

VILLAGE OF PADDOCK LAKE
ANNUAL REPORT OF VILLAGE ACTIVITIES

2017

To the Honorable Village President; Terry Burns, Village Trustee Barb Brenner, Kathy Christenson, Gary Kaddatz, Christopher Kram, Robert Spencer, Gloria Walter and the residents of Paddock Lake. I submit to you the following 2017 Village Administrator's annual report.

This annual report, chronicles a year of hard work and success for a municipality with a staff of eight (8) who continue to provide the highest quality of service to the community and its residents.

In 2017, the Village Board of Trustees and its dedicated staff maintained a financially strong community with an overall operating budget of \$1.8 million dollars, while providing top quality services.

The Village of Paddock Lake is a community on the rise, with an ever increasing diverse population, a progressive and regionally competitive community with a solid vision for economic growth and development. As a municipality located on a heavily traveled traffic corridor, in the center of the County, Paddock Lake has positioned itself for long-term growth and prosperity. The creation of a second Tax Incentive District and the expansion of the Municipal Water Utility District, the Village continues to work on projects that will positively impact the business and development climate within the Village.

The attached department reports reflect the specific efforts, activities and achievements of the Village of Paddock Lake during the calendar year 2017. In order to put the efforts into context and prospective, the following summarizes and recaps major community events, milestones and or arising issues experienced during the year:

JANUARY

- The Village Board of Trustees repealed and recreated Village Ordinance 41.01 as it pertains to flood plain maps.
- The Village Board authorized Village staff to submit the 2016 WWTP Chloride Reduction Progress report to the WDNR.
- The Board authorized staff to replace the administration office phone system with Verizon IP phones.

FEBRUARY

- The Village Board approved Resolution R17-02 approving the project plan and establishing Tax Incentive District No. 2
- The Board of Trustees accepted Requests for Qualifications from developers to develop a senior housing project on lands known a Whitetail Ridge.

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- The Board of Trustees transferred the Village option to purchase lands to the Bear Development.
- The Board of Trustees passed Resolution RI 7-03 authorizing the Village Administrator to enter into a Memo of Understanding with Bear Development to develop a 60 unit Sr. Housing project.
- The Board authorized staff to renew property insurance with Municipal Property Insurance Company and Liability insurance with the League of Wisconsin Municipal Mutual Insurance.
- The Board unanimously approved the adoption of a special event ordinance regulating wedding barns.
- Authorization was given staff to replace the 9 year old copy machine.

MARCH

- The Village Board entered into USDA compliant agreements with our Legal Counsel, Auditor and consulting Engineer, for services associated with the Water Utility Improvement Project.
- Village Trustees authorized staff to transfer 2016 General Fund surplus to the 2017-2021 Capital Improvement Plan Budget.
- The Village Board authorized staff to purchase 100 tons of road salt .
- Village Trustees awarded Reliable HVAC the contract to replace the rooftop HVAC unit on the annex build.
- The Village Board authorized staff to submit the 2016 recycling progress report to the WDNR.

APRIL

- The Village Trustees authorized staff to refund Village Election Workers income tax deductions
- Trustees entered into an agreement with local farmer G. Ludwig to except yard waste and lake weeds.
- Trustees adopted Policy PI 7-01 a policy regulating charitable donations.
- Village Trustees authorized staff to submit the 2016 MS4 progress report to the WDNR.

MAY

- Trustees authorized DPW staff to purchase playground mulch
- Village Board of Trustees approved the DPW spring and summer projects and authorized the Administrator to purchase supplies for projects.
- The Village authorized the Village President to send a letter to the Community Library Director regarding operations and procedures.

- Trustees authorized staff to purchase gift certificates from Bob's Pedal shop to be awarded for best decorated bikes at the Village Bike Parade.

