

The Common Council of the City of Knox met in regular session Tuesday, November 14, 2023, in the City Hall at 6:00 P.M. CST with the following members present: Mayor Dennis Estok; Clerk-Treasurer Cyndi Kidder; Council Members Jeff Berg, Bill Gustafson, Sherry Cowen, Ron Parker, Donald Kring and City Attorney Autumn Ferch. There is no amendment to the agenda.

RE: APPROVAL OF MINUTES REGULAR MEETING 10/24/23

Copies of the previous minutes were mailed to the Council prior to the meeting for their review. Don Kring made a motion to approve minutes as presented. The motion was seconded by Ron Parker and passed by a vote of Five (5) ayes and No (0) nays.

RE: ORDINANCE 2023-OR8 – PENALTY ORDINANCE AMENDMENT – 2ND READING AND ADOPTION

Mayor Estok presented Ordinance 2023-OR8, regarding Amending of Penalties to the Council. Jeff Berg made a motion approving the 2nd reading and adoption of Ordinance 2023-OR8. The motion was seconded by Bill Gustafson and passed by a vote of Five (5) ayes and No (0) nays.

ORDINANCE 2023-OR8

ORDINANCE UPDATING PENALTY LANGUAGE FOR ALL CITY UTILITIES

WHEREAS, the City of Knox is responsible for ordinances setting fees and charges for all municipal Utilities in the City; and

WHEREAS, the Common Council of the City of Knox has been advised that it would be in the best interest of the City Utilities to clarify language regarding policies for penalties and late fees; and

NOW, THEREFORE, BE IT ORDAINED by the Common Council of the City of Knox as follows:

1. Due Date: Bills are due and payable on or before the close of business on the 15th day of each month or the first business day after the 15th in the event the due date falls on a weekend or observed holiday. The Utility also allows for one day grace period. Close of business for online payments is approximately midnight and for in person or mail in payments is approximately 3:00 pm. All times are prevailing time.
2. Late fee. At the end of the grace period, a late fee may be assessed to the unpaid current month’s water, sewer, and trash charges. Hydrant and Stormwater are exempt from late fees.
3. Charges by Utility. The late fees are assessed as follows:
 - (A) Water Utility – 10% (ten percent) on the first \$3.00 (three dollars) and 3% (three percent) on the excess over \$3.00 (three dollars) of the unpaid current month’s charges.
 - (B) Sewer Utility – 10% (ten percent) of the unpaid current month’s charges.
 - (C) Trash Utility - \$0.50 (fifty cents)
4. Application of payments: Payments on past due bills are generally applied to the water utility charges first, then posted to other utilities.

BE IT ORDAINED that all other ordinances and parts of ordinances in conflict herewith are hereby repealed.

BE IT FURTHER ORDAINED that this Ordinance be in full force and effect from and after its passage by the Common Council and signing by the Mayor.

PASSED AND ADOPTED BY THE COMMON COUNCIL OF THE CITY OF KNOX, STARKE COUNTY, INDIANA, THIS 14th DAY OF NOVEMBER 2023.

COMMON COUNCIL OF THE CITY OF KNOX:

Jeff Berg, Council President

Don Kring, Council Member

Sherry Cowen, Council Member

Bill Gustafson, Council Member

Ron Parker, Council Member

Approved by the Mayor this 14th day of November 2023.

Dennis Estok, Mayor

Attest: _____
Cyndi Kidder, Clerk-Treasurer

RE: ORDINANCE 2023-OR9 – CAPITAL ASSET – 2ND READING AND ADOPTION

Mayor Estok presented Ordinance 2023-OR9 to the Council. Jeff Berg made a motion approving the 2nd reading and adoption of the Capital Asset Ordinance. The motion was seconded by Don Kring and passed by a vote of Five (5) ayes and No (0) nays.

ORDINANCE 2023-OR9

ORDINANCE AMENDING ORDINANCES #1008, #1037
AND #1073 UPDATING THE CAPITAL ASSET POLICY

BE IT ORDAINED AND ADOPTED by the Common Council of the City of Knox, in the state of Indiana, that;

WHEREAS, the Common Council is the governing body of the City of Knox, Indiana in Starke County, Indiana; and

WHEREAS, the Common Council of the City of Knox desires to maintain an effective asset capitalization policy for the City and its various Departments and Utilities.

NOW, THEREFORE, BE IT ORDAINED by the Common Council of the City of Knox as follows:

SECTION 1. – DEFINITIONS AND PROVISIONS

For the purpose of this ordinance, the following definitions shall apply unless the context clearly indicates or requires a different meaning.

