



2025 Budget and Tax Impacts

Comfort Lake-Forest Lake Watershed District

Introduction

At its August 22, 2024 regular meeting, the Comfort Lake-Forest Lake Watershed District (CLFLWD) Board approved a 2025 expense budget of \$3,050,496 and an ad valorem levy of \$1,805,843 on property within the District. The 2025 expense budget is not only supported by the levy, but with several grants, partner organization contributions, regulatory fees, and Clean Water Partnership loans. By leveraging these other sources of funding and financing, the District maintains its ability to implement water quality improvement programs and projects at an accelerated pace. The District is currently on track to achieve its long-term water quality goals for all of its major waterbodies roughly 15 years in advance of the original goal date. District staff and managers are excited to be making such rapid progress in improving local water resources. More information on our progress is available in our 2023 Annual Report and 2023 Progress Summary at www.clflwd.org.

2025 Budget Highlights

- Total expense budget of \$3,050,496
- Levy increase of 5% (net tax capacity is increasing by 9.8%)
- Income of \$450,000 from one loan, repayment on three loans totaling \$438,607 in expenses, and planning for future loan repayments up to \$514,345 per year
- Estimated grant revenues of \$430,000, and a potential additional \$3 million in grant revenues depending on grant award decisions and pending projects/land acquisitions
- Increased staff wages and benefits to account for regular increases for existing staff and increase to a total of 11.5 full time equivalents on staff
- The District will also host a temporary, full-time GreenCorps member funded through a grant from the MN Pollution Control Agency
- Projects including Forest Lake Alum Treatment second dose (527 lb/yr phosphorus reduction), July Avenue Feedlot (61 lb/yr phosphorus reduction and 89 ton/yr soil erosion prevented), North Shore Circle Park Shoreline Restoration
- Programs including regulatory, water monitoring, shoreline restoration and cost-share programs, education & outreach, interagency communications, research, measurement of progress, grant research & preparation, project operations & maintenance, aquatic invasive species prevention & management, watershed planning & resiliency
- Project targeting and development for water quality and climate resiliency projects

Estimated Market Value, Net Tax Capacity, and District Levy

The table below shows the District's estimated market value (EMV) (estimated value of properties in the District), net tax capacity (NTC) (total amount of taxable property within our boundaries), District levy (amount actually taxed by CLFLWD on properties within our boundaries), and estimated tax impacts. The apportionment of the District's levy to each of its two contiguous counties is based on the previous year's actual apportionment of the NTC (e.g., Washington County's 2024 NTC drives Washington County's portion of the 2025 levy).

Budget Year	Estimated Market Value (EMV) (Prior Year Basis)*	Net Tax Capacity (NTC) (Prior Year Basis)*	Budget Year Levy*	Ratio Levy/Estimated Market Value	Ratio Levy/Net Tax Capacity	Washington Co. Median Tax Impact	Chisago Co. Median Tax Impact
2018	\$1,747,607,400	\$18,053,592	\$1,200,000	0.07%	6.65%	\$135	\$139
2019	\$1,826,385,900	\$18,955,914	\$1,300,000	0.07%	6.86%	\$145	\$141
2020	\$2,068,377,700	\$20,586,584	\$1,400,000	0.07%	6.80%	\$162	\$152
2021	\$2,200,044,800	\$21,733,418	\$1,475,000	0.07%	6.79%	\$164	\$205
2022	\$2,294,312,700	\$22,805,705	\$1,622,500	0.07%	7.11%	\$175	\$225
2023	\$2,406,482,200	\$24,076,992	\$1,622,500	0.07%	6.74%	\$184	\$226
2024	\$2,975,872,700	\$30,189,871	\$1,719,850	0.06%	5.70%	\$189	\$231
2025	\$3,214,087,500	\$33,159,538	\$1,805,843	0.06%	5.45%	\$197	\$249

*Government Budgets, and the levies needed to support them, are always for the coming (next) year. However, the basis for the levy (i.e., the EMV and NTC data) is from the year prior to the budget year. E.g., the 2025 line above indicates the 2024 EMV and 2024 NTC because the 2025 EMV and 2025 NTC are not yet calculated.

Levy Apportionment

Each year, the MN Department of Revenue sends the District its net tax capacity percent distribution based on the net tax capacity from each county within the District. This distribution is used to determine the percentage of the District levy that is levied to each county. In 2015, Chisago County composed 20% of the District's total net tax capacity. In 2024, Chisago County composed 24% of the District's net tax capacity. Washington County composed the remaining 80%, 76%, respectively. Over time, the Chisago County portion of the District's total net tax capacity has increased. The following table shows the 2024 net tax capacities and resulting 2025 levy apportionment.

County	Payable 2024 Taxable Net Tax Capacity	2024 Net Tax Capacity Percent Distribution	Apportioned Payable 2025 Levy
Chisago County	\$8,061,629	24%	\$439,029
Washington County	\$25,097,909	76%	\$1,366,813
Watershed Total	\$33,159,538	100%	\$1,805,843

2025 Tax Impacts

Property taxes in Minnesota are some of the most complicated in the country, with multiple exclusions and other factors affecting the calculations. Washington County has a tax impact calculator tool, and Chisago County staff personally helps work through complicated equations in order to estimate the District levy’s impact on its property owners. Washington County releases their calculator annually in mid-late August. Chisago County provides estimated tax impacts to the District. The tax impact calculators use estimated 2024 net tax capacity values to drive the equations. As such, these impact values are estimates.

The median home value in each county is expected to increase from last year. As such, the median home will have a proportionally increasing tax impact.

2025 Estimated Tax Impacts for the Median Home Value	
2025 Total Levy: \$1,805,843	
<p>Washington County:</p> <ul style="list-style-type: none"> • 2023 actual median home value: \$389,408 • 2023 actual impact: \$184 • 2024 est. median home value: \$409,600 • 2024 est. impact: \$197 • 2024 est. change: +\$13 (+4%) 	<p>Chisago County:</p> <ul style="list-style-type: none"> • 2023 estimated median home value: \$418,745 • 2023 estimated tax impact: \$226 • 2024 est. median home value: \$450,000 • 2024 est. impact: \$249 • 2024 est. change: +\$23 (+8%)