



# City Administrator's Weekly Update

WEEK ENDING DECEMBER 30, 2016

## Upcoming Events:

January 2  
New Year's Day  
**City Hall Closed**

January 3, 5:30 pm  
Council Work Session  
City Hall

January 3, 7:00 pm  
City Council - Regular  
City Hall

January 4, 8:00 am  
EDA  
City Hall

January 10, 7:00 pm  
Planning Commission  
City Hall

January 16  
MLK Holiday  
**City Hall Closed**

**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  
Lara Wilkinson, At Large

Brian Fritsinger,  
City Administrator  
1307 Cloquet Avenue  
Cloquet, MN 55720  
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Visit Our Website at:  
[www.ci.cloquet.mn.us](http://www.ci.cloquet.mn.us)

## Administration/Finance

### Personnel

Quite a few staff took vacation this week trying to get their year end balances down and to spend some time with family and friends during the holiday season. Don't forget that with New Year's Day falling on Sunday that City offices will be closed on Monday, January 2.

### City Council

With 2017 quickly approaching I would like to thank Councilor Lara Wilkinson for all of her dedication and hard work over the past 4 years as an at-large City Councilor. Lara has been an active member of the Council in many different capacities and has represented the citizens of Cloquet in a very positive manner. I would also like to welcome our newest City Councilor, Adam Bailey, to his new position representing the community in the at-large position. Adam will take the oath of office on January 3.

### OSHA visit

We have set up a walk thru of the various City buildings by OSHA on Wednesday January 25, 2017. The walk thru will start at 9am at City Hall and continue on from there. We proactively try to work with OSHA every few years to identify any specific issues of concern rather than to wait until they arrive unexpectedly. This allows us to address safety issues without the threat of fines and penalties. So between now and then we encourage staff to be looking at their work areas and addressing any potential safety problems proactively before that date.

## Public Works/Parks

### Miscellaneous

The crew has to pull some overtime as a result of the rain/snow event over the Christmas holiday. Rink attendants have been hired so we should be set with the opening of the warming houses this week. Staff also had some emergency water repairs this week that resulted in some long work hours.

## Community Development

### Community Marketing Plan

Ady Advantage was here last week for two full days of meetings with local and regional business leaders as well as economic development partners. The meetings were very well attended and the consultant found the information to be very valuable in terms of establishing a baseline of data that can be used to help with the plan development.

*"The art of leadership is saying no, not saying yes. It is very easy to say yes."  
-- Tony Blair, Former British Prime Minister*

### Other Information Attached:

- \* November, 2016 Monthly Financial Report and Cash & Investment Analysis
- \* Letter from Minnesota Department of Agriculture Regarding Emerald Ash Borer



## ADMINISTRATIVE OFFICES

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December 19, 2016

Dear Brian Fritsinger, City Administrator:

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

### **Cash and Investments**

Cash balances are 4% below November 2015. A narrative and several spreadsheets discussing this month's cash and investment activities, and balances are attached.

### **Budgets**

Revenues/Transfers in – Interest is \$131,000 below budget since rates haven't increased as fast as predicted by economist. Rates were increased in December. MSA maintenance is \$48,000 above budget mostly since the City received 2014 & 2015 final pay-outs early 2016. SAPPI waterline sales are starting to track closer to budget.

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

### **Major Revenues and Expenditures/Expenses**

#### Revenues:

State \$79,600 for City Sales Tax, \$11,500 for small cities development program, and \$127,900 for street and sidewalk project funding. Rivdogg LLC \$55,900 for early loan pay down.

#### Expenditures/Expenses:

Ady Advantage/Voltedge Inc \$27,100 for marketing plan. George Bougalis & Sons \$175,600 for Fauley & Vets improvements. Hammarlund \$244,700 for 3<sup>rd</sup> Street reconstruction. Kiminski Paving \$77,300 for park improvements and crack sealing. Northland Constructors \$18,200 for final on I-35 Frontage Road repaving. S E H \$57,000 for park design. Stack Bros. \$109,700 for Slate Street sidewalk.

