

Comm. # 70



REPUBLIC OF THE MARSHALL ISLANDS
MINISTRY OF TRANSPORTATION AND COMMUNICATIONS
MAJURO, MARSHALL ISLANDS
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January 19, 2017

Memorandum

To : Hon. Speaker Kenneth Kedi
From : Ministry of Transportation & Communications
Subject : The Ministry and the offices under Progress Report

Iakwe Honorable Speaker Kenneth Kedi,

Please find attached to this memorandum, T&C and the offices under the ministry's progress report covering from August through December 2016.

Please let us know if any further information is required from T&C and the offices.

Komol tata and God bless.

Respectfully,

A handwritten signature in black ink, appearing to read "Neilan M. Kaminaga", written over a circular stamp or mark.

Neilan M. Kaminaga

Director of Communications/Acting Secretary

**HIGH LIGHTS OF THE PROGRESS REPORT FROM THE MINISTRY
AND OFFICES UNDER THE
MINISTER OF TRANSPORTATION AND COMMUNICATIONS**

Communication Division, Ministry of Transportation & Communications

T&C, with the help of Finance, was able to pay their debt of \$8 million with the International Telecommunications Union (ITU) so that Marshall Islands may be able to have their voting rights.

Air Marshall Islands

For the safety of those traveling to and from the outer islands, AMI has had an 8 years plan to pave five (5) airports. They are prioritizing two (2) airports which are Jaluit and Wotje.

Directorate of Civil of Aviation

DCA was able to pay off their debt of \$300,000 with ICAO for six (6) years.

Air Service Agreement was signed by the Minister between RMI and Turkey and United Arab Emirates.

Marshall Islands Shipping Corporation

Shipping was able to go over their copra tonnage from last year.

\$1.7 million will be used for a landing craft.

RMI Ports Authority

Screening is more efficient and tighter.

\$1.5 million was used to renovate the terminal located in Uliga Dock which is now operational.

**PROGRESS REPORT FROM THE MINISTRY AND OFFICES
UNDER THE
MINISTER OF TRANSPORTATION AND COMMUNICATIONS**

ADMINISTRATION DIVISION, MOT&C

The Administration Division is pleased to provide the following accomplishments done by this division from August 2016 through December 2016. The following activities are as follows:

- A collaboration with the Ministry of Public Works was made to form a calendar called “Annual Jobs Order FY’2017 with Ministry of Public Works” where workers from Public Work renovate MOTC’s building and maintenance of vehicles during allocated dates.
- Building renovations commenced at November. Workers from Public Works painted the MOTC’s buildings.

MEETINGS, CONFERENCES, WORKSHOPS, AND TRAINING ATTENDED

2016 Leadership Training

The Fiscal Officer attended a Leadership Training in Taiwan.

Workshop

Administrative Officer attended a workshop at ICC where there was a revision of policies regarding PO, PR and TA.

MARITIME AND SAFETY DIVISION, MOT&C

The Maritime and Safety Division have achieved several developments within August and December 2016. Trainings and workshops took their places here in the RMI and overseas.

- August 2016 – All the Maritime and Safety Division officers participated in the Port State Control Officers (PSCO) Training on CIC for Tanker Ships in Majuro which was conducted by MOT&C and TCMI.
- September 2016 – One of the Maritime Inspectors attended the training for Maritime Officers on General Training Course (GTC 5) led by IMO and T-MOU in Japan.

- September 2016 – Another Maritime officer participated in the workshop on Trade Facilities & Port Efficiency in Nadi, Suva
- October 2016 – The Maritime and Safety Division conducted training on Assessment & STCW 95 for our local crew and officers onboard our ships.
- December 2016 – Pacific Islands Domestic Ship Safety (PIDSS) Training conducted by Captain Omirete Tabureka from SPC in conjunction with the Maritime & Safety Division to develop Safe Operational Plan for all the Domestic Ships here in RMI.

COMMUNICATIONS DIVISION, MOT&C

The Communication Division has been working with Japan Aerospace Exploration Agency (JAXA) where Japan will be launching a rocket from their country. The project has been on going since August 2016 until the successful launching on December 20th, 2016. Japan will be launching a rocket above the Marshall Islands and we are making sure their systems will not be interfering with any of Marshall Islands' systems. JAXA had brought in their Vehicle mobile station and parked at the Airport hanger where they will be transmitting and receiving data from the rocket.

