

# City Administrator's Update

WEEK ENDING MARCH 2, 2018

#### **Upcoming Events:**

March 6, 5:30 Council Work Session CANCELLED

March 6, 7:00 pm City Council Meeting City Hall

March 7, 8:00 am EDA City Hall

March 13, 7:00 pm Planning Commission City Hall

March 20, 5:30 pm Council Work Session City Hall

March 20, 7:00 pm City Council Meeting City Hall

March 27, 4:15 pm Library Board Library

Aaron Reeves, City Administrator 1307 Cloquet Avenue Cloquet, MN 55720 (218)879-3347 areeves@cloquetmn.gov

#### Administration/Finance

I had the privilege to speak at two Cloquet High School business classes this past week discussing careers in government. The City continues to work on the new WWW page design and the new page should be up and running this spring. I also had the chance to attend the Chamber's Annual Banquet. It's always enjoyable to meet with our local businesses in a more casual setting.

#### **Public Works/Parks**

#### Miscellaneous

Crews were busy blowing and hauling snow from alleys, intersections and boulevards this week. With all of the recent snow fall, the boulevards are full creating issues for motorists and residents. Thankfully, mother nature cooperated this week and we were able to make some progress in advance what may be another major snow event next week.

The outdoor rinks/warming houses have been closed for the season due to deteriorating ice conditions. As the sun gains power late in the winter we often struggle to maintain ice even if temperatures stay below freezing.

Engineering submitted Arch Street reconstruction plans to MNDOT for review and comment this week. Attention will now shift to final design and grant paperwork for Cloquet Avenue. Staff continues to meet regularly with our design consultant to keep progress moving forward on the aggressive schedule for the proposed water treatment plant.

#### **Community Development**

#### **Economic Development**

Staff attended the Iron Range Economic Alliance meeting in Eveleth this week and met with a housing developer on a future project.

#### **Planning and Zoning**

Staff attended a MNDOT District 1 Bicycle Transportation planning to develop a MNDOT statewide bicycle transportation plan.

Items submitted for Planning Commission Site Plan Review included a proposed mini storage facility in the Business Park and the proposed ALDI's on Big Lake Road. Staff and engineering reviewed and provided comments to the developers for corrections.

Staff participated in the meeting with project consultants on the City Water Treatment Plant project.

#### **Building Inspections**

Commercial building inspections continued this week for the upcoming City liquor licensing renewal process. The inspections are one of the requirements of license renewals.

The majority of inspections this week focused on new furnace installations and a final inspection for a new home at the County Club Patio Homes.

Also this week, staff, Engineering, and Councilor Kolodge met with property owners who are affected by a private retaining wall collapse in the west end for further discussion on private action.

#### Dave Hallback, Mayor

#### **City Council Members:**

Jeff Rock, Ward 1 David Bjerkness, Ward 2 Roger Maki, Ward 3 Kerry Kolodge, Ward 4 Steve Langley, Ward 5 Adam Bailey, At Large

## Library

January circulation was up 15% over last January. We now have a new cafe table and stools and a cushioned seating area for the tweens. We also had a Purler bead project and a pizza party ice breaker and information gathering party with the tweens and teens that was very well received. Coming up in March, we have three special nights: Family Night, Teen Night and Adult Night.

# Visit Our Website at: www.ci.cloquet.mn.us



The real secret to success is enthusiasm.
- Walter Chrysler

#### **Other Information Attached:**

- \* January 2018 Financial Report
- \* February 2017 and 2018 Permit Reports



#### **ADMINISTRATIVE OFFICES**

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February 21, 2018

Dear Aaron Reeves, City Administrator:

Enclosed is the monthly financial report and cash and investment analysis for January 2018.

#### **Cash and Investments**

Cash balances are 26% above January 2017, mostly due to the City Sales Tax Bond issued in May 2017. A narrative and several spreadsheets discussing this month's cash and investment activities, and balances are attached.

#### **Budgets**

Revenues/Transfers in – Most revenues are in line with budget.

<u>Expenditures/Expenses</u> – Selected department and fund expenditures/expenses are analyzed on the following worksheets.

#### Major Revenues and Expenditures/Expenses

#### Revenues:

State \$70,300 for City Sales Tax, \$186,500 for Small Cities Development and \$126,200 for Municipal Street Aid. CAHA \$51,900 for arena lease. Medicom \$25,700 for quarterly franchise fees. Carlton County \$53,600 for property taxes.

