



# **SAN GORGONIO PASS WATER AGENCY PROPERTY TAX REVIEW**

**April 5, 2021**

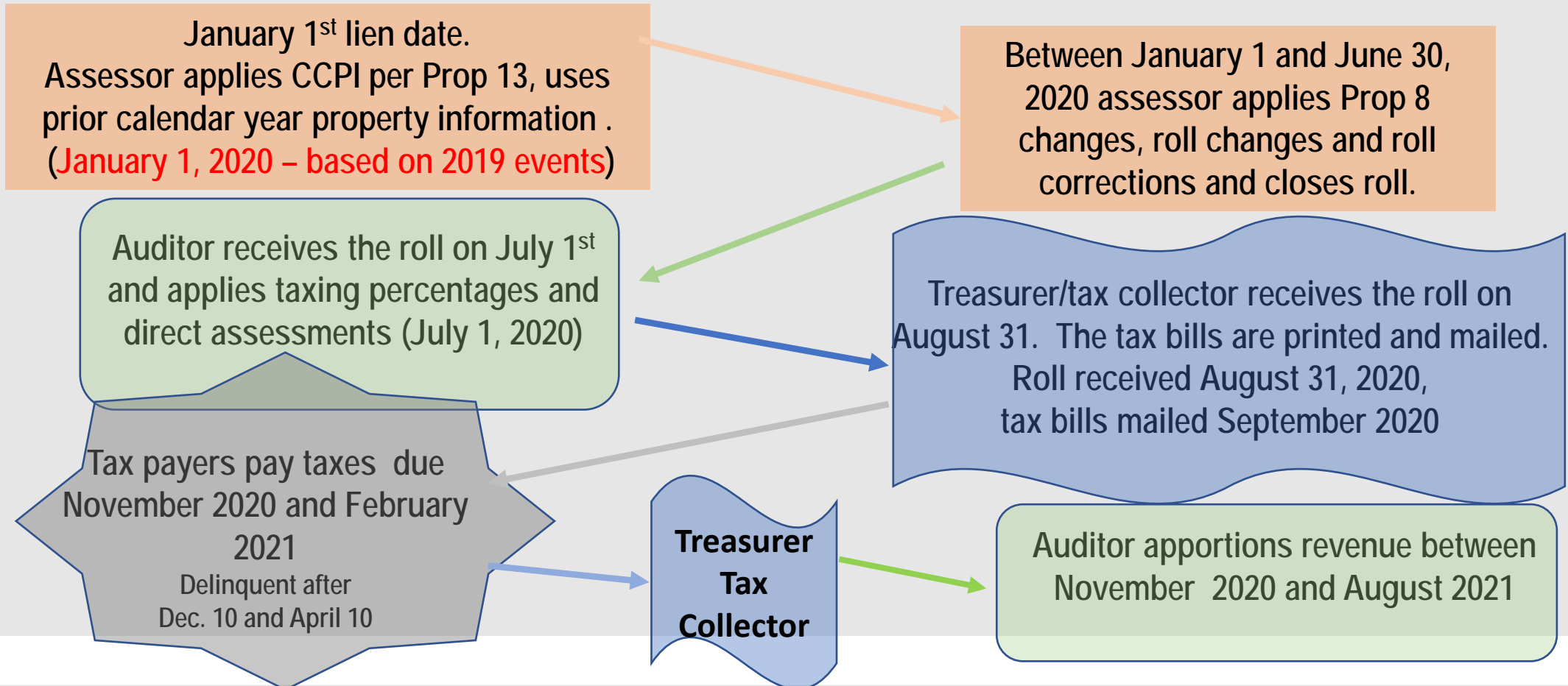


# PROPERTY TAX BASICS

## THE PROCESS

# PROPERTY TAX TIMELINE 2020-21

Values lag 12-18 months being reflected on the tax rolls

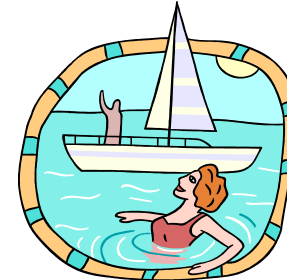


# WHAT PROPERTY IS TAXED?

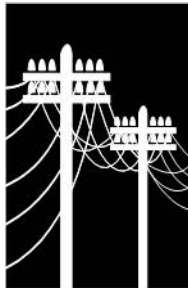
## Secured Roll



## Unsecured Roll



## Utility Roll



# THE COUNTY DEPARTMENTS THAT MANAGE PROPERTY TAXES



## **ASSESSOR**

Appraises property, enrolls new construction, market value of sales, and administers appeals



## **AUDITOR CONTROLLER**

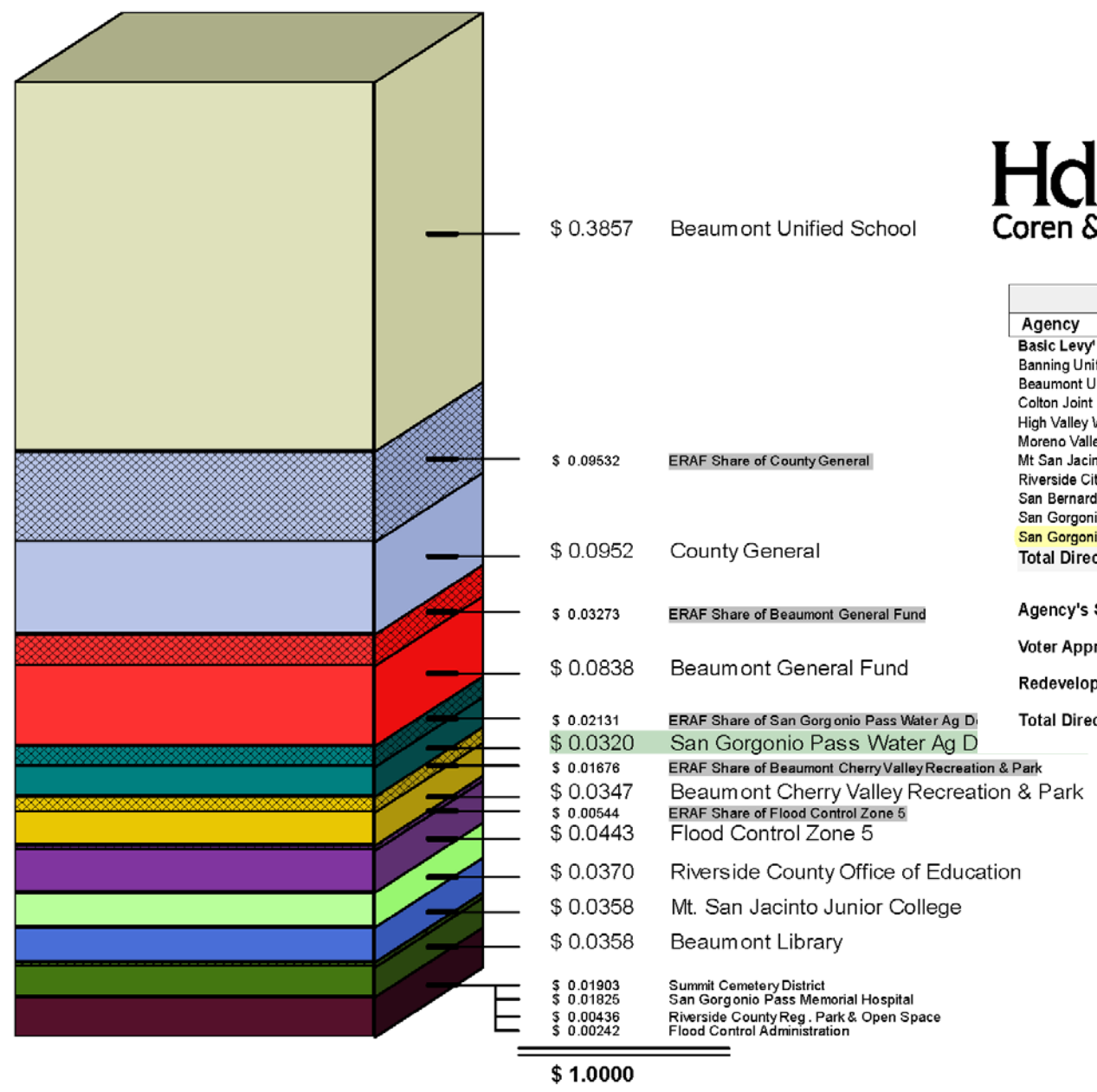
Extends the tax roll, applies the 1% base levy, any voter approved debt and direct assessment levies. Apportions revenue after taxes are paid

## **TREASURER-TAX COLLECTOR**

Prints and mails the tax bills and collects taxes based on the information provided by the Auditor.



