

SUFFOLK COUNTY LEGISLATURE



Lance Reinheimer
Director

BUDGET REVIEW OFFICE

May 5, 2022

Honorable Kevin McCaffrey, Presiding Officer, and
Members of the Suffolk County Legislature
William H. Rogers Legislature Building
725 Veterans Memorial Highway
Smithtown, New York 11787

Dear Legislators:

The attached report is the Budget Review Office analysis of the financial and supporting documents presented by Sayville Ferry Service, Inc. in support of its petition for a proposed increase in passenger fares and freight tariffs. The requested rate alterations are for cross-bay service from Sayville to the Fire Island communities; Fire Island Pines, Cherry Grove, and Water Island.

All ferry service operators who transport passengers and/or freight across bodies of water within the boundaries of Suffolk County are required to obtain approval via a duly adopted resolution by the Suffolk County Legislature in accordance with Chapter 455 of the Suffolk County Code. Sayville Ferry Service, Inc. was last granted a rate increase by the Suffolk County Legislature on December 19, 2017.

The Budget Review Office conducted a review of the certified and audited financial statements, which were prepared by an accountant with satisfactory peer review status. Our review finds the requested passenger fare and freight tariff increases to be reasonable and therefore, supports the petitioner's for rate relief.

Our summary of findings highlights those areas we believe to be most relevant and necessary for legislative deliberation. My staff and I are available should you have questions regarding this report.

Very truly yours,

Lance Reinheimer, Director
Budget Review Office

Review of
Sayville Ferry Service, Inc.

**2022 Petition for
Rate Increase**

May 5, 2022

**Budget Review Office
Suffolk County Legislature
Hauppauge, New York 11788**

Analysis of Sayville Ferry Service Inc.

Petition for Rate Increase

Summary of Findings

- Sayville Ferry Service, Inc. submitted a petition dated March 1, 2022 to the Suffolk County Legislature seeking alteration to its passenger ferry rates and commercial and passenger freight tariffs applicable to the cross-bay service they provide from Sayville, NY to the Fire Island communities; Fire Island Pines, Cherry Grove, and Water Island. Subsequently, an amended petition was filed on April 27, 2022 that included a bifurcated rate structure; cash and credit, for passenger fares.
- Schedule A, which contains the fare schedule for ferry service to Cherry Grove and Fire Island Pines, includes fare increases averaging 24.13% in the aggregate for cash fares and 30.18% for credit fares. Travelers to these Fire Island communities generate 93.8% of the passenger fare revenue.
- Schedule B, which contains the fare schedule for ferry service provided to Water Island, includes fare increases that averaging 25.10% in the aggregate for cash fares and 29.49% for credit fares. Travelers to this Fire Island community generate less than 1% of passenger fare revenue.
- Schedule C, which contains commercial freight tariffs for the Fire Island communities serviced by Sayville Ferry Service, Inc., includes tariff increases averaging 20.44% in the aggregate. Freight tariff revenue generated by Sayville Ferry Service, Inc. comprises 6.81% of the Ferry's total revenues.
- Sayville Ferry Service, Inc. was last granted a rate increase by the Suffolk County Legislature on December 19, 2017, via Resolution No. 1192-2017.
- Since the last rate increase was granted by the Legislature, the Transportation Component of the Consumer Price Index for All Consumers in the New York and Northeastern New Jersey Region increased 16.98%. In the last year, the aforementioned Transportation Component increased 13.96% through February 2022.
- The requested passenger fare increases exclude cross-bay ferry service to Sailors Haven/Sunken Forest, which is a separate competitive-bid contract with the Fire Island National Seashore (FINS), administered by the U.S. Department of Interior.
- The income statements submitted to the Budget Review Office reflect operating losses in both 2020 and 2021 resulting in a net loss for Sayville Ferry Service, Inc. in 2020 of \$52,339 and net income of \$386,151 in 2021.
- The Budget Review Office finds the requested passenger fare and freight tariff increases to be reasonable and therefore, supports the petitioner's request for rate relief.

Scope of Report

All ferry service operators who transport passengers and/or freight across bodies of water within the boundaries of Suffolk County are required to obtain a license and rate approval from the Suffolk County Legislature in accordance with Chapter 455 of the Suffolk County Code as authorized by Section 131-g of the New York Highway Law, Article 8 of the New York Navigation Law and Section 71 of the New York Transportation Corporations Law.

Sayville Ferry Service, Inc. submitted a petition dated March 1, 2022 to the Suffolk County Legislature seeking alterations to its existing passenger ferry rates and commercial and passenger freight tariffs applicable to the cross-bay service they provide from Sayville, NY to the Fire Island

communities; Fire Island Pines, Cherry Grove, and Water Island. Subsequently, an amended petition was filed on April 27, 2022 that included a bifurcated rate structure; cash and credit, for passenger fares. The County Legislature is the governmental agency responsible for acting on this request. The Budget Review Office is required to review the application and present its findings in a report to the Legislature for their consideration.

The requested passenger fare increases exclude cross-bay ferry service to Sailors Haven/Sunken Forest, which is a separate competitive-bid contract with the Fire Island National Seashore (FINS), administered by the U.S. Department of Interior. The roundtrip passenger fare per the FINS agreement increased from \$16 to \$18 for the 2022 season. The term of the contract was extended one year to November 2022 due to COVID related protocols.

