



City Administrator's Weekly Update

WEEK ENDING SEPTEMBER 2, 2016

Upcoming Events:

- September 5
Labor Day
City Offices Closed

- September 6, 5:30 pm
Council Work Session
City Hall

- September 6, 7:00 pm
City Council Meeting
City Hall

- September 7, 8:00 am
EDA
City Hall

- September 12, 4:30 pm
Parks Commission
City Hall

- September 13, 7:00 pm
Planning Commission
City Hall

- September 20, 5:30 pm
Council Work Session
City Hall

- September 20, 7:00 pm
City Council Meeting
City Hall

- September 21, 6:00 pm
CAFD Meeting

- September 27 4:15 pm
Library Board
Library

Administration

Personnel

Welcome to our new Assistant City Engineer, John Anderson, who started with us on Tuesday. John most recently served as the Assistant City Engineer for Arden Hills. Welcome, John!

A reminder that City Hall is closed on Monday for Labor Day. I hope everyone has a safe and enjoyable long holiday weekend!

Legal

Good news on the legal front! The City received word this week that the Eighth Circuit Court of Appeals has affirmed the dismissal of the Roschen lawsuit which alleged a violation of the Drivers Privacy Protection Act. The complainant had been arguing that a number of law enforcement agencies, including the City of Cloquet, had accessed personal information from the State DPS database without a permissible purpose. This lawsuit has first filed in 2013. We were represented by Greene Espel out of Minneapolis.

Bonding

Staff met with Ehlers this week to discuss and explore a variety of issues related to the financing and specifically, the future issuance of bonds for future City projects. We have received the green light for the Sales Tax bonds being considered for next year. At some point later this fall, assuming none of the proposed projects change, staff will initiate the process so we are ready for next year's construction season.

2017 Budget and Capital Improvement Plan

The latest draft of the preliminary 2017 budget and CIP will be discussed with the Council at next Tuesday's meeting. This version is what can be considered the final form for Council consideration on September 16th subject to any changes that the City Council identifies or changes in assumptions or information that staff is made aware of. The proposed property tax levy being discussed with the Council next week is 5.69%.

Public Works/Parks

Summer Road Projects

Again, our last road improvement project, 3rd Street, is still under heavy reconstruction by our contractor. With fall quickly approaching it's nice to finally see what looks like some progress being made.

Lake Superior Waterline Repairs

Work continued this week to complete the leak repair. Additional contractors were called in to assist and after another long week of work, the line was charged and pumping commenced today. So far no signs of any additional leakage in this area.



Character cannot be developed in ease and quiet. Only through experience of trial and suffering can the soul be strengthened, vision cleared, ambition inspired, and success achieved.

*Helen Keller,
Writer & Political Activist*

Dave Hallback, Mayor

City Council Members:

Jeff Rock, Ward 1
David Bjerkness, Ward 2
Roger Maki, Ward 3
Kerry Kolodge, Ward 4
Steve Langely, Ward 5
Lara Wilkinson, At Large

**Brian Fritsinger,
City Administrator
1307 Cloquet Avenue
Cloquet, MN 55720
(218)879-3347**

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

Veteran's Park Improvements

The contractor began work in earnest this week on the improvements to Veteran's Park. I did receive a number of questions from the public about the scope of the project due to its high visibility.

Slate Street Sidewalk Improvement

The City met with the contractor this week for a preconstruction meeting. Work is expected to begin Tuesday.

Pinehurst Park

With the start of the school year underway, the swimming pond is now closed for the season.

The extensions to the backstop fencing around the softball field were also installed this week.

Hilltop Park

Our City staff installed the new play structure at Hilltop this week. The structure has been long overdue but with it now installed, all of the programmed improvements planned for Hilltop are complete. Nice job guys - looks good!

Labor Day Celebration

With the Veteran's Park improvement now underway, the Labor Day celebration will be held at Pinehurst Park. On Thursday, a number of what would best be described as "political pro-labor" signs were placed on the Pinehurst Park fence along Highway 33. City hall received a number of complaints regarding these signs and asked the coordinators of the celebration to remove them because they were in violation of the City's sign ordinance and MnDOT right-of-way policy. When the signs were not removed by Friday, City staff removed them.

Community Development

Marketing Plan RFP's

The deadline for proposals is today and at present, the City had received 8 proposals. The EDA will now start the review process.

Other

Staff has been working with our legal representatives regarding the City's ability to collect Economic Development loan monies from the former Cloquet Home Center.

