

**REGULAR MEETING OF
THE VILLAGE OF CLEMMONS COUNCIL
January 25, 2016**

The Village of Clemmons Council met on Monday, January 25, 2016, at 7 p.m. The meeting was held at the Village Hall, Clemmons, North Carolina. The following members were present: Mayor Nelson, Council Members Cameron, Combest, Farmer, Rogers and Wrights. Attorneys Warren and David Kasper were also present.

Call to Order & Pledge of Allegiance

Mayor Nelson called the meeting to order at 7 p.m. and led the Pledge of Allegiance.

Public Comments

There were approximately 18 citizens in attendance. There were two individuals signed in to speak.

C. Robin Dean, 3523 Lawrence Street, Clemmons, NC – expressed his appreciation to the Village of Clemmons Public Works Staff for the job they have done with snow removal.

Lee Covington, 2013 Rossmore Road, Clemmons, NC – Chief Operating Officer, Senior Services of Winston-Salem provided information on the impact of Senior Services for Clemmons residents stating that currently 41 seniors from Clemmons utilize their services which has been comprised of 44 volunteers with 4,600 hours of service and 8,100 miles driven.

Approval of the Minutes

Council Member Rogers moved to approve the minutes of the January 11, 2016 regular meeting as presented. The motion was seconded by Council Member Wrights and unanimously approved.

Approval of the Agenda

Manager Kirby requested to add two items under H. Manager's Report which are "3. Library" and "4. Annexation Agreement".

Council Member Cameron moved to approve the agenda as amended. The motion was seconded by Council Member Farmer and unanimously approved.

Announcements

- A. Recognition of Waste Management Employee Todd Hughes – Mayor Nelson along with Waste Management's Sr. District Manager, Steve Cobb and Government Liaison, Mike Holbrook recognized and presented a certificate to Todd Hughes for his outstanding service by going above and beyond in his service to the citizens of Clemmons. Mr. Hughes stated he is honored to serve the Clemmons community.

- B. Waste Management Updated Schedule – Public Works Director/Village Engineer Mike Gunnell provided an update on Waste Management's schedule due to the winter storm stating that this week there would be pick up of trash two days later

than normal scheduled pick up day and next week trash and recycling would be one day later than normal scheduled pick up day with everyone being back on their regular pick up day beginning the following week.

- C. Street Snow Removal Update - Public Works Director/Village Engineer Mike Gunnell provided an update on the Village of Clemmons street snow removal due to the winter storm. He stated that 85-90% of streets have been cleared with only shady spots remaining. Over the last four days, Public Works employees have spent over 600 combined man hours pushing snow and putting out over 16,000 gallons of brine and 20 tons of salt.

Business

- A. Call for Public Hearings.
1. Zoning Map Amendment for DCB Clemmons, LLC Property - Zoning Docket C-208
 2. Zoning Map Amendment for Village Pointe, LLC Property – Zoning Docket C-209
 3. Zoning Map Amendment for PTX Commercial Property – Zoning Docket C-210

Council Member Cameron made a motion for Public Hearings to be held on Monday, February 8, 2016 at 7 p.m. at Village Hall for Zoning Map Amendment for DCB Clemmons, LLC Property (Zoning Docket C-208), Zoning Map Amendment for Village Pointe, LLC Property (Zoning Docket C-209) and Zoning Map Amendment for PTX Commercial Property (Zoning Docket C-210). The motion was seconded by Council Member Rogers and unanimously approved.

- B. Resolution 2016-R-01 Supporting the Eligibility of Property for the National Register of Historic Places - Philip and Johanna Hoehns (Hanes) House - National Register Designation (Tax Block 4208, Tax Lot 036B and 040H).

Michelle McCullough, City-County Project Planner referenced the property previously being designated as a Local Historic Landmark and advised of the application and process for the property to be named to the National Register of Historic Places Designation. She and stated that the property's significance is due to the craftsmanship and meets Criterion C of the National Register Evaluation which is: The quality of significance in American history, architecture, archeology, engineering, and culture is present in districts, sites, buildings, structures, and objects that possess integrity of location, design, setting, materials, workmanship, feeling, and association, and: C. That embody the distinctive characteristics of a type, period, or method of construction, or that represent the work of a master, or that possess high artistic values, or that represent a significant and distinguishable entity whose components may lack individual distinction.