T&C, with the help of Finance, was able to pay their debt with International Telecommunications Union (ITU) so that Marshall Islands may be able to have their voting rights.

MEETINGS, CONFERENCES, WORKSHOPS, AND TRAINING ATTENDED

Post Disaster Need Assessment (PDNA)

The Communications Division attended this workshop during the whole month of August to collect data from around the country and a few from the outer islands to analyse the affect of the El Nino Drought.

Division of International Development Assistance (DIDA)

A consultant from the Cook Islands taught some ministries construct a National Development Plan/Committee to help Marshall Islands find a role of it's own when requesting for donations without having to lose a percentage of the donation requested.

ICT Disability Policy

There was a meeting with the Communications Division, IA and the Pacific Disability Forum discussing on whether RMI's communications are disability friendly. Unfortunately, RMI ICT Policy did not state that there is such policy giving the Pacific Disability Forum and IA to work together so that one day, RMI will have one.

4G LTE

MINTA and T&C will be working together to bring Marshall Islands 4G LTE. Meetings were conducted at NTA and Finance headquarters with World Bank. Developing to 4G LTE will cause Marshall Islands to have faster internet speed which might then open the market and bring in some competition.



REPUBLIC OF THE MARSHALL ISLANDS
Ministry of Transportation and Communications
FISCAL YEAR 2017 1ST QTR

OCTOBER FISCAL YEAR 2016-17 P- Requisition /P- Order Activities NOVEMBER FISCAL YEAR 2016-17 DECEMBER FISCAL YEAR 2016-17

SUB-ACCT	STATUS	TOTAL	SUB-ACCT	STATUS	TOTAL	SUB-ACCT	STATUS	TOTAL
4010-2305	Completed	\$ 450.00	4010-2605	Completed	\$ 2,400.00	4010-2415	Completed	\$ 1,500.00
4010-2305	Completed	\$ 971.19	4010-2415	Completed	\$ 255.97	4010-2305	Pending	\$ 450.00
4010-2450	Completed	\$ 196.00	4010-2415	Completed	\$ 499.00	4010-2415	Completed	\$ 255.30
4010-2415	Completed	\$ 1,000.00	4010-2450	Completed	\$ 425.94	4010-2115	Completed	\$ 2,250.00
4010-2325	Completed	\$ 1,000.00	4010-2445	Completed	\$ 64.00	4010-2330	Completed	\$ 2,000.00
4010-2450	Completed	\$ 350.00	4010-2445	Completed	\$ 495.00			
4010-2315	Completed	\$ 1,906.12	4010-2440	Completed	\$ 413.56			
4010-3133	Completed	\$ 423.94	4010-2415	Completed	\$ 499.00			
4010-2410	Completed	\$ 2,500.00	4010-2415	Completed	\$ 499.00			
4010-2450	Completed	\$ 300.00	4010-2305	Pending	\$ 1,003.12			
4010-2115	Completed	\$ 2,250.00						
TRAVEL								
TOTAL AMOUNT:		\$ 11,349.25	TOTAL AMOUNT:		\$ 6,558.59	TOTAL AMOUNT:		\$ 6,955.30
Fuel Consumption Monthly			Fuel Consumption Monthly			Fuel Consumption Monthly		
Totals:		\$ 220.00	Totals:		\$ 835.00	Totals:		\$ 395.00
			TOTAL BALANCE:		\$ 1,450.00	TOTAL BALANCE:		\$ 2,487.14

