1.0%</u>	<u>103,556</u>	<u>108,451</u>	<u>4,895</u>	<u>4.7%</u>
Nantucket								
Less than 20' - Regular	1,140	1,161	21	1.8%	8,471	9,012	541	6.4%
Less than 20' - Excursion	654	801	147	22.5%	5,629	6,135	506	9.0%
20' and over	2,739	2,721	(18)	-0.7%	26,297	26,847	550	2.1%
sub-total - Nantucket	<u>4,533</u>	<u>4,683</u>	<u>150</u>	<u>3.3%</u>	<u>40,397</u>	<u>41,994</u>	<u>1,597</u>	<u>4.0%</u>
Total	<u>16,716</u>	<u>16,991</u>	<u>275</u>	<u>1.6%</u>	<u>143,953</u>	<u>150,445</u>	<u>6,492</u>	<u>4.5%</u>

Business Summary for the Month of September, 2019

Part I - Traffic Statistics

	Month of September 2018	Month of September 2019	DIFF	%DIFF	YTD through September 2018	YTD through September 2019	DIFF	%DIFF
Number of Cars Parked								
Woods Hole, Falmouth and Cataumet	17,761	15,979	(1,782)	-10.0%	119,483	116,418	(3,065)	-2.6%
Hyannis, Nantucket	5,544	4,914	(630)	-11.4%	32,742	30,204	(2,538)	-7.8%
Total	23,305	20,893	(2,412)	-10.3%	152,225	146,622	(5,603)	-3.7%
Average Length of Stay - Cars Parked (Days)								
Woods Hole, Falmouth and Cataumet	2.16	2.18	0.02	0.9%	2.16	2.13	(0.03)	-1.4%
Hyannis, Nantucket	2.70	2.63	(0.07)	-2.6%	2.75	2.65	(0.10)	-3.6%
Total	2.29	2.28	(0.01)	-0.4%	2.28	2.24	(0.04)	-1.8%
Average Revenue per Passenger *								
Martha's Vineyard	\$ 7.20	\$ 7.17	\$ (0.03)	-0.4%	\$ 6.97	\$ 7.10	\$ 0.13	1.9%
Nantucket	23.96	23.19	(0.77)	-3.2%	23.58	22.71	(0.87)	-3.7%
Total	\$ 10.69	\$ 10.46	\$ (0.23)	-2.2%	\$ 10.25	\$ 10.04	\$ (0.21)	-2.0%
Average Revenue per Automobile								
Martha's Vineyard	\$ 56.07	\$ 64.14	\$ 8.07	14.4%	\$ 52.05	\$ 58.35	\$ 6.30	12.1%
Nantucket	170.07	187.35	17.28	10.2%	161.56	175.57	14.01	8.7%
Total	\$ 72.51	\$ 82.31	\$ 9.80	13.5%	\$ 67.04	\$ 74.20	\$ 7.16	10.7%
Average Revenue per Truck								
Martha's Vineyard	\$ 102.71	\$ 114.07	\$ 11.36	11.1%	\$ 103.91	\$ 114.35	\$ 10.44	10.0%
Nantucket	281.62	309.58	27.96	9.9%	290.71	320.38	29.67	10.2%
Total	\$ 151.23	\$ 167.95	\$ 16.72	11.1%	\$ 156.33	\$ 171.86	\$ 15.53	9.9%

* Excludes any town embarkation fees.

Business Summary for the Month of September, 2019

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

	September ACTUAL 2018	September ACTUAL 2019	ACTUAL 2019 vs. ACTUAL 2018	September BUDGET 2019	ACTUAL 2019 vs. BUDGET
Vs. 2019 Operating Budget					
Net Income (Loss) from Operations					
Operating Revenues	\$ 11,703,827	\$ 12,380,119	\$ 676,292	\$ 11,973,538	\$ 406,581
Other Income	530,240	624,615	94,375	468,910	155,705
Total Income	<u>12,234,067</u>	<u>13,004,734</u>	<u>770,667</u>	<u>12,442,448</u>	<u>562,286</u>
Operating Expenses	8,382,410	9,499,625	1,117,215	10,100,699	(601,074)
Fixed Charges and Other Expenses	249,129	299,584	50,455	317,135	(17,551)
Total Expenses	<u>8,631,539</u>	<u>9,799,209</u>	<u>1,167,670</u>	<u>10,417,834</u>	<u>(618,625)</u>
Net Operating Income (Loss)	<u>\$ 3,602,528</u>	<u>\$ 3,205,525</u>	<u>\$ (397,003)</u>	<u>\$ 2,024,614</u>	<u>\$ 1,180,911</u>
Operating Revenues:					
Auto Revenue	\$ 3,846,122	\$ 4,158,273	\$ 312,151	\$ 3,920,783	\$ 237,490
Freight Revenue	2,554,022	2,885,769	331,747	2,694,281	191,488
Passenger Revenue	3,740,435	3,419,595	(320,840)	3,633,969	(214,374)
Bicycle, Mail, Misc. Voyage Rev.	148,359	110,385	(37,974)	188,646	(78,261)
Revenue from Terminal Operations	424,572	780,906	356,334	428,650	352,256
Parking Revenue	938,798	921,581	(17,217)	1,049,709	(128,128)
Rents	51,519	103,610	52,091	57,500	46,110
Sub-Total - Operating Revenue	<u>11,703,827</u>	<u>12,380,119</u>	<u>676,292</u>	<u>11,973,538</u>	<u>406,581</u>
Other Income:					
Interest Income	13,323	39,363	26,040	8,500	30,863
Miscellaneous Income	516,917	585,252	68,335	460,410	124,842
Sub-Total - Other Income	<u>530,240</u>	<u>624,615</u>	<u>94,375</u>	<u>468,910</u>	<u>155,705</u>
Total Income	<u>\$ 12,234,067</u>	<u>\$ 13,004,734</u>	<u>\$ 770,667</u>	<u>\$ 12,442,448</u>	<u>\$ 562,286</u>

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

	September ACTUAL 2018	September ACTUAL 2019	ACTUAL 2019 vs. ACTUAL 2018	September BUDGET 2019	ACTUAL 2019 vs. BUDGET
Vs. 2019 Operating Budget					
Operating Expenses:					
Wages	\$ 3,426,547	\$ 3,683,654	\$ 257,107	\$ 3,330,320	\$ 353,334
Pensions Health & Welfare	1,251,889	1,378,539	126,650	1,413,363	(34,824)
Payroll Taxes	230,408	249,460	19,052	221,934	27,526
Depreciation	939,484	1,028,545	89,061	968,511	60,034
Vessel Fuel Oil	605,630	668,802	63,172	835,161	(166,359)
Insurance	322,855	347,481	24,626	328,459	19,022
Direct Vessel Maintenance (Excl. Wages)	371,829	709,863	338,034	1,719,831	(1,009,968)
Direct Terminal Maintenance (Excl. Wages)	179,609	259,173	79,564	53,600	205,573
Utilities	139,799	61,511	(78,288)	177,546	(116,035)
Other	914,360	1,112,597	198,237	1,051,974	60,623
Sub-Total - Operating Expenses	8,382,410	9,499,625	1,117,215	10,100,699	(601,074)
Fixed Charges and Other Expenses:					
Bond Interest & Expense	206,130	258,326	52,196	275,600	(17,274)
Misc. Charges or Deductions	42,999	41,258	(1,741)	41,535	(277)
Sub-Total - Other Expenses	249,129	299,584	50,455	317,135	(17,551)
Total Expenses	\$ 8,631,539	\$ 9,799,209	\$ 1,167,670	\$ 10,417,834	\$ (618,625)
Net Operating Income (Loss)	\$ 3,602,528	\$ 3,205,525	\$ (397,003)	\$ 2,024,614	\$ 1,180,911

Budgetary Management Discussion and Analysis - September, 2019

Total operating revenues for September increased by \$406,581 or 3.4% versus the amount projected in the 2019 operating budget, for a total of \$12,380,119 in operating revenues. Passenger revenues for the month were down \$214,374 versus budget projections, which represents a decrease of 5.9%. Automobile revenues were up \$237,490, or 6.1%, versus budget projections for September. Freight revenues were up \$191,488, or 7.1%, versus budget projections for the month. Parking revenues were down during September by \$128,128, or 12.2%. Concession revenues in September were down \$25,883 or 23.2%. Rent revenues from barge unloading and rental car space were up \$46,110, or 80.2%, in September versus budget.

During September, the vessels made a combined 2,330 trips. This represents a decrease of 64 trips, or 2.7%, versus budget for the month. On the Vineyard route, 6 trips were canceled for mechanical reasons, 22 for weather related and 2 for traffic demands while zero unscheduled trips and 20 available trips were added. On the Nantucket route, 58 trips were canceled for mechanical reasons (40 of which were made up by a charter), 28 for weather related and none for traffic demands while 2 unscheduled and 30 available trips were added.

Total operating expenses for the month were down \$601,074 or 6.0%, versus the amount projected in the 2019 budget for a total of \$9,499,625. Maintenance expenses for the month were down \$601,625, or 25.8%, versus budget. Overhaul and drydock expenses for the M/V Sankaty were down \$802,505; repairs for the M/V Martha's Vineyard were down \$449,782; repairs for the M/V Katama were down \$8,249 repairs on the M/V Governor were down \$4,465; repairs on the M/V Gay Head were up \$200,433; repairs for the M/V Iyanough were up \$132,865; repairs for the M/V Woods Hole were up \$35,509 versus budget. Repairs to buildings and structures were up \$161,762 and repairs to office and terminal equipment was up \$38,970 for the month.

Vessel fuel expense of \$668,802 was down by \$166,359 or 19.9% versus budget estimates. The average actual cost per gallon for vessel fuel oil in September was \$2.197, including net hedging costs, while the budgeted cost was \$2.538 per gallon. During September, the vessels logged 34,436 miles, which were 1,700 miles lower than budget, or a decrease of 4.7%. During September, 303,126 gallons of vessel fuel were consumed. This represents a decrease of 25,965 gallons, or 7.9%, versus budget. Insurance expenses were up \$19,000. General administrative expenses for the month were up \$164,000 or 7.6%. Legal expense was down \$10,000; pension expense was down \$31,000, health care expense was down \$21,000, disability contributions were up \$11,000, unemployment contributions were up \$7,000, training expense was down \$19,000, and credit card expense was up \$16,000.

Other income, including interest income, debt premium and license income, totaled \$624,615 and was \$155,725 higher than budget projections. Income deductions, including interest on funded debt and pension withdrawal, totaled \$299,584 and were \$17,551 lower than budget. The Authority's net operating income for the month of September, including other income, income deductions and bond interest expense, was \$3,205,525 or \$1,180,911 higher than budget projections for the month.

Business Summary for the Year-To-Date as of September, 2019 (Continued)

Part IIb- Net Income (Loss) from Operations (Year to Date)

	YTD - September ACTUAL 2018	YTD - September ACTUAL 2019	YTD ACTUAL 2019 vs. YTD ACTUAL 2018	YTD - September BUDGET 2019	YTD ACTUAL 2019 vs. YTD BUDGET
Vs. 2019 Operating Budget					
Net Income (Loss) from Operations					
Operating Revenues	\$ 84,912,724	\$ 91,090,143	\$ 6,177,419	\$ 91,283,589	\$ (193,446)
Other Income	2,439,248	3,018,104	578,856	2,432,690	585,414
Total Income	<u>87,351,972</u>	<u>94,108,247</u>	<u>6,756,275</u>	<u>93,716,279</u>	<u>391,968</u>
Operating Expenses	77,219,713	82,080,824	4,861,111	80,266,792	1,814,032
Fixed Charges and Other Expenses	<u>2,184,797</u>	<u>2,817,722</u>	<u>632,925</u>	<u>2,924,107</u>	<u>(106,385)</u>
Total Expenses	<u>79,404,510</u>	<u>84,898,546</u>	<u>5,494,036</u>	<u>83,190,899</u>	<u>1,707,647</u>
Net Operating Income (Loss)	<u>\$ 7,947,462</u>	<u>\$ 9,209,701</u>	<u>\$ 1,262,239</u>	<u>\$ 10,525,380</u>	<u>\$ (1,315,679)</u>
Operating Revenues:					
Auto Revenue	\$ 25,230,047	\$ 28,091,988	\$ 2,861,941	\$ 27,964,246	\$ 127,742
Freight Revenue	22,613,154	25,934,499	3,321,345	24,822,506	1,111,993
Passenger Revenue	25,838,828	25,319,641	(519,187)	26,334,307	(1,014,666)
Bicycle, Mail, Misc. Voyage Rev.	1,149,508	1,071,298	(78,210)	1,187,924	(116,626)
Revenue from Terminal Operations	3,311,368	3,627,636	316,268	3,313,975	313,661
Parking Revenue	6,162,447	6,309,836	147,389	6,975,131	(665,295)
Rents	607,372	735,245	127,873	685,500	49,745
Sub-Total - Operating Revenue	<u>84,912,724</u>	<u>91,090,143</u>	<u>6,177,419</u>	<u>91,283,589</u>	<u>(193,446)</u>
Other Income:					
Interest Income	80,143	250,109	169,966	79,000	171,109
Miscellaneous Income	<u>2,359,105</u>	<u>2,767,995</u>	<u>408,890</u>	<u>2,353,690</u>	<u>414,305</u>
Sub-Total - Other Income	<u>2,439,248</u>	<u>3,018,104</u>	<u>578,856</u>	<u>2,432,690</u>	<u>585,414</u>
Total Income	<u>\$ 87,351,972</u>	<u>\$ 94,108,247</u>	<u>\$ 6,756,275</u>	<u>\$ 93,716,279</u>	<u>\$ 391,968</u>

Part IIb- Net Income (Loss) from Operations (Year to Date)