# SAN GORGONIO PASS WATER PROPERTY TAX DOLLAR BREAKDOWN



## State Water Project

## SAN GORGONIO PASS WATER DIRECT & OVERLAPPING PROPERTY TAX RATES (RATE PER \$100 OF TAXABLE VALUE)

Agency	Last 4 Fiscal Years			
	2017/18	2018/19	2019/20	2020/21
Basic Levy	1.00000	1.00000	1.00000	1.00000
Banning Unified School Ds	0.14473	0.14278	0.14526	0.14526
Beaumont Unified School Ds	0.07677	0.07432	0.07438	0.07438
Colton Joint Unified School Ds	0.09390	0.11160	0.10160	0.10160
High Valley Water Imp No 1 Ds	0.45882	0.45882	0.00000	0.00000
Moreno Valley Unified School Ds	0.09333	0.09864	0.09880	0.09880
Mt San Jacinto Jr College	0.01320	0.01320	0.01320	0.01320
Riverside City Cc Ds	0.01616	0.01478	0.01476	0.01476
San Bernardino Val Comm College Ds	0.03760	0.04070	0.03290	0.03290
San Gorgonio Pass Mem Hospital Ds	0.09052	0.08892	0.08990	0.08990
San Gorgonio Pass Water Ag Ds	0.18250	0.18250	0.17750	0.17750
<b>Total Direct &amp; Overlapping<sup>2</sup> Tax Rates</b>	<b>2.20753</b>	<b>2.22426</b>	<b>1.72930</b>	<b>1.72930</b>
Agency's Share of 1% Levy Per Prop 13	0.03205	0.03205	0.03205	0.03205
Voter Approved Agency Debt Rate				
Redevelopment Rate				
<b>Total Direct Rate</b>	<b>0.20885</b>	<b>0.20890</b>	<b>0.20373</b>	<b>0.20352</b>

Current tax year levy for the State Water Project is 0.17750/\$100 of valuation



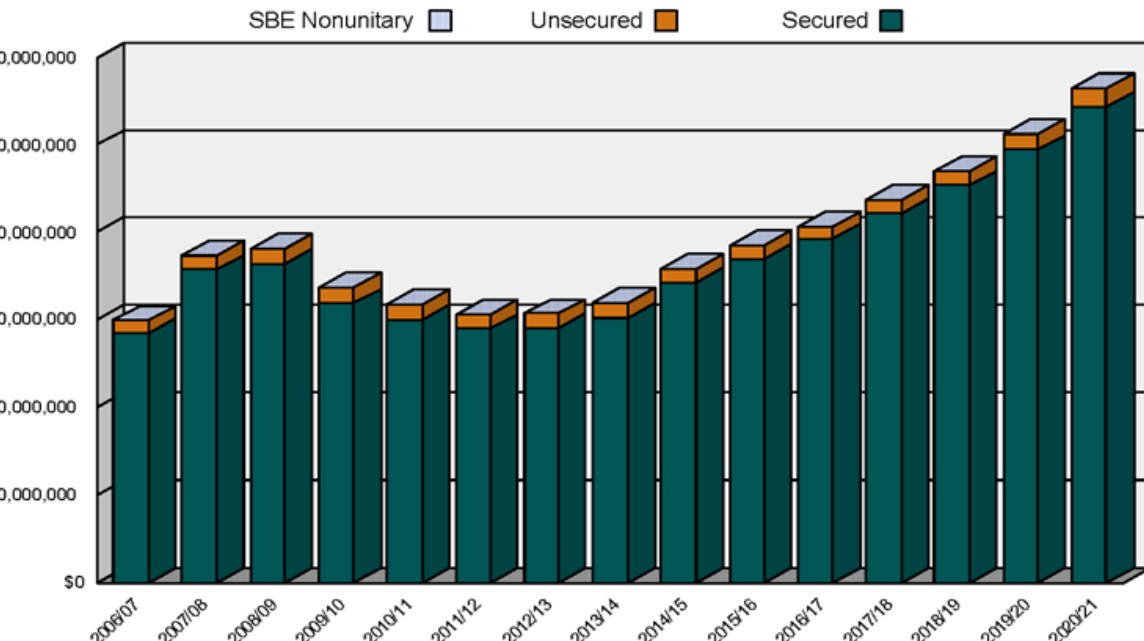
# **ASSESSED VALUE REVIEW 2020-21 ROLL RELEASE**



# SAN GORGONIO PASS WATER NET TAXABLE ASSESSED VALUE HISTORY

2006/07 - 2020/21 Taxable Property Values

Year	Secured	Unsecured	SBE Nonunitary	Net Total AV	% Change*
2006/07	\$5,685,495,116	\$297,605,783	\$2,857,269	5,985,958,168	
2007/08	\$7,142,258,845	\$341,858,866	\$1,156,432	7,485,274,143	25.05%
2008/09	\$7,282,090,320	\$358,026,203	\$1,156,432	7,641,272,955	2.08%
2009/10	\$6,372,220,614	\$368,088,432	\$1,156,432	6,741,465,478	-11.78%
2010/11	\$5,992,731,924	\$371,162,463	\$1,156,432	6,365,050,819	-5.58%
2011/12	\$5,793,719,198	\$335,826,661	\$559,656	6,130,105,515	-3.69%
2012/13	\$5,826,526,977	\$310,770,360	\$230,116	6,137,527,453	0.12%
2013/14	\$6,055,873,711	\$322,333,936	\$230,116	6,378,437,763	3.93%
2014/15	\$6,841,166,292	\$308,560,252	\$230,116	7,149,956,660	12.10%
2015/16	\$7,390,366,418	\$297,899,502	\$230,116	7,688,496,036	7.53%
2016/17	\$7,843,319,216	\$286,466,987	\$230,116	8,130,016,319	5.74%
2017/18	\$8,435,701,209	\$294,201,725	\$230,116	8,730,133,050	7.38%
2018/19	\$9,075,143,559	\$322,302,022	\$270,876	9,397,716,457	7.65%
2019/20	\$9,884,534,782	\$356,279,488	\$270,876	10,241,085,146	8.97%
2020/21	\$10,869,477,539	\$426,853,179	\$270,876	11,296,601,594	10.31%
Average % Change					5.72%