1- qtr financial activities - PR/TA/TRANSFER/PETTY CASH	Original Budget FY 16	DR Budget Adjusted	CR I/ORT Totals	Fund Transfer	New Balance
Contractual Services	4010-1520 \$ 5,520.00	\$0.00	\$ 5,520.00		\$ 5,520.00
Travel	4010-2020 \$ 1,000.00	\$0.00	\$ 1,000.00		\$ 1,000.00
Int. Travel	4010-2021 \$ 25,738.00	\$0.00	\$ 25,738.00		\$ 25,738.00
L&R Housing	4010-2125 \$ 9,000.00	\$4,500.00	\$ 4,500.00		\$ 4,500.00
T&Staff Develop	4010-2205 \$ 4,000.00	\$0.00	\$ 4,000.00		\$ 4,000.00
Rentals	4010-2205 \$ 720.00	\$0.00	\$ 720.00		\$ 720.00
Utilities	4010-2215 \$ 613.00	\$0.00	\$ 613.00		\$ 613.00
Communication	4010-2305 \$ 13,487.00	\$2,874.31	\$ 10,612.69		\$ 10,612.69
Advertising	4010-2310 \$ 700.00	\$0.00	\$ 700.00		\$ 700.00
Insurance	4010-2315 \$ 2,000.00	\$1,906.12	\$ 93.88		\$ 2,000.00
Printin & Repro.	4010-2320 \$ 2,000.00	\$0.00	\$ 2,000.00		\$ 2,000.00
Repairs	4010-2325 \$ 2,676.00	\$1,000.00	\$ 1,676.00		\$ 1,676.00
Sub. Dues & Fee	4010-2330 \$ 8,871.00	\$2,500.00	\$ 6,371.00		\$ 6,371.00
Freight	4010-2401 \$ 455.00	\$0.00	\$ 455.00		\$ 455.00
Office/Com Supplies	4010-2405 \$ 3,800.00	\$0.00	\$ 3,800.00		\$ 3,800.00
(POL) FUEL	4010-2410 \$ 12,036.00	\$2,500.00	\$ 9,536.00	\$ 2,500.00	\$ 9,536.00
Food Stuff	4010-2415 \$ 3,540.00	\$4,518.27	\$ (978.27)		\$ 1,521.73
Equip & Tool NOT	4010-2440 \$ 3,058.00	\$413.56	\$ 2,644.44		\$ 2,644.44
Water	4010-2445 \$ 1,000.00	\$499.00	\$ 501.00		\$ 501.00
Other Supplies/ M	4010-2450 \$ 5,999.00	\$1,335.94	\$ 4,663.06		\$ 4,663.06
Representation	4010-2605 \$ 2,400.00	\$2,400.00	\$ -		\$ -
Furniture & Fix.	4010-3133 \$ 508.00	\$425.94	\$ 82.06		\$ 82.06
Equipment	4010-3134 \$ 4,823.00	0	\$ 4,823.00		\$ 4,823.00
	\$ 113,944.00	\$24,873.14	\$89,070.86		\$91,570.86

AIR MARSHALL ISLANDS

Air Marshall Islands, Inc. (AMI) is the national airline and flag carrier of Republic of the Marshall Islands (RMI) and currently operates a fleet of two Dornier aircrafts and a Dash 8 aircraft with a workforce of 67 employees and 24 Outer Island agents.

AMI operates scheduled flight services six days a week and occasionally on Sundays to provide passenger and cargo services. AMI additionally offers charter, medical evacuation, search & rescue and humanitarian relief services when required.

The Dornier operates to 24 island communities in the RMI, providing point to point service six days a week. The Dornier averaged 100 flight hours per month from Jan – Sept 2016 compared to 66 hours for the same period in 2015. The Dash 8 flies to only 9 Atolls due to the length and conditions of the runways. The Dash 8 on average flew 39 hours per month from Jan – Sept 2016 compared to 21 hours for the same period in 2015. These are significant increases, highlighting the productivity and improved utilization of our aircraft.

AMI flew a total of 11,009 passengers in the period Jan – Sept 2016 compared to 9,454 passengers for the same period in 2015. This is a significant increase, demonstrating improved service reliability.

AMI is moving to the 21st Century with the implementation of Operations system that includes E-Ticketing, automated Check-In and Cargo receiving effective December 1, 2016.

AMI is working closely with National Training Council to send 3 students to be trained as pilots, the project will be funded by NTC and AMI. AMI has plans to send Mr. Mael Watak to Seattle to be the next Captain on Dash 8.

AMI has plans to fly Regional to Kiribati in 2017 with the Dash 8.

AMI is optimistic to finish Financial Year 2016 at a breakeven whereas the **operating losses** of FY2015 was \$0.85m and FY2014 was \$1.23m. This clearly shows the trend and path AMI is working on to reverse its loss making. Reverse Loss making is also one of the goals in AMI's Business Plan 2016 – 2018.