	YTD - September ACTUAL 2018	YTD - September ACTUAL 2019	YTD ACTUAL 2019 vs. YTD ACTUAL 2018	YTD - September BUDGET 2019	YTD ACTUAL 2019 vs. YTD BUDGET
Vs. 2019 Operating Budget					
Operating Expenses:					
Wages	\$ 27,474,106	\$ 30,149,959	\$ 2,675,853	\$ 28,157,006	\$ 1,992,953
Pensions Health & Welfare	11,897,072	13,006,607	1,109,535	12,341,580	665,027
Payroll Taxes	1,933,405	2,075,879	142,474	2,001,306	74,573
Depreciation	8,574,337	9,530,998	956,661	8,744,810	786,188
Vessel Fuel Oil	4,709,764	5,373,853	664,089	6,279,575	(905,722)
Insurance	2,782,598	3,185,821	403,223	2,956,131	229,690
Direct Vessel Maintenance (Excl. Wages)	7,172,053	6,423,102	(748,951)	8,004,451	(1,581,349)
Direct Terminal Maintenance (Excl. Wages)	1,712,047	888,013	(824,034)	1,541,550	(653,537)
Utilities	1,031,174	792,212	(238,962)	1,583,348	(791,136)
Other	9,933,157	10,654,380	721,223	8,657,035	1,997,345
Sub-Total - Operating Expenses	77,219,713	82,080,824	4,861,111	80,266,792	1,814,032
Fixed Charges and Other Expenses:					
Bond Interest & Expense	1,764,440	2,439,423	674,983	2,545,358	(105,935)
Misc. Charges or Deductions	420,357	378,299	(42,058)	378,749	(450)
Sub-Total - Other Expenses	2,184,797	2,817,722	632,925	2,924,107	(106,385)
Total Expenses	79,404,510	84,898,546	5,494,036	83,190,899	1,707,647
Net Operating Income (Loss)	7,947,462	9,209,701	1,262,239	10,525,380	(1,315,679)

Budgetary Management Discussion and Analysis: January - September, 2019

Year to date total operating revenues decreased by \$193,446 or 0.2% versus the amount projected in the 2019 operating budget, for a total of \$91,090,143 in operating revenues. Passenger revenues for the year to date were down \$1,015,000 versus budget projections, which represents a 3.9% decrease. Automobile revenues were up \$128,000, or 0.5%, versus budget projections. Freight revenues were up \$1,112,000 or 4.5%, versus budget projections. Parking revenues were down \$665,000, or 9.5%, compared to budget forecast. Rent revenues from barge unloading and rental car space were up \$50,000, or 7.3%, versus budget.

Year to date, the vessels made a combined 18,503 trips. This represents an decrease of 29 trips, or 0.2%, versus budget. On the Vineyard route, 34 trips were canceled for mechanical reasons, 66 for weather related and 32 for traffic demands, while 34 unscheduled trips and 111 available trips were added. On the Nantucket route, 148 trips were canceled for mechanical reasons (112 of which were made up by a charter), 99 for weather related and 19 for traffic demands, while 60 unscheduled trips and 164 available trips were added.

Year to date operating expenses were up \$1,814,032 or 2.3%, versus the amount projected in the 2019 budget for a total of \$82,080,824. Maintenance expenses for the year are down \$1,084,000, or 7.0%, versus budget. Overhaul repairs for the M/V Martha's Vineyard were down \$594,000; the M/V Woods Hole overhaul and dry-dock expense was up \$340,000; overhaul expenses for the M/V Eagle were up \$318,000; overhaul expenses for the M/V Sankaty were down \$742,000; M/V Nantucket repair expenses were down \$113,000; engine parts expenses for the M/V Katama were down \$150,000; repairs on the M/V Gay Head were up \$20,000; the M/V Island Home repair expenses were down \$360,000; and overhaul expenses for the M/V Iyanough was down \$82,000. Terminal and dolphin and dock repairs in Vineyard Haven were up \$225,000; while Oak Bluffs were down \$289,000; Nantucket were down \$355,000 and were down in Hyannis by \$375,000. Motor vehicle repairs were up \$77,000 and other maintenance expense was up by \$248,000.

Vessel fuel expense of \$5,374,000 was \$905,000, or 14.4%, below budget estimates. The average actual cost per gallon for vessel fuel oil was \$2.223 including net hedging costs, while the budgeted cost was \$2.544 per gallon. 271,312 vessel miles have been logged in the year, a decrease of 2,344 miles, or 0.9%, versus budget. 2,407,515 gallons of vessel fuel were consumed. This represents a decrease of 61,000 gallons or 2.5% versus budget. General administrative expenses for the year were up 9.7%, or \$1,815,000. Legal expense was down \$25,000, pension expense was up \$81,000, health care costs were up \$658,000, disability contributions were down \$80,000, and unemployment contributions were up \$6,000. Training expense was up \$213,000; while credit card fees were up \$156,000, telephone and communications expense was up \$122,000.

Other income, including interest income, debt premium and license income, totaled \$3,018,104 and was \$585,414 higher than budget projections. Income deductions, including interest on funded debt and pension withdrawal, totaled \$2,801,522 and were \$105,935 lower than budget. Year to date, the Authority's net operating income, including other income, income deductions and bond interest expense, was \$9,209,702 or \$1,315,679 lower than budget projections.

Part III - Cash Balances

	September, 2019 Amount	Variance vs. Budget Positive / (Negative)	Year to Date Amount	Variance vs. Budget Positive / (Negative)
Cash Balance - Operations Fund				
Beginning Balance	\$ 19,693,112	\$ (4,226,727)	\$ 13,078,366	\$ 78,366
Cash Receipts	9,925,206	1,901	93,844,940	(1,147,649)
Cash Receipts - Grants	558,475	(191,525)	761,853	11,853
Cash Receipts - Capital Projects	-	-	4,529,969	4,529,969
Cash Disbursements	(8,432,728)	(735,029)	(75,354,822)	(4,136,538)
Cash Disbursements - Capital Projects	(1,032,360)	(1,032,360)	(4,647,712)	(4,647,712)
Transfers to Special Purpose Funds	-	2,737,153	(11,500,889)	1,865,124
Ending Balance	<u>\$ 20,711,705</u>	<u>\$ (3,446,587)</u>	<u>\$ 20,711,705</u>	<u>\$ (3,446,587)</u>
Cash Balance - Special-Purpose Funds				
Sinking Fund				
Beginning Balance	\$ 10,892,437	\$ 202,767	\$ 9,046,734	\$ 35,843
Transfers from Revenue Fund	-	(235,090)	10,735,922	(128,028)
Income from Investments	17,274	10,674	105,936	70,536
Accrued Interest Received	-	-	-	-
Debt Service Payments	(1,671,975)	-	(10,650,856)	-
Ending Balance	<u>\$ 9,237,736</u>	<u>\$ (21,649)</u>	<u>\$ 9,237,736</u>	<u>\$ (21,649)</u>
Replacement Fund				
Beginning Balance	\$ 11,145,887	\$ 10,516,663	\$ 13,424,061	\$ 3,155,787
Transfers from Revenue Fund	-	(2,502,063)	2,305,183	(196,880)
Transfers from Bond Redemption	-	-	-	-
Proceeds from Disposal of Property	-	-	-	-
Income from Investments	20,881	20,481	228,083	201,733
Withdrawals	-	1,075,000	(4,790,559)	5,949,441
Ending Balance	<u>\$ 11,166,768</u>	<u>\$ 9,110,081</u>	<u>\$ 11,166,768</u>	<u>\$ 9,110,081</u>
Reserve Fund				
Beginning Balance	\$ 3,700,488	\$ 45,172	\$ 3,637,813	\$ 847
Transfers from Revenue Fund	-	-	-	-
Income from Investments	6,933	4,633	69,608	48,958
Transfers to Bond Redemption Acct.	-	-	-	-
Ending Balance	<u>\$ 3,707,421</u>	<u>\$ 49,805</u>	<u>\$ 3,707,421</u>	<u>\$ 49,805</u>
Bond Redemption Account				
Beginning Balance	\$ 868,301	\$ 11,126	\$ 853,594	\$ 769
Transfers from Revenue Fund	-	-	-	-
Transfers from Reserve Fund	-	-	-	-
Transfers to Replacement Fund	-	-	-	-
Income from Investments	1,626	1,076	16,333	11,433
Ending Balance	<u>\$ 869,927</u>	<u>\$ 12,202</u>	<u>\$ 869,927</u>	<u>\$ 12,202</u>

Part III - Cash Balances

	September, 2019 Amount	Variance vs. Budget Positive / (Negative)	Year to Date Amount	Variance vs. Budget Positive / (Negative)
Capital Improvement Fund				
Beginning Balance	\$ 875,599	\$ 875,599	\$ 8,468,242	\$ 8,055,256
From Bond/Note Issue	-	-	-	-
Income from Investments	1,397	1,397	87,155	87,155
Withdrawals	(374,381)	(374,381)	(8,052,782)	(7,639,796)
Ending Balance	<u>\$ 502,615</u>	<u>\$ 502,615</u>	<u>\$ 502,615</u>	<u>\$ 502,615</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)	8,912,431	5,140,937
To Reserve Fund	-	-
To Bond Redemption Account	-	-
Total Transfers to Special Purpose Funds	<u>\$ 19,776,381</u>	<u>\$ 16,004,887</u>

* Current estimate is based on the actual cash balance as of 09/30/2019 plus projected cash receipts and disbursements for the remainder of the year, per the 2019 Operating Budget.

Business Summary for the Month of September, 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	\$ 65,276,076	\$ 47,400,878	\$ 112,676,954
Other Non-Service Income - Net	1,185,892	2,930,482	4,116,374
Total Income	<u>\$ 66,461,968</u>	<u>\$ 50,331,360</u>	<u>\$ 116,793,328</u>
% Distribution by Route	56.9%	43.1%	100.0%
Cost of Service	<u>\$ 64,028,113</u>	<u>\$ 46,804,773</u>	<u>\$ 110,832,886</u>
% Distribution by Route	57.8%	42.2%	100.0%
Net Operating Income by Route for 2019	<u>\$ 2,433,855</u>	<u>\$ 3,526,587</u>	<u>\$ 5,960,442</u>
% Distribution by Route	40.8%	59.2%	100.0%

* Based on actual net operating income (loss) for the first 9 months plus 3 months of projected net operating income (loss) for the remainder of the year, per the 2019 Operating Budget

Part VI - Share of Market versus Licensed Ferry Services

	September Amount	Change vs. Prev. Yr.	Year to Date Amount	Change vs. Prev. Yr.
License Fee Income	\$ 467,014	\$ 68,335	\$ 1,703,853	\$ 257,528

	September Amount	Change vs. Prev. Yr.
Weather Observations #		
Average Maximum Temperature (Fahrenheit)	72.9	-1.0
Total Precipitation (in water equivalent inches)	3.42	0.22
Number of Days with Measurable Precipitation	8	(2)

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

Part VI - Share of Market versus Licensed Ferry Services

Number of Passengers Carried	September Amount	Change vs. Prev. Yr.		Year to Date Amount	Change vs. Prev. Yr.	
Martha's Vineyard						
Steamship Authority	254,517	(20,013)	-7.3%	1,976,266	12,506	0.6%
Hy-Line						
Regular	0	0	0.0%	0	0	0.0%
High Speed	19,716	280	1.4%	115,665	620	0.5%
Subtotal Hy-Line	19,716	280	1.4%	115,665	620	0.5%
Falmouth Ferry Service	753	(84)	-10.0%	21,601	4,194	24.1%
SeaStreak (New Bedford)	9,859	1,461	17.4%	77,510	9,510	14.0%
SeaStreak (New York City)	476	104	28.0%	6,457	170	2.7%
Total *	285,321	(18,252)	-6.0%	2,197,499	27,000	1.2%
Nantucket						
Steamship Authority						
Regular	28,742	81	0.3%	215,010	(3,832)	-1.8%
Fast Ferry (Prior to April 2)	0	0	0.0%	893	893	100.0%
Fast Ferry (April 2) (in service 2018)	0	0	0.0%	0	0	0.0%
Fast Ferry (April 3 and after)(in service 2019)	37,112	(6,468)	-14.8%	242,895	(22,514)	-8.5%
Subtotal - Nantucket	65,854	(6,387)	-8.8%	458,798	(25,816)	-5.3%
Hy-Line						
Regular	0	0	0.0%	0	0	0.0%
HighSpeed (Prior to April 2)	0	0	0.0%	113,295	22,520	24.8%
HighSpeed (April 2)(IYA in service 2018)	0	0	0.0%	1,585	226	16.6%
HighSpeed (April 3 & after)(IYA in service 2019)	74,852	(2,993)	-3.8%	457,925	(3,021)	-0.7%
Subtotal Hy-Line	74,852	(2,993)	-3.8%	572,805	19,725	3.6%
Freedom Cruise Line (Harwich)	3,161	216	7.3%	26,137	3,063	13.3%
SeaStreak (New Bedford)	5,919	1,549	35.4%	48,176	15,082	45.6%
SeaStreak (New York City)	206	38	22.6%	2,112	387	22.4%
Total	149,992	(7,577)	-4.8%	1,108,028	12,441	1.1%

M/V Iyanough in service 04/02/2018 - 01/02/2019 and 04/03/2019 - 01/03/2020.