Council Member Rogers made a motion to adopt Resolution 2016-R-01 Supporting the Eligibility of Property for the National Register of Historic Places – Philip and Johanna Hoehns (Hanes) House – National Register Designation (Tax Block 4208, Tax Lot 036B and 040H) (attached hereto as Exhibit A and incorporated herein by reference). The motion was seconded by Council Member Farmer and unanimously approved.

C. Audit Report for Fiscal Year 2014-2015.

1. *Presentation of the Audit Report* - Finance Officer Ann Stroud introduced Richard Tamer, Partner with Cannon & Company. Mr. Tamer provided a brief overview of their independent audit for the Village of Clemmons for the fiscal year ending June 30, 2015. He stated the audit was filed in a timely manner, approved and accepted. A “clean opinion” is fairly stated in GAAP in the US with everything being in compliance with national standards and was issued finding no exceptions to the numbers. There were no negative variances in expenditures in the budget process. There was a 99.53% collection rate on tax levy. Anything greater than 94% is considered good. The audit included compliance testing due to Federal and State funds exceeding certain levels. There were no compliance issues.
2. *Acceptance of the Audit Report* - Council Member Farmer made a motion to accept the audit report (attached hereto as Exhibit B and incorporated herein by reference). The motion was seconded by Council Member Wrights and unanimously approved.

D. Discussion of Clemmons 101 Class Offering. Council Member Cameron advised that in the past, a Clemmons 101 class was offered on three consecutive Thursday nights. The class is a brief overview of every aspect of Village of Clemmons business and operations. After Council consensus, it was determined that Council Member Cameron would work with Manager Kirby to determine possible dates.

E. Attorney’s Report. – Attorney Warren Kasper provided an update stating that an offer and contract to purchase real property has been submitted to the property owner and the Cook Avenue property is currently before the court and should hear something within the next 2-5 weeks. This will require a budget amendment. A public records request has been filled and sent to the requesting party.

F. Planner’s Report.

1. *Minutes from the January 19, 2016 Planning Board Meeting* – The minutes were presented.
2. *Reminder Town Hall Meeting February 2, 2016 from 6-8pm* - Planner Ledbetter advised that due to the weather, the Town Hall meeting on Tuesday, January 26, 2016 has been rescheduled to Tuesday, February 2, 2016.
3. *Courtyards at Middlebrook Phasing Plan Discussion* – Public Works

Director/Village Engineer Gunnell advised that due to the amount of rainfall, the developer is requesting phasing for this project (Two Phase). He stated Staff's preference is to complete project all at once. Manager Kirby advised that segmented projects have not been considered in the past. Council Members discussed and stated this would possibly start a precedent as well as additional expense and staff time and did not see an adverse consequence to the developer. Aden Stoltzfus with Stoltzfus Engineering, Inc. along with developer Andy Dreyfus, were in attendance to discuss the reason for the request and provide statistics on development and residency timeline projections.

Council Member Rogers made a motion to deny the phasing of the Courtyards at Middlebrook project. The motion was seconded by Council Member Cameron and was unanimous for denial.

4. *MPO Project Submittals*
 - a. Intersection Improvements (Pedestrian Signalization & Stamped Crosswalks)
 - b. Harper Road Gap Sidewalk Project
 - c. Highway 158 Gap Project (Stadium Dr. to Kinnamon Village Shopping Center)
 - d. Small Roadway Project/Streetscape Project (Phase I & II of L/C Rd. Overlay)

Planner Ledbetter advised of a request for submittals of projects for consideration to be forwarded to MPO for STP-DA funds. Council discussion ensued and concerns were voiced on the timeline the funds might be available for the projects. Planner Ledbetter advised she would follow up and report back to Council.

Council Member Cameron made a motion to submit all four projects to MPO for consideration Council Member Combest seconded the motion and unanimously approved (as documented in Resolution 2016-R-02 Support for STP-DA projects for the 2016 Funding Cycle attached hereto as Exhibit C and incorporated herein by reference).