The intent of the Suffolk County Ferry Law is to assure “continuous and adequate ferry service in Suffolk County”. The license granted by the County is not exclusive; non-exclusive licenses may be granted to as many service providers as it deems necessary.

Pursuant to Chapter 455 of the Suffolk County Code, applicants must submit audited financial statements for the previous two years of operations. Sayville Ferry Service, Inc. submitted audited financial statements for the period November 1, 2019 through October 31, 2021. Satty, Levine & Ciacco, CPAs, P.C. is the accounting firm that audited the financial statements. The accounting firm has been peer reviewed within the last five years, in accordance with sub-section 455-3 (D) of the Suffolk County Code.

Audited financial statements are intended to provide an independent, competent, and objective presentation of operations. **Any financial forecasts presented in this report are based upon assumptions of future events and should not be construed as facts.** The Budget Review Office reviewed the audited financial statements in conjunction with other information we considered pertinent to evaluate the petitioner’s request.

Analysis of Sayville Ferry Service Inc.

The findings presented here are intended to aid the Legislature in its deliberations on the proposed new rate schedules requested by Sayville Ferry Service, Inc.

The Petition Seeking a Rate Increase

The petition submitted by Sayville Ferry Service, Inc., dated March 1, 2022 and submitted to the Clerk of the Legislature on March 25, 2022, seeks to obtain rate increases to the passenger and freight fare structures for regularly scheduled ferry service between Sayville, NY and the Fire Island communities of Fire Island Pines, Cherry Grove, and Water Island. Subsequently, an amended petition was filed on April 27, 2022 that included a bifurcated rate structure; cash and credit, for passenger fares.

The Stein family, owners of Sayville Ferry Service, Inc., has provided ferry service on the Great South Bay since 1894. The present Ferry Company began service to the community of Fire Island Pines in 1955, Cherry Grove in 1983, and Water Island in 1989. All service initiates from the ferry terminal facilities on River Road (Brown Creek) in Sayville, New York.

The following tables summarize the current and proposed passenger and freight fare structures as included in the amended petition.

Schedule A
CHERRY GROVE & FIRE ISLAND PINES

FARE CATEGORY	CURRENT FARE	REQUESTED CASH FARE	DOLLAR INCREASE	PER RIDE COST	PERCENTAGE INCREASE
Adult					
One Way	\$9.50	\$11.00	\$1.50	\$11.00	15.79%
Round Trip	\$18.00	\$20.00	\$2.00	\$10.00	11.11%
40 Trip Ticket	\$285.00	\$330.00	\$45.00	\$8.25	15.79%
Seniors & Handicapped					
One Way	\$8.50	\$10.00	\$1.50	\$10.00	17.65%
Round Trip	\$16.00	\$19.00	\$3.00	\$9.50	18.75%
Children					
One Way	\$4.50	\$6.00	\$1.50	\$6.00	33.33%
Round Trip	\$8.50	\$11.00	\$2.50	\$5.50	29.41%
40 Trip Ticket	\$140.00	\$180.00	\$40.00	\$4.50	28.57%
Dogs					
One Way	\$3.00	\$4.00	\$1.00	\$4.00	33.33%
Round Trip	\$5.00	\$7.00	\$2.00	\$3.50	40.00%
40 Trip Ticket	\$90.00	\$120.00	\$30.00	\$3.00	33.33%
Winter Service					
Adult One Way	\$16.00	\$18.00	\$2.00	\$18.00	12.50%
Passenger Freight Tariffs	Not Over \$30.00 per item based on bulk and weight	Not Over \$80.00 per item based on bulk and weight	Various	Various	Various

CHERRY GROVE & FIRE ISLAND PINES

FARE CATEGORY	CURRENT FARE	REQUESTED CREDIT FARE	DOLLAR INCREASE	PER RIDE COST	PERCENTAGE INCREASE
Adult					
One Way	\$9.50	\$11.39	\$1.89	\$11.39	19.89%
Round Trip	\$18.00	\$20.70	\$2.70	\$10.35	15.00%
40 Trip Ticket	\$285.00	\$341.55	\$56.55	\$8.54	19.84%
Seniors & Handicapped					
One Way	\$8.50	\$10.35	\$1.85	\$10.35	21.76%
Round Trip	\$16.00	\$20.70	\$4.70	\$10.35	29.38%
Children					
One Way	\$4.50	\$6.21	\$1.71	\$6.21	38.00%
Round Trip	\$8.50	\$11.39	\$2.89	\$5.70	34.00%
40 Trip Ticket	\$140.00	\$186.30	\$46.30	\$4.66	33.07%
Dogs					
One Way	\$3.00	\$4.14	\$1.14	\$4.14	38.00%
Round Trip	\$5.00	\$7.25	\$2.25	\$3.63	45.00%
40 Trip Ticket	\$90.00	\$124.20	\$34.20	\$3.11	38.00%
Passenger Freight Tariffs	Not Over \$30.00 per item based on bulk and weight	Not Over \$80.00 per item based on bulk and weight	Various	Various	Various

