



**February 17, 2026**

**To:** Members of the Board of Directors  
**From:** Jason Jewell, Managing Director   
**Subject:** Fiscal Year 2024-25 Annual Financial Statement Audit

### **Overview**

The Los Angeles – San Diego – San Luis Obispo Rail Corridor Agency is required to complete an annual financial audit pursuant to Government Code Section 6505.6, and as specified in the joint powers agreement, bylaws, and the administrative support agreement. Crowe LLP, an independent accounting firm, has completed the annual audit of the Los Angeles – San Diego – San Luis Obispo Rail Corridor Agency financial statements for fiscal year 2024-25, and has issued its independent auditors' opinion.

### **Recommendation**

Receive and file the fiscal year 2024-25 Los Angeles – San Diego – San Luis Obispo Rail Corridor Agency audited annual financial statements and accompanying independent auditor's report.

### **Background**

The Los Angeles – San Diego – San Luis Obispo (LOSSAN) Rail Corridor Agency (Agency) contracted with an independent public accounting firm to perform an annual audit of the accounts of the LOSSAN Agency pursuant to Government Code Section 6505.6, and as specified in the LOSSAN joint powers agreement, bylaws, and the administrative support agreement.

Following a joint competitive procurement with its managing agency, the Orange County Transportation Authority, the LOSSAN Agency entered into an agreement with Crowe LLP on May 20, 2024, to conduct annual financial audits for fiscal years (FY) 2023-24, 2024-25, and 2025-26. The agreement also includes an option to extend the contract for an additional two fiscal years, covering FY 2026-27 and FY 2027-28. The audit for FY 2024-25 marked the second year of the initial three-year term.

LOSSAN Agency staff prepares the annual financial statements.

***Discussion***

On December 22, 2025, Crowe LLP completed its annual audit and issued an unmodified (also known as “clean”) opinion of the LOSSAN Agency financial statements for the FY that ended June 30, 2025 (Attachment A). The audit was conducted in accordance with generally accepted auditing standards, and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

This unmodified opinion indicates that the LOSSAN Agency financial statements, “present fairly, in all material respects, the financial position of the LOSSAN Agency, as of June 30, 2025, and the changes in its financial position and its cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.”

As part of the annual audit, Crowe LLP reported internal controls over financial reporting and compliance and other matters based on an audit of financial statements performed in accordance with Government Auditing Standards. Crowe LLP found no deficiencies in internal controls for the LOSSAN Agency.

Crowe LLP is also required to communicate other significant audit matters to the Board that are related to the financial statements. Crowe LLP has communicated no other significant audit matters (Attachment B) and reported no audit adjustments or misstatements for the fiscal year ended June 30, 2025.

***Summary***

Staff prepared the LOSSAN Rail Corridor Agency’s annual financial statements for the fiscal year that ended June 30, 2025. Crowe LLP, an independent accounting firm, has audited the financial statements and has issued an unmodified opinion as to the fairness of the financial statements’ presentation.

***Attachments***

- A. LOSSAN Rail Corridor Agency, Basic Financial Statements, Year Ended June 30, 2025
- B. Letter from Crowe LLP, to the Board of Directors, Los Angeles – San Diego – San Luis Obispo, Dated December 22, 2025

**Prepared by:**



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