



**BAYFIELD COUNTY
FORESTRY AND PARKS DEPARTMENT**

2015 BUDGET NARRATIVE

BUDGET SUMMARY AND HIGHLIGHTS

Revenues: Forest Management Program

Traditionally, all of the revenues received over the course of a year came from the management of the County Forest. However, over the past few years, the Forestry Department has been assigned primary management responsibilities of both the County Parks and Trails Programs. In addition to the revenues received from the sale of wood, the Forestry and Parks Department now receives revenues from camping and other parks related activities, as well as monies pertaining to state funded trail maintenance, rehabilitation and construction.

Sale of Wood (Timber Sales)

The sale of wood is the primary source of revenue for the Forestry and Parks Department (approximately 96% of total revenues received from County Forest management and 89% Department wide). Revenues from the sale of wood for the calendar year 2015 are projected to increase from the budgeted \$2.548 million in 2014 to a conservative estimate of \$2.75 million. Much of the predicted revenue increase is the end result of adding a new forester position in 2011. The position was added, in part, to assist in the management of a growing sustainable timber harvest goal (see Tables 12 and 13). The total allowable harvest goal for 2014 was 4,620 acres, an increase of over 50% since 2006.

The additional forester has given this Department the ability to reach the targeted sustainable timber harvest goal, thus maximizing the value potential of the forest. Prior to 2011, the average annual establishment of timber sales equaled just over 3,000 acres. In 2011, the Department established nearly 4,500 acres of new sales and is projecting annual sustainable harvest goals between 4,500 and 4,800 acres.

The \$85,000 investment dedicated to the new forester position will generate additional sale of wood revenues ranging from \$1.2 to \$1.5 million per year! Table 1 displays the total number of timber sales, acres and bid values from 2007-2014 (2014 is an estimate).

Table 1: 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
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
2011	54	4,156	54	4,156	0	\$3,629,330	\$873	\$2,477,066
2012	53	4,782	53	4,782	0	\$4,900,194	\$1,025	\$2,696,756
2013	54	4,275	53	4,177	98	\$3,614,091	\$865	\$3,904,104
2014	55	4,239	55	4,239	0	\$4,000,000	\$944	\$4,000,000
Average	52	3,911	50	3,792	119	\$3,197,600	\$828	\$2,777,414

In 2012, the total value of new timber sales was nearly \$5.0 million! Prior to 2011, this Department averaged approximately \$2.36 million in new timber sales per year. That's an increase of nearly 112%! As long as markets continue to stay constant, the value of new timber sales should average \$3.5 to \$4.0 million per year. Furthermore, the added sales have the potential to foster new job opportunities and supply local wood product industries with the material they need to maintain productivity.

It takes a while before changes in the timber management program come to fruition. In 2013, we finally started to see returns from the investment in the new forester, by eclipsing the \$3.0 million dollar mark (for the first time) and nearly reaching \$4.0 million. In 2014, we are on pace to surpass \$4.0 million! This would be the largest stumpage return on record.

Now that the new forester position has been in place for over three full seasons, we are starting to see outputs, as well as revenues, normalize. In general, timber sale contracts are two years in length, with the potential for two one-year extensions. In other words, it can take up to four years before the full value of a timber sale is realized. Work on maximizing the sustainable management of the forest started in 2011. Assuming constant markets and stable establishment goals, actual revenues from the sale of wood are projected to be around \$3.0 million per year.

Table 2 displays the budgeted and actual sale of wood revenues since 2007 (the actual revenues for 2014 and 2015 are estimated):

Table 2: Bayfield County Forest Sale of Wood Revenues

Calendar Year	Revenues Budget	Revenues Actual	Difference
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	\$2,477,066	\$481,066
2012	\$2,195,000	\$2,696,756	\$501,756
2013	\$2,400,000	\$3,904,104	\$1,504,104
2014	\$2,548,082	\$4,000,000	\$1,451,918
2015	\$2,750,000	\$2,750,000	\$0
Average	\$2,093,554	\$2,774,368	\$680,814

Since 2011, Bayfield County has sold an average of nearly \$4.1 million per year in new timber sales. Due to the long term nature of the timber sale contracts, it can take a while before actual stumpage revenues also increase. There was a slight increase in 2012, but 2013 and 2014 are showing significant increases in stumpage revenues. However, because of the long term nature of timber sale contracts and relative uncertainty in wood markets, stumpage revenue budgets will continue to be conservatively estimated.