JUNE

- The Board of Trustees received and approved the WDNR WPDES waste water contested case settlement.
- The Village Board approved Baxter and Woodman's Work Order No. 170585.30 to perform the Village Pavement Surface Evaluating Rating
- Village Board authorized the adjustment of Village Hall property lines to accommodate the new Water Utility System.
- Board passed Resolution R17-08 approving the WDNR environmental fee invoice and the annual CMAR.
- Trustees held a public hearing to approve liquor licenses, cabaret licenses, cigarette license and operator's licenses.
- The Village Board authorized staff to refund the remainder of Westosha Central High Schools escrow money for the Multi-use Trail project.
- Trustees engaged Ehlers and Associates to provide reporting services for the two (2) Village Tax Incentive Districts.

JULY

- The Board authorized the Kenosha Running Club to use Village roads for the annual October Fest SK run .
- The Village Board of Trustees and Water Utility Commissioners authorized Village staff to respond and comment to the WDNR water system inspection.
- The Village Board of Trustees accepted the 2016 audit presented by Kathy Andrea of A&O Certified Public Accountants.
- The Board of Trustees agreed to a lease extension with the American Tower Corporation for a forty (40) lease extension of the cellular phone tower site on Village property.
- The Village Board approved Resolution R17-09 a resolution to modify the 2016 General Budget.
- The Village Board entered in to closed session to discuss employee performance reviews.

AUGUST

- The Village Board repealed and recreated the Slow-No Wake boating Ordinance section 15.06
- The Village Board authorized staff to purchase a new desk top computer for the WWTP.
- Trustees approved Baxter and Woodman's work order No. 170659, to conduct a phosphorus removal feasibility study required by the WDNR.

SEPTEMBER

- Trustees approved policy P1 7-02 a policy regulating resident property damage claims against the Village.
- The Village Board approved policy P17-03 a policy regulating private driveway culverts
- Trustees approved Resolution R1 7-10 a resolution exempting the Village from county library taxes.
- Trustees approved Baxter and Woodman work order 170964.40 to design, engineer and oversight for the rehabilitation of sanitary sewers collection system.
- Trustees approved Resolution R17-11 a resolution approving the vulnerability study for the Water Utility District.

OCTOBER

- The Village Board conducted a public hearing to issue a new liquor licenses to Paddock Lake Shell.
- Village Board engaged Associated Appraisals to perform a market update revaluation for 2018
- Village Board of Trustees approved Baxter and Woodman's work order No. 170288.40 to design municipal infrastructure within Whitetail Ridge subdivision.
- Trustees approved the 2018 police services contract with Kenosha County Sheriff's Department.
- Village Board approved the purchase of a new Skid-Steer loader.
- Board convened in closed session to discuss water utility easements.

NOVEMBER

- Village Board of Trustees held a public hearing for the 2018 General Fund and the 2018 Capital Improvement Fund Budget
- Village Board adopted the 2018 General Fund, Capital Improvement, Sanitary Sewer, Water Utility System and Tax Incentive District No.1 Budgets.
- Village Board repealed and recreated the Village Asset Use policy.
- The Village Board approved Baxter and Woodman's work order No. 171042.40 to proceed with design and engineering of the 2018 Street Improvement Project.

DECEMBER

- Village Board approved a Pre -Developers agreement between the Village and Bear Development, LLC to reimburse the Village for all expenses associated with Baxter and Woodman ' s work order 170288.40
- Board of Trustees authorized staff to purchase chairs for the Village Hall.
- Village Board accepted and approved the bid from Reliable HVAC for the replacement of two (2) Village Hall air conditioning units.

- Board of Trustees authorized staff to purchase forestry equipment.
- Trustees approved the 2018 Tree City application and set the Arbor Day activities for April 21, 2018.

GENERAL STATISTICS

During 2017, the Administrative Department staff accomplished the following :

- Processed and investigated four (4) general liability claims.
- Issue two (2) community newsletter
- Processed and issued twenty six {26} golf cart permits.
- Processed twenty three(23) Ash tree removal assistance applications, with cost share of \$29,229.54
- Processed sixty four {64} special assessment requests
- Issued 318 dog licenses, 292 Neutered/Spayed and 26unaltered
- Issued 182 Kenosha County dog park passes
- Issued thirteen (13) coin machine licenses
- Processed and issued eight {8} retail cigarette licenses
- Processed and issued six (10) Class A and Class B Liquor licenses
- Processed and issued two (2) Cabaret entertainment licenses .

