

RESEARCH AND ANALYSIS SECTION – LEGISLATIVE REFERENCE BUREAU

Executive Summary: 2008 Proposed Budget – DPW – Forestry Section

1. **Activities of Forestry Section:** The main activities of the Forestry Section are 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 Forestry Section mows medians, designs and maintains flower beds, and repairs irrigation systems for the City’s 120 miles of boulevards. It is also working proactively to address the threat of the Emerald Ash Borer. **(Page 2)**
2. **Personnel:** The 2008 Proposed Budget for Net Salaries and Wages is \$8,117,183, an increase of \$209,872 (2.7%), from the \$7,907,311 funded in the 2007 Budget. The 2008 Proposed Budget contains 245 positions, an increase of 3 positions (1.3%) from the 2007 Budget. The total number of full-time equivalent positions will increase from 177.7 to 185.7 (4.5%). There are 167.7 O&M FTEs, compared to 159.7 in the 2007 Budget, an increase of 8 (4.8%). There are 18 non-O&M FTEs, the same as in the 2007 Budget. **(Page 4)**
3. **Operating Expenditures:** The 2008 Proposed Budget provides \$727,880 for Operating Expenditures, a decrease of \$27,120 (3.6%) from \$755,000 in the 2007 Budget. **(Pages 4 & 5)**
4. **Equipment Purchases:** There is \$127,000 in the 2008 Proposed Budget for equipment purchases. This is a \$12,380 (8.9%) decrease from the \$139,380 in the 2007 Budget. **(Page 5)**
5. **Special Funds:** The 2008 Proposed Budget contains no special funds for the Forestry Section. **(Page 5)**
6. **Revenue:** The Forestry Section projects that it will receive \$135,000 in revenues in 2008, an increase of \$35,000 (35%) from the \$100,000 in revenues in the 2007 Budget. **(Page 5)**
7. **Capital Projects:** The 2008 Proposed Budget includes 4 capital improvement items for the Forestry Section for a total of \$1,961,431; Concealed Irrigation and General Landscaping/City Boulevards, Tree Planting and Production Program, Nursery Deer Fence and Sustainable Boulevard Plan. **(Pages 5, 6 & 7)**

RESEARCH AND ANALYSIS SECTION – LEGISLATIVE REFERENCE BUREAU

2008 Proposed Budget: DPW – Forestry Section

Expense Category	2006 Actual	2007 Budget	% Change	2008 Proposed	% Change
Personnel Costs	\$7,775,914	\$7,907,311	1.7%	\$8,117,183	2.7%
Operating Expenditures	\$741,113	\$755,000	1.9%	\$727,880	-3.6%
Equipment Purchases	\$180,544	\$139,380	-22.8%	\$127,000	-8.9%
Special Funds	\$0	\$0	0%	\$0	0%
TOTAL	\$8,697,571	\$8,801,691	1.2%	\$8,972,063	1.9%
Capital Programs	\$1,357,432	\$1,965,000	44.8%	\$1,961,435	-0.2%
Positions	245	242	-1.2%	245	1.2%

Activities of the Forestry Section

The main activities of the Forestry Section, which is part of DPW's Operations Division, are 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 Forestry Section also mows medians, designs and maintains flower beds, and repairs irrigation systems for the City's 120 miles of boulevards.

The Emerald Ash Borer has emerged as a potential threat to the state's ash tree population. Milwaukee's street tree population contains approximately 36,000 ash trees. Although the pest has yet to be found in Wisconsin, the DPW is working with the state on a pest strategy with an alternative to clear cutting. Throughout 2008 and 2009, DPW will map Milwaukee's ash tree population, including trees on private properties and parks. They have applied for a federal grant to utilize Hyperspectral Imaging Technology for the task. They have also included \$2.4 million for 2012 and 2013 in their Tree Planting and Production Capital Budget for the anticipated replacement of 3,600 street trees killed annually by the Emerald Ash Borer.

Historical Information

1. 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.