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

Business Summary for the Month of October, 2019

Part I - Traffic Statistics

	Month of October 2018	Month of October 2019	DIFF	%DIFF	YTD through October 2018	YTD through October 2019	DIFF	%DIFF
Number of Passengers Carried								
Martha's Vineyard	204,938	186,164	(18,774)	-9.2%	2,168,698	2,162,430	(6,268)	-0.3%
Nantucket								
Regular	22,221	21,662	(559)	-2.5%	241,063	236,672	(4,391)	-1.8%
Fast Ferry	33,322	24,632	(8,690)	-26.1%	299,094	268,420	(30,674)	-10.3%
Subtotal - Nantucket	<u>55,543</u>	<u>46,294</u>	<u>(9,249)</u>	<u>-16.7%</u>	<u>540,157</u>	<u>505,092</u>	<u>(35,065)</u>	<u>-6.5%</u>
Total	<u>260,481</u>	<u>232,458</u>	<u>(28,023)</u>	<u>-10.8%</u>	<u>2,708,855</u>	<u>2,667,522</u>	<u>(41,333)</u>	<u>-1.5%</u>
Number of Automobiles Carried								
Martha's Vineyard								
Regular	21,091	17,989	(3,102)	-14.7%	241,491	235,304	(6,187)	-2.6%
Excursion	14,968	13,895	(1,073)	-7.2%	119,392	123,537	4,145	3.5%
Subtotal - M. Vineyard	<u>36,059</u>	<u>31,884</u>	<u>(4,175)</u>	<u>-11.6%</u>	<u>360,883</u>	<u>358,841</u>	<u>(2,042)</u>	<u>-0.6%</u>
Nantucket								
Regular	3,287	2,863	(424)	-12.9%	41,782	40,314	(1,468)	-3.5%
Excursion	2,191	1,914	(277)	-12.6%	15,211	15,571	360	2.4%
Subtotal - Nantucket	<u>5,478</u>	<u>4,777</u>	<u>(701)</u>	<u>-12.8%</u>	<u>56,993</u>	<u>55,885</u>	<u>(1,108)</u>	<u>-1.9%</u>
Total	<u>41,537</u>	<u>36,661</u>	<u>(4,876)</u>	<u>-11.7%</u>	<u>417,876</u>	<u>414,726</u>	<u>(3,150)</u>	<u>-0.8%</u>
Number of Trucks Carried								
Martha's Vineyard								
Less than 20' - Regular	4,433	3,970	(463)	-10.4%	41,415	43,072	1,657	4.0%
Less than 20' - Excursion	3,423	3,525	102	3.0%	28,558	30,704	2,146	7.5%
20' and over	4,666	4,330	(336)	-7.2%	46,105	46,500	395	0.9%
sub-total - M.Vineyard	<u>12,522</u>	<u>11,825</u>	<u>(697)</u>	<u>-5.6%</u>	<u>116,078</u>	<u>120,276</u>	<u>4,198</u>	<u>3.6%</u>
Nantucket								
Less than 20' - Regular	1,124	1,045	(79)	-7.0%	9,595	10,057	462	4.8%
Less than 20' - Excursion	883	837	(46)	-5.2%	6,512	6,972	460	7.1%
20' and over	2,665	2,563	(102)	-3.8%	28,962	29,410	448	1.5%
sub-total - Nantucket	<u>4,672</u>	<u>4,445</u>	<u>(227)</u>	<u>-4.9%</u>	<u>45,069</u>	<u>46,439</u>	<u>1,370</u>	<u>3.0%</u>
Total	<u>17,194</u>	<u>16,270</u>	<u>(924)</u>	<u>-5.4%</u>	<u>161,147</u>	<u>166,715</u>	<u>5,568</u>	<u>3.5%</u>

Business Summary for the Month of October, 2019

Part I - Traffic Statistics

	Month of October 2018	Month of October 2019	DIFF	%DIFF	YTD through October 2018	YTD through October 2019	DIFF	%DIFF
Number of Cars Parked								
Woods Hole, Falmouth and Cataumet	10,970	9,398	(1,572)	-14.3%	130,453	125,816	(4,637)	-3.6%
Hyannis, Nantucket	3,999	3,086	(913)	-22.8%	36,741	33,290	(3,451)	-9.4%
Total	14,969	12,484	(2,485)	-16.6%	167,194	159,106	(8,088)	-4.8%
Average Length of Stay - Cars Parked (Days)								
Woods Hole, Falmouth and Cataumet	1.94	1.92	(0.02)	-1.0%	2.14	2.12	(0.02)	-0.9%
Hyannis, Nantucket	2.54	2.44	(0.10)	-3.9%	2.72	2.63	(0.09)	-3.3%
Total	2.10	2.05	(0.05)	-2.4%	2.27	2.22	(0.05)	-2.2%
Average Revenue per Passenger *								
Martha's Vineyard	\$ 7.07	\$ 7.00	\$ (0.07)	-1.0%	\$ 6.98	\$ 7.09	\$ 0.11	1.6%
Nantucket	22.72	21.88	(0.84)	-3.7%	23.49	22.63	(0.86)	-3.7%
Total	\$ 10.41	\$ 9.96	\$ (0.45)	-4.3%	\$ 10.27	\$ 10.03	\$ (0.24)	-2.3%
Average Revenue per Automobile								
Martha's Vineyard	\$ 46.46	\$ 52.47	\$ 6.01	12.9%	\$ 51.49	\$ 57.83	\$ 6.34	12.3%
Nantucket	137.18	151.92	14.74	10.7%	159.22	173.55	14.33	9.0%
Total	\$ 58.43	\$ 65.43	\$ 7.00	12.0%	\$ 66.19	\$ 73.42	\$ 7.23	10.9%
Average Revenue per Truck								
Martha's Vineyard	\$ 98.49	\$ 108.93	\$ 10.44	10.6%	\$ 103.33	\$ 113.82	\$ 10.49	10.2%
Nantucket	269.74	304.19	34.45	12.8%	288.54	318.83	30.29	10.5%
Total	\$ 145.02	\$ 162.27	\$ 17.25	11.9%	\$ 155.13	\$ 170.92	\$ 15.79	10.2%

* Excludes any town embarkation fees.

Business Summary for the Month of October, 2019

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

	October ACTUAL 2018	October ACTUAL 2019	ACTUAL 2019 vs. ACTUAL 2018	October BUDGET 2019	ACTUAL 2019 vs. BUDGET
Vs. 2019 Operating Budget					
Net Income (Loss) from Operations					
Operating Revenues	\$ 8,568,703	\$ 8,372,070	\$ (196,633)	\$ 9,810,141	\$ (1,438,071)
Other Income	475,265	518,603	43,338	430,410	88,193
Total Income	<u>9,043,968</u>	<u>8,890,673</u>	<u>(153,295)</u>	<u>10,240,551</u>	<u>(1,349,878)</u>
Operating Expenses	9,790,654	9,586,670	(203,984)	8,560,158	1,026,512
Fixed Charges and Other Expenses	831,826	310,064	(521,762)	326,183	(16,119)
Total Expenses	<u>10,622,480</u>	<u>9,896,734</u>	<u>(725,746)</u>	<u>8,886,341</u>	<u>1,010,393</u>
Net Operating Income (Loss)	<u>\$ (1,578,512)</u>	<u>\$ (1,006,061)</u>	<u>\$ 572,451</u>	<u>\$ 1,354,210</u>	<u>\$ (2,360,271)</u>
Operating Revenues:					
Auto Revenue	2,423,785	\$ 2,406,486	\$ (17,299)	\$ 2,898,608	\$ (492,122)
Freight Revenue	2,491,937	2,628,207	136,270	2,755,506	(127,299)
Passenger Revenue	2,765,052	2,386,349	(378,703)	2,911,862	(525,513)
Bicycle, Mail, Misc. Voyage Rev.	103,715	64,428	(39,287)	112,246	(47,818)
Revenue from Terminal Operations	140,978	349,796	208,818	413,700	(63,904)
Parking Revenue	535,380	449,381	(85,999)	670,719	(221,338)
Rents	107,856	87,423	(20,433)	47,500	39,923
Sub-Total - Operating Revenue	<u>8,568,703</u>	<u>8,372,070</u>	<u>(196,633)</u>	<u>9,810,141</u>	<u>(1,438,071)</u>
Other Income:					
Interest Income	9,122	32,438	23,316	10,000	22,438
Miscellaneous Income	466,143	486,165	20,022	420,410	65,755
Sub-Total - Other Income	<u>475,265</u>	<u>518,603</u>	<u>43,338</u>	<u>430,410</u>	<u>88,193</u>
Total Income	<u>\$ 9,043,968</u>	<u>\$ 8,890,673</u>	<u>\$ (153,295)</u>	<u>\$ 10,240,551</u>	<u>\$ (1,349,878)</u>

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

	October ACTUAL 2018	October ACTUAL 2019	ACTUAL 2019 vs. ACTUAL 2018	October BUDGET 2019	ACTUAL 2019 vs. BUDGET
Vs. 2019 Operating Budget					
Operating Expenses:					
Wages	\$ 3,386,926	\$ 3,518,816	\$ 131,890	\$ 3,216,840	\$ 301,976
Pensions Health & Welfare	1,631,371	1,632,972	1,601	1,489,471	143,501
Payroll Taxes	273,165	286,843	13,678	262,478	24,365
Depreciation	939,163	1,028,476	89,313	968,445	60,031
Vessel Fuel Oil	699,132	609,437	(89,695)	780,388	(170,951)
Insurance	460,078	357,792	(102,286)	328,459	29,333
Direct Vessel Maintenance (Excl. Wages)	1,127,207	1,001,548	(125,659)	513,500	488,048
Direct Terminal Maintenance (Excl. Wages)	141,409	26,514	(114,895)	40,500	(13,986)
Utilities	91,892	130,332	38,440	173,534	(43,202)
Other	1,040,311	993,940	(46,371)	786,543	207,397
Sub-Total - Operating Expenses	9,790,654	9,586,670	(203,984)	8,560,158	1,026,512
Fixed Charges and Other Expenses:					
Bond Interest & Expense	788,961	268,362	(520,599)	284,787	(16,425)
Misc. Charges or Deductions	42,865	41,702	(1,163)	41,396	306
Sub-Total - Other Expenses	831,826	310,064	(521,762)	326,183	(16,119)
Total Expenses	\$ 10,622,480	\$ 9,896,734	\$ (725,746)	\$ 8,886,341	\$ 1,010,393
Net Operating Income (Loss)	\$ (1,578,512)	\$ (1,006,061)	\$ 572,451	\$ 1,354,210	\$ (2,360,271)

Budgetary Management Discussion and Analysis - October, 2019

Total operating revenues for October decreased by \$1,438,071 or 14.7% versus the amount projected in the 2019 operating budget, for a total of \$8,372,070 in operating revenues. Passenger revenues for the month were down \$526,000 versus budget projections, which represents a decrease of 18.0%. Automobile revenues were down \$492,000, or 17.0%, versus budget projections for October. Freight revenues were down \$127,000, or 4.6%, versus budget projections for the month. Parking revenues were down during October by \$221,000, or 33.0%. Concession revenues in October were down \$10,000 or 15.1%. Rent revenues from barge unloading and rental car space were up \$40,000, or 12.2%, in October versus budget.

During October, the vessels made a combined 1,959 trips. This represents a decrease of 259 trips, or 11.7%, versus budget for the month. On the Vineyard route, 8 trips were canceled for mechanical reasons, 174 for weather related and 0 for traffic demands while 19 unscheduled trips and 39 available trips were added. On the Nantucket route, 56 trips were canceled for mechanical reasons (40 of which were made up by a charter), 110 for weather related and 1 for traffic demands while 8 unscheduled and 24 available trips were added.

Total operating expenses for the month were up \$1,026,512 or 12.0%, versus the amount projected in the 2019 budget for a total of \$9,586,670. Maintenance expenses for the month were up \$572,000, or 59.5%, versus budget. Overhaul and drydock expenses for the M/V Sankaty were up \$12,000; repairs for the M/V Martha's Vineyard were up \$142,000; repairs for the M/V island Home were up \$73,000 repairs on the M/V Governor were up \$43,000; repairs on the M/V Gay Head were up \$81,000; repairs for the M/V Iyanough were up \$25,000; repairs on the M/V Nantucket were up \$18,000 repairs for the M/V Woods Hole were up \$47,000 versus budget. Repairs to buildings and structures were down \$10,000 and repairs to office and terminal equipment was up \$25,000 for the month.

Vessel fuel expense of \$609,437 was down by \$170,951 or 21.9% versus budget estimates. The average actual cost per gallon for vessel fuel oil in October was \$2.228, including net hedging costs, while the budgeted cost was \$2.534 per gallon. During October, the vessels logged 28,762 miles, which were 5,042 miles lower than budget, or a decrease of 14.9%. During October, 263,177 gallons of vessel fuel were consumed. This represents a decrease of 44,742 gallons, or 14.5%, versus budget. Insurance expenses were up \$29,000. General administrative expenses for the month were up \$322,000 or 14.9%. Legal expense was down \$8,000; pension expense was up \$41,000, health care expense was up \$102,000, disability contributions were up \$3,000, unemployment contributions were up \$6,000, training expense was up \$32,000 and credit card expense was up \$12,000.

Other income, including interest income, debt premium and license income, totaled \$518,603 and was \$88,193 higher than budget projections. Income deductions, including interest on funded debt and pension withdrawal, totaled \$310,064 and were \$16,119 lower than budget. The Authority's net operating loss for the month of October, including other income, income deductions and bond interest expense, was \$1,006,061 was \$2,360,271 lower than the budgeted net income for the month.

