



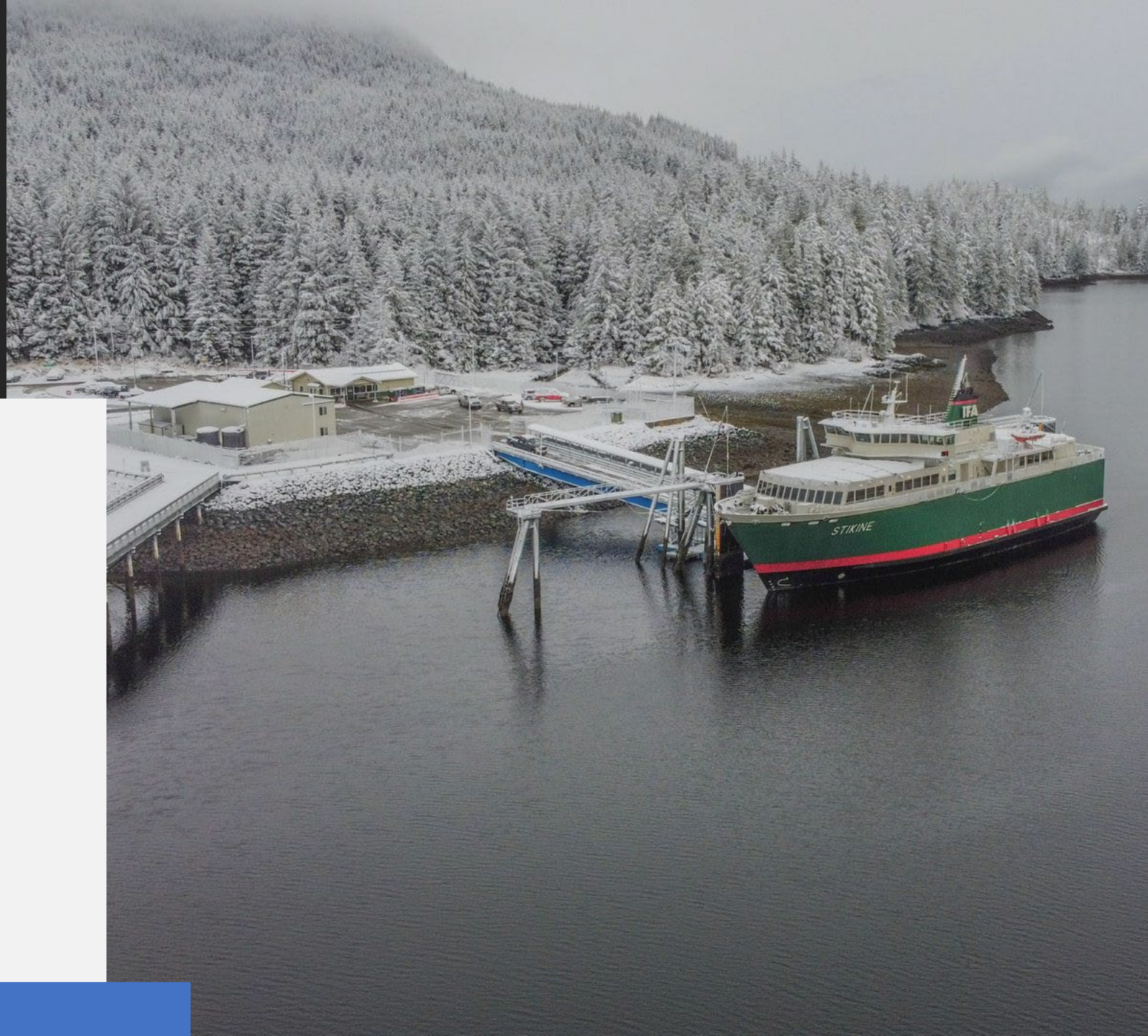
Inter-Island Ferry Authority

SE Conference 2022



By the Numbers

- FY2021 – 27,908 passengers and 51.5% Farebox Recovery.
- FY2022 – 42,603 passengers and 64% Farebox Recovery.



Challenges to the Path Ahead

- Fuel Expense
- Maintenance of an aging fleet
- Staffing



While ridership has returned to pre-COVID levels Fuel expense has had a negative impact on profitability.

Average fuel expense

- FY21 - 2.08
- FY22 – 3.20
- FY23 YTD – 4.90

Fuel is now approx. 25% of total system cost.



Maintenance Expense

- Now that our vessels have reached 17 to 20 years of service maintenance costs have increased to average 21.5% of total system cost in the last 2 years.





Staffing and lack of available talent.

* Licensed positions is the main issue.

* Available housing in the Hollis area is also a barrier to employment.

- Currently 18 of our 28 employees are at or within 5 years retirement age.
- This issue is industry wide and worldwide as reported by SHRM in their May 2022 maritime industry report and also reported in the Workforce Report of 2021 published by Bimco ICS.
- Bimco further projects that there will be a worldwide shortage of 26,000 Licensed Maritime Officers by 2025.

Charting the Course Ahead

- Modernization
- Staffing
- System Cost Reductions
- Value-added services
- Cost effective strategic growth



The Time is Now

- Energy reducing retrofits to existing assets to extend service life and viability another 15 years.
 - Low Emission Diesel Power
 - Emerging Battery Technologies
- Being the Employer of Choice
 - Succession Planning
 - Investing in internal talent
 - Partnering with High Schools and Trade Schools
 - Value added benefits
 - No idea is too crazy to consider!
- Cost reducing initiatives and Value-added revenue opportunities.
 - Validate and streamline all current procedures and processes.
 - Development of a Clark Bay Port facility.



Future Focus



- Securing funding for the design and procurement of the IFA's future ships.
- Partnership opportunities for Island-wide / S.E. Alaska wide transportation.
- Cost effective strategic growth of our system.



Charting the Course Ahead...We can only do this together, in a concerted effort. Thank You S.E. Conference!