



**BAYFIELD COUNTY
FORESTRY AND PARKS DEPARTMENT**

2012 BUDGET NARRATIVE

BUDGET SUMMARY AND HIGHLIGHTS

Revenues: Forest Management Program

The sale of wood is the primary source of revenue for the Forestry Department (approximately 91% of total revenues received). Revenues from the sale of wood for the calendar year 2012 are projected to increase from \$1.996 million in 2011 to \$2.175 million. Much of the predicted revenue increase is the end result of adding a new forester position in 2011. The new forester position was added, in part, to assist in the management of a growing sustainable timber harvest goal (see Table 4). The total allowable harvest goal for 2011 was 5,108 acres, an increase of 63% since 2006.

The additional forester will allow this Department to better reach the targeted sustainable timber harvest goal, thus maximizing the value potential of the forest. It should be noted that the full benefit of an additional forester will not be realized until the year 2014. This is due to the nature of the timber sale contract. In general, timber sale contracts are two years in length, with the potential for 2 one year extensions. In other words, it can take up to four years before the full value of a timber sale is realized. Once normalized, revenues from the sale of wood are projected to hover around \$2.4 million per year (depending on markets). Table 1 displays the budgeted and actual sale of wood revenues since 2006 (2011 and 2012 are estimated).

Table 1: Bayfield County Forest Sale of Wood Revenues

Calendar Year	Revenues Budget	Revenues Actual	Difference
2006	\$1,850,000	\$1,615,584	-\$234,416
2007	\$1,705,000	\$2,167,156	\$462,156
2008	\$1,700,000	\$2,621,308	\$921,308
2009	\$1,727,400	\$2,305,259	\$577,859
2010	\$1,820,500	\$2,047,663	\$227,163
2011	\$1,996,000	\$2,300,000	\$304,000
2012	\$2,175,000	\$2,175,000	\$0
Average	\$1,853,414	\$2,175,996	\$322,581

2011 and 2012 actual revenues are estimates

Revenues from the state of Wisconsin in the form of grants, aids, and loans are estimated to decrease from \$143,678 in 2011 to \$63,395. The primary reason for the decrease is a result of not applying for the variable acreage loan (typically about \$84,000 per year). Also, State budget cuts reduced the amount of grant dollars normally available by approximately \$11,000. Roughly \$60,000 in accumulated non-lapsing Wildlife Grant dollars and \$50,000 from the Land Acquisition account are expected to be spent in 2012. All of the land Acquisition dollars and a portion of the Wildlife dollars will be used to offset some of the reforestation costs. These earmarked non-lapsing dollars will be shown as an injection of revenue in the Fund Balance Applied account. Revenues from the sale of miscellaneous forest products and permit fees are estimated to be \$1,000. Revenues from the sale of sand and gravel are estimated to be \$8,000. Another significant revenue source is a \$7,800 lease for a communications tower. Numerous miscellaneous grants are applied for throughout the year and have the potential to provide additional significant revenues. Table 2 displays total revenues received per account type since 2006 and estimates for 2011 and 2012.

Table 2: Forest Management Program Revenues per Account Type (2011 & 2012 are estimates)

Year	Sale of Wood	State Grants	Road Aid	Loans	Permits	Sand & Gravel	Other*	Total
2006	\$1,615,584	\$51,536	\$8,037	\$84,548	\$1,160	\$165	\$37,948	\$1,798,978
2007	\$2,167,156	\$61,142	\$9,418	\$84,588	\$850	\$5,168	\$165,584	\$2,493,906
2008	\$2,621,308	\$115,456	\$10,440	\$84,588	\$995	\$3,060	\$1,263	\$2,837,110
2009	\$2,305,259	\$87,996	\$12,126	\$84,669	\$553	\$150	\$2,309	\$2,493,062
2010	\$2,047,663	\$62,523	\$11,390	\$84,668	\$2,715	\$9,442	\$27,029	\$2,245,430
2011	\$2,300,000	\$59,011	\$11,347	\$84,667	\$1,000	\$4,000	\$60,750	\$2,520,775
2012	\$2,175,000	\$52,048	\$11,347	\$0	\$1,000	\$8,000	\$125,750	\$2,373,145
Average	\$2,186,710	\$69,959	\$10,586	\$72,533	\$1,182	\$4,284	\$60,090	\$2,394,629

* Includes misc. grants, donations, equipment sales, use agreements, fund balance transfers, etc.

