



**Metrolink Finances  
Progress Report to the Board of Directors  
and the Finance Ad Hoc Committee**

March 8, 2013

Michael P. DePallo, Chief Executive Officer



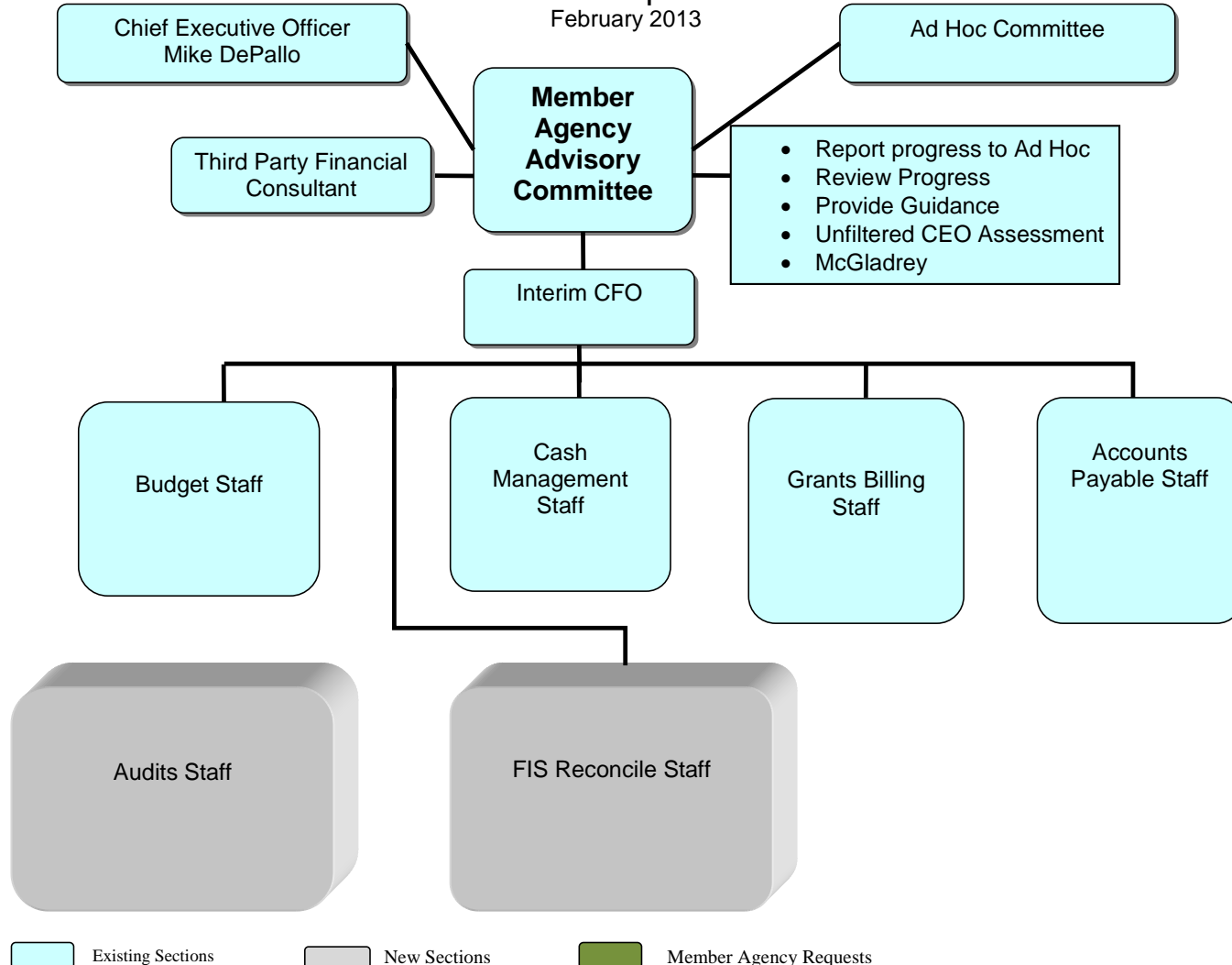
## Finance Ad Hoc Report February 8, 2013 Board meeting -Recommendations-

- Report back to the Finance Ad Hoc Committee monthly with a progress report on work plan implementation  
*(March 8, 2013 Board meeting and ongoing)*
- Provide concise financial statements reflecting Metrolink's past (FY11; FY12) and projected FY13 financial condition  
*(April 12, 2013 Board meeting)*
- Provide response to the findings and a work plan for Board approval to address the issues *(April 12, 2013 Board meeting)*



## Southern California Regional Rail Authority Finance Department

February 2013





## Member Agency Advisory Committee (MAAC)

- Member Agencies' CEOs supported the establishment of the MAAC
- The MAAC is composed of the CFOs or financial representative from each member agency
- Four main roles:
  - *Review progress against defined metrics*
  - *Provide guidance review and consultation to the Interim CFO during the recovery period*
  - *Report progress and opinions directly to the Finance Ad Hoc*
  - *Develop scope and schedule to retain an outside Financial Consultant who will assist in addressing the issues identified in the Finance Ad Hoc report*