Grants, Aids and Loans

Revenues from grants, aids, and loans are estimated to remain relatively stable in 2015.

Revenues from the sale of miscellaneous forest products and permit fees are estimated to be \$500. Revenues from the sale of sand and gravel are estimated to be \$1,000. Another significant revenue source is the \$8,779 lease for a communications tower that was constructed on county forest land.

Numerous miscellaneous competitive grants are applied for throughout the year and have the potential to provide additional significant increases in revenues. The WDNR Sustainable Forestry Grant and Arbor Day Grant are two good examples of grants that have been received mid-budget. Table 3 displays total actual revenues received per account type since 2006. Revenues for 2014 and 2015 are estimated:

Table 3: Forest Management Program Revenues per Account Type (2014 & 2015 are estimates)

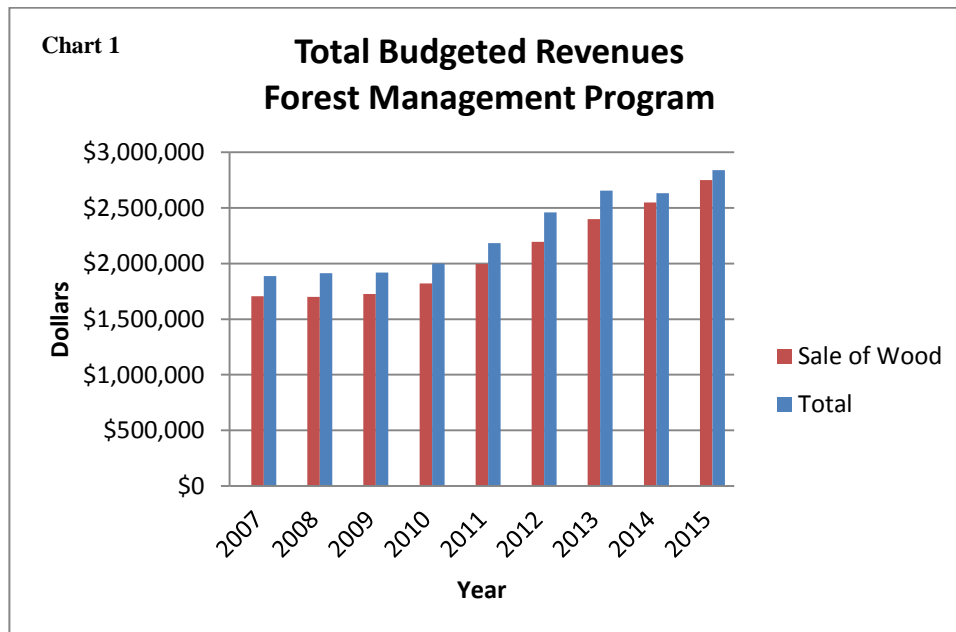
Year	Sale of Wood	Grants	Road Aid	Loans	Permits	Sand/Gravel	Leases	Transfers ¹	Other ²	Total
2006	\$1,615,584	\$51,536	\$8,037	\$84,548	\$1,160	\$165	\$0	\$0	\$37,948	\$1,798,978
2007	\$2,167,270	\$61,142	\$9,418	\$84,588	\$850	\$5,168	\$0	\$80,230	\$85,354	\$2,494,020
2008	\$2,621,308	\$115,456	\$10,440	\$84,588	\$995	\$3,060	\$0	\$0	\$1,263	\$2,837,110
2009	\$2,305,259	\$87,996	\$12,126	\$84,669	\$553	\$150	\$0	\$0	\$2,309	\$2,493,062
2010	\$2,047,663	\$82,923	\$11,390	\$84,668	\$2,715	\$9,442	\$0	\$0	\$6,629	\$2,245,430
2011	\$2,477,066	\$104,247	\$11,347	\$84,667	\$2,004	\$563	\$7,800	\$0	\$13,655	\$2,701,349
2012	\$2,696,756	\$80,299	\$11,330	\$0	\$1,597	\$19,544	\$8,034	\$0	\$29,309	\$2,846,869
2013	\$3,904,104	\$105,608	\$11,896	\$0	\$2,320	\$0	\$8,275	\$0	\$3,978	\$4,036,181
2014	\$4,000,000	\$65,083	\$11,917	\$0	\$500	\$1,000	\$8,523	\$0	\$9,500	\$4,096,523
2015	\$2,750,000	\$64,508	\$11,917	\$0	\$500	\$1,000	\$8,779	\$0	\$2,500	\$2,839,204
Avg	\$2,648,334	\$86,151	\$10,748	\$63,466	\$1,524	\$4,762	\$3,014	\$10,029	\$22,556	\$2,838,836

