Governments
SANBAG
Working Together

San Bernardino Associated Governments
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Phone: (909) 884-8276 Fax: (909) 885-4407 Web: www.sanbag.ca.gov

TRANSPORTATION MEASURE I

■ San Bernardino County Transportation Commission ■ San Bernardino County Transportation Authority
■ San Bernardino County Congestion Management Agency ■ Service Authority for Freeway Emergencies

Supplemental Material Agenda Item No. 29

Board of Directors

April 11, 2013
Regular Meeting
9:30 a.m.

Location:
San Bernardino Associated Governments
Santa Fe Depot
1170 W. 3rd Street, 1st floor
San Bernardino, CA

DISCUSSION ITEM

29. Metrolink Finance Presentation

Receive an update on the current state of Metrolink's financial situation by Metrolink CEO, Michael DePallo.

Attached is a copy of the PowerPoint Presentation by Michael P. DePallo.

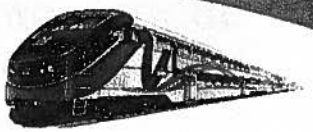
METROLINK

Metrolink Finances Presentation to the SANBAG Board of Directors

April 11, 2013

Michael P. DePallo, Chief Executive Officer

METROLINK.



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 *(First Update to Metrolink Board on March 8, 2013)*
- 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)*

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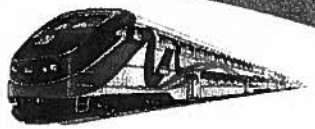
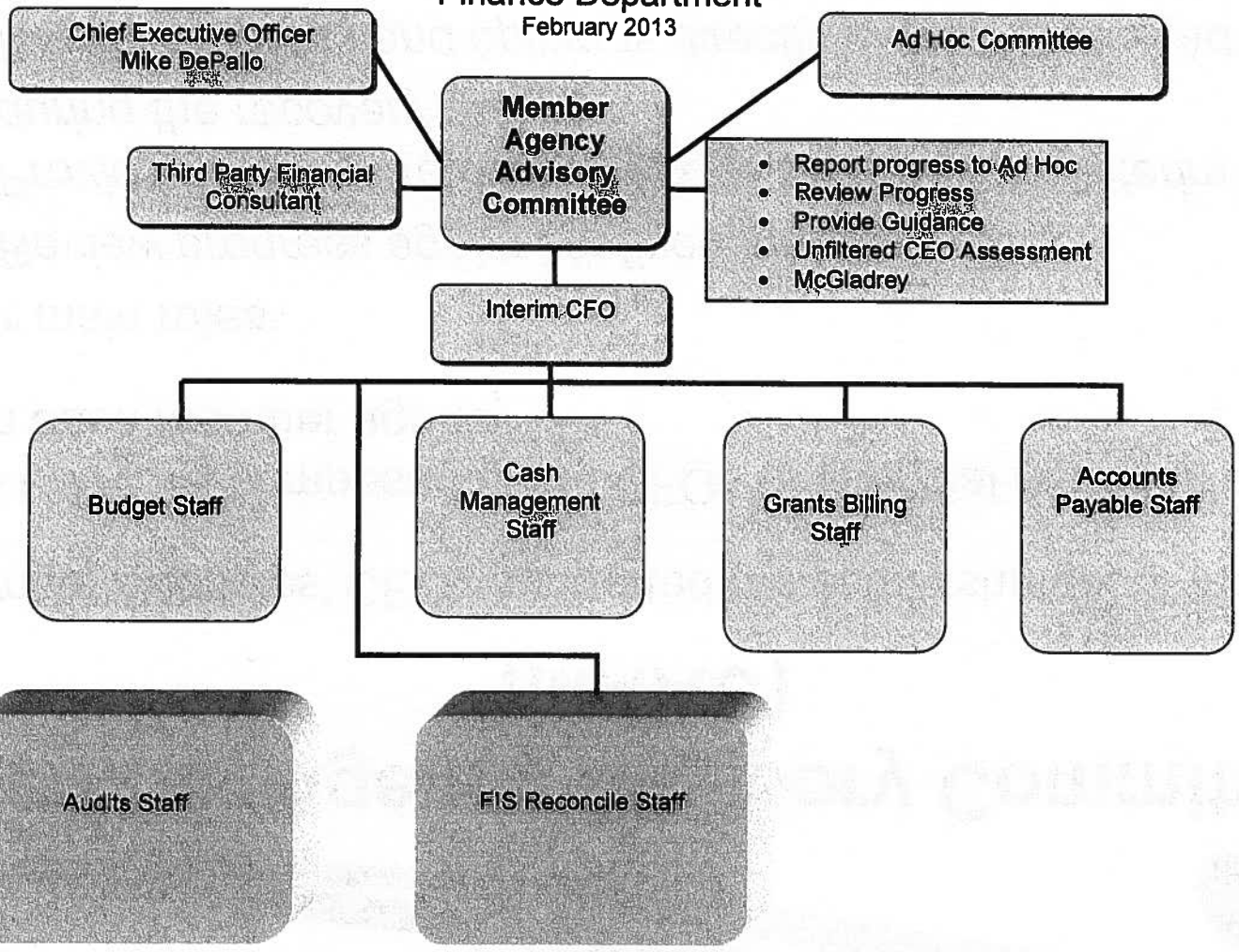