Schedule B
WATER ISLAND

FARE CATEGORY	CURRENT FARE	REQUESTED CASH FARE	DOLLAR INCREASE	PER RIDE COST	PERCENTAGE INCREASE
Adult					
One Way	\$16.00	\$18.00	\$2.00	\$18.00	12.50%
Round Trip	\$30.00	\$34.00	\$4.00	\$17.00	13.33%
20 Trip Ticket	\$253.75	\$288.00	\$34.25	\$14.40	13.50%
Children					
One Way	\$8.00	\$10.00	\$2.00	\$10.00	25.00%
Round Trip	\$15.00	\$18.00	\$3.00	\$9.00	20.00%
20 Trip Ticket	\$127.00	\$160.00	\$33.00	\$8.00	25.98%
Dogs					
One Way	\$3.00	\$4.00	\$1.00	\$4.00	33.33%
Round Trip	\$5.00	\$7.00	\$2.00	\$3.50	40.00%
20 Trip Ticket	\$45.00	\$64.00	\$19.00	\$3.20	42.22%
Passenger Freight Tariffs	Not Over \$30.00 per item based on bulk and weight	Not Over \$80.00 per item based on bulk and weight	Various	Various	Various

WATER ISLAND

FARE CATEGORY	CURRENT FARE	REQUESTED CREDIT FARE	DOLLAR INCREASE	PER RIDE COST	PERCENTAGE INCREASE
Adult					
One Way	\$16.00	\$18.63	\$2.63	\$18.63	16.44%
Round Trip	\$30.00	\$35.19	\$5.19	\$17.60	17.30%
20 Trip Ticket	\$253.75	\$298.08	\$44.33	\$14.90	17.47%
Children					
One Way	\$8.00	\$10.35	\$2.35	\$10.35	29.38%
Round Trip	\$15.00	\$18.63	\$3.63	\$9.32	24.20%
20 Trip Ticket	\$127.00	\$165.60	\$38.60	\$8.28	30.39%
Dogs					
One Way	\$3.00	\$4.14	\$1.14	\$4.14	38.00%
Round Trip	\$5.00	\$7.25	\$2.25	\$3.63	45.00%
20 Trip Ticket	\$45.00	\$66.24	\$21.24	\$3.31	47.20%
Passenger Freight Tariffs	Not Over \$30.00 per item based on bulk and weight	Not Over \$80.00 per item based on bulk and weight	Various	Various	Various

Schedule C
SAYVILLE FERRY SERVICE, INC.
COMMERCIAL FREIGHT TARIFFS

ITEMS	CURRENT RATE	PROPOSED RATE	DOLLAR INCREASE	PERCENTAGE INCREASE
Amusements				
Juke box*	\$46.00	\$50.00	\$4.00	8.70%
Pinball machine*	\$35.00	\$40.00	\$5.00	14.29%
Video game*	\$30.00	\$35.00	\$5.00	16.67%
Pool table*	\$60.00	\$80.00	\$20.00	33.33%
Piano*	\$60.00	\$80.00	\$20.00	33.33%
Appliances				
Dishwasher	\$30.00	\$35.00	\$5.00	16.67%
Dishwasher-front panel	\$7.00	\$7.00	\$0.00	0.00%
Dryer	\$30.00	\$35.00	\$5.00	16.67%
Freezer-residential	\$60.00	\$60.00	\$0.00	0.00%
Freezer- commercial*	\$70.00	\$70.00	\$0.00	0.00%
Hot tub*	\$85.00	\$100.00	\$15.00	17.65%
Microwave oven*	\$25.00	\$30.00	\$5.00	20.00%
Range*	\$45.00	\$50.00	\$5.00	11.11%
Range top	\$30.00	\$35.00	\$5.00	16.67%
Refrigerator*	\$50.00	\$60.00	\$10.00	20.00%
Refrigerator-commercial*	\$70.00	\$90.00	\$20.00	28.57%
soda machine	\$70.00	\$80.00	\$10.00	14.29%
Stove: coal Franklin, etc.*	\$70.00	\$80.00	\$10.00	14.29%
TV small, up to 37"	\$25.00	\$25.00	\$0.00	0.00%
TV medium, 38"- 60"	\$35.00	\$35.00	\$0.00	0.00%
TV large, over 60"	\$55.00	\$55.00	\$0.00	0.00%
Trash compactor	\$20.00	\$25.00	\$5.00	25.00%
Walk-in box*	\$95.00	\$95.00	\$0.00	0.00%
Washer*	\$45.00	\$50.00	\$5.00	11.11%
Water Heater	\$40.00	\$45.00	\$5.00	12.50%