## RIVERSIDE COUNTY CITY GROWTH COMPARISON

2019/20 To 2020/21 Net Taxable Assessed Value Change

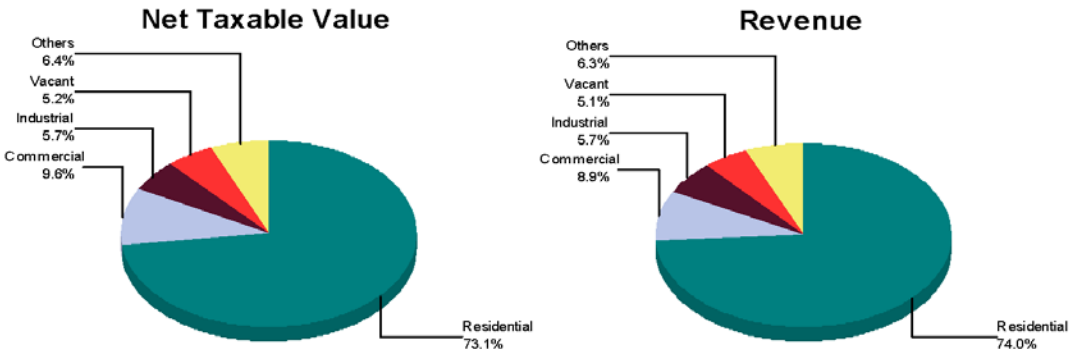
City	2020/21 Net Value	Value Change	% Change
Calimesa	1,119,904,505	148,728,045	15.314%
Beaumont	6,021,645,618	752,348,266	14.278%
San Gorgonio Pass Water	11,296,601,594	1,055,516,448	10.307%
Perris	7,566,897,345	672,653,188	9.757%
Desert Hot Springs	2,079,083,259	176,220,681	9.261%
Menifee	11,270,984,052	881,153,421	8.481%
Jurupa Valley	11,445,231,831	874,264,791	8.270%
Moreno Valley	18,340,871,841	1,229,747,698	7.187%
San Jacinto	3,475,635,009	207,225,857	6.340%
Coachella	2,111,080,288	125,406,253	6.316%
Cathedral City	5,062,361,987	277,989,245	5.810%
Riverside	33,566,061,047	1,823,706,574	5.745%
Corona	23,083,632,875	1,222,249,916	5.591%
Lake Elsinore	6,968,081,249	368,120,726	5.578%
Palm Springs	14,488,744,655	721,944,609	5.244%
Norco	3,703,826,129	178,031,700	5.049%
Eastvale	10,896,904,569	512,808,114	4.938%
Indio	9,256,704,137	434,295,628	4.923%
Murrieta	14,696,634,678	671,927,780	4.791%
Hemet	6,462,022,172	289,161,299	4.684%
Wildomar	3,744,326,340	161,412,057	4.505%
Temecula	17,486,025,623	733,843,878	4.381%
Banning	2,440,928,652	99,333,620	4.242%
Canyon Lake	1,943,962,174	75,237,505	4.026%
Palm Desert	16,217,619,993	581,036,149	3.716%
Rancho Mirage	9,294,534,105	320,265,103	3.569%
Indian Wells	6,360,984,421	212,829,435	3.462%
La Quinta	14,412,041,752	396,624,120	2.830%
Blythe	912,062,330	-2,251,312	-0.246%
City Average % Change: 6.1%			
City Median % Change: 5.2%			



**SAN GORGONIO PASS WATER  
2020/21 USE CATEGORY SUMMARY**

**BASIC PROPERTY VALUE TABLE**

Category	Parcels	Net Taxable Value	Revenue
Residential	33,095	\$8,258,074,342 (73.1%)	\$17,001,872.81 (74.0%)
Commercial	722	\$1,081,384,394 (9.6%)	\$2,054,846.18 (8.9%)
Industrial	249	\$648,335,045 (5.7%)	\$1,318,820.53 (5.7%)
Agricultural	852	\$89,440,166 (0.8%)	\$186,096.52 (0.8%)
Govt. Owned	3	\$1,295,302 (0.0%)	\$2,610.02 (0.0%)
Institutional	88	\$6,202,086 (0.1%)	\$12,342.72 (0.1%)
Miscellaneous	35	\$14,194,342 (0.1%)	\$26,799.94 (0.1%)
Recreational	37	\$23,967,010 (0.2%)	\$49,959.73 (0.2%)
Vacant	7,864	\$590,513,318 (5.2%)	\$1,177,587.54 (5.1%)
Exempt	2,503	\$0 (0.0%)	\$0.00 (0.0%)
SBE Nonunitary	[6]	\$270,876 (0.0%)	\$672.62 (0.0%)
Cross Reference	[1,697]	\$147,258,830 (1.3%)	\$303,800.97 (1.3%)
Unsecured	[1,413]	\$426,853,179 (3.8%)	\$837,599.98 (3.6%)
Unknown	82	\$8,812,704 (0.1%)	\$17,485.92 (0.1%)
<b>TOTALS</b>	<b>45,530</b>	<b>\$11,296,601,594</b>	<b>\$22,990,495.49</b>



**Values assigned by use type**

73.1% of value is in Residential uses, an additional 5.2% are Vacant, 9.6% in Commercial uses and 5.7% in Industrial uses. These 4 uses account for 93.6% of all values enrolled in taxed in the SGPWA.

**Year over year growth by use type**

**SAN GORGONIO PASS WATER  
2020/21 GROWTH BY USE CATEGORY**

**2019/20 to 2020/21 Value Growth by Use Category**

Category	2019/20 Net Taxable Value	2020/21 Net Taxable Value	\$ Change	% Change
Residential	31,623 \$7,633,934,882	33,095 \$8,258,074,342 (73.1%)	\$624,139,460	8.2%
Commercial	708 \$989,209,616	722 \$1,081,384,394 (9.6%)	\$92,174,778	9.3%
Industrial	244 \$355,351,956	249 \$648,335,045 (5.7%)	\$292,983,089	82.4%
Vacant	8,894 \$650,869,553	7,864 \$590,513,318 (5.2%)	-\$60,356,235	-9.3%
Unsecured	[1,383] \$356,279,488	[1,413] \$426,853,179 (3.8%)	\$70,573,691	19.8%
Cross Reference	[1,730] \$142,726,433	[1,697] \$147,258,830 (1.3%)	\$4,532,397	3.2%
Agricultural	386 \$58,054,646	852 \$89,440,166 (0.8%)	\$31,385,520	54.1%
Recreational	37 \$23,745,556	37 \$23,967,010 (0.2%)	\$221,454	0.9%
Miscellaneous	29 \$16,460,393	35 \$14,194,342 (0.1%)	-\$2,266,051	-13.8%
Unknown	86 \$7,930,834	82 \$8,812,704 (0.1%)	\$881,870	11.1%
Institutional	83 \$5,837,008	88 \$6,202,086 (0.1%)	\$365,078	6.3%
Govt. Owned	3 \$413,905	3 \$1,295,302 (0.0%)	\$881,397	212.9%
SBE Nonunitary	[6] \$270,876	[6] \$270,876 (0.0%)	\$0	0.0%
Exempt	2,396 \$0	2,503 \$0 (0.0%)	\$0	0.0%
<b>TOTALS</b>	<b>44,489 \$10,241,085,146</b>	<b>45,530 \$11,296,601,594 (100.0%)</b>	<b>\$1,055,516,448</b>	<b>10.3%</b>

