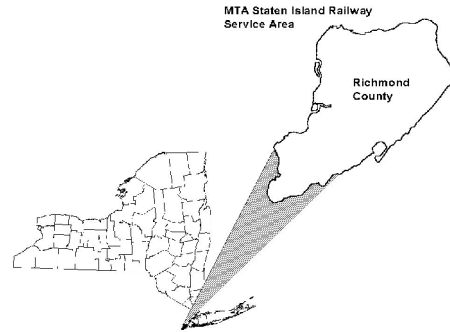


**MTA NEW YORK CITY TRANSIT
STATEN ISLAND RAILWAY**

370 Jay Street
Brooklyn, NY 11201
(718) 330-4321
Web Site: www.mta.nyc.ny.us



State Legislative Districts:
Senate: 10 - 34
Assembly: 23 - 83

Base Fare: \$1.50
Last Increase: \$.25 on 11/12/95

MTA Staten Island Railway (SIR) runs 24 hour service between the St. George Ferry Terminal and Tottenville stations. The SIR serves 22 stations running the length of Staten Island and primarily serves the Manhattan commuter market. At the St. George station, customers can make connections with the Staten Island Ferry service.

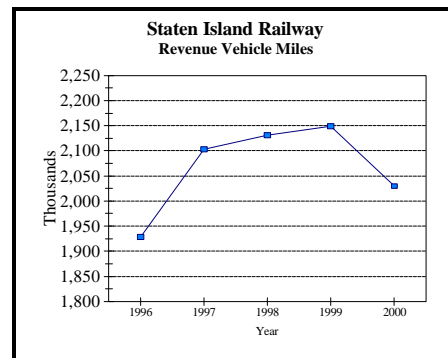
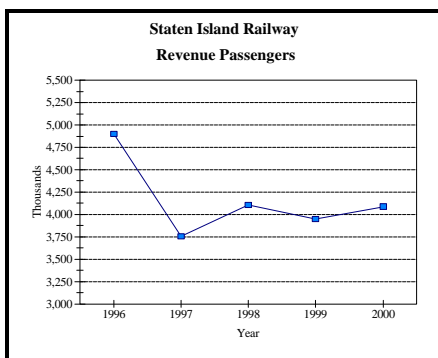


The Staten Island travel market has become less centered on travel to Manhattan as employment on Staten Island has grown. From 1990 to 2000 Staten Island employment increased 23.5% compared to the more modest increase in Manhattan employment of 1.68%. Travel within Staten Island, as well as to employment locations in New Jersey, has become an increasingly significant share of travel.

percent during the 10 year period.

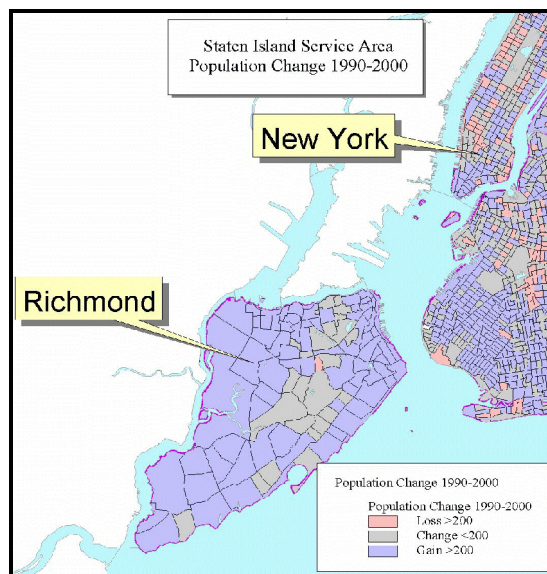
Therefore in spite of the strong 17% population growth from 1990 to 2000 on Staten Island, ridership on the

A large part of this decline in SIR ridership since 1990 has been the vast increase in amount and quality of service on the NYCT Staten Island Express Bus service (see NYCT Section of this report), which offered one seat rides to Lower and Midtown Manhattan, compared to two or three seat service via SIR & the ferry.



