

EXTRACT OF MINUTES OF MEETING OF THE
CITY COUNCIL OF THE CITY OF
BAXTER, MINNESOTA

HELD: October 20, 2026

Pursuant to due call and notice thereof, a regular meeting of the City Council of City of Baxter, Minnesota, was duly called and held in said City on Tuesday, the 20th day of October, 2026, at 7:00 o'clock P.M.

The following members were present: _____ and the following were absent: _____.

Member _____ introduced the following resolution and moved its adoption:

RESOLUTION NO. 2026-095

**RESOLUTION SETTING THE FINAL SPECIAL ASSESSMENT
INTEREST RATE ON THE 2026 IMPROVEMENT PROJECTS**

WHEREAS, the City of Baxter initiated street and utility improvements in 2026 for the 2026 Clearwater Road, North Lynndale Area, and Brentwood Circle Street and Utility Improvements project (CPF 4068) and the 2026 Residential Mill and Overlay Improvement project (CPF 4426), (collectively referred to as "Projects");

WHEREAS, the Projects are being funded with various revenue sources, including special assessments against the identified benefiting parcels;

WHEREAS, the City is in the process of issuing General Obligation Improvement Bonds, Series 2026 ("2026 Bonds") to finance a portion of the Projects along with projects from 2025;

WHEREAS, per the City's adopted special assessment policy, the final special assessment interest rate ("Final Rate") applied to special assessments for non-developer requested projects financed by the issuance of debt shall be one and one-half percent (1.5%) greater than the True Interest Cost (TIC) Rate of the bond issue and the Final Rate applied to special assessments for developer requested projects financed by the issuance of debt shall be two percent (2.0%) greater than the TIC Rate of the bond issue commencing in the year following the certification of the assessment;

WHEREAS, the Final Rates are established to ensure adequate cash flow when the City is unable to reinvest assessment prepayments at an interest rate sufficient to meet the interest cost of debt, when the City experiences problems of payment collection delinquencies, and to cover a portion of the bond issuance costs;

WHEREAS, special assessments for the Projects were adopted earlier this year with initial interest rates set for the remainder of 2026 and the Final Rate was estimated; and

WHEREAS, the Final Rates were unknown at the time the Projects' special assessments were adopted as the 2026 Bonds had not been issued and are now scheduled to be sold on October 20, 2026 at which time the Final Rates will be determined.

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Baxter, Minnesota, as follows:

Based upon the adjusted ____% TIC of the 2026 Bonds, the City Council hereby sets the Final Rates for the Project's special assessments beginning in 2027 at ____% and authorizes the City Finance Director to certify the records of assessment for the 2026 Projects at the revised assessment interest rate of ____% to the Crow Wing County Auditor for collection with the property taxes, beginning with the first installment in 2027.

The motion for the adoption of the foregoing resolution was duly seconded by Councilmember _____, and upon a vote being taken thereon, the following voted in favor thereof: _____

and the following voted against the same: _____.

WHEREUPON, said resolution was declared duly passed and adopted on this 20th day of October 2026.

STATE OF MINNESOTA)
COUNTY OF CROW WING) ss
CITY OF BAXTER)

I, the undersigned, being the duly qualified and acting Clerk of the City of Baxter, Minnesota, DO HEREBY CERTIFY that I have compared the attached and foregoing extract of minutes of a meeting of the City Council of the City duly called and held on the date therein indicated, with the original minutes on file in my office and the extract is a full, true, and correct copy of the minutes insofar as they relate to setting the special assessment final interest rates for the 2026 Projects, in said City.

WITNESS my hand as such Clerk of said City this 20th day of October 2026.

Kelly Steele
Assistant City Administrator/City Clerk