Other Information Attached:

- * August 25th letter from MPCA
- * August 31st letter from MN Department of Health
 - * July Financial Report
 - * August Permits
- * Cloquet Hockey Information Sheet (will be handed out by CAHA at the Labor Day Parade)

*Happy Labor
Day!!*





Minnesota Pollution Control Agency

Duluth Office | 525 Lake Avenue South | Suite 400 | Duluth, MN 55802 | 218-723-4660

800-657-3864 | 651-282-5332 TTY | www.pca.state.mn.us | Equal Opportunity Employer

August 25, 2016

Honorable Dave Hallback
Mayor, City of Cloquet
1307 Cloquet Ave.
Cloquet, MN 55720

RE: Notice of Violation
City of Cloquet- Chlorinated Non-Contact Cooling Water Discharge

Dear Mayor Hallback:

Enclosed is a Notice of Violation (NOV) for alleged violations of environmental requirements.

The first section of the NOV cites the environmental requirements allegedly violated.

The second section contains the corrective actions you must complete to resolve the NOV. You must provide documentation that you completed each corrective action by the deadline specified in the NOV.

Respond in writing within ten days if you believe an alleged violation is incorrect.

If you have any questions or need assistance, contact me by phone at 218-302-6650 or by email at craig.weingart@state.mn.us.

Sincerely,

Craig Weingart

This document has been electronically signed.

Craig Weingart
Environmental Specialist 2
Municipal Wastewater Section
Municipal Division

CW:kmk

Enclosure

cc: Caleb Peterson, City of Cloquet (w/ enclosure)
Paul Scheirer, MPCA (w/ enclosure)
Mark Hugeback, MPCA (w/ enclosure)
Activity ID NON20160001 @ 121880

STATE OF MINNESOTA
Minnesota Pollution Control Agency
Municipal Division

NOTICE OF VIOLATION

In the Matter of: City of Cloquet- Chlorinated Non-Contact Cooling Water Discharge

To: City of Cloquet
1307 Cloquet Ave.
Cloquet, MN 55720

PLEASE BE ADVISED, that the Minnesota Pollution Control Agency (MPCA) has sufficient information to allege the city of Cloquet (hereinafter Regulated Party) has violated the following provisions of state statutes and rules at its facility located in Duluth, Minnesota.

1. Minnesota Rule 7001.1030. Subpart 1. Permit Required.

.... no person may discharge a pollutant from a point source into the waters of the state without obtaining a national pollutant discharge elimination system permit from the agency.

Minnesota Rule 7001.0030. Permit Required.

.... no person required by statute or rule to obtain a permit may construct, install, modify, or operate the facility to be permitted, nor shall a person commence an activity for which a permit is required by statute or rule until the agency has issued a written permit for the facility or activity.

On July 20, 2016, MPCA staff documented a chlorinated non-contacting cooling water discharge to an unnamed stream from the Regulated Party's potable water facility located in Duluth, MN. Therefore, the Regulated Party commenced an activity that requires a National Pollutant Discharge Elimination System permit and to date the MPCA is not aware of a permit for this discharge.

2. Minnesota Statute 115.061. Duty to Notify and Avoid Water Pollution.

.... it is the duty of every person to notify the agency immediately of the discharge, accidental or otherwise, of any substance or material under its control which, if not recovered, may cause pollution of waters of the state, and the responsible person shall recover as rapidly and as thoroughly as possible such substance or material and take immediately such other action as may be reasonably possible to minimize or abate pollution of waters of the state caused thereby.

On July 20, 2016, MPCA staff documented that the Regulated Party failed to immediately notify the MPCA of a chlorinated non-contact cooling water discharge to waters of the state. Additionally, the Regulated Party failed to take immediate action to abate pollution of waters of the state. The Regulated Party stated it was aware of the discharge as it has been ongoing for at least the past ten years.

NOTICE

THEREFORE, you are hereby given notice that the MPCA has recorded and documented the above alleged violations. This NOV and your response does not preclude the MPCA from taking further action with respect to the above alleged violations. The MPCA reserves the right to seek any and all remedies available under Minn. Stat. §§ 115.071, 116.072, 116.073, and 609.671 and all applicable rules or permits for any violation cited in the NOV. If the Regulated Party believes the allegations in this NOV are incorrect, please respond in writing within ten days after receiving this NOV and explain any inaccuracies. If the Regulated Party does not respond, the MPCA will conclude that the alleged violations occurred as set forth in the NOV.

**STATE OF MINNESOTA
POLLUTION CONTROL AGENCY**

Paul C. Scheirer

This document has been electronically signed.