#### Expenditures/Expenses:

14<sup>th</sup> Street Apartments \$10,200 and Oakwood Estates \$23,600 for TIF. ISD #94 \$18,000 for quarterly community education. LMCIT \$186,400 for first half of general and worker's comp insurance. Various SCDP project and admin \$167,900. Midwest Playscapes \$25,100 for Dunlap Island playground. Ulland Brothers \$249,500 for Dunlap Island project.

If you have questions, please feel free to let me know.

Respectfully,

Nancy M. Klassen, CPA, CPFO

Finance Director

City of Cloquet
Select Departmental and Funds Expenditure/Expense Budget Report for January
2018

| Fund                  | 2018<br>Budget | YTD<br>Expend/Expense<br>Budget | YTD<br>Expenditures/<br>Expenses | Over<br>(Under)<br>Budget | Over<br>(Under)<br>% |   |
|-----------------------|----------------|---------------------------------|----------------------------------|---------------------------|----------------------|---|
| General               |                |                                 |                                  |                           |                      |   |
| Administration        | 209,575        | 32,881                          | 23,247                           | (9,634)                   | -29%                 |   |
| Human Resources       | 93,800         | 7,900                           | 6,211                            | (1,690)                   | -21%                 |   |
| Finance               | 208,400        | 17,533                          | 13,489                           | (4,044)                   | -23%                 |   |
| Law                   | 110,000        | 9,167                           | -                                | (9,167)                   | -100%                |   |
| Building & Planning   | 294,550        | 27,046                          | 16,593                           | (10,453)                  | -39%                 | 1 |
| Police                | 2,788,900      | 267,825                         | 269,733                          | 1,908                     | 1%                   |   |
| Hwy, Streets & Rwy    | 1,004,100      | 118,259                         | 106,548                          | (11,711)                  | -10%                 | 2 |
| Community Development | 170,300        | 14,192                          | 13,276                           | (916)                     | -6%                  |   |
| Library               | 591,850        | 49,738                          | 46,700                           | (3,037)                   | -6%                  |   |
| Park                  | 572,725        | 71,269                          | 70,479                           | (790)                     | -1%                  |   |
| Water - LSWL          | 4,099,100      | 216,534                         | 221,340                          | 4,806                     | 2%                   |   |
| Water - In Town       | 7,226,200      | 557,804                         | 97,713                           | (460,092)                 | -82%                 | 3 |
| Sewer                 | 1,803,450      | 134,871                         | 132,626                          | (2,245)                   | -2%                  |   |
| Storm Water           | 342,050        | 18,754                          | 14,949                           | (3,805)                   | -20%                 |   |
| Cable TV              | 164,925        | 14,577                          | 11,774                           | (2,804)                   | -19%                 |   |

Note: Does not include transfers.

#### Explanation of (over) budget \$10,000 & 10%.

- 1 No rental inspector hired or contracted yet.
- 2 Street supplies not purchased yet (gravel, blacktop, etc)
- 3 Water filter plant not started yet.

Filename: Expenditure-expense budget report

#### City of Cloquet Select Departmental and Funds Payroll Expenditure/Expense Budget Report as of January 2018 Payroll Overtime

| Fund   | 2016<br>Total             | 2017<br>Total              | 2018<br>Budget            | YTD<br>Expend/<br>Expense<br>Budget | YTD<br>Expenditures/<br>Expenses | Over<br>(Under)<br>Budget | (Over)<br>Under<br>% |   |
|--|---------------------------|----------------------------|---------------------------|-------------------------------------|----------------------------------|---------------------------|----------------------|---|
| <b>General</b> Police Holiday Regular Reimbursed | 39,353<br>65,994<br>8,550 | 44,975<br>77,729<br>12,706 | 45,000<br>50,000<br>5,000 | 3,750<br>4,167<br>417               | 10,095<br>1,881<br>665           | 6,345<br>(2,286)<br>248   | 169%<br>-55%<br>60%  |   |
| Hwy & St   | 28,205                    | 31,216                     | 25,000                    | 2,083                               | 2,016                            | (67)                      | -3%                  |   |
| Water - LSWL                                     | 22,664                    | 30,906                     | 35,500                    | 2,958                               | 10,574                           | 7,616                     | 257%                 | 2 |
| Water In Town                                    | 19,466                    | 21,280                     | 16,000                    | 1,333                               | 6,815                            | 5,481                     | 411%                 | 2 |
| Sewer  | 7,410                     | 8,972                      | 10,500                    | 875                                 | 2,579                            | 1,704                     | 195%                 | 2 |
| Storm Water                                      | 6,197                     | 5,006                      | 5,000                     | 417                                 | 1,528                            | 1,111                     | 267%                 | 2 |

### **Explanation of (over) budget**

- 1 Three holidays in the first payroll of the year.2 Water leaks and an employee out on FMLA at the LSW pumphouse.

