



October 20, 2025

To: Members of the Board of Directors

From: Jason Jewell, Managing Director 

Subject: Fiscal Year 2024-25 Fourth Quarter Budget Status Report

Overview

The Los Angeles – San Diego – San Luis Obispo Rail Corridor Agency's Fiscal Year 2024-25 Budget was approved by the Board of Directors on March 18, 2024. The California State Transportation Agency approved the Fiscal Year 2024-25 budget and funding on September 26, 2024. This report summarizes financial activities and performance through the fourth quarter of fiscal year 2024-25, covering the months of April 2025 through June 2025.

Recommendation

Receive and file as an information item.

Background

On March 18, 2024, the Los Angeles – San Diego – San Luis Obispo (LOSSAN) Rail Corridor Agency (Agency) Board of Directors (Board) approved the LOSSAN Agency Annual Business Plan for Fiscal Year (FY) 2024-25 and FY 2025-26 (Business Plan), as well as the FY 2024-25 budget. Included in both the adopted budget and the Business Plan is funding for FY 2024-25 administrative and marketing services, in the amount of \$9.4 million and \$53.3 million for net train operations (including \$57,000 for the continuation of the transit transfer program), \$0.5 million for minor capital projects, and \$75.0 million for grant programs bringing the total adopted budget to \$138.2 million.

Discussion

The quarterly budget status report provides an overview of all financial activity, including a comparison of budget to actuals, and explanations for variances throughout the report period. While the details can be found in Attachment A, a summary is below. It's important to note that actuals may change based on year-end

accruals and subsequent audit adjustments as LOSSAN staff continues to work on the FY 2024-25 annual audit.

Revenues

As shown in Table 1, budgeted revenues through the fourth quarter of FY 2024-25 totaled \$138.2 million, while actual revenues totaled \$103.3 million. This results in year-to-date (YTD) revenues underrunning the budget by \$34.9 million.

The variance in the quarterly budget is primarily driven by fluctuations in Other State Funding, which includes all capital project funds. Total grant revenue finished the fiscal year by underrunning by \$31.8 million. This was primarily due to project phase completion delays

TABLE 1: REVENUES	FY 2024-25	FY 2024-25	
	Working Budget	Actuals	\$ Variance
	Year-To-Date	Year-To-Date	Year-To-Date
State Administrative Funding	\$ 7,370,100	\$ 5,755,686	\$ (1,614,414)
State Marketing Funding	\$ 2,000,000	\$ 2,000,000	\$ -
State Operating Funding	\$ 53,317,160	\$ 53,074,869	\$ (242,291)
Other State Funding	\$ 74,995,000	\$ 40,402,542	\$ (34,592,458)
State Capital Funding	\$ 500,000	\$ 380,954	\$ (119,046)
Interest Revenue	\$ -	\$ 1,659,608	\$ 1,659,608
Other Revenue	\$ -	\$ 19,677	\$ 19,677
Total Revenues	\$138,182,260	\$ 103,293,337	\$(34,888,923)

within LOSSAN's capital program. Underruns with the capital program total approximately \$37.3 million. The Central Coast Layover Facility, Goleta Layover Facility, Leesdale Siding, Canada Honda Bridge, Ortega Siding, Camarillo Station Pedestrian Undercrossing, Corridor Hardening Improvements, Integrated Wayfinding Signage, and Interregional Connectivity projects have been rebudgeted in fiscal year 2025-26. This shortfall is partially offset by overruns of \$2.2 million in State Rail Assistance (SRA), \$1.4 million in State Administration Funding, and \$1.7 million in Interest Revenue.

The budget variances are further detailed in Attachment A.

Expenses

As shown in Table 2, budgeted expenses through the fourth quarter of FY 2024-25 totaled \$138.2 million, whereas actual expenses totaled \$101.9 million, resulting in an underrun of \$36.3 million.

The majority of the expense variance is associated with grant-funded capital projects. This is primarily due to delays in project completion. Key contributors include \$13 million in Central Coast Layover Facility and \$10 million in

Canada Honda Bridge Replacement. There were also design delays in several design projects totaling an additional \$10.3 million. Specifically, these delays include design work for the Camarillo Station Pedestrian Undercrossing, Ortega Siding, Goleta Layover Facility, and Leesdale Siding. Additionally, Marketing, Contracted Services, Administration, and Minor Capital costs underran due to lower than anticipated utilization of services and higher than expected vacancies throughout the fiscal year.

For detailed information on other areas experiencing budget variances, please refer to Attachment A.

The LOSSAN Agency bylaws also require a quarterly report to be filed with the Board reporting the amount of money held, the amount and source of receipts since the last report, the amount and recipient of the amounts paid out since the last report, and a report of all expenditures under \$100,000. This report is included as Attachment B.

The LOSSAN Board has directed staff to provide a listing of all open agreements, including vendor, description of purchase, contract number, contract amount, amount spent, remaining balance, and expiration date on a quarterly basis. The report is provided as Attachment C.

Summary

Through the fourth quarter of Fiscal Year 2024-25, the Los Angeles – San Diego – San Luis Obispo Rail Corridor Agency's actual revenues and expenses underran the budget. Most of the variance is due to project delays related to design review, leading to delays in starting construction. These projects will continue to be budgeted in Fiscal Year 2025-26.

TABLE 2: EXPENSES

Administrative Budget Line Items	FY 2024-25 Working Budget	FY 2024-25 Actuals	\$ Variance
	Year-To-Date	Year-To-Date	Year-To-Date
Administration - Staffing	\$ 6,019,200	\$ 5,038,624	\$ 980,576
Legal Services	\$ 75,000	\$ 45,247	\$ 29,753
Travel	\$ 60,000	\$ 50,123	\$ 9,877
Marketing	\$ 2,000,000	\$ 1,163,858	\$ 836,142
Insurance	\$ 77,200	\$ 69,921	\$ 7,279
Contracted services	\$ 1,127,200	\$ 479,409	\$ 647,791
Dues & Memberships	\$ 9,000	\$ 10,519	\$ (1,519)
Non Budgeted Expenses	\$ -	\$ -	\$ -
Other Business Expenses	\$ 2,500	\$ 61,844	\$ (59,344)
Total Administrative Services	\$ 9,370,100	\$ 6,919,544	\$ 2,450,556
Operating/Capital Budget Line Items			
Net Train Operating Expenses	\$ 53,260,160	\$ 54,109,414	\$ (849,254)
Transit Transfer Program	\$ 57,000	\$ 68,180	\$ (11,180)
Minor Capital Projects	\$ 500,000	\$ 380,954	\$ 119,046
Grant Programs	\$ 74,995,000	\$ 40,377,938	\$ 34,617,061
Total Budget	\$138,182,260	\$101,856,031	\$ 36,326,229

Attachments

- A. Quarterly Budget Status Report, Fourth Quarter of Fiscal Year 2024-25
- B. Los Angeles – San Diego – San Luis Obispo Rail Corridor Agency, Fourth Quarter Financial Activity Report, Fiscal Year 2024-25
- C. Los Angeles – San Diego – San Luis Obispo Rail Corridor Agency, Open Agreements Listing as of June 30, 2025

Approved by:



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