



2027 Budget & Levy

September 10, 2026 Public Hearing



Moody Lake



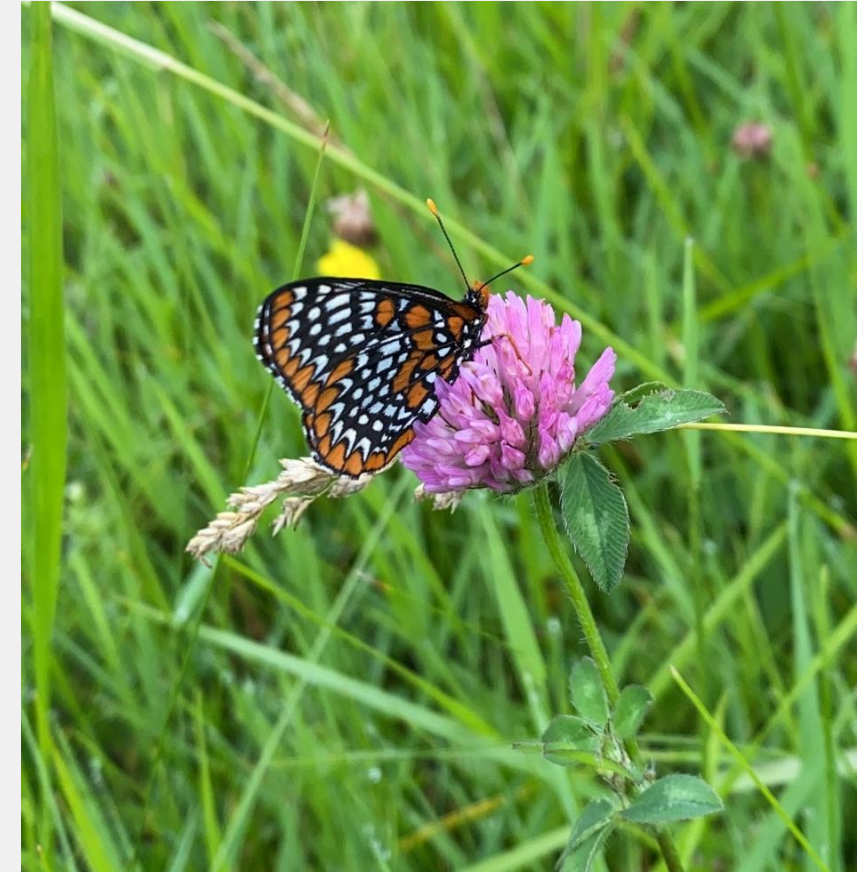
2027 Budget Overview

Expenses: \$3,283,657

- Continue to offer variety of programs for water resources protection and improvement
- Wrap up 2 water quality projects
- Begin flood resiliency and wildlife habitat protection/restoration projects
- Repayments on CWP Loans A, B, C, D

Revenues: \$3,298,487

- Proposed levy: \$2,341,052 (4.8% increase from 2026)
- Multiple grants (\$756,935) and partnerships/interest/other revenues (\$200,500)
- No additional loans in proposed budget



Butterfly at Bone Lake South Nature Area



2027 Budget Priorities

Balanced Budget	Minimize Levy Increases (<10%)	Pay off Debt	Manage Fund Balance to Ensure Operating Expenses Are Covered
Project Signage	Projects in Comfort & Little Comfort LMDs	Greenbelt & Open Space	Partnerships w/ MN Land Trust and/or Trust for Public Land
Track Employee Benefits & Wages	Track Grant vs Levy Spending	Review Year-to-Year Spending	Natural Shorelines, especially on Forest Lake
Floodplain Resiliency and Flood Storage	Anticipated Lake Delistings		



2027 Revenue Highlights

- **Total Revenues = \$3,298,487**

- Levy = 71%, and will decrease w/ new grant awards coming in
- Grants/Other Revenue = 29% and will increase w/ new grant awards
- CLFLWD will amend the budget to reflect new grants

2025 levy = 37% of total revenue
2026 levy = est. 52% of total revenue

- **Over the past few years, the District has planted seeds for increased revenues which will bloom in 2026 and 2027**

- 97% of Project and Land Acquisition costs are grant-covered
- Program expenses and Staff covered by more revenues including:
 - Grants: some staff time allocated to grant match, some staff time will be funded by grant revenues
 - Permit fees: adjusted fee schedule to ensure 100% of non-government permit expenses are funded by permit fees
 - Interest earnings: worked with bank to increase savings account interest rate to 3.6%, and exploring ways to further increase interest earnings
- Cutting costs wherever possible while maintaining services