2. In 2004, the Forestry Section made two significant management-level position changes. First, the "City Forester" and "Sanitation Superintendent" 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.
3. 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 and 4,290 in 2005. However, in the 2006 Budget, Forestry began funding its tree production program from the same capital account that funds tree planting. As a result, tree-planting activity had to be reduced; 5.5 FTE positions were cut and the number of trees planted fell to 3,515 for 2006.
4. In 2006, the Forestry Section reduced the area of planted beds (annuals, perennials and shrubs) in boulevards by 10%. Eliminated beds were replaced with grass. This allowed for an additional reduction of 2.7 FTE positions.
5. In 2005, a working group was created consisting of Forestry staff as well as elected officials, outside landscape professionals and representatives from business associations and neighborhood groups in order to develop a more systematic approach to boulevard maintenance and to insure the long-term sustainability of Milwaukee's boulevards (from both fiscal and environmental perspectives). The working group met several times in 2005, as did several policy and technical subgroups that reviewed current boulevard-related policies and procedures.
6. In May 2006, DPW-Operations Division released a *2006 Boulevard Plan* for the City of Milwaukee that set forth the findings and recommendations of the working group. A Sustainable Boulevard Plan capital project was included in the 2007 Proposed Budget that represented an effort to implement some, but not all, of the recommendations contained in the *2006 Boulevard Plan*. The Common Council deleted the plan in its review of the 2007 Budget.
7. In 2006, the department began work to develop public private partnerships to preserve the city's boulevard system through a new Gateway Signage Program. Businesses are able to sponsor a gateway sign, for \$45,000 to \$65,000, depending on the size of the sign. One third of the funds are used to support boulevard maintenance and install gateway landscaping around the sign. The department estimates that 40 to 45 sites could feature gateway signage.

2008 Proposed Budget

Personnel

1. The 2008 Proposed Budget for Net Salaries and Wages is \$8,117,183, an increase of \$209,872 (2.7%), from the \$7,907,311 funded in the 2007 Budget.
2. The 2008 Proposed Budget contains 245 positions, an increase of 3 positions (1.2%) from the 2007 Budget. The total number of full-time equivalent positions will increase from 177.7 to 185.7 (4.5%). There are 167.7 O&M FTEs, compared to 159.7 in the 2007 Budget, an increase of 8 (5%). There are 18 non-O&M FTEs, the same as in the 2007 Budget. The increase in O&M FTEs is a technical correction by which all funded positions are now included in the O&M FTE calculation. The positions include auxiliary urban forestry technicians and urban forestry laborers (seasonal).
3. In the 2008 Proposed Budget there is an increase in one Equipment Mechanic III, which is offset by the elimination of one Utility Crew Worker position. There is also an increase in 3 Urban Forestry Specialists in Auxiliary Personnel, which restores auxiliary authority for Urban Forestry Specialists to the level approved in the 2006 budget.
4. In the 2008 Proposed Budget, in association with the Sustainable Boulevard Plan, Forestry will shift funding for 20 of its 40 Urban Forestry Laborer (Seasonal) positions from operating funds to capital.

Operating Expenditures

The 2008 Proposed Budget provides \$727,880 for Operating Expenditures, a decrease of \$27,120 (3.6%) from \$755,000 in the 2007 Budget. The major items increased include:

1. Vehicle Rental, \$20,000, an increase of \$20,000 (100%) from the 2007 Budget of \$0. The increase is for the rental of skid loaders needed for routine maintenance and reconstruction of flower and landscape beds.
2. Tools & Machinery Parts, \$90,000, an increase of \$10,000 (12.5%) from the 2007 Budget of \$80,000. Reduced funding for small equipment in recent years has increased expenditures for repair parts needed to maintain an increasingly aging mowing fleet.
3. General Office Expense, \$15,000, an increase of \$5,000 (50%) from the 2007 Budget of \$10,000. This adjustment is based on historical expenditures for this line item.

The major items which decreased in the 2008 Proposed Budget for Operating Expenditures include:

1. Other Operating Services, \$100,000, a decrease of \$20,000 (16.7%) from the 2007 Budget of \$120,000. This adjustment was made to offset increases in other operating expenses.
2. Reimburse Other Departments, \$57,380, a decrease of \$17,620 (23.5%) from the 2007 Budget of \$75,000. This adjustment was made to offset increases in other operating expenses.
3. Information Technology Services, \$5,000, a decrease of \$7,000 (58.3%) from the 2007 Budget of \$12,000. This adjustment was made to offset increases in other operating expenses.
4. Property Services, \$50,000, a decrease of \$5,000 (9%) from the 2007 Budget of \$55,000. This adjustment was made to offset increases in other operating expenses.

Equipment Purchases

There is \$127,000 in the 2008 Proposed Budget for equipment purchases. This is a \$12,380 (8.9%) decrease from the \$139,380 in the 2007 Budget. The items to be purchased are 1 Hillside Mower and 3 Hustlers.