GENERAL ADMINISTRATION

Fifteen {15} Recognitions, Resolutions and Proclamations were prepared and submitted by Administrative staff in 2017:

R17-01 -Annual Chloride reduction report

RPC 17-02- Planning Commission approval of TID No.2

RI 7-02- Approval of TID No. 2 project plans and boundaries

RI 7-03- Development of Whitetail Ridge

R1 7-04- 2016 G.F. Budget carryovers and transfers to CIP

RI 7-05- Engage Attorney to work with USDA loan

RI 7-06- Engage Engineer to work with USDA loan

R17-07- Engage Auditor to work with USDA loan

R1 7-08- Approve 2016 CMAR

R1 7-09- 2016 G.F. Budget amendment

RI 7-10- Library tax exemption

R1 7-11- Approve Vulnerability study for water system

R1 7-12- Preliminary resolution for tax bill special assessments

R1 7-13- Final resolution approving tax bill special assessments

Proclamation- Issued the 2017 Arbor DAY Proclamation

Ninety eight (98) staff reports were written and prepared by Village Administrative staff for Village Boards use.

Village staff prepared four (4) policy and procedures, regulating the following:

- Charitable Donations
- Damage claims
- Driveway culverts
- Village Asset use policy

Administrative staff also provided the Village Board, Planning Commission and Lake Rehab District Commissioners information at closed sessions, study session, public hearings and special meetings.

FINANCIAL PLANNING and ANALYSIS/81

As in past years the Village Administrative Department took the lead role in the developing of the 2018 annual General Fund, Wastewater, Water Utility, Capital Improvement Fund and the Lake Rehabilitation fund budgets. Village staff brought forward for review and approval balanced budgets.

Financial Statistics

Invoice Obligations Processed 987

Cash Receipts Processed 2600

Payroll Checks Processed 303

Purchase orders 169

HUMAN RESOURCES /LABOR RELATIONS

Administrative staff continued to administer the benefits program for our full-time employees, including conducting the annual open Group Health Care enrolment in October of 2017.

Staff continued to administer the Group Health, Dental, Vision, Life Insurance, short term disability Insurance and Workers Compensation insurance program. Staff also administrated the Wisconsin Public employee's retirement system.

Each full-time employee received performance reviews in 2017

Staff recruited no new public employees in 2017

RISK MANAGEMENT

Village Administrative staff continued to implement and revise various policies and procedures to stay compliant with Liability and Property Insurance carriers risk management recommendations. Some examples of the new policies for 2017 are: Asset use policy, Driveway culvert policy, charitable donation policy and Property damage claim policy.

Village staff processed a total of four (4) liability claims during the 2017 calendar year. In addition, staff conducted and wrote eight (8) incident reports in anticipation of liability claims.

LEGISLATIVE and INTERGOVERNMENTAL ACTIVITIES

Administrative staff worked with Kenosha County Supervisor, John Poole, Kenosha County Planning and Development staff and Kenosha County Emergency Coordinator to arrange assistance for Village residents effected by the July heavy rains and flooding.

Administrative staff worked with State Representatives to recommend the Village of Paddock Lakes position on the Dark Store legislation, Property Owners Bill of Rights, and storm water regulations.

BUSINESS and COMMUNITY SUPPORT

Village Administrative staff served as a contributing member to the Kenosha County Retail Planning and Recruitment program.

Staff assisted the Lions Club, Kiwanis, Boy Scouts and Girl Scouts with information and support in their civic activities throughout 2017.

PUBLIC SAFETY

Staff continued to work closely with the Kenosha County Sheriff's Department to ensure the implementation of the Village Boards safety goals were being adhered to. The following is the KCSD annual report of activities:

- 909 phone calls
- 349- 911 Emergency calls
- 2035 Officer initiated contacts
- 14 walk-ins for service
- 493 Citations issued
- 152 Criminal arrests
- 38,358 miles patrolled
- 6,052 hours of patrol and enforcement

Staff continued to provide technical support and assistance to the Village contract Fire and Rescue service provider, Salem Lakes Fire and Rescue.