Southern California Regional Rail Authority

Finance Department

February 2013



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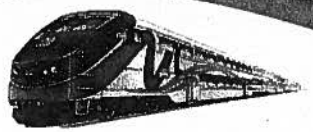

Member Agency Advisory Committee (MAAC)

- 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*

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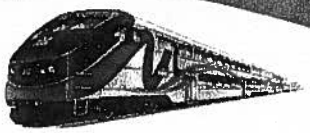

Member Agency Advisory Committee (MAAC)

- First meeting held February 22, 2013
- The MAAC has met with Metrolink staff on a weekly basis;
- 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 cash balances (pending completion);*

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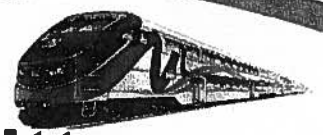


Member Agency Advisory Committee Action Items: Continued

- ✓ *McGladrey will review cash reconciliations completed through March*
- ✓ *Report back to the MAAC with findings*
- ✓ *A proposed scope of work and items that the 3rd party financial consultant would evaluate has been developed and approved by the Finance Ad Hoc*
- ✓ *Evaluation Criteria for procurement of these services being considered by the Metrolink Board 4/12/13*

METROLINK

Dashboard – Financial Performance Indicators

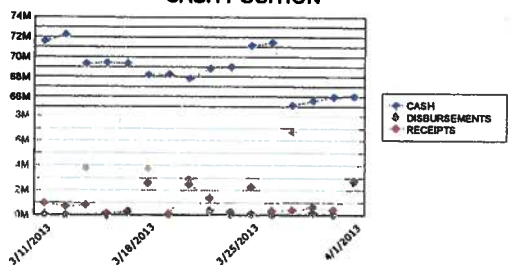
FINANCIAL PERFORMANCE INDICATORS

AS OF 04/01/2013

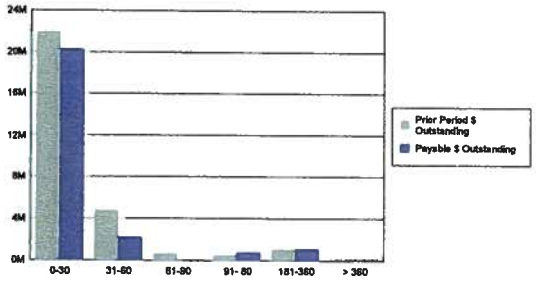
4/9/2013 9:37:56 AM

RB-ORA-FIN-100.7-S

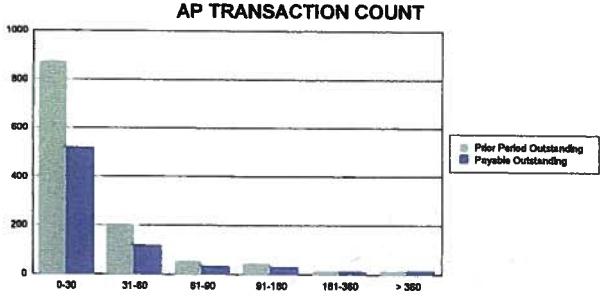
CASH POSITION



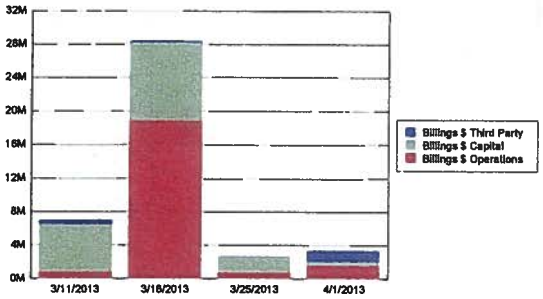
AP POSITION



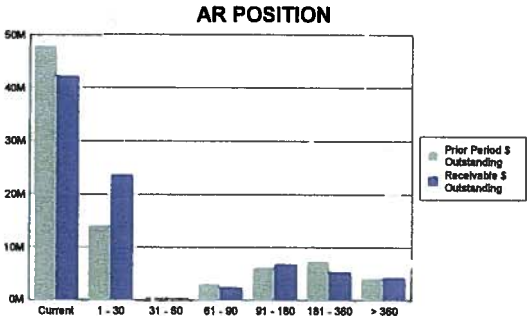
AP TRANSACTION COUNT



BILLINGS



AR POSITION



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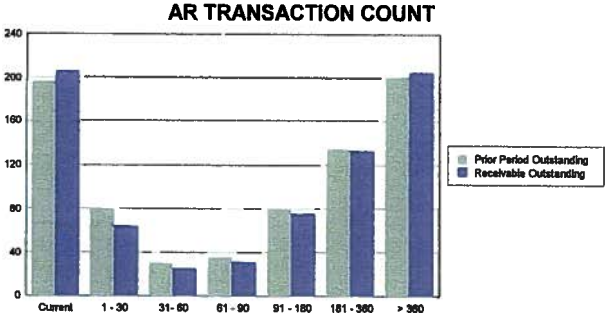
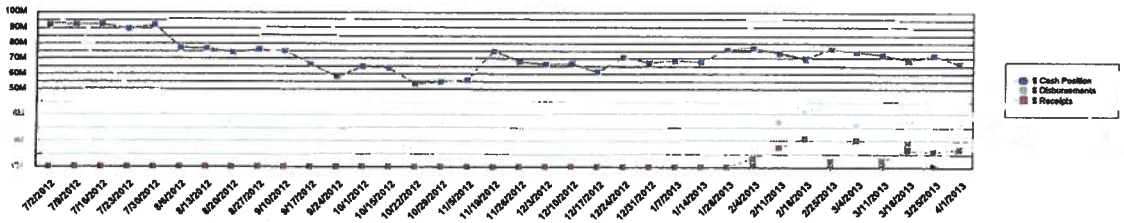


Cash Position FYTD



Remarks:

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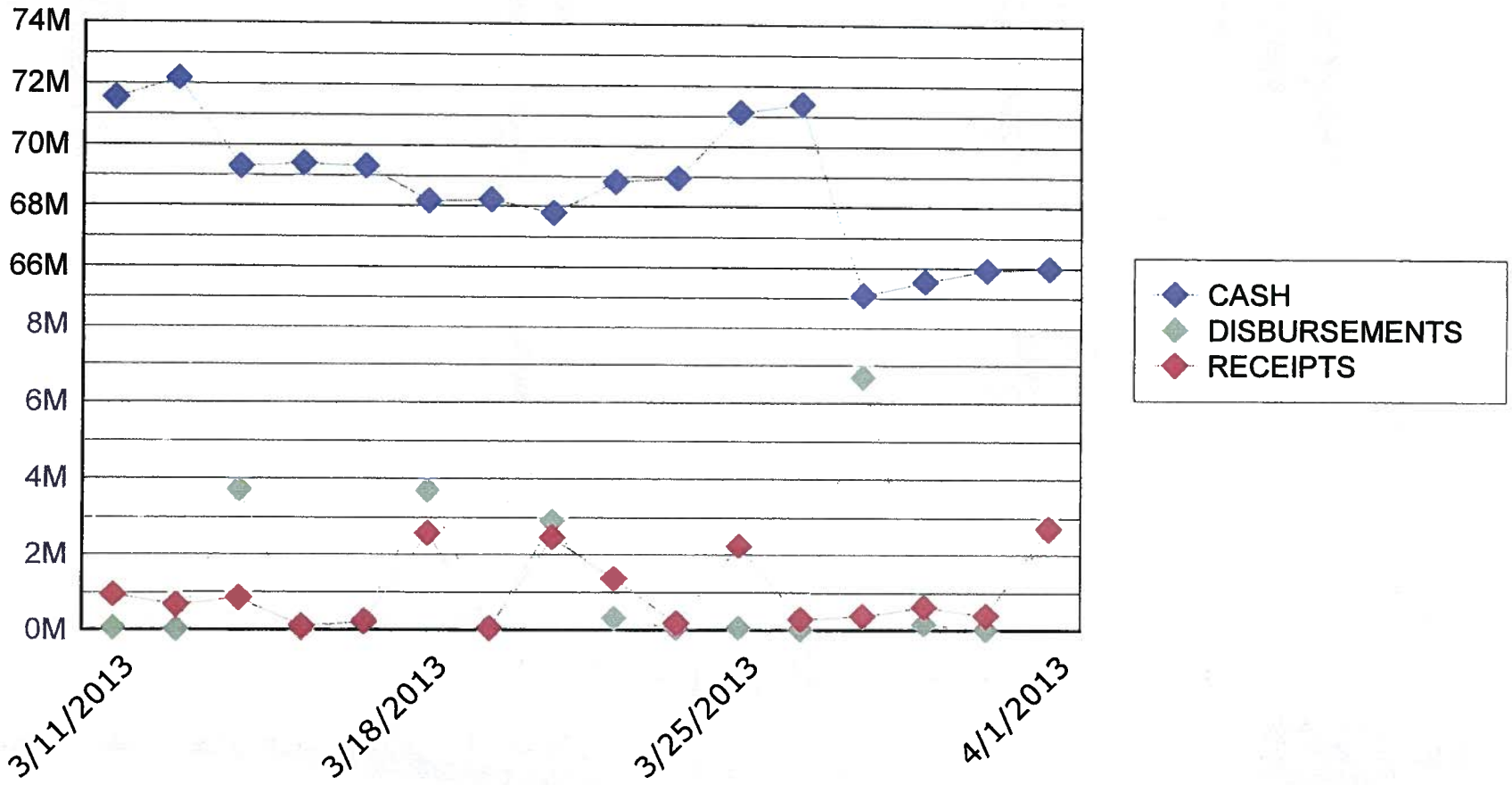
Cash Position