SAYVILLE FERRY SERVICE, INC.
COMMERCIAL FREIGHT TARIFFS

ITEMS	CURRENT RATE	PROPOSED RATE	DOLLAR INCREASE	PERCENTAGE INCREASE
Bulk Shipments: Liquids, Gas, Etc.				
55-gal. drum of gas, oil, kero., sand, grease, etc.	\$45.00	\$45.00	\$0.00	0.00%
Acid drum - (5 gallon)	\$6.50	\$6.50	\$0.00	0.00%
Chlorine - (5 gallon)	\$4.50	\$5.00	\$0.50	11.11%
- (15 gallon)	\$9.00	\$9.00	\$0.00	0.00%
CO2 large	\$9.00	\$9.00	\$0.00	0.00%
Stubbies	\$6.50	\$6.50	\$0.00	0.00%
Gasoline tank, - (5 gallon)	\$5.50	\$5.50	\$0.00	0.00%
- (28 gallon)	\$25.00	\$25.00	\$0.00	0.00%
Propane 100#	\$8.00	\$10.00	\$2.00	25.00%
Bar-B-Q	\$5.00	\$5.00	\$0.00	0.00%
Furniture				
Beds & Bedding: Bed end-head board	\$11.00	\$15.00	\$4.00	36.36%
Bed frame	\$6.50	\$6.50	\$0.00	0.00%
Bed, folding	\$12.00	\$15.00	\$3.00	25.00%
Mattress or box spring: Single	\$17.00	\$17.00	\$0.00	0.00%
Double	\$22.00	\$22.00	\$0.00	0.00%
Queen	\$28.00	\$28.00	\$0.00	0.00%
King	\$33.00	\$33.00	\$0.00	0.00%
Chair, folding-each way	\$2.25	\$2.50	\$0.25	11.11%
Chair, stacking*	\$5.50	\$6.00	\$0.50	9.09%
Chair-recliner	\$25.00	\$25.00	\$0.00	0.00%
Chaise, (aluminum, wood)	\$13.50	\$16.00	\$2.50	18.52%
Chaise, folding	\$10.00	\$15.00	\$5.00	50.00%
Cabinets, Kitchen, Per Foot:				
lower units	\$15.00	\$20.00	\$5.00	33.33%
upper units	\$10.00	\$12.00	\$2.00	20.00%
Carpet or Padding - Roll				
Small	\$15.00	\$20.00	\$5.00	33.33%
Large*	\$30.00	\$40.00	\$10.00	33.33%
Dresser-small*	\$25.00	\$30.00	\$5.00	20.00%
Dresser-large	\$35.00	\$40.00	\$5.00	14.29%
Hutch	\$35.00	\$40.00	\$5.00	14.29%
Lamp, floor style	\$6.00	\$6.00	\$0.00	0.00%
Lamp, table style	\$3.50	\$5.00	\$1.50	42.86%
Love seat	\$30.00	\$35.00	\$5.00	16.67%
Recliner	\$28.00	\$30.00	\$2.00	7.14%

SAYVILLE FERRY SERVICE, INC.
COMMERCIAL FREIGHT TARIFFS

ITEMS	CURRENT RATE	PROPOSED RATE	DOLLAR INCREASE	PERCENTAGE INCREASE
Rocker*	\$6.00	\$6.00	\$0.00	0.00%
Sofa	\$45.00	\$50.00	\$5.00	11.11%
Sofa, convertible	\$55.00	\$65.00	\$10.00	18.18%
Stereo component, per piece	\$6.00	\$6.00	\$0.00	0.00%
Table, dining*	\$40.00	\$50.00	\$10.00	25.00%
Table, end	\$14.00	\$16.00	\$2.00	14.29%
Table, picnic*	\$24.00	\$30.00	\$6.00	25.00%
TV Antennae	\$4.00	\$4.00	\$0.00	0.00%
TV set, cabinet	\$35.00	\$40.00	\$5.00	14.29%
TV set, portable	\$20.00	\$20.00	\$0.00	0.00%
Garden Supplies and Tools				
Bagged plants-large*	\$5.00	\$6.00	\$1.00	20.00%
Bush-3 ft*	\$5.00	\$6.00	\$1.00	20.00%
Chain saw	\$3.25	\$3.25	\$0.00	0.00%
Cut flowers-box	\$3.00	\$3.50	\$0.50	16.67%
Gladioli Bundle	\$4.00	\$4.50	\$0.50	12.50%
Fertilizer/Top Soil 25#-lb bag	\$2.00	\$2.00	\$0.00	0.00%
40-50#-lb bag	\$2.50	\$2.50	\$0.00	0.00%
74-80#-lb bag	\$4.00	\$4.00	\$0.00	0.00%
100#-lb bag	\$6.00	\$6.00	\$0.00	0.00%
Flats-plants or flowers	\$2.50	\$3.00	\$0.50	20.00%
Hanging plant	\$5.00	\$5.00	\$0.00	0.00%
Hay, bale	\$2.25	\$2.50	\$0.25	11.11%
Mower	\$5.50	\$5.50	\$0.00	0.00%
Peat moss 2 c.f. bale	\$1.50	\$2.00	\$0.50	33.33%
4 c.f. bale	\$3.00	\$3.25	\$0.25	8.33%
6 c.f. bale	\$4.75	\$4.75	\$0.00	0.00%
Pine bark (chips) - bag	\$2.00	\$2.25	\$0.25	12.50%
Plant, single small container	\$3.50	\$4.00	\$0.50	14.29%
Pots, empty (clay/plastic)				
Pots, empty (clay/plastic); small each	\$3.00	\$5.00	\$2.00	66.67%
10" or larger-each	\$4.50	\$8.00	\$3.50	77.78%
Roto-tiller	\$5.50	\$5.50	\$0.00	0.00%
Stone Material-Pallet	\$80.00	\$90.00	\$10.00	12.50%
Table saw*	\$15.00	\$15.00	\$0.00	0.00%
Tree-first 1'	\$25.00	\$25.00	\$0.00	0.00%
Each additional foot	\$3.25	\$3.25	\$0.00	0.00%

