

DPW – FORESTRY SECTION 2006 PROPOSED BUDGET

Executive Summary

1. The 2006 Proposed Budget for the Forestry Section is \$12,109,247, an increase of \$1,437,500 or 13.5% from the 2005 Budget. (page 1)
2. The 2006 Proposed Budget includes 245 authorized positions in the Forestry Section, a decrease of 9 positions from 2005. Full-time equivalents also decrease by about 9 positions, from 189.9 to 180.7. (page 2)
3. The 9 positions being eliminated in the 2006 Budget consist of 4 Urban Forestry Specialist positions and 5 Urban Forestry Laborer (Seasonal) positions. (The actual reduction in Urban Forestry Laborers is 10, since Forestry hired 50 individuals in 2005, not the 45 listed in the 2005 budget) (pages 2 and 3)
4. The 2006 Proposed Budget provides \$721,000 for Forestry Section Operating Expenditures, a decrease of \$95,625 (-11.7%) from the 2005 Budget. (page 3)
5. The decrease in Operating Expenditures is the result of a decision to shift \$100,000 in hazardous tree removal costs from O&M funding to reimbursable funding. (page 3)
6. The 2006 Proposed Budget funds Forestry Section equipment purchases totaling \$220,380, a tenfold increase from the 2005 Budget. This increase can be attributed in part to the fact that no replacement lawn mowers were purchased in 2005; Forestry now plans to return to its annual mower replacement schedule. (page 3)
7. The 2006 Proposed Budget allocates \$631,000 in capital improvement funding for the Forestry Section's program of repairing concealed irrigations systems and drainage systems in City boulevards and replacing those systems when necessary because of street paving projects. This is the same level of funding that was provided in the 2005 Budget. (page 4)
8. The Forestry Section's other capital improvement fund, which supports Forestry's tree-production and tree-planting programs, will receive an allocation of \$650,000 under the 2006 Proposed Budget, the same level of funding provided in the 2005 Proposed Budget. However, in 2005 and earlier years, this fund supported only the tree-planting program -- tree production was funded in Forestry's operating budget. Because this capital fund will now be funding two activities instead of one, Forestry's tree-planting activities will be scaled back. Three Urban Forestry

Specialist positions will be eliminated, as will 2.7 FTEs of Urban Forestry Laborer (Seasonal) positions. About 32% fewer trees will be planted in 2006. (page 4)

9. The 2006 Proposed Budget calls for a reduction in the area of the City's boulevard beds by 6,300 square feet, or 10%, for a savings of \$100,000. One Urban Forestry Specialist position and 10 Urban Forestry Labor (Seasonal) positions will be eliminated in conjunction with this change. (page 4)
10. The Forestry Section estimates that it will receive \$100,000 in revenues in 2006, down from \$350,000 in 2005. The decrease is due to shifting \$250,000 in revenues from hazardous tree removal charges from Forestry's operating budget to reimbursable. The remaining \$100,000 comes primarily the sale of flowers and other plants grown at the City nursery and greenhouses. (page 5)

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2006 PROPOSED BUDGET – DPW-FORESTRY SECTION
Summary by Legislative Reference Bureau – Fiscal Review Section

Expense Category	2004 Actual	2005 Budget	% Change	2006 Proposed	% Change
Personnel Costs	\$10,778,308	\$9,835,322	-8.7%	\$11,167,867	13.5%
Operating Expnd.	\$1,080,583	\$816,625	-24.4%	\$721,000	-11.7%
Equipment Purch.	\$134,007	\$19,800	-85.2%	\$220,380	1013.0%
Special Funds	\$0	\$0	0	\$0	0%
TOTAL	\$11,992,898	\$10,671,747	-11.0%	\$12,109,247	13.5%
Capital	\$835,517	\$1,281,000	53.3%	\$1,281,000	0%
Positions	262	254	-3.1%	245	-3.5%

Functions of the Forestry Section

The Forestry Section, which is part of DPW’s Operations Division, has two primary functions. The first is maintaining a healthy City tree inventory, namely the “urban forest” of 200,000 City street trees. This includes growing trees at the City nursery, planting, pruning and maintaining trees, removing hazardous and damaged trees and combating tree diseases and pests.