¹ From General Fund or Non-Lapsing accounts.

² Includes donations, equipment sales, use agreements, etc.

Total Revenues: Forest Management Program

Chart 1 illustrates the total budgeted revenues for the forest management program from 2007 through 2015.



In summary, the budgeted sale of wood revenues increased by about 8% from the amount budgeted in 2014. Total budgeted revenues also increased by 8% over the same period. The budget for sale of wood revenues has steadily increased over the past 8 years, by nearly 62% since 2008.

Total revenues from the management of the County Forest are projected to be nearly \$2.84 million in 2015.

Revenues: Parks Program

The Forestry Department was assigned the management of all county owned 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 88% of revenues received).

Camping revenues for 2015 are predicted to stay constant at around \$70,000. However, weather conditions can have a significant impact on potential revenues. The other significant form of parks revenue comes from boat launch and mooring fees, which are predicted to be around \$10,000. Public use boat launch sites are located at Twin Bear, Delta Lake and Atkins Lake. Total park revenues for 2015 are expected to be around \$80,000.

Table 4 breaks down annual revenues per park (2014 and 2015 are estimated):

Table 4: Annual Distribution of Revenues for the Parks Program (2014 and 2015 are estimated)

Year	Twin Bear			Delta Lake			Big Rock			Atkins Lake			Total
	Camping	Boat Launch	Other*	Camping	Boat Launch	Other*	Camping	Boat Launch	Other*	Camping	Boat Launch	Other*	
2011	\$41,440	\$7,040	\$2,370	\$22,367	\$801	\$42	\$2,812	\$0	\$0	\$0	\$261	\$0	\$77,131
2012	\$47,855	\$6,163	\$2,430	\$27,080	\$861	\$57	\$3,860	\$0	\$0	\$0	\$215	\$0	\$88,521
2013	\$44,602	\$5,324	\$2,092	\$18,982	\$912	\$55	\$3,524	\$0	\$0	\$0	\$181	\$0	\$75,672
2014	\$43,000	\$5,500	\$2,100	\$20,000	\$900	\$50	\$3,250	\$0	\$0	\$0	\$200	\$0	\$75,000
2015	\$45,500	\$6,000	\$2,350	\$21,500	\$900	\$50	\$3,500	\$0	\$0	\$0	\$200	\$0	\$80,000
Avg	\$44,224	\$6,006	\$2,248	\$21,986	\$875	\$51	\$3,389	\$0	\$0	\$0	\$211	\$0	\$79,081

* includes boat mooring, dump station and shower fees.

Revenues: Trails Program

The Forestry Department was assigned the management of the county trails program starting the summer of 2013. This primarily includes the active field management of the county wide, state funded ATV/UTV and snowmobile trails programs. Promotion and advertising of the state funded trail system will still be handled by the Tourism Department.

The primary source of revenue for the trails program comes from the State of Wisconsin in the form of maintenance on existing trails.

