



**ITEM ID:** 2026-139-0

**TRANSMITTAL DATE:** February 20, 2026

**MEETING DATE:** February 27, 2026

**TO:** Board of Directors

**FROM:** Tom Schamber, Chief Financial Officer

**SUBJECT:** FY26 Monthly Report of Ridership, Revenue, and Financial Results for December 2025

### **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 six months ended December 31, 2025. The Ridership and Revenue emphasize "By Line" performance. The reporting also displays the effect of farebox subsidies in this year compared to the last fiscal 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 unflagging efforts to ensure our actions are serving their needs.

## **Background**

KPMG/Sperry Capital 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, beginning next month, we will provide comparisons of actual ridership and revenue results to both the adopted budget and the updated forecast.

For farebox only (i.e., no subsidies), the new forecast is for revenue to decrease from \$51.7M to \$37.0M. The \$37.0M figure is a combination of 6 months of actuals through December 31st plus the new forecast for the remaining 6 months. This is a \$14.7M decrease, or 28.3%. The results by line vary. The variance to budget year-to-date has been particularly large for the Antelope Valley Line and the San Bernardino Line. Those lines saw decreases of 41.9% and 39.1%, respectively. The decreases by line are as follows:

	FY26 Adopted Budget	FY26 Reforecast	\$ Decrease	% Decrease
Antelope Valley Line	\$9,481,684	\$5,511,290	(\$3,970,394)	-41.9%
San Bernardino Line	\$14,451,659	\$8,796,013	(\$5,655,646)	-39.1%
Riverside Line	\$2,879,530	\$2,105,248	(\$774,283)	-26.9%
Orange County Line	\$11,822,038	\$9,315,049	(\$2,506,989)	-21.2%
IEOC Line	\$4,391,917	\$3,659,539	(\$732,378)	-16.7%
Ventura County Line	\$4,263,388	\$3,554,737	(\$708,650)	-16.6%
91/PVL	\$4,427,144	\$4,111,394	(\$315,750)	-7.1%
Total	\$51,717,360	\$37,053,270	(\$14,664,090)	-28.4%

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

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.

## Discussion

### Ridership

For the six months ended December 2025, FY26 ridership was forecasted at 4.5M boardings, a 75% recovery, while the actual boardings were 3.5M, a 58% recovery, below forecast by 1.0M.

### Fare Revenues

For the six months ended December 2025, the Authority's Fare Revenues are budgeted at \$27.2M or a 66% recovery, while the actual Fare Revenues are \$21.8M, a 53% recovery, under budget by \$5.5M or 20%, and less than last year by \$0.8M or 4%. Unsubsidized Farebox Revenue is up 10% over last year, however, the Subsidized portion of Farebox Revenue is lower than last year, as a result of the ending of Student Adventure Pass.

### Ridership and Revenue by Line

Results by Line for ridership thru December show that most lines have increased Unsubsidized ridership compared to last year.

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

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 \$31.5M**, under budget by \$5.1M or 13.9%, and \$1.3M or 4.1% less

than last year. Variances from budget are driven by Farebox Revenues, while the comparison to prior year is driven by the expiration of the Student Adventure Pass Subsidy.

**Expenses are \$159.4M**, below budget by \$16.1M or 9.2%. Some expenses may contain accruals.

**Member Agency Support required is \$127.9M**, below budget by \$11.1M, or 8%.

The Metrolink Operating Statement for the period ended December 31, 2025, is attached for further review.

## **Arrow Service**

### Ridership

Through December 2025, Arrow Service ridership was forecasted at 84K boardings, while the actual ridership is 69K boardings, 15K or 18% under forecast.

### Fare Revenues

For the six months ended December 2025, Arrow Service Fare Revenues were budgeted at \$207K, Actual Farebox revenues were \$123K, under budget by \$83K or 40%.

### Operating Results

**Operating Revenue through December 2025 for Arrow Service is \$247K**, under budget by \$88K or 26%.

**Expenses are \$7.6M**, below budget by \$1.5M or 17%. Some expenses may include accruals.

**Support required is \$7.3M**, below budget by \$1.4M or 16%.

The Arrow Service Operating Statement for the period ended December 31, 2025 is attached for further review.

## **Next Steps**

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

Prepared by: Christine J. Wilson, Assistant Director, Finance

Approved by: Tom Schamber, Chief Financial Officer

## **Attachment(s)**

[Attachment A - Metrolink December Operating Statement](#)

[Attachment B - Arrow December Operating Statement](#)

[Presentation - December 2025 Financial Results](#)