Numbers in blue are parcel/assessment counts

# SAN GORGONIO PASS WATER ASSESSED VALUE OF TAXABLE PROPERTY

2011/12 - 2020/21 Taxable Property Values

Category		2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
Residential	Taxable Value	4,108,572,990	4,115,732,747	4,338,569,885	5,049,389,598	5,575,102,675	6,010,053,886	6,469,255,863	7,019,884,644	7,633,934,882	8,258,074,342
	Parcel Count	27,593	27,762	28,024	28,535	29,026	29,619	30,008	30,768	31,623	33,095
Commercial	Taxable Value	751,515,478	752,467,989	771,693,590	815,494,356	857,089,889	867,034,098	891,384,950	928,594,190	989,209,616	1,081,384,394
	Parcel Count	696	698	701	681	686	687	689	688	708	722
Industrial	Taxable Value	200,434,027	208,804,310	209,391,996	248,972,002	235,964,050	239,012,524	292,013,692	326,418,842	355,351,956	648,335,045
	Parcel Count	242	245	244	249	250	251	253	255	244	249
Agricultural	Taxable Value	22,279,471	21,486,920	24,287,959	24,253,894	23,426,365	23,588,815	24,397,315	22,605,527	58,054,646	89,440,166
	Parcel Count	88	81	83	83	77	76	77	77	386	852
Govt. Owned	Taxable Value	998,382	1,018,348	397,879	357,726	364,872	390,034	397,834	405,789	413,905	1,295,302
	Parcel Count	3	3	3	3	3	3	3	3	3	3
Institutional	Taxable Value	3,732,528	3,824,297	2,593,641	3,779,983	5,753,579	3,884,662	3,533,318	5,798,599	5,837,008	6,202,086
	Parcel Count	71	71	71	83	83	84	84	84	83	88
Miscellaneous	Taxable Value	16,066,906	17,669,337	16,310,234	16,978,741	17,115,161	15,540,289	14,978,007	13,879,944	16,460,393	14,194,342
	Parcel Count	35	34	34	34	34	34	34	36	29	35
Recreational	Taxable Value	25,725,861	26,657,218	21,822,834	24,262,432	27,302,356	23,902,180	28,509,994	24,379,686	23,745,556	23,967,010
	Parcel Count	28	28	26	29	33	36	36	37	37	37
Vacant	Taxable Value	608,492,515	595,010,713	601,959,347	585,371,737	574,284,509	585,602,350	633,330,284	653,282,296	650,869,553	590,513,318
	Parcel Count	9,000	8,845	8,580	8,108	8,873	8,995	9,486	9,281	8,894	7,864
SBE Nonunitary	Taxable Value	559,656	230,116	230,116	230,116	230,116	230,116	230,116	270,876	270,876	270,876
	Parcel Count	[10]	[7]	[7]	[7]	[7]	[7]	[7]	[6]	[6]	[6]
Cross Reference	Taxable Value	55,527,711	83,855,098	68,846,346	72,305,823	73,962,962	74,310,378	77,899,952	79,894,042	142,726,433	147,258,830
	Parcel Count	[706]	[705]	[88]	[87]	[92]	[90]	[92]	[93]	[1,730]	[1,697]
Unsecured	Taxable Value	335,826,661	310,770,360	322,333,936	308,560,252	297,899,502	286,466,987	294,201,725	322,302,022	356,279,488	426,853,179
	Parcel Count	[1,247]	[1,181]	[1,289]	[1,230]	[1,226]	[1,244]	[1,346]	[1,385]	[1,383]	[1,413]
Exempt	Taxable Value	[20,340,533]	[20,403,071]	[18,705,343]	[18,979,755]	[19,729,341]	[20,274,774]	[20,220,314]	[20,457,494]	[0]	[0]
	Parcel Count	2,072	2,114	2,113	2,130	2,167	2,219	2,278	2,330	2,396	2,503
Unknown	Taxable Value	373,329								7,930,834	8,812,704
	Parcel Count	1								86	82
TOTALS	Taxable Value	6,130,105,515	6,137,527,453	6,378,437,763	7,149,956,660	7,688,496,036	8,130,016,319	8,730,133,050	9,397,716,457	10,241,085,146	11,296,601,594
	Parcel Count	39,829	39,881	39,879	39,935	41,232	42,004	42,948	43,559	44,489	45,530

### 2019/20 to 2020/21 Value Growth by Use Category

Category	2019/20 Net Taxable Value	2020/21 Net Taxable Value	\$ Change	% Change
Residential	15,183 \$4,270,998,304	16,247 \$4,631,135,525 (76.9%)	\$360,137,221	8.4%
Industrial	174 \$282,751,732	175 \$573,656,274 (9.5%)	\$290,904,542	102.9%
Commercial	263 \$352,992,505	275 \$404,022,040 (6.7%)	\$51,029,535	14.5%
Unsecured	[539] \$116,425,944	[547] \$191,707,077 (3.2%)	\$75,281,133	64.7%
Vacant	2,385 \$218,688,008	1,782 \$191,179,138 (3.2%)	-\$27,508,870	-12.6%
Recreational	16 \$16,944,899	16 \$17,280,592 (0.3%)	\$335,693	2.0%
Unknown	22 \$4,168,358	21 \$4,968,448 (0.1%)	\$800,090	19.2%
Cross Reference	[131] \$4,052,652	[136] \$4,624,200 (0.1%)	\$571,548	14.1%
Institutional	25 \$626,675	27 \$1,369,803 (0.0%)	\$763,128	121.8%
Agricultural	2 \$272,683	2 \$278,365 (0.0%)	\$5,682	2.1%
SBE Nonunitary	[2] \$72,099	[2] \$72,099 (0.0%)	\$0	0.0%
Miscellaneous	2 \$7,212	3 \$9,855 (0.0%)	\$2,643	36.6%
Exempt	878 \$0	935 \$0 (0.0%)	\$0	0.0%
TOTALS	18,950 \$5,268,001,071	19,493 \$6,020,323,416 (100.0%)	\$752,322,345	14.3%

Numbers in blue are parcel/assessment counts

88.5% of the value in the City of Beaumont is in the General Fund portion of the City and 11.5% is in their former RDA. The Industrial growth is in the GF.

54.5% of the value in the City of Calimesa is in their General Fund and 45.5% is in their former RDA. Residential growth in former RDA.

Powerful Solutions, Proven Results

## CITY DIFFERENCES Beaumont and Calimesa

### 2019/20 to 2020/21 Value Growth by Use Category

Category	2019/20 Net Taxable Value	2020/21 Net Taxable Value	\$ Change	% Change
Residential	2,455 \$652,155,509	2,759 \$780,981,029 (69.7%)	\$128,825,520	19.8%
Vacant	993 \$154,144,524	699 \$147,786,176 (13.2%)	-\$6,358,348	-4.1%
Commercial	75 \$79,542,267	81 \$101,605,867 (9.1%)	\$22,063,600	27.7%
Cross Reference	[676] \$42,813,293	[928] \$44,181,473 (3.9%)	\$1,368,180	3.2%
Industrial	12 \$16,645,689	12 \$16,470,682 (1.5%)	-\$175,007	-1.1%
Unsecured	[123] \$12,332,557	[133] \$13,208,344 (1.2%)	\$875,787	7.1%
Agricultural	24 \$6,834,794	25 \$8,882,713 (0.8%)	\$2,047,919	30.0%
Recreational	9 \$2,993,411	9 \$3,053,278 (0.3%)	\$59,867	2.0%
Institutional	9 \$2,794,939	9 \$2,797,080 (0.2%)	\$2,141	0.1%
Unknown	2 \$526,372	2 \$536,897 (0.0%)	\$10,525	2.0%
Govt. Owned	1 \$393,105	1 \$400,966 (0.0%)	\$7,861	2.0%
Exempt	146 \$0	170 \$0 (0.0%)	\$0	0.0%
TOTALS	3,726 \$971,176,460	3,767 \$1,119,904,505 (100.0%)	\$148,728,045	15.3%