Total revenues for the Department from the management of the County Forest are projected to be over \$2.373 million in 2012.

Revenues: Parks Program

The Forestry Department acquired the management of all county parks in 2011. The four county managed parks include three campgrounds: Twin Bear, Delta Lake and Big Rock; and one day use park: Atkins Lake. Revenues for the parks come in a variety of forms. The primary revenue is from camping (approximately 87% of revenues received). Camping revenues for 2012 are predicted to be around \$73,000. Weather conditions can have a significant impact on potential revenues. Other significant forms of revenue include boat launch and mooring fees, which are predicted to be around \$11,000. Public use boat launch sites are located at Twin Bear, Delta Lake and Atkins Lake. Total park revenues for 2012 are expected to be around \$84,000.

Total Revenues: Forestry and Parks

Total revenues for the combined management of the forestry and parks programs are estimated to be in excess of \$2.457 million for 2012. This represents an increase in excess of 8% over 2011 budgeted revenues.

Expenditures: Forest Management Program

The most significant expense incurred by the Forestry and Parks Department is personnel. The department is made up of 7 full time positions including: 4 foresters, 1 forest technician, 1 office manager, 1 assistant administrator and 1 administrator. The cost of health insurance has been the biggest contributor to the increase in personnel expenses. Since 2006, the total cost of health insurance has increased by 68%. Personnel expenses for 2012 are expected to be around \$633,000. Other significant expenses include payments to Towns, reforestation and general operating.

Townships that contain county forest acreage receive a combined payment equal to ten (10) percent of revenues generated from the sale of wood. The distribution of this money to each Town is based on the percentage of acreage contained within each Township. As a result, estimated total payments to the Towns are projected to be \$217,500. Also, in 2010, the Department adopted a Town Road Improvement Aid program. This program appropriates 1% of the total sale of wood revenues to Town road improvement projects (triggered when actual revenues exceed budgeted revenues). It is estimated that \$21,750 will be earmarked for 2012. The total payment to Townships is expected to exceed \$239,000 in 2012.

Bayfield County maintains one of the largest public land reforestation programs in the state. Reforestation expenses come in a variety of forms including planting, seeding, release, site preparation, and, on occasion, seedling protection. Total reforestation expenses for 2012 are estimated to be \$163,507, consisting of over \$81,000 for planting, \$58,000 for site preparation and \$24,000 for release. However, a sizeable portion (nearly \$100,000) of reforestation expenses will be offset by the injected non-lapsing Wildlife and Land Acquisition dollars.

Operating expenses are projected to be over \$178,000 for 2012. This is slightly higher than 2011, primarily due to the expense incurred from the \$60,000 injection of Wildlife Habitat non-lapsing dollars (as described above).

Total forest management program expenses are estimated to be around \$1.217 million for 2012. This represents a slight decrease when compared to 2011 estimates. Table 3 displays total expenses received per account type since 2006 and estimates for 2011 and 2012.

Table 3: Forest Management Program Expense Summary per Account Type (2011 & 2012 are estimates)

Year	Personnel	Operating	Reforestation	Town Payment¹	Loans	Land Purchase	Total
2006	\$423,646	\$134,827	\$152,369	\$161,558	\$84,548	\$0	\$956,948
2007	\$440,632	\$117,764	\$153,453	\$216,830	\$84,588	\$358,325	\$1,371,592
2008	\$463,030	\$176,453	\$81,453	\$270,636	\$84,588	\$114	\$1,076,274
2009	\$479,696	\$96,838	\$157,117	\$231,083	\$84,669	\$0	\$1,049,403
2010	\$475,294	\$96,021	\$133,148	\$218,339	\$84,668	\$0	\$1,007,470
2011	\$613,989	\$114,659	\$145,000	\$259,956	\$84,668	\$0	\$1,218,272

2012	\$636,781	\$178,171	\$163,500	\$236,500	\$0	\$0	\$1,217,702
Average	\$504,724	\$131,276	\$140,863	\$228,236	\$72,533	\$51,206	\$1,128,237

¹ Towns which contain county forest land receive a prorated 10% share of total sale of wood revenues. Starting 2010, payments from the Town Road Aid program are included.