Paul C. Scheirer
Supervisor, Northeast/Northwest Regional Unit
Detroit Lakes Office
Municipal Division

August 25, 2016

Date signed

PCS/CW:kmk

Address questions and submittals requested above to:

Craig Weingart
Minnesota Pollution Control Agency
525 Lake Avenue South, Suite 400
Duluth, MN 55802



Minnesota
Department
of Health

PROTECTING, MAINTAINING & IMPROVING THE HEALTH OF ALL MINNESOTANS

August 31, 2016

Cloquet City Council
c/o Mr. Brian Fritsinger, Administrator
Cloquet City Hall
1307 Cloquet Avenue
Cloquet, Minnesota 55720

Dear Council Members:

SUBJECT: Lead/Copper Tap Water Monitoring Report, PWSID 1090005

This letter is to report the results of your recent lead/copper monitoring that is required by the Safe Drinking Water Act. The results revealed the following 90th percentile levels:

90th percentile lead level = 1 µg/l (rounded as 0.001 mg/l).
The action level for lead is 15.0 µg/l.

90th percentile copper level = 674 µg/l (rounded as 0.674 mg/l).
The action level for copper is 1300 µg/l.

Based on these results, your public water system **has not exceeded** the action level for lead and **has not exceeded** the action level for copper.

By federal rule, 40 CFR 141.85, you are required to provide the lead/copper results to persons served at the sites that were tested. In addition, you must provide them with an explanation of the health effects of lead/copper, list steps consumers can take to reduce exposure to lead/copper in drinking water, and water utility contact information. The notification must also provide the maximum contaminant level goals, the action levels for lead/copper, and the definitions for these two terms.

Notification must be made within 30 days by U.S. Mail. If the residence is a rental property, both the occupant(s) of the residence and rental property owner must be notified. To assist you in meeting the notification requirements, we have enclosed a sample letter and a fact sheet on lead/copper in drinking water. All of the information contained in the sample letter is EPA required language and must be included in your letter and provided to the homeowner. If you would like to receive any of the enclosed documents via e-mail, please send your request to pauline.wuoti@state.mn.us.

The lead/copper sampling site addresses are private data. This information was classified as "nonpublic" by the Minnesota Department of Administration in October 2004, upon the request of Minnesota Department of Health (MDH) and Minnesota community water supply systems. When notifying the persons served at the sites that were tested, provide them with the results for that address only.

Cloquet City Council
Page 2
August 31, 2016
PWSID 1090005

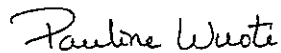
Within 10 days after notifying the residents of their results, you must complete the enclosed Lead/Copper Results Delivery Certification form and return it to us along with a copy of the letter that you sent to the residents notifying them of their results. A return envelope is enclosed for your convenience.

Please note that all enclosures are sent to the addressee of this letter. Persons receiving a copy (cc) of the letter do not receive any enclosures. It is the responsibility of the addressee to follow through with the requirements.

A sampling kit will be sent to you prior to your next scheduled sampling date. The enclosed report should be placed in your records and a copy maintained on or near the water supply premises and available for public inspection for not less than ten (10) years.

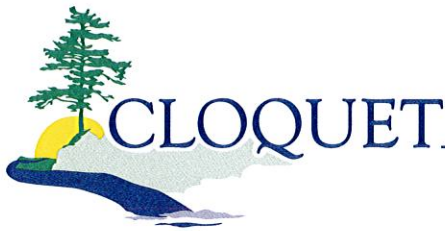
If you have any questions, please contact me at 651/201-4674, or Anna Schliep at 651/201-4667.

Sincerely,



Pauline A. Wuoti
Community Public Water Supply Unit
Environmental Health Division
P.O. Box 64975
St. Paul, Minnesota 55164-0975

PAW
Enclosures
cc: Water Superintendent



ADMINISTRATIVE OFFICES

1307 Cloquet Avenue • Cloquet, MN 55720
Phone: 218-879-3347 • Fax: 218-879-6555
email: admin@ci.cloquet.mn.us
www.ci.cloquet.mn.us

August 31, 2016

Dear Brian Fritsinger, City Administrator:

Enclosed is the monthly financial report and cash and investment analysis for July 2016.

Cash and Investments

Cash balances are 10% below July 2015. A narrative and several spreadsheets discussing this month's cash and investment activities, and balances are attached.

Budgets

Revenues/Transfers in – Interest is \$83,000 below budget since rates haven't increased as fast as predicted by economist. MSA maintenance is \$48,000 above budget mostly since the City received 2014 & 2015 final pay-outs early 2016. SAPPI waterline sales are \$62,900 below budget mostly due to dirty water in March and April, and water from the river was used instead.

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

Major Revenues and Expenditures/Expenses

Revenues:

State \$45,000 for City Sales Tax, \$28,400 for small cities development program, \$96,500 for municipal state aid, and \$1.18 million for LGA. Carlton County \$2.85 million for City and CAFD property taxes.

Expenditures/Expenses:

14th Street Apartments \$10,200 and Oakwood Estates \$24,000 for tax increment financing. Hammarlund \$94,200 for 3rd Street reconstruction. Hoffman & Mcnamar Co. \$59,700 for Skyline Blvd landscaping. Northland Constructors \$445,000 for reclamation of Hwy 33 frontage road and Holmes Drive.