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 November**  
**2016**

Fund	2016 Budget	YTD Expend/Expense Budget	YTD Expenditures/ Expenses	Over (Under) Budget	Over (Under) %	
<b>General</b>						
Administration	346,900	331,367	229,091	(102,276)	-31%	1
Finance	202,300	185,900	161,053	(24,847)	-13%	2
Law	95,000	87,083	101,938	14,855	17%	3
Planning and Zoning	225,300	207,042	183,467	(23,575)	-11%	4
Police	2,560,650	2,354,763	2,271,281	(83,482)	-4%	
Hwy, Streets & Rwy	1,024,600	914,758	890,311	(24,448)	-3%	
<b>Library</b>	541,600	496,967	492,061	(4,906)	-1%	
<b>Park</b>	546,150	446,379	470,261	23,881	5%	
<b>Water - LSWL</b>	2,370,550	2,048,538	2,320,248	271,710	13%	5
<b>Water - In Town</b>	2,015,500	1,306,196	1,251,621	(54,575)	-4%	
<b>Sewer</b>	1,571,000	1,343,200	1,391,671	48,470	4%	
<b>Storm Water</b>	200,050	183,354	142,053	(41,301)	-23%	6
<b>Cable TV</b>	169,225	155,248	131,340	(23,908)	-15%	7

**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 purchased to date, and microfiche project below budget.
- 2 - Part time position not hired to date.
- 3 - Prosecution costs running higher than expected.
- 4 - Mostly consultant fees and nuisance costs running below budget.
- 5 - Mostly dechlor building and railroad leak labor, equipment and supply costs less late MN Power invoices.
- 6 - Improvements not started yet.
- 7 - Equipment not purchased yet.

Filename: Expenditure-expense budget report

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

Fund	2014 Total	2015 Total	2016 Budget	YTD Expend/Expense Budget	YTD Expenditures/Expenses	Over (Under) Budget	(Over) Under %	
<b>General</b>								
Police	138,357	131,867						
Holiday			48,000	44,000	30,988	(13,012)	-30%	
Regular			22,000	20,167	62,420	42,253	210%	1
Reimbursed			25,000	22,917	7,506	(15,410)	-67%	
Hwy & St	51,578	22,459	25,000	22,917	22,346	(570)	-2%	
<b>Water - LSWL</b>	49,245	26,737	35,500	32,542	20,179	(12,362)	-38%	2
<b>Water In Town</b>	29,046	12,494	16,000	14,667	17,406	2,740	19%	
<b>Sewer</b>	12,208	8,912	10,500	9,625	6,536	(3,089)	-32%	2
<b>Storm Water</b>	6,836	2,569	5,000	4,583	5,128	544	12%	

**Explanation of (over) budget**

- 1 - Short staffed - new positions hired in May and replacement hired in Nov., one gone and two on FMLA during year. Regular salaries running below budget.
- 2 - Overtime for LSW railroad leak charged to leak line item.

Filename: Expenditure-expense budget report

*City of Cloquet  
Cash and Investments  
Management Summary  
November 30, 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. The State’s budget outlook remains stable. The November 2016 forecast projects a \$1.4 billion balance for the FY 2018-19. The current biennium surplus is projected at \$678 million, after the statutory allocation of \$334 million to the budget reserve. It appears that the deadline for a special session have passed with no agreement between the Governor and majority leader. Unemployment is at 4.6% for November.

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. There will be a health insurance premium increase for the City 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 November a CD matured for \$150,000. The proceeds plus cash deposits were used to purchase an agency for \$160,000. Attached is an “Investment Portfolio Analysis” with the detail of investments.

**Variance Analysis**

Cash and investments are 4% below November 2015. The decrease is due to capital spending on sales tax and infrastructure projects.

The federal benchmark interest rate was raised in December 2016 to .50% to .75% from .25% to .50%. It is expected there will be three more increases in 2017. Attached is an “Interest Earnings Analysis” which details the average balances invested, rate of return, and prior year rates.

