METROLINK

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ITEM ID:	**2026-326-0**
TRANSMITTAL DATE:	**October 16, 2026**
MEETING DATE:	**October 23, 2026**
TO:	**Board of Directors**
FROM:	**Tom Schamber, Chief Financial Officer**
SUBJECT:	**Report of FY27 Financial Results for the Two Months Ended August 2026**

Issue

This report covers monthly Ridership, Revenue, and Financial Operating Performance for the first two months of FY27. The Ridership and Revenue data emphasizes "By Line" performance. The reporting also displays the effect of farebox subsidies in this year compared to last year. Financial control emphasizes adherence to budget, particularly at the Member Agency Support Line.

Recommendation

Receive and file.

Strategic Commitment

This report aligns with the Strategic Business Plan commitments of:

- **Modernizing Business Practices:** We will improve our operational efficiency through transparency, objective metrics and streamlined governance, reducing over-reliance on Member Agency support while bringing our system into a state of good repair and investing in the development of our employees. Providing current and accurate information based on factual data to our Board enhances their oversight and ability to provide direction.

- **Customers Are Our Business:** We respect and value our customers, putting them at the heart of all we do, and work hard to attract and retain new customers by understanding their needs and finding new and innovative ways to bring them on board.

Our close monitoring of our ridership is a reflection of our unflagging efforts to ensure our actions are serving their needs.

Background

It has been staff's practice to compare Actual Ridership and Revenue to the Budget for Ridership and Revenue. This year, because the new FY budget has not yet been adopted, staff will make comparisons to last year's performance.

Discussion

Ridership

In July and August 2026 there were 1.3M boardings, showing a 12.4% increase over the same period last year. Ridership increased among both the base and the subsidized riders.

Looking at performance by line, every line except Antelope Valley increased unsubsidized ridership in August compared to last year. The increases ranged from 2% to 20%, with the largest percentage increase on the 91/Perris Valley Line. In terms of absolute riders, the Orange County Line had the greatest increase at 45K.

Fare Revenue

For the two months ended August, fare revenue, including subsidies, is also higher than last year, totaling $7.7M, a 7.8% increase. With the increase in base revenue, total receipts were also boosted by a 40% increase in use of the Mobility for All program. The addition of the ability to use the Mobile App to access this discount has boosted usage.

Total Fare Revenue increased over last year across all lines, with increases ranging from 1% to 17%. IEOC ranked first with a 17% increase.

Attachment C shows ridership for each line for July and August. A new chart is included, which displays revenue per train, by line, from October 2024 (the beginning of optimized service) through August 2026. As of August, the Orange County Line has the highest revenue per train, while the Antelope Valley Line has the lowest.

Operating Results for Metrolink

Operating Revenue through August was $11.1M, over FY26 Actual by $409K or 3.8%. Operating Expenses were $56.4M, $2.5M over the FY26 Actual, or 4.6%. Overall Net Loss was $45.3M, greater than FY26 Actuals by $2.1M or 4.8%. Expenses may contain accruals. The Metrolink year-to-date Operating Statement through August 31, 2026, is attached for further review.

Arrow Service

Ridership

Through August 2026, Arrow Service ridership totaled 27K boardings compared to 19K boardings in FY26, an increase of 42%. Both base and subsidized ridership increased over the prior year. The increase is driven largely by a very successful Free College Student program, which is subsidized by SBCTA.

Fare Revenue
Through August 2026, Arrow Service fare revenue totaled $47K compared to $36K in FY26, an increase of approximately $11K, or 31%.

Operating Results
Operating Revenue for August 2026 for Arrow Service was $91K, over FY26 Actuals by $14K or 17.4%. Expenses were $2.8M, $105K over FY26 Actuals (3.9%). Expenses may include accruals. Support required is $2.7M, over FY26 Actuals $92K or 3.5%. The Arrow Service year-to-date Operating Statement through August 31, 2026, is attached for further review.

Next Steps

Staff will continue to provide monthly reports of Financial Performance to the Board of Directors.

Prepared by:	Tom Schamber, Chief Financial Officer
Approved by:	Tom Schamber, Chief Financial Officer

Attachment(s)

Attachment A - Metrolink Operating Statement
Attachment B - Arrow Operating Statement
Attachment C - Ridership by Month by Line
Presentation - August 2026 Financial Results