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 July
2016

Fund	2016 Budget	YTD Expend/Expense Budget	YTD Expenditures/ Expenses	Over (Under) Budget	Over (Under) %	
General						
Administration	346,900	269,234	146,773	(122,460)	-45%	1
Finance	202,300	120,300	99,022	(21,278)	-18%	2
Law	95,000	55,417	70,271	14,854	27%	3
Planning and Zoning	225,300	133,384	117,773	(15,610)	-12%	4
Police	2,560,650	1,531,213	1,470,942	(60,271)	-4%	
Hwy, Streets & Rwy	1,024,600	615,392	578,995	(36,397)	-6%	
Library	541,600	318,434	308,075	(10,359)	-3%	
Park	546,150	304,296	320,404	16,107	5%	
Water - LSWL	2,370,550	1,323,289	1,430,723	107,434	8%	
Water - In Town	2,015,500	862,755	828,664	(34,091)	-4%	
Sewer	1,571,000	863,001	870,192	7,191	1%	
Storm Water	200,050	116,971	88,459	(28,512)	-24%	5
Cable TV	169,225	99,340	79,637	(19,703)	-20%	6

Note: Does not include transfers.

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

- 1 - Furniture for Assistant City Administrator and new fixed fee computer maintenance contract charged to admin. less community sign not purchase to date.
- 2 - Part time position not hired to date.
- 3 - Prosecution costs running higher than expected.
- 4 - Consultant fee and computer equipment below budget.
- 5 - Improvements not started yet.
- 6 - Equipment not purchased yet.

Filename: Expenditure-expense budget report

City of Cloquet
Select Departmental and Funds Payroll Expenditure/Expense Budget Report as of July
2016
Payroll Overtime

Fund	2014 Total	2015 Total	2016 Budget	YTD Expend/Expense Budget	YTD Expenditures/Expenses	Over (Under) Budget	(Over) Under %
General							
Police	138,357	131,867					
Holiday			48,000	28,000	19,862	(8,138)	-29%
Regular			22,000	12,833	37,213	24,380	190%
Reimbursed			25,000	14,583	3,768	(10,816)	-74%
Hwy & St	51,578	22,459	25,000	14,583	9,742	(4,841)	-33%
Water - LSWL	49,245	26,737	35,500	20,708	13,186	(7,523)	-36%
Water In Town	29,046	12,494	16,000	9,333	10,492	1,158	12%
Sewer	12,208	8,912	10,500	6,125	5,050	(1,075)	-18%
Storm Water	6,836	2,569	5,000	2,917	4,104	1,188	41%

1

Explanation of (over) budget

1 - Short staffed. New positions hired in May. One gone and two on FMLA during year. Also covering vacations. Regular salaries approximately \$49,000 below budget.

Filename: Expenditure-expense budget report

*City of Cloquet
Cash and Investments
Management Summary
July 31, 2016*

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. Minnesota has fared better than the US averages in the Great Recession. The State has a positive forecast for the future. The July 2016 update to the February forecast shows an increase for the forecast of \$230 million or 1.1%. The Bureau of Economic Analysis shows that the U.S. economic growth was weak in late 2015 and early 2016. Economic growth picked up in the second quarter of 2016. Unemployment is at 4.9% for July.

The City’s certified 2017 LGA is \$2,363,635 approximately \$7,100 more than 2016 and the City increased its preliminary levy by 2.97% for 2016. Looks like will be no special session therefore, Cloquet will not get a one-time increase of LGA for \$97,000. There will be a health insurance premium increase for 2017 of 27.4%. This is almost \$150,000 more per year for the employer (70%) and employee (30%) combined.

Current Activity

During the month of July \$590,000 CDs matured and an agency for \$500,000 was called. The proceeds were used to purchase an agency for \$500,000 and the rest was retained for cash flows or will be invested in the future. Attached is an “Investment Portfolio Analysis” with the detail of investments.

Variance Analysis

Cash and investments are 10% below July 2015. The decrease is due to capital spending on sales tax and infrastructure projects.

The federal benchmark interest rate was raised in December 2015 to .25% to .50% from 0% to .25%. It is expected another increase will not happen until the presidential election is over. Attached is an “Interest Earnings Analysis” which details the average balances invested, rate of return, and prior year rates. There is talk of a possible rate increase in September 2016.

The budgeted interest earnings are \$336,000 for 2016. The City’s investment annualized yield is approximately \$184,800 or 1.53% for 2016. The 2016 budget is based on the economy and interest rates increasing.

Other

Goals for future – Yearly analysis report of cash balances, investments, and interest earnings (partially added to the annual report in 2007). More financial and cash flow planning in 2016 (as time permits).