Manhattan-focused SIR has declined by a little over 30

Staten Island Railway	
2000 Characteristics	
Revenue Passengers	4,088,000
Number of Vehicles	64
Number of Employees	297
Revenue Vehicle Miles	2,030,000
Revenue Vehicle Hours	25,805
Total Operating Revenues	5,003,000
Total Operating Expense	23,866,000
Operating Cost /Rev. Vehicle Mile	11.76
Operating Cost / Rev. Vehicle Hour	924.86
Rev. Passengers / Rev. Vehicle Mile	2.01
Rev. Passengers / Rev. Vehicle Hour	158.42
Total Operating Revenue / Op. Expense	0.21
Operating Cost / Revenue Passenger	5.84
Total Op. Revenue / Revenue Passenger	1.22



Since 1997, ridership on the SIR has stabilized. It has grown, with some variations, from 1997 to 2000. A major factor in stabilizing the ridership has been the introduction of the MetroCard program. It had the effect of reducing the total fares by providing for free transfers to other MTA / NYCDOT services in Manhattan. (The ride on the Staten Island Ferry has been free of charge since July 4, 1997.)

Staten Island Railway level of service is tied to the level of service provided by the Staten Island Ferry and since ridership on both the Staten Island Ferry and the Railroad has been declining, over the long term, the level of service has been reduced. SIR vehicle miles of service declined by 5.52% from 1999 to 2000. The five year trend in service has actually consisted of a very modest increase of 1.3% but over the 10 year period vehicle miles of service reflects a modest overall reduction of 2.69%.

In 2000 the revenue passengers per revenue vehicle mile, a measure of service effectiveness, went up by 9.64%. This reflects the increase in ridership coinciding with a reduction in service miles. However, over the 5 year period service effectiveness declined by 5.64% as the slight increase in revenue miles corresponded with a decline in ridership of 4.4%.

From 1999 to 2000 cost per mile, a measure of efficiency, worsened by rising nearly 16%. Operating costs rose 9.53%, outpacing the rate of reduction in vehicle miles of 5.52%. Over 81% of the change in costs was due to salaries and wages which went up

MTA-SIR Service Area	1990	2000	% Change
Staten Island Population	378,977	443,728	17.09%
New York City Population	7,322,564	8,008,278	9.36%
Pop. Over 65 (NYC)	953,317	937,857	-1.62%
Pop. Under 19 (NYC)	1,888,075	2,153,450	14.06%
Staten Island Employment	71,452	88,243	23.50%
Manhattan Employment	2,342,695	2,382,166	1.68%
SIR Ridership	5,935,440	4,112,820	-30.71%
Rev. Miles SIR	2,085,788	2,029,648	-2.69%

12.5% from 1999 to 2000. This increase was due to the general salary increase of 5% which took effect on 12/15/99 and another 3% salary increase which took effect on 12/15/00 followed by a restructuring of cost. However, over a five year period SIR's cost per vehicle mile was only slightly above inflation for that time period. (2.69% versus an inflation rate of 2.35%).

Revenue to cost ratio (operating revenue to operating cost), a measure of service "economy" has been negatively impacted by the fare initiatives of the

MetroCard program, declining NYC Staten Island Ferry Ridership, and dramatically increased express bus ridership. The cost recovery ratio dropped from 37.21% in 1996, before the MetroCard was implemented, to 20.96% in the year 2000.

The primary reason for the decline in cost recovery ratio is the nature of the fare collection system on SIR. Revenues are collected only at St George. This means that morning inbound riders pay. Outbound afternoon riders also pay upon entering the system at St George, but now, the vast majority of them enter with a free transfer because they have already paid a MetroCard Fare in Manhattan. Also, no fare is collected for local travel on the system (i.e. not to/from St George). Therefore, the decline in the cost recovery ratio despite the ridership stability is a reflection of systemwide policy to collect nearly half the revenue elsewhere in the NYCT system.