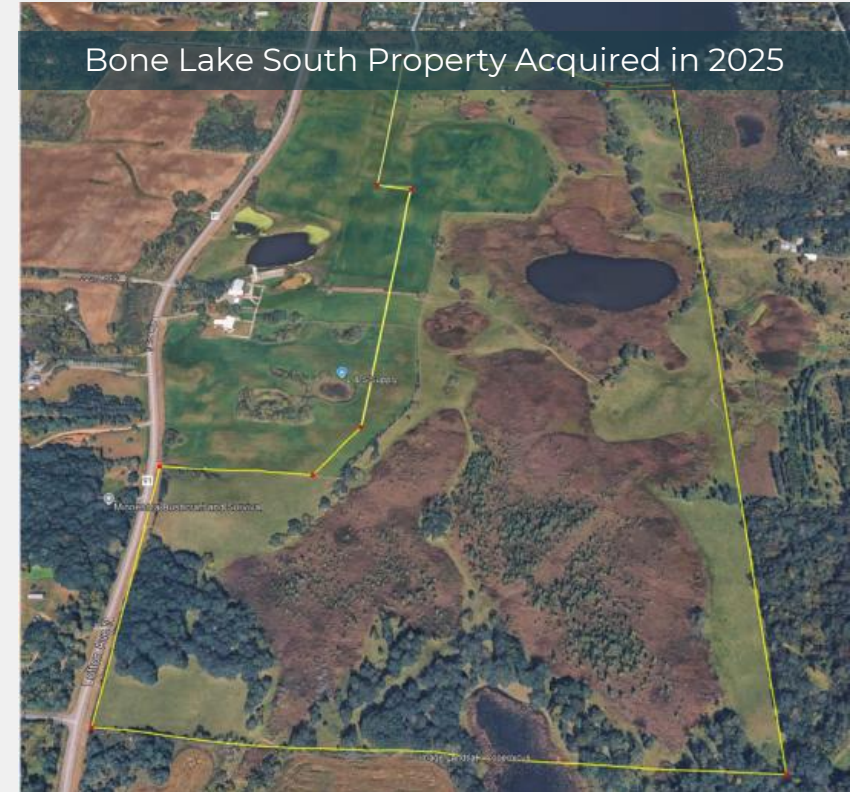


Woodland Sunflower



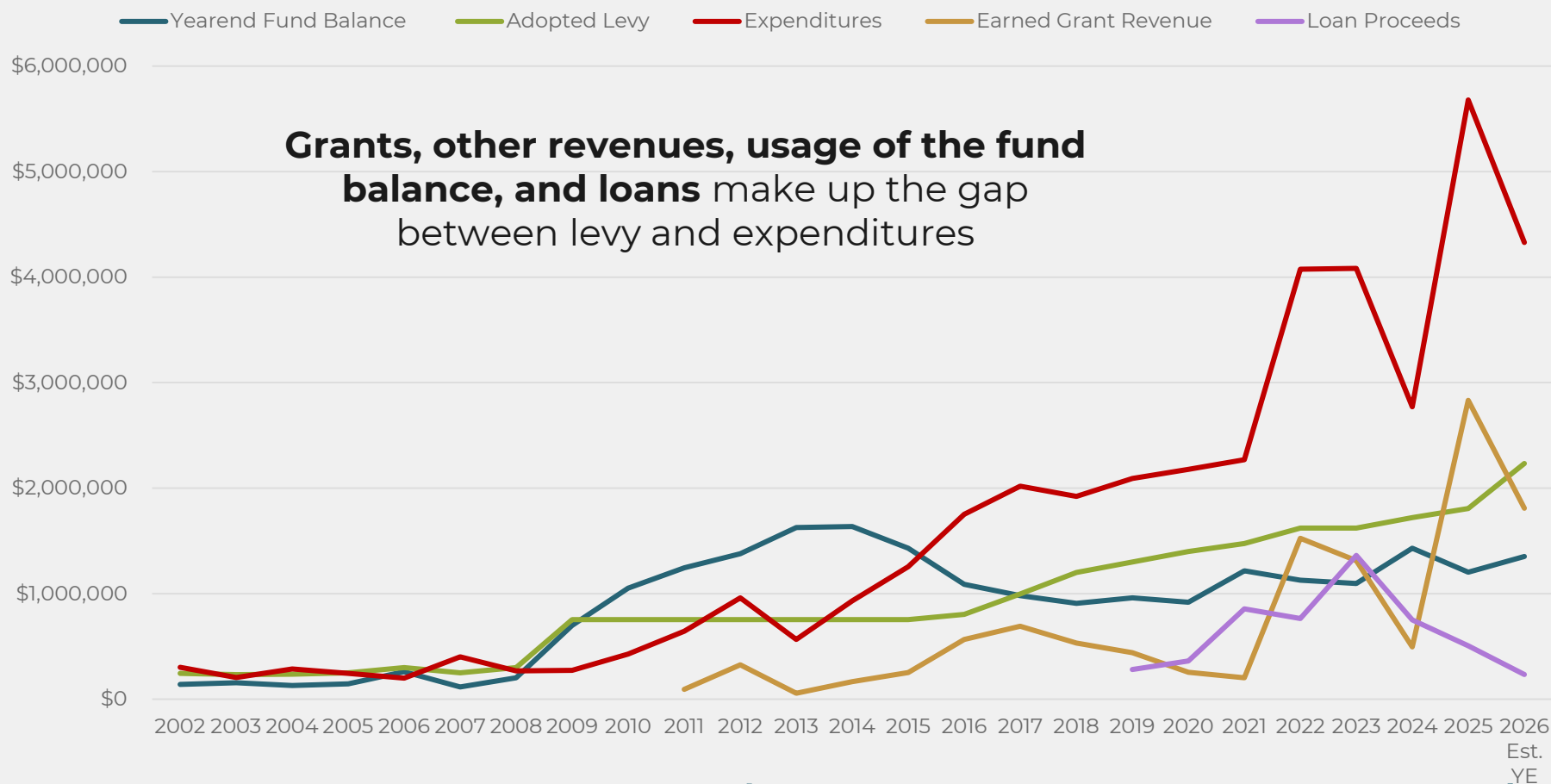
Ongoing and Upcoming

- **Acquired 238 acres, fully funded with state grants:** Bone Lake South Nature Area
- Two major grants now active from Lessard-Sams Outdoor Heritage Fund for land acquisitions and restorations:
 - \$1,467,000 for **Greenbelt Phase 1**, Easements & Acquisitions
 - \$1,432,000 for **Bone Lake South Phase 2**, Restoration & Enhancement
- **Water quality improvement projects underway:** Heath Ave Iron Enhanced Sand Filter and East Comfort Pond projects
- **Shoreline projects underway:** Willow Point Shoreline Restoration project, pending grant approval, and residential cost-share programs
- **Floodplain resiliency** project modeling and feasibility work funded by grant
- Comprehensive **Rule Review and Rule Updates** in 2026-2027
- **Aquatic Invasive Species** prevention and management ongoing





Historical Budget Context



Expenditures are adjusted as grants are awarded and projects progress

Levy is adjusted over time with tax impacts in mind

Fund balance is managed in relation to estimated operating costs

Grant Revenues are earned once the corresponding expenditures are made

Loan Proceeds are not considered revenues as they must be repaid

Planning Period

Collect data, build fund balance

Water Quality Implementation Period

Achieve major water quality improvements w/ targeted projects, used loan & grants to offset fund balance depletion

O&M & Climate Resiliency

Maintain projects, repay loans, continue to offer programs/services, leverage grants to implement additional projects