**City of Cloquet
Cash Balances
July
2016**

Fund #	Fund	Amount
101	General	4,336,033.67
201	LDO Loan (EDA)	295,747.86
202	Federal CDBG Loan (EDA)	837,950.24
203	Economic Development Loan (City)	141,026.09
204	State SCDG/MIF (EDA)	128,957.76
206	Revolving SCGP (EDA)	-
207	Community Development Operating (City)	(15,252.70)
208	SCDP - 2016 (City)	10,824.56
211	Library	157,348.47
220	TIF - Daqota/Woodward	6,284.09
221	TIF - 14th Street Apartments	122.70
222	TIF - Oak Street Apartments	34,576.10
224	Building Facilities Planning	1,534,300.00
225	Permanent Improvement	250,386.71
226	Park	164,598.43
226	Park - Restricted - In Lieu	37,924.41
226	Park - Skate Park	2,640.85
228	Senior Center	(4,907.43)
231	Public Works Reserve	446,992.64
260	Landfill Host Fee - 25%	66,220.21
260	Landfill Host Fee - 75%	212,592.56
368	Business Park Bonds	1,411,186.22
370	Swimming Pond Bonds	62,112.54
403	Capital Projects - Revolving	(965,410.12)
405	City Sales Tax Capital Projects	1,379,188.14
600	Water - Lake Superior Waterline	652,874.86
600	Water - Lake Superior Waterline Construction	429,990.33
601	Water	3,635,144.94
601	Water	233,619.75
602	Sewer	966,233.63
605	Storm Water	8,153.46
614	Cable TV	215,480.79
701	Employee severance	613,158.04
905	Cloquet Area Fire District	1,537,936.80
	Total	18,824,036.60

City of Cloquet
Cash and Investment Analysis
July 31, 2016

	Tentative Goals	Current 7/31/2016	6/30/2016	5/31/2016	4/30/2016	Last Year 7/31/2015
DEMAND ACCOUNTS						
Checking & MM & Savings	10%-15%	\$6,754,725.10 36%	\$3,041,964.17 19%	\$3,716,909.42 22%	\$4,075,061.57 24%	\$8,443,356.57 40%
INVESTMENTS						
<u>Invested less than one year</u>						
Certificates of Deposit		\$2,320,000.00	\$2,665,000.00	\$2,220,000.00	\$2,465,000.00	\$690,000.00
Municipal Bonds		\$1,637,233.18	\$1,637,233.18	\$1,817,911.78	\$1,817,911.78	\$431,813.60
Government Agencies		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Total invested less than one year	50%-70%	\$3,957,233.18 21%	\$4,302,233.18 27%	\$4,037,911.78 24%	\$4,282,911.78 25%	\$1,121,813.60 5%
<u>Invested one to three years</u>						
Certificates of Deposit		\$1,344,000.00	\$1,589,000.00	\$2,034,000.00	\$2,034,000.00	\$2,694,000.00
Municipal Bonds		\$2,461,505.40	\$2,461,505.40	\$2,461,505.40	\$2,461,505.40	\$2,838,233.74
Government Agencies		\$500,000.00	\$1,000,000.00	\$1,000,000.00	\$1,000,000.00	\$500,000.00
Total invested one to three years	10%-20%	\$4,305,505.40 23%	\$5,050,505.40 32%	\$5,495,505.40 33%	\$5,495,505.40 32%	\$6,032,233.74 29%
<u>Invested over three years</u>						
Certificates of Deposit		\$1,214,000.00	\$1,214,000.00	\$1,214,000.00	\$1,214,000.00	\$1,921,000.00
Municipal bonds		\$0.00	\$0.00	\$0.00	\$0.00	\$772,844.56
Government Agencies *		\$2,592,572.92	\$2,092,572.92	\$2,092,572.92	\$2,092,572.92	\$2,596,830.33
Total invested over three years	10%-20%	\$3,806,572.92 20%	\$3,306,572.92 21%	\$3,306,572.92 20%	\$3,306,572.92 19%	\$5,290,674.89 25%
Total	100%	\$18,824,036.60	\$15,701,275.67	\$16,556,899.52	\$17,160,051.67	\$20,888,078.80
Current month variance			\$3,122,760.93 20%	\$2,267,137.08 14%	\$1,663,984.93 10%	(\$2,064,042.20) -10%

* - These investments have call dates less than one year.