Village staff conducted two hundred and ninety five (295) ordinance enforcements in 2017:

- 16 overgrown lawns
- 8 Abandoned or non-operable vehicles
- 12 Nuisance enforcements
- 57 Dog License enforcements
- 5 Dilapidated buildings
- 4 Tenant/landlord complaints
- 186- Dangerous tree enforcements
- 3 Storm water enforcements
- 2 Illegal dumping enforcements
- 2 RSO Registered Sex Offender residency enforcements.

HEALTH-WELFARE AND RECYCLING

The Health-Welfare and Recycling department continues to see exceptional single stream household recycling results from the Village residents. The Department continued to see increased participation in the Fourth of July Bike Parade and the Christmas Parade.

Recycling

442 tons of recyclables

Recycling grant award \$14,569

294 pounds per capita recycled

Activities

Bike Parade, 172 participants

Christmas Parade 156 participants

BUILDING AND ZONING DEPARTMENT

The Building Department continues to see an increase in activities, not only the increase in permits and projects but also inquiries into residential land development and commercial development. During the year the Building Department maintained a high level of public service that produced the following:

- 721 phone calls for service
- 689 walk-ins for service
- 29 residential plan reviews
- 15 commercial plan reviews
- 114 permits issued
- 206 site inspections
- 78 zoning and development questions answered

Building Inspection Report 2017

RESIDENTIAL	VALUE REPORTED	
1- NSFH	\$120,000	
16- SFH Additions/alterations	\$396,400	
32- Roof/siding	\$226,746	
9- Decks	\$65,230	
22- HVAC/ Elec .	\$76,861	
21- Fences/Driveways	\$80,136	
COMMERCIAL		FEES COLLECTED
4- Tenant build-out	\$216,000	Permits \$13,788
8- Alterations	\$294,500	Park fees \$1,000 Sewer \$6,000
1-Sign	<u>\$2,200</u>	
	\$1,529,973	\$20,788

PUBLIC WORKS

The Public Works Department is responsible for one of the largest parts of the Village annual Budget, including Capital Improvement Program projects, Yard Waste recycling, Snow removal, Park System maintenance, storm water system, right-of-way improvements, street maintenance, Village trees, and Village owned facilities.

The Department provides staff support to the Waste Water Dept., Water Utility and the Lake Rehab district.

During 2017, the Dept. was staffed by three (3) full-time employees and one (1) seasonal part-time employee.

The following is a summary of items completed by the Publics Works Department during calendar year 2017.

SERVICE STATISTICS

Pavement Main .	39	Pavement markings	1.8 miles
Storm water main.	23	Culvert replace	6
Traffic signs	31	Weed spray	6 events
Park Main.	22	Trees pruned	59
Tree removals	19	Trees planted	11
Mosquito spraying	15	Mosquito treatment	35
YRD. Waste	1,871 tons	Tree Brush	168 tons

E-waste	6 tons		
Snow removal	13 events	Road salt/gravel	126 tons
Facility Main.	18	Lk. Dist .	16
Goose Egg addling	11 nests	Set buoys	24
Shouldering	1.3 miles	Ditch M ai n.	32

REGULATORY COMPLIANCE

Storm water MS4 annual report	Chloride reduction
Yard Waste Report	OSHA/SPS report

TREE COMMISSION

The Village tree commission oversees the Village urban forest and administers the Ash Tree Removal Assistance program. The Commission reviewed 26 resident applications for assistance and awarded 23 tree removal assistance grants and denied 3 applicants. These 23 grants assisted residents with the removal of 34 ash trees.

The Commission purchased and distributed 275 saplings to Village residents who lost mature trees as a result of the Emerald Ash Borer (EAB). In addition, the Commission along with volunteers planted a 2 ½ inch caliper Red Maple during the Arbor Day activities.