Numbers in blue are parcel/assessment counts



## LARGEST INCREASES IN 2020-21

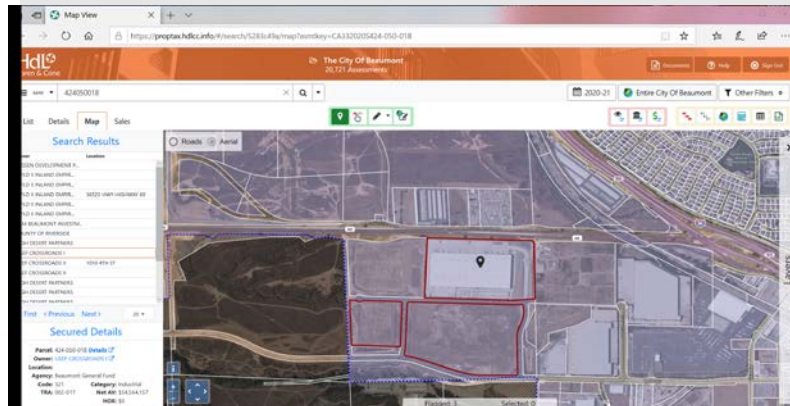


**Amazon  
Distribution  
Warehouse  
*Beaumont***

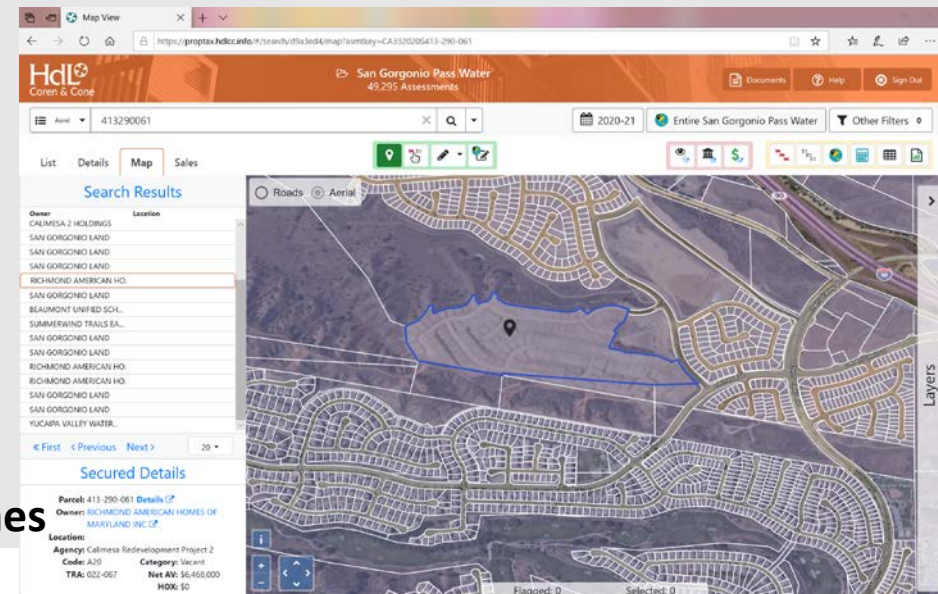


**C J Foods  
Manufacturing  
Warehouse  
*Beaumont***

**HdL**  
Coren & Cone



**Richmond American Homes  
*Calimesa***





# **SALE VALUE TRENDS AND PROPOSITION 8—Valuation Reviews**

Powerful Solutions, Proven Results

## **TOP PROPERTY TAXPAYERS**

## SALES VALUE HISTORY

Single Family Residential Full Value Sales (01/01/2006 - 1/31/2021)

Year	Full Value Sales	Average Price	Median Price	Median % Change
2006	1,593	\$367,895	\$352,000	
2007	779	\$332,891	\$325,000	-7.67%
2008	1,563	\$240,519	\$242,000	-25.54%
2009	1,647	\$167,984	\$175,000	-27.69%
2010	1,556	\$166,379	\$170,000	-2.86%
2011	1,501	\$151,816	\$155,000	-8.82%
2012	1,414	\$159,620	\$158,000	1.94%
2013	1,309	\$200,929	\$193,000	22.15%
2014	1,329	\$226,906	\$230,000	19.17%
2015	1,367	\$243,752	\$245,000	6.52%
2016	1,577	\$272,943	\$271,500	10.82%
2017	1,708	\$286,748	\$290,000	6.81%
2018	1,944	\$317,279	\$319,000	10.00%
2019	1,998	\$327,225	\$330,000	3.45%
2020	2,068	\$355,805	\$350,000	6.06%
2021	114	\$409,234	\$380,000	8.57%

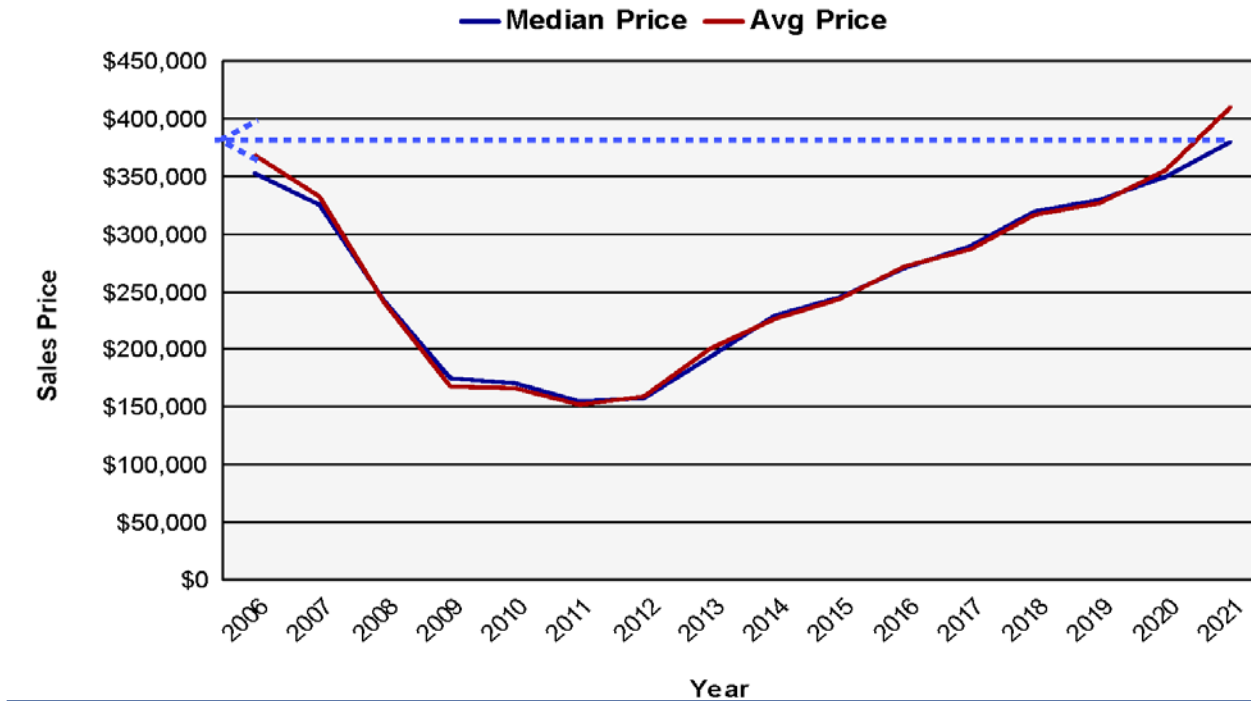
### MEDIAN SALE PRICE HISTORY FOR SFRs

The peak SFR median price before the recession was \$352,000. During the Great Recession, at their lowest single-family homes were selling for \$155,000 less than ½ their peak prices.

Agency-wide median sale prices in 2020 were 6.06% higher than those reported in 2019 and in the first month of 2021 have increased an additional 8.57%.

In 2021 the median sale price of a single-family home finally exceeded that reported in 2006. There were 15 years between the real estate bubble high and 2021 reported median sale prices.

There were more SFRs sold in 2020 than were reported in any year of the recovery.