## Member Agency Advisory Committee (MAAC)

- First meeting held February 22, 2013
- Report from Metrolink Staff on progress to date
- Action items:
  - ✓ *MAAC agreed to engage McGladrey LLP as a supplemental resource; initial tasks include review of 2 capital project invoices and 1 operating invoice*
  - ✓ *McGladrey has also been assigned to review the year-end member agency reconciliations/cash balances for FY10-11 and FY11-12 (pending completion);*



## **Member Agency Advisory Committee Action Items: Continued**

- ✓ *McGladrey will review cash reconciliations completed through February 26*
- ✓ *Report back to the MAAC with findings*
- ✓ *MAAC agreed to draft a scope of work and items that the 3<sup>rd</sup> party financial consultant would evaluate*
- ✓ *OCTA's Director of Finance agreed to outline a list of elements to include in the scope and submit to the MAAC*
- ✓ *Briefing on Metrolink's Oracle Financial Information System on March 1, 2013*
- ✓ *MAAC and Metrolink staff will meet on a weekly basis*



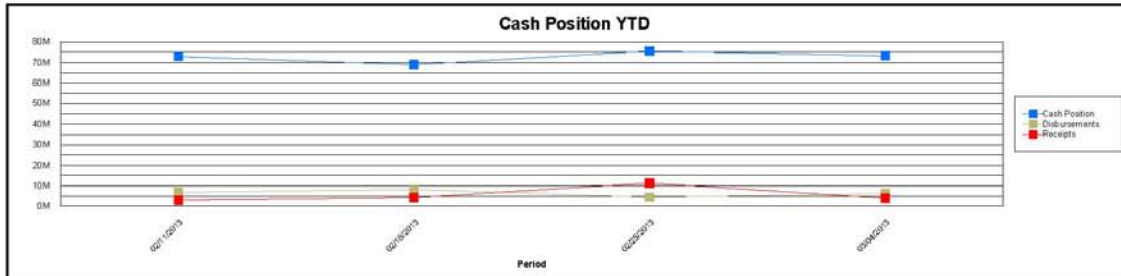
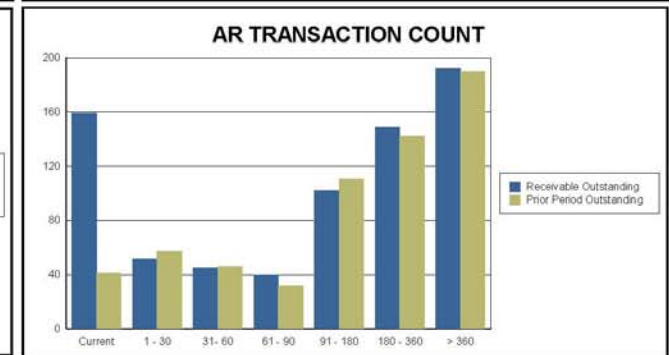
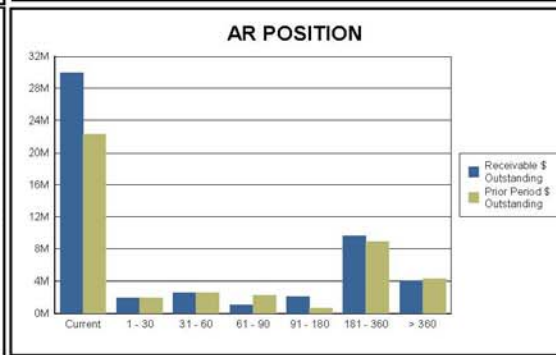
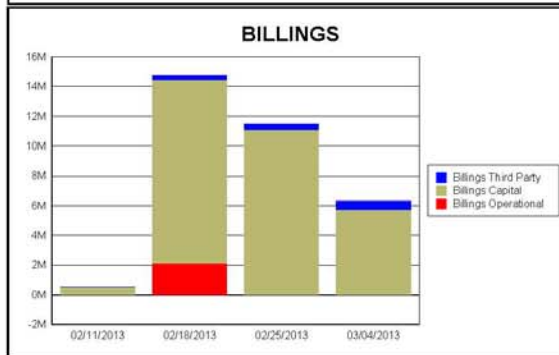
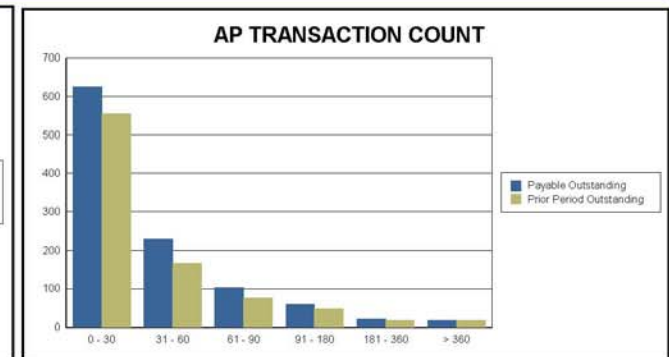
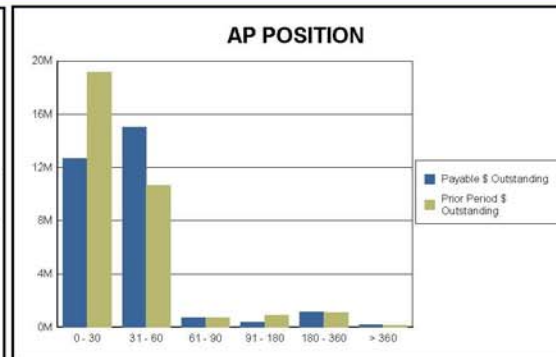
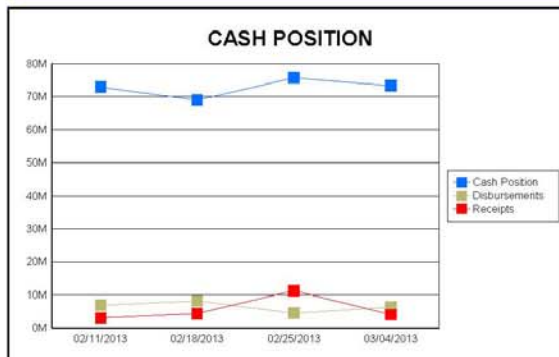
## Dashboard – Financial Performance Indicators

