A Lake Improvement District (LID) is a taxing district formed around a lake in accordance with Minnesota Statutes, sections 103B.501-103B.581. A lake improvement district is a local unit of government established by resolution of appropriate county boards and/or city governing bodies, or by the commissioner of Natural Resources, for the implementation of defined lake management projects and for the assessment of the costs thereof.

**Below is a summary of the statutory requirements of a LID**

**Board Membership / Elections (103B.551, subd. 1-2)**
- New board members must be elected by persons owning property in the district at the annual meeting of the district.
- Election ballots must be mailed out at least 2 weeks ahead of time to all LID property owners.
- The number, qualifications, terms of office, and method of election, removal, and filling of vacancies of directors shall be as provided in the order creating the board of directors.
- The initial and all subsequent boards of directors must include persons owning property within the district, and a majority of the directors must be residents of the district.
- Directors shall serve with compensation as determined by the property owners at the annual meeting.

**Annual Meeting Requirements (103B.571 subd. 1-3)**
- Elect one or more directors to fill any midterm vacancies in the board of directors
- Approve a budget for the fiscal year
- Approve or disapprove proposed projects by the district having a cost to the district in excess of $5,000
- Take up and consider other business
- All members (including those absent) shall elect one or more directors for board positions with expiring terms.
- Meeting must be held in July or August, unless changed by vote of the previous annual meeting
- The annual meeting shall be preceded by at least two weeks published notice as well as written notice mailed at least ten days in advance of the meeting to the county board or joint county authority, town boards and statutory and home rule charter cities wholly or partially within the district, the Pollution Control Agency, commissioner of natural resources, and if there is a proposed project by the district having a cost in excess of $5,000, all property owners within the assessment area.

**Annual report (103B.571, subd. 4)**
- Financial conditions of the district and a summary of business transacted
- Status of all projects in the district
- Other matters affecting the interests of the district
- Discussion of the directors intentions for the succeeding years
- Copies of the report shall be transmitted to the county board or joint county authority, town boards and city councils of statutory and home rule charter cities wholly or partially within the district, the commissioner of natural resources, and the Pollution Control Agency by four months after the annual meeting.

**LID Financing Abilities, if authorized (103B.555, subd. 4)**
- Ability to levy special assessments
- Imposition of rates and charges
- Issuance of bonds to finance projects

**Administration (MN Rule 6115.0980)**
- No program, remedial action, project, or change in LID boundaries not specified in the resolution creating the LID may be done without petition and/or action by the Board.
- The LID assumes all legal risks and liabilities for damages, injuries, etc.
- The LID is responsible for obtaining all appropriate permits prior to the activity.

Questions???  Contact Mitch Brinks, Environmental Services (218) 824-1128, mitch.brinks@co.crow-wing.mn.us