Filename: Expenditure-expense budget report

## City of Cloquet Cash and Investments Management Summary January 31, 2018

#### Analysis of Portfolio

Attached is a "Cash and Investment Analysis" which shows the type of accounts and values that make up the City's cash and investment portfolio.

#### **Current Economics**

The economy is still on the slow but steady pace. The State's budget outlook is expected to be positive for the February 2018 forecast even though the November 2017 forecast showed a slight negative balance. Unemployment is at 4.1% for January.

The City's certified 2018 LGA is \$2,478,000 approximately \$114,400 more than 2017 and the City increased its levy by 2.26% for 2018. The City changed health insurance providers and will save a significant amount in 2018.

#### **Current Activity**

During the month of January there were no investment changes. Attached is an "Investment Portfolio Analysis" with the detail of investments.

#### Variance Analysis

Cash and investments are 26% above January 2017. The increase is mostly due to the issuance of the City Sales Tax Bond in May 2017.

The federal benchmark interest rate was raised for the second time in 2017 on June 14 to 1% to 1.25% from .75% to 1%. The Fed announced there is likely going to be more increases in 2018. Attached is an "Interest Earnings Analysis" which details the average balances invested, rate of return, and prior year rates.

The budgeted interest earnings are \$326,000 for 2018. The City's investment annualized yield is approximately \$251,700 or 1.51% for 2018. Interest receipts were \$309,000 for 2017.

## City of Cloquet Cash Balances January 2018

| Fund # | Fund   | Amount        |
|--------|--|---------------|
| 101    | General                                      | 3,974,088.58  |
| 201    | LDO Loan (EDA)                               | 318,779.16    |
| 202    | Federal CDBG Loan (EDA)                      | 815,425.24    |
| 203    | Economic Development Loan (City)             | 142,151.03    |
| 204    | State SCDG/MIF (EDA)                         | 131,257.76    |
| 206    | Revolving SCGP (EDA)                         | 2,398.46      |
| 207    | Community Development Operating (City)       | (54,863.68)   |
| 208    | SCDP - 2016 (City)                           | 18,628.94     |
| 211    | Library                                      | 39,567.76     |
| 220    | TIF - Daqota/Woodward                        | 6,637.18      |
| 221    | TIF - 14th Street Apartments                 | 5,418.17      |
| 222    | TIF - Oak Street Apartments                  | 42,248.25     |
| 224    | Building Facilities Planning                 | 1,912,613.79  |
| 225    | Permanent Improvement                        | (264,692.88)  |
| 226    | Park   | 143,158.61    |
| 226    | Park - Restricted - In Lieu                  | 37,924.41     |
| 226    | Park - Skate Park                            | 2,640.85      |
| 228    | Senior Center                                | (10,877.55)   |
| 231    | Public Works Reserve                         | 267,006.39    |
| 260    | Landfill Host Fee - 25%                      | 90,104.06     |
| 260    | Landfill Host Fee - 75%                      | 321,662.47    |
| 368    | Business Park Bonds                          | 970,162.16    |
| 370    | Swimming Pond Bonds                          | 35,400.96     |
| 372    | City Sales Tax Bonds                         | 112,118.87    |
| 403    | Capital Projects - Revolving                 | (79,945.61)   |
| 405    | City Sales Tax Capital Projects              | 6,019,207.37  |
| 600    | Water - Lake Superior Waterline              | 1,171,043.36  |
| 600    | Water - Lake Superior Waterline Construction | 429,990.33    |
| 601    | Water In Town                                | 3,360,706.09  |
| 602    | Sewer  | 843,392.97    |
| 605    | Storm Water                                  | 128,877.93    |
| 614    | Cable TV                                     | 179,924.45    |
| 701    | Employee severance                           | 483,095.96    |
| 905    | Cloquet Area Fire District                   | 950,479.48    |
|        | Total  | 22,545,731.32 |