MARSHALL ISLANDS

BUDGET FY2017

EXPENSES BY DEPARTMENT COMPARING FIRST QUARTER ACTUALS AGAINST BUDGET

	Actual per month			Total Actual		VARIANCE	Total Budget OCT-DEC 2016
	OCT-2016	NOV-2016	DEC-2016	OCT-DEC 2016			
FLIGHT OPERATIONS DEPARTMENT							
Salaries & Wages:							
Pilots	13,692	20,307	13,077	47,076	(25,924)	73,000	
Flight Ops Staff & Flight Attendants	11,683	17,780	11,178	40,641	(234)	40,875	
Overtime	643	2,333	1,105	4,081	1,956	2,125	
Vacation	1,917	1,611	640	4,168	(212)	4,380	
Sick Pay	631	2,403	1,808	4,842	2,652	2,190	
Pilots Supplements	0	0	0	0	0	0	
Meal Allowances	1,580	1,230	2,290	5,100	(300)	5,400	
Housing Allowances	3,750	3,000	3,000	9,750	(3,750)	13,500	
RMI SS (SS Tax Health Fund)	3,000	3,224	836	7,060	228	6,833	
Employee Insurance	0	0	0	0	(1,300)	1,300	
TOTAL SALARIES & OTHER BENEFITS	36,896	51,888	33,934	122,718	(26,884)	149,602	
Aircraft Fuel & Oil:							
Dornier 228	31,167	43,958	52,251	127,375	(65,650)	193,025	
Dash 8	1,090	0	0	1,090	(114,510)	115,600	
Refuel Charge - Kwa (DFAS)	5,660	6,509	7,641	19,810	7,633	12,177	
Fuel Service Charge - Kwa (KRS)	2,075	690	810	3,575	(3,943)	7,518	
Navigational/Technical Charges	0	655	0	655	(295)	950	
Catering/Inflight Services	22	0	0	22	(1,191)	1,213	
Training Pilots:							
Dornier 228	0	0	0	0	(2,000)	2,000	
Dash 8	0	0	0	0	(3,000)	3,000	
Travel	0	1,544	0	1,544	(956)	2,500	
Fuel Staff & Pilots Transportation	557	336	288	1,181	41	1,140	
Uniforms	0	0	0	0	(900)	900	
Utilities (Electricity, Telephone, Water)	392	395	405	1,192	(1,418)	2,610	
Space Rental	172	172	172	516	3	513	
Office Repairs	0	0	0	0	(250)	250	
Stationaries and Office Supplies	516	230	0	746	(459)	1,205	
Computer and Office Equipment	0	100	0	100	(213)	313	
Relocation & Other Costs	0	130	0	130	(1,635)	1,765	
TOTAL OPERATIONS COST	41,651	54,719	61,567	157,936	(188,741)	346,678	
GRAND TOTAL	78,547	106,607	95,501	280,654	(215,626)	496,280	
% CHANGE 2017/2016						-43%	

MARSHALL ISLANDS

BUDGET FY2017

EXPENSES BY DEPARTMENT COMPARING FIRST QUARTER ACTUALS AGAINST BUDGET

	Actual per month			Total Actual	VARIANCE	Total Budget
MAINTENANCE, QUALITY ASSURANCE & ENGINEERING DEPARTMENT						
Salaries & Wages	26,149	37,243	26,234	89,626	(17,293)	106,919
Overtime	3,735	5,525	3,973	13,233	3,068	10,165
Vacation Pay	8,139	2,487	3,601	14,227	10,115	4,112
Sick Pay	301	661	316	1,278	(778)	2,056
Housing Allowances	1,500	1,500	1,500	4,500	0	4,500
RMI SS (SS Tax Health Fund)	3,885	3,615	1,363	8,863	1,838	7,025
TOTAL SALARIES & OTHER BENEFITS	43,709	51,031	36,987	131,727	(3,050)	134,777
Professional Tech. Fee:						
Dornier	0	0	0	0	(3,000)	3,000
Dash 8	0	0	10,520	10,520	3,770	6,750
Training	1,469	269	0	1,738	(7,012)	8,750
Travel	0	0	0	0	0	0
Uniforms	0	0	0	0	(840)	840
Vehicle & GSE:						
Fuel & Oil	1,431	1,366	2,068	4,865	1,646	3,219
Repair & Maintenance	78	60	260	398	(1,102)	1,500
Utilities (Electricity, Telephone, Water)	2,438	2,397	2,536	7,371	121	7,250
Computer & Office Equipment	0	240	0	240	(260)	500
Stationaries & Office Supplies	444	0	342	786	536	250
Subscriptions & Manuals (Dash Sys.)	0	0	0	0	0	0
TOTAL OPERATIONS COST	5,860	4,332	15,726	25,918	(6,141)	32,059
Freight Charges						
Maint. Reserve - Engine/Prop/LG/APU OH (FLEET)	1,203	5,049	4,015	10,267	4,502	5,765
Consumables:						
Dornier 228	1,133	3,810	5,587	10,530	3,030	7,500
Dash 8	1,003	1,663	426	3,092	(4,408)	7,500
Common	111	115	127	353	(4,647)	5,000
Rotables:						
Dornier 228	1,171	0	1,464	2,635	(33,615)	36,250
Dash 8	0	0	1,714	1,714	(28,286)	30,000
Rental Engine - Dash 8				0	(60,000)	60,000
TOTAL MINIMUM EQUIPMENT LIST (MEL)	4,621	10,637	13,333	28,591	(523,980)	552,571
Annual Subscriptions:						
Dornier 228	3,374	0	0	3,374	1,724	1,650