### FINANCIAL PERFORMANCE INDICATORS

AS OF DATE: 3/4/13 12:00 am

3/6/2013 4:05:01PM

RB-ORA-FIN-100 3-P

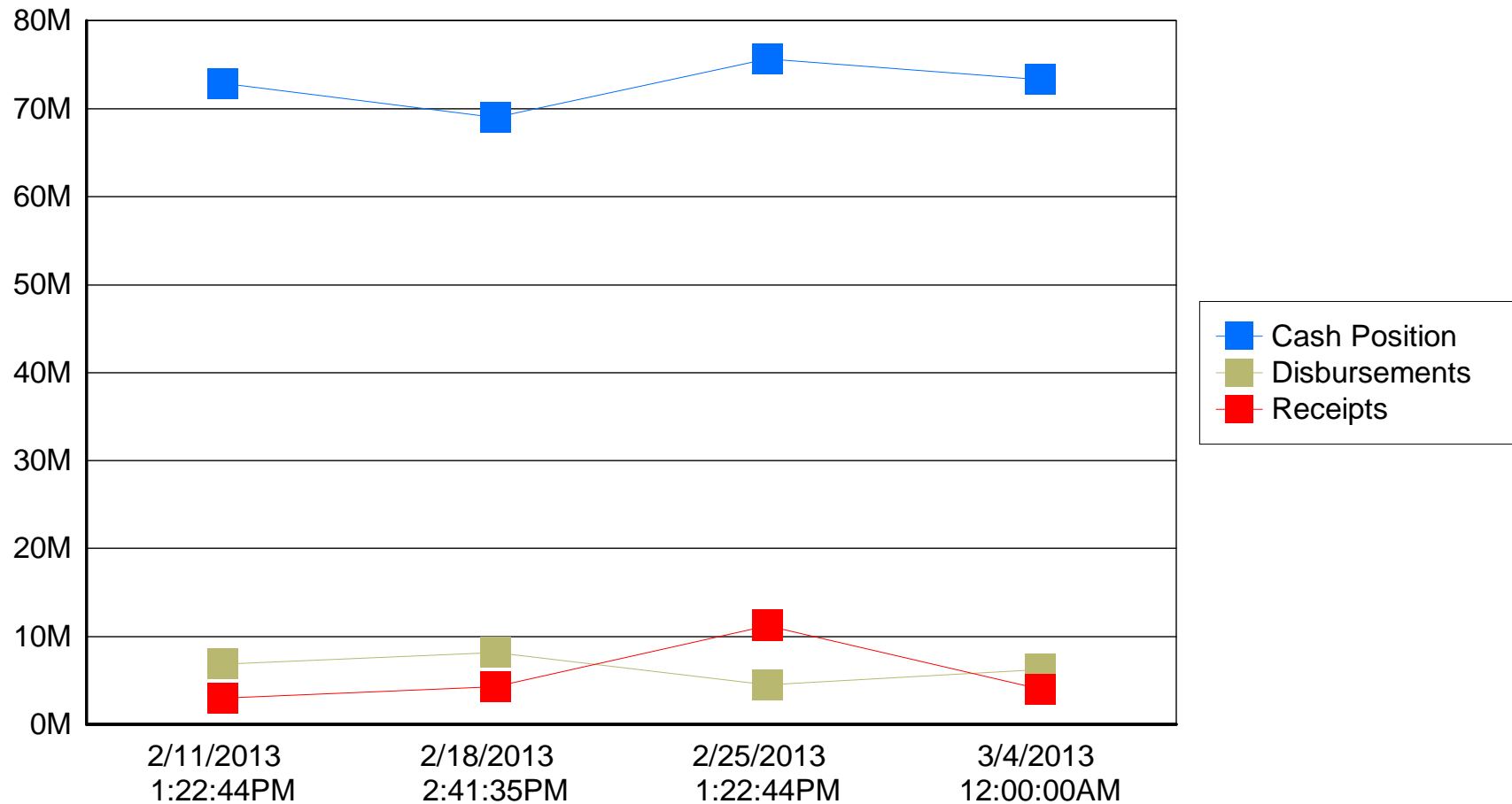


#### REMARKS:

AR Position and transaction count aging categories adjusted to reflected Oracle standard.