# RIVERSIDE COUNTY

## 2020 COUNTY SALES COMPARISON BY CITY

Single Family Residential Sales (01/01/2019 - 12/31/2020)

City	2019 Sale Count	2020 Sale Count	2019 Median Sales Price	2020 Median Sales Price	Median % Change
BANNING	581	545	255,000	270,000	5.88
BEAUMONT	1,110	1,134	347,500	372,750	7.27
BLYTHE	140	140	150,000	170,500	13.67
CALIMESA	168	233	380,000	400,000	5.26
CANYON LAKE	337	418	450,000	519,500	15.44
CATHEDRAL CITY	709	681	329,000	368,000	11.85
COACHELLA	220	233	256,750	290,000	12.95
CORONA	1,822	1,904	495,000	530,000	7.07
DESERT HOT SPRINGS	491	402	223,500	250,000	11.86
EASTVALE	788	854	565,000	604,500	6.99
HEMET	1,366	1,280	266,000	290,000	9.02
INDIAN WELLS	317	467	725,000	805,000	11.03
INDIO	1,471	1,570	325,000	350,000	7.69
JURUPA VALLEY	881	923	425,000	460,000	8.24
LA QUINTA	1,604	2,031	455,000	535,000	17.58
LAKE ELSINORE	1,121	1,177	382,500	415,000	8.50
MENIFEE	2,434	2,558	367,000	400,000	8.99
MORENO VALLEY	2,297	2,020	340,500	370,000	8.66
MURRIETA	2,024	2,251	430,000	457,000	6.28
NORCO	321	361	565,000	599,000	6.02
PALM DESERT	1,932	2,095	345,000	385,000	11.59
PALM SPRINGS	1,678	1,987	459,750	528,000	14.85
PERRIS	758	656	330,000	355,500	7.73
RANCHO MIRAGE	871	1,147	550,000	569,000	3.45
RIVERSIDE	3,077	3,046	395,000	439,000	11.14
RIVERSIDE COUNTY UNINCORPORAT	5,470	5,917	429,000	460,000	7.23
SAN JACINTO	842	722	300,000	325,000	8.33
TEMECULA	1,889	2,080	450,000	500,000	11.11
WILDOMAR	421	454	415,000	455,250	9.70
RIVERSIDE COUNTY (Entire Region)	37,140	39,286	387,500	427,500	10.32

In Riverside County (all cities and the unincorporated areas) last year the median prices only grew 3.76% over the previous years median price point and the median price of all SFR sales was \$387,500.

This year the median prices countywide have increased to \$427,000. This is an increase of 10.32% over last year's growth. The median price growth in 2019 was the lowest increase change reported since we started to climb out of the recession in 2012.



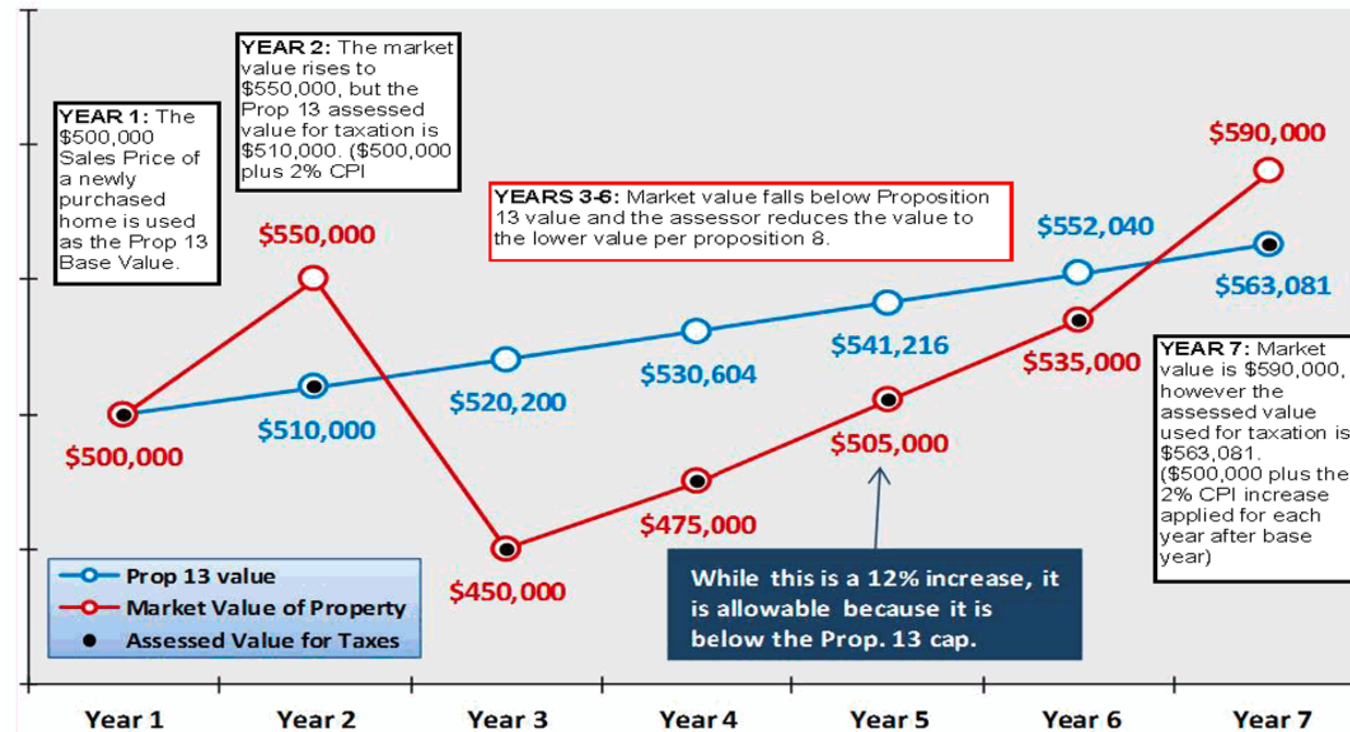
# SAN GORGONIO PASS WATER TRANSFER OF OWNERSHIP (2016 - 2020)

*It will take the addition of \$112 million in new assessed value to increase revenues 1% in 2021-22. (sales, new construction, etc.)  
2020 sales will add \$315.2 million and that will be an increase of 2.81% of next year's forecasted growth.*

Single Family Residential					Multifamily, Commercial, Industrial, Vacant								
Tax Year	# SFR Sales	Original Values	Sale Price	% Change	Non SFR Sales	Original Values	Sale Price	% Change	Total Sales	Original Values	Sale Values	% Change	\$ Change
<b>ENTIRE DISTRICT</b> <i>Valid Sales Price Analysis</i>													
<b>2020</b> 1/1/20-12/31/20	2,024	\$521,215,603	\$725,180,711	39.1%	773	\$137,513,151	\$390,772,664	184.2%	2,797	\$658,728,754	\$1,115,953,375	69.4%	\$457,224,621
<b>2019</b> 1/1/19-12/31/19	1,955	\$492,076,032	\$644,500,663	31.0%	856	\$132,183,210	\$319,695,230	141.9%	2,811	\$624,259,242	\$964,195,893	54.5%	\$339,936,651
<b>2018</b> 1/1/18-12/31/18	1,922	\$436,692,651	\$611,186,525	40.0%	967	\$85,100,329	\$268,604,769	215.6%	2,889	\$521,792,980	\$879,791,294	68.6%	\$357,998,314
<b>2017</b> 1/1/17-12/31/17	1,877	\$420,578,594	\$515,711,599	22.6%	802	\$110,298,592	\$286,278,292	159.5%	2,679	\$530,877,186	\$801,989,891	51.1%	\$271,112,705
<b>2016</b> 1/1/16-12/31/16	1,959	\$403,544,771	\$485,514,394	20.3%	540	\$95,438,352	\$159,264,302	66.9%	2,499	\$498,983,123	\$644,778,696	29.2%	\$145,795,573
<b>DISTRICT NON SA AREA</b> <i>Valid Sales Price Analysis</i>													
<b>2020</b> 1/1/20-12/31/20	1,700	\$453,962,368	\$618,626,529	36.3%	395	\$91,848,586	\$242,441,967	164.0%	2,095	\$545,810,954	\$861,068,496	57.8%	\$315,257,542
										<i>Est. Revenue Change:</i>		<b>\$96,753.15</b>	
<b>2019</b> 1/1/19-12/31/19	1,710	\$442,696,457	\$572,178,259	29.2%	497	\$73,314,652	\$170,473,599	132.5%	2,207	\$516,011,109	\$742,651,858	43.9%	\$226,640,749
										<i>Est. Revenue Change:</i>		<b>\$71,419.42</b>	
<b>2018</b> 1/1/18-12/31/18	1,661	\$394,528,658	\$547,115,861	38.7%	720	\$47,681,752	\$214,176,072	349.2%	2,381	\$442,210,410	\$761,291,933	72.2%	\$319,081,523
										<i>Est. Revenue Change:</i>		<b>\$102,290.50</b>	
<b>2017</b> 1/1/17-12/31/17	1,617	\$378,728,854	\$457,978,720	20.9%	609	\$68,397,697	\$219,752,618	221.3%	2,226	\$447,126,551	\$677,731,338	51.6%	\$230,604,787
										<i>Est. Revenue Change:</i>		<b>\$72,668.84</b>	
<b>2016</b> 1/1/16-12/31/16	1,660	\$359,478,193	\$424,899,936	18.2%	390	\$67,016,234	\$117,030,006	74.6%	2,050	\$426,494,427	\$541,929,942	27.1%	\$115,435,515
										<i>Est. Revenue Change:</i>		<b>\$36,307.94</b>	

