

## DPW – FORESTRY SECTION 2007 PROPOSED BUDGET Executive Summary

1. The 2007 Proposed Budget for the Forestry Section is \$11,909,762, a decrease of \$199,485 or 1.6% from the 2006 Budget. (page 1)
2. The 2007 Proposed Budget includes 242 authorized positions in the Forestry Section, a decrease of 3 positions from 2006. Full-time equivalents also decrease by 3 positions, from 180.7 to 177.7. (page 2)
3. The 3 positions being eliminated in the 2007 Budget are unfunded, auxiliary Urban Forestry Specialist positions. (page 2)
4. The 2007 Proposed Budget provides \$755,000 for Forestry Section Operating Expenditures, an increase of \$34,000 (4.7%) from the 2006 Budget. (page 3)
5. The 2007 Proposed Budget funds Forestry Section equipment purchases totaling \$139,380, a 36.8% reduction in funding from the 2006 Budget. Items to be purchased include 2 lawn mowers, 7 work trailers and 2 work shanties. (page 3)
6. The 2007 Proposed Budget allocates \$913,000 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 44.7% more funding than was provided in the 2006 Budget. (page 3)
7. The Forestry Section's other on-going capital improvement fund, which supports Forestry's tree-production and tree-planting programs, will receive an allocation of \$1,052,000 under the 2007 Proposed Budget, a 61.8% increase from the 2006 funding level. This will enable Forestry to plant 4,148 trees in 2007, or 53.8% more than the 2,700 trees budgeted in 2006. (page 4)
8. The 2007 Proposed Budget includes \$500,000 to fund a new Forestry capital project, the Sustainable Boulevard Plan. It is anticipated that this Plan will be implemented over a 3-year period at a total cost of \$1.5 million. Project funding will support seasonal staff and contracted irrigation work needed to implement the plan. (pages 4 and 5)
9. The Sustainable Boulevard Plan will make the following changes to the City's boulevards:
  - Flower beds will be removed from "connecting" boulevards and replaced with grass and trees. Flower beds on "landmark" and "gateway" boulevards will be retained and enhanced.
  - Irrigation systems will be fully automated.
  - Rain garden elements will be introduced to certain boulevard segments.(page 5)
10. The Forestry Section projects that it will receive \$100,000 in revenues in 2007, the same amount as budgeted for 2006. (page 6)

## 2007 PROPOSED BUDGET – DPW-FORESTRY SECTION

### Summary by Legislative Reference Bureau – Research & Analysis Section

Expense Category	2005 Actual	2006 Budget	% Change	2007 Proposed	% Change
Personnel Costs	\$11,180,475	\$11,167,867	-0.1%	\$11,015,382	-1.4%
Operating Expnd.	\$901,034	\$721,000	-20.0%	\$755,000	4.7%
Equipment Purch.	\$19,425	\$220,380	1034.5%	\$139,380	-36.8%
Special Funds	\$0	\$0	0	\$0	0%
<b>TOTAL</b>	<b>\$12,100,934</b>	<b>\$12,109,247</b>	<b>0.1%</b>	<b>\$11,909,762</b>	<b>-1.6%</b>
Capital	\$1,160,883	\$1,281,000	10.3%	\$2,465,000	92.4%
Positions	254	245	-3.5%	242	-1.2%

### 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. By amending the 2002 Budget to provide \$114,916 in additional funding, the Common 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".
2. 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.
3. 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.

4. 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.
5. 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.
6. With 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 to be planted fell to 2,700 for 2006.
7. Also 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

## **2007 BUDGET HIGHLIGHTS AND ISSUES**

### **Personnel**

1. Under the 2007 Proposed Budget, the total number of authorized positions in the Forestry Section will be 242, a decrease of 3 positions (-1.2%) from the 2006 Budget. Full-time equivalent positions will drop from 180.7 to 177.7 (-1.7%).
2. The Forestry Section's total personnel costs in the 2007 Proposed Budget are \$11,015,382, a 1.4% decrease from the funding level in the 2006 Adopted Budget.
3. The only position change in Forestry's 2007 Proposed Budget is the elimination of 3 of the 14 unfunded, auxiliary Urban Forestry Specialist positions. This will have no direct budgetary impact.
4. For 2007, Forestry will shift funding for 20 of its 40 Urban Forestry Laborer (Seasonal) positions from operating funds to capital. This is the equivalent to 4.5 FTE positions. The change in the funding of these positions, which is associated with implementation of the Sustainable Boulevard Plan (discussed later in this analysis), is largely responsible for the small reduction in Forestry's O&M-funded personnel expenses for 2007.

### **Operating Budget**

1. The 2007 Proposed Budget provides \$755,000 for Operating Expenditures, an increase of \$34,000 (4.7%) from the 2006 Budget.
2. The largest change in Operating Expenditures is occurring in the Other Operating Services category, which is increasing from \$100,000 to \$120,000 (20.0%) to more accurately reflect actual 2005 expenditures. This line item funds various repair services, training and travel expenses and rental costs for mobile toilet facilities.
3. Smaller funding increases are proposed for the General Office Expense category (from \$6,500 to \$10,000; 53.8%), Tools & Machinery Parts (\$75,000 to \$80,000; 6.7%) and Property Services (\$50,000 to \$55,000; 10.0%).