The second function of the Forestry Section is to carry out the Boulevard Beautification Program. This includes mowing medians, designing and maintaining flower beds, and repairing irrigation systems for the City’s 120 miles of boulevards.

Historical Information

1. In the 2000 Budget, boulevard mowing was reduced by 25%. The new mowing schedule reduced the number of mowings from 25 to 18 per year, for a savings of \$55,000. The elimination of 4 positions (2 permanent, 2 seasonal) was also attributed to this change in the mowing policy.
2. By amendments to the 2001 Budget totaling \$343,292 in additional funding, the Common Council restored personnel for boulevard turf maintenance, watering and mowing to the 1999 level.
3. By amending the 2002 Budget to provide \$114,916 in additional funding, the Council restored funding for full irrigation of boulevards. Also, \$180,474 was added to restore funding for 10 positions of “Urban Forestry Laborer, Aux. (Seasonal)” for full turf maintenance and boulevard mowing. However, in 2004, capital funding for boulevard maintenance was reduced and irrigation was changed to “bed only”.

4. In 2003, the Forestry Section used staff retirements as an opportunity to reduce its management staffing by 3 positions. Forestry now has one "Urban Forestry District Manager" and three "Urban Forestry Manager" positions for each of its three districts.
5. With the 2004 Budget, Forestry converted 40% of the boulevard flower beds from annuals to perennials. This was expected to produce long-term savings in boulevard maintenance costs. Also, the tree-pruning cycle was changed from every three years for younger, smaller trees and six years for older, larger trees to every five years for all trees, for a savings of \$186,000 in 2004.
6. In 2004, the Forestry Section made two significant management-level position changes. First, the "City Forester" and "Sanitation Supervisor" positions were eliminated and replaced by the "Environmental Services Superintendent." Secondly, the grant-funded position of "Environmental Policy Analyst" was created. This position is responsible for securing new environmental grants for the City, as well as for developing policies and coordinating environmental efforts within DPW.
7. Through a combination of increased capital funding and greater availability of trees grown at the City nursery, the Forestry Section was able to increase the number of trees planted from 2,731 in 2003 to 3,607 in 2004. Forestry anticipates planting 3,700 trees in 2005 (4,290 trees budgeted).

2006 BUDGET HIGHLIGHTS AND ISSUES

Personnel

1. Under the 2006 Proposed Budget, the total number of authorized positions in the Forestry Section will be 245, a decrease of 9 positions (-3.5%) from the 2005 Budget. Full-time equivalent positions will drop from 189.9 to 180.7 (-4.8%).
2. The Forestry Section's total personnel costs in the 2005 Proposed Budget are \$11,167,867, a 13.5% increase from \$9,835,322 in the 2004 Adopted Budget. This reduction can be attributed entirely to higher fringe-benefit costs and to 2006 rates of pay being used in preparation of the 2006 Budget (as opposed to the 2002 rates of pay used in the 2005 Budget).
3. Position changes include the elimination of 4 Urban Forestry Specialists. Three of these positions are being cut as a result of Forestry's plan to fund its tree-production program with the same capital account it uses to fund its tree-planting program. The other Urban Forestry Specialist will be eliminated in conjunction with a proposed 10% reduction in boulevard plantings. (Both of these proposals will be discussed in greater detail below) All of these Urban Forestry Specialist positions are currently vacant.

4. In addition to eliminating 4 Urban Forestry Specialist positions, the 2006 Proposed Budget also reduces the number of Urban Forestry Laborer (Seasonal) positions from 45 (2005 Budget) to 40. However, the real reduction in positions is from 50 to 40, because Forestry actually hired 50 Urban Forestry Laborers in 2005, not 45. As with the elimination of the Urban Forestry Specialists, the decrease in number of Urban Forestry Laborers is related to both the shift in funding sources for tree production and the reduction in the area of boulevard beds.

