STATE OF MINNESOTA

OFFICE OF ADMINISTRATIVE HEARINGS

WHEREAS, a joint resolution for orderly annexation was adopted by the City of Parkers Prairie and the Town of Parkers Prairie; and

WHEREAS, said joint resolution requests that certain property be annexed to the City of Parkers Prairie pursuant to M.S. 414.0325; and

WHEREAS, M.S. 414.0325 states that in certain circumstances the Director of Strategic and Long Range Planning may review and comment, but shall within 30 days order the annexation of land pursuant to said subdivisions; and

WHEREAS, Reorganization Order No. 192, effective March 8, 2005, has transferred the duties of the Director to the Chief Administrative Law Judge.

WHEREAS, on July 13, 2005, the Chief Administrative Law Judge reviewed and accepted the resolution for orderly annexation;

IT IS HEREBY ORDERED: That the following described property is hereby annexed in accordance with the terms of the joint resolution to the City of Parkers Prairie, Minnesota, the same as if it had originally been made a part thereof:

That Part of Government Lot 1, Section 22, Township 131 North, Range 37 West, Otter Tail County, Minnesota, described as follows:

Commencing at the northwest corner of said Section 22;

thence South, assumed bearing along the west line of said Section, 1373.97 feet to a

point on the south right-of-way line of Trunk Highway No. 235, said point being the point of beginning of the land to be described;

thence South 88 degrees 01 minutes 50 seconds East, along said south right-33.021

of-way line, 670.00 feet to the east right-of-way line of a Township Road;

thence continuing South 88 degrees 01 minutes 50 seconds East, along said south right-of-way line, 670.00 feet;

thence South, parallel with aforesaid west line of Section 22, a distance of 337.00 feet to the centerline of lake Adley Road;

thence South 83 degrees 46 minutes 03 seconds West, along said center lines, 14.14 feet;

thence South 86 degrees 36 minutes 31 seconds West, along said centerline, 205.86 feet;

thence South 01 degrees 51 minutes 14 seconds West 185 feet more or less to the shoreline of Lake Adley;

thence westerly, along said Lake, 500 feet more or less to aforesaid west line of Section 22;

thence North, along said west line, 659 feet more or less to the point of beginning.

The tract contains 8.4 acres more or less.

IT IS FURTHER ORDERED: That the tax rate of the City of Parkers Prairie on the property herein ordered annexed shall be increased in substantially equal proportions over a period of six years to equality with the tax rate of the property already within the city.

Amended order dated this 6th day of September, 2005.

For the Chief Administrative Law Judge 658 Cedar Street - Room 300

St. Paul, MN 55155

Christine M. Scotillo Executive Director

Municipal Boundary Adjustments

Dated this 13th day of July, 2005.

For the Chief Administrative Law Judge 658 Cedar Street - Room 300 St. Paul, MN 55155

Stin h. Statillo

Christine M. Scotillo Executive Director

Municipal Boundary Adjustments

MEMORANDUM

In ordering the annexation contained in Docket No. OA-1163-1, the Chief Administrative Law Judge finds and makes the following comment:

Paragraph 5/Attachment B of the agreement provides for a ten-year schedule on the differential tax capacity rate. That provision exceeds Minnesota Statutes Section 414.035 which allows for a differential taxation of substantially equal payments over not less than two nor more than six years from the time of annexation. Including such a provision in an order under Minnesota Statutes Section 414.0325 is discretionary with the Chief Administrative Law Judge and to do so only invokes this authority up to the statutory limit.

The parties are encouraged to consider this comment in light of any further amendments that may be otherwise necessary to this agreement for orderly annexation.