

COUNTY OF MILWAUKEE
INTEROFFICE COMMUNICATION

DATE : April 17, 2020

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 December 31, 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 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 December 31, 2019 Expenditures for capital projects total \$71.5 million with \$52.8 million under contract. This compares to expenditures as of December 2018 that total \$72.6 million, with \$37.9 million under contract.

The available balance as of December 2019 totals \$161.7 million or 57 percent of the remaining budget. This compares to an available balance as of December 2018 that totaled \$127.3 million or 54 percent of the remaining budget.

The table below summaries the data by department. See Attachment 1 for a presentation of the financial data for all of the capital projects as of December 31, 2019.

# OF PROJECT	DEPT	BUDGET	EXPENDED	ENCUMBERED	AVAILABLE BALANCE	% of Budget Approp Remaining
65	Other Agencies	\$ 42,729,645	\$ 19,951,707	\$ 8,481,454	\$ 14,296,484	33%
55	Parks	\$ 16,744,368	\$ 4,550,186	\$ 3,266,235	\$ 8,927,947	53%
50	Airport	\$ 76,979,174	\$ 7,747,307	\$ 16,681,660	\$ 52,550,207	68%
32	Highways	\$ 15,434,416	\$ 7,631,011	\$ 668,158	\$ 7,135,247	46%
24	Courthouse Complex	\$ 15,766,727	\$ 4,158,222	\$ 2,067,828	\$ 9,540,677	61%
22	Zoo	\$ 17,709,347	\$ 7,298,492	\$ 5,964,532	\$ 4,446,322	25%
12	Mass Transit	\$ 90,345,683	\$ 17,503,070	\$ 12,215,586	\$ 60,627,027	67%
6	Museum	\$ 4,693,591	\$ 1,266,716	\$ 614,166	\$ 2,812,709	60%
5	DHHS	\$ 4,326,289	\$ 998,890	\$ 2,274,154	\$ 1,053,244	24%
4	Environmental	\$ 518,746	\$ 138,562	\$ 204,466	\$ 175,718	34%
4	HOC	\$ 744,467	\$ 253,641	\$ 384,380	\$ 106,446	14%
0	BHD	\$ -	\$ -	\$ -	\$ -	0%
0	County Grounds	\$ -	\$ -	\$ -	\$ -	0%
279	Total	\$ 285,992,453	\$ 71,497,804	\$ 52,822,620	\$ 161,672,029	57%

Comparison of Summary Financial Data

Table 2 compares the summary financial data for all capital projects as of December 31, 2019 to the same period from 2016-2018.

The total number of open projects have decreased by 13 from 292 to 279 compared to the end of 2018. The total expended amount has decreased by \$1.1 million from \$72.6 million to \$71.5 million; a decrease of 1%. The total amount encumbered (under contract) has increased by \$14.9 million from \$37.9 million to \$52.8 million; an increase of 39%.

The available balances have increased by \$34.4 million from \$127.3 million to \$161.7 million¹; an increase of 27%. The percentage of funds remaining has increased from 54% to 57%.

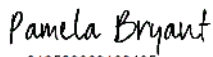
Decreases in the number of open projects accompanied by a similar amount of spending seems to suggest that the lower amount of open projects is a result of fewer projects being added. The 2018 Capital Improvements Budget and 2019 Capital Improvements Budget included only 40 and 55 projects respectively while the five year average of projects added in the annual capital budget was 72 and the 2015 Adopted Capital Improvements Budget included 101 projects.

Table 2: Comparison of Summary Financial Data

	Open Projects	Budget	Expended	Encumbered	Available Balance	% Remaining
31-Dec-19	279	\$285,992,453	\$71,497,804	\$52,822,620	\$161,672,029	57%
31-Dec-18	292	\$237,739,135	\$72,569,833	\$37,913,434	\$127,255,868	54%
31-Dec-17	349	\$246,649,672	\$88,971,148	\$41,541,218	\$116,137,306	47%
31-Dec-16	384	\$226,064,185	\$82,258,316	\$23,055,574	\$120,750,295	53%
Variance vs. YE 2018	-13	\$48,253,318	(\$1,072,029)	\$14,909,186	\$34,416,161	3%
% Variance vs. YE 2018	-4%	20%	-1%	39%	27%	6%
Variance vs. YE 2017	-70	\$39,342,781	(\$17,473,344)	\$11,281,402	\$45,534,723	9%
% Variance vs. YE 2017	-20%	16%	-20%	27%	39%	20%
Variance vs. YE 2016	-105	\$59,928,268	(\$10,760,512)	\$29,767,046	\$40,921,734	3%
% Variance vs. YE 2016	-27%	27%	-13%	129%	34%	6%

Committee Action

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

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Pamela Bryant
Capital Finance Manager

¹ To provide additional context for the \$127.3 million available balance; the average total expenditure authority for the last five capital budgets (2015-2019) has been approximately \$90 million.

Attachments

pc: Chris Abele, County Executive
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
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
Pamela Bryant, Office of the Comptroller
Stephen Cady, Office of the Comptroller
Vince Masterson, Office of Performance, Strategy and Budget