

COUNTY OF MILWAUKEE
INTEROFFICE COMMUNICATION

DATE : September 26, 2019

TO : Supervisor Theodore Lipscomb, Sr., Chairman, County Board of Supervisors

FROM : Pamela Bryant, Capital Finance Manager, Office of the Comptroller

SUBJECT : Project Completion Status Report as of June 30, 2019 **(Informational Only)**

BACKGROUND

As requested by Policymakers, the Office of the Comptroller is providing a report on the status of capital improvement projects. The purpose of this semi-annual report is to provide Policymakers with detailed information on the completion status of capital projects. In addition, the report will provide a tool for the County to monitor the timely completion of projects and provide early identification of areas of concern.

The attached report includes the following information, provided both by County Departments and the Office of the Comptroller:

- A list of all capital projects
- Estimated project completion percentage
- Substantial completion dates

Defined Terms

Below is a list of terms included in the attached report.

Project: the projects are the reporting category. In the previous report the reporting category could be a project (5-digit), subproject (7-digit) or phase (8-digit). The first 5 digits of the project number represent the project, the next two digits represent the subproject for that project and the last digit represents the phase for that project. For this report and future reports the reporting category will be the subproject (7-digit).

Budget: the budget amounts include the 2018 carryover amount, 2019 adopted capital budget amount and 2019 capital transfers.

Expended: 2019 expenditures.

Percentage Complete: the percent of the project work scope that has been completed.

Substantial Completion Date: the date in which the project can be used for its intended purposes. All operating parameters must be within specifications and no major construction is on-going that would prevent the agreed upon use or occupancy of the project work. Project may have unresolved issues due to circumstances beyond the control of the contractor and/or project manager. Job authorization may still be open and accumulating charges. Majority of funds have been spent. Warranties on workmanship and equipment commence.

Departmental Project Completion Results

Based on financial information as of June 30, 2019 for the capital improvements program, departments have approximately \$198.3 million in available budget authority.

Table 1 summarizes the data by department. See Attachment 1 for a presentation of the financial data for all of the capital projects as of June 30, 2019.

Table 1: Financial Data for all Capital Projects as of June 30, 2019

# OF PROJECTS	DEPT	BUDGET	EXPENDED	ENCUMBERED	AVAILABLE BALANCE	% of Budget Approp Remaining
28	Highways	\$ 15,311,866	\$ 1,114,883	\$ 3,167,769	\$ 11,029,214	72%
12	Mass Transit	\$ 88,608,285	\$ 14,879,361	\$ 12,197,599	\$ 61,531,325	69%
50	Airport	\$ 76,977,462	\$ 1,277,726	\$ 13,150,582	\$ 62,549,154	81%
4	Environmental	\$ 518,746	\$ 31,967	\$ 90,905	\$ 395,874	76%
54	Parks	\$ 16,058,095	\$ 1,016,587	\$ 3,287,035	\$ 11,754,474	73%
5	Museum	\$ 4,180,714	\$ 579,417	\$ 113,580	\$ 3,487,717	83%
21	Zoo	\$ 17,691,903	\$ 529,787	\$ 2,278,924	\$ 14,883,192	84%
0	BHD	\$ -	\$ -	\$ -	\$ -	0%
5	DHHS	\$ 4,325,349	\$ 598,696	\$ 2,320,109	\$ 1,406,543	33%
0	County Grounds	\$ -	\$ -	\$ -	\$ -	0%
23	Courthouse Complex	\$ 15,639,636	\$ 1,230,179	\$ 1,710,201	\$ 12,699,256	81%
4	HOC	\$ 743,976	\$ 8,929	\$ 413,814	\$ 321,233	43%
61	Other Agencies	\$ 42,506,461	\$ 8,492,111	\$ 15,735,858	\$ 18,278,492	43%
267	Total	\$ 282,562,493	\$ 29,759,643	\$ 54,466,375	\$ 198,336,475	70%

Comparison of Summary Financial Data

Table 2 compares the summary financial data for all capital projects as of June 30, 2019 to the same period from 2018 and 2017.

The total number of open projects have decreased by 20 from 287 to 267. The total expended amount has increased by \$10.5 million from \$19.3 million to \$29.8 million; an increase of 54%. The total amount encumbered (under contract) has decreased by \$13.1 million from \$67.6 million to \$54.5 million; a decrease of 19%.

The available balances have increased by \$52.7 million from \$145.7 million to \$198.3 million¹; an increase of 36%. The percentage of funds remaining has increased from 63% to 70%. The increases in available balances are primarily driven by increases in available balances in Transit and Airport capital projects. The 2019 appropriation amounts for Transit and Airport projects were approximately \$45 million and \$15 million higher than the 2018 appropriated amounts.

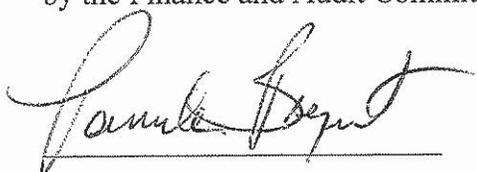
The Office of the Comptroller views the increases in spending and encumbering as positive indicators that reduce the overall available balance. Results are mixed in the June 2019 report. Future reports will provide more clarity about trends in spending. The total number of open projects has been able to be reduced primarily as a result of a smaller number of projects being included in recent capital budgets.

Table 2: Comparison of Summary Financial Data

	Open Projects	Budget	Expended	Encumbered	Available Balance	% Remaining
30-Jun-19	267	\$282,562,493	\$29,759,643	\$54,466,375	\$198,336,475	70%
30-Jun-18	287	\$232,569,701	\$19,298,897	\$67,599,278	\$145,671,526	63%
30-Jun-17	337	\$230,011,202	\$15,054,542	\$49,358,484	\$165,598,176	72%
Variance vs. 2018	-20	\$49,992,792	\$10,460,746	(\$13,132,903)	\$52,664,949	-8%
Variance vs. 2017	-50	\$2,558,499	\$4,244,355	\$18,240,794	(\$19,926,650)	-9%
% Variance vs. 2018	-7%	21%	54%	-19%	36%	-12%
% Variance vs 2017	-15%	1%	28%	37%	-12%	-13%

Committee Action

This is an informational report only. This report should be referred to and reviewed by the Finance and Audit Committee.



Pamela Bryant
Capital Finance Manager

¹ To provide additional context for the \$198 million available balance; the average total expenditure authority for the last five capital budgets has been approximately \$98 million.

Attachments

pc: Chris Abele, County Executive
Scott B. Manske, Comptroller
Luigi Schmitt, Chairman, Committee on Finance and Audit
Supervisor Willie Johnson, Jr., Vice-Chairman, Committee on Finance and Audit
Joe Lamers, Director, Office of Performance, Strategy and Budget
Guy Smith, Director, Parks
Greg High, Director, DAS-A&E
Lynn Fyhrlund, CIO, DAS-IMSD
Lacey Oldenburg, Director, DAS-IMSD PMO
Donna Brown-Martin, Director- MCDOT
Raisa Koltun, Chief of Staff, County Executive's Office
Kelly Bablitch, Chief of Staff, County Board
Justin Rodriguez, Office of the Comptroller
Stephen Cady, Office of the Comptroller
Vince Masterson, Office of Performance, Strategy and Budget
Sean Hayes, DAS-Facilities Management, Capital Planning Manager