#### City of Cloquet Cash and Investment Analysis January 31, 2018

|                                   | Tentative | Current               |                       |                       |                       | Last Year             |
|-----------------------------------|-----------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| DEMAND ACCOUNTS                   | Goals     | 1/31/2018             | 12/31/2017            | 11/30/2017            | 10/31/2017            | 1/31/2017             |
| Checking & MM & Savings           | 10%-15%   | \$5,903,661.41<br>26% | \$7,885,086.94<br>32% | \$5,537,547.34<br>25% | \$8,241,436.04<br>34% | \$4,309,251.07<br>24% |
| <u>INVESTMENTS</u>                |           |                       |                       |                       |                       |                       |
| Invested less than one year       |           |                       |                       |                       |                       |                       |
| Certificates of Deposit           |           | \$5,596,000.00        | \$5,596,000.00        | \$5,841,000.00        | \$4,929,000.00        | \$2,133,000.00        |
| Municipal Bonds                   |           | \$1,727,214.75        | \$1,461,208.87        | \$1,821,787.12        | \$1,461,748.72        | \$2,667,468.64        |
| Government Agencies               |           | \$0.00                | \$0.00                | \$0.00                | \$0.00                | \$0.00                |
| Total invested less than one year | 50%-70%   | \$7,323,214.75<br>32% | \$7,057,208.87<br>29% | \$7,662,787.12<br>34% | \$6,390,748.72<br>27% | \$4,800,468.64<br>27% |
| Invested one to three years       |           |                       |                       |                       |                       |                       |
| Certificates of Deposit           |           | \$1,804,000.00        | \$1,804,000.00        | \$1,414,000.00        | \$1,169,000.00        | \$1,675,000.00        |
| Municipals                        |           | \$0.00                | \$266,055.88          | \$418,063.88          | \$778,102.28          | \$1,727,214.75        |
| Government Agencies*              |           | \$1,508,232.59        | \$1,508,232.59        | \$1,508,232.59        | \$1,508,232.59        | \$497,990.00          |
| Total invested one to three years | 10%-20%   | \$3,312,232.59<br>15% | \$3,578,288.47<br>15% | \$3,340,296.47<br>15% | \$3,455,334.87<br>14% | \$3,900,204.75<br>22% |
| Invested over three years         |           |                       |                       |                       |                       |                       |
| Certificates of Deposit           |           | \$1,350,000.00        | \$1,350,000.00        | \$1,350,000.00        | \$1,175,000.00        | \$1,405,000.00        |
| Municipal bonds                   |           | \$2,211,622.57        | \$2,211,622.57        | \$2,211,622.57        | \$2,211,622.57        | \$824,296.39          |
| Government Agencies *             |           | \$2,445,000.00        | \$2,445,000.00        | \$2,445,000.00        | \$2,445,000.00        | \$2,670,000.00        |
| Total invested over three years   | 10%-20%   | \$6,006,622.57<br>27% | \$6,006,622.57<br>24% | \$6,006,622.57<br>27% | \$5,831,622.57<br>24% | \$4,899,296.39<br>27% |
| Total                             | 100%      | \$22,545,731.32       | \$24,527,206.85       | \$22,547,253.50       | \$23,919,142.20       | \$17,909,220.85       |

**Current month variance** 

(\$1,981,475.53)

(\$1,522.18) (\$1,373,410.88) 16%

14%

\$4,636,510.47 26%

The over one year and over three year period exceeds the goals but several investments are priced to call and will be called in the next year.

<sup>\* -</sup> These investments have call dates less than one year.