- G. Marketing/Communications Director's Report. Marketing/Communications Director Ford advised that the next Coffee with a Cop will be held on Tuesday, February 9, 2016 at IHOP from 5:00-6:30 p.m. She stated that during the month of February, the Village of Clemmons will be launching the "Neighbors Helping Neighbors" event partnering with Boy Scouts of America and Clemmons Rotary to promote a community-wide food drive for the Clemmons Food Pantry. A specific webpage has been designated for the event as well as a Facebook event page. She also provided an update on the Village of Clemmons Facebook page statistics.

H. Manager's Report.

1. *Financial Summary Reports for November & December 2015* – The reports were presented.
2. *Engineering Street Survey* – Public Works Director/Village Engineer Mike Gunnell reported on the Engineering Street Survey which was performed by Alley, Williams, Carmen & King regarding paving. Based on NCDOT guidelines, the rating scale is 0-100, the Village of Clemmons received an overall rating of 85.4%. The next re-rate will be in 2018.
3. *Library* – Manager Kirby advised that the environmental study has been completed by the County and there were no findings.
4. *Annexation Agreement* – Manager Kirby advised the Annexation Agreement between Winston-Salem and Clemmons has expired. Winston-Salem is in the process of sending an updated Annexation Agreement to Attorney Kasper for Council review and approval.

I. Council Comments. There were none.

J. Closed Session to Discuss Personnel Matters in accordance with NCGS 143-318.11(a)(6) - Council Member Combest moved to go into closed session to discuss personnel matters in accordance with NCGS 143-18.11(a)(6) at 8:43 p.m. The motion was seconded by Council Member Wrights and unanimously approved.

At 10:16 p.m., Mayor Nelson stated that by unanimous vote Council chose to reconvene the open session. No action was taken.

Adjournment

Council Member Rogers moved to adjourn the meeting at 10:16 p.m. The motion was seconded by Council Member Farmer and unanimously approved.



Nickolas B. Nelson
Mayor

ATTEST:



Lisa Shortt, Village Clerk

Resolution Number 2016-R-01

**RESOLUTION SUPPORTING THE ELIGIBILITY OF PROPERTY
FOR THE
NATIONAL REGISTER OF HISTORIC PLACES**

BE IT RESOLVED by the Village of Clemmons, designated as a Certified Local Government, having reviewed and requested public comment on the National Register nomination of the:

- **Philip and Johanna Hoehns House**

that it hereby finds that the said property meets the criteria for listing in the National Register of Historic Places.

BE IT FURTHER RESOLVED that the Village of Clemmons, therefore, recommends that the above finding regarding the:

- **Philip and Johanna Hoehns House**

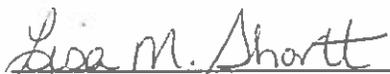
be forwarded and submitted to the appropriate state and federal officials for their consideration and listing on the National Register of Historic Places.

Adopted this the 25th day of January, 2016.



Nickolas B. Nelson, Mayor

ATTEST:



Lisa M. Shortt, Village Clerk





To the Honorable Mayor
and Members of the Board of Commissioners
Village of Clemmons
Village of Clemmons, North Carolina

In planning and performing our audit of the financial statements of the governmental activities, the business-type activities and each major fund of the Village of Clemmons as of and for the year ended June 30, 2015, in accordance with auditing standards generally accepted in the United States of America, we considered the Village of Clemmons's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Village of Clemmons's internal control. Accordingly, we do not express an opinion on the effectiveness of the Village of Clemmons's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we identified certain deficiencies in internal control that we consider to be significant deficiencies.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. We did not identify any deficiencies in internal control that we consider to be material weaknesses.

A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the following deficiencies in internal control to be significant deficiencies.

Due to the size of the staff, the Village is not able to fully segregate all accounting functions. The Village of Clemmons's governing board does not believe the cost of correcting this significant deficiency exceed the benefits to be derived from doing so.

This communication is intended solely for the information and use of management, the governing board, federal and state awarding agencies, and pass-through agencies, and is not intended to be and should not be used by anyone other than these specified parties.

Cannon & Company, L.L.P.