Business Summary for the Year-To-Date as of October, 2019 (Continued)

Part IIb- Net Income (Loss) from Operations (Year to Date)

	YTD - October ACTUAL 2018	YTD - October ACTUAL 2019	YTD ACTUAL 2019 vs. YTD ACTUAL 2018	YTD - October BUDGET 2019	YTD ACTUAL 2019 vs. YTD BUDGET
Vs. 2019 Operating Budget					
Net Income (Loss) from Operations					
Operating Revenues	\$ 84,912,724	\$ 99,462,213	\$ 14,549,489	\$ 101,093,730	\$ (1,631,517)
Other Income	2,439,248	3,536,707	1,097,459	2,863,100	673,607
Total Income	87,351,972	102,998,920	15,646,948	103,956,830	(957,910)
Operating Expenses	77,219,713	91,667,494	14,447,781	88,826,950	2,840,544
Fixed Charges and Other Expenses	2,184,797	3,127,786	942,989	3,250,290	(122,504)
Total Expenses	79,404,510	94,795,280	15,390,770	92,077,240	2,718,040
Net Operating Income (Loss)	\$ 7,947,462	\$ 8,203,640	\$ 256,178	\$ 11,879,590	\$ (3,675,950)
Operating Revenues:					
Auto Revenue	\$ 25,230,047	\$ 30,498,474	\$ 5,268,427	\$ 30,862,854	\$ (364,380)
Freight Revenue	22,613,154	28,562,706	5,949,552	27,578,012	984,694
Passenger Revenue	25,838,828	27,705,990	1,867,162	29,246,169	(1,540,179)
Bicycle, Mail, Misc. Voyage Rev.	1,149,508	1,135,726	(13,782)	1,300,170	(164,444)
Revenue from Terminal Operations	3,311,368	3,977,432	666,064	3,727,675	249,757
Parking Revenue	6,162,447	6,759,217	596,770	7,645,850	(886,633)
Rents	607,372	822,668	215,296	733,000	89,668
Sub-Total - Operating Revenue	84,912,724	99,462,213	14,549,489	101,093,730	(1,631,517)
Other Income:					
Interest Income	80,143	282,547	202,404	89,000	193,547
Miscellaneous Income	2,359,105	3,254,160	895,055	2,774,100	480,060
Sub-Total - Other Income	2,439,248	3,536,707	1,097,459	2,863,100	673,607
Total Income	\$ 87,351,972	\$ 102,998,920	\$ 15,646,948	\$ 103,956,830	\$ (957,910)

Part IIb- Net Income (Loss) from Operations (Year to Date)

	YTD - October ACTUAL 2018	YTD - October ACTUAL 2019	YTD ACTUAL 2019 vs. YTD ACTUAL 2018	YTD - October BUDGET 2019	YTD ACTUAL 2019 vs. YTD BUDGET
Vs. 2019 Operating Budget					
Operating Expenses:					
Wages	\$ 27,474,106	\$ 33,668,775	\$ 6,194,669	\$ 31,373,846	\$ 2,294,929
Pensions Health & Welfare	11,897,072	14,639,579	2,742,507	13,831,051	808,528
Payroll Taxes	1,933,405	2,362,722	429,317	2,263,784	98,938
Depreciation	8,574,337	10,559,474	1,985,137	9,713,255	846,219
Vessel Fuel Oil	4,709,764	5,983,290	1,273,526	7,059,963	(1,076,673)
Insurance	2,782,598	3,543,613	761,015	3,284,590	259,023
Direct Vessel Maintenance (Excl. Wages)	7,172,053	7,424,650	252,597	8,517,951	(1,093,301)
Direct Terminal Maintenance (Excl. Wages)	1,712,047	914,527	(797,520)	1,582,050	(667,523)
Utilities	1,031,174	922,544	(108,630)	1,756,882	(834,338)
Other	9,933,157	11,648,320	1,715,163	9,443,578	2,204,742
Sub-Total - Operating Expenses	77,219,713	91,667,494	14,447,781	88,826,950	2,840,544
Fixed Charges and Other Expenses:					
Bond Interest & Expense	1,764,440	2,707,785	943,345	2,830,145	(122,360)
Misc. Charges or Deductions	420,357	420,001	(356)	420,145	(144)
Sub-Total - Other Expenses	2,184,797	3,127,786	942,989	3,250,290	(122,504)
Total Expenses	79,404,510	94,795,280	15,390,770	92,077,240	2,718,040
Net Operating Income (Loss)	7,947,462	8,203,640	256,178	11,879,590	(3,675,950)

Budgetary Management Discussion and Analysis: January - October, 2019

Year to date total operating revenues decreased by \$1,631,517 or 1.6% versus the amount projected in the 2019 operating budget, for a total of \$99,462,213 in operating revenues. Passenger revenues for the year to date were down \$1,540,000 versus budget projections, which represents a 5.3% decrease. Automobile revenues were down \$364,000, or 1.2%, versus budget projections. Freight revenues were up \$985,000 or 3.6%, versus budget projections. Parking revenues were down \$887,000, or 11.6%, compared to budget forecast. Rent revenues from barge unloading and rental car space were up \$90,000, or 12.2%, versus budget.

Year to date, the vessels made a combined 20,750 trips. This represents a decrease of 288 trips, or 1.4%, versus budget. On the Vineyard route, 42 trips were canceled for mechanical reasons, 240 for weather related and 32 for traffic demands, while 53 unscheduled trips and 150 available trips were added. On the Nantucket route, 204 trips were canceled for mechanical reasons (152 of which were made up by a charter), 209 for weather related and 20 for traffic demands, while 68 unscheduled trips and 188 available trips were added.

Year to date operating expenses were up \$2,840,544 or 3.2%, versus the amount projected in the 2019 budget for a total of \$91,667,494. Maintenance expenses for the year are down \$512,000, or 3.1%, versus budget. Overhaul repairs for the M/V Martha's Vineyard were down \$453,000; the M/V Woods Hole overhaul and dry-dock expense was up \$387,000; overhaul expenses for the M/V Eagle were up \$325,000; overhaul expenses for the M/V Sankaty were down \$730,000; M/V Nantucket repair expenses were down \$95,000; repairs on the M/V Gay Head were up \$101,000; the M/V Island Home repair expenses were down \$291,000; and overhaul and repair expenses for the M/V Iyanough was down \$58,000. Terminal and dolphin and dock repairs in Vineyard Haven were up \$198,000; while Oak Bluffs were down \$286,000; Nantucket were down \$356,000 and were down in Hyannis by \$378,000. Motor vehicle repairs were up \$73,000 and other maintenance expense was up by \$302,000.

Vessel fuel expense of \$5,983,290 was \$1,076,673, or 15.3%, below budget estimates. The average actual cost per gallon for vessel fuel oil was \$2.224 including net hedging costs, while the budgeted cost was \$2.543 per gallon. 302,674 vessel miles have been logged in the year, a decrease of 4,786 miles, or 1.6%, versus budget. 2,670,692 gallons of vessel fuel were consumed. This represents a decrease of 105,342 gallons or 3.8% versus budget. General administrative expenses for the year were up 10.3%, or \$2,137,000. Legal expense was down \$33,000, pension expense was up \$48,000, health care costs were up \$760,000, disability contributions were down \$77,000, and unemployment contributions were up \$12,000. Training expense was up \$245,000; while credit card fees were up \$168,000, telephone and communications expense was up \$163,000.

Other income, including interest income, debt premium and license income, totaled \$3,536,707 and was \$673,607 higher than budget projections. Income deductions, including interest on funded debt and pension withdrawal, totaled \$3,127,786 and were \$122,504 lower than budget. Year to date, the Authority's net operating income, including other income, income deductions and bond interest expense, was \$8,203,640 or \$3,675,950 lower than budget projections.

Part III - Cash Balances

	October, 2019 Amount	Variance vs. Budget Positive / (Negative)	Year to Date Amount	Variance vs. Budget Positive / (Negative)
Cash Balance - Operations Fund				
Beginning Balance	\$ 20,711,705	\$ (4,226,727)	\$ 13,078,366	\$ 78,366
Cash Receipts	8,441,696	1,901	102,286,636	(1,147,649)
Cash Receipts - Grants	-	(191,525)	761,853	11,853
Cash Receipts - Capital Projects	2,234,183	-	6,764,152	4,529,969
Cash Disbursements	(9,669,816)	(735,029)	(85,024,638)	(4,136,538)
Cash Disbursements - Capital Projects	(116,047)	(1,032,360)	(4,763,759)	(4,647,712)
Transfers to Special Purpose Funds	(686,764)	2,737,153	(12,187,653)	1,865,124
Ending Balance	<u>\$ 20,914,957</u>	<u>\$ (3,446,587)</u>	<u>\$ 20,914,957</u>	<u>\$ (3,446,587)</u>
Cash Balance - Special-Purpose Funds				
Sinking Fund				
Beginning Balance	\$ 9,237,736	\$ 202,767	\$ 9,046,734	\$ 35,843
Transfers from Revenue Fund	-	(235,090)	10,735,922	(128,028)
Income from Investments	16,425	10,674	122,361	70,536
Accrued Interest Received	-	-	-	-
Debt Service Payments	-	1,671,975	(10,650,856)	1,671,975
Ending Balance	<u>\$ 9,254,161</u>	<u>\$ 1,650,326</u>	<u>\$ 9,254,161</u>	<u>\$ 1,650,326</u>
Replacement Fund				
Beginning Balance	\$ 11,166,768	\$ 10,516,663	\$ 13,424,061	\$ 3,155,787
Transfers from Revenue Fund	(3,060,992)	(2,502,063)	(755,809)	(196,880)
Transfers from Bond Redemption	-	-	-	-
Proceeds from Disposal of Property	-	-	-	-
Income from Investments	19,320	20,481	247,403	201,733
Withdrawals	-	1,075,000	(4,790,559)	5,949,441
Ending Balance	<u>\$ 8,125,096</u>	<u>\$ 9,110,081</u>	<u>\$ 8,125,096</u>	<u>\$ 9,110,081</u>
Reserve Fund				
Beginning Balance	\$ 3,707,421	\$ 45,172	\$ 3,637,813	\$ 847
Transfers from Revenue Fund	-	-	-	-
Income from Investments	6,592	4,633	76,200	48,958
Transfers to Bond Redemption Acct.	-	-	-	-
Ending Balance	<u>\$ 3,714,013</u>	<u>\$ 49,805</u>	<u>\$ 3,714,013</u>	<u>\$ 49,805</u>
Bond Redemption Account				
Beginning Balance	\$ 869,927	\$ 11,126	\$ 853,594	\$ 769
Transfers from Revenue Fund	-	-	-	-
Transfers from Reserve Fund	-	-	-	-
Transfers to Replacement Fund	-	-	-	-
Income from Investments	1,547	1,076	17,880	11,433
Ending Balance	<u>\$ 871,474</u>	<u>\$ 12,202</u>	<u>\$ 871,474</u>	<u>\$ 12,202</u>

Part III - Cash Balances

	October, 2019 Amount	Variance vs. Budget Positive / (Negative)	Year to Date Amount	Variance vs. Budget Positive / (Negative)
Capital Improvement Fund				
Beginning Balance	\$ 502,615	\$ 502,615	\$ 8,468,242	\$ 8,055,256
From Bond/Note Issue	-	-	-	-
Income from Investments	894	894	88,049	88,049
Withdrawals	-	-	(8,052,782)	(7,639,796)
Ending Balance	<u>\$ 503,509</u>	<u>\$ 503,509</u>	<u>\$ 503,509</u>	<u>\$ 503,509</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)	8,912,431	7,689,898
To Reserve Fund	-	-
To Bond Redemption Account	-	-
Total Transfers to Special Purpose Funds	<u>\$ 19,776,381</u>	<u>\$ 18,553,848</u>

* Current estimate is based on the actual cash balance as of 10/31/2019 plus projected cash receipts and disbursements for the remainder of the year, per the 2019 Operating Budget.

Business Summary for the Month of October, 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	\$ 64,386,540	\$ 46,852,343	\$ 111,238,883
Other Non-Service Income - Net	<u>1,208,572</u>	<u>2,995,995</u>	<u>4,204,567</u>
Total Income	<u>\$ 65,595,112</u>	<u>\$ 49,848,338</u>	<u>\$ 115,443,450</u>
% Distribution by Route	56.8%	43.2%	100.0%
Cost of Service	<u>\$ 64,736,353</u>	<u>\$ 47,106,926</u>	<u>\$ 111,843,279</u>
% Distribution by Route	57.9%	42.1%	100.0%
Net Operating Income by Route for 2019	<u><u>\$ 858,759</u></u>	<u><u>\$ 2,741,412</u></u>	<u><u>\$ 3,600,171</u></u>
% Distribution by Route	23.9%	76.1%	100.0%

* Based on actual net operating income (loss) for the first 10 months plus 2 months of projected net operating income (loss) for the remainder of the year, per the 2019 Operating Budget

Part VI - Share of Market versus Licensed Ferry Services

	October Amount	Change vs. Prev. Yr.	Year to Date Amount	Change vs. Prev. Yr.
License Fee Income	\$ 367,926	\$ 20,021	\$ 2,071,779	\$ 277,549
	October Amount	Change vs. Prev. Yr.		
Weather Observations #				
Average Maximum Temperature (Fahrenheit)	63.0	0.8		
Total Precipitation (in water equivalent inches)	6.52	1.45		
Number of Days with Measurable Precipitation	20	7		

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

Part VII - Share of Market versus Licensed Ferry Services

	October Amount	Change vs. Prev. Yr.		Year to Date Amount	Change vs. Prev. Yr.	
Martha's Vineyard						
Steamship Authority	186,164	(18,774)	-9.2%	2,162,430	(6,268)	-0.3%
Hy-Line						
Regular	0	0	0.0%	0	0	0.0%
High Speed	6,423	(1,055)	-14.1%	122,088	(435)	-0.4%
Subtotal Hy-Line	6,423	(1,055)	-14.1%	122,088	(435)	-0.4%
Falmouth Ferry Service	0	0	0.0%	21,601	4,194	24.1%
SeaStreak (New Bedford)	3,775	2,608	223.5%	81,285	12,118	17.5%
SeaStreak (New York City)	0	0	0.0%	6,457	170	2.7%
Total *	196,362	(17,221)	-8.1%	2,393,861	9,779	0.4%
Nantucket						
Steamship Authority						
Regular	21,662	(559)	-2.5%	236,672	(4,391)	-1.8%
Fast Ferry (Prior to April 2)	0	0	0.0%	893	893	100.0%
Fast Ferry (April 2) (in service 2018)	0	0	0.0%	0	0	0.0%
Fast Ferry (April 3 and after)(in service 2019)	24,632	(8,690)	-26.1%	267,527	(31,204)	-10.4%
Subtotal - Nantucket	46,294	(9,249)	-16.7%	505,092	(35,065)	-6.5%
Hy-Line						
Regular	0	0	0.0%	0	0	0.0%
HighSpeed (Prior to April 2)	0	0	0.0%	113,295	22,520	24.8%
HighSpeed (April 2)(IYA in service 2018)	0	0	0.0%	1,585	226	16.6%
HighSpeed (April 3 & after)(IYA in service 2019)	49,675	(5,724)	-10.3%	507,600	(8,745)	-1.7%
Subtotal Hy-Line	49,675	(5,724)	-10.3%	622,480	14,001	2.3%
Freedom Cruise Line (Harwich)	239	(145)	-37.8%	26,376	2,918	12.4%
SeaStreak (New Bedford)	1,959	1,146	141.0%	50,135	16,228	47.9%
SeaStreak (New York City)	0	0	0.0%	2,112	387	22.4%
Total	98,167	(13,972)	-12.5%	1,206,195	(1,531)	-0.1%

M/V Iyanough in service 04/02/2018 - 01/02/2019 and 04/03/2019 - 01/03/2020.