#### City of Cloquet Investment Portfolio Analysis Detail of Investments January 31, 2018

| Brokerage                             | Purchase<br>Date        | Maurity<br>Date             | Time<br>Held | Description                                 | Amount                                | YTM<br>Rate      | Annualized<br>Yield         | Market<br>Value                   |
|---------------------------------------|-------------------------|-----------------------------|--------------|---|---------------------------------------|------------------|-----------------------------|-----------------------------------|
| nvested less tha                      |                         | Date                        | пеш          | Description                                 | Amount                                | Nate             | Helu                        | Value                             |
| ertificates of De                     |                         |                             |              |   |                                       |                  |                             |                                   |
| randsen Bank                          | 9/5/2016                |                             |              | Frandsen Bank                               | \$245,000.00                          | 0.300%           | \$735.00                    | \$245,000.00<br>\$210,039.90      |
| Morgan Stanley<br>Wells Fargo         | 3/12/2014<br>10/26/2017 |                             |              | Synchrony Bk UT Bank Hapoalim               | \$210,000.00<br>\$245,000.00          | 1.500%<br>1.300% | \$3,150.00<br>\$3,185.00    | \$244,909.84                      |
| Wells Fargo                           | 10/20/2017              |                             |              | Bank Leumi NY                               | \$245,000.00                          | 1.250%           | \$3,062.50                  | \$244,878.24                      |
| Wells Fargo                           | 10/27/2017              |                             |              | Bank of China NY                            | \$245,000.00                          | 1.300%           | \$3,185.00                  | \$244,899.55                      |
| Wells Fargo                           | 10/30/2017              |                             |              | Morgan Stanley Bank                         | \$245,000.00                          | 1.300%           | \$3,185.00                  | \$244,899.55                      |
| Vells Fargo                           | 10/31/2017              | 4/30/2018 6                 |              |   | \$245,000.00                          | 1.300%           | \$3,185.00                  | \$244,878.72                      |
| Wells Fargo                           | 10/31/2017              |                             |              | BNY Mellon<br>Citizens Penn                 | \$245,000.00                          | 1.250%           | \$3,062.50                  | \$244,866.48<br>\$244,897.10      |
| Nells Fargo<br>Nells Fargo            | 11/1/2017<br>11/1/2017  |                             |              | Citizens Penn<br>Citizens Providence        | \$245,000.00<br>\$245,000.00          | 1.300%           | \$3,185.00<br>\$3,185.00    | \$244,897.10                      |
| Wells Fargo                           | 11/1/2017               |                             |              | Compass Bank                                | \$245,000.00                          | 1.300%           | \$3,185.00                  | \$244,897.10                      |
| Nells Fargo                           | 11/30/2017              |                             |              | Stone Bank                                  | \$245,000.00                          | 1.250%           | \$3,062.50                  | \$244,863.29                      |
| Morgan Stanley                        | 6/28/2013               | 6/28/2018 5                 |              | BMW Bk - UT                                 | \$96,000.00                           | 1.650%           | \$1,584.00                  | \$95,919.36                       |
| Vells Fargo                           | 8/31/2017               | 8/31/2018 1                 |              | Metro City Bk GA                            | \$245,000.00                          | 1.450%           | \$3,552.50                  | \$244,773.62                      |
| Nells Fargo                           | 9/7/2017                | 9/5/2018 1                  |              | Bank of India NY                            | \$245,000.00                          | 1.450%           | \$3,552.50                  | \$244,747.90                      |
| Wells Fargo                           | 9/6/2017<br>9/6/2017    | 9/6/2018 1<br>9/6/2018 1    |              | Santander Bk TCF National Bk SD             | \$245,000.00<br>\$245,000.00          | 1.450%<br>1.400% | \$3,552.50<br>\$3,430.00    | \$244,745.45<br>\$244,672.44      |
| Nells Fargo<br>Nells Fargo            | 9/8/2017                | 9/7/2018 1                  |              | Main St Bk Ml                               | \$245,000.00                          | 1.400%           | \$3,430.00                  | \$244,683.46                      |
| Wells Fargo                           | 9/11/2017               | 9/11/2018 1                 |              | Berkshire Bk                                | \$245,000.00                          | 1.350%           | \$3,307.50                  | \$244,585.22                      |
| Wells Fargo                           | 9/13/2017               | 9/13/2018 1                 |              | First Foundation Bk                         | \$245,000.00                          | 1.400%           | \$3,430.00                  | \$244,654.55                      |
| Nells Fargo                           | 9/15/2017               | 9/14/2018 1                 | yr           | Brookline Bk                                | \$245,000.00                          | 1.350%           | \$3,307.50                  | \$244,589.14                      |
| Wells Fargo                           | 9/18/2017               | 9/18/2018 1                 |              | Bank of Hope                                | \$245,000.00                          | 1.450%           | \$3,552.50                  | \$244,733.44                      |
| Morgan Stanley                        | 10/2/2013               | 10/2/2018 5                 |              | Discover Bk DE                              | \$145,000.00                          | 2.050%           | \$2,972.50                  | \$145,398.75                      |
