

DEPT. PUBLIC WORKS - FORESTRY

RESEARCH AND ANALYSIS SECTION - LEGISLATIVE REFERENCE BUREAU

EXECUTIVE SUMMARY: 2011 PROPOSED BUDGET

HEARING DATE: OCTOBER 22, 2010

1. **Expenditures:** The total 2011 Proposed Budget for DPW-Forestry changes very little from the 2010 Budget. The 2011 Proposed Budget is \$11,547,552, a decrease of \$92,126 (-0.8%) from \$11,639,678 in the 2010 Budget.
2. **Personnel:** Personnel costs decrease by \$146,626, or -1.5%, in the 2011 Proposed Budget. Net salaries and wages decrease \$429,907, or -6.1%, and fringe benefits increase by \$283,281 (9.9%). The total number of positions decreases by 16 from 255 in 2010 to 239 in 2011. This represents a decrease in FTEs of 23.24. This decrease is primarily due to the end of the Sustainable Boulevards capital project and a shift in staffing to Milwaukee Water Works for the installation of automatic meter readers.
3. **Pruning Cycle:** Currently pruning is at a 6-year cycle. With the anticipated permanent shift of 10 Urban Forestry Specialists to the Automated Meter Reading (AMR) program, the cycle is expected to be extended to a 7-year cycle in 2011.
4. **Grant Funding:** The Forestry Section anticipates a total of \$308,177 in grant funding from CDBG. Of this amount, \$200,000 will be allocated for vacant lot maintenance. The Diversity in Urban Forestry program will receive \$108,177. The Forestry Section has partnered with others to develop the grant-funded Diversity in Urban Forestry program to recruit, train and

place up to 30 participants in Urban Forestry careers. The program mirrors the Urban Forestry Specialists training program. The first group has completed its training and approximately half of the 16 trained have been placed in jobs in large companies in the private sector. Placing the remaining trainees has proven to be a challenge due to their criminal and driving histories. Therefore, the remaining placements will be attempted at smaller companies and enhanced screening will be used in selecting the second group of trainees for 2011.

5. **Capital Projects:** The 2011 Proposed Budget includes 3 capital improvement items totaling \$2,637,000, a decrease of \$1,083,504 (29%) from the 2010 Budget. Reduced funding for the Tree Planting and Production program and the end of funding for the Sustainable Boulevard Program account for most of the reduction. The amount allocated for the Tree Planting and Production program in 2011 will provide for the replacement of 3,555 street trees. This will replace the number of trees lost annually to mortality and disease. Requested funding for 2011 was \$2,300,000, for 5,905 trees which would have included 2,450 new trees planted on boulevards in conjunction with the Sustainable Boulevard Plan.

Expense Category	2009 Actual	2010 Budget	% Change	2011 Proposed	% Change
Personnel	\$12,534,178	\$9,862,678	-21.3%	\$9,716,052	-1.5%
Operating	\$700,272	\$843,000	20.4%	\$852,000	1.1%
Equipment	\$204,739	\$134,000	-34.6%	\$179,500	34%
Special Funds	\$640,869	\$800,000	24.8%	\$800,000	0%
TOTAL	\$14,080,058	\$11,639,678	-17.3%	\$11,547,552	-0.8%
Capital	\$2,957,687	\$3,721,004	25.8%	\$2,637,500	-29.1%
Positions	267	255	-4.5%	239	-6.3%
FTEs: O&M	163.7	141.08	-13.8%	123.48	-12.5%
FTEs: Non-O&M	24	34.50	43.8%	28.86	-16.3%

The Forestry Section, which is part of the Department of Public Works' Operations Division, has 2 primary functions. The first is maintaining a healthy City tree inventory, namely, the "urban forest" of 193,000 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.

2011 Proposed Budget

The total 2011 Proposed Budget for DPW-Forestry changes very little from the 2010 Budget. The 2011 Proposed Budget is \$11,547,552, a decrease of \$92,126 (-0.8%) from \$11,639,678 in the 2010 Budget.

Personnel Expenditures

Personnel costs decrease by \$146,626, or -1.5%, in the 2011 Proposed Budget. Net salaries and wages

decrease \$429,907, or -6.1%, and fringe benefits increase by \$283,281 (9.9%). The total number of positions decreases by 16 from 255 in 2010 to 239 in 2011. This represents a decrease in FTEs of 23.24. This decrease is primarily due to the end of the Sustainable Boulevards capital project and a shift in staffing to Milwaukee Water Works for the installation of automatic meter readers.

Operating Expenditures

Operating expenditures in the 2011 Proposed Budget are \$852,000, up \$9,000 (1.1%) from the 2010 Budget amount of \$843,000.

Equipment Expenditures

The 2011 Proposed Budget includes a total of \$179,500 for equipment. This is a \$45,500 (34%) increase from the amount budgeted for 2010. All expenditures are for replacement equipment. Included are 2 mowers, 3 work trailers, 4 computer stations, one utility vehicle and one high pressure sprayer.

Special Funds

DPW-Forestry has one special fund for vacant lot maintenance. There is \$800,000 in this fund for 2011, as there was in 2010. This Vacant Lot Maintenance fund is used for the maintenance of City-owned lots, primarily for mowing and snow removal. In 2008, DPW assumed these responsibilities, and the special fund, from the Department of Neighborhood Services.