The budgeted interest earnings are \$336,000 for 2016. The City’s investment annualized yield is approximately \$190,200 or 1.64% 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  
November  
2016**

Fund #	Fund	Amount
101	General	3,153,778.54
201	LDO Loan (EDA)	324,950.88
202	Federal CDBG Loan (EDA)	841,550.24
203	Economic Development Loan (City)	124,988.09
204	State SCDG/MIF (EDA)	129,557.76
206	Revolving SCGP (EDA)	-
207	Community Development Operating (City)	(78,566.17)
208	SCDP - 2016 (City)	9,161.96
211	Library	(17,487.85)
220	TIF - Daqota/Woodward	6,184.09
221	TIF - 14th Street Apartments	22.70
222	TIF - Oak Street Apartments	34,476.10
224	Building Facilities Planning	1,540,900.00
225	Permanent Improvement	222,148.41
226	Park	59,105.65
226	Park - Restricted - In Lieu	37,924.41
226	Park - Skate Park	2,640.85
228	Senior Center	(9,630.09)
231	Public Works Reserve	435,855.69
260	Landfill Host Fee - 25%	73,636.69
260	Landfill Host Fee - 75%	227,180.32
368	Business Park Bonds	1,417,186.22
370	Swimming Pond Bonds	62,112.54
403	Capital Projects - Revolving	(1,095,212.14)
405	City Sales Tax Capital Projects	818,117.02
600	Water - Lake Superior Waterline	726,281.71
600	Water - Lake Superior Waterline Construction	429,990.33
601	Water In Town	3,609,020.15
601	Water - Debt Service	233,619.75
602	Sewer	1,029,980.94
605	Storm Water	74,895.37
614	Cable TV	216,744.61
701	Employee severance	610,262.81
905	Cloquet Area Fire District	1,026,836.64
	<b>Total</b>	<b>16,278,214.22</b>

**City of Cloquet**  
**Cash and Investment Analysis**  
**November 30, 2016**

	Tentative Goals	Current 11/30/2016	10/31/2016	9/30/2016	8/31/2016	11/30/2015
<b>DEMAND ACCOUNTS</b>						
Checking & MM & Savings	10%-15%	\$4,677,179.25 29%	\$5,399,997.17 32%	\$5,118,034.55 30%	\$6,187,415.79 34%	\$2,177,016.11 13%
<b>INVESTMENTS</b>						
<u>Invested less than one year</u>						
Certificates of Deposit		\$1,153,000.00	\$1,235,000.00	\$1,135,000.00	\$1,975,000.00	\$3,690,000.00
Municipal Bonds		\$1,858,887.58	\$1,858,887.58	\$1,858,887.58	\$1,858,887.58	\$431,813.60
Government Agencies		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Total invested less than one year	50%-70%	\$3,011,887.58 19%	\$3,093,887.58 18%	\$2,993,887.58 17%	\$3,833,887.58 21%	\$4,121,813.60 24%
<u>Invested one to three years</u>						
Certificates of Deposit		\$1,579,000.00	\$1,647,000.00	\$1,647,000.00	\$1,402,000.00	\$1,994,000.00
Municipal Bonds		\$2,239,851.00	\$2,239,851.00	\$2,239,851.00	\$2,239,851.00	\$3,680,674.70
Government Agencies*		\$0.00	\$0.00	\$500,000.00	\$500,000.00	\$500,000.00
Total invested one to three years	10%-20%	\$3,818,851.00 23%	\$3,886,851.00 23%	\$4,386,851.00 26%	\$4,141,851.00 23%	\$6,174,674.70 36%
<u>Invested over three years</u>						
Certificates of Deposit		\$1,501,000.00	\$1,501,000.00	\$1,596,000.00	\$1,106,000.00	\$1,739,000.00
Municipal Bonds		\$824,296.39	\$824,296.39	\$315,572.50	\$315,572.50	\$152,058.00
Government Agencies *		\$2,445,000.00	\$2,285,000.00	\$2,785,541.67	\$2,515,541.67	\$2,595,538.67
Total invested over three years	10%-20%	\$4,770,296.39 29%	\$4,610,296.39 27%	\$4,697,114.17 27%	\$3,937,114.17 22%	\$4,486,596.67 26%
<b>Total</b>	<b>100%</b>	<b>\$16,278,214.22</b>	<b>\$16,991,032.14</b>	<b>\$17,195,887.30</b>	<b>\$18,100,268.54</b>	<b>\$16,960,101.08</b>