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

Business Summary for the Month of November, 2019

Part I - Traffic Statistics

	Month of November 2018	Month of November 2019	DIFF	%DIFF	YTD through November 2018	YTD through November 2019	DIFF	%DIFF
Number of Passengers Carried								
Martha's Vineyard	138,404	137,219	(1,185)	-0.9%	2,307,102	2,299,649	(7,453)	-0.3%
Nantucket								
Regular	18,065	16,071	(1,994)	-11.0%	259,128	252,743	(6,385)	-2.5%
Fast Ferry	24,482	19,539	(4,943)	-20.2%	323,576	287,959	(35,617)	-11.0%
Subtotal - Nantucket	42,547	35,610	(6,937)	-16.3%	582,704	540,702	(42,002)	-7.2%
Total	180,951	172,829	(8,122)	-4.5%	2,889,806	2,840,351	(49,455)	-1.7%
Number of Automobiles Carried								
Martha's Vineyard								
Regular	14,031	13,757	(274)	-2.0%	255,522	249,061	(6,461)	-2.5%
Excursion	15,720	15,247	(473)	-3.0%	135,112	138,784	3,672	2.7%
Subtotal - M. Vineyard	29,751	29,004	(747)	-2.5%	390,634	387,845	(2,789)	-0.7%
Nantucket								
Regular	2,111	1,744	(367)	-17.4%	43,893	42,058	(1,835)	-4.2%
Excursion	2,072	2,119	47	2.3%	17,283	17,690	407	2.4%
Subtotal - Nantucket	4,183	3,863	(320)	-7.7%	61,176	59,748	(1,428)	-2.3%
Total	33,934	32,867	(1,067)	-3.1%	451,810	447,593	(4,217)	-0.9%
Number of Trucks Carried								
Martha's Vineyard								
Less than 20' - Regular	3,720	3,595	(125)	-3.4%	45,135	46,667	1,532	3.4%
Less than 20' - Excursion	3,564	3,731	167	4.7%	32,122	34,435	2,313	7.2%
20' and over	3,781	3,462	(319)	-8.4%	49,886	49,962	76	0.2%
sub-total - M.Vineyard	11,065	10,788	(277)	-2.5%	127,143	131,064	3,921	3.1%
Nantucket								
Less than 20' - Regular	858	887	29	3.4%	10,453	10,944	491	4.7%
Less than 20' - Excursion	913	858	(55)	-6.0%	7,425	7,830	405	5.5%
20' and over	2,252	2,190	(62)	-2.8%	31,214	31,600	386	1.2%
sub-total - Nantucket	4,023	3,935	(88)	-2.2%	49,092	50,374	1,282	2.6%
Total	15,088	14,723	(365)	-2.4%	176,235	181,438	5,203	3.0%

Business Summary for the Month of November, 2019

Part I - Traffic Statistics

	Month of November 2018	Month of November 2019	DIFF	%DIFF	YTD through November 2018	YTD through November 2019	DIFF	%DIFF
Number of Cars Parked								
Woods Hole, Falmouth and Cataumet	5,352	5,354	2	0.0%	135,805	131,170	(4,635)	-3.4%
Hyannis, Nantucket	2,423	1,902	(521)	-21.5%	39,164	35,192	(3,972)	-10.1%
Total	7,775	7,256	(519)	-6.7%	174,969	166,362	(8,607)	-4.9%
Average Length of Stay - Cars Parked (Days)								
Woods Hole, Falmouth and Cataumet	1.98	1.94	(0.04)	-2.0%	2.13	2.11	(0.02)	-0.9%
Hyannis, Nantucket	2.68	2.54	(0.14)	-5.2%	2.72	2.63	(0.09)	-3.3%
Total	2.20	2.09	(0.11)	-5.0%	2.26	2.22	(0.04)	-1.8%
Average Revenue per Passenger *								
Martha's Vineyard	\$ 7.03	\$ 6.98	\$ (0.05)	-0.7%	\$ 6.98	\$ 7.08	\$ 0.10	1.4%
Nantucket	23.62	22.81	(0.81)	-3.4%	23.50	22.65	(0.85)	-3.6%
Total	\$ 10.93	\$ 10.24	\$ (0.69)	-6.3%	\$ 10.31	\$ 10.05	\$ (0.26)	-2.5%
Average Revenue per Automobile								
Martha's Vineyard	\$ 28.95	\$ 29.23	\$ 0.28	1.0%	\$ 49.78	\$ 55.69	\$ 5.91	11.9%
Nantucket	94.09	89.19	(4.90)	-5.2%	154.77	168.09	13.32	8.6%
Total	\$ 36.98	\$ 36.28	\$ (0.70)	-1.9%	\$ 63.99	\$ 70.69	\$ 6.70	10.5%
Average Revenue per Truck								
Martha's Vineyard	\$ 84.43	\$ 98.81	\$ 14.38	17.0%	\$ 101.68	\$ 112.58	\$ 10.90	10.7%
Nantucket	244.01	245.07	1.06	0.4%	284.89	313.07	28.18	9.9%
Total	\$ 126.98	\$ 137.90	\$ 10.92	8.6%	\$ 152.72	\$ 168.24	\$ 15.52	10.2%

* Excludes any town embarkation fees.

Business Summary for the Month of November, 2019

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

	November ACTUAL 2018	November ACTUAL 2019	ACTUAL 2019 vs. ACTUAL 2018	November BUDGET 2019	ACTUAL 2019 vs. BUDGET
Vs. 2019 Operating Budget					
Net Income (Loss) from Operations					
Operating Revenues	\$ 5,792,624	\$ 5,711,529	\$ (81,095)	\$ 6,284,146	\$ (572,617)
Other Income	372,906	345,211	(27,695)	334,410	10,801
Total Income	<u>6,165,530</u>	<u>6,056,740</u>	<u>(108,790)</u>	<u>6,618,556</u>	<u>(561,816)</u>
Operating Expenses	8,567,958	8,022,943	(545,015)	7,703,704	319,239
Fixed Charges and Other Expenses	288,707	302,467	13,760	316,857	(14,390)
Total Expenses	<u>8,856,665</u>	<u>8,325,410</u>	<u>(531,255)</u>	<u>8,020,561</u>	<u>304,849</u>
Net Operating Income (Loss)	<u>\$ (2,691,135)</u>	<u>\$ (2,268,670)</u>	<u>\$ 422,465</u>	<u>\$ (1,402,005)</u>	<u>\$ (866,665)</u>
Operating Revenues:					
Auto Revenue	1,253,732	\$ 1,195,269	\$ (58,463)	\$ 1,494,683	\$ (299,414)
Freight Revenue	1,911,637	2,026,494	114,857	2,193,690	(167,196)
Passenger Revenue	2,043,264	1,830,850	(212,414)	1,966,471	(135,621)
Bicycle, Mail, Misc. Voyage Rev.	76,914	193,720	116,806	73,269	120,451
Revenue from Terminal Operations	209,733	208,779	(954)	246,250	(37,471)
Parking Revenue	234,031	213,625	(20,406)	253,283	(39,658)
Rents	63,313	42,792	(20,521)	56,500	(13,708)
Sub-Total - Operating Revenue	<u>5,792,624</u>	<u>5,711,529</u>	<u>(81,095)</u>	<u>6,284,146</u>	<u>(572,617)</u>
Other Income:					
Interest Income	17,766	24,264	6,498	9,000	15,264
Miscellaneous Income	355,140	320,947	(34,193)	325,410	(4,463)
Sub-Total - Other Income	<u>372,906</u>	<u>345,211</u>	<u>(27,695)</u>	<u>334,410</u>	<u>10,801</u>
Total Income	<u>\$ 6,165,530</u>	<u>\$ 6,056,740</u>	<u>\$ (108,790)</u>	<u>\$ 6,618,556</u>	<u>\$ (561,816)</u>

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

	November ACTUAL 2018	November ACTUAL 2019	ACTUAL 2019 vs. ACTUAL 2018	November BUDGET 2019	ACTUAL 2019 vs. BUDGET
Vs. 2019 Operating Budget					
Operating Expenses:					
Wages	\$ 3,070,257	\$ 3,443,388	\$ 373,131	\$ 3,046,424	\$ 396,964
Pensions Health & Welfare	1,271,549	1,363,125	91,576	1,453,213	(90,088)
Payroll Taxes	192,366	202,396	10,030	192,447	9,949
Depreciation	927,345	1,028,476	101,131	968,445	60,031
Vessel Fuel Oil	561,625	548,008	(13,617)	614,563	(66,555)
Insurance	328,559	346,357	17,798	328,459	17,898
Direct Vessel Maintenance (Excl. Wages)	1,329,998	160,949	(1,169,049)	166,370	(5,421)
Direct Terminal Maintenance (Excl. Wages)	(97,156)	57,609	154,765	40,700	16,909
Utilities	117,726	166,403	48,677	160,169	6,234
Other	865,689	706,232	(159,457)	732,914	(26,682)
Sub-Total - Operating Expenses	8,567,958	8,022,943	(545,015)	7,703,704	319,239
Fixed Charges and Other Expenses:					
Bond Interest & Expense	245,975	261,195	15,220	275,600	(14,405)
Misc. Charges or Deductions	42,732	41,272	(1,460)	41,257	15
Sub-Total - Other Expenses	288,707	302,467	13,760	316,857	(14,390)
Total Expenses	\$ 8,856,665	\$ 8,325,410	\$ (531,255)	\$ 8,020,561	\$ 304,849
Net Operating Income (Loss)	\$ (2,691,135)	\$ (2,268,670)	\$ 422,465	\$ (1,402,005)	\$ (866,665)

Budgetary Management Discussion and Analysis - November, 2019

Total operating revenues for November decreased by \$572,617 or 9.1% versus the amount projected in the 2019 operating budget, for a total of \$5,711,529 in operating revenues. Passenger revenues for the month were down \$136,000 versus budget projections, which represents a decrease of 6.9%. Automobile revenues were down \$299,000 or 20.0%, versus budget projections for November. Freight revenues were down \$167,000, or 7.6%, versus budget projections for the month. Parking revenues were down during November by \$40,000, or 15.7%. Concession revenues in November were flat. Rent revenues from barge unloading and rental car space were down \$14,000, or 24.3%, in November versus budget.

During November, the vessels made a combined 1,746 trips. This represents an increase of 82 trips, or 5.0%, versus budget for the month. On the Vineyard route, 6 trips were canceled for mechanical reasons, 28 for weather related and 2 for traffic demands while 48 unscheduled trips and 98 available trips were added. On the Nantucket route, 0 trips were canceled for mechanical reasons, 45 for weather related and 2 for traffic demands while 15 unscheduled and 4 available trips were added.

Total operating expenses for the month were up \$319,239 or 4.1%, versus the amount projected in the 2019 budget for a total of \$8,022,943. Maintenance expenses for the month were up \$184,000, or 22.1%, versus budget. Overhaul and drydock expenses for the M/V Sankaty were down \$106,000; repairs for the M/V Martha's Vineyard were down \$11,000; repairs for the M/V Island Home were down \$7,000; repairs on the M/V Governor were up \$9,000; repairs on the M/V Gay Head were up \$10,000; repairs for the M/V Iyanough were down \$4,000; repairs on the M/V Eagle were up \$44,000; repairs for the M/V Woods Hole were up \$138,000 versus budget. Repairs to buildings and structures were down \$10,000, repairs to motor vehicles were up \$14,000 and repairs to office and terminal equipment was up \$25,000 for the month.

Vessel fuel expense of \$548,008 was down by \$66,555 or 10.8% versus budget estimates. The average actual cost per gallon for vessel fuel oil in November was \$2.213, including net hedging costs, while the budgeted cost was \$2.569 per gallon. During November, the vessels logged 26,024 miles, which were 40 miles higher than budget, or an increase of 0.2%. During November, 245,525 gallons of vessel fuel were consumed. This represents an increase of 6,283 gallons, or 2.6%, versus budget. Insurance expenses were up \$18,000. General administrative expenses for the month were down \$80,000 or 3.8%. Legal expense was down \$5,000; pension expense was up \$13,000, health care expense was down \$103,000, disability contributions were down \$5,000, unemployment contributions were down \$7,000, training expense was up \$19,000 and credit card expense was down \$3,000.

Other income, including interest income, debt premium and license income, totaled \$345,211 and was \$10,801 higher than budget projections. Income deductions, including interest on funded debt and pension withdrawal, totaled \$302,467 and were \$14,390 lower than budget. The Authority's net operating loss for the month of November, including other income, income deductions and bond interest expense, was \$2,268,670 was \$866,665 lower than the budgeted net income for the month.