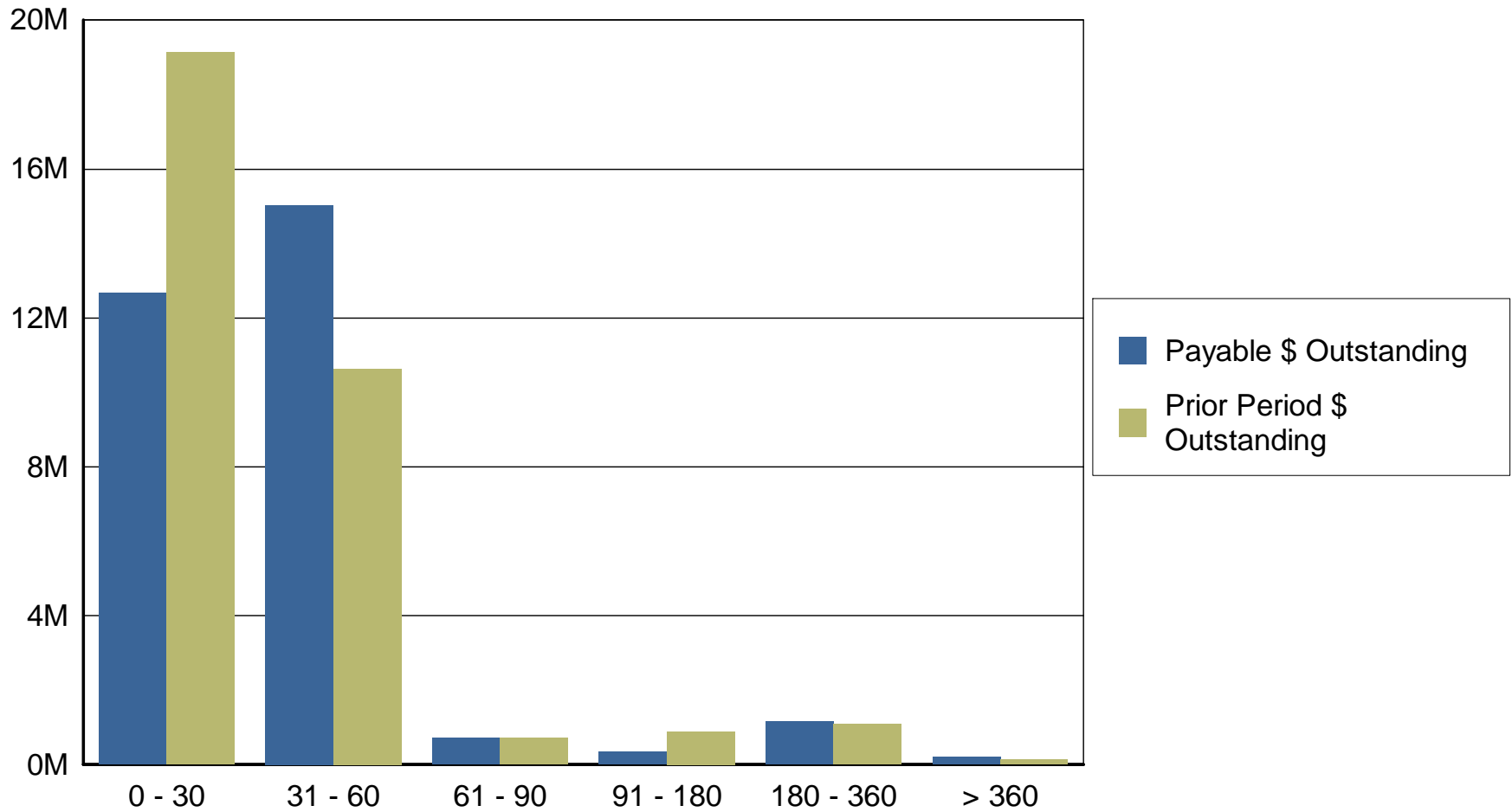
## Cash Position





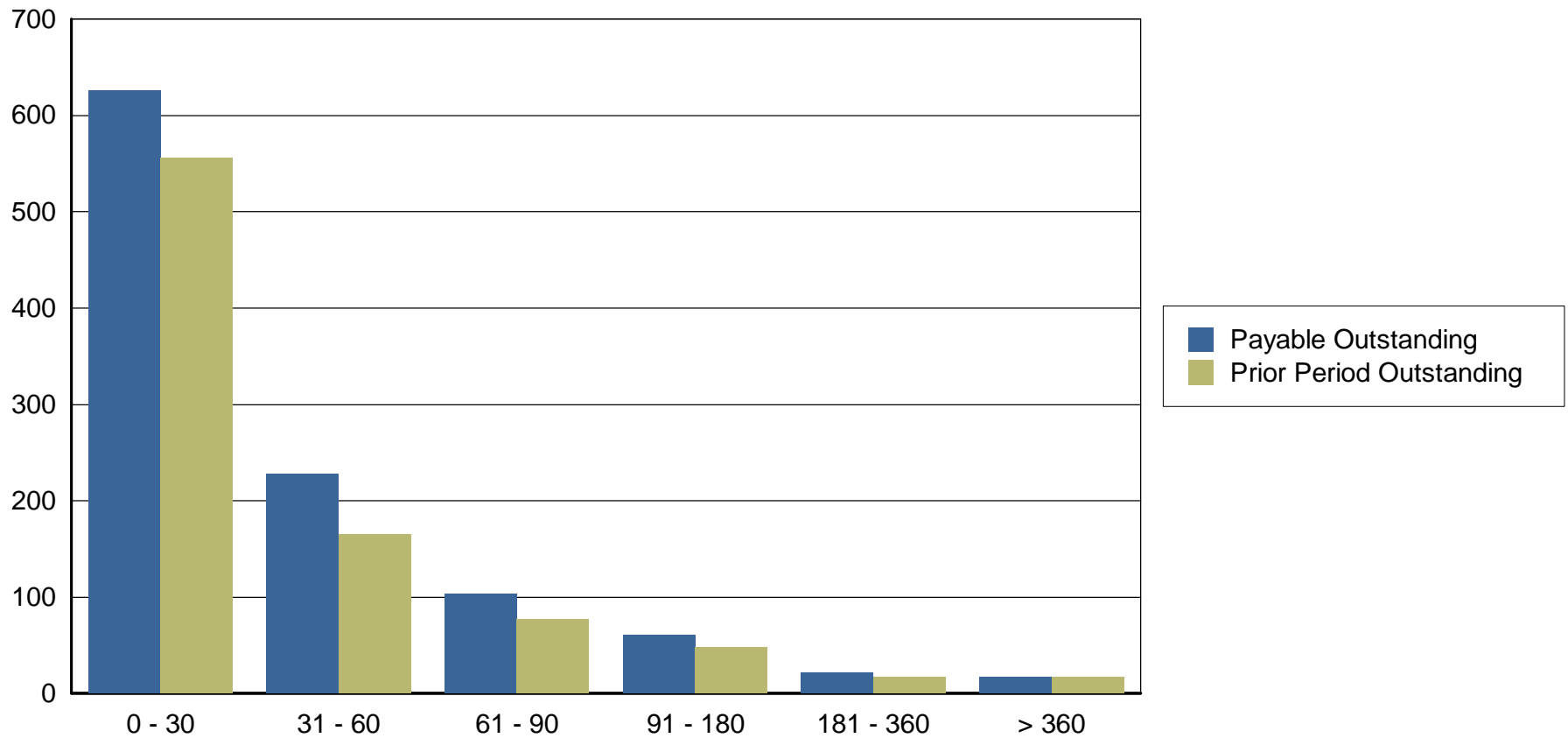


# A/P Position



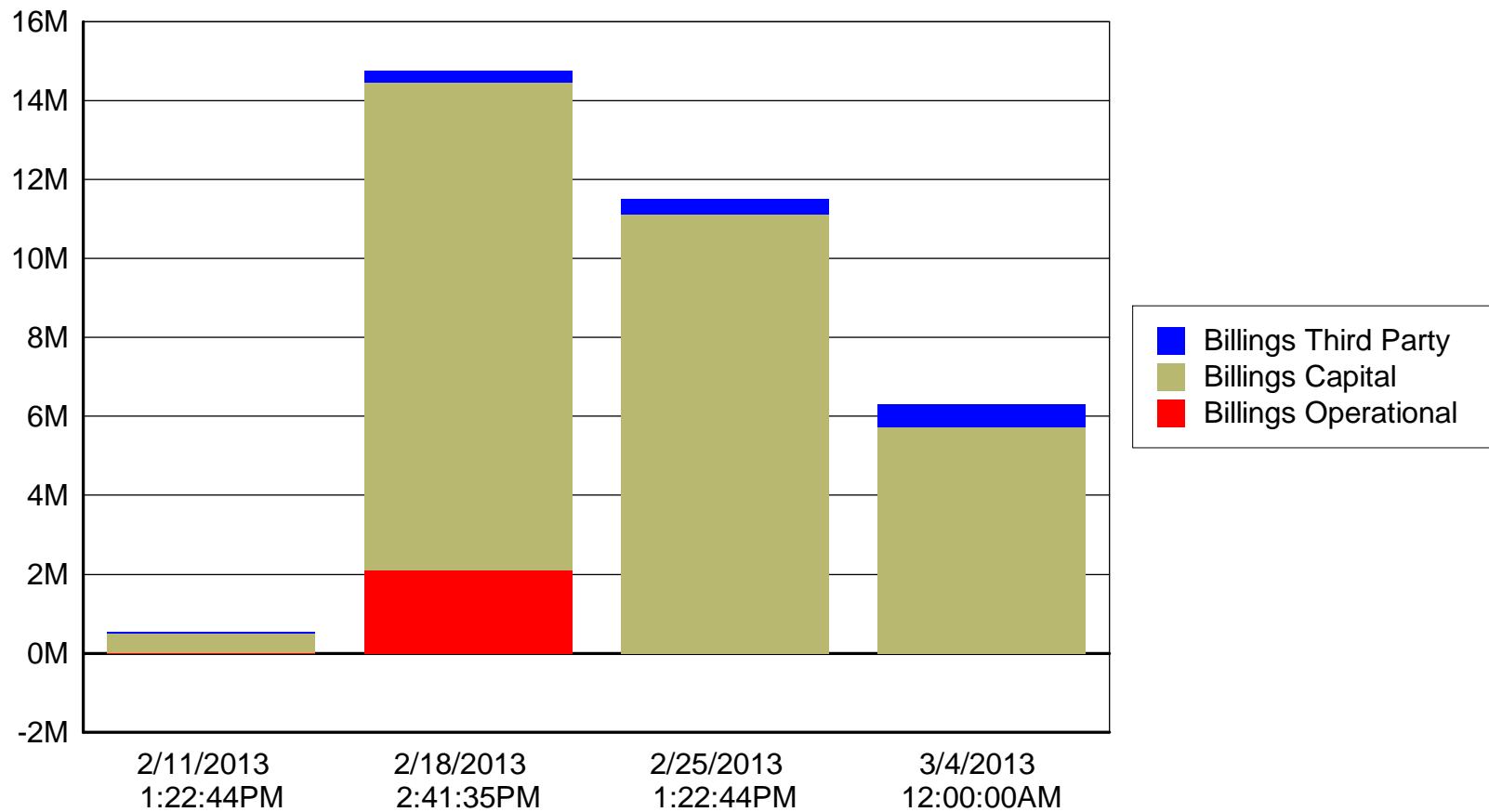


# AP Transaction Count



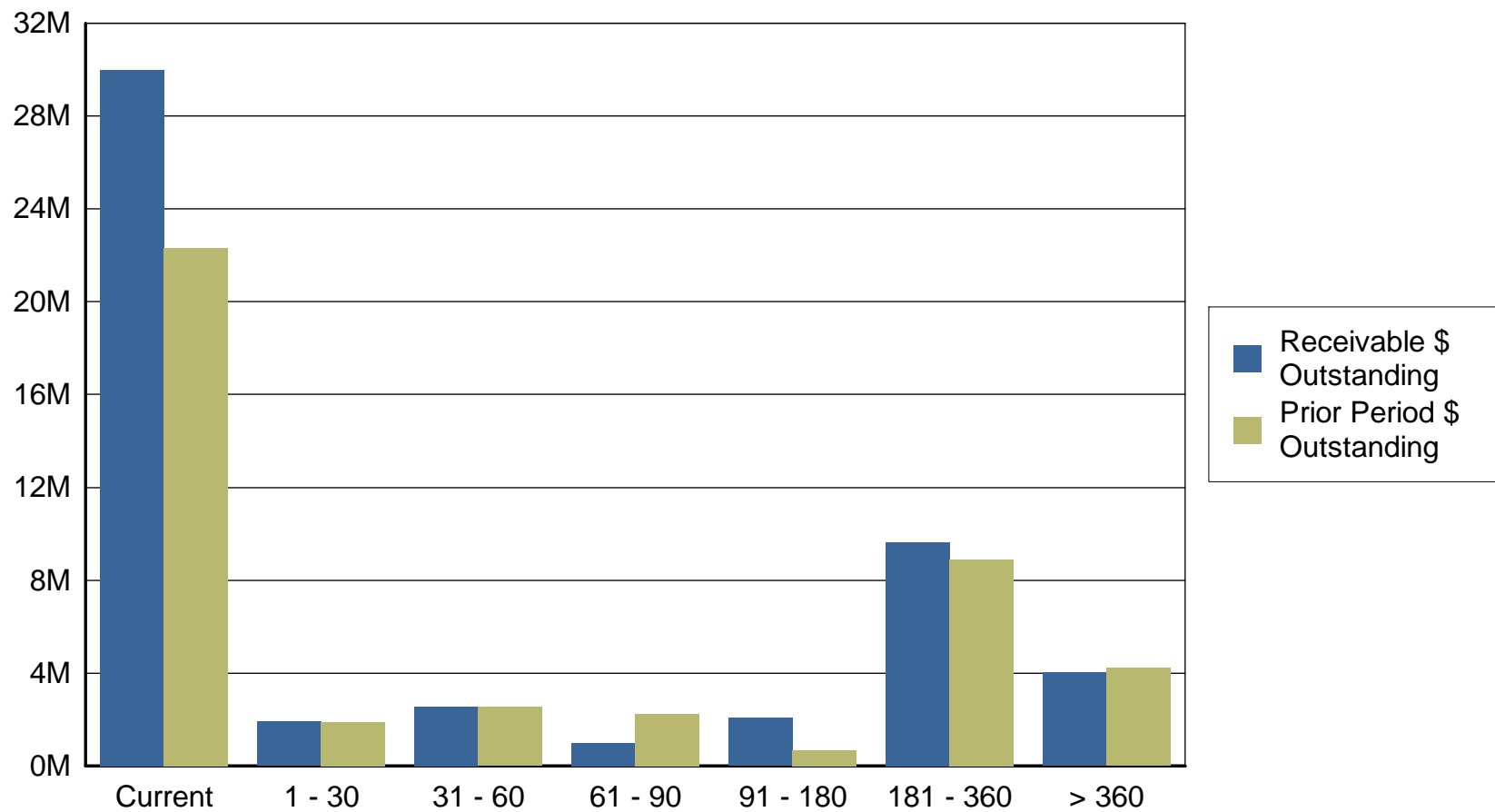


## Billings



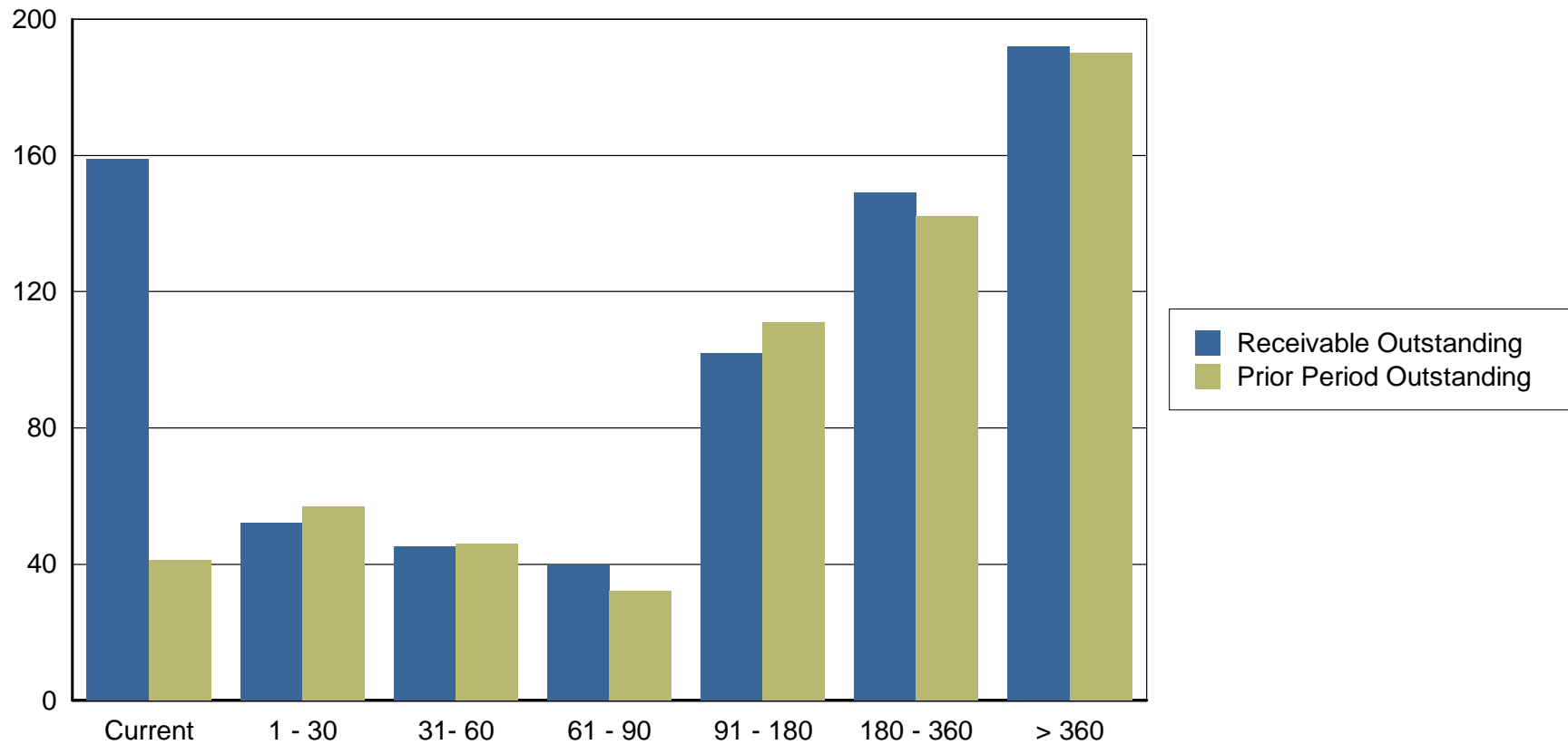