## Recapturing Proposition 8 Reductions

Proposition 13 caps the growth of a property's assessment at no more than 2% each year unless the market value of property falls lower. When property values decline Proposition 8 which was passed by the voters in 1978 allows the property to be temporarily assessed at the lower value. Once reduced, the assessed value and property taxes may increase by more than 2% a year as the property values rise during a real estate recovery. The "recaptured" values can be adjusted upward to the annually adjusted Proposition 13 cap (blue line below).



# THE RESTORATION OF PROPOSITION 8 VALUE REVIEWS



## SAN GORGONIO PASS WATER

### PROP 8 POTENTIAL RECAPTURE HISTORY

Single Family Residential Parcels

Roll Year	Prop 8 Parcel Count	Real Value of Prop 8 Parcels	Inflation Adjusted Peak Taxable Values	Potential Recapture	% of All Parcels	Prop 8 Parcels that have fully Recaptured	Increase in Real AV Due to full Recaptures	Prop 8 Parcels that have Recaptured Value	Increase in Real AV Due to Recaptures
2008	6,234	1,783,622,196	2,273,431,183	489,808,987	23.3%	78	8,372,398	125	9,211,584
2009	11,631	2,265,046,770	3,599,710,551	1,334,663,781	43.2%	104	5,929,851	1,185	19,389,004
2010	13,443	2,310,847,500	3,812,326,562	1,501,479,062	50.0%	343	8,002,286	3,489	53,067,027
2011	13,394	2,151,529,619	3,701,576,404	1,550,046,785	49.8%	210	5,421,966	6,426	82,442,967
2012	13,891	2,282,573,420	3,750,021,943	1,467,448,523	51.5%	932	23,755,070	9,456	153,163,880
2013	12,926	2,265,873,561	3,583,552,605	1,317,679,044	47.8%	4,160	109,108,972	12,154	448,651,555
2014	8,227	1,827,354,979	2,640,080,232	812,725,253	30.4%	1,600	42,064,444	7,123	209,192,546
2015	6,119	1,541,727,607	2,136,549,976	594,822,369	22.2%	788	16,504,369	5,201	109,168,392
2016	4,923	1,347,165,831	1,817,929,581	470,763,750	17.5%	530	12,115,267	4,160	73,829,978
2017	4,024	1,182,992,447	1,578,988,714	395,996,267	13.9%	399	9,353,702	3,634	74,672,512
2018	3,430	1,076,995,603	1,404,894,075	327,898,472	11.6%	67	1,081,233	3,084	40,183,292
2019	3,112	1,018,766,083	1,309,613,784	290,847,701	10.6%	76	2,318,350	2,903	30,678,840
2020	2,951	989,835,049	1,268,660,551	278,825,502	9.8%				

Reductions were processed by assessors between 2008 and 2012.

Values began to be restored in larger numbers in 2013.

9.8% of homes still reduced in this pool of properties reviewed each year. \$278 million left to be restored.

IF RESTORED IN A SINGLE YEAR THE CURRENT BALANCE WOULD ADD 2.2% TO THE AGENC BOTTOM LINE.

# SAN GORGONIO PASS WATER

## 2020/21 TOP TEN PROPERTY TAXPAYERS

Top Property Owners Based On Net Values

Owner	Secured			Unsecured			Combined		Primary Use & Primary Agency
	Parcels	Value	% of Net AV	Parcels	Value	% of Net AV	Value	% of Net AV	
1) USEF CROSSROADS	3	\$371,536,644	3.42%				\$371,536,644	3.29%	Industrial Beaumont
2) CHELSEA GCA REALTY PARTNERSHIP	4	\$253,015,218	2.33%				\$253,015,218	2.24%	Commercial County Unincorporated
3) NESTLE WATERS NORTH AMERICA INC	1	\$67,888,311	0.62%	1	\$69,201,821	16.21%	\$137,090,132	1.21%	Unsecured County Unincorporated
4) AMAZON COM SERVICES LLC				1	\$63,928,047	14.98%	\$63,928,047	0.57%	Unsecured Beaumont
5) PARDEE HOMES	1,340	\$49,704,589	0.46%	10	\$3,569,315	0.84%	\$53,273,904	0.47%	Agricultural Beaumont
6) FREDERICK J HANSHAW	3	\$45,133,035	0.42%				\$45,133,035	0.40%	Commercial Beaumont
7) CJ FOODS MANUFACTURING	1	\$43,992,800	0.40%				\$43,992,800	0.39%	Industrial Beaumont
8) AMBEST REAL ESTATE	1	\$32,968,175	0.30%				\$32,968,175	0.29%	Industrial Beaumont
9) SAN GORGONIO LAND	26	\$31,474,761	0.29%				\$31,474,761	0.28%	Vacant Calimesa
10) MESA VERDE RE VENTURES	14	\$31,165,871	0.29%				\$31,165,871	0.28%	Vacant Calimesa
<b>Top Ten Total</b>	1,393	\$926,879,404	8.53%	12	\$136,699,183	32.02%	\$1,063,578,587	9.42%	
<b>District Total</b>		\$10,869,748,415			\$426,853,179		\$11,296,601,594		



# FORECASTING PROPERTY TAXES



**WHAT DO WE CONSIDER IN BUDGETING  
PROPERTY TAX REVENUES?**



## WHAT SHOULD YOU CONSIDER IN DEVELOPING YOUR FORECAST MODEL FOR 2021-22?

- ✓ The CCPI change to real property per Prop 13 for 2021-22 will NOT be 2%. The October-to-October increase is 1.036%.
- ✓ The numbers of properties offered for sale in some areas have trended downward- due to COVID stay at home orders. Prices have remained strong- each city is different.
- ✓ Fewer sales may impact both supplemental apportionments and DTT or RETT revenues. The current year may be a gauge for 2021-22.
- ✓ Proposition 8 value restorations won't add a lot positively to the bottom line and some additional properties may be added.
- ✓ New Construction will be the equalizer. Construction projects did not stop during the stay-at-home orders.

## WHAT ABOUT 2022-23?

- The CCPI change to real property per Prop 13 for 2022-23 may not be 2% again. Any recovery will likely be post vaccine and after summer and possibly not until 2022. Model 2022-23 after 2021-22 and assume less than 2% for the CPI growth.
- The numbers of properties offered for sale may normalize now that realtors have developed a different method to sell properties. Property sales in 2021 will be known before we begin forecasting for 2022-23. Budget conservatively.
- If there are fewer sales as we move through 2021, this will impact supplemental apportionments. Watch what happens in 2021-22 as a gauge.
- Proposition 8 value restorations won't add a lot to the bottom line
- New Construction will continue to be the equalizer adding value that may be reduced elsewhere.
- Commercial and industrial appeals may be filed due to vacancies. These have a 2-year hearing window and may result in future reductions.
- What about residual revenue from the RPTTF from former RDAs?