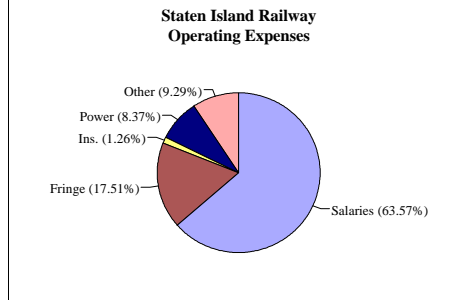
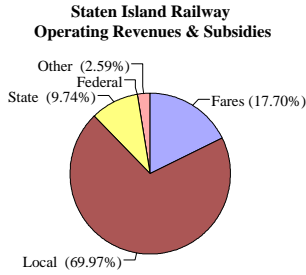
FINANCIAL INFORMATION - MTA: STATEN ISLAND RAILWAY

Sources of Total System 2000 Operating Funds

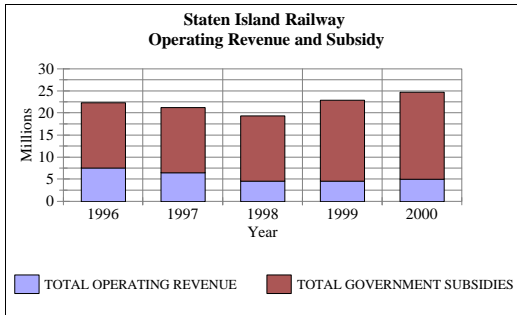
Fares	\$4,364,000
Local	\$17,255,000
State	\$2,402,000
Federal	\$0
Other	\$639,000
Total	\$24,660,000

Summary of Total System 2000 Operating Expenses

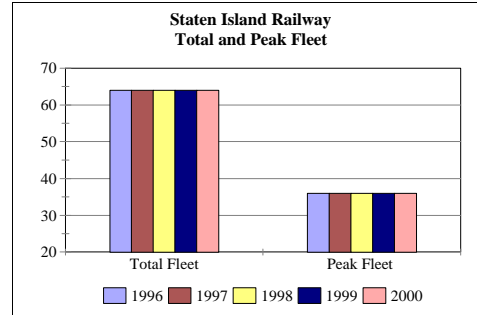
Salaries	\$15,171,000
Fringe	\$4,180,000
Ins.	\$300,000
Power	\$1,997,000
Other	\$2,218,000
Total	\$23,866,000



Financial Trend Analysis over the past five years:



Rail Fleet Characteristics over the past five years:



Staten Island Railway: System Total Operating and Performance Statistics

MTA -SIR SYSTEM TOTAL	1996 Actual	1997 Actual	1998 Actual	1999 Actual	2000 Actual	% Change 99 to 00	Annualized % Change
Rev. Passengers	4,897,000	3,753,000	4,108,000	3,946,242	4,088,000	3.59%	-4.41%
Rev. Veh. Miles	1,928,000	2,103,000	2,131,000	2,148,491	2,030,000	-5.52%	1.30%
Op. Cost	\$20,381,000	\$19,691,000	\$20,641,000	\$21,789,000	\$23,866,000	9.53%	4.03%
Op. Rev.	\$7,584,000	\$6,517,000	\$4,607,000	\$4,617,000	\$5,003,000	8.36%	-9.88%
Rev. Pass/Rev. Mile	2.54	1.78	1.93	1.84	2.01	9.64%	-5.64%
Op. Cost/Rev. Mile	\$10.57	\$9.36	\$9.69	\$10.14	\$11.76	15.93%	2.69%
Op. Rev./Op. Cost	37.21%	33.10%	22.32%	21.19%	20.96%	-1.07%	-13.36%
National CPI	156.90	160.50	163.00	166.60	172.20	3.36%	2.35%
NYSMA CPI	166.90	170.80	173.60	177.00	182.50	3.11%	2.26%