Current month variance

(\$712,817.92)    (\$917,673.08)    (\$1,822,054.32)    (\$681,886.86)  
 -4%                      -5%                      -10%                      -4%

\* - Most of these investments have call dates less than one year.

**Note:**

The over one and three year period exceeds the goals but several investments are priced to call and will not be held over one year.



**City of Cloquet**  
**Investment Portfolio Analysis**  
**Detail of Investments November 30, 2016**

Brokerage	Purchase Date	Maturity Date	Time Held	Description	Amount	YTM Rate	Annualized Yield	Market Value
<b>Invested less than one year</b>								
<b>Certificates of Deposit</b>								
UBS Financial	8/5/2015	2/6/2017	2 1/2 yrs	Sallie Mae Bank UT	\$245,000.00	0.850%	\$2,082.50	\$245,134.75
Morgan Stanley	6/8/2012	6/8/2017	5 yrs	World Financial DE	\$200,000.00	1.850%	\$3,700.00	\$201,108.00
Morgan Stanley	6/22/2012	6/22/2017	5 yrs	St Bank of India NY	\$245,000.00	2.000%	\$4,900.00	\$246,857.10
Wells Fargo	7/24/2014	7/24/2017	3 yrs	American Express Fed Sv	\$245,000.00	1.150%	\$2,817.50	\$245,713.93
UBS Financial	8/31/2015	8/31/2017	2 yrs	Oriental Bank PR	\$50,000.00	1.250%	\$625.00	\$50,187.50
UBS Financial	10/19/2012	10/19/2017	5 yrs	Boston Prvt B&T MA	\$100,000.00	1.000%	\$1,000.00	\$100,157.00
Morgan Stanley	11/25/2013	11/24/2017	4 yrs	Comenity Bk UT	\$68,000.00	1.400%	\$952.00	\$68,544.68
					<b>\$1,153,000.00</b>		\$16,077.00	\$1,157,702.96
<b>Municipals</b>								
Wells Fargo	12/6/2013	12/1/2016	3 yrs	Minneapolis MN	\$207,581.33	0.750%	\$1,556.86	\$200,000.00
Wells Fargo	11/4/2010	2/1/2017	6 1/2 yrs	Bloomington MN BAB	\$202,324.00	2.100%	\$4,248.80	\$200,480.00
Wells Fargo	1/7/2009	2/1/2017	7 yrs	Osseo MN ISD 279	\$218,141.70	5.400%	\$11,779.65	\$211,667.40
Wells Fargo	6/11/2015	2/1/2017	1 1/2 yrs	St Paul MN ISD	\$502,845.00	1.000%	\$5,028.45	\$500,075.00
Wells Fargo	1/31/2014	3/1/2017	3 yrs	Menomonie WI Txbl	\$340,204.15	0.970%	\$3,299.98	\$330,514.80
Wells Fargo	9/4/2014	4/1/2017	2 1/2 yrs	St Francis MN ISD	\$166,137.00	0.900%	\$1,495.23	\$151,560.00
Wells Fargo	8/19/2015	8/1/2017	2 yrs	State of MN GO	\$221,654.40	0.860%	\$1,906.23	\$220,644.60
					<b>\$1,858,887.58</b>		\$29,315.21	\$1,814,941.80
<b>Invested one to three years</b>								
<b>Certificates of Deposit</b>								
Frandsen Bank	9/5/2016	3/5/2018	1 1/2 yrs	Frandsen Bank	\$245,000.00	0.300%	\$735.00	\$245,000.00
Morgan Stanley	3/12/2014	3/14/2018	4 yrs	GE Capital Ret BK UT	\$210,000.00	1.500%	\$3,150.00	\$211,677.90
Morgan Stanley	6/28/2013	6/28/2018	5 yrs	BMW Bk - UT	\$96,000.00	1.650%	\$1,584.00	\$96,584.64
Morgan Stanley	10/2/2013	10/2/2018	5 yrs	Discover Bk DE	\$145,000.00	2.050%	\$2,972.50	\$147,724.55
Morgan Stanley	10/28/2013	10/29/2018	5 yrs	Bank Baroda NY	\$245,000.00	2.050%	\$5,022.50	\$249,187.05
UBS Financial	4/16/2014	4/16/2019	5 yrs	Wells Fargo	\$240,000.00	1.000%	\$2,400.00	\$240,364.80
Morgan Stanley	4/29/2014	4/29/2019	5 yrs	Barclays Bk DE	\$45,000.00	1.900%	\$855.00	\$45,946.80
