



ITEM ID: 2026-245-0

TRANSMITTAL DATE: June 8, 2026

MEETING DATE: June 12, 2026

TO: Budget, Audit, and Finance Committee

FROM: Tom Schamber, Chief Financial Officer

SUBJECT: Report of Financial Results for the 10 months ending April 2026

Issue

This report covers monthly Ridership, Revenue, and Financial Operating Performance for the ten months ended April 30, 2026.

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

Early in the calendar year, Sperry Capital/KPMG 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. 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 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. Presentations in prior years showed only the Student Adventure Pass Subsidy included in farebox revenue. Now, all subsidies are included in the Fare Revenues number for both FY25 and FY26.

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

In mid-January 2026 a refreshed forecast was received from Sperry Capital/KPMG. Staff is

including this refreshed forecast on the attached charts.

Ridership

For the ten months ended April 2026 ridership was forecasted at 7.8M boardings, a 78% recovery, while the actual boardings were 6.2M, a 62% recovery, below original forecast by 1.6M. However, the actual is over the refreshed forecast by 405K riders.

Fare Revenue

For the Ten months ended April 2026, the Authority's Fare Revenues were budgeted at \$48.1M or a 70% recovery, while the actual Fare Revenues are \$36.2M, a 53% recovery, under budget by \$11.9M. However, revenues exceed the refreshed forecast by \$406K. Unsubsidized Farebox Revenue is up 14% over last year.

Fare Revenue for the month of April in FY25 reflects a timing difference in the collection of subsidies for the Student Adventure Pass Program. There is no corresponding jump in ridership because this is a revenue adjustment only.

Ridership and Revenue by Line

Results by Line for ridership through April show that all lines except San Bernardino and Antelope Valley have increased ridership compared to last year. The data also shows that ridership is exceeding the refreshed forecast for all lines.

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.

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 \$52.8M, under budget by \$10.8M or 17.0%.

Expenses are \$270.0M, below budget by \$23.8M or 8.1%. Some expenses may contain accru

Member Agency Support required is \$217.1M, below budget by \$13.0M, or 5.7%. The forec

The Metrolink Operating Statement for the period ended April 30, 2026, is attached for further r

Arrow Service

Ridership

Through April 2026, Arrow Service ridership was forecasted at 145K boardings, while the actual

Fare Revenues

Through April 2026, Arrow Service Fare Revenues were budgeted at \$352K, while the actuals

Operating Results for Arrow

Operating Revenue is \$430K, under budget by \$134K or 23.7%.

Expenses are \$12.6M, below budget by \$2.5M or 16.6%. Some expenses may include accrua

Support required is \$12.2M, below budget by \$2.4M or 16.3%.

The Arrow Service Operating Statement for the period ended April 30, 2026, is attached for fur

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 - Metrolink April 2026 Operating Statement](#)

[Attachment B - Arrow April 2026 Operating Statement](#)

[Presentation - April 2026 Financial Results](#)