

Agenda Item 2c - CIP Report by Project (Financial) - City Council - 13 Oct 2020

Background

The Finance Department has been supportive in maintaining and providing versions of the subject report beyond fiscal year-end (June) until the time of reappropriations during the following fiscal year (September). This enables us to document spending associated with work completed by fiscal year end even if there are delays in the invoicing.

The agenda attachment CIP Report whose name includes “**June 2020 updated**” thus provides Council and the public a special annual opportunity to get a good view of our CIP spending performance for FY19-20.

Observations and Recommendations

There are many projects for which the percent of budget expended/encumbered (“used”) is on the order of 90-100%. These would tend to be associated with projects that have been completed during FY19-20, or are very near completion.

There are also some projects that show substantial expenditures in dollars even if the percent used is not so high.

Taken together, these metrics provide a good indication of how projects within the overall CIP program have been prioritized for execution over the past fiscal year. I recommend you bear this in mind as you review the report.

The Grand Total bottom line shows a total percent used of about 22.4% for FY19-20. This is an especially low value, though not surprising in light the disruption caused by Covid.

I will remind you, however, that our expenditure performance for FY18-19 was noticeably improved over that of FY17-18 and other recent prior years. And our early FY19-20 reports were indicating that we may have been on track for another year of improvement.

David Grethen
Public Works Commission