SAYVILLE FERRY SERVICE, INC.
COMMERCIAL FREIGHT TARIFFS

ITEMS	CURRENT RATE	PROPOSED RATE	DOLLAR INCREASE	PERCENTAGE INCREASE
Whiskey barrel	\$6.00	\$6.00	\$0.00	0.00%
Woodchipper	\$35.00	\$45.00	\$10.00	28.57%
Groceries, Food, & Restaurant Supplies				
Bag empty cans/bottles	\$2.00	\$2.50	\$0.50	25.00%
Beer, case of cans	\$2.25	\$2.50	\$0.25	11.11%
Beer, case of bottles	\$2.50	\$3.00	\$0.50	20.00%
Beer, 1/4 keg w/return	\$4.00	\$4.50	\$0.50	12.50%
Beer, 1/2 keg w/return	\$7.00	\$7.50	\$0.50	7.14%
Bread, box or bag; small	\$2.50	\$2.50	\$0.00	0.00%
Bread, box or bag; large	\$5.00	\$5.00	\$0.00	0.00%
Bread tray	\$2.50	\$3.00	\$0.50	20.00%
Cake	\$4.00	\$4.00	\$0.00	0.00%
Cigaretts-box	\$4.00	\$8.00	\$4.00	100.00%
Cookies, carton	\$3.00	\$3.25	\$0.25	8.33%
Dairy	\$2.50	\$3.00	\$0.50	20.00%
Eggs, case	\$3.00	\$3.25	\$0.25	8.33%
Fish, crate or box	\$6.00	\$6.50	\$0.50	8.33%
Groceries	\$2.00	\$2.00	\$0.00	0.00%
Groceries, per carton, bulk	\$1.50	\$1.50	\$0.00	0.00%
per bag	\$1.00	\$1.00	\$0.00	0.00%
Ice-master bag	\$4.00	\$4.50	\$0.50	12.50%
Ice cream, large carton	\$7.00	\$7.50	\$0.50	7.14%
Ice cream, small*	\$4.00	\$4.00	\$0.00	0.00%
Juice/water-case	\$2.50	\$2.75	\$0.25	10.00%
Liquor, case	\$5.00	\$6.00	\$1.00	20.00%
Meat, large box	\$5.00	\$5.50	\$0.50	10.00%
Meat, small carton	\$3.00	\$3.00	\$0.00	0.00%
Milk, case w/return	\$2.50	\$3.00	\$0.50	20.00%
Newspapers, magazines, per bundle	\$2.00	\$2.00	\$0.00	0.00%
Pickle barrel w/return	\$5.50	\$5.50	\$0.00	0.00%
Produce	\$1.75	\$2.00	\$0.25	14.29%
Shell fish, bag	\$6.00	\$6.00	\$0.00	0.00%
Soda, case of cans	\$2.25	\$2.50	\$0.25	11.11%
Soda, case of bottles	\$2.50	\$3.00	\$0.50	20.00%
Soda syrup, 4-gallon carton	\$4.00	\$4.00	\$0.00	0.00%
Soda/Coffee, cyl w/return	\$5.00	\$5.50	\$0.50	10.00%
Supplies, general	\$2.50	\$2.75	\$0.25	10.00%

SAYVILLE FERRY SERVICE, INC.
COMMERCIAL FREIGHT TARIFFS

ITEMS	CURRENT RATE	PROPOSED RATE	DOLLAR INCREASE	PERCENTAGE INCREASE
Vegetables & produce-carton/crate	\$1.75	\$1.75	\$0.00	0.00%
Water 5- gallon bottle	\$4.00	\$4.00	\$0.00	0.00%
ITEMS WHICH REQUIRE REFRIGERATION	\$0.75	\$0.75	\$0.00	0.00%
Lumber & Building Supplies				
Bricks, 1-100 per piece	\$0.40	\$0.45	\$0.05	12.50%
Bricks, 100-999 per piece	\$0.18	\$0.20	\$0.02	11.11%
Bricks, 1000 +	\$0.11	\$0.12	\$0.01	9.09%
Cement, bag	\$4.25	\$4.25	\$0.00	0.00%
Cement block, 8" std/4" solid	\$2.00	\$2.00	\$0.00	0.00%
Cement block, 12' std	\$2.50	\$2.50	\$0.00	0.00%
Cement covers, 5' x 12'	\$25.00	\$25.00	\$0.00	0.00%
Cement mixer	\$40.00	\$45.00	\$5.00	12.50%
Cement tub	\$8.00	\$8.00	\$0.00	0.00%
Doors				
Std Luan-hollow	\$7.00	\$8.00	\$1.00	14.29%
-solid	\$9.00	\$10.00	\$1.00	11.11%
Jalousie, w/glass*	\$11.00	\$13.00	\$2.00	18.18%
Pre-hung, solid	\$19.00	\$22.00	\$3.00	15.79%
Shower doors	\$20.00	\$25.00	\$5.00	25.00%
Sliding glass set	\$52.00	\$52.00	\$0.00	0.00%
Flue pipe, 8" x 8", piece	\$2.00	\$2.00	\$0.00	0.00%
Flue pipe, 12' piece	\$3.75	\$3.75	\$0.00	0.00%
Formica, 4' x 8' or roll	\$4.00	\$4.00	\$0.00	0.00%
Glass, min per piece*	\$7.50	\$7.50	\$0.00	0.00%
Homosote, 4' x 8' sheet	\$2.25	\$3.00	\$0.75	33.33%
Insulation bundle	\$6.00	\$6.00	\$0.00	0.00%
Insulation, single roll	\$3.00	\$3.50	\$0.50	16.67%
Ladder, step, per foot*	\$0.40	\$0.50	\$0.10	25.00%
Ladder, 20' extension	\$14.00	\$15.00	\$1.00	7.14%
Ladder, 40' extension	\$18.00	\$19.00	\$1.00	5.56%
Leader or gutter-per ft	\$0.90	\$1.50	\$0.60	66.67%
Lumber, per bd ft	\$0.14	\$0.14	\$0.00	0.00%
Lumber - minimum order	\$5.00	\$6.00	\$1.00	20.00%
Masonite, 4' x 8' panel	\$4.00	\$4.00	\$0.00	0.00%
Molding-per ft	\$0.30	\$0.30	\$0.00	0.00%
Nails, 50# box	\$6.00	\$6.00	\$0.00	0.00%
Paint, case	\$6.00	\$6.00	\$0.00	0.00%