Table 5 summarizes the total amount of annual maintenance funds received per trail type:

Table 5: Mileage and Funding For Trails Managed by Bayfield County

Trail Type	Miles	Rate/Mile	Total
Snowmobile Maintenance	437	\$250	\$109,250
ATV Summer Maintenance	86.75	\$600	\$52,050
ATV Winter Maintenance	168	\$100	\$16,800
UTV Maintenance	86.75	\$100	\$8,675
Total	778.5		\$186,775

Additional State grants for new trails or repairs to existing infrastructure are also applied for annually. Awards are based primarily on available funding and not are guaranteed from year to year. Bayfield County also typically receives numerous State supplemental grants every year. These grants can be used to help cover the costs of

maintaining trails, where routine maintenance has exceeded available funds. Supplemental funds are also subjected to availability, are pro-rated based on the amount requested from other County applications throughout the state and, therefore, are not guaranteed to cover 100% of the overage. Depending on these factors, Bayfield County has seen supplemental requests funded at rates from 60% to 100%.

Total Revenues: Forestry, Parks and Trails

Total revenues for the combined management of the forestry, parks and trails programs are estimated to be a little over \$3.1 million for 2015. This represents an increase of approximately 7% when compared to the 2014 amended budget.

Table 6 describes total revenues per program type from 2007-2015 (2014 and 2015 are estimated).

Table 6: Total Budgeted Revenues Per Program

Calendar Year	Forest Management	Parks	Trails*	Total
2007	\$1,885,971	\$0	\$0	\$1,885,971
2008	\$1,912,971	\$0	\$0	\$1,912,971
2009	\$1,918,763	\$0	\$0	\$1,918,763
2010	\$1,999,655	\$0	\$0	\$1,999,655
2011	\$2,183,591	\$87,250	\$0	\$2,270,841
2012	\$2,460,449	\$80,000	\$0	\$2,540,449
2013	\$2,656,238	\$80,000	\$352,878	\$3,089,116
2014	\$2,632,224	\$80,000	\$195,465	\$2,907,689
2015	\$2,839,204	\$80,000	\$186,775	\$3,105,979
Average	\$2,276,563	\$45,250	\$81,680	\$2,403,493

**2013 figure included already approved new construction grants when transferred to Forestry.*

**2014 and 2015 figures includes just guaranteed maintenance funds*

For the purpose of making accurate comparisons, the focus has been to assess one budget to the next. Because sale of wood revenues have traditionally been estimated conservatively, actual revenues have routinely exceeded the budget. From 2007 through the estimate for 2014, the actual sale of wood revenues have exceeded budgeted revenues by an average of 38%, with 2013 and 2014 generating substantial surpluses (see Table 2).

As stated earlier, the reason to estimate conservatively is due to the long term nature of our timber sale contracts and instabilities in wood markets. To budget accurately, we are projecting when a sale will be harvested (potentially over a 4 year period) and forecasting market conditions at the time when future sales are sold.

However, we have steadily increased budgeted revenues and, for 2015, are at the highest level ever. As we inch closer to \$3.0 million in estimated revenues, the margin for error will significantly decrease and the potential to earn less than budgeted sale of wood revenues will increase.

Expenditures: Forest Management Program

The forest management program accounts for the vast majority of total expenses within the Department. The most significant expenses include personnel, general operating costs associated with the management of the 167,000 acre county forest, reforestation, and payments to each Township that contains county forest acreage.

Personnel Expenses

The most significant expense incurred by the Forestry and Parks Department is personnel. In the summer of 2013, the Trails Program was moved from Tourism to Forestry. As part of the move, the Department created a new full time position – Recreation Forester. The Department now consists of 9 full time positions including: 4 foresters, 1 recreation forester, 1 forest technician, 1 office manager, 1 assistant administrator and 1 administrator (note: nearly half of the administrator’s salary and benefits are reimbursed to the County by the Wisconsin DNR).

Aside from the increase in total full time staff, the cost of health insurance has been the biggest contributor to the increase in personnel expenses. Since 2007, the total cost of health insurance within the Department has increased by over 90%. Some of the increase is a result of adding the two new full time positions since 2011 and some is related to changes in family status within the Department (moving from an individual plan to a family plan increases the cost of insurance by nearly \$15,000 per occurrence). Total personnel expenses, which include wages, health insurance and retirement are expected to be around \$727,000, an increase of 4% over 2014.