### **Equipment Purchases**

The 2007 Proposed Budget funds Forestry Section equipment purchases totaling \$139,380. This represents a 36.8% reduction in equipment purchases from the amount budgeted for 2006. The items to be purchased in 2007 are:

Hustler mower	\$43,000
Other lawn mower	\$27,000
Work trailers (7)	\$44,380
Work shanties (2)	\$25,000

The proposed reduction in expenditures for equipment purchases can be attributed to fewer lawn mowers being purchased in 2007 (2) than in 2006 (5). Forestry strives to maintain a schedule of replacing its mowers every 7 years.

### **Special Funds**

The 2007 Proposed Budget contains no special funds for the Forestry Section.

### **Capital Projects**

The 2007 Proposed Budget includes three capital improvement items for the Forestry Section:

1. Concealed Irrigation and General Landscaping/City Boulevards – The 2006 Proposed Budget allocates \$913,000 for repair of concealed irrigations systems and drainage systems in City boulevards, and for replacement of these systems necessitated by street paving projects. This capital account also funds replacement of landscape materials on the medians of streets that were reconstructed in the previous year. The 2007 funding level represents a 44.7% increase from the \$631,000 provided for this program in the 2006 Budget.

2. Tree Planting and Production Program - The 2007 Proposed Budget provides \$1,052,000 for the Forestry Section's tree planting and production capital account, a 61.8% increase from the 2006 funding level. 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. Starting this year (2006), this capital account also funds tree production at the City nursery.

For 2007, DPW is proposing a substantial increase in tree planting activity funded by this capital account. Specifically, the 2007 Proposed Budget calls for Forestry to plant 4,148 trees in 2007:

New trees planted for street projects completed in 2006	248
Replacement trees	3,300
<u>Restoration of 50% of trees cut from 2006 Budget</u>	<u>600</u>
TOTAL	4,148 trees

The restoration of trees cut from the 2006 Budget relates to the fact that, in 2006, Forestry reduced the number of trees to be planted this year by 1,200 to compensate for the new policy of funding tree production from the same capital account as tree planting.

The number of trees to be planted in 2007 – 4,148 – is 53.6% higher than the 2,700 trees budgeted for 2006. In 2005, Forestry planted 4,290 trees.

3. Sustainable Boulevard Plan - The 2007 Proposed Budget includes \$500,000 in capital funding to begin implementation of the Sustainable Boulevard Plan. This is a new capital account for 2007. More information on the Sustainable Boulevard Plan is provided below.

### **Sustainable Boulevard Plan**

In recent years, Forestry has made a number of changes to the City's boulevard maintenance program, including reductions to the number of flower beds, changes in the types of flowers planted and adoption of a policy to install bed-only irrigation systems. However, these changes have been incremental and not clearly guided by a long-term vision for the future of the boulevard system, which is well-appreciated by city residents and visitors alike, but costly to maintain. 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), DPW created a working group consisting of Forestry staff as well as elected officials, outside landscape professionals and representatives from business associations and neighborhood groups. This working group was commissioned with the task of developing a long-term plan for the City's boulevards that focuses on the financial and environmental sustainability issues. The working group met several times in 2005, as did several policy and technical subgroups that reviewed current boulevard-related policies and procedures.

In May, 2006, DPW-Operations Division released a *2006 Boulevard Plan* for the City of Milwaukee that sets forth the findings and recommendations of the working group. The Sustainable Boulevard Plan capital project in the 2007 Proposed Budget represents an effort to implement some, but not all, of the recommendations contained in the 2006 Boulevard Plan. Specifically, the Sustainable Boulevard Plan calls for making the following changes to the City's boulevard program over the next 3 years:

1. Boulevards will 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 replaced by grass and ornamental and shade trees. Besides reducing boulevard maintenance costs, the new trees are intended to have positive environmental impacts (i.e., improving air quality and reducing storm water runoff).
3. Planting beds on "landmark" and "gateway" boulevards, particularly at key intersections, will be enhanced through enlargement, the addition of new flower and plant types, the use of decorative edging and the installation of automated irrigation systems.
4. Irrigation systems will be provided for beds only and will be fully automated (i.e., activated by battery-operated or hard-wired timers). However, full-turf irrigation, where it currently exists, will continue until street reconstruction occurs (i.e., up to 40 years for some streets); full-turf irrigation will be fully automated, as well. Forestry already has up to 4 years of experience using automated irrigation equipment on certain boulevard segments. Forestry will use its own on-staff plumber to perform as much of the irrigation automation work as possible; it also has an EBE-certified plumbing contractor that it can call on to assist with this type of work.
5. Rain garden elements will be introduced on certain boulevard segments. Specifically, Forestry wants to conduct a demonstration project on East Bay Street in which boulevard segments would be used for storm water storage bio-retention purposes. Boulevard segments would be contoured and covered with hardy plant materials that can retain storm water and reduce runoff during rain events, but are tolerant of low-moisture conditions at other times.

The Sustainable Boulevard Plan will be implemented over a 3-year period, with \$500,000 in capital funding each year. For 2007, 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 by the time 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 \$1.5 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.

**Departmental Revenues**

The Forestry Section projects that it will receive \$100,000 in revenues in 2007, the same level of revenues budgeted for 2006. The anticipated breakdown of Forestry's 2007 revenues is as follows:

Sale of plant material from the nursery	\$60,000
Charges for removal and replacement of trees damaged by auto impacts	\$30,000
<u>Administrative fees for encroachments and hazardous tree removals</u>	<u>\$10,000</u>
TOTAL	\$100,000

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