BUILDING AND GROUNDS

The Building and Grounds encompasses Village owned facilities, Parks, Boat launches, and property defined as Property in the open. 2017 saw the following activities and services provided:

- 53 Park maintenance activities
- 34 Boat launch visits for site maintenance
- 18 Village hall rentals
- Replacement of HVAC unit on Annex building
- 202 users of the Paddock Lake boat launch
- 454 users of the Hooker Lake boat launch
- 39 Hooker Lk. Season passes
- 10 Paddock Lk. Season passes

OBJECTIVES AND GOALS FOR 2018

- Negotiate with the WDNR to renew the Villages Waste water Treatment Plant permit
- Continue to improve emergency preparedness of each Village Department
- Conduct Sanitary Sewer Utility billing audit (even years)
- Continue to work with Kenosha County Retail recruitment group to recruit business

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- Continue to work with the USDA Rural Development Program to finance the Village water utility improvement project
- Seek competitive pricing for the replacement of the Village forestry truck
- Distribute a resident survey
- Investigate cost saving measures in all departments
- Continue to administer the Capital Improvement Program
- Implement a rural storm water ditch line improvement plan and project
- Continue to perform pavement maintenance
- Prepare a comprehensive storm water system maintenance and infrastructure replacement plan

My continued thanks to our Village Board of Trustees, Village employees and the Paddock Lake community for their support of me and the Village of Paddock Lake .

May 2018 be even more productive and exciting.

Sincerely;

2017 GENERAL FUND
EXECUTIVE BUDGET SUMMARY

It is my pleasure to present the proposed FY 2107 General Budget of the Village of Paddock Lake. This budget seeks to address changing service demands, minimize the tax impact felt by the community, and address our current and future capital improvement needs. It prioritizes resources, looks at revenue streams both current and projected, and provides details on significant trends related to our operations.

Budget Highlights

The proposed FY 2017 General Budget depicts how the Village intends to continue providing quality services and sets forth a strategy for ongoing progress in meeting the Villages long-term infrastructure needs. Highlights include:

- Maintaining current service levels
- Funding the Villages five year Capital Improvement Plan
- Maintaining Village reserves
- Ensuring debt obligations are met
- Continue to provide services without increasing the tax levy

This document and the budget process is continuously evolving. Over the years we have added new sections and more information about our organization and we have moved certain expenditures within the budget document to better reflect who supervises those activities. In addition Village departments have found more efficient ways to operate.

The Village of Paddock Lake continues to provide excellent, high level services to its citizens for a reasonable value. We continue to face challenges with our shared State revenue, as the State continues to lower the shared road aids, recycling grants and sales tax aids, we will continue to experience issues with revenues to support our budget.

BUDGET SUMMARY

The Economy

The past three years provides valuable data for the future economic forecast of the Village of Paddock Lake. In those 36 months we have seen a stabilization of several key areas such as; occupancy of businesses, and the stabilization and growth of the overall economic activities of the area.

Stabilization and growth in the Village business community are important, the main reasons are because these factors determine the shared revenue levels the Village can expect to receive from the State. State shared revenues account for 13.3 % or \$241,550 of our budget.

The Village development activity has been slow in recovery, however, our future looks bright with the announcement of two possibly three new developments that should begin in 2017.

In 2017 we expect to see a continuation of slow but steady broader economic recovery. The trend of lowered property values has slowed as housing prices have rebounded and commercial property values continues to increase. Our vacancies in the business district remain low and lower than the areas average (32%) with our vacancy rate at just 7%.

Budget

The proposed budget shows a decrease of .00088% or (\$1,614). The Village continues to experience cost savings in Public Works and General Government Administration due to efficient operations. The proposed budget also depicts increases, these can be seen in contract services, property insurance, liability insurance, group health insurance and workman's compensation insurance. Although we have experienced increases, enough cost savings were found within the budget to keep from increasing taxes.