Operating Budget

1. The 2006 Proposed Budget provides \$721,000 for Operating Expenditures, a decrease of \$95,625 (-11.7%) from the 2005 Budget.
2. The decrease in Operating Expenditures is wholly attributable to a reduction in the Other Operating Services category from \$191,750 to \$100,000. This reduction is a result of a decision to shift \$100,000 in hazardous tree removal from O&M funding to reimbursable funding.
3. The only Operating Expenditures category with a funding increase for 2006 is Energy, which is rising from \$5,000 to \$7,500 to reflect anticipated higher motor fuel costs.

Equipment Purchases

The 2006 Proposed Budget funds Forestry Section equipment purchases totaling \$220,380. This represents a tenfold increase over the amount budgeted for equipment purchases in 2005. The items to be purchased are:

Hustler mower	\$43,000
Other mowers (4)	\$108,000
Work trailers (7)	\$44,380
Work shanties (2)	\$25,000

The sharp increase in equipment expenditures for 2006 can be attributed in part to the fact that, in 2005, the Forestry section deviated from its 6-year mower replacement schedule and postponed purchasing 5 replacement mowers for another year. The work trailers to be replaced are in the range of 12-15 years old, while the shanties are more than 15 years old. Both types of equipment have a 10-year life expectancy.

Special Funds

The 2006 Proposed Budget contains no special funds for the Forestry Section.

Capital Projects

The 2006 Proposed Budget includes two capital improvement items for the Forestry Section:

1. Concealed Irrigation and General Landscaping/City Boulevards – The 2006 Proposed Budget allocates \$631,000 for repair of concealed irrigations systems and drainage systems in City boulevards, and for replacement of these systems necessitated by street paving projects. This is the same level of funding that was provided in the 2005 Budget.
2. Tree Planting and Production Program - The 2006 Proposed Budget provides \$650,000 for the Forestry Section's tree planting program capital account, the same level of funding as 2005. This program funds the planting of street trees and other plant materials in conjunction with the construction of new streets or the reconstruction of existing streets or sidewalks. It also funds the planting of replacements for dead, diseased or damaged trees.

For 2006, DPW is proposing a substantial change to the use and purpose of this capital fund. In addition to funding Forestry's tree-planting activities, it would also be used to fund tree production at the City nursery. This would allow tree production to be shifted from O&M to capital funding. However, since there would be no increase in the funding level for this capital account, and the funds would now have to be divided between two activities (tree planting and tree production), Forestry's tree-planting activities will have to be scaled back. As mentioned previously, this change necessitates the elimination of 3 Urban Forestry Specialist positions. Also, there will be a reduction of 2.5 FTEs of Seasonal Urban Forestry Laborers devoted to tree-planting activities (the number of positions is not being reduced, but direct labor hours are). The net result of these changes is that the Forestry Section will plant fewer trees in 2006 (an estimated 2,500) than in 2005 (4,290 budgeted, 3,700 likely to be planted).

Boulevard Bed Reduction

In addition to the previously-described changes in the tree-planting program, the Forestry Section's other major program change in the 2006 Proposed Budget is a reduction in the area of beds in the City's boulevards by 6,300 square feet, or 10%. This is equivalent to eliminating roughly 30-35 beds. To compensate for the loss of beds, which are primarily beds of annuals, perennials and shrubs on low-traffic, low-visibility streets, Forestry plans to improve the design and plant variety of boulevard plantings in high-visibility locations. The reduction in number and area of beds will allow the Forestry Section to eliminate one Urban Forestry Specialist positions and 10 Urban Forestry Laborer (Seasonal) positions (2.7 FTEs), for a savings of \$100,000 in 2006.

One measure of citizen reaction to past and future changes in boulevard maintenance practices is the number of boulevard-related service requests received by the Forestry Section. Between January 1 and July 31, 2004, the Forestry Section received 72 such requests. During the same time period in 2005, the number of boulevard service requests was 90, a 25% increase.

Departmental Revenues

The Forestry Section estimates that it will receive \$100,000 in revenues in 2006 – primarily proceeds from the sale of plants produced at the City nursery and greenhouses. This is a substantial decrease from the \$350,000 in revenues budgeted for 2005. However, \$250,000 of this amount was revenue from charges for hazardous tree removal. For 2006, hazardous tree removal will be done on a reimbursable basis, thus eliminating its inclusion in departmental revenue estimates.

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