| Morgan Stanley                        | 10/28/2013              | 10/29/2018 5                | yrs          | Bank Baroda NY                              | \$245,000.00<br>\$5,596,000.00        | 2.050%           | \$5,022.50<br>\$76,061.50   | \$245,512.05<br>\$5,592,942.25    |
| Municipals                            |                         |                             |              |   | φ5,596,000.00                         |                  | \$70,001.50                 | ψ5,592,942.25                     |
| Wells Fargo                           | 1/14/2014               | 2/1/2018 4                  | vrs          | Anoka County MN                             | \$567,323.75                          | 1.480%           | \$8,396.39                  | \$500,000.00                      |
| Wells Fargo                           | 7/26/2012               | 2/1/2018 6                  | 1/2 yrs      | North Branch MN ISD 138                     | \$121,040.56                          | 1.260%           | \$1,525.11                  | \$100,000.00                      |
| Wells Fargo                           | 10/7/2010               | 8/1/2018 8                  |              | U of M Build America                        | \$260,748.16                          | 2.700%           | \$7,040.20                  | \$251,832.50                      |
| UBS Financial                         | 12/4/2012               | 11/1/2018 6                 |              | NY City Transition                          | \$360,038.40                          | 1.280%           | \$4,608.49                  | \$357,692.40                      |
| Wells Fargo                           |                         | 12/21/2018 8                |              | Weston WS BAB                               | \$152,058.00                          | 3.550%           | \$5,398.06                  | \$151,593.00<br>\$251,150.00      |
| JBS Financial                         | 2/25/2016               | 1/1/2019 3                  | + yrs        | Industry Calif Pub Facs Auth                | \$266,005.88<br><b>\$1,727,214.75</b> | 1.447%           | \$3,849.11<br>\$30,817.36   | \$1,612,267.90                    |
| Invested one to t                     | hree vears              |                             |              |   | Ψ1,121,214.10                         |                  | φου,σ17.00                  | Ψ1,012,207.00                     |
| Certificates of De                    |                         |                             |              |   |                                       |                  |                             |                                   |
| UBS Financial                         | 12/20/2017              | 4/29/2019 1                 | 8 months     | Bank of Ozards AR                           | \$245,000.00                          | 1.700%           | \$4,165.00                  | \$244,081.25                      |
| Morgan Stanley                        | 4/29/2014               | 4/29/2019 5                 |              | Barclays Bk DE                              | \$45,000.00                           | 1.900%           | \$855.00                    | \$45,032.40                       |
| JBS Financial                         | 11/30/2017              |                             |              | Univest Natl B&T PA                         | \$245,000.00                          | 1.650%           | \$4,042.50                  | \$244,010.20                      |
| Morgan Stanley                        | 8/8/2015                | 8/5/2019 5                  |              | Capital One NA Mclean VA                    | \$108,000.00                          | 2.050%           | \$2,214.00                  | \$107,940.60<br>\$245,034.30      |
| Morgan Stanley Morgan Stanley         | 1/28/2015               | 10/16/2019 5<br>1/28/2020 5 |              | Capital One Bank VA Goldman Sachs - UT      | \$245,000.00<br>\$96,000.00           | 2.150%<br>2.048% | \$5,267.50<br>\$1,966.08    | \$95,676.48                       |
| JBS Financial                         | 2/27/2015               | 2/27/2020 5                 |              | Private Bank & Tr IL                        | \$240,000.00                          | 1.750%           | \$4,200.00                  | \$239,520.00                      |
| Morgan Stanley                        | 5/7/2015                | 5/7/2020 5                  |              | Amex Centurion UT                           | \$185,000.00                          | 1.950%           | \$3,607.50                  | \$183,288.75                      |
| Morgan Stanley                        | 12/5/2017               |                             |              | American Exp UT                             | \$145,000.00                          | 2.000%           | \$2,900.00                  | \$143,732.70                      |
| Morgan Stanley                        | 9/2/2015                | 9/2/2020 5                  |              | Capital One MN Mclean VA                    | \$100,000.00                          | 2.200%           | \$2,200.00                  | \$98,671.00                       |
| Morgan Stanley                        | 10/14/2016              | 10/14/2020 5                | yrs          | First Bank PR Santurce                      | \$150,000.00                          | 1.450%           | \$2,175.00                  | \$146,676.00                      |
| 0                                     |                         |                             |              |   | \$1,804,000.00                        |                  | \$33,592.58                 | \$1,793,663.68                    |
| <b>Government Age</b><br>Wells Fargo  | 9/1/2017                | 12/9/2019 2                 | + vre        | FFCB  | \$504,415.78                          | 1.411%           | \$7,117.31                  | \$494,765.00                      |
| Wells Fargo                           |                         | 12/19/2019 3                |              | FFCB  | \$497,990.00                          | 1.638%           | \$8,157.08                  | \$493,257.50                      |
| Wells Fargo                           | 9/1/2017                | 9/11/2020 3                 |              | FHLB  | \$505,826.81                          | 1.490%           | \$7,536.82                  | \$491,728.00                      |
|                                       |                         |                             |              |   | \$1,508,232.59                        |                  |                             | \$1,479,750.50                    |