October 15, 2015



October 15, 2015

Honorable Mayor and Members of the Board of Commissioners
Village of Clemmons, North Carolina

We have audited the financial statements of the government activities, the business-type activities, and each major fund of the Village of Clemmons, North Carolina for the year ended June 30, 2015. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards (and if applicable, *Government Auditing Standards* and OMB Circular A-133), as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated May 8, 2015. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Village of Clemmons are described in Note A to the financial statements. The Village implemented Governmental Accounting Standard (GASB) Statement 68, Accounting and Financial Reporting for Pensions (an amendment of GASB Statement No. 27) in the fiscal year ending June 30, 2015. The application of existing policies was not changed during 2015. We noted no transactions entered into by the Village during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. No misstatements were detected as a result of audit procedures that were material, either individually or in the aggregate, to the financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated October 15, 2015.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Village's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Village's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition of our retention.

Other Matters

We applied certain limited procedures to Management's Discussion and Analysis and the Local Government Employees' Retirement System's Schedules of the Proportionate Share of the Net Pension Asset and Contributions which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on the budgetary schedules and other schedules which accompany the financial statements but are not RSI. With respect to the this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

Restriction on Use

This information is intended solely for the use of the Board of Commissioners and management of the Village of Clemmons and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

Cannon & Company, L.L.P.

Cannon and Company, L.L.P.

**Village of Clemmons, North Carolina
Management's Discussion & Analysis
For the Fiscal Year Ended June 30, 2015**

As management of the Village of Clemmons, we offer readers of the Village of Clemmons' financial statements this narrative overview and analysis of the financial activities of the Village of Clemmons for the fiscal year ended June 30, 2015. We encourage readers to read the information presented here in conjunction with additional information that we have furnished in the Village of Clemmons' financial statements, which follow this narrative.

Financial Highlights

- The assets and deferred outflows of resources of the Village of Clemmons exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$54,826,772 (*net position*). Of this amount, \$ 7,276,706 may be used to meet the Villages' ongoing obligations to citizens and creditors, and \$ 45,135,199 is invested in capital assets and is not available for future spending.
- The government's total net position increased by \$794,811 which consisted of an increase in governmental activities of \$527,809 and increase in business type activities of \$267,002. The increase in governmental activities is mainly due to reclassification of capital assets net of depreciation and donation of infrastructure as well as diligence of department heads on managing their budget.
- As of the close of the current fiscal year, the Village of Clemmons' governmental funds reported combined ending fund balances of \$8,252,868 with a net change of (\$83,704) in fund balance. Approximately 1% of this total amount, or \$71,146, is non-spendable; and 29%, or \$2,414,867, is restricted.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$4,996,000 and assigned or committed fund balance was \$744,349. The unassigned fund balance was 85 % of the general fund budget for the fiscal year June 30, 2016, which is \$5,908,395.
- Property taxes accounted for 45% of general fund revenue that provides services to citizens and the community in 2015. The Village's tax rate for the fiscal year 2015 was \$0.115. The collection rate for the Village was 99.53%.
- The Village of Clemmons has no general fund debt.

Resolution Number 2016-R-02

RESOLUTION OF SUPPORT
for STP-DA projects for the 2016 Funding Cycle

BE IT RESOLVED, The Village of Clemmons has reviewed the criteria and categories for the Winston-Salem Metropolitan Planning Organization 2016 Call for projects, and

WHEREAS, The Village of Clemmons recognizes the Metropolitan Planning Organization will commit federal funds to implement Bicycle and Pedestrian, Intersection Improvements, Small Roadway, Streetscape and Transit Projects, and

WHEREAS, The Village of Clemmons' elected body has approved the following projects for consideration: the Harper Road Gap sidewalk project, the Lewisville-Clemmons Road Market Center Drive Phase I and Phase II project, and the Highway 158 Gap sidewalk project. As well as multiple intersection improvement projects at the following intersections: Highway 158/Middlebrook, Stadium/Market Center Drive, Allegacy/Towncenter and reconfiguration of the pedestrian crossing at the Harper Road Bridge Interchange; and

WHEREAS, The Village has included the required applications and supplemental information to the Metropolitan Planning Organization,

NOW, THEREFORE, be it resolved that the Village of Clemmons elected body does hereby support the four projects identified in this resolution to include the 20% funding match requirement, and requests the TAC consider approval of STP-DA funds for the proposed projects.

Adopted this the 25th day of January 2016.



Nickolas B. Nelson
Mayor

ATTEST:



Lisa M. Shortt
Village Clerk