City of Cloquet
Investment Portfolio Analysis
Detail of Investments July 31, 2016

Brokerage	Purchase Date	Maturity Date	Time Held	Description	Amount	YTM Rate	Annualized Yield	Market Value
Invested less than one year								
Certificates of Deposit								
Morgan Stanley	8/1/2012	8/10/2016	4 yrs	Firstbank Santurce	\$245,000.00	1.250%	\$3,062.50	\$245,036.75
Morgan Stanley	8/31/2011	8/31/2016	5 yrs	Goldman Sachs - UT	\$150,000.00	1.850%	\$2,775.00	\$150,160.50
Frandsen Bank	3/5/2015	9/5/2016	1 1/2 yrs	Frandsen Bank	\$245,000.00	0.300%	\$735.00	\$245,000.00
UBS Financial	9/10/2014	9/12/2016	2 yrs	Peoples United	\$240,000.00	0.850%	\$2,040.00	\$240,103.20
UBS Financial	9/12/2014	9/12/2016	2 yrs	Merrick	\$240,000.00	0.850%	\$2,040.00	\$240,100.80
Morgan Stanley	9/23/2011	9/23/2016	5 yrs	GE Money Bk UT	\$35,000.00	2.000%	\$700.00	\$35,074.90
Morgan Stanley	9/30/2013	9/30/2016	3 yrs	BMW Bk - UT	\$80,000.00	1.150%	\$920.00	\$80,091.20
Morgan Stanley	11/14/2013	11/14/2016	3 yrs	Ally Bank (form GMAC)	\$150,000.00	1.100%	\$1,650.00	\$150,291.00
UBS Financial	8/5/2015	2/6/2017	2 1/2 yrs	Sallie Mae Bank UT	\$245,000.00	0.850%	\$2,082.50	\$245,291.55
Morgan Stanley	6/8/2012	6/8/2017	5 yrs	World Financial DE	\$200,000.00	1.850%	\$3,700.00	\$201,666.00
Morgan Stanley	6/22/2012	6/22/2017	5 yrs	St Bank of India NY	\$245,000.00	2.000%	\$4,900.00	\$247,832.20
Wells Fargo	7/24/2014	7/24/2017	3 yrs	American Express Fed Sv	\$245,000.00	1.150%	\$2,817.50	\$245,882.74
					\$2,320,000.00		\$27,422.50	\$2,326,530.84
Municipals								
Wells Fargo	12/6/2013	12/1/2016	3 yrs	Minneapolis MN	\$207,581.33	0.750%	\$1,556.86	\$200,902.00
Wells Fargo	11/4/2010	2/1/2017	6 1/2 yrs	Bloomington MN BAB	\$202,324.00	2.100%	\$4,248.80	\$201,846.00
Wells Fargo	1/7/2009	2/1/2017	7 yrs	Osseo MN ISD 279	\$218,141.70	5.400%	\$11,779.65	\$215,527.20
Wells Fargo	6/11/2015	2/1/2017	1 1/2 yrs	St Paul MN ISD	\$502,845.00	1.000%	\$5,028.45	\$500,765.00
Wells Fargo	1/31/2014	3/1/2017	3 yrs	Menomonie WI Txbi	\$340,204.15	0.970%	\$3,299.98	\$331,861.20
Wells Fargo	9/4/2014	4/1/2017	2 1/2 yrs	St Francis MN ISD	\$166,137.00	0.900%	\$1,495.23	\$153,358.50
					\$1,637,233.18		\$27,408.98	\$1,604,259.90
Invested one to three years								
Certificates of Deposit								
UBS Financial	8/31/2015	8/31/2017	2 yrs	Oriental Bank PR	\$50,000.00	1.250%	\$625.00	\$50,226.00
UBS Financial	10/19/2012	10/19/2017	5 yrs	Boston Prvt B&T MA	\$100,000.00	1.000%	\$1,000.00	\$100,109.00
Morgan Stanley	11/25/2013	11/24/2017	4 yrs	Comenity Bk UT	\$68,000.00	1.400%	\$952.00	\$68,705.16
Morgan Stanley	3/12/2014	3/14/2018	4 yrs	GE Capital Ret BK UT	\$210,000.00	1.500%	\$3,150.00	\$212,100.00
Morgan Stanley	5/8/2013	5/8/2018	5 yrs	CIT Bk UT	\$145,000.00	1.200%	\$1,740.00	\$145,107.30
Morgan Stanley	6/28/2013	6/28/2018	5 yrs	BMW Bk - UT	\$96,000.00	1.650%	\$1,584.00	\$96,732.48