| Invested over thr                     |                         |                             |              |   |                                       |                  |                             |                                   |
| Certificates of De                    |                         | 0.105.155                   |              | O. III. Mar. Bullion                        | 40.15.000.00                          | 0.45001          | <b>#F 007 F</b>             | 0010 100                          |
| Morgan Stanley                        | 6/28/2017               | 6/28/2021 4                 |              | Sallie Mae BK UT                            | \$245,000.00                          | 2.150%<br>1.500% | \$5,267.50<br>\$3,675.00    | \$243,169.85<br>\$237,098.75      |
| UBS Financial UBS Financial           | 9/16/2016<br>9/23/2016  | 9/16/2021 5<br>9/23/2021 5  |              | JPMorgan Chase Bk OH<br>Happy State Bank TX | \$245,000.00<br>\$245,000.00          | 1.500%           | \$3,675.00                  | \$237,098.75                      |
| JBS Financial                         |                         | 10/27/2021 5                |              | Third Fed S&L Ass                           | \$240,000.00                          | 2.050%           | \$4,920.00                  | \$236,961.60                      |
| Morgan Stanley                        | 6/14/2017               | 6/14/2022 5                 |              | Comenity Bank Jumbo                         | \$200,000.00                          | 2.400%           | \$4,800.00                  | \$197,470.00                      |
| UBS Financial                         |                         | 11/17/2022 5                |              | KS State Bank                               | \$175,000.00                          | 2.200%           | \$3,850.00                  | \$172,030.25                      |
|                                       |                         |                             |              |   | \$1,350,000.00                        |                  | \$26,187.50                 | \$1,323,892.90                    |
| Municipals                            | 011/22 : -              | =111c                       |              | El 11 01 B                                  | 0045 570 55                           | 4.5000/          | 04.005.51                   | #000 004 00                       |
| JBS Financial                         | 8/1/2016                | 7/1/2021 5                  |              | Florida St Rev Ser                          | \$315,572.50                          | 1.583%           | \$4,995.51<br>\$10,967.15   | \$299,394.00<br>\$495,525.00      |
| Nells Fargo<br>JBS Financial          | 2/21/2017<br>7/17/2017  | 10/1/2021 4<br>5/1/2022 5   |              | Royal Oak MI TXBL Clintondale Mich Schools  | \$510,100.00<br>\$258,532.69          | 2.150%<br>2.250% | \$5,816.99                  | \$248,237.50                      |
| Wells Fargo                           | 2/23/2017               | 8/1/2022 5                  |              | Wyandotte Cnty KS                           | \$129,447.50                          | 2.300%           | \$2,977.29                  | \$124,236.25                      |
| JBS Financial                         | 4/17/2017               | 8/1/2023 6                  |              | Victor Valley Cal CC                        | \$239,562.27                          | 2.305%           | \$5,521.91                  | \$230,193.60                      |
| JBS Financial                         | 2/6/2017                | 12/1/2023 6                 | yrs          | Cook Cnty Cmnty College                     | \$249,683.72                          | 2.724%           | \$6,801.38                  | \$246,016.75                      |
| JBS Financial                         | 10/27/2016              | 7/1/2025 9                  | yrs          | Selma Ala Rfdg                              | \$508,723.89                          | 2.400%           | \$12,209.37                 | \$473,730.00                      |
| 0                                     | nalas                   |                             |              |   | \$2,211,622.57                        |                  | \$49,289.61                 | \$2,117,333.10                    |
| Government Age                        |                         | 11/22/2022 7                | vre          | FHLB - Stepped                              | \$160,000.00                          | 1.375%           | \$2,200.00                  | \$153,651.20                      |
| Morgan Stanley Morgan Stanley         | 3/28/2016               | 11/22/2023 7<br>3/28/2024 8 |              | FNMA - Stepped                              | \$640,000.00                          | 1.500%           | \$9,600.00                  | \$630,240.00                      |
| Morgan Stanley                        | 6/14/2016               |                             |              | FHLMC - Stepped                             | \$500,000.00                          | 1.500%           | \$7,500.00                  | \$489,435.00                      |
| Morgan Stanley                        | 9/30/2016               | 9/30/2024 8                 |              | FHLMC - Stepped                             | \$270,000.00                          | 1.250%           | \$3,375.00                  | \$255,309.30                      |
|                                       | 7/27/2016               | 7/27/2026 1                 |              | FHLMC - Stepped                             | \$500,000.00                          | 1.500%           | \$7,500.00                  | \$475,220.00                      |
| Morgan Stanley                        |                         |                             | 0            | CHI MC Clanned                              | \$375,000.00                          | 1.500%           | \$5,625.00                  | \$358,522.50                      |
|                                       | 8/17/2016               | 8/17/2026 1                 | u yrs        | FHLMC - Stepped                             |                                       | 1.00070          |                             |                                   |
| Morgan Stanley Morgan Stanley  Totals | 8/17/2016               | 8/17/2026 1                 | u yrs        | гныю - Stepped                              | \$2,445,000.00<br>\$16,642,069.91     | 1.50070          | \$35,800.00<br>\$251,748.55 | \$2,362,378.00<br>\$16,282,228.33 |