Morgan Stanley	8/8/2015	8/5/2019	5 yrs	Capital One NA Mclean VA	\$108,000.00	2.050%	\$2,214.00	\$110,395.44
Morgan Stanley	10/16/2014	10/16/2019	5 yrs	Capital One Bank VA	\$245,000.00	2.150%	\$5,267.50	\$251,419.00
					<b>\$1,579,000.00</b>		\$24,200.50	\$1,598,300.18
<b>Municipals</b>								
UBS Financial	12/1/2010	12/1/2017	7 yrs	Stamford CT	\$512,636.25	2.759%	\$14,143.63	\$505,900.00
Wells Fargo	1/14/2014	2/1/2018	4 yrs	Anoka County MN	\$567,323.75	1.480%	\$8,396.39	\$517,895.00
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	\$104,019.00
Wells Fargo	10/7/2010	8/1/2018	8 yrs	U of M Build America	\$260,748.16	2.700%	\$7,040.20	\$257,860.00
UBS Financial	12/4/2012	11/1/2018	6 yrs	NY City Transition	\$360,038.40	1.280%	\$4,608.49	\$357,152.40
Wells Fargo	12/1/2010	12/21/2018	8 yrs	Weston WS BAB	\$152,058.00	3.550%	\$5,398.06	\$156,288.00
UBS Financial	2/25/2016	1/1/2019	3+ yrs	Industry Calif Pub Facs Autl	\$266,005.88	1.447%	\$3,849.11	\$256,312.50
					<b>\$2,239,851.00</b>		\$44,960.99	\$2,155,426.90
<b>Invested over three years</b>								
<b>Certificates of Deposit</b>								
Morgan Stanley	1/28/2015	1/28/2020	5 yrs	Goldman Sachs - UT	\$96,000.00	2.048%	\$1,966.08	\$98,352.96
UBS Financial	2/27/2015	2/27/2020	5 yrs	Private Bank & Tr IL	\$240,000.00	1.750%	\$4,200.00	\$246,633.60
UBS Financial	4/13/2015	4/13/2020	5 yrs	HSBC Bk VA	\$240,000.00	1.125%	\$2,700.00	\$240,254.40
Morgan Stanley	5/7/2015	5/7/2020	5 yrs	Amex Centurion UT	\$185,000.00	1.950%	\$3,607.50	\$189,266.10
Morgan Stanley	9/2/2015	9/2/2020	5 yrs	Capital One MN Mclean VA	\$100,000.00	2.200%	\$2,200.00	\$103,560.00
Morgan Stanley	10/14/2016	10/14/2020	5 yrs	First Bank PR Santurce	\$150,000.00	1.450%	\$2,175.00	\$150,568.50
UBS Financial	9/16/2016	9/16/2021	5 yrs	JPMorgan Chase Bk OH	\$245,000.00	1.500%	\$3,675.00	\$244,404.65
UBS Financial	9/23/2016	9/23/2021	5 yrs	Happy State Bank TX	\$245,000.00	1.500%	\$3,675.00	\$244,585.95
					<b>\$1,501,000.00</b>		\$24,198.58	\$1,517,626.16
<b>Municipals</b>								
UBS Financial	8/1/2016	7/1/2021	5 yrs	Florida St Rev Ser	\$315,572.50	1.583%	\$4,995.51	\$303,477.00
UBS Financial	10/27/2016	7/1/2025	9 yrs	Selma Ala Rfdg	\$508,723.89	2.400%	\$12,209.37	\$477,270.00
					<b>\$824,296.39</b>		\$17,204.89	\$780,747.00
<b>Government Agencies</b>								
Morgan Stanley	11/22/2016	11/22/2023	7 yrs	FHLB	\$160,000.00	1.375%	\$2,200.00	\$157,184.00
Morgan Stanley	3/28/2016	3/28/2024	8 yrs	FNMA	\$640,000.00	1.250%	\$8,000.00	\$638,764.80
Morgan Stanley	6/14/2016	6/14/2024	8 yrs	FHLMC	\$500,000.00	1.500%	\$7,500.00	\$492,805.00
Morgan Stanley	9/30/2016	9/30/2024	8 yrs	FHLMC	\$270,000.00	1.250%	\$3,375.00	\$265,653.00
Morgan Stanley	7/27/2016	7/27/2026	10 yrs	FHLMC	\$500,000.00	1.500%	\$7,500.00	\$479,405.00
Morgan Stanley	8/17/2016	8/17/2026	10 yrs	FHLMC	\$375,000.00	1.500%	\$5,625.00	\$360,461.25
					<b>\$2,445,000.00</b>		\$34,200.00	\$2,394,273.05
<b>Totals</b>					<b>\$11,601,034.97</b>		<b>\$190,157.17</b>	<b>\$11,419,018.05</b>
							<b>1.64%</b>	