MARSHALL ISLANDS

BUDGET FY2017

EXPENSES BY DEPARTMENT COMPARING FIRST QUARTER ACTUALS AGAINST BUDGET

	Actual per month			Total Actual	VARIANCE	Total Budget
Dash 8	0	120	0	120	(4,282)	4,402
Other	0	0	0	0	0	0
Tool Calibration	0	0	0	0	(875)	875
Water - Aircraft (Wash)	0	0	0	0	(1,163)	1,163
Hangar Repairs	2,067	2,065	1,574	5,706	(74,294)	80,000
TOTAL OTHER CAPITAL GOODS	5,441	2,185	1,574	9,200	(78,890)	88,090
GRAND TOTAL	59,631	68,185	67,620	195,436	(612,062)	807,498
% CHANGE 2017/2016	18%					-76%

MARSHALL ISLANDS

BUDGET FY2017

EXPENSES BY DEPARTMENT COMPARING FIRST QUARTER ACTUALS AGAINST BUDGET

	Actual per month			Total Actual	VARIANCE	Total Budget
TRAFFIC AND CARGO DEPARTMENT						
Salaries & Wages	14,045	21,851	14,825	50,721	(3,630)	54,351
Overtime	2,180	4,296	3,717	10,193	3,218	6,975
Vacation Pay	437	1,534	289	2,260	170	2,090
Sick Pay	715	738	386	1,839	794	1,045
RMI SS (SS Tax Health Fund)	1,825	2,903	1,660	6,388	2,708	3,680
TOTAL SALARIES & OTHER BENEFITS	19,202	31,322	20,877	71,401	3,260	68,141
Vehicle:						
Fuel & Oil	678	599	5	1,282	(782)	2,064
Repair & Maintenance	300	35	0	335	(1,315)	1,650
Utilities (Electricity, Telephone, Water)	506	0	0	506	(1,494)	2,000
Office Repairs	2,378	413	0	2,791	2,341	450
Stationaries & Office Supplies	797	148	16	961	(2,052)	3,013
Training	0	504	0	504	(2,496)	3,000
Travel	69	29	65	163	(1,337)	1,500
Entertainment & Transport	0	87	0	0	(125)	125
Safety Supplies	110	0	0	197	(803)	1,000
Space Rental	1,000	1,000	1,000	3,000	(43)	3,043
TOTAL OPERATIONS COST	5,838	2,815	1,086	9,739	(8,106)	17,845
Check-in Counter Scale, PA Sys., Tensa Barrier, Camera	0	0	0	0	(1,225)	1,225
Mezzanine Floor (Cargo Building)	0	0	0	0	(6,250)	6,250
Fiber Optic Installation Package (NTA)	0	0	0	0	0	0
Motor Vehicle (1 x Van for MAJ Station)	0	0	0	0	(5,000)	5,000
GSE Provision & Contingency	0	0	0	0	(10,000)	10,000
X-Ray Machines Maintenance Budget	0	0	0	0	(8,750)	8,750
TOTAL CAPITAL GOODS	0	0	0	0	(31,225)	31,225
GRAND TOTAL	25,040	34,137	21,963	81,140	(36,071)	117,211
% CHANGE 2017/2016	11%					-31%