“Tangible Assets” – Assets that can be observed by one or more of the physical senses. They must be seen, touched, heard, and/or smelled.

“Fixed Asset” – Long-term tangible property or piece of equipment that are used in the operating activities of the unit. These assets are not held for sale in the ordinary course of business. This broad group is usually separated into classes according to the physical characteristics of the items (e.g., land, buildings, improvements other than buildings, machinery and equipment, furniture, and fixtures)

“Capital Outlays” – Expenditures which benefit both the current and future fiscal periods. This includes costs of acquiring land or structures: construction or improvements of buildings, structures, or other fixed assets: infrastructure, machinery and equipment having an appreciable and calculable period of usefulness. These are expenditures resulting in the acquisition of or addition to the government’s general fixed assets.

“Historical Cost” – The cash equivalent price exchanged for goods or services at the date of acquisition. Land, buildings, equipment, improvements other than buildings and construction in progress are common examples of assets recognized under the historical cost attribute.

LAND

The City will capitalize all land purchases, regardless of cost. Original cost of land will include the full value given to the seller, relocation, legal services incidental to the purchase (including title work and opinion) appraisal and negotiation fees, surveying, and costs for preparing the land for its intended purpose (including contractors and or City workers {salary and benefits}), such as demolishing buildings, excavating, clean up and inspections.

A department will record donated land at fair market value on the date of transfer plus associated costs.

Purchases made using Federal or State funding will follow the source funding policies and the above procedures.

INFRASTRUCTURE

Infrastructures are streets, curbs, water lines, and sewer lines. The City is not required to capitalize streets, curbs and sidewalk retroactively prior to Fiscal Year 2004. All water lines and sewer lines will be capitalized. The known or estimated historical costs of infrastructures will be included. Depreciated value estimates for water and sewer utility infrastructure will be reported.

Infrastructures that are accepted from subdivision developers or acquired from other donations shall be included in the known or estimated cost at the time of receipt of the infrastructure.

BUILDINGS

Buildings are structures designed to house personnel or equipment.

A department will capitalize buildings at full cost with no subcategories for tracking attachments such as roofs, heating, cooling, plumbing, lighting, sprinkling systems, or any part of the basic building. Each department will include the cost of the items designed or purchased exclusively for the building.

A department’s new building will be capitalized only if it meets both of the following conditions:

1. The cost exceeds \$5,000 (five thousand dollars), and
2. The useful life is greater than two years.

A department improving or renovating an existing building will capitalize the cost only if the results meet the following conditions:

1. The cost exceeds \$5,000 (five thousand dollars), and
2. The useful life is extended by two or more years.

A department will record donated buildings at fair market value on the known or estimated date of transfer with any associated costs. Building purchases made using Federal or State funding will follow the source funding policies and above procedures.

IMPROVEMENTS OTHER THAN BUILDINGS

The definition of this group of assets is improvements to the land for better enjoyment, assets that are attached or not easily removed, and with a life expectancy of more than two years.

Examples are walks, fencing, retaining walls, pools, outside fountains, planters, underground sprinkling systems and other related items.

The City will capitalize new improvements other than buildings or renovations to existing improvements other than buildings if the results meet the following conditions:

1. The cost exceeds \$5,000 (five thousand dollars), and
2. The asset's useful life is extended by two or more years.

MACHINERY AN EQUIPMENT

The definition of machinery and equipment is an apparatus, tool, or conglomerate of components to form a tool. The tool will stand alone and not become a part of the basic structure of a building.

The City will capitalize items with an individual value equal to or greater than \$5,000 (five thousand dollars). Machinery combined with other machinery to form one unit with a total value equal to or greater than the above-mentioned limit will be included as one unit.

Improvements or renovations to existing machinery and equipment will be capitalized only if the result of the change meets all the following conditions:

1. The cost exceeds \$5,000 (five thousand dollars), and
2. The useful life is extended by two or more years.

A department will record donated machinery and equipment at fair market value on the known or estimated date of the transfer with any associated costs.

Purchases made using Federal or State funding will follow the source funding policies and the above procedures.

CONSTRUCTION IN PROGRESS:

Assets included under this item type are those "buildings" or "improvements other than buildings" that are not completed at the end of a fiscal year. These assets will be included with noted payments and dates, including change orders for all services and materials necessary for the preparation of the "buildings" or "improvement other than buildings" for its intended purpose.

