

COUNTY OF MILWAUKEE
INTEROFFICE COMMUNICATION

DATE : October 2, 2020

TO : Supervisor Marcelia Nicholson, Chairwoman, County Board of Supervisors

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

SUBJECT : Project Completion Status Report as of June 30, 2020 (**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 2019 carryover amount, 2020 adopted capital budget amount and 2020 capital transfers.

Expended: 2020 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, 2020 for the capital improvements program, departments have approximately \$227.9 million in available budget authority.

Table 1 summarizes the data by department. See Attachment 1 for a presentation of the financial data for all the capital projects as of June 30, 2020.

Table 1: Financial Data for all Capital Projects as of June 30, 2020

# OF PROJECTS	DEPT	BUDGET	EXPENDED	ENCUMBERED	AVAILABLE BALANCE	% of Budget Approp Remaining
29	Highways	\$ 12,898,122	\$ 2,020,259	\$ 492,301	\$ 10,385,563	81%
15	Mass Transit	\$ 78,759,095	\$ 862,935	\$ 14,085,022	\$ 63,811,139	81%
52	Airport	\$ 109,655,543	\$ 5,859,268	\$ 14,195,270	\$ 89,601,005	82%
9	Environmental	\$ 1,708,652	\$ 145,226	\$ 105,381	\$ 1,458,044	85%
55	Parks	\$ 20,017,304	\$ 1,482,303	\$ 6,264,818	\$ 12,270,183	61%
7	Museum	\$ 5,105,141	\$ 255,482	\$ 1,601,487	\$ 3,248,172	64%
21	Zoo	\$ 12,248,792	\$ 4,448,052	\$ 1,651,359	\$ 6,149,382	50%
0	BHD	\$ -	\$ -	\$ -	\$ -	0%
9	DHHS	\$ 4,602,730	\$ 270,987	\$ 2,137,603	\$ 2,194,140	48%
1	County Grounds	\$ 96,168	\$ 2,743	\$ 33	\$ 93,391	97%
21	Courthouse Complex	\$ 23,167,483	\$ 1,383,953	\$ 1,828,263	\$ 19,955,267	86%
4	HOC	\$ 904,955	\$ 19,597	\$ 382,270	\$ 503,088	56%
52	Other Agencies	\$ 38,679,911	\$ 7,670,107	\$ 12,749,417	\$ 18,260,388	47%
275	Total	\$ 307,843,896	\$ 24,420,911	\$ 55,493,223	\$ 227,929,761	74%

Comparison of Summary Financial Data

Table 2 compares the summary financial data for all capital projects as of June 30, 2020 to the same period from 2018-2019.

The total number of open projects have decreased by 8 from 267 to 275. The total expended amount has decreased by \$5.4 million from \$29.8 million to \$24.4 million; a decrease of 18%. The total amount encumbered (under contract) has increased by \$1.0 million from \$54.5 million to \$55.5 million; an increase of 2%.

The available balances have increased by \$29.6 million from \$198.3 million to \$227.9 million¹; an increase of 15%. The percentage of funds remaining has increased from 70% to 74%.

The level of spending has decreased, and encumbrance totals have flattened. Combining the decrease in spending with the increase in the number of projects and project budgets has resulted in a growth in the total available balance. The COVID-19 pandemic has impacted some project activities. Anecdotally, the Office of the Comptroller has heard from some project managers that some project activities were suspended earlier in the year. In addition, some project managers have dedicated time to COVID mitigation projects (not included on this list) that may also limit time spent on other ongoing capital projects. Future reports will provide more clarity about whether the pandemic as resulted in further slowdowns.

Table 2: Comparison of Summary Financial Data

	Open Projects	Budget	Expended	Encumbered	Available Balance	% Remaining
30-Jun-20	275	\$307,843,896	\$24,420,911	\$55,493,223	\$227,929,762	74%
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. 2019	8	\$25,281,403	(\$5,338,732)	\$1,026,848	\$29,593,287	4%
Variance vs. 2018	-12	\$75,274,195	\$5,122,014	(\$12,106,055)	\$82,258,236	11%
Variance vs. 2017	-62	\$77,832,694	\$9,366,369	\$6,134,739	\$62,331,586	2%
% Variance vs. 2019	3%	9%	-18%	2%	15%	5%
% Variance vs. 2018	-4%	32%	27%	-18%	56%	18%
% Variance vs 2017	-18%	34%	62%	12%	38%	3%

¹ To provide additional context for the \$227.9 million available balance; the average total expenditure authority for the last five capital budgets has been approximately \$98 million.

Committee Action

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

_____ *Pamela Bryant* _____ 10/2/2020

Pamela Bryant
Capital Finance Manager

Attachments

pc: David Crowley, County Executive
Scott B. Manske, Comptroller
Jason Haas, Chairman, Committee on Finance
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
Mary Jo Meyers, 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