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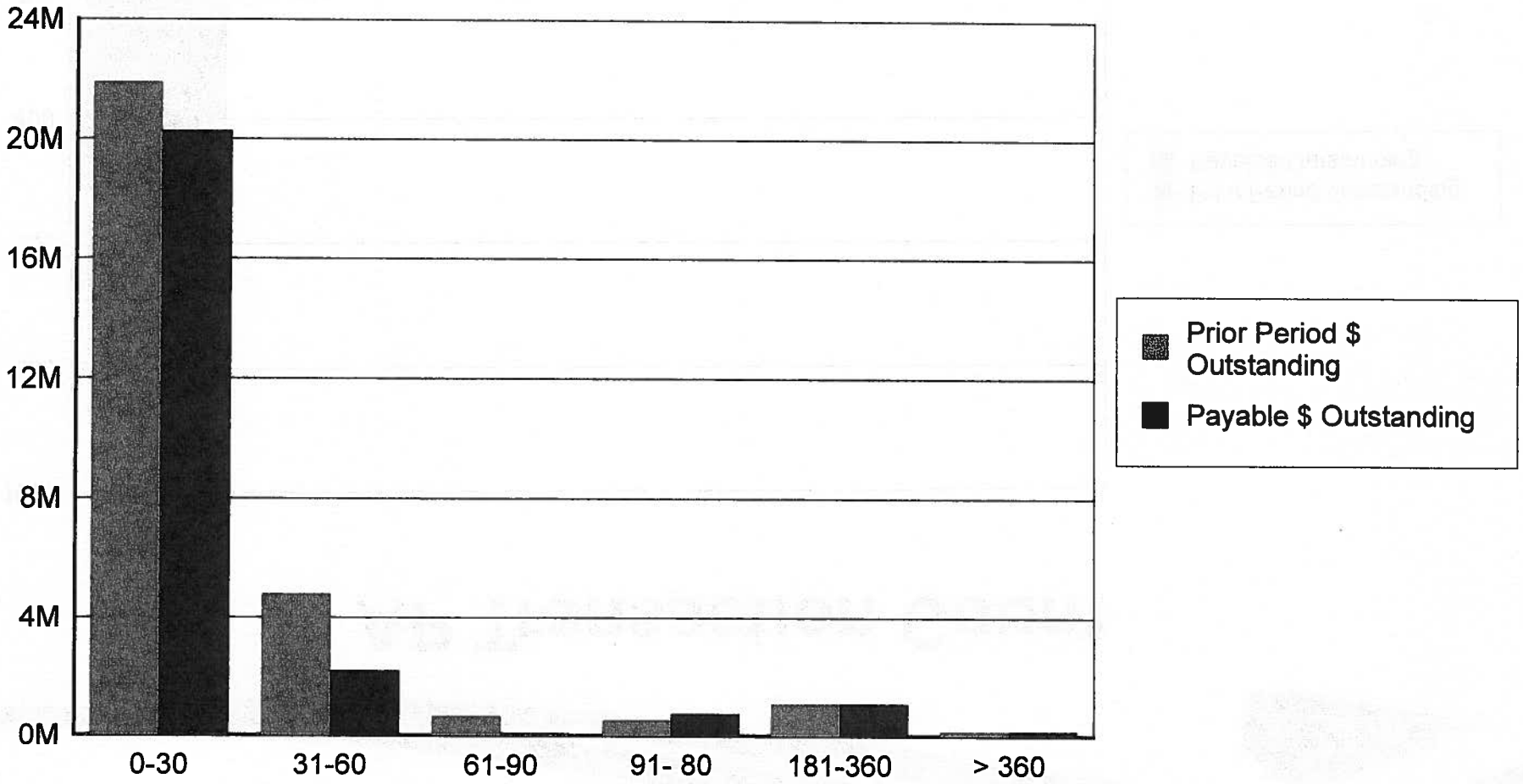
A/P Position



