

Crow Wing County Lake Improvement District (LID) Policy
Approved by County Board 4/11/23

In addition to the established rules and regulations by the State of Minnesota as set forth in Minnesota Statutes, §§103B.501 to 103B.581, and Minnesota Administrative Rules, chapters 6115.0900 to 6115.0980, Crow Wing County has adopted the following policy for Lake Improvement Districts (LIDs).

1. Annual Meeting Requirements:

- a. All LIDs are required to have an annual meeting. The first annual meeting shall be scheduled during the month of July or August and be held annually in that period unless changed by vote of the previous annual meeting.
- b. The annual meeting shall be preceded by two weeks' published notice and written notice mailed at least ten days in advance of the meeting to the county board, town boards and statutory and home rule charter cities wholly or partially within the district, the Pollution Control Agency, commissioner of natural resources, and all property owners within the district boundaries (if there is a proposed project by the LID having a cost in excess of \$5,000).
- c. At the annual meeting the district property owners present shall:
 - i. elect one or more directors to fill any midterm vacancies in the board of directors;
 - ii. approve a budget for the fiscal year;
 - iii. approve or disapprove proposed projects by the district having a cost to the district in excess of \$5,000; and
 - iv. take up and consider other business that comes before them.
- d. At the annual meeting all district members, (including absent members as provided in the order establishing the district), shall elect one or more directors for board positions with expiring terms.

2. Annual Budget

- a. All LIDs are required to create an annual budget which lays out all income and expenses for the coming year. The budget is required to be included with the Annual Meeting notice. The proposed budget must be approved by a majority vote of the LID membership quorum present at the annual meeting.
- b. Once approved, the budget is to be included with the annual report and forwarded to the County Board for approval and certification prior to the assessment amount taking effect for the succeeding year. All LID properties shall be assessed an equal amount unless otherwise provided herein.
- c. Unless prohibited by applicable law all LIDs may accept donations as an additional means by which to finance its programs and services. All donations are to be included in the LID's annual report both in amount/type of donation and the use it was put toward.

3. Herbicide Application

- a. Herbicide treatment authorizations, consistent with Minnesota Department of Natural Resources permit application requirements, shall be on file as required by the Minnesota

Department of Natural Resources.

- b. For questions on herbicide and permitting procedure, please contact the Minnesota Department of Natural Resources.

4. LID Voting Procedures

- a. Voting for directors will be by secret ballot. Ballots shall be mailed to each property owner within the district at least two (2) weeks prior to the annual meeting. Ballots may be sent or delivered to the clerk of the board prior to or on the date of the annual meeting.
- b. During the annual meeting all business (except as noted in (a)) shall be approved by a majority of the membership quorum in attendance.
- c. Each parcel owner within the LID is eligible to vote on LID matters. Unless otherwise specified in their establishment petition, voting shall proceed as follows:
 - i. Contiguous parcels in common ownership are allowed one (1) vote and shall be assessed only once.
 - ii. Non-Contiguous parcels under common ownership are allowed one (1) vote per parcel and each parcel shall be assessed.
 - iii. Common interest communities, Planned Unit Developments (PUD)s/conservation developments shall be assessed for each parcel contained within them with each parcel allowed one (1) vote.
 - iv. Campgrounds and resorts are allowed one vote and only the common area lot shall be assessed.

5. Annual Report

- a. Each year the board of directors shall prepare and file a report of the financial conditions of the district, the status of all projects in the district, the business transacted by the district, other matters affecting the interests of the district, and a discussion of the directors' intentions for the succeeding years. This report is due to Crow Wing County by November 1st to ensure assessments for the following year. The report shall be transmitted to all parties required by Minn. Stat. 103B.571 subd. 4.

6. Financial Records

- a. Financial transactions and records shall be maintained by the LID and its designated board members.

7. Liability Coverage

- a. The LID shall maintain general liability insurance in the amount of tort limits established by Minnesota Statute 466 and shall name Crow Wing County as an additional insured on such insurance policy. A copy of the insurance policy shall be filed annually with the annual report with the Crow Wing County Land Services Department.

8. Annual Administrative Fee

- a. An annual fee shall be required to cover county costs related to the administration of the LID as approved by the County Board approved fee schedule.
- b. Any additional staff time or expense necessary for processing a late or incomplete annual report and/or proposed budget will be added to the annual fee of the LID for the following year. These additional expenses will be billed at the administrative rate according to the County fee schedule.

9. Coordination between County and LIDs

- a. The responsibilities of coordinating LID duties shall be delegated to the Land Services Director of the Land Services Department.