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 November**  
**2016**

Type	%	Invested Balance	Interest	Rate of Return
Money Markets	15%	\$1,991,237.33	\$469.30	0.29%
CD's*	32%	\$4,298,000.00	\$5,384.59	1.52%
Municipals*	36%	\$4,923,034.97	\$7,195.01	1.78%
Government agencies*	17%	\$2,333,000.00	\$2,684.19	1.40%
Total Investment Return*	85%	\$11,554,034.97	\$15,263.79	1.61%
Total Return	100%	\$13,545,272.30	\$15,733.09	1.41%

Earnings Comparison	Budget	YTD Budget	YTD Actual
2016 Interest Earnings	\$ 336,000.00	\$ 308,000.00	\$177,010.45
2015 Interest Earnings	\$ 282,800.00	\$ 259,233.33	\$177,404.18
2014 Interest Earnings	\$ 453,000.00	\$ 415,250.00	\$189,313.70

Rate Comparisons	Current	Revised Last Month	Last Year	Two Years
	November 2016	October 2016	November 2015	November 2014
Average Total Return	1.41%	1.38%	1.26%	1.24%
Average Investment Return*	1.61%	1.56%	1.30%	1.38%

Filename: Monthly Report - Interest Earnings Analysis 2016

December 12, 2016

### Comment Period for Emerald Ash Borer Quarantine Proposed Expansion in Northeastern Minnesota

In September 2016, emerald ash borer (EAB) was positively identified for the second time in Duluth, St. Louis County, Minnesota. An emergency quarantine was implemented and the public comment period was open from October 15 to November 30, 2016. After reviewing the comments that were submitted, the Minnesota Department of Agriculture proposes an expansion of the current quarantine boundary (see filled area on map below). A comment period on the proposed expansion is open now through January 15, 2017.