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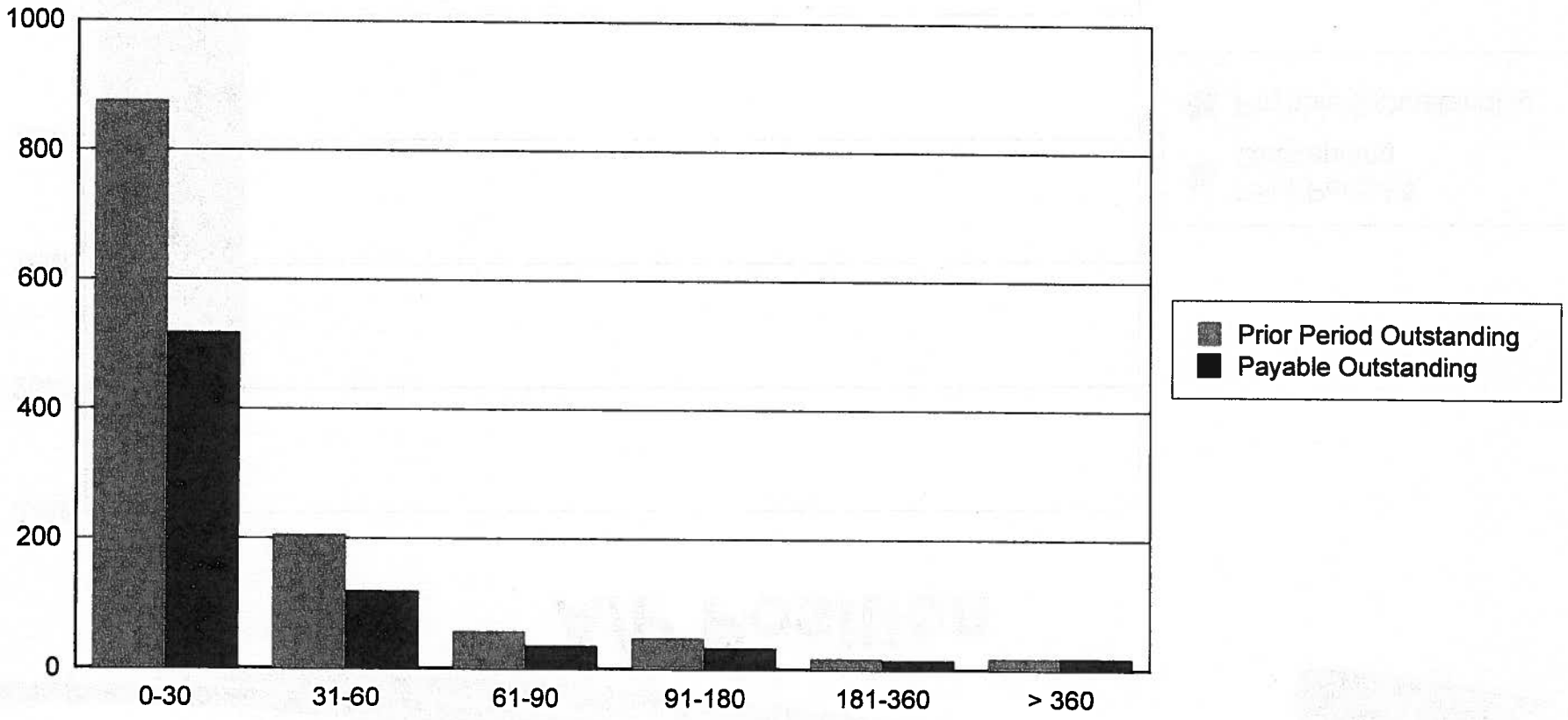
AP Transaction Count