MARSHALL ISLANDS
BUDGET FY2017
EXPENSES BY DEPARTMENT COMPARING FIRST QUARTER ACTUALS AGAINST BUDGET

	Actual per month			Total Actual	VARIANCE	Total Budget
SALES & ADVERTISING DEPARTMENT						
Salaries & Wages	10,194	15,463	11,361	37,018	3,222	33,796
Overtime	342	591	1,133	2,066	705	1,361
Vacation Pay	317	58	0	375	(92.5)	1,300
Sick Pay	417	699	63	1,179	18	1,161
RMI SS (SS Tax Health Fund)	1,183	1,765	1,117	4,065	1,956	2,109
TOTAL SALARIES & OTHER BENEFITS	12,453	18,576	13,674	44,703	4,975	39,728
Airline Tickets	0	1,102	0	1,102	352	750
Training	0	502	0	502	(998)	1,500
Travel	627	0	0	627	(273)	900
Stationaries & Office Supplies	0	134	655	789	489	300
Subscriptions & Publications	0	0	0	0	(300)	300
Utilities (Electricity, Telephone, Water)	50	50	100	200	163	38
Reservation System (Takeflight)	1,500	1,500	1,850	4,850	(2,150)	7,000
TOTAL OPERATIONS COST	2,177	3,288	2,605	8,070	(2,718)	10,788
GRAND TOTAL	14,630	21,864	16,279	52,773	2,258	50,515
% CHANGE 2017/2016	1%					4%

MARSHALL ISLANDS

BUDGET FY2017

EXPENSES BY DEPARTMENT COMPARING FIRST QUARTER ACTUALS AGAINST BUDGET

	Actual per month			Total Actual	VARIANCE	Total Budget
GENERAL AND ADMINISTRATIVE DEPARTMENT						
Salaries & Wages	17,861	24,851	17,302	60,014	(4,556)	64,570
Overtime	913	1,120	1,183	3,216	1,892	1,324
Vacation Pay	45	563	3,935	4,543	2,060	2,483
Sick Pay	364	1,895	704	2,963	1,721	1,242
Housing Allowances	1,500	1,500	1,600	4,600	100	4,500
RMI SS (SS Tax Health Fund)	2,014	2,365	556	4,935	981	3,954
Company Group Life Insurance (Moylan's)	1,008	1,008	1,008	3,024	324	2,700
TOTAL SALARIES & OTHER BENEFITS	23,705	33,302	26,288	83,295	2,522	80,773
Training	1,560	4,037	4,288	9,885	8,710	1,175
Travel	1,033	127	3,109	4,269	(1,731)	6,000
Entertainment & Transport	0	0	0	0	(125)	125
Computer/Software Support	279	1,975	521	2,775	1,564	1,211
Vehicle:						
Fuel & Oil	338	368	374	1,080	(315)	1,395
Repair & Maintenance	50	78	31	159	(381)	540
Utilities (Electricity, Telephone, Water)	3,623	3,402	3,400	10,425	(921)	11,346
Space/Office Rental	1,575	1,575	1,575	4,725	0	4,725
Office Repairs	0	80	60	140	(310)	450
Stationaries & Office Supplies	1,353	240	1,991	3,584	914	2,670
Subscriptions & Publications	329	0	0	329	(1,776)	2,105
Postage/Courier	384	0	13	397	(441)	838
Representation	624	1,067	5,807	7,498	5,854	1,644
Legal & Professional Fees	0	0	0	0	(4,500)	4,500
Membership - IATA & ASPA	0	0	0	0	(500)	500
Information Technology Budget	0	0	0	0	0	0
Surveillance Camera System	0	0	0	0	(6,616)	6,616
Office Relocation Hangar Completed	0	0	0	0	(2,500)	2,500
Aircraft Liability and Personal Accident	0	0	0	0	(1,001)	33,143
TOTAL OPERATIONS COST	10,714	10,714	10,714	32,142	(1,001)	33,143
GRAND TOTAL	21,862	23,663	31,883	77,408	(4,075)	81,483
% CHANGE 2017/2016	45,567	56,965	58,171	160,703	(1,552)	162,255
	-2%					-1%

DIRECTORATE OF CIVIL AVIATION

DCA have not much of a new activities, except for the Minister and Stanley's signing up Air service agreement during the ICAO assembly held in Montreal on October. Air service agreement is between RMI and UAE and Turkey. Arrears have been also settled to be paid by the end of this month.

Inspectors monitoring activities is in placed to ensure safety and security of the air transport, airports, etc.

Training is also been provided to AMI, UA and RMIPA.