Expenses: Parks Program

Contractual services are the largest parks management expense. The caretaking of the facilities and grounds, as well as hosting and managing reservations are all duties that are contracted out. The estimated cost of these services is \$30,700 for 2012. The repair and maintenance of all four parks, as well as all utilities, communications and miscellaneous fees are estimated to be over \$22,000. Total expenses for 2012 are estimated to be in excess of \$53,000.

Total Expenditures: Forestry and Parks

Total expenses for the combined management of the forestry and parks programs are estimated to be \$1.267 million for 2012.

Net Revenues: Forestry and Parks

Net revenues from the Forestry and Parks programs combined are expected to be nearly \$1.19 million in 2012. This represents an increase of nearly 17% from the budgeted net revenues for 2011 (roughly \$1.02 million).

PERFORMANCE INDICATORS

The Bayfield County Forestry and Parks Department manages over 167,000 acres of county forest land and 4 county parks. The forest management program is one of the most significant responsibilities of the Department. There are three major facets of the forest management program: 1) forest management (timber sale establishment), 2) reforestation, and 3) forest reconnaissance. The quality and quantity of goal accomplishments, as well as the sold value of timber sales, are some of the best indicators used to evaluate performance. Below are summaries of the major forest management priorities.

- 1) Sustainable harvest goals: Sustainable timber harvest goals for every major forest type are calculated based upon sound silvicultural guidelines and principles. Table 4 displays the sustainable harvest goals and accomplishments of the timber sale program by major forest type since 2006.

Table 4: Bayfield County Forest Sustainable Harvest Goals and Accomplishments (acres)

Species	2006		2007		2008		2009		2010		Average	
	Goal	Accomp.	Goal	Accomp.	Goal	Accomp.	Goal	Accomp.	Goal	Accomp.	Goal	Accomp.
Aspen*	670	765	620	729	620	716	850	928	870	853	726	798
Nor. Hdwd	683	631	700	720	800	803	900	721	900	418	797	659
Red Oak	656	741	550	592	550	533	670	554	670	607	619	605
Paper Birch	200	100	200	79	200	60	200	16	200	156	200	82
Scrub Oak	85	103	85	90	85	89	85	15	85	167	85	93
Red Pine	640	583	584	599	752	731	749	572	870	743	719	646
Jack Pine	0	40	350	286	354	353	405	413	540	518	330	322

White Pine	100	0	100	38	50	6	50	76	50	15	70	27
Fir/Spruce	100	0	100	6	100	0	100	33	100	180	100	44
Total	3,134	2,963	3,289	3,139	3,511	3,291	4,009	3,328	4,285	3,657	3,646	3,276

* Greater accomplishments are a result of managing some of the backlog

Table 5 displays a summary of how the accomplishments for the sustainable timber harvest program are allocated. In general, most of the harvest goal is in the form of a timber sale, however, there are occasions when a stand is updated and managed at a later date. Updates typically occur when a stand has not attained the predicted amount of growth in between harvests, when the data describing the stand is incorrect, or when the stand is removed from management due to a restrictive feature i.e. riparian buffers or inoperable slopes. The differences in total accomplishments displayed in Tables 4 and 5 are a result of managing non-forested stands i.e. grass or upland brush. These stands show up in the total accomplishments, but not in the goals developed for forested stands.