Township Payments

Townships that contain county forest acreage receive a combined payment equal to ten (10) percent of net revenues generated from the sale of wood. The distribution of this money is based on the percentage of acreage contained within each Township. As a result, estimated total payments to the Towns are projected to be \$400,000 in 2014 and 275,000 in 2015.

Table 7 describes the total average annual payments received by each Township that contains Bayfield County Forest acreage. DNR PILT payments (payment in lieu of taxes) are made directly by the State of Wisconsin and were included in this table to display the total direct net revenues received by each Township that contains County Forest acreage.

Table 7: Average Annual Revenues per Township (2010-2014)

Township	County Forest Acreage	Avg. Bayfield County 10% Timber Sales	DNR PILT Payments (\$0.30/ac)	Avg. Bayfield County Town Road Aids	Total Avg. Annual Compensation
Barnes	39,362	\$70,243.25	\$11,808.60	\$4,827.51	\$86,879.36
Bayfield	32,793	\$58,536.04	\$9,837.90	\$5,444.21	\$73,818.16
Bayview	12,952	\$23,111.91	\$3,885.60	\$3,428.43	\$30,425.94
Bell	14,585	\$26,046.27	\$4,375.50	\$2,215.00	\$32,636.77
Cable	5,556	\$9,922.39	\$1,666.80	\$1,150.00	\$12,739.19
Clover	5,387	\$9,619.88	\$1,616.10	\$2,279.80	\$13,515.78
Hughes	24,057	\$42,956.68	\$7,217.10	\$2,586.50	\$52,760.28
Iron River	6,042	\$10,799.67	\$1,812.60	\$1,400.00	\$14,012.27
Orienta	4,720	\$8,440.08	\$1,416.00	\$1,996.00	\$11,852.08
Port Wing	8,876	\$15,851.62	\$2,662.80	\$2,019.60	\$20,534.02
Russell	8,571	\$15,307.10	\$2,571.30	\$1,520.00	\$19,398.40
Tripp	6,544	\$11,676.96	\$1,963.20	\$3,638.40	\$17,278.56
Total	169,445	\$302,511.85	\$50,833.50	\$32,505.45	\$385,850.80

In 2010, the Department adopted a Town Road Improvement Aid program. This program appropriated 1% of the total sale of wood revenues to Town road improvement projects (triggered when actual revenues exceed budgeted revenues). In 2014, the Forestry and Parks Committee increased this fund to 2% of the sale of wood revenues. As a result, it is estimated that \$80,000 will be earmarked for 2015. The total County payment to Townships is expected to be roughly \$355,000 in 2015.

Reforestation

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 2015 are estimated to be \$165,000. This represents an increase of 65% when compared to budgeted costs in 2014. The primary reason: both the planting and seeding programs experienced a natural lull in 2014. For the first time in 15 years, no acres were planted or seeded. Both programs are back to normal in 2015, hence the increase in costs.

Operating Expenses

Operating expenses are projected to be nearly \$144,000 for 2015, nearly identical to the budget for 2014. The most significant operating expenses include mileage for the fleet of vehicles, materials and supplies for the establishment of timber sales, utilities for the garage, data processing and office supplies, repair and maintenance of roads and trails, repair and maintenance of field equipment, the expenditure of numerous grants and loans, publications, subscriptions, dues and professional development.

Total Expenses: Forest Management Program

Total forest management program expenses are estimated to be \$1.39 million in 2015. This represents an increase of 9.5% when compared to the 2014 budget. Additional reforestation expenses, mandatory payments to the Towns, and personnel expenses are the primary reasons for the increase.