Morgan Stanley	10/2/2013	10/2/2018	5 yrs	Discover Bk DE	\$145,000.00	2.050%	\$2,972.50	\$148,297.30
Morgan Stanley	10/28/2013	10/29/2018	5 yrs	Bank Baroda NY	\$245,000.00	2.050%	\$5,022.50	\$250,076.40
UBS Financial	4/16/2014	4/16/2019	5 yrs	Wells Fargo	\$240,000.00	1.000%	\$2,400.00	\$240,592.80
Morgan Stanley	4/29/2014	4/29/2019	5 yrs	Barclays Bk DE	\$45,000.00	1.900%	\$855.00	\$46,109.70
					\$1,344,000.00		\$20,301.00	\$1,358,056.14
Municipals								
Wells Fargo	8/19/2015	8/1/2017	2 yrs	State of MN GO	\$221,654.40	0.860%	\$1,906.23	\$221,678.60
UBS Financial	12/1/2010	12/1/2017	7 yrs	Stamford CT	\$512,636.25	2.759%	\$14,143.63	\$510,855.00
Wells Fargo	1/14/2014	2/1/2018	4 yrs	Anoka County MN	\$567,323.75	1.480%	\$8,396.39	\$525,000.00
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	\$106,064.00
Wells Fargo	10/7/2010	8/1/2018	8 yrs	U of M Build America	\$260,748.16	2.700%	\$7,040.20	\$260,982.50
UBS Financial	12/4/2012	11/1/2018	6 yrs	NY City Transition	\$360,038.40	1.280%	\$4,608.49	\$364,338.00
Wells Fargo	12/1/2010	12/21/2018	8 yrs	Weston WS BAB	\$152,058.00	3.550%	\$5,398.06	\$158,824.50
UBS Financial	2/25/2016	1/1/2019	3+ yrs	Industry Calif Pub Facs Aut	\$266,005.88	1.447%	\$3,849.11	\$260,820.00
					\$2,461,505.40		\$46,867.22	\$2,408,562.60
Government Agencies								
Wells Fargo	4/26/2016	10/26/2018	2 1/2 yrs	FHLMC	\$500,000.00	1.100%	\$5,500.00	\$500,157.50
					\$500,000.00		\$5,500.00	\$500,157.50
Invested over three years								
Certificates of Deposit								
Morgan Stanley	8/8/2015	8/5/2019	5 yrs	Capital One NA Mclean VA	\$108,000.00	2.050%	\$2,214.00	\$110,787.48
Morgan Stanley	10/16/2014	10/16/2019	5 yrs	Capital One Bank VA	\$245,000.00	2.150%	\$5,267.50	\$252,266.70
Morgan Stanley	1/28/2015	1/28/2020	5 yrs	Goldman Sachs - UT	\$96,000.00	2.048%	\$1,966.08	\$98,616.00
UBS Financial	2/27/2015	2/27/2020	5 yrs	Private Bank & Tr IL	\$240,000.00	1.750%	\$4,200.00	\$245,346.40
UBS Financial	4/13/2015	4/13/2020	5 yrs	HSBC Bk VA	\$240,000.00	1.125%	\$2,700.00	\$240,156.00
Morgan Stanley	5/7/2015	5/7/2020	5 yrs	Amex Centurion UT	\$185,000.00	1.950%	\$3,607.50	\$189,713.80
Morgan Stanley	9/2/2015	9/2/2020	5 yrs	Capital One MN Mclean VA	\$100,000.00	2.200%	\$2,200.00	\$103,894.00
					\$1,214,000.00		\$22,155.08	\$1,240,780.38
Government Agencies								
UBS Financial	11/23/2015	10/27/2023	8 yrs	FNMA	\$500,541.67	1.500%	\$7,508.13	\$500,750.00
Morgan Stanley	3/28/2016	3/28/2024	7 yrs	FNMA	\$640,000.00	1.250%	\$8,000.00	\$640,569.60
Morgan Stanley	6/14/2016	6/14/2024	8 yrs	FHLMC	\$500,000.00	1.500%	\$7,500.00	\$500,570.00
UBS Financial	2/29/2016	1/30/2025	9 yrs	FNMA	\$452,031.25	1.020%	\$4,610.72	\$450,000.00
Morgan Stanley	7/27/2016	7/27/2016	10 yrs	FHLMC	\$500,000.00	1.500%	\$7,500.00	\$498,515.00
					\$2,592,572.92		\$35,118.84	\$2,590,404.60
Totals					\$12,069,311.50		\$184,773.62	\$12,028,751.96
							1.53%	