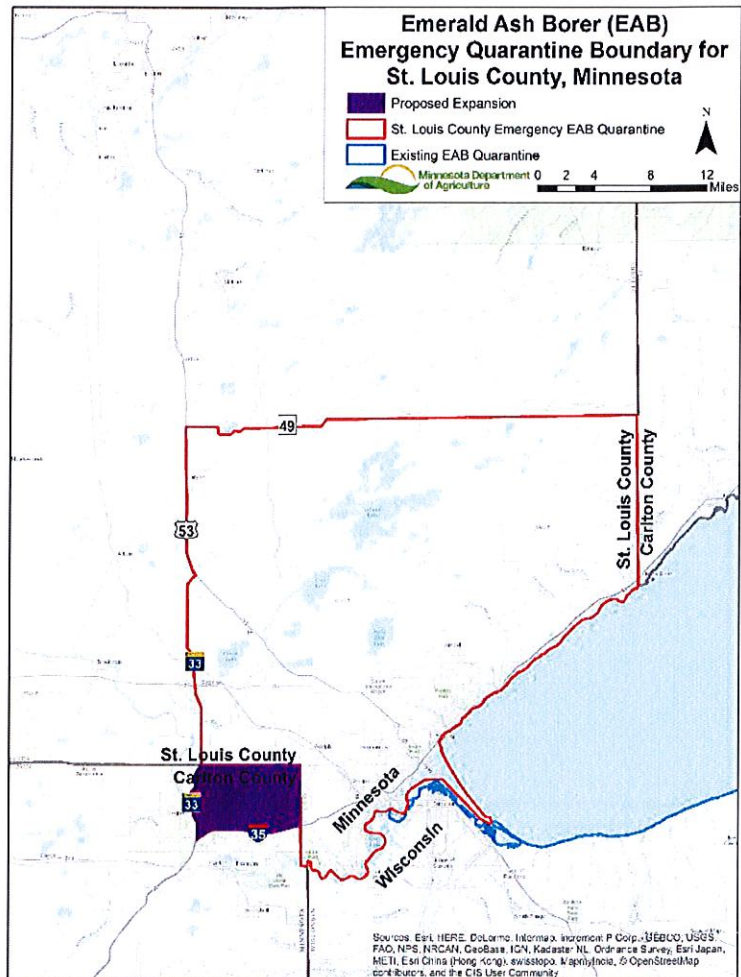
The current EAB formal quarantine is available to view here: <http://www.mda.state.mn.us/eab>.

The proposed expansion of the partial St. Louis County quarantine includes:

- West boundary:* Intersection of Interstate 35 and Minnesota Highway 33 in Carlton County traveling north on Minnesota Highway 33 to the intersection of U.S. Highway 53; then following U.S. Highway 53 north to the intersection of Three Lakes Road (County Highway 49) in St. Louis County
- North boundary:* Three Lakes Road (County Highway 49) at the intersection of U.S. Highway 53 traveling east to the intersection of Vermilion Trail; then the northern edge of Gnesen, North Star, and Alden Townships to the St. Louis/Lake County border
- East boundary:* St. Louis/Lake County border
- South boundary:* St. Louis County border and St. Louis/Carlton County border to Interstate 35 extending west to Minnesota Highway 33 in Carlton County

Important facts about the quarantine:

- The same articles regulated in the current state formal quarantine are regulated for the emergency quarantine. Regulated articles are ash (*Fraxinus* spp.) in any form (logs, green lumber, chips or mulch, branches, etc.) and firewood of any non-coniferous (hardwood) species.
- Movement of regulated articles is allowed within and between contiguously quarantined counties.
- Regulated articles may not move out of a quarantined area without a certificate or permit issued by the Minnesota Department of Agriculture.



Since 2002, EAB has killed tens of millions of ash trees throughout North America. With the largest concentration of ash trees in the country, Minnesota has much to protect. EAB is the most serious forest pest that Minnesota has encountered, and the scope of this problem could reach billions of dollars nationwide if not dealt with immediately.

Comments should be directed to: Kimberly Thielen Cremers  
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In accordance with the Americans with Disabilities Act, this information is available in alternative forms of communication upon request by calling 651/201-6000. TTY users can call the Minnesota Relay Service at 711 or 1-800-627-3529. The MDA is an equal opportunity employer and provider.