DCA's Financial Statement (Budget FY 2017)

As of January 12, 2017

Acct	Original	Actual Exp	Balance	Remarks
Operating				
1515 Audit	\$ 1,775.00	-	1,775.00	
1520 Contractual Services	\$ 6,490.00	-	6,490.00	
2021 International Travel	\$ 19,669.00	-	19,669.00	
2115 Leased and Rental Housing	\$ 9,000.00	4,500.00	4,500.00	Oct-Mar Expat Housing \$4,500
2205 Rentals	\$ -	-	-	
2215 Utilities	\$ 5,250.00	-	5,250.00	
2305 Communication	\$ 7,000.00	879.69	6,120.31	Oct-Nov NTA pymt
2310 Advertising	\$ 700.00	-	700.00	
2315 Insurance	\$ 4,000.00	969.00	3,031.00	Insurance for the new vehicle
2320 Printing and Reproduction	\$ 3,000.00	-	3,000.00	
2325 Repairs	\$ 4,000.00	-	4,000.00	
2405 Office/Computer supplies	\$ 3,904.00	-	3,904.00	
2410 Fuel	\$ 8,014.00	3,000.00	5,014.00	Jan-Mar Open PO for Fuel
2415 Food Stuff	\$ 3,000.00	1,000.00	2,000.00	Open PO MIR for Food
2450 Other Supplies/Materials	\$ 950.00	-	950.00	
3134 Equipment	\$ 700.00	695.00	5.00	Purchased of AC for airport Office (Transferred \$700 from Contractual Services to Equipment)
3135 Vehicle	\$ 25,000.00	24,995.00	5.00	Purchased new vehicle
Total Operating Exp./Actual Exp.	\$ 102,452.00	36,038.69	66,413.31	
Salaries/Wages/Benefits				
1010 Expat	30,000.00		30,000.00	
1011 Marshallese	110,000.00		110,000.00	
1114 Benefits Expat	3,150.00		3,150.00	
1115 Benefits Marshallese	10,448.00		10,448.00	
1116 Insurance Employees	1,300.00		1,300.00	

MARSHALL ISLANDS SHIPPING CORPORATION

Enclosed, please find the reported that was submitted earlier for the State of the Union Address by H.E. President. The report covers the FY2015/16. In summary it shows the following data/information:

1. Total copra collected/and delivered was 4,103 tons (103 tons more than last FY.
2. Total value of copra purchased from outer islands copra makers \$230,791
3. Total trips made was 48 (6 more than last year although Ribuk Ae has been down since Nov and currently waiting the transmission already ordered and in transit in Hawaii and should be received and installed any time

The 48 total trips consisted of:

Field trips	24
Special trip	9
Chartered	14
Drydock	1

4. Total Passangers

Outbound	2,892	(1,442 more than last FY)
Inbound	2,864	(214 more than last FY)

5. Total food and household related needs = \$58,173.00

6. Frequency of trips per individual atolls/islands;

Jabot = 10; Ailinglaplap = 10; Namu = 7; Jaluit = 10; Kili = 9; Namdrik = 6; Ebon = 5; Ebeye = 10; Aur = 14; Maloelap = 13; Likiep = 6; Ailuk = 6; Utrok = 6; Mejit = 6; Mili = 3; Lib = 4; Lae = 5; Ujae = 5; Wotho = 5; Wotje = 8; Fiji = 1; Chuuk = 1; Mejatto = 1; Ronglap = 3; Bikini = 1
Enewetak = 2; Arno = 1

7. Total fuel usage \$573,081

8. Total Revenue (from Cargo, Charter, Passenger, Copra, Others) \$1,454,259

9. Total Expenses (including fuel)	\$2,988,520
10 Total Subsidy	\$1,737,237

Worth reporting:

1. On dock terminal is expected to open early 2017
2. An additional vessel to join the current fleet to supplement the services has been identified.

