



ITEM ID: 2026-192-0

TRANSMITTAL DATE: April 17, 2026

MEETING DATE: April 24, 2026

TO: Board of Directors

FROM: Tom Schamber, Chief Financial Officer

SUBJECT: FY26 Monthly Report of Ridership, Revenue, and Financial Results for March 2026

Issue

Our goal is to transform Metrolink into a regional public transit service provider. Primary among the initiatives to accomplish this transformation is the Optimized Service Schedule, which took effect on October 21, 2024. An additional critical objective is to control expenses in an operating environment which is driven by structural maintenance required by safety considerations whose costs are fixed.

This report covers monthly Ridership, Revenue, and Financial Operating Performance for the nine ended March 31, 2026. Note that staff is reporting on the performance of an immediately previous month. Understanding the value of the most current information for governance of the organization, we are committed to bringing the immediately previous month to the Board and the monthly financial closing allow us the time to do so.

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. This more focused view may help identify opportunities for accelerating ridership growth. Financial performance reporting 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 unflinching efforts to ensure our actions are serving their needs.

Background

Sperry Capital/KPMG has updated its forecasting model to better capture changes in ridership patterns during the post-COVID recovery period. Instead of a single model, they have created line-specific models to capture local nuances in ridership patterns. Using these new models, they have updated their FY26 forecast. While the adopted budget will remain the budget, we are now providing comparisons of actual ridership and revenue results to both the adopted budget and the updated forecast.

Year-to-date actual Ridership and Revenue are shown with comparisons to last year, the budget, and to the new forecast, both Systemwide and by each Line. A separate section of charts will show Farebox Revenue by Month by Line.

Since the end of the free Student Adventure Pass in July 2025, staff noticed a growing discrepancy between conductor counts and ridership estimates based on ticket sales.

Results from the June 2025 Onboard Survey provide evidence that student ridership in FY25 was overestimated. Original ridership estimates incorrectly assumed that all Student Adventure Passes were used to make a round-trip on Metrolink. However, survey results from the June 2025 Onboard Survey show that one in three students takes Metrolink in one direction only. Therefore, the assumption of 2 rides per student has been reduced to 1.5 rides. This finding was also supported by an analysis of fare transaction data before and after the end of the Student Adventure Pass. The survey data also indicates the need for recalibrating Monthly Pass usage rates, which had not been updated since before the pandemic. The new data reflect an average monthly pass usage of 4.4 days per week, up from 3.7 rides previously.

Staff has prepared updated ridership estimates for FY25 and FY26. The updated usage rates have no impact on revenue. Revenue shown as Fare Revenues includes Farebox Revenue plus all Farebox subsidies. In prior years, only the Student Adventure Pass Subsidy was included in farebox revenue presentations. Now, all subsidies are included in the Fare Revenues number.

Expenses as adopted in the FY26 Operating Budget will be shown in comparison to the actual expenditures and to actuals from last year.

Board Adopted Operating Budgets for FY26

On June 27, 2025, the SCRRA Board of Directors adopted the FY26 Operating Budget for Metrolink. The Budget reflected Operating Revenue of \$76.9M, Expenses of \$352.4M, and Member Agency Support of \$275.5M.

The Board of Directors also adopted the FY26 Operating Budget for Arrow Service, which reflects Operating Revenue of \$690K, Expenses of \$18.2M, and Member Agency Support of \$17.5M.

On February 27, 2026, the Board of Directors adopted an amendment to the FY26 Metrolink Operating Budget in the amount of an addition to operating expense of \$914,029.

Discussion

Ridership

For the nine months ended March 2026 ridership was forecasted at 6.9M boardings, a 78% recovery, while the actual boardings were 5.5M, a 62% recovery, below original forecast by 1.4M. However, the actual is over the refreshed forecast by 336K riders.

Fare Revenue

For the nine months ended March 2026, the Authority's Fare Revenues are budgeted at \$42.5M or a 69% recovery, while the actual Fare Revenues are \$32.5M, a 53% recovery, under budget by \$9.9M. Compared to the refreshed Revenue forecast, Revenues are higher by \$428K. Unsubsidized Farebox Revenue is up 14% over last year.

Ridership and Revenue by Line

Results by Line for ridership thru March show that all lines except San Bernardino have increased Unsubsidized ridership compared to last year. While 5 out of 7 lines have increased total ridership from last year. They also show that ridership is exceeding the refreshed forecast.

Results by Line for revenue show every line has increased its Unsubsidized Revenue over last year. Five of the seven lines have combined Subsidized and Unsubsidized Revenue higher than last year. The two lines that were below last year for combined revenue received a greater proportion of Revenue from the now-expired Student Adventure Pass subsidy.

To date, the refreshed Forecast is slightly lower than Actuals. The charts by line show the number of trains on each line. This is important from a financial perspective because it provides insight into each train's revenue generation.

Operating Results for Metrolink

Operating Revenue is \$47.4M, under budget by \$9.0M or 16.0%, \$37K or 0.1% less than last

Expenses are \$241.6M, below budget by \$22.7M or 8.6%. Some expenses may contain accru

Member Agency Support required is \$194.2M, below budget by \$13.8M, or 6.6%.

The Metrolink Operating Statement for the period ended March 31, 2026, is attached for further

Arrow Service

Ridership

Through March 2026, Arrow Service ridership was forecasted at 129K boardings, while the acti

Fare Revenues

For the nine months ended March 2026, Arrow Service Fare Revenues were budgeted at \$310

Operating Results

Operating Revenue through March 2026 for Arrow Service is \$381K, under budget by \$120K o
Expenses are \$11.2M, below budget by \$2.5M or 18%. Some expenses may include accruals.
Support required is \$10.8M, below budget by \$2.3M or 17.8%.

The Arrow Service Operating Statement for the period ended March 31, 2026, is attached for fu

Next Steps

Staff will continue to report on Ridership, Revenue and Financial results monthly.

Prepared by: Christine Wilson, Assistant Director, Finance

Approved by: Tom Schamber, Chief Financial Officer

Attachment(s)

[Attachment A - Ridership by Line March 2026](#)

[Attachment B - Metrolink March Operating Statement](#)

[Attachment C - Arrow Service March Operating Statement](#)

[Presentation - March 2026 Financial Results](#)