SAYVILLE FERRY SERVICE, INC.
COMMERCIAL FREIGHT TARIFFS

ITEMS	CURRENT RATE	PROPOSED RATE	DOLLAR INCREASE	PERCENTAGE INCREASE
Paint, gallon can	\$2.50	\$2.75	\$0.25	10.00%
Paint, 5 gallon pail	\$6.00	\$6.50	\$0.50	8.33%
Plywood, 4' x 8' x 1/2"	\$3.50	\$3.50	\$0.00	0.00%
Plywood, 4' x 10' x 1/2"	\$3.50	\$3.75	\$0.25	7.14%
Poles, CCA				
6" x 8'	\$7.00	\$8.00	\$1.00	14.29%
6" x 20'	\$13.00	\$15.00	\$2.00	15.38%
6" x 25'	\$16.00	\$18.00	\$2.00	12.50%
8" x 20'	\$13.00	\$15.00	\$2.00	15.38%
8" x 25'	\$16.50	\$19.00	\$2.50	15.15%
10" x 20'	\$18.00	\$22.00	\$4.00	22.22%
Over 20' add per foot	\$1.50	\$2.00	\$0.50	33.33%
Roofing, roll or split sheet/felt	\$4.50	\$4.50	\$0.00	0.00%
Scaffold w/return per sect*	\$11.00	\$11.00	\$0.00	0.00%
Screens-sq ft	\$0.75	\$0.80	\$0.05	6.67%
Sheetrock, 4' x 8' x 1/2" sheet I	\$3.50	\$3.50	\$0.00	0.00%
Sheetrock, 4' x 10' x 1/2" sheet	\$4.00	\$4.50	\$0.50	12.50%
Shingles, all types, bundel	\$3.50	\$3.50	\$0.00	0.00%
Skylight*	\$20.00	\$24.00	\$4.00	20.00%
Snow fence, 50' roll	\$9.50	\$9.50	\$0.00	0.00%
Snow fence posts	\$4.50	\$4.50	\$0.00	0.00%
Stockade fence, 6' x 8' sheet	\$12.00	\$12.00	\$0.00	0.00%
Stockade fence post-each	\$2.00	\$2.00	\$0.00	0.00%
Styrofoam, 2' x 8' sheet	\$1.50	\$2.00	\$0.50	33.33%
Tile, ceiling, box	\$4.00	\$4.50	\$0.50	12.50%
Tile, floor, box	\$5.00	\$5.50	\$0.50	10.00%
Tile, ceramic, box	\$5.00	\$5.50	\$0.50	10.00%
Windows				
Single unit	\$7.00	\$8.00	\$1.00	14.29%
Triple or picutre	\$39.00	\$42.00	\$3.00	7.69%
Bay or bow	\$52.00	\$58.00	\$6.00	11.54%
Wonder board, 2' x 4' pc.	\$5.00	\$5.50	\$0.50	10.00%
Miscellaneous				
Air conditioner*	\$25.00	\$30.00	\$5.00	20.00%
Barbecue*	\$25.00	\$30.00	\$5.00	20.00%
Battery, standard size	\$5.00	\$5.00	\$0.00	0.00%
Bicycle*	\$8.00	\$10.00	\$2.00	25.00%

SAYVILLE FERRY SERVICE, INC.
COMMERCIAL FREIGHT TARIFFS

ITEMS	CURRENT RATE	PROPOSED RATE	DOLLAR INCREASE	PERCENTAGE INCREASE
Boats, per ft*	\$4.00	\$5.00	\$1.00	25.00%
Cash register	\$8.00	\$8.00	\$0.00	0.00%
Coal, per 100 lbs	\$3.00	\$3.25	\$0.25	8.33%
Computer-per piece*	\$6.00	\$6.00	\$0.00	0.00%
Copy machine*	\$15.00	\$15.00	\$0.00	0.00%
Dry cleaning	\$2.75	\$2.75	\$0.00	0.00%
Fire extinguisher-sm/lg	\$6.00	\$6.00	\$0.00	0.00%
Garbage can, empty-1 can	\$3.00	\$3.25	\$0.25	8.33%
additional	\$3.00	\$3.25	\$0.25	8.33%
Laundry, bag or bundle w/return	\$6.50	\$6.50	\$0.00	0.00%
Motor, outboard*	\$17.00	\$19.00	\$2.00	11.76%
Surfboard	\$6.00	\$10.00	\$4.00	66.67%
Tar kettle w/return	\$50.00	\$50.00	\$0.00	0.00%
Wagon	\$4.00	\$6.50	\$2.50	62.50%
Windsurfer	\$20.00	\$22.00	\$2.00	10.00%
Firewood, cord	\$130.00	\$140.00	\$10.00	7.69%
Plumbing Supplies				
Basin	\$8.00	\$8.00	\$0.00	0.00%
Boiler*	\$40.00	\$45.00	\$5.00	12.50%
Cast iron fittings*	\$1.50	\$1.50	\$0.00	0.00%
Fire hydrant	\$44.00	\$44.00	\$0.00	0.00%
Pipe:				
C.I. 6' length	\$4.00	\$4.25	\$0.25	6.25%
C.I. 8' length	\$4.00	\$4.25	\$0.25	6.25%
C.I. 10' length	\$4.00	\$4.25	\$0.25	6.25%
Copper, 10' length	\$3.00	\$3.25	\$0.25	8.33%
PVC or vinyl, 10'	\$3.00	\$3.25	\$0.25	8.33%
PVC or vinyl, 10'	\$3.00	\$3.25	\$0.25	8.33%
PVC, 4"-6", 20'	\$3.00	\$3.25	\$0.25	8.33%
Steel'B.I./galv per ft	\$0.20	\$0.25	\$0.05	25.00%
Vinyl, coil	\$8.00	\$9.00	\$1.00	12.50%
Shower unit, fiberglass	\$40.00	\$40.00	\$0.00	0.00%
Spa w/ accessories*	\$165.00	\$200.00	\$35.00	21.21%
Toilet bowl	\$20.00	\$20.00	\$0.00	0.00%
Toilet tank	\$15.00	\$15.00	\$0.00	0.00%
Tub, fiberglass*	\$30.00	\$30.00	\$0.00	0.00%
Tub, steel*	\$35.00	\$35.00	\$0.00	0.00%