Business Summary for the Year-To-Date as of November, 2019 (Continued)

Part IIb- Net Income (Loss) from Operations (Year to Date)

	YTD - November ACTUAL 2018	YTD - November ACTUAL 2019	YTD ACTUAL 2019 vs. YTD ACTUAL 2018	YTD - November BUDGET 2019	YTD ACTUAL 2019 vs. YTD BUDGET
Vs. 2019 Operating Budget					
Net Income (Loss) from Operations					
Operating Revenues	\$ 99,274,051	\$ 105,173,742	\$ 5,899,691	\$ 107,377,876	\$ (2,204,134)
Other Income	3,287,419	3,881,918	594,499	3,197,510	684,408
Total Income	102,561,470	109,055,660	6,494,190	110,575,386	(1,519,726)
Operating Expenses	95,578,325	99,690,437	4,112,112	96,530,654	3,159,783
Fixed Charges and Other Expenses	3,305,330	3,430,253	124,923	3,567,147	(136,894)
Total Expenses	98,883,655	103,120,690	4,237,035	100,097,801	3,022,889
Net Operating Income (Loss)	\$ 3,677,815	\$ 5,934,970	\$ 2,257,155	\$ 10,477,585	\$ (4,542,615)
Operating Revenues:					
Auto Revenue	\$ 28,907,564	\$ 31,693,743	\$ 2,786,179	\$ 32,357,537	\$ (663,794)
Freight Revenue	27,016,728	30,589,200	3,572,472	29,771,702	817,498
Passenger Revenue	30,647,144	29,536,840	(1,110,304)	31,212,640	(1,675,800)
Bicycle, Mail, Misc. Voyage Rev.	1,330,137	1,329,446	(691)	1,373,439	(43,993)
Revenue from Terminal Operations	3,662,079	4,186,211	524,132	3,973,925	212,286
Parking Revenue	6,931,858	6,972,842	40,984	7,899,133	(926,291)
Rents	778,541	865,460	86,919	789,500	75,960
Sub-Total - Operating Revenue	99,274,051	105,173,742	5,899,691	107,377,876	(2,204,134)
Other Income:					
Interest Income	107,031	306,811	199,780	98,000	208,811
Miscellaneous Income	3,180,388	3,575,107	394,719	3,099,510	475,597
Sub-Total - Other Income	3,287,419	3,881,918	594,499	3,197,510	684,408
Total Income	\$ 102,561,470	\$ 109,055,660	\$ 6,494,190	\$ 110,575,386	\$ (1,519,726)

Part IIb- Net Income (Loss) from Operations (Year to Date)

	YTD - November ACTUAL 2018	YTD - November ACTUAL 2019	YTD ACTUAL 2019 vs. YTD ACTUAL 2018	YTD - November BUDGET 2019	YTD ACTUAL 2019 vs. YTD BUDGET
Vs. 2019 Operating Budget					
Operating Expenses:					
Wages	\$ 33,931,289	\$ 37,111,997	\$ 3,180,708	\$ 34,420,270	\$ 2,691,727
Pensions Health & Welfare	14,799,992	16,002,704	1,202,712	15,284,264	718,440
Payroll Taxes	2,398,936	2,565,118	166,182	2,456,231	108,887
Depreciation	10,440,845	11,587,950	1,147,105	10,681,700	906,250
Vessel Fuel Oil	5,970,521	6,531,298	560,777	7,674,526	(1,143,228)
Insurance	3,571,235	3,889,970	318,735	3,613,049	276,921
Direct Vessel Maintenance (Excl. Wages)	9,629,258	7,585,599	(2,043,659)	8,684,321	(1,098,722)
Direct Terminal Maintenance (Excl. Wages)	1,756,300	972,136	(784,164)	1,622,750	(650,614)
Utilities	1,240,792	2,082,114	841,322	1,917,051	165,063
Other	11,839,157	11,361,551	(477,606)	10,176,492	1,185,059
Sub-Total - Operating Expenses	95,578,325	99,690,437	4,112,112	96,530,654	3,159,783
Fixed Charges and Other Expenses:					
Bond Interest & Expense	2,799,376	2,968,980	169,604	3,105,745	(136,765)
Misc. Charges or Deductions	505,954	461,273	(44,681)	461,402	(129)
Sub-Total - Other Expenses	3,305,330	3,430,253	124,923	3,567,147	(136,894)
Total Expenses	98,883,655	103,120,690	4,237,035	100,097,801	3,022,889
Net Operating Income (Loss)	3,677,815	5,934,970	2,257,155	10,477,585	(4,542,615)

Budgetary Management Discussion and Analysis: January - November, 2019

Year to date total operating revenues decreased by \$2,204,134 or 2.1% versus the amount projected in the 2019 operating budget, for a total of \$105,173,742 in operating revenues. Passenger revenues for the year to date were down \$1,676,000 versus budget projections, which represents a 5.4% decrease. Automobile revenues were down \$664,000, or 2.1%, versus budget projections. Freight revenues were up \$817,000 or 2.7%, versus budget projections. Parking revenues were down \$926,000, or 11.7%, compared to budget forecast. Rent revenues from barge unloading and rental car space were up \$76,000, or 9.6%, versus budget.

Year to date, the vessels made a combined 22,208 trips. This represents a decrease of 206 trips, or 1.0%, versus budget. On the Vineyard route, 30 trips were canceled for mechanical reasons, 286 for weather related and 34 for traffic demands, while 101 unscheduled trips and 248 available trips were added. On the Nantucket route, 204 trips were canceled for mechanical reasons (152 of which were made up by a charter), 254 for weather related and 24 for traffic demands, while 83 unscheduled trips and 192 available trips were added.

Year to date operating expenses were up \$3,159,783 or 3.3%, versus the amount projected in the 2019 budget for a total of \$99,690,437. Maintenance expenses for the year are down \$327,000, or 1.9%, versus budget. Overhaul repairs for the M/V Martha's Vineyard were down \$464,000; the M/V Woods Hole overhaul and dry-dock expense was up \$525,000; overhaul expenses for the M/V Governor were up \$59,000; overhaul and dry-dock expenses for the M/V Sankaty were down \$835,000 (timing); M/V Nantucket repair expenses were down \$92,000; repairs on the M/V Katama are up \$65,000; overhaul expenses for the M/V Eagle were up \$369,000; repairs on the M/V Gay Head were up \$111,000; M/V Island Home repair expenses were down \$298,000; and overhaul and repair expenses for the M/V Iyanough was down \$62,000. Terminal and dolphin and dock repairs in Vineyard Haven were up \$196,000; while Oak Bluffs were down \$282,000; Nantucket were down \$358,000 and were down in Hyannis by \$378,000. Motor vehicle repairs were up \$96,000 and other maintenance expense was up by \$385,000.

Vessel fuel expense of \$6,531,298 was \$1,143,228, or 14.9%, below budget estimates. The average actual cost per gallon for vessel fuel oil was \$2.223 including net hedging costs, while the budgeted cost was \$2.545 per gallon. 328,698 vessel miles have been logged in the year, a decrease of 4,746 miles, or 1.4%, versus budget. 2,916,217 gallons of vessel fuel were consumed. This represents a decrease of 99,060 gallons or 3.3% versus budget. General administrative expenses for the year were up 9.0%, or \$2,057,000. Legal expense was down \$38,000, pension expense was up \$61,000, health care costs were up \$658,000, disability contributions were down \$82,000, and unemployment contributions were up \$5,000. Training expense was up \$264,000; while credit card fees were up \$165,000, telephone and communications expense was up \$173,000.

Other income, including interest income, debt premium and license income, totaled \$3,881,915 and was \$684,405 higher than budget projections. Income deductions, including interest on funded debt and pension withdrawal, totaled \$3,412,053 and were \$136,896 lower than budget. Year to date, the Authority's net operating income, including other income, income deductions and bond interest expense, was \$5,934,974 or \$4,542,615 lower than budget projections.

Part III - Cash Balances

	November, 2019 Amount	Variance vs. Budget Positive / (Negative)	Year to Date Amount	Variance vs. Budget Positive / (Negative)
Cash Balance - Operations Fund				
Beginning Balance	\$ 20,914,957	\$ (4,226,727)	\$ 13,078,366	\$ 78,366
Cash Receipts	5,885,112	1,901	108,171,748	(1,147,649)
Cash Receipts - Grants	50,000	(191,525)	811,853	11,853
Cash Receipts - Capital Projects	-	-	6,764,152	4,529,969
Cash Disbursements	(7,660,833)	(735,029)	(92,685,471)	(4,136,538)
Cash Disbursements - Capital Projects	(650,485)	(1,032,360)	(5,414,244)	(4,647,712)
Transfers to Special Purpose Funds	(4,825,978)	2,737,153	(17,013,631)	1,865,124
Ending Balance	<u>\$ 13,712,773</u>	<u>\$ (3,446,587)</u>	<u>\$ 13,712,773</u>	<u>\$ (3,446,587)</u>
Cash Balance - Special-Purpose Funds				
Sinking Fund				
Beginning Balance	\$ 9,254,161	\$ 202,767	\$ 9,046,734	\$ 35,843
Transfers from Revenue Fund	-	(235,090)	10,735,922	(128,028)
Income from Investments	14,404	10,674	136,765	70,536
Accrued Interest Received	-	-	-	-
Debt Service Payments	-	1,671,975	(10,650,856)	1,671,975
Ending Balance	<u>\$ 9,268,565</u>	<u>\$ 1,650,326</u>	<u>\$ 9,268,565</u>	<u>\$ 1,650,326</u>
Replacement Fund				
Beginning Balance	\$ 8,125,096	\$ 10,516,663	\$ 13,424,061	\$ 3,155,787
Transfers from Revenue Fund	2,406,941	(2,502,063)	1,651,132	(196,880)
Transfers from Bond Redemption	-	-	-	-
Proceeds from Disposal of Property	-	-	-	-
Income from Investments	16,380	20,481	263,783	201,733
Withdrawals	-	1,075,000	(4,790,559)	5,949,441
Ending Balance	<u>\$ 10,548,417</u>	<u>\$ 9,110,081</u>	<u>\$ 10,548,417</u>	<u>\$ 9,110,081</u>
Reserve Fund				
Beginning Balance	\$ 3,713,202	\$ 45,172	\$ 3,637,813	\$ 847
Transfers from Revenue Fund	-	-	-	-
Income from Investments	5,781	4,633	81,170	48,958
Transfers to Bond Redemption Acct.	-	-	-	-
Ending Balance	<u>\$ 3,718,983</u>	<u>\$ 49,805</u>	<u>\$ 3,718,983</u>	<u>\$ 49,805</u>
Bond Redemption Account				
Beginning Balance	\$ 871,474	\$ 11,126	\$ 853,594	\$ 769
Transfers from Revenue Fund	-	-	-	-
Transfers from Reserve Fund	-	-	-	-
Transfers to Replacement Fund	-	-	-	-
Income from Investments	1,357	1,076	19,237	11,433
Ending Balance	<u>\$ 872,831</u>	<u>\$ 12,202</u>	<u>\$ 872,831</u>	<u>\$ 12,202</u>

Part III - Cash Balances

	November, 2019 Amount	Variance vs. Budget Positive / (Negative)	Year to Date Amount	Variance vs. Budget Positive / (Negative)
Capital Improvement Fund				
Beginning Balance	\$ 503,509	\$ 503,509	\$ 8,468,242	\$ 8,055,256
From Bond/Note Issue	-	-	-	-
Income from Investments	784	784	88,833	88,833
Withdrawals	-	-	(8,052,782)	(7,639,796)
Ending Balance	<u>\$ 504,293</u>	<u>\$ 504,293</u>	<u>\$ 504,293</u>	<u>\$ 504,293</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)	8,912,431	7,689,898
To Reserve Fund	-	-
To Bond Redemption Account	-	-
Total Transfers to Special Purpose Funds	<u>\$ 19,776,381</u>	<u>\$ 18,553,848</u>

* Current estimate is based on the actual cash balance as of 10/31/2019 plus projected cash receipts and disbursements for the remainder of the year, per the 2019 Operating Budget.

Business Summary for the Month of November, 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	\$ 64,122,981	\$ 46,543,284	\$ 110,666,265
Other Non-Service Income - Net	1,220,848	2,994,520	4,215,368
Total Income	<u>\$ 65,343,829</u>	<u>\$ 49,537,804</u>	<u>\$ 114,881,633</u>
% Distribution by Route	56.9%	43.1%	100.0%
Cost of Service	<u>\$ 64,997,877</u>	<u>\$ 47,150,251</u>	<u>\$ 112,148,128</u>
% Distribution by Route	58.0%	42.0%	100.0%
Net Operating Income by Route for 2019	<u>\$ 345,952</u>	<u>\$ 2,387,553</u>	<u>\$ 2,733,505</u>
% Distribution by Route	12.7%	87.3%	100.0%

* Based on actual net operating income (loss) for the first 10 months plus 2 months of projected net operating income (loss) for the remainder of the year, per the 2019 Operating Budget

Part VI - Share of Market versus Licensed Ferry Services

	November Amount	Change vs. Prev. Yr.	Year to Date Amount	Change vs. Prev. Yr.
License Fee Income	\$ 202,709	\$ (34,193)	\$ 2,274,488	\$ 243,356
	November Amount	Change vs. Prev. Yr.		
Weather Observations #				
Average Maximum Temperature (Fahrenheit)	52.1	0.9		
Total Precipitation (in water equivalent inches)	3.99	-0.03		
Number of Days with Measurable Precipitation	14	1		

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

Part VII - Share of Market versus Licensed Ferry Services

Number of Passengers Carried	November Amount	Change vs. Prev. Yr.		Year to Date Amount	Change vs. Prev. Yr.	
Martha's Vineyard						
Steamship Authority	137,219	(1,185)	-0.9%	2,299,649	(7,453)	-0.3%
Hy-Line						
Regular	0	0	0.0%	0	0	0.0%
High Speed	0	0	0.0%	122,088	(435)	-0.4%
Subtotal Hy-Line	0	0	0.0%	122,088	(435)	-0.4%
Falmouth Ferry Service	0	0	0.0%	21,601	4,194	24.1%
SeaStreak (New Bedford)	225	225	100.0%	81,510	12,343	17.8%
SeaStreak (New York City)	0	0	0.0%	6,457	170	2.7%
Total *	137,444	(960)	-0.7%	2,531,305	8,819	0.3%
Nantucket						
Steamship Authority						
Regular	16,071	(1,994)	-11.0%	252,743	(6,385)	-2.5%
Fast Ferry (Prior to April 2)	0	0	0.0%	893	893	100.0%
Fast Ferry (April 2) (in service 2018)	0	0	0.0%	0	0	0.0%
Fast Ferry (April 3 and after)(in service 2019)	19,539	(4,943)	-20.2%	287,066	(36,147)	-11.2%
Subtotal - Nantucket	35,610	(6,937)	-16.3%	540,702	(42,002)	-7.2%
Hy-Line						
Regular	0	0	0.0%	0	0	0.0%
HighSpeed (Prior to April 2)	0	0	0.0%	113,295	22,520	24.8%
HighSpeed (April 2)(IYA in service 2018)	0	0	0.0%	1,585	226	16.6%
HighSpeed (April 3 & after)(IYA in service 2019)	31,955	(4,988)	-13.5%	539,555	(13,733)	-2.5%
Subtotal Hy-Line	31,955	(4,988)	-13.5%	654,435	9,013	1.4%
Freedom Cruise Line (Harwich)	0	0	0.0%	26,376	2,918	12.4%
SeaStreak (New Bedford)	370	88	31.2%	50,505	16,316	47.7%
SeaStreak (New York City)	0	0	0.0%	2,112	387	22.4%
Total	67,935	(11,837)	-14.8%	1,274,130	(13,368)	-1.0%

M/V Iyanough in service 04/02/2018 - 01/02/2019 and 04/03/2019 - 01/03/2020.