Table 8 displays total actual expenses incurred per account type since 2006 (2014 and 2015 are estimated):

Table 8: Forest Management Program Expense Summary per Account Type

Year	Personnel	Operating	Reforestation	Town Payment ¹	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	\$588,787	\$124,533	\$149,697	\$277,033	\$84,667	\$0	\$1,224,717
2012	\$608,110	\$135,334	\$115,304	\$290,808	\$0	\$50,000	\$1,199,556
2013	\$655,895	\$142,207	\$98,512	\$418,674	\$0	\$0	\$1,315,287
2014	\$698,619	\$143,024	\$100,000	\$478,082	\$0	\$20,000	\$1,439,725
2015	\$726,769	\$143,935	\$165,000	\$355,000	\$0	\$0	\$1,390,704
Average	\$537,079	\$129,667	\$130,605	\$284,783	\$50,773	\$42,844	\$1,203,168

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

Expenses: Parks Program

Expenses relating to the management of the parks program are far less than those associated with managing the county forest. Primary expenses include contractual services for the caretaking of the grounds and facilities, waste management (garbage removal), utilities (electric) and repair and maintenance. 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 performed by contractors. The estimated cost of these services is \$35,000 in 2015. The repair and maintenance of all four parks, as well as all utilities, communications and miscellaneous fees are estimated to be nearly \$23,000. Total expenses for 2014 are estimated to be approximately \$60,000, an increase of nearly 7% from 2014.

Table 9 displays the annual budgeted expenses for the parks program since 2011.

Table 9: Annual Budgeted Expenses For the Parks Program

Year	Contractual Services	Utilities	Repair & Maintenance	Other*	Total
2011	\$22,500	\$10,550	\$10,000	\$830	\$43,880
2012	\$30,700	\$9,650	\$12,000	\$1,175	\$53,525
2013	\$31,270	\$10,125	\$12,000	\$1,400	\$54,795
2014	\$32,543	\$10,625	\$12,000	\$1,400	\$56,568
2015	\$35,000	\$12,125	\$12,000	\$1,400	\$60,525
Average	\$30,403	\$10,615	\$11,600	\$1,241	\$53,859

* Printing and Permit Related Expenses

Expenses: Trails Program

The management of the trails program primarily involves maintaining existing trail networks. In a nutshell, this basically means utilizing the annual allocation of maintenance funds provided by the State of Wisconsin, with expenditures offsetting revenues. Occasionally, new grants are awarded for the construction of new trails or major repairs to existing ones (trail rehabilitation). In the past, expenditures equaled revenues on all new construction or trail rehabilitation grants. However, new legislation may require a 20% contribution on all future new construction or rehabilitation grants. This could mean a significant future expenditure on anything other than basic trail maintenance.

Total expenditures for 2015 are estimated to equal revenues: \$186,775. All new construction or rehabilitation grants would require board approval and subsequent budget amendment.

Total Expenditures: Forestry, Parks and Trails

Total expenses for the combined management of the forestry, parks and trails programs are estimated to be approximately \$1.64 million for 2015. This represents an increase of approximately 7.5% when compared to the 2014 budget. Again, the primary reason for the increase is due to additional reforestation, personnel, and Township related expenses.

Table 10 describes the total budgeted expenses for the Forestry Department per program type since 2007 (2014 and 2015 are estimated).

Table 10: Total Budgeted Expenses per Program

Year	Forest Management	Parks	Trails	Capital	Total
2007	\$924,556	\$0	\$0	\$150,000	\$1,074,556
2008	\$998,087	\$0	\$0	\$0	\$998,087
2009	\$1,014,215	\$0	\$0	\$14,400	\$1,028,615
2010	\$1,094,396	\$0	\$0	\$0	\$1,094,396
2011	\$1,205,464	\$44,130	\$0	\$60,500	\$1,310,094
2012	\$1,177,022	\$53,525	\$0	\$41,700	\$1,272,247
2013	\$1,238,210	\$54,795	\$352,878	\$125,250	\$1,771,133
2014	\$1,268,257	\$56,568	\$196,965	\$354,438	\$1,876,228
2015	\$1,390,704	\$60,525	\$186,775	\$132,750	\$1,770,754
Average	\$1,115,026	\$29,949	\$68,730	\$93,286	\$1,306,991

Capital Expenditures: Forestry, Parks and Trails

Table 10 also incorporates Capital requests. Capital expenditures are tracked separately from dedicated Forestry accounts, but were included in the Table to show the total impact of the Forestry and Parks Department on the overall County budget. If Capital budgets are included in the overall summary, total expenditures would decrease by about 5.5%, when compared to 2014.