Special Funds

The 2008 Proposed Budget contains no special funds for the Forestry Section.

Revenues

1. The Forestry Section projects that it will receive \$135,000 in revenues in 2008, an increase of \$35,000 (35%) from the \$100,000 in revenues in the 2007 Budget. The anticipated breakdown of Forestry's 2008 revenues is as follows:

Tree Removal Charges	\$25,000
Miscellaneous Forestry Charges	\$110,000
Total	\$135,000

Capital Projects

The 2008 Proposed Budget includes 4 capital improvement items for the Forestry Section totaling \$1,961,431:

1. Concealed Irrigation and General Landscaping/City Boulevards – The 2008 Proposed Budget allocates \$288,000, a \$625,000 (68.5%) decrease from the 2007 funding level of \$913,000, for repair of concealed irrigations systems in City boulevards, and for replacement of these systems necessitated by street paving projects. This capital account also funds replacement of landscape materials on the medians of streets that were reconstructed in the previous year.
2. Tree Planting and Production Program - The 2008 Proposed Budget provides \$1,107,235 for the Forestry Section’s tree planting and production capital account, a \$55,235 (5.3%) increase from the 2007 funding level of \$1,052,000. This program funds the planting of street trees and other plants 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 and tree production at the City nursery.

The following table shows the history of and proposed number of trees to be planted in the City since 2005.

2005 Actual	2006 Actual	% Change	2007 Budgeted	% Change	2008 Proposed	% Change
4,290	3,515	-18.1%	4,148	18%	4,052	-2.3%

3. Nursery Deer Fence – The 2008 Proposed Budget includes \$66,000 in a one time cost to pay for the installation of a deer management fence along the perimeter of a 160 acre City-owned and operated nursery located in the City of Franklin. Rapid residential and commercial development in Franklin has resulting in increased deer browse and rutting damage to approximately 400 nursery trees at a cost of approximately \$54,0000 annually. The return on investment for this project is approximately 14 months.
4. Sustainable Boulevard Plan - This plan was originally introduced in the 2007 Budget and is again included in the 2008 Proposed Budget. This year the department held a series of public meetings to solicit public reaction to the plan. While a small minority objected to the plan, the department reports that the majority were in favor in order to make the boulevards financially and environmentally more sustainable.

The plan’s key elements include:

1. Boulevards types to be classified as “landmark,” “gateway” and “connecting” depending on their location, historical significance, visibility and traffic volumes.
2. Flower beds will be removed from “connecting” boulevards and shade and ornamental trees planted on these “connecting” street segments as a means of reducing maintenance costs while growing the City’s tree canopy to improve air-quality and reduce storm water runoff. However, many recently renovated flowerbeds will remain on connecting boulevards.

3. Enhancing planting beds at key street intersections (“landmark” and “gateway” locations) through the use of a mix of annuals, perennials, shrubs, native plants, decorative edging and automated irrigation systems.
4. Introducing rain garden elements into boulevard segments.

The 2008 Proposed Budget includes \$500,000 in capital funding to begin implementation of the Sustainable Boulevard Plan. The Sustainable Boulevard Plan will be implemented over a 3-year period, with \$500,000 in capital funding in 2008, \$550,000 in 2009 and \$600,000 in 2010. For 2008, these funds will be used for contracted installation of automated irrigation (\$260,000), salaries for 20 Urban Forestry Laborers (Seasonal) to assist in removal of plant material from flower beds being eliminated (\$140,000) and fringe benefits, topsoil, grass seeds and other expenses related to the re-ordering of flower beds (\$100,000).

Because the Sustainable Boulevard Plan will eliminate manual activation of boulevard irrigation systems and reduce the number of flower beds in the boulevard system, the number of seasonal laborers needed to maintain the boulevards will decrease significantly following implementation of the Plan. The Forestry Section anticipates the elimination of 20 Urban Forestry Laborer (Seasonal) positions once the Plan is fully implemented. This will translate into a \$180,000-\$200,000 annual savings in seasonal staff costs. Thus, DPW projects that the \$1.65 million investment in the Sustainable Boulevard Plan will be fully recovered in 9 to 10 years.

The Sustainable Boulevard Plan will be implemented on a citywide basis, rather than in geographical phases. In other words, in each of the 3 years of Plan implementation, each of Forestry’s 3 districts (North, Central and South) will be re-ordering and converting about one-third of its boulevard segments.

Prepared By: Mary Turk (286-8680)
LRB-Research & Analysis
October 8, 2007