Grant Funding

The Forestry Section anticipates grant funding of \$308,177 from CDBG in 2011, the same as in 2010. Of this amount, \$200,000 is allocated for vacant lot maintenance (in addition to the allocation to a special fund for this purpose). The Diversity in Urban Forestry program will receive \$108,177 to offset salaries related to the program.

The Diversity in Urban Forestry program will be in the second year of a 2-year program. The Forestry Section has partnered with others to develop the grant-funded program to recruit, train and place up to 30 participants in Urban Forestry careers. The program mirrors the Urban Forestry Specialists training program. Participants develop skills, knowledge, and abilities related to climbing, rigging, tree identification, tree assessment and maintenance, production pruning, electrical hazard awareness, tree removal, chain saw, chipper, lift truck use and safety, and emergency first aid, including aerial rescue. The first group has completed its training and approximately half of the 16 trained have been placed in jobs in large companies in the private sector. Placing the remaining trainees has proven to be a challenge due to their criminal and driving histories. Therefore, the remaining placements will

be attempted at smaller companies and enhanced screening will be used in selecting the second group of trainees for 2011.

Revenues

The Forestry Section projects that it will receive \$178,300 in revenues in 2011, a \$1,200 increase over revenues budgeted for 2010. Revenues are generated through the sale of plant materials from the nursery, charges for removal and replacement of damaged and hazardous trees, and administrative fees for encroachments.

Tree Service

The City maintains a street tree inventory of 193,000 trees. The Forestry Section loses approximately 2% (3,500 trees) of the tree population annually to mortality and disease, and also plants a similar number of trees annually. The total number of trees in the City's inventory remains fairly constant from year to year. Twenty percent of the City's 193,000 street trees (39,000 trees) were scheduled to be pruned annually, a 5-year pruning cycle. However, record snowfall in 2007/08 created an unprecedented tree backlog that has carried over such that currently pruning is at a 6-year cycle. With the anticipated permanent shift of 10 Urban Forestry Specialists to the Automated Meter Reading (AMR) program, the cycle is expected to be extended to a 7-year cycle in 2011. The AMR program is a program of the Milwaukee Water Works that replaces old manually-read water meters with new automated meters and replaces batteries in aging automated meters.

Capital Projects

The 2011 Proposed Budget includes 3 capital improvement items totaling \$2,637,000, a decrease of \$1,083,504 (29%) from the 2010 budget. Reduced funding for the Tree Planting & Production program and the end of funding for the Sustainable Boulevard Program accounts for most of the reduction.

Concealed Irrigation and General Landscaping City Boulevards - \$460,000

This program replaces infrastructure related to irrigation and landscaped boulevard medians in conjunction with the City's paving program. This program was funded as requested. After 2011, requested funding increases to \$750,000 per year through 2016. The funding increase reflects the increase in the state/federally aided paving program. The program does not directly correlate to increases in state/federal-aided paving because not all arterials have boulevards. The total 6-year capital request is \$4,210,000.

Tree Planting and Production - \$1,347,500

This program funds the production and replacement of trees removed in street construction projects, replacement of dead or diseased trees and the planting of new trees on boulevards. The amount allocated for 2011 will provide for the replacement of 3,555 street trees. This will replace the number of trees lost annually to mortality and disease. Requested funding for 2011 was \$2,300,000, for 5,905 trees which would have included 2,450 new trees planted on boulevards in conjunction with the

Sustainable Boulevard Plan. The total 6-year request was \$12,687,500. The average funding for this program 2007 through 2011 was more than double the average funding from 2000 through 2006. The total 6-year capital request is \$12,687,500.

Emerald Ash Borer Readiness - \$830,000

Emerald Ash Borer has been confirmed in Milwaukee County and therefore is assumed to also be in the City of Milwaukee. Since 2008, \$2.5 million has been allocated to inoculate the City's 33,000 ash trees against the emerald ash borer. One half of the City's ash trees will be inoculated each year as the City transitions to more resistant species. It is estimated that 3,600 trees would be killed each year without treatment. The annual cost to remove and replace those trees would be approximately \$2.7 million. The total 6-year capital request is \$5,080,000.

Sustainable Boulevard Program - \$0

This was a 3-phase project approved by the Common Council in 2007. The plan included automated irrigation systems at signature bed locations and a simplified boulevard design that positions high-profile flower beds on landmark and gateway segments. These are connected by segments with high-quality turf, shade and ornamental trees with selected use of perennials. The program has \$580,000 in carryover borrowing authority remaining from 2010. Final construction of some beds may be delayed due to paving projects. No funding was requested or provided in 2011 for the Sustainable Boulevard Program. As a result of the completion of this project the Forestry Section is reducing its annual budget for

seasonal staffing by \$180,000 and reducing the number of seasonal Urban Forestry Laborers by 6.6 FTEs. There is an additional savings of up to \$170,000 in unemployment compensation claims.

Issues to Consider

1. The pruning cycle is projected to increase from a 5-year cycle to a 7-year cycle. The need to maintain a shorter cycle needs to be considered.
2. The requested budget for Tree Planting and Production included funding for 2,450 new trees that were planned as part of the Sustainable Boulevards project. Funding for 2011 will cover the costs associated with the replacement of existing trees. The loss of

new trees for the boulevard project needs to be addressed.

3. The budget for state/federal-aided paving has increased by 277% from its 2010 level. Although this level of funding is not likely to be sustainable in the long-run, the adequacy of funding for the Concealed Irrigation and General Landscaping program needs to be considered.