SAYVILLE FERRY SERVICE, INC.
COMMERCIAL FREIGHT TARIFFS

ITEMS	CURRENT RATE	PROPOSED RATE	DOLLAR INCREASE	PERCENTAGE INCREASE
Tub, complete unit*	\$30.00	\$30.00	\$0.00	0.00%
Water heater	\$45.00	\$50.00	\$5.00	11.11%
Mullion-per unit	\$7.00	\$7.00	\$0.00	0.00%
Parcel Room Rates (UPS/FED EX/USPS)				
Up to 9 lbs.*	\$3.00	\$5.00	\$2.00	66.67%
10-14 lbs*	N/A	\$7.00	N/A	N/A
15-19 lbs*	N/A	\$9.00	N/A	N/A
20-24 lbs*	N/A	\$12.00	N/A	N/A
25-29 lbs*	N/A	\$16.00	N/A	N/A
30-34 lbs*	N/A	\$20.00	N/A	N/A
35-39 lbs*	N/A	\$25.00	N/A	N/A
40-44 lbs*	N/A	\$30.00	N/A	N/A
45-50 lbs*	N/A	\$40.00	N/A	N/A
Additional charge for C.O.D.				
Check				
Cash				
Vehicles-In Operating Condition				
Delivery cart-each way	\$50.00	\$50.00	\$0.00	0.00%
Cushman-type scooter	\$80.00	\$80.00	\$0.00	0.00%
Golf cart*	\$40.00	\$45.00	\$5.00	12.50%
Payloader, small bobcat	\$150.00	\$200.00	\$50.00	33.33%
If not in operating condition additional	\$20.00	\$50.00	\$30.00	150.00%
Passenger Freight Policy				
Each passenger will be allowed a maximum of two pieces of hand luggage not exceeding 25 lbs. each at no charge. All other items,when accepted, must be loaded on the ferry by the crew and will be charged by weight and size prior to boarding.				
Small bags (prescriptions)	N/A	\$3.00	N/A	N/A
0-9 lbs.	\$3.00	\$5.00	\$2.00	66.67%
10-19 lbs.	N/A	\$10.00	N/A	N/A
20-29 lbs.	N/A	\$15.00	N/A	N/A
30-39 lbs.	N/A	\$20.00	N/A	N/A
40-49 lbs.	N/A	\$25.00	N/A	N/A
50-59 lbs.	N/A	\$30.00	N/A	N/A
60-69 lbs.	N/A	\$35.00	N/A	N/A
70-79 lbs.	N/A	\$40.00	N/A	N/A
80-89 lbs.	N/A	\$45.00	N/A	N/A

SAYVILLE FERRY SERVICE, INC.
COMMERCIAL FREIGHT TARIFFS

ITEMS	CURRENT RATE	PROPOSED RATE	DOLLAR INCREASE	PERCENTAGE INCREASE
90-99 lbs.	N/A	\$50.00	N/A	N/A
100-109 lbs.	N/A	\$60.00	N/A	N/A
109-119 lbs.	N/A	\$70.00	N/A	N/A
120-125 lbs.	N/A	\$80.00	N/A	N/A
Maximum weight for all carts- 75 lbs.				
Maximum weight for all wagons- 125 lbs.				
Pallets which have to be broken down and reloaded by hand	\$10.00	\$10.00	\$0.00	0.00%

* Items show minimum price and are subject to increases due to size/weight.

Analysis of Proposed Rates

Schedule A, which contains the fare schedule for ferry service to Cherry Grove and Fire Island Pines, includes fare increases that average 24.13% in the aggregate for cash fares and 30.18% for credit fares. Travelers to these Fire Island communities generate 93.8% of passenger fare revenue based upon 2021 ridership data. The Budget Review Office projects an increase in annual passenger fare revenue in the range of \$415,000 to \$550,000 resulting from these increases, based upon 2021 ridership data.