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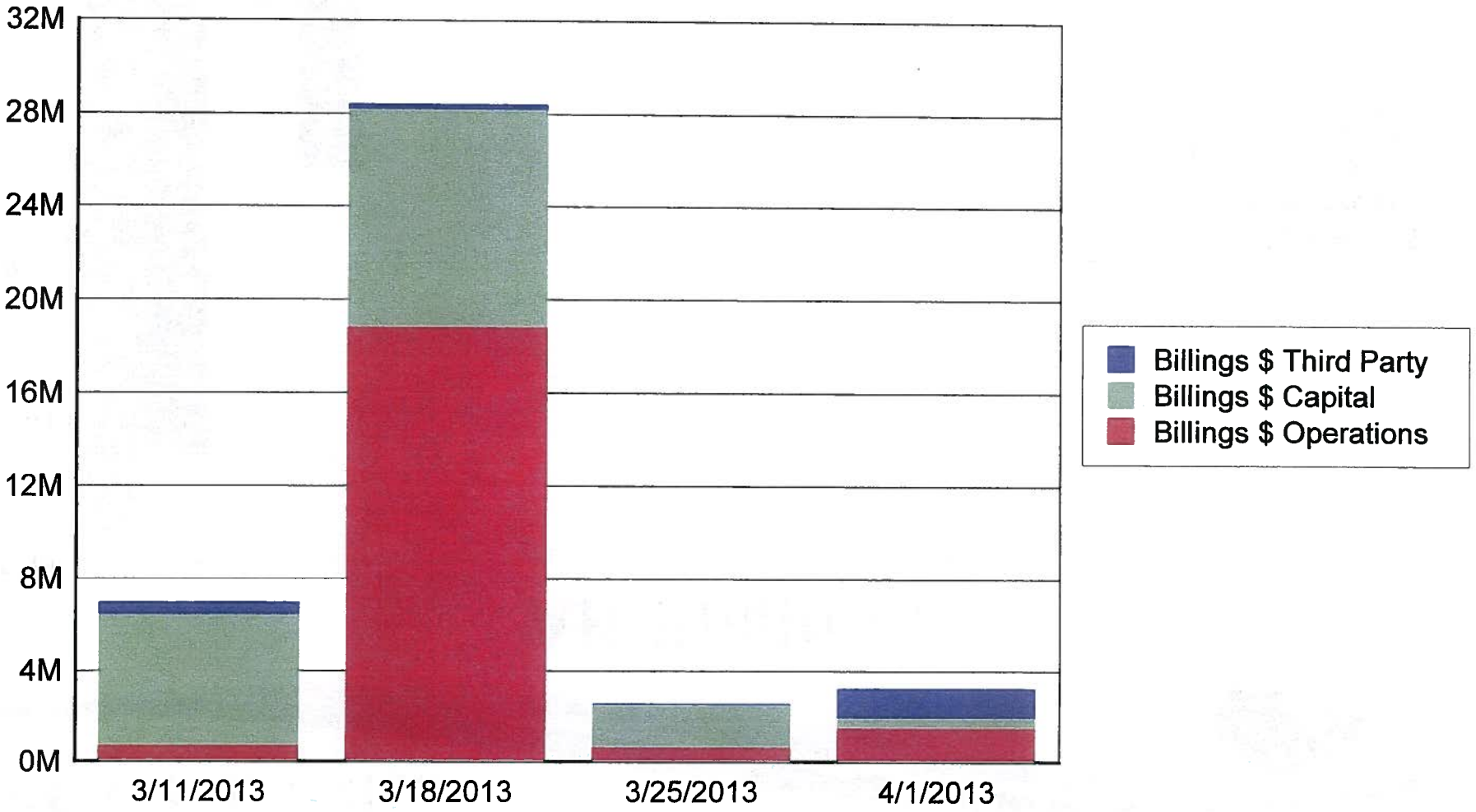
Billings



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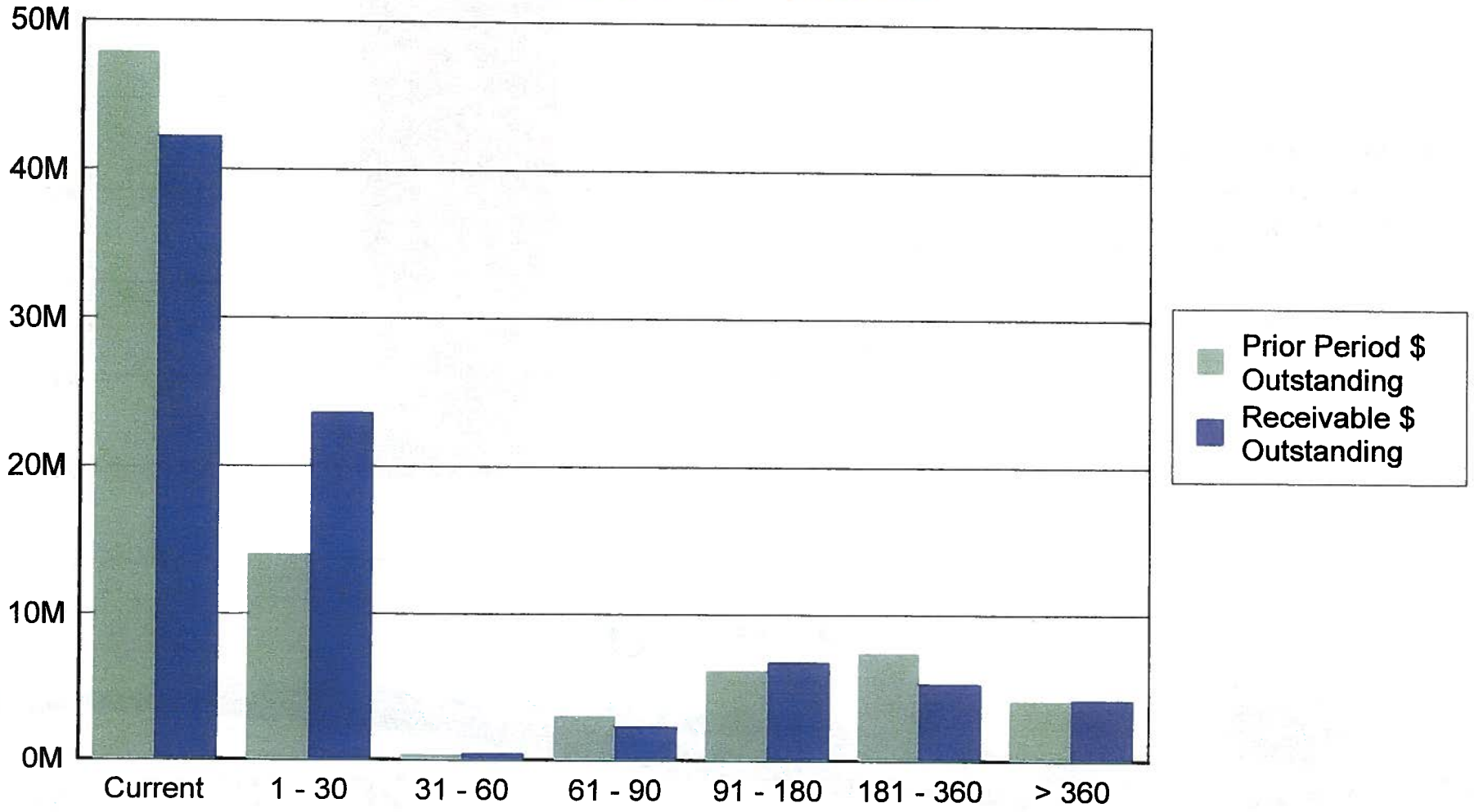