Table 5: Bayfield County Forest Sustainable Harvest Summary (acres)

Year	Management Goal	Timber Sale Establishment	Stand Update	Total Accomplishments
2006	3,134	2,560	421	2,981
2007	3,289	2,950	221	3,171
2008	3,511	2,736	573	3,309
2009	4,009	3,157	243	3,400
2010	4,285	3,331	326	3,657
Average	3,646	2,947	357	3,304

- 2) **Timber sale program:** Bayfield County offers two timber sale lettings per year, one in the spring and one in the fall. Table 6 displays the summary of timber sale offerings since 2006. This table describes the total number of sales sold per year, as well as total acres, the total value of the winning high bids, the average bid value per acre and total revenues received from the sale of timber.

Table 6: Bayfield County Forest Timber Sale Summary

Calendar Year	Sales Offered	Acres Offered	Sales Sold	Acres Sold	Acres Not Sold	Timber Sale Bid Values	Bid Value per Acre	Timber Revenues
2006	49	2,976	38	2,245	731	\$1,752,843	\$781	\$1,615,584
2007	59	3,771	45	3,157	614	\$2,140,897	\$678	\$2,167,156
2008	58	3,546	55	3,507	39	\$2,381,513	\$679	\$2,621,308
2009	45	3,297	42	3,100	197	\$2,510,601	\$810	\$2,305,259
2010	40	3,218	40	3,218	0	\$2,404,178	\$747	\$2,047,663
Average	50	3,362	44	3,045	316	\$2,238,006	\$739	\$2,151,394

- 3) Reforestation program: Reforestation is an integral part of forest management. Bayfield County manages one of the largest public land reforestation programs in the state of Wisconsin. Table 7 displays the summary of the reforestation program from 2006 through 2010. In addition, two deer exclusion fences have been installed on the County Forest to monitor the effects that over browsing has on regenerating red oak, paper birch and white pine. The fence sites are located in Iron River and Cable and total 29 and 50 acres, respectively.

Table 7: Bayfield County Forest Reforestation Program Summary 2006 - 2010 (acres)

Year	Planting			Seeding	Site Preparation				Maintenance		Monitoring
	Red Pine	Jack Pine	White Pine	Jack Pine	Trench	Fire Plow	Scarify	Spray	Rx Fire	Spray	Survival Counts
2006	203	289	0	0	519	23	123	406	0	1,042	1,918
2007	406	23	144	0	535	93	19	308	97	0	2,121
2008	378	207	24	0	796	88	0	442	0	0	1,683
2009	487	415	0	0	726	72	0	348	40	0	2,652
2010	367	196	0	0	363	118	0	420	42	305	2,183
Avg	368	226	34	0	588	79	28	385	36	269	2,111

- 4) Forest Reconnaissance Program: forest reconnaissance, or updating stand information, is a critical aspect of the forest management program. The development of annual and long term goals is nearly entirely dependent on the accuracy of information for each stand in the database. Maintaining accurate and up-to-date stand information is essential. Table 8 displays the summary of compartment/stand updates from 2006 through 2010.

Table 8: Bayfield County Forest Stand Updates (acres)

Year	Goal	Accomplishment
2006	17,000	17,239
2007	17,000	11,002
2008	17,000	9,807
2009	10,000	2,872
2010	10,000	4,079
Average	14,200	9,000

MISSION STATEMENT

The mission of this department is to manage, conserve and protect the resources of the Bayfield County Forest in a manner that ensures optimum production of forest products together with providing recreational opportunities, wildlife habitat, watershed protection and the stabilization of stream flow. Management practices that focus on sustainability and multiple use will ensure a wide variety of forest products and amenities for current and future generations. Natural resources, such as those provided by the Bayfield County Forest, provide valuable social, economic and environmental benefits that are important to our quality of life.

County Forest resources will also be managed to minimize adverse effects from natural catastrophes such as fire, insect and disease outbreaks, and from human threats such as encroachment, over utilization, environmental degradation, and excessive development.

Management of the County Forest must balance local needs with broader ecological concerns through the integration of forestry, wildlife, fisheries, endangered species protection, water quality, soil capability, and recreational opportunities. Multiple use management provides the assurance of maximum public benefit.