Revenues

The 2017 budget relies heavily on property taxes to support the operations of the Village General Budget. In addition to property taxes, the budget relies on revenues from the State of Wisconsin, the following shows the sources of revenues and percentages:

Revenue	FY2014	FY2015	FY2016	FY2017	Percent
Tax levy	\$1,133,045	\$1,133,024	\$1,134,699	\$1,134,699	62.1%
Inter/Gov.	\$282,800	\$268,293	\$242,642	\$241,550	13.3%
Non -Bus.	\$62,689	\$67,300	\$58,000	\$58,000	3.2%
Fine/Pen.	\$35,611	\$35,171	\$27,500	\$27,500	1.5%
Public charg	\$232,289	\$255,199	\$243,300	\$243,300	13.3%
Misc.	\$160,418	\$103,000	\$119,500	\$119,500	6.6%

Expenses

The following represents the summary breakdown of major expenses impacting the FY 2017 General Budget:

General Fund	2016	2017	Dollar change	Percent
Debt service	\$435,905	\$433,573	-2,322	- 0.0053%
KCSD	\$263,868	\$267,783	3,915	1.47%
Library	\$73,686	\$74,164	478	.0065%
Fire/Rescue	\$199,972	\$199,972	0	0
Trash/Recyl.	\$250,701	\$250,701	0	0
Group Health	\$148,163	\$151,126	2,963	2%
Work Comp.	\$18,897	\$19,050	153	.008%
Liability/Prop.	\$23,099	\$24,250	1,151	4.75%
Payroll	\$333,753	\$333,749	-4	- .001%
Retirement	\$19,411	\$19,981	570	2.86%

2017 EXECUTIVE BUDGET SUMMARY

The following depicts the breakdown of Village expenditures and how the money is spent by program. Public safety and Debt services represent the two largest areas of program appropriations.

<u>General Government</u>	<u>Expenses</u>	<u>Percent of Budget</u>
Village Board	\$28,586	
Judicial	\$25,341	
Professional services	\$75,700	
Administration	<u>\$290,609</u>	
	\$420,236	22.9%
<u>Public Safety</u>		
Water Patrol	\$7,877	
KCSD	\$268,308	
Fire and Rescue	\$199,972	
Misc.	\$1,300	
Building and Zoning	<u>\$47,087</u>	
	\$524,544	28%
<u>Public Works</u>		
Maintenance	\$184,752	
Snow Removal	\$65,011	
Building Maintenance	\$15,500	
Storm Water	\$9,500	
Street Lights	\$31,000	
Road Maintenance	<u>\$110,000</u>	
	\$415,763	22.7%

Health and Sanitation

Weed control	\$5,500	
Yard Waste	\$61,260	
Refuse/ Recycling	\$250,701	
Health/ human services	<u>\$26,628</u>	
	\$338,589	18.5%

Culture/Recreation

July/Christmas	\$3,200	
Library	\$74,164	
Parks/Lakes	<u>\$18,355</u>	
	\$95,719	5.2%

Conservation

Tree expenses	<u>\$10,000</u>	
		.005%

Contingency

	\$24,709	1.3%
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Debt Services

2017 debt service	\$433,573	23.6%
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Budget Objectives for FY2107

1. Continue to explore and find cost savings in each department
2. Amend the Village fee schedule to reflect neighboring community's fees.
3. Adjust the existing fund balance policy.
4. Explore additional revenue sources.
5. Continue to purchase supplies and equipment using the State and Federal procurement program.

Conclusion

In summary, the Village continues to face challenges created by reduced shared revenues, this trend is likely to persist in the years to come. Nevertheless, the 2017 proposed budget successfully plans expenditures within the available revenues, while maintaining the integrity of our service model and proactively addressing future capitol expenses.

The last year was productive and successful for the Village Board and Village employees. I am thankful to the Village President and Board of Trustees for providing the necessary support to allow staff to continue providing a high level of service. I am also appreciative of all the Village employees who have worked hard on a daily basis to serve the community. It is the Village Board and staffs tradition of excellent service delivery that has helped ease the impact of lower revenues on our budget.

Respectfully submitted,



Timothy A. Popanda

Village Administrator