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

Business Summary for the Month of December, 2019

Part I - Traffic Statistics

	Month of December 2018	Month of December 2019	DIFF	%DIFF	YTD through December 2018	YTD through December 2019	DIFF	%DIFF
Number of Passengers Carried								
Martha's Vineyard	128,206	126,138	(2,068)	-1.6%	2,435,308	2,425,787	(9,521)	-0.4%
Nantucket								
Regular	16,968	17,925	957	5.6%	276,096	270,668	(5,428)	-2.0%
Fast Ferry	20,367	20,022	(345)	-1.7%	343,943	307,981	(35,962)	-10.5%
Subtotal - Nantucket	37,335	37,947	612	1.6%	620,039	578,649	(41,390)	-6.7%
Total	165,541	164,085	(1,456)	-0.9%	3,055,347	3,004,436	(50,911)	-1.7%
Number of Automobiles Carried								
Martha's Vineyard								
Regular	11,344	11,585	241	2.1%	266,866	260,646	(6,220)	-2.3%
Excursion	15,953	15,537	(416)	-2.6%	151,065	154,321	3,256	2.2%
Subtotal - M. Vineyard	27,297	27,122	(175)	-0.6%	417,931	414,967	(2,964)	-0.7%
Nantucket								
Regular	1,512	1,814	302	20.0%	45,405	43,872	(1,533)	-3.4%
Excursion	2,428	2,461	33	1.4%	19,711	20,151	440	2.2%
Subtotal - Nantucket	3,940	4,275	335	8.5%	65,116	64,023	(1,093)	-1.7%
Total	31,237	31,397	160	0.5%	483,047	478,990	(4,057)	-0.8%
Number of Trucks Carried								
Martha's Vineyard								
Less than 20' - Regular	3,109	3,101	(8)	-0.3%	48,244	49,768	1,524	3.2%
Less than 20' - Excursion	3,820	3,723	(97)	-2.5%	35,942	38,158	2,216	6.2%
20' and over	3,563	3,404	(159)	-4.5%	53,449	53,366	(83)	-0.2%
sub-total - M.Vineyard	10,492	10,228	(264)	-2.5%	137,635	141,292	3,657	2.7%
Nantucket								
Less than 20' - Regular	763	680	(83)	-10.9%	11,216	11,624	408	3.6%
Less than 20' - Excursion	911	910	(1)	-0.1%	8,336	8,740	404	4.8%
20' and over	2,156	2,072	(84)	-3.9%	33,370	33,672	302	0.9%
sub-total - Nantucket	3,830	3,662	(168)	-4.4%	52,922	54,036	1,114	2.1%
Total	14,322	13,890	(432)	-3.0%	190,557	195,328	4,771	2.5%

Business Summary for the Month of December, 2019

Part I - Traffic Statistics

	Month of December 2018	Month of December 2019	DIFF	%DIFF	YTD through December 2018	YTD through December 2019	DIFF	%DIFF
Number of Cars Parked								
Woods Hole, Falmouth and Cataumet	4,568	4,265	(303)	-6.6%	140,373	135,435	(4,938)	-3.5%
Hyannis, Nantucket	2,224	1,934	(290)	-13.0%	41,388	37,126	(4,262)	-10.3%
Total	6,792	6,199	(593)	-8.7%	181,761	172,561	(9,200)	-5.1%
Average Length of Stay - Cars Parked (Days)								
Woods Hole, Falmouth and Cataumet	1.86	2.02	0.16	8.6%	2.12	2.11	(0.01)	-0.5%
Hyannis, Nantucket	2.62	2.89	0.27	10.3%	2.72	2.64	(0.08)	-2.9%
Total	2.11	2.29	0.18	8.5%	2.26	2.22	(0.04)	-1.8%
Average Revenue per Passenger *								
Martha's Vineyard	\$ 7.00	\$ 6.98	\$ (0.02)	-0.3%	\$ 6.98	\$ 7.08	\$ 0.10	1.4%
Nantucket	23.57	23.57	-	0.0%	23.51	22.71	(0.80)	-3.4%
Total	\$ 10.74	\$ 10.81	\$ 0.07	0.7%	\$ 10.33	\$ 10.09	\$ (0.24)	-2.3%
Average Revenue per Automobile								
Martha's Vineyard	\$ 27.21	\$ 27.74	\$ 0.53	1.9%	\$ 48.30	\$ 53.86	\$ 5.56	11.5%
Nantucket	82.61	86.65	4.04	4.9%	150.40	162.65	12.25	8.1%
Total	\$ 34.20	\$ 35.76	\$ 1.56	4.6%	\$ 62.06	\$ 68.40	\$ 6.34	10.2%
Average Revenue per Truck								
Martha's Vineyard	\$ 85.84	\$ 90.52	\$ 4.68	5.5%	\$ 100.48	\$ 110.98	\$ 10.50	10.4%
Nantucket	248.63	276.95	28.32	11.4%	282.27	310.62	28.35	10.0%
Total	\$ 129.37	\$ 139.67	\$ 10.30	8.0%	\$ 150.96	\$ 166.21	\$ 15.25	10.1%

* Excludes any town embarkation fees.

Business Summary for the Month of December, 2019

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

	December ACTUAL 2018	December ACTUAL 2019	ACTUAL 2019 vs. ACTUAL 2018	December BUDGET 2019	ACTUAL 2019 vs. BUDGET
Vs. 2019 Operating Budget					
Net Income (Loss) from Operations					
Operating Revenues	\$ 5,532,560	\$ 5,169,123	\$ (363,437)	\$ 5,492,596	\$ (323,473)
Other Income	341,214	299,491	(41,723)	333,410	(33,919)
Total Income	5,873,774	5,468,614	(405,160)	5,826,006	(357,392)
Operating Expenses	8,671,498	10,797,585	2,126,087	8,701,536	2,096,049
Fixed Charges and Other Expenses	667,380	316,092	(351,288)	325,907	(9,815)
Total Expenses	9,338,878	11,113,677	1,774,799	9,027,443	2,086,234
Net Operating Income (Loss)	\$ (3,465,104)	\$ (5,645,063)	\$ (2,179,959)	\$ (3,201,437)	\$ (2,443,626)
Operating Revenues:					
Auto Revenue	1,063,391	\$ 1,216,346	\$ 152,955	\$ 1,241,294	\$ (24,948)
Freight Revenue	1,839,032	1,986,017	146,985	1,997,555	(11,538)
Passenger Revenue	1,992,978	1,385,172	(607,806)	1,729,049	(343,877)
Bicycle, Mail, Misc. Voyage Rev.	72,572	74,116	1,544	73,107	1,009
Revenue from Terminal Operations	324,435	255,223	(69,212)	246,475	8,748
Parking Revenue	184,515	185,254	739	188,616	(3,362)
Rents	55,637	66,995	11,358	16,500	50,495
Sub-Total - Operating Revenue	5,532,560	5,169,123	(363,437)	5,492,596	(323,473)
Other Income:					
Interest Income	16,913	(61,158)	(78,071)	8,000	(69,158)
Miscellaneous Income	324,301	360,649	36,348	325,410	35,239
Sub-Total - Other Income	341,214	299,491	(41,723)	333,410	(33,919)
Total Income	\$ 5,873,774	\$ 5,468,614	\$ (405,160)	\$ 5,826,006	\$ (357,392)

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

	December ACTUAL 2018	December ACTUAL 2019	ACTUAL 2019 vs. ACTUAL 2018	December BUDGET 2019	ACTUAL 2019 vs. BUDGET
Vs. 2019 Operating Budget					
Operating Expenses:					
Wages	\$ 2,602,321	\$ 3,109,447	\$ 507,126	\$ 2,923,565	\$ 185,882
Pensions Health & Welfare	2,283,674	2,694,104	410,430	2,040,438	653,666
Payroll Taxes	175,140	294,456	119,316	229,221	65,235
Depreciation	1,020,468	1,220,203	199,735	968,445	251,758
Vessel Fuel Oil	522,540	573,271	50,731	747,224	(173,953)
Insurance	344,508	348,220	3,712	328,459	19,761
Direct Vessel Maintenance (Excl. Wages)	180,145	1,246,817	1,066,672	262,870	983,947
Direct Terminal Maintenance (Excl. Wages)	39,679	(15,647)	(55,326)	33,000	(48,647)
Utilities	129,832	226,011	96,179	189,555	36,456
Other	1,373,191	1,100,703	(272,488)	978,759	121,944
Sub-Total - Operating Expenses	8,671,498	10,797,585	2,126,087	8,701,536	2,096,049
Fixed Charges and Other Expenses:					
Bond Interest & Expense	13,718	270,114	256,396	284,789	(14,675)
Misc. Charges or Deductions	653,662	45,978	(607,684)	41,118	4,860
Sub-Total - Other Expenses	667,380	316,092	(351,288)	325,907	(9,815)
Total Expenses	\$ 9,338,878	\$ 11,113,677	\$ 1,774,799	\$ 9,027,443	\$ 2,086,234
Net Operating Income (Loss)	\$ (3,465,104)	\$ (5,645,063)	\$ (2,179,959)	\$ (3,201,437)	\$ (2,443,626)

Budgetary Management Discussion and Analysis - December, 2019

Total operating revenues for November decreased by \$323,473 or 5.9% versus the amount projected in the 2019 operating budget, for a total of \$5,169,123 in operating revenues. Passenger revenues for the month were down \$344,000 versus budget projections, which represents a decrease of 19.9%. Automobile revenues were down \$25,000 or 2.0%, versus budget projections for December. Freight revenues were down \$12,000, or 0.6%, versus budget projections for the month. Parking revenues were down during December by \$3,000, or 1.8%. Concession revenues in December were up \$1,000 or 2.6%. Rent revenues from barge unloading and rental car space were up \$50,000, or 306%, in December versus budget.

During December, the vessels made a combined 1,736 trips. This represents an increase of 16 trips, or 1.0%, versus the originally scheduled amount for the month. On the Vineyard route, 11 trips were canceled for mechanical reasons, 20 for weather related and 7 for traffic demands while 27 unscheduled trips and 89 available trips were added. On the Nantucket route, 2 trips were canceled for mechanical reasons, 64 for weather related and 9 for traffic demands while 5 unscheduled and 8 available trips were added.

Total operating expenses for the month were up \$2,096,049 or 24.1%, versus the amount projected in the 2019 budget for a total of \$10,797,585. Maintenance expenses for the month were up \$1,206,000, or 121.8%, versus budget. Overhaul and drydock expenses for the M/V Sankaty were up \$340,000; repairs for the M/V Martha's Vineyard were up \$124,000; repairs for the M/V Island Home were up \$72,000 repairs on the M/V Governor were up \$23,000; repairs on the M/V Gay Head were up \$35,000; repairs for the M/V Iyanough were up \$13,000; repairs on the M/V Eagle were up \$322,000 repairs for the M/V Woods Hole were up \$85,000 versus budget. Repairs to buildings and structures were down \$43,000, repairs to motor vehicles were down \$8,000 and repairs to office and terminal equipment was up \$86,000 for the month.

Vessel fuel expense of \$573,271 was down by \$174,000 or 23.3% versus budget estimates. The average actual cost per gallon for vessel fuel oil in December was \$2.26, including net hedging costs, while the budgeted cost was \$2.59 per gallon. During December, the vessels logged 25,636 miles, which were 5,436 miles lower than budget, or a decrease of 17.5%. During December, 245,193 gallons of vessel fuel were consumed. This represents a decrease of 43,365 gallons, or 15.0%, versus budget. Insurance expenses were up \$20,000. General administrative expenses for the month were up \$825,000 or 29.7%. Legal expense was down \$5,000; pension expense was up \$352,000, health care expense was up \$302,000, disability contributions were up \$18,000, unemployment contributions were up \$12,000, training expense was up \$4,000 and credit card expense was down \$39,000.

Other income, including interest income, debt premium and license income, totaled \$299,490 and was \$33,920 lower than budget projections. Income deductions, including interest on funded debt and pension withdrawal, totaled \$316,091 and were \$9,814 lower than budget. The Authority's net operating loss for the month of December, including other income, income deductions and bond interest expense, was \$5,645,063 or \$2,443,628 lower than the budgeted net income for the month.