Net Returns: Forestry, Parks and Trails

Table 11 best communicates the overall bottom line: the total budgeted net returns from the Forestry, Parks and Trails programs from 2007 through 2015 (2014 and 2015 are estimated). Net returns are expected to reach nearly \$1.5 million in 2015. This represents an increase of nearly 6% when compared to the budgeted net returns for 2014.

Table 11: Total Budgeted Net Returns

Year	Revenues	Expenses	Total Return
2007	\$1,885,971	\$924,556	\$961,415
2008	\$1,912,971	\$998,087	\$914,884
2009	\$1,918,763	\$1,014,215	\$904,548
2010	\$1,999,655	\$1,094,396	\$905,259
2011	\$2,270,841	\$1,249,594	\$1,021,247
2012	\$2,540,449	\$1,230,547	\$1,309,902
2013	\$3,099,116	\$1,645,883	\$1,453,233
2014	\$2,907,689	\$1,521,790	\$1,385,899
2015	\$3,105,979	\$1,638,004	\$1,467,975
Average	\$2,404,604	\$1,257,452	\$1,147,151

For 2014, estimated actual net revenues are expected to be around \$2.7 million, which is nearly identical to the record breaking amount generated in 2013 (\$2.785 million) and nearly double the amount estimated in the 2014 amended budget (\$1.385 million). Nearly all of this increase is attributed to another banner year in sale of wood revenues.

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
3. Forest reconnaissance.

The quality and quantity of primary 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 12 displays the sustainable harvest goals and accomplishments of the timber sale program by major forest type since 2008 (note: 2011 marked the first year with 4 full time foresters):

Table 12: Bayfield County Forest Sustainable Harvest Goals and Accomplishments (acres)

Species	2008		2009		2010		2011		2012		2013		Average	
	Goal	Accomp.	Goal	Accomp.	Goal	Accomp.	Goal	Accomp.	Goal	Accomp.	Goal	Accomp.	Goal	Accomp.
Aspen ¹	620	716	850	928	870	853	1,189	1,191	1,005	1,230	1,170	1,151	951	1,012
Nor. Hdwd	800	803	900	721	900	418	914	973	1,321	1,349	970	1,069	968	889
Red Oak	550	533	670	554	670	607	808	798	763	577	795	680	709	625
Paper Birch	200	60	200	16	200	156	200	38	100	132	50	15	158	70
Scrub Oak	85	89	85	15	85	167	85	188	140	142	215	254	116	143
Red Pine	752	731	749	572	870	743	978	987	991	917	900	952	873	817
Jack Pine	354	353	405	413	540	518	516	480	504	493	275	274	432	422
White Pine	50	6	50	76	50	15	50	35	100	93	120	169	70	66
Fir/Spruce	100	0	100	33	100	180	100	140	60	25	130	119	98	83
Swamp Conifer ²	0	0	0	0	0	0	142	160	130	138	140	141	69	73
Swamp Hdwd. ²	0	0	0	0	0	0	126	0	120	87	50	41	49	21
Total	3,511	3,291	4,009	3,328	4,285	3,657	5,108	4,990	5,234	5,183	4,815	4,865	4,494	4,219

¹ Greater accomplishments are a result of managing some of the backlog

² Timber types included in goals starting in 2011

Table 13 breaks down the allocation of forest management accomplishments for the sustainable timber harvest program (2014 and 2015 are estimates).

Table 13: Bayfield County Forest Sustainable Harvest Summary (acres)

Year	Management Goal	Timber Sale Establishment	Stand Update ¹	Total Accomplishments
2008	3,511	2,736	573	3,309
2009	4,009	3,157	243	3,400
2010	4,285	3,331	326	3,657
2011	5,108	4,491	499	4,990
2012	5,234	4,588	595	5,183
2013	4,815	4,348	517	4,865
2014	4,620	4,250	470	4,720
2015	4,600	4,250	350	4,600
Average	4,523	3,894	447	4,341

¹ Stands are updated, in part, due to inaccuracies in the data or insufficient growth for management.