The City will capitalize construction in progress if the results meet the following conditions:

1. The cost exceeds \$5,000 (five thousand dollars), and
2. The asset's useful life is extended two or more years.

SECTION 2. – RECORDING AND ACCOUNTING

When possible, the City and its various departments shall classify capital expenditures as capital outlays within the fund from which the expenditure was made in accordance with the guidelines set forth by the State Board of Accounts and the Department of Local Government Finance. The cost of property, machinery and equipment includes all expenditures necessary to put the asset into position and ready for use. For the purpose of recording fixed assets of the City and its Departments, the valuation of assets shall be based on historical cost or by estimation of such costs if historical cost is unknown.

SECTION 3. – SAFEGUARDING ASSETS

Be it ordained that accounting controls be designed and implemented to provide reasonable assurance that:

1. Capital expenditures made by the City, its various departments and utilities be in accordance with management's authorizations as documented in the minutes.
2. Adequate detailed records be maintained to assure accountability for City and Utility owned assets.
3. Access to assets be permitted in accordance with management's authorization.
4. Department heads will perform an inventory of capital assets every year and compare current inventory to prior year inventory. The inventory and comparison of current assets to prior assets will be given to the Clerk Treasurer at his or her request, prior to April 30th every year.
5. The Clerk-Treasurer or his/her designee will go through the Capital Asset worksheet once a year to maintain accuracy.

BE IT FURTHER ORDAINED that this Ordinance be in full force and effect from and after its passage by the Common Council and signing by the Mayor.

PASSED AND ADOPTED BY THE COMMON COUNCIL OF THE CITY OF KNOX, STARKE COUNTY, INDIANA, THIS 14th DAY OF NOVEMBER 2023.

COMMON COUNCIL OF THE CITY OF KNOX:

Jeff Berg, Council President

Don Kring, Council Member

Sherry Cowen, Council Member

Bill Gustafson, Council Member

Ron Parker, Council Member

Approved by the Mayor this 14th day of November 2023.

Dennis Estok, Mayor

Attest: _____
Cyndi Kidder, Clerk-Treasurer

RE: RESOLUTION 2023-RE8 – TRANSFER OF APPROPRIATIONS

Ron Parker made a motion approving Resolution 2023-RE8 Transfer of Appropriations. The motion was seconded by Sherry Cowen and passed by a vote of Five (5) ayes and No (0) nays.

RESOLUTION #2023-RE8

Transfer of Appropriations
Within the Funds
November 14, 2023

WHEREAS; the Clerk-Treasurer has advised the Common Council a Transfer of Funds is now required in the General, Park and Recreation and the Water Department Funds.

BE IT RESOLVED; by the Common Council of the City of Knox that the Clerk-Treasurer is hereby allowed and directed to make the following Transfer of Appropriations:

GENERAL FUND:

Police Department	10,000.00 from 1101005118-PT Patrolman
	500.00 from 1101005222-Gas, Oil, Tires
	1,000.00 from 1101005314-Drug Unit
	500.00 to 1101005221-Supplies
	1,000.00 to 1101005332-Postage, Travel
	10,000.00 to 1101005337-Repair Equipment

PARK AND RECREATION FUND:

Park Department	2,575.13 from 2204010446-Equipment
	2,119.87 from 2204010335-Utilities
	600.00 to 2204010222-Gas, Oil, Tires
	4,095.00 to 2204010301-Professional Services

WATER OPERATING FUND:

Water Department	2,000.00 from 6106001441-Hydrant
	48.44 to 6010001123-Clothing
	1,951.56 to 6101001335-Purchased Power

Dennis Estok, Mayor

Attest: _____
Cyndi Kidder, Clerk-Treasurer

RE: COMMUNITY CROSSINGS MATCHING GRANT 2023-2 FOR \$386,981.25

Mayor Estok informed the Council that the City received the Community Crossings Matching Grant 2023-2. The \$386,981.25 Grant is used for repaving streets in the City.

RE: DISCUSSION OF EAST STREET PARKING

A discussion was held about the section of East Street that dead ends off Lake Street making it no parking on the East side of the Street. Bill Gustafson made a motion approving the No Parking on the East side of East Street from Lake Street South to the dead end. The motion was seconded by Jeff Berg and passed by a vote of Five (5) ayes and No (0) nays.

RE: CLERK-TREASURERS REPORT

Clerk Treasurer Cyndi Kidder passed out paperwork to the Council about the upcoming training conference in the new year.

RE: MAYORS REPORT

Leaf pickup is well underway. The street Department will cover the whole City, if you are missed, they will be back. The two leaf trucks must be dumped often.

RE: VOUCHERS AND ALLOWANCES

The following properly filed vouchers (See Voucher Docket, APV #35215 - #35301) were presented and approved. There being no further business to come before the Council at this time the meeting upon motion was duly adjourned.

Dennis Estok, Mayor

Attest: _____
Cyndi Kidder, Clerk-Treasurer