

COUNTY OF MILWAUKEE
INTEROFFICE COMMUNICATION

DATE : April 19, 2019

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

FROM : Scott B. Manske, Comptroller, Office of the Comptroller

SUBJECT : Project Completion Status Report as of December 31, 2018 **(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 2017 carryover amount, 2018 adopted capital budget amount and 2018 capital transfers.

Expended: 2018 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, 2018 Expenditures for capital projects total \$72.6 million with \$37.9 million under contract. This compares to expenditures as of December 2017 that total \$89.0 million, with \$41.5 million under contract.

The available balance as of December 2018 totals \$127.3 million or 54 percent of the remaining budget. This compares to an available balance as of December 2017 that totaled \$116.1 million or 47 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, 2018.

# OF PROJECTS	DEPT	BUDGET	EXPENDED	ENCUMBERED	AVAILABLE BALANCE	% of Budget Approp Remaining
71	Parks	\$ 19,832,692	\$ 4,844,090	\$ 1,357,043	\$ 13,631,560	69%
69	Other Agencies	\$ 48,931,077	\$ 21,486,668	\$ 11,866,349	\$ 15,578,060	32%
42	Airport	\$ 62,325,151	\$ 11,556,889	\$ 4,831,853	\$ 45,936,408	74%
31	Highways	\$ 23,008,627	\$ 11,822,229	\$ 257,127	\$ 10,929,271	48%
28	Zoo	\$ 18,953,988	\$ 14,677,008	\$ 1,314,471	\$ 2,962,509	16%
21	Courthouse Complex	\$ 11,921,971	\$ 1,545,182	\$ 2,620,543	\$ 7,756,245	65%
8	Mass Transit	\$ 43,827,524	\$ 5,231,851	\$ 14,434,692	\$ 24,160,981	55%
6	Environmental	\$ 467,351	\$ 317,965	\$ 107,011	\$ 42,375	9%
6	Museum	\$ 3,611,052	\$ 301,413	\$ 632,745	\$ 2,676,894	74%
6	DHHS	\$ 3,875,050	\$ 248,835	\$ 280,215	\$ 3,346,000	86%
4	HOC	\$ 984,652	\$ 537,703	\$ 211,384	\$ 235,565	24%
0	BHD	\$ -	\$ -	\$ -	\$ -	0%
0	County Grounds	\$ -	\$ -	\$ -	\$ -	0%
292	Total	\$ 237,739,135	\$ 72,569,833	\$ 37,913,434	\$ 127,255,868	54%

Comparison of Summary Financial Data

Table 2 compares the summary financial data for all capital projects as of December 31, 2018 to the same period from one and two years ago.

The total number of open projects have decreased by 57 from 349 to 292 compared to the end of 2017. The total expended amount has decreased by \$16.4 million from \$89.0 million to \$72.6 million; a decrease of 18%. The total amount encumbered (under contract) has decreased by \$3.6 million from \$41.5 million to \$37.9 million; a decrease of 9%.

The available balances have increased by \$11.1 million from \$116.1 million to \$127.3 million¹; an increase of 10%. The percentage of funds remaining has increased from 47% to 54%.

Significant decreases in the number of open projects accompanied by a reduction in the amount of spending seems to suggest that the lower amount of open projects is a result of fewer projects being added. The 2018 Adopted Capital Improvements Budget included only 40 projects 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-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 2017	-57	(\$8,910,537)	(\$16,401,315)	(\$3,627,784)	\$11,118,562	6%
% Variance vs. YE 2017	-16%	-4%	-18%	-9%	10%	14%
Variance vs. YE 2016	-92	\$11,674,950	(\$9,688,483)	\$14,857,860	\$6,505,573	0%
% Variance vs. YE 2016	-26%	5%	-11%	36%	6%	0%

Committee Action

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



Scott B. Manske
Comptroller

¹ To provide additional context for the \$127.3 million available balance; the average total expenditure authority for the last five capital budgets 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
Laurie Panella, 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