## AR Position



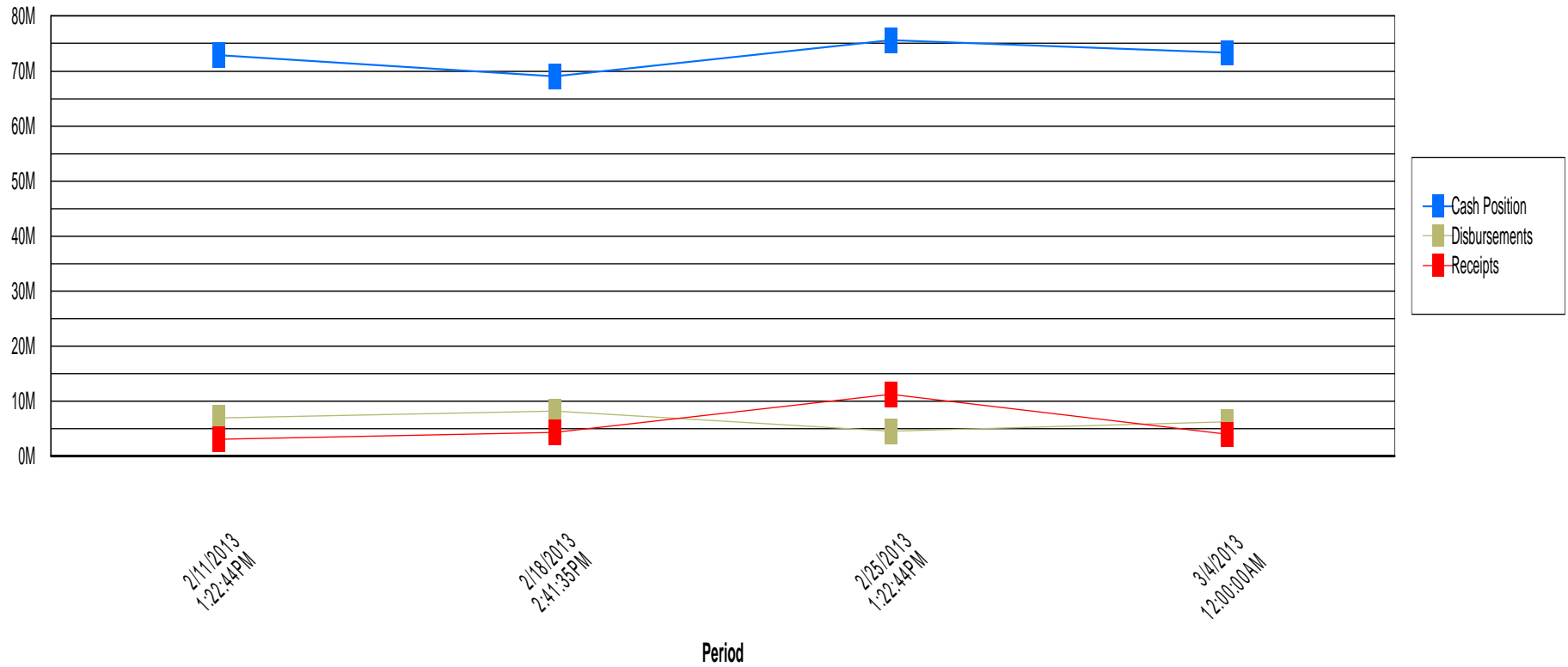


## AR Transaction Count





## Cash Position YTD





## Chronology

- **February 8** – Finance Ad Hoc report to SCRRA Board
- **February 14** – Communication to the Board / immediate action and interim restructuring of Finance Dept.
- **February 15** – Meeting with Member Agencies' CEOs
- **February 20** – Briefing with Finance Ad Hoc
- **February 22** – First meeting with the Member Agency Advisory Committee (MAAC)
- **March 1** – Briefing on Metrolink's Financial Information System (current Oracle 11i and upgrade R12)
- **March 7** – Meeting with the MAAC



## Next Steps

- March 11 - Presentation by Metrolink CEO to the OCTA Board of Directors
- MAAC weekly meetings
  - *Develop Scope of Work for 3<sup>rd</sup> party financial consultant; determine items to be handled by MAAC or McGladrey*
- Continue to make progress in the areas of accounts receivables/billing, grants reconciliation, daily cash reporting/reconciliation
- April 12 – Presentation to Metrolink’s Board of Directors with requested financial report and work/action plan addressing findings by the Ad Hoc





## The Metrolink Mission Statement

To provide an outstanding passenger experience on every ride with safe, clean, dependable and on-time operations.