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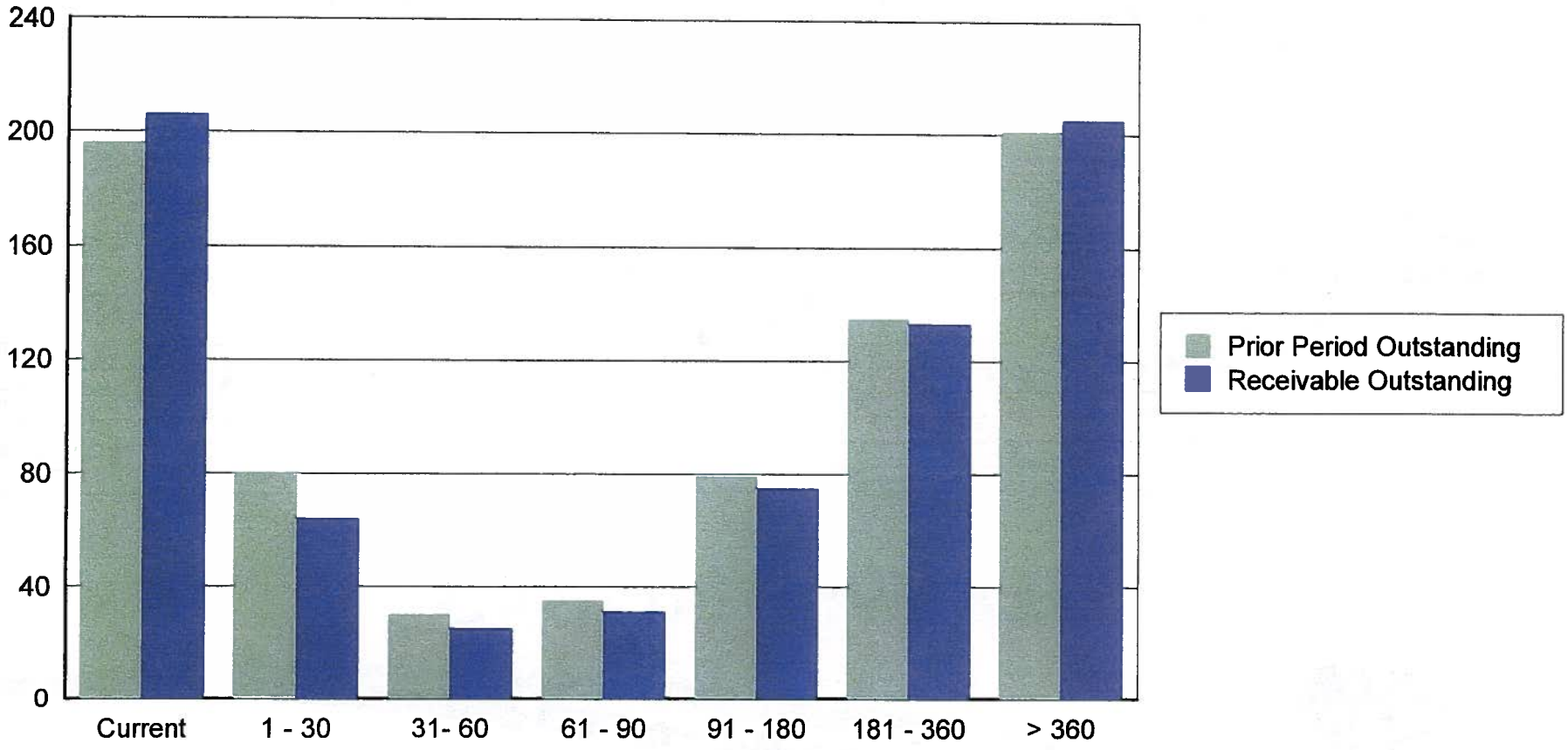