Long-Term Major Accomplishments

1. Six Lakes On-track for Nutrient Impairment De-listings

- ~15 years after the first Total Maximum Daily Load Study (TMDL)
- Bone Lake de-listed in 2024
- Comfort Lake to be de-listed in 2026 (EPA to publish official list in fall)

2. Water Quality Project Cost Efficiency

- Pareto Principle and Sequential Diagnostic Monitoring

3. Leveraging Grant Funding

- Clean Water Fund Projects & Practices, 2014–2026 (\$6.7 million awarded, most in state)
- \$15 million total grant awards from multiple programs since 2010
- \$1 of grants awarded for \$1 of taxes levied over last 5 years
- Low interest loans (0% and 1.5%) and tax dollars covered grant match and expenses for which we couldn't get grants

Moody Lake **before** projects



Moody Lake **after** projects





Projects = Water Quality Improvements

- Dozens of cost-effective projects implemented since CLFLWD establishment in 1999; most within the last 12 years
- Lake water quality trends are improving

District-Wide Phosphorus Load Reductions from Local Water Quality Improvement Projects



State Standard Reduction Goal: 3,245 lbs
District Sustainable Reduction Goal: 5,802 lbs



Grant Signage at Bone Lake South Nature Area



Budget Process: Next Steps

- **September 10th:** Public hearing and budget adoption
- **September 30th:** Deadline to certify levy
- **October-December:** Continue tracking spending, update projections as appropriate, consider levy reduction if appropriate
- **December 17th:** Additional public comment opportunity at regular board meeting
- **December 29th:** Deadline to certify reduced levy, if desired



Sunrise Over Forest Lake