Marshall Islands Shipping Corporation
Custom Summary Report
 October through December 2016

10:01 AM

01/16/2017

Accrual Basis

Oct - Dec 16

Ordinary Income/Expense

Income

4010 · Sale of Goods	5,566.69
4000 · Sales Revenue	2,792.00
4020 · Cargo Revenue	
4021 · Surcharge	3,547.50
4020 · Cargo Revenue - Other	71,893.33
Total 4020 · Cargo Revenue	75,440.83
4025 · Copra Freight Revenue	50,708.08
4026 · Revenue from Copra Buying	6,535.71
4030 · Charter Revenue	335,737.50
4040 · Passenger Revenue	9,013.38
4050 · RMI Subsidies	
4053 · ROC Fund	0.00
4052 · General Grant	358,999.06
Total 4050 · RMI Subsidies	358,999.06
Total Income	844,793.25

Cost of Goods Sold

5000 · Cost of Goods Sold	7,910.94
Total COGS	7,910.94

Gross Profit 836,882.31

Expense

8016 · Drydock Expense	4,438.55
8420 · House Allowance	9,661.70
6670 · Penalty & Int Expense	7,455.31
6830 · Miscellaneous Expenses	2,259.55
6840 · Wire Transfer	613.98
6760 · Tax	8.29
6125 · Bank Charges	1,395.54
6150 · Communications	2,707.57
6160 · Contractual Services	15,089.25
6180 · Fixed Assets not Capitalized	
6182 · Furniture & Fixtures	9,618.95
6181 · Tools & Equipment	246.53
Total 6180 · Fixed Assets not Capitalized	9,865.48
6210 · Freight/Shipping	2,406.90
6220 · Fuel & Oil	
6221 · Motor Vehiclces Fuel & Oil	7,056.25
6222 · Vessel Fuel & Oil	157,439.66
6220 · Fuel & Oil - Other	78.00
Total 6220 · Fuel & Oil	164,573.91

6250 · Medical Expense	55.00
6260 · Meetings & Entertainment	1,277.50
6270 · Membership Fees	2,750.00
6310 · Office Supplies	10,303.55
6320 · Other Supplies & Materials	60,100.05
6580 · Payroll Expenses	
6561 · Salaries & Wages	313,425.25
6562 · Personnel Benefits	17,252.24
6560 · Payroll Expenses - Other	8,613.68
Total 6560 · Payroll Expenses	<u>339,291.17</u>
6630 · Provisions	
6631 · Food Stuff	35,342.53
6632 · Water	4,941.42
6630 · Provisions - Other	6,649.19
Total 6630 · Provisions	<u>46,933.14</u>
6640 · Rentals & User's Fees	7,869.50
6650 · Repairs & Maintenance	68,148.24
6710 · Subsidies & Contributions	1,850.00
6770 · Travel - Domestic	2,286.24
6780 · Travel - International	7,827.00
6820 · Utilities	
6821 · Electricity	4,198.89
6822 · Water & Sewage	0.00
Total 6820 · Utilities	<u>4,198.89</u>
Total Expense	<u>773,994.13</u>
Net Ordinary Income	62,888.18
Other Income/Expense	
Other Income	
8010 · Miscellaneous	
8012 · Cash Short/Over	-21.68
8010 · Miscellaneous - Other	-64.93
Total 8010 · Miscellaneous	<u>-86.61</u>
Total Other Income	<u>-86.61</u>
Net Other Income	-86.61
Net Income	<u><u>62,801.57</u></u>

RMI PORTS AUTHORITY

- 1). FAA issued an AIP planning grant in the amount of \$150,000 for the development and implementation of a Safety Management System at Amata Kabua International Airport.
- 2). FAA issued additional AIP grant funds in the amount of \$1,558,800 for the Runway Safety Area and Environmental Mitigation projects this project has reached 100% practical completion
- 3). RMIPA purchased and installed a new buoy marker to replace Channel Marker #2 (steel pile marker) which got displaced and is laying on the reefs under water due to strong wave events. The cost of the buoy was \$ 116,225.00
- 4). RMIPA built a concrete seawall at Uliga Dock. The area was damaged from recent tidal events, which destroyed other shoreline properties around Majuro. The cost of the project is \$ 80,000.00
- 5). The Security Fence Installation and Concrete Wall Repairs project was completed in May 2016. The total cost of the project, inclusive of design, CM services and construction, was \$2.12 million.
- 6). The east RSA and Environmental Mitigation projects are planned for completion at the end of January 2017. The total cost of these projects are \$ 11,919,294
- 7) Uliga warehouse converted to a passenger waiting area for domestic shipping is completed awaiting utility hook ups. Expected to be fully operational January 2017.
- 8) US 1.5 Million dollars has been appropriated to fund the needed under water repairs for Delap and Uliga docks, Design documents are being finalized to be bided out in February 2017.