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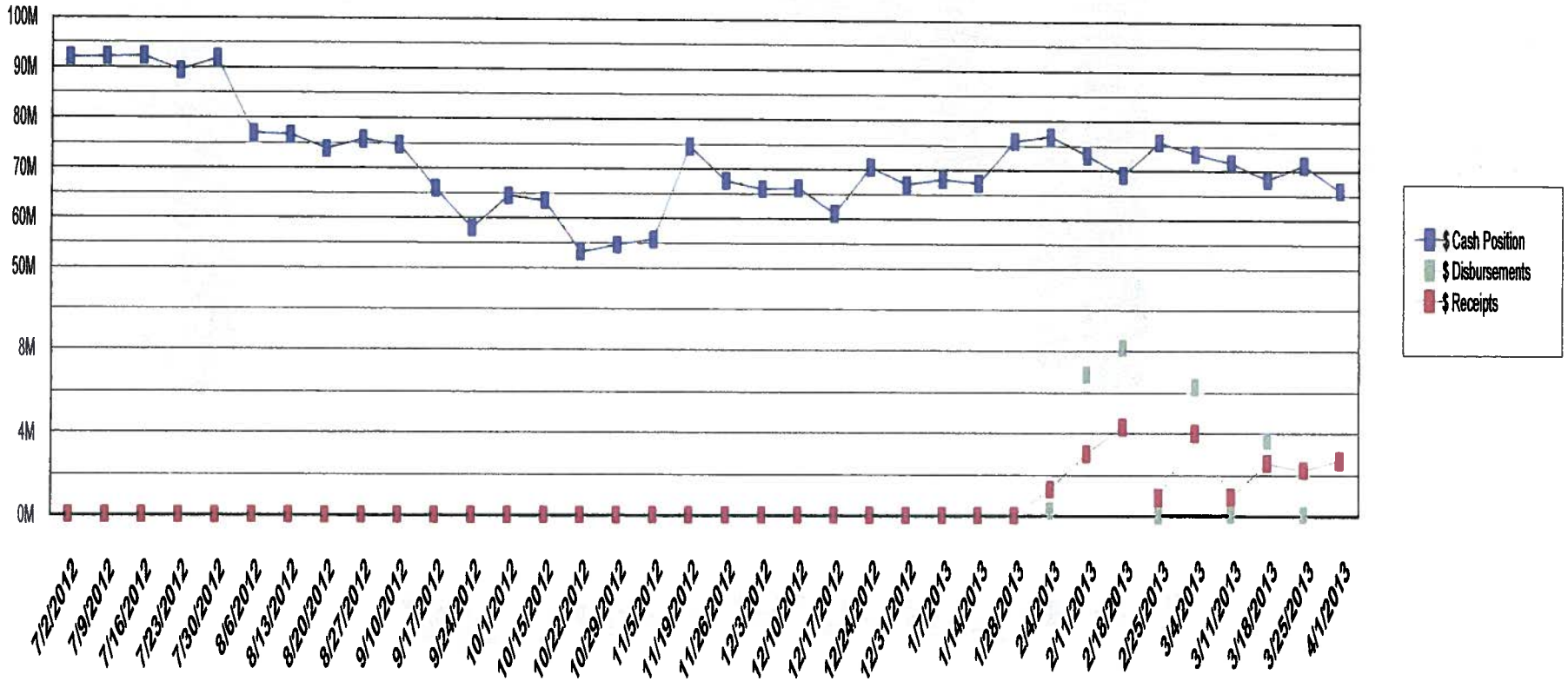
Cash Position YTD



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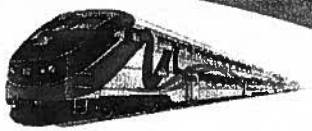

Chronology

- **February 8** – Finance Ad Hoc report to Metrolink 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

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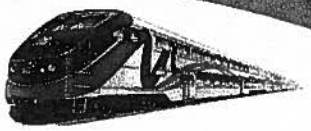

Chronology (continued)

- March 11 - Presentation by Metrolink CEO to the OCTA Board of Directors

- MAAC weekly meetings (March 14, 21 & April 4)
  - *Developed Scope of Work for 3rd party financial consultant; assigned items for testing by McGladrey*

- Finance continues to make progress in the areas of accounts receivables/billing, grants reconciliation, daily cash reporting/reconciliation

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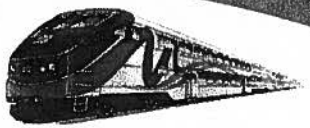

Next Steps

- April 12 – Presentation to Metrolink's Board of Directors with requested financial reports and work plan addressing findings by the Ad Hoc
- Upgrade to Oracle R12 (end of May 2013)
- Procurement of the Financial Consultant
- MAAC to develop consultant's task orders and schedule
- Regular reporting to the Planning & Finance Committee on progress and financials

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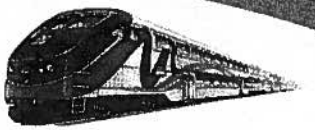

The Metrolink Mission Statement

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