Business Summary for the Year-To-Date as of December, 2019 (Continued)

Part IIb- Net Income (Loss) from Operations (Year to Date)

	YTD - December ACTUAL 2018	YTD - December ACTUAL 2019	YTD ACTUAL 2019 vs. YTD ACTUAL 2018	YTD - December BUDGET 2019	YTD ACTUAL 2019 vs. YTD BUDGET
Vs. 2019 Operating Budget					
Net Income (Loss) from Operations					
Operating Revenues	\$ 104,806,611	\$ 110,342,865	\$ 5,536,254	\$ 112,870,472	\$ (2,527,607)
Other Income	3,628,633	4,181,409	552,776	3,530,920	650,489
Total Income	108,435,244	114,524,274	6,089,030	116,401,392	(1,877,118)
Operating Expenses	104,249,823	110,488,022	6,238,199	105,232,190	5,255,832
Fixed Charges and Other Expenses	3,972,710	3,746,345	(226,365)	3,893,054	(146,709)
Total Expenses	108,222,533	114,234,367	6,011,834	109,125,244	5,109,123
Net Operating Income (Loss)	\$ 212,711	\$ 289,907	\$ 77,196	\$ 7,276,148	\$ (6,986,241)
Operating Revenues:					
Auto Revenue	\$ 29,970,955	\$ 32,910,089	\$ 2,939,134	\$ 33,598,831	\$ (688,742)
Freight Revenue	28,855,760	32,575,217	3,719,457	31,769,257	805,960
Passenger Revenue	32,640,122	30,922,012	(1,718,110)	32,941,689	(2,019,677)
Bicycle, Mail, Misc. Voyage Rev.	1,402,709	1,403,562	853	1,446,546	(42,984)
Revenue from Terminal Operations	3,986,514	4,441,434	454,920	4,220,400	221,034
Parking Revenue	7,116,373	7,158,096	41,723	8,087,749	(929,653)
Rents	834,178	932,455	98,277	806,000	126,455
Sub-Total - Operating Revenue	104,806,611	110,342,865	5,536,254	112,870,472	(2,527,607)
Other Income:					
Interest Income	123,944	245,653	121,709	106,000	139,653
Miscellaneous Income	3,504,689	3,935,756	431,067	3,424,920	510,836
Sub-Total - Other Income	3,628,633	4,181,409	552,776	3,530,920	650,489
Total Income	\$ 108,435,244	\$ 114,524,274	\$ 6,089,030	\$ 116,401,392	\$ (1,877,118)

Part IIb- Net Income (Loss) from Operations (Year to Date)

	YTD - December ACTUAL 2018	YTD - December ACTUAL 2019	YTD ACTUAL 2019 vs. YTD ACTUAL 2018	YTD - December BUDGET 2019	YTD ACTUAL 2019 vs. YTD BUDGET
Vs. 2019 Operating Budget					
Operating Expenses:					
Wages	\$ 36,533,610	40,221,610	\$ 3,688,000	\$ 37,343,835	\$ 2,877,775
Pensions Health & Welfare	17,083,666	18,696,808	1,613,142	17,324,702	1,372,106
Payroll Taxes	2,574,076	2,859,574	285,498	2,685,452	174,122
Depreciation	11,461,313	12,808,153	1,346,840	11,650,145	1,158,008
Vessel Fuel Oil	6,493,061	7,104,569	611,508	8,421,750	(1,317,181)
Insurance	3,915,743	4,238,190	322,447	3,941,508	296,682
Direct Vessel Maintenance (Excl. Wages)	9,809,403	8,832,416	(976,987)	8,947,191	(114,775)
Direct Terminal Maintenance (Excl. Wages)	1,795,979	956,489	(839,490)	1,655,750	(699,261)
Utilities	1,370,624	1,314,958	(55,666)	2,106,606	(791,648)
Other	13,212,348	13,455,255	242,907	11,155,251	2,300,004
Sub-Total - Operating Expenses	104,249,823	110,488,022	6,238,199	105,232,190	5,255,832
Fixed Charges and Other Expenses:					
Bond Interest & Expense	2,813,094	3,239,094	426,000	3,390,534	(151,440)
Misc. Charges or Deductions	1,159,616	507,251	(652,365)	502,520	4,731
Sub-Total - Other Expenses	3,972,710	3,746,345	(226,365)	3,893,054	(146,709)
Total Expenses	108,222,533	114,234,367	6,011,834	109,125,244	5,109,123
Net Operating Income (Loss)	212,711	289,907	77,196	7,276,148	(6,986,241)

Budgetary Management Discussion and Analysis: January - December, 2019

Year to date total operating revenues decreased by \$2,527,607 or 2.2% versus the amount projected in the 2019 operating budget, for a total of \$110,342,865 in operating revenues. Passenger revenues for the year to date were down \$2,020,000 versus budget projections, which represents a 6.1% decrease. Automobile revenues were down \$689,000, or 2.0%, versus budget projections. Freight revenues were up \$806,000 or 2.5%, versus budget projections. Parking revenues were down \$930,000, or 11.5%, compared to budget forecast. Rent revenues from barge unloading and rental car space were up \$126,000, or 15.7%, versus budget.

Year to date, the vessels made a combined 23,944 trips. This represents a decrease of 330 trips, or 1.3%, versus budget. On the Vineyard route, 41 trips were canceled for mechanical reasons, 306 for weather related and 41 for traffic demands, while 128 unscheduled trips and 337 available trips were added. On the Nantucket route, 206 trips were canceled for mechanical reasons (152 of which were made up by a charter), 318 for weather related and 31 for traffic demands, while 88 unscheduled trips and 200 available trips were added.

Year to date operating expenses were up \$5,255,831 or 5.0%, versus the amount projected in the 2019 budget for a total of \$110,488,021. Maintenance expenses for the year are up \$878,000, or 4.7%, versus budget. Overhaul repairs for the M/V Martha's Vineyard were down \$340,000; the M/V Woods Hole overhaul and dry-dock expense was up \$610,000; overhaul expenses for the M/V Governor were up \$81,000; overhaul and dry-dock expenses for the M/V Sankaty were down \$496,000; M/V Nantucket repair expenses were down \$83,000; repairs on the M/V Katama are up \$88,000; overhaul expenses for the M/V Eagle were up \$690,000; repairs on the M/V Gay Head were up \$146,000; M/V Island Home repair expenses were down \$226,000; and overhaul and repair expenses for the M/V Iyanough was down \$49,000. Terminal and dolphin and dock repairs in Vineyard Haven were up \$100,000; while Oak Bluffs were down \$281,000; Nantucket were down \$359,000 and were down in Hyannis by \$344,000. Motor vehicle repairs were up \$87,000 and other maintenance expense was up by \$450,000.

Vessel fuel expense of \$7,104,567 was \$1,310,000, or 15.6%, below budget estimates. The average actual cost per gallon for vessel fuel oil was \$2.226 including net hedging costs, while the budgeted cost was \$2.549 per gallon. 354,334 vessel miles have been logged in the year, a decrease of 10,182 miles, or 2.7%, versus budget. 3,161,409 gallons of vessel fuel were consumed. This represents a decrease of 142,426 gallons or 4.3% versus budget. General administrative expenses for the year were up 11.2%, or \$2,882,000. Legal expense was down \$27,000, pension expense was up \$412,000, health care costs were up \$960,000, disability contributions were down \$63,000, and unemployment contributions were up \$17,000. Training expense was up \$291,000; while credit card fees were up \$258,000, telephone and communications expense was up \$181,000.

Other income, including interest income, debt premium and license income, totaled \$4,181,406 and was \$650,486 higher than budget projections. Income deductions, including interest on funded debt and pension withdrawal, totaled \$3,746,342 and were \$146,710 lower than budget. Year to date, the Authority's net operating income, including other income, income deductions and bond interest expense, was \$289,908 or \$6,986,242 lower than budget projections.

Part III - Cash Balances

	December, 2019 Amount	Variance vs. Budget Positive / (Negative)	Year to Date Amount	Variance vs. Budget Positive / (Negative)
Cash Balance - Operations Fund				
Beginning Balance	\$ 13,712,773	\$ (2,071,826)	\$ 13,078,366	\$ 78,366
Cash Receipts	5,751,663	(210,303)	113,923,391	(2,440,352)
Cash Receipts - Grants	839,631	839,631	1,651,484	901,484
Cash Receipts - Capital Projects	-	-	6,764,152	6,764,152
Cash Disbursements	(7,429,032)	(532,435)	(98,574,267)	(3,086,873)
Cash Disbursements - Capital Projects	(1,351,838)	(1,351,838)	(6,766,082)	(6,766,082)
Transfers to Special Purpose Funds	-	-	(18,553,847)	1,222,534
Ending Balance	<u>\$ 11,523,197</u>	<u>\$ (3,326,771)</u>	<u>\$ 11,523,197</u>	<u>\$ (3,326,771)</u>
Cash Balance - Special-Purpose Funds				
Sinking Fund				
Beginning Balance	\$ 9,268,565	\$ (2,470)	\$ 9,046,734	\$ 35,843
Transfers from Revenue Fund	-	-	10,735,922	(128,028)
Income from Investments	14,673	8,723	151,438	98,438
Accrued Interest Received	-	-	-	-
Debt Service Payments	-	-	(10,650,856)	-
Ending Balance	<u>\$ 9,283,238</u>	<u>\$ 6,253</u>	<u>\$ 9,283,238</u>	<u>\$ 6,253</u>
Replacement Fund				
Beginning Balance	\$ 12,211,563	\$ 6,590,158	\$ 13,424,061	\$ 3,155,787
Transfers from Revenue Fund	-	-	9,481,071	568,640
Transfers from Bond Redemption	-	-	-	-
Proceeds from Disposal of Property	-	-	-	-
Income from Investments	14,493	10,893	278,275	243,975
Withdrawals	(2,715,757)	(1,250,757)	(13,673,108)	1,381,892
Ending Balance	<u>\$ 9,510,299</u>	<u>\$ 5,350,294</u>	<u>\$ 9,510,299</u>	<u>\$ 5,350,294</u>
Reserve Fund				
Beginning Balance	\$ 3,718,983	\$ 56,717	\$ 3,637,813	\$ 847
Transfers from Revenue Fund	(69,993)	(69,993)	(69,993)	(69,993)
Income from Investments	6,693	4,343	87,863	60,213
Transfers to Bond Redemption Acct.	-	-	-	-
Ending Balance	<u>\$ 3,655,683</u>	<u>\$ (8,933)</u>	<u>\$ 3,655,683</u>	<u>\$ (8,933)</u>
Bond Redemption Account				
Beginning Balance	\$ 872,831	\$ 14,006	\$ 853,594	\$ 769
Transfers from Revenue Fund	-	-	-	-
Transfers from Reserve Fund	-	-	-	-
Transfers to Replacement Fund	-	-	-	-
Income from Investments	1,382	832	20,619	14,069
Ending Balance	<u>\$ 874,213</u>	<u>\$ 14,838</u>	<u>\$ 874,213</u>	<u>\$ 14,838</u>

Part III - Cash Balances

	December, 2019 Amount	Variance vs. Budget Positive / (Negative)	Year to Date Amount	Variance vs. Budget Positive / (Negative)
Capital Improvement Fund				
Beginning Balance	\$ 504,293	\$ 504,293	\$ 8,468,242	\$ 8,055,256
From Bond/Note Issue	-	-	-	-
Income from Investments	798	798	89,631	89,631
Withdrawals	-	-	(8,052,782)	(7,639,796)
Ending Balance	<u>\$ 505,091</u>	<u>\$ 505,091</u>	<u>\$ 505,091</u>	<u>\$ 505,091</u>

Part IV - Cash Transfers to Special Purpose Funds for 2019

	2019 Budget	2019 Actual
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)	8,912,431	7,689,898
To Reserve Fund	-	-
To Bond Redemption Account	-	-
Total Transfers to Special Purpose Funds	<u>\$ 19,776,381</u>	<u>\$ 18,553,848</u>

Business Summary for the Month of December, 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	\$ 63,877,496	\$ 46,465,302	\$ 110,342,798
Other Non-Service Income - Net	1,187,777	2,993,671	4,181,448
Total Income	<u>\$ 65,065,273</u>	<u>\$ 49,458,973</u>	<u>\$ 114,524,246</u>
% Distribution by Route	56.8%	43.2%	100.0%
Cost of Service	<u>\$ 66,378,826</u>	<u>\$ 47,855,537</u>	<u>\$ 114,234,363</u>
% Distribution by Route	58.1%	41.9%	100.0%
Net Operating Income by Route for 2019	<u>\$ (1,313,553)</u>	<u>\$ 1,603,436</u>	<u>\$ 289,883</u>
% Distribution by Route	-453.1%	553.1%	100.0%

* Based on actual net operating income (loss) for the 12 months

Part VI - Share of Market versus Licensed Ferry Services

	December Amount	Change vs. Prev. Yr.	Year to Date Amount	Change vs. Prev. Yr.
License Fee Income	\$ 59,465	\$ (146,528)	\$ 2,333,953	\$ 96,828
	December Amount	Change vs. Prev. Yr.	Year to Date Amount	Change vs. Prev. Yr.
Weather Observations #				
Average Maximum Temperature (Fahrenheit)	44.4	0.5	50.3	-0.2
Total Precipitation (in water equivalent inches)	8.34	4.46	50.34	5.64
Number of Days with Measurable Precipitation	13	4	153	22

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

Part VII - Share of Market versus Licensed Ferry Services

Number of Passengers Carried	December Amount	Change vs. Prev. Yr.		Year to Date Amount	Change vs. Prev. Yr.	
Martha's Vineyard						
Steamship Authority	126,138	(2,068)	-1.6%	2,425,787	(9,521)	-0.4%
Hy-Line						
Regular	0	0	0.0%	0	0	0.0%
High Speed	0	0	0.0%	122,088	(626)	-0.5%
Subtotal Hy-Line	0	0	0.0%	122,088	(626)	-0.5%
Falmouth Ferry Service	0	0	0.0%	21,601	4,194	24.1%
SeaStreak (New Bedford)	115	(105)	100.0%	81,625	12,238	17.6%
SeaStreak (New York City)	0	0	0.0%	6,457	170	2.7%
Total *	126,253	(2,364)	-1.8%	2,657,558	6,455	0.2%
Nantucket						
Steamship Authority						
Regular	17,925	957	5.6%	270,668	(5,428)	-2.0%
Fast Ferry (Prior to April 2)	0	0	0.0%	893	893	100.0%
Fast Ferry (April 2) (in service 2018)	0	0	0.0%	0	0	0.0%
Fast Ferry (April 3 and after)(in service 2019)	20,022	(345)	-1.7%	307,088	(36,492)	-10.6%
Subtotal - Nantucket	37,947	612	1.6%	578,649	(41,390)	-6.7%
Hy-Line						
Regular	0	0	0.0%	0	0	0.0%
HighSpeed (Prior to April 2)	0	0	0.0%	113,295	22,520	24.8%
HighSpeed (April 2)(IYA in service 2018)	0	0	0.0%	1,585	226	16.6%
HighSpeed (April 3 & after)(IYA in service 2019)	35,233	2,265	6.9%	574,788	(11,468)	-2.0%
Subtotal Hy-Line	35,233	2,265	6.9%	689,668	11,278	1.7%
Freedom Cruise Line (Harwich)	0	0	0.0%	26,376	2,918	12.4%
SeaStreak (New Bedford)	1,278	801	167.9%	51,783	17,117	49.4%
SeaStreak (New York City)	0	0	0.0%	2,112	387	22.4%
Total	74,458	3,678	5.2%	1,348,588	(9,690)	-0.7%

M/V Iyanough in service 04/02/2018 - 01/02/2019 and 04/03/2019 - 01/03/2020.

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