Note: Market value fluctuates based on current rates being offered. No principal is at risk if securities are held to maturity. Filename: Monthly Report - Investment Detail

## City of Cloquet Interest Earnings Analysis Month Ending January 2018

| Туре                     | %    | Invested<br>Balance | Interest    | Rate of<br>Return |
|--------------------------|------|---------------------|-------------|-------------------|
| Money Markets            | 12%  | \$2,600,493.91      | \$2,692.51  | 1.22%             |
| Money Market - bond fund | 11%  | \$2,271,693.20      | \$2,361.11  | 1.22%             |
| CD's*                    | 41%  | \$8,750,000.00      | \$11,564.53 | 1.56%             |
| Municipals*              | 18%  | \$3,938,837.32      | \$6,691.06  | 2.00%             |
| Government agencies*     | 18%  | \$3,953,232.59      | \$4,843.81  | 1.44%             |
| Total Investment Return* | 77%  | \$16,642,069.91     | \$23,099.40 | 1.63%             |
| Total Return             | 100% | \$21,514,257.02     | \$28,153.02 | 1.54%             |

| Earnings Comparison    | Budget |            | YTD Budget |           | YTD Actual  |
|------------------------|--------|------------|------------|-----------|-------------|
| 2018 Interest Earnings | \$     | 326,000.00 | \$         | 27,166.67 | \$28,153.02 |
| 2017 Interest Earnings | \$     | 327,000.00 | \$         | 27,250.00 | \$18,590.80 |
| 2016 Interest Earnings | \$     | 336,000.00 | \$         | 28,000.00 | \$17,240.49 |

|  | Current        | <b>Last Month</b> | Last Year    | Two Years    |
|--|----------------|-------------------|--------------|--------------|
| Rate Comparisons                                 | January 2018   | December 2017     | January 2017 | January 2016 |
| Average Total Return  Average Investment Return* | 1.54%<br>1.63% |                   |              |              |
|  |                |                   |              |              |

Filename: Monthly Report - Interest Earnings Analysis 2018

## Monthly report of February 2018

## City of Cloquet

| Type                        | Permits       |           |          |  |  |  |
|-----------------------------|---------------|-----------|----------|--|--|--|
| Type                        | Number Issued | Value     | Amount   |  |  |  |
| ADMIN COMMERCIAL/INDUSTRIAL | 2             | 45 000.00 | 692.10   |  |  |  |
| MECHANICAL PERMIT           | 10            | 0.00      | 475.00   |  |  |  |
| PLUMBING                    | 3             | 0.00      | 145.00   |  |  |  |
| REROOF OR RESIDE            | 1             | 0.00      | 101.00   |  |  |  |
| SCANLON MECHANICAL PERMIT   | 1             | 0.00      | 90.00    |  |  |  |
| SCANLON PLUMBING PERMIT     | 2             | 0.00      | 65.00    |  |  |  |
| <b>Total</b>                | 19            | 45 000.00 | 1 568.10 |  |  |  |

## Monthly report of February 2017

## City of Cloquet

|  | Permits       |           |        |  |  |
|--|---------------|-----------|--------|--|--|
| Type and the state of the state | Number Issued | Value     | Amount |  |  |
| ADMIN COMMERCIAL/INDUSTRIAL  | 1             | 27 670.00 | 13.84  |  |  |
| ADMINISTRATIVE PERMIT  | 3             | 29 270.00 | 237.14 |  |  |
| MECHANICAL PERMIT  | 5             | 0.00      | 200.00 |  |  |
| PLUMBING   | 4             | 0.00      | 210.00 |  |  |
| REROOF OR RESIDE   | 1             | 0.00      | 101.00 |  |  |
| Total  | 14            | 56 940.00 | 761.98 |  |  |