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 July
2016

Type	%	Invested Balance	Interest	Rate of Return
Money Markets	19%	\$2,827,651.56	\$812.60	0.34%
CD's*	35%	\$5,338,000.00	\$6,225.14	1.37%
Municipals*	27%	\$4,098,738.58	\$6,012.45	1.73%
Government agencies*	19%	\$2,947,411.63	\$3,173.95	1.27%
Total Investment Return*	81%	\$12,384,150.21	\$15,411.54	1.47%
Total Return	100%	\$15,211,801.77	\$16,224.14	1.26%

Earnings Comparison	Budget	YTD Budget	YTD Actual
2016 Interest Earnings	\$ 336,000.00	\$ 196,000.00	\$113,012.94
2015 Interest Earnings	\$ 282,800.00	\$ 164,966.67	\$111,933.64
2014 Interest Earnings	\$ 453,000.00	\$ 264,250.00	\$122,249.83

Rate Comparisons	Current	Revised Last Month	Last Year	Two Years
	July 2016	June 2016	July 2015	July 2014
Average Total Return	1.26%	1.42%	1.02%	1.16%
Average Investment Return*	1.47%	1.48%	1.45%	1.45%

Filename: Monthly Report - Interest Earnings Analysis 2016

Monthly report of August 2015*City of Cloquet*

Type	Permits		
	Number Issued	Value	Amount
ADDITION/REMODEL COMMERCIAL OR INDUSTRIAL	1	18 144.00	356.32
ADMINISTRATIVE PERMIT	9	36 125.00	917.07
BUILDING PERMIT ADDITION OR REMODEL	1	240 500.00	2 888.54
BUILDING PERMIT NEW GARAGE	3	28 789.00	638.14
GRADING PERMIT	3	0.00	50.00
MECHANICAL PERMIT	1	0.00	55.00
PLUMBING	2	0.00	130.00
REROOF OR RESIDE	17	0.00	1 745.00
SIGN	4	0.00	128.00
ZONING - Accessory Building Site Location	1	0.00	25.00
ZONING - FENCE PERMIT	12	0.00	250.00
Total	54	323 558.00	7 183.07

Printed on September 01, 2016

Monthly report of August 2016*City of Cloquet*

Type	Permits		
	Number Issued	Value	Amount
ADMIN COMMERCIAL/INDUSTRIAL	6	123 434.00	1 745.47
ADMINISTRATIVE PERMIT	16	51 421.00	1 301.42
BUILDING PERMIT NEW COMMERCIAL	1	8 500.00	171.50
BUILDING PERMIT NEW GARAGE	2	80 000.00	1 205.50
MECHANICAL PERMIT	9	0.00	340.00
PLUMBING	4	0.00	115.00
REROOF OR RESIDE	15	0.00	1 615.00
SIGN	2	0.00	57.00
ZONING - FENCE PERMIT	3	0.00	50.00
Total	58	263 355.00	6 600.89



DID YOU KNOW?

- The Northwoods Credit Union Arena and Pine Valley Ice Shelter complex is one of, if not the, last facility in the state that is operated by the local Youth Hockey Association.
- The facilities are funded primarily through:
 - Registration fees of youth hockey members
 - Lease agreements with the school district and MN Wilderness
 - Ice rental to entities outside of the youth, HS, and MN Wilderness programs
 - Concessions
 - Charitable gambling (pull tabs operated by the Women's Auxiliary)
 - Donation from Northwoods CU in exchange for arena naming rights
- CAHA receives no direct taxpayer funding for the expenses of operating and maintaining the facilities. Indirect tax money exceptions are the lease with the school district for the HS hockey programs, occasional Phy Ed classes, and graduation ceremony. We also have an occasional supervised work detail through the State Dept of Corrections. In fact, CAHA pays down the bond on the facility with a payment to the City of Cloquet in excess of \$50,000 annually.
- Northwoods CU Arena has a walking and running track that is open to the public. Times vary.
- CAHA employs 2 full time staff members along with 10 – 12 part time positions.
- With the purchase of electric ice resurfacing equipment, CAHA has made Northwoods CU Arena 100% emissions free.
- CAHA provides an unprecedented amount of fundraising opportunities for our members to offset the cost of participation and has a scholarship program for those in need.
- CAHA provides an opportunity to significantly reduce the cost for beginning players through free or reduced rates and an inventory of equipment that is available for lease for a nominal fee.
- When all costs of participating in a full season of hockey are factored in, CAHA provides among the lowest total cost to play hockey of anywhere in the region, state, or nation.
- CAHA provides indoor ice for 100% of practices and home games for all ages.
- CAHA buys several hours of ice annually to help support the Carlton Four Seasons facility.
- CAHA hosts a minimum of 8 youth tournaments per year. In addition, we rent ice to some of the larger tournaments that are centered in Duluth, and also host teams from around the state and country who play against our high school teams and the Wilderness. The teams that we host stay in our local hotels, eat in our restaurants, and shop in our stores, making a tremendous positive financial impact on our community.
- According to a recent engineering study, CAHA has done a superb job in maintaining the facility since it opened. Many lower cost projects have been done to improve the function and aesthetics of the facility and most will save money in the long run. More money-saving projects are planned for the future. However, given that the buildings are aging, CAHA's biggest long term challenge will be funding some major capital improvements in the coming years. These include but are not limited to the exterior roofing, a dehumidification system, and an R-22 Freon-free ice plant.