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 12 and 13 are a result of managing non-forested stands i.e. grass or upland brush, which had been previously mistyped. These stands show up in the total accomplishments, but not in the goals developed for forested stands.

Again, note the significant difference in accomplishments starting in calendar year 2011. Total accomplishments have increased by over 40% compared to the average from 2008 to 2010. 2011 marks the first year with the additional forester position.

- 2) **Timber sale program:** Bayfield County offers two timber sale lettings per year, one in the spring and one in the fall. Table 1 (on page 1) displays the summary of timber sale offerings since 2007 (2014 is an estimate) and 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 actual revenues received from the sale of timber.

Since 2011, the Department has increased the amount of timber sale acreage sold by 35% and timber sale bid values by over 70%, when compared to averages from 2007 through 2010. During the same time period, actual revenues received from the sale of wood have increased by over 43%.

- 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. The direct seeding of jack pine in the Barnes Barrens Management Area was added to the program in 2013. In general, there will be a decrease in red pine planting and an increase in jack pine seeding over the next decade. As a result, total reforestation costs are expected to remain stable, if not slightly decrease.

As previously stated, 2014 marked the first year in decades where 0 total acres were be planted or seeded. The emphasis in 2014 was on site preparation and release. Planting and seeding will resume in 2015. Seeding will most likely occur every other year.

In addition, two deer exclusions 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 14 displays the summary of the reforestation program from 2008 through 2015 (2014 and 2015 are estimates).

Table 14: Bayfield County Forest Reforestation Program Summary 2008 - 2015 (acres)

Year	Planting				Seeding	Site Preparation				Maintenance				Monitoring
	Red Pine	Jack Pine	White Pine	Other ¹	Jack Pine	Trench	Fire Plow	Scarify	Spray	Fire	Spray	TSI ²	Bud Cap	Regen
2008	378	207	24	0	0	796	88	0	442	0	0	0	0	1,683
2009	487	415	0	0	0	726	72	0	348	40	0	0	0	2,652
2010	367	196	0	0	0	363	118	0	420	42	305	0	0	2,183
2011	319	153	35	68	0	900	88	0	186	21	324	0	0	1,424
2012	295	107	274	0	0	0	177	120	727	32	609	0	0	2,736
2013	281	174	92	0	558	264	0	40	0	0	449	0	239	2,522
2014	0	0	0	0	0	747	20	30	264	0	273	0	239	2,600
2015	62	0	124	0	202	500	0	40	655	0	650	0	239	2,750
Avg.	274	157	69	9	95	537	70	29	380	17	326	0	90	2,319

¹ In 2011, tamarack and white spruce.

² Timber Stand Improvement - Hand release of established regeneration

- 4) **Forest Reconnaissance Program:** forest reconnaissance, or updating stand information, is a critical aspect of the forest management program. The development of sustainable 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.

Prior to 2014, the goal has been to update stand information on a compartment by compartment basis. A compartment is a way to block or condense the county forest into more manageable sub-units, and can range from a few hundred to a few thousand acres in size. Starting in 2014, the goal is to collect information on a few select forest types that have been targeted as priorities for management. These types are jack pine, red oak and northern hardwood. Jack pine and red oak were the priorities for 2014. The remaining stands of red oak and northern hardwood will be the priority for 2015.

Table 15 displays the summary of compartment/stand updates from 2008 through 2015 (2014 and 2015 are estimates):

Table 15: Bayfield County Forest Stand Updates (acres)

Year	Goal	Accomplishment
2008	17,000	9,807
2009	10,000	2,872
2010	10,000	4,079
2011	10,000	9,728
2012	10,000	8,135
2013	10,000	9,316
2014*	10,000	10,000
2015	10,000	10,000
Average	10,875	7,992

** Move from compartments to specific stand based updates, with a focus on mature jack pine, red oak and northern hardwood stands.*

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 also 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.