Schedule B, which contains the fare schedule for ferry service provided to Water Island, includes fare increases that average 25.10% in the aggregate for cash fares and 29.49% for credit fares. Travelers to this Fire Island community generate 0.2% of passenger fare revenue generated by Sayville Ferry Service, Inc. based upon 2021 ridership data. The Budget Review Office projects an increase in annual revenue in the range of \$2,100 to \$2,500 resulting from these increases, based upon 2021 ridership data.

Schedule C, which contains commercial freight tariffs for all of the Fire Island communities serviced by Sayville Ferry Service, Inc., includes tariff increases that average 20.44% in the aggregate. Passenger freight is considered as carry-on luggage, household supplies, vacation equipment and other miscellaneous items. A new passenger freight policy will be implemented that limits each passenger to a maximum of two pieces of hand luggage, not exceeding 25 pounds each, at no charge. Additional passenger freight items are subject to negotiation based upon bulk and weight within the proposed \$80 maximum charge. Passenger freight has always been limited at the discretion of the operator. Freight tariff revenue generated by Sayville Ferry Service, Inc. makes up 6.81% of total revenue based upon 2021 actual data. The Budget Review Office projects an increase in annual freight tariff revenue of approximately \$52,000 resulting from these increases.

The commercial freight tariff schedule includes an additional charge for C.O.D packages, which will be determined on a case-by-case basis. Additionally, the freight tariff schedule includes rates for larger and/or heavier items that are stated at the minimum price and are subject to increases due to size and/or weight. Items requiring refrigeration will be charged \$0.75 apiece. There are no changes proposed to these policies, which represent current practice.

The petitioner proposes a \$2.00 surcharge for tickets sold on its vessels when terminal facilities are open at least ten minutes prior to the scheduled departure, which represents a \$1.00 or 100% increase in cost. The purpose of the surcharge is to discourage onboard ticket sales. Additionally, the petitioner wishes to continue the current practice of exercising their discretion in setting rates for group discounts, charter rates, and other multiple trip rates, not addressed in the current and proposed fee schedules, as the need may arise.

In the aggregate, based upon 2021 actual revenues and ridership, **BRO projects the requested increases to provide additional annual revenue in the range of \$471,400 to \$606,500** representing a 12.6% to 16.3% increase in total revenue to the petitioner on an annual basis.

Sayville Ferry Service, Inc. was last granted a rate increase by the Suffolk County Legislature on December 19, 2017, via Resolution No. 1192-2017. Therefore, the current fare structure has been in effect for more than four years. Laws governing ferries allow companies to alter fares by applying the Transportation Component of the Consumer Price Index for New York and Northeastern New Jersey for all urban consumers. Ferry companies must notify the Clerk of the Legislature 60 days prior to utilizing the index to implement the alteration of rates. Since the last rate increase was granted by the Legislature, the Transportation Component of the Consumer Price Index for All Consumers in the New York and Northeastern New Jersey Region increased 16.98%. In the last year, the aforementioned Transportation Component increased 13.96% through February.

Sayville Ferry Service, Inc. Operations

Sayville Ferry Service, Inc. continues to provide cross bay transportation to the Fire Island communities it services. It has been granted a license extension through March 14, 2027 by the Suffolk County Legislature via Resolution No. 1158-2021. Their petition states that they are requesting rate relief based upon increased expenses attributable to labor costs, dock fees, property taxes, leases, maintenance of their vessels, fuel, and other general operations.

The audited financial statements provided by the petitioner lend support to their request for rate relief. The income statements submitted to the Budget Review Office reflect operating losses in 2020 of \$24,704 and in 2021 of \$113,094 that are mitigated by other income such as interest and dividends, management fee income, and Paycheck Protection Program (PPP) loan forgiveness resulting in a net loss of \$52,339 in 2020 and net income for Sayville Ferry Service, Inc. in 2021 of \$386,151. The losses in 2020 exist despite the abatement of existing lease agreements for both real estate and vessels in that year and net income in 2021 is inclusive of \$312,000 of Paycheck Protection Program loan forgiveness. Operating expenses increased 30.95% between 2020 and 2021. A significant portion of this growth is explained by the fact that there was no abatement of lease obligations in 2021. Fuel costs increased 41.88% during the same time period.

The petitioner has provided profit and loss projections for the next five years (2022-2026) based upon the current rate schedules. If no increase in rates is granted, they project total expenses to exceed total revenues in each of the next five years with losses growing from \$27,598 in 2022 to \$312,164 in 2026.

Sayville Ferry Service, Inc. operations exhibit adequate cash controls. The system includes cash registers with money card encoders for recording revenue and turnstiles with electronic modules, which read the encoded money cards for ridership statistics. The revenue collected is compared to the turnstile computer generated ridership statistics. There are cameras present at each point of service where cash is handled which allows management to observe all transactions. The petitioner

implemented new point of sales software in 2017 in order to increase efficiency for ticketing and sales processes.

Conclusions and Recommendations

Sayville Ferry Service, Inc. has been operating under the current fare structure since 2017. They have provided all the necessary documents to support their request for a fare increase, continue to modernize their fleet, and have an effective cash control system in place. The request should generate approximately \$471,400 to \$606,500 annually in additional revenue based on the proposed rates and projected ridership. The increased revenue provided by the proposed rate increases should allow the company to continue operating profitably. The Budget Review Office finds the requested passenger fare and freight tariff increases to be reasonable and therefore, supports the petitioner's request for rate relief.

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