# DEVELOPING A 1-YEAR FORECAST



## SAN GORGONIO PASS WATER GENERAL FUND REVENUE ESTIMATE 2021-22 Revenue Estimate based on 2020-21 Values and Estimated Changes

### SUGGESTED CHANGES

1.036% CPI added to real property for 2021-22

Sales transactions in 2020 impacting 2021-22 have been reflected

50% of historical completed new construction would be added by staff

Supplemental allocations flat at 2020-21 levels

	District Revenue	Dist Wide Value Change
<b>Non RDA and BY Values 2020-21</b>	<b>\$9,428,388,785</b>	
<b>District Net Taxable Value 2020-21</b>		<b>\$11,296,601,59</b>
<b>Real Property Value</b> (Incl. Prop 8 parcels)	<b>\$8,801,014,880</b>	<b>\$11,050,109,53</b>
CPI of Non Prop 8 Parcels (1.036%)	\$81,819,847	\$104,430,09
Transfer of Ownership Assessed Value Change	\$315,068,895	\$457,035,97
Est. SFR Prop 8 Adj Based on Recent SFR Price	\$66,413,814	\$71,325,29
<b>2021-22 Estimated Real Property Value</b>	<b>\$9,264,317,436</b>	<b>\$11,682,900,89</b>
Base Year Values	\$473,322,005	Included in A
Secured Personal Property Value (-2.0% growth)	\$5,913,690	\$11,889,50
Unsecured Personal Property Value (-2.0% growth)	\$144,927,341	\$229,447,60
Nonunitary Utility Value	\$132,480	\$270,87
Enter Completed New Construction		
<b>2021-22 Estimated Net Taxable Value</b>	<b>\$9,888,612,953</b>	<b>\$11,924,508,88</b>
<b>Estimated Total Percent Change 2021-22</b>	<b>4.88%</b>	<b>5.56%</b>
<b>Revenue Calculations</b>		
Net Taxable Value Tax @ 1%	\$98,886,130	
<b>District Share of 1% Tax @ 3.117997%</b>	<b>\$3,083,267</b>	
Aircraft Value Tax @ 1%	\$20,178	
<b>District Share of Aircraft Tax @ 0.0%</b>	<b>\$0</b>	
<b>Net District Estimate for 2021-22</b>	<b>\$3,083,267</b>	
<b>Taxable Value Revenue Categories</b>		
Secured Revenue	\$2,992,002	
Unsecured Revenue	\$91,265	
Aircraft Revenue	\$0	
<b>Rev from Taxable Value*</b>	<b>\$3,083,267</b>	
Unitary Revenue (Budgeted Flat)	\$118,000	
Admin Fee (Not Deducted Above)	-\$5,328	
Enter Suppl. Apportionment Recd. - Avg. 3 Yrs		
Enter Delinquent Apportionment Recd. - Avg. 3 Yrs		

# SAN GORGONIO PASS WATER

## GENERAL FUND REVENUE ESTIMATE - DEFAULT SCENARIO FOR 2021

2021-22 Through 2025-26 Revenue Estimate Based on 2020-21 Values and Estimated Changes



District Revenue	2021-22	2022-23	2023-24	2024-25	2025-26
<b>Non RDA and BY Values</b>	<b>\$9,428,388,785</b>	<b>\$9,888,612,953</b>	<b>\$10,205,274,232</b>	<b>\$10,590,127,310</b>	<b>\$11,003,648,142</b>
<b>Real Property Value</b> (Incl. Prop 8 parcels)	<b>\$8,801,014,880</b>	<b>\$9,264,317,436</b>	<b>\$9,583,995,536</b>	<b>\$9,968,848,614</b>	<b>\$10,382,369,446</b>
CPI of Non Prop 8 Parcels (2021-22 @ 1.036%)	\$81,819,847	\$122,941,925	\$177,353,808	\$187,389,556	\$198,085,601
Transfer of Ownership Assessed Value Change	\$315,068,895	\$143,690,555	\$162,340,553	\$184,370,647	\$199,528,101
Est. SFR Prop 8 Adj Based on Recent Price	\$66,413,814	\$53,045,620	\$45,158,717	\$41,760,629	\$34,599,343
<b>Estimated Real Property Value</b>	<b>\$9,264,317,436</b>	<b>\$9,583,995,536</b>	<b>\$9,968,848,614</b>	<b>\$10,382,369,446</b>	<b>\$10,814,582,491</b>
Base Year Values	\$473,322,005	\$473,322,005	\$473,322,005	\$473,322,005	\$473,322,005
Secured Personal Property Value (see notes)	\$5,913,690	\$5,795,417	\$5,795,417	\$5,795,417	\$5,795,417
Unsecured Personal Property Value (see notes)	\$144,927,341	\$142,028,794	\$142,028,794	\$142,028,794	\$142,028,794
Nonunitary Utility Value (0.0% growth)	\$132,480	\$132,480	\$132,480	\$132,480	\$132,480
Enter Completed New Construction					
<b>Estimated Net Taxable Value</b>	<b>\$9,888,612,953</b>	<b>\$10,205,274,232</b>	<b>\$10,590,127,310</b>	<b>\$11,003,648,142</b>	<b>\$11,435,861,187</b>
<b>Estimated Total Percent Change</b>	<b>4.88%</b>	<b>3.20%</b>	<b>3.77%</b>	<b>3.90%</b>	<b>3.93%</b>
<b>Revenue Calculations</b>					
Net Taxable Value Tax @ 1%	\$98,886,130	\$102,052,742	\$105,901,273	\$110,036,481	\$114,358,612
<b>District Share of 1% Tax @ 3.117997%</b>	<b>\$3,083,267</b>	<b>\$3,182,001</b>	<b>\$3,301,999</b>	<b>\$3,430,934</b>	<b>\$3,565,698</b>
Aircraft Value Tax @ 1%	\$20,178	\$20,178	\$20,178	\$20,178	\$20,178
<b>District Share of Aircraft Tax @ 0.0%</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Net District Estimate</b>	<b>\$3,083,267</b>	<b>\$3,182,001</b>	<b>\$3,301,999</b>	<b>\$3,430,934</b>	<b>\$3,565,698</b>
<b>Taxable Value Revenue Categories</b>					
Secured Revenue	\$2,992,002	\$3,087,814	\$3,204,259	\$3,329,379	\$3,460,153
Unsecured Revenue	\$91,265	\$94,187	\$97,739	\$101,556	\$105,545
Aircraft Revenue	\$	\$	\$	\$	\$
<b>Rev from Taxable Val*</b>	<b>\$3,083,267</b>	<b>\$3,182,001</b>	<b>\$3,301,999</b>	<b>\$3,430,934</b>	<b>\$3,565,698</b>
Unitary Revenue (Budgeted Flat)	\$118,000	\$118,000	\$118,000	\$118,000	\$118,000
Admin Fee (Not Deducted Above)	-\$5,328	-\$5,492	-\$5,692	-\$5,906	-\$6,131
Enter Suppl. Apportionment - Avg 3 Yrs					
Enter Delinquent Apportionment - Avg 3 Yrs					

# DEVELOPING A 1-YEAR FORECAST – Debt Service Portion of Collection



SAN GORGONIO PASS WATER  
SAN GORGONIO PASS WATER AGENCY DEBT SERVICE  
SPECIAL DISTRICT REVENUE ESTIMATE  
2021-22 Revenue Estimate based on 2020-21 Values and Estimated Changes



## Non RDA and BY Values 2020-21

### District Net Taxable Value 2020-21

#### Real Property Value (Incl. Prop 8 parcels)

- CPI of Non Prop 8 Parcels (1.036%)
- Transfer of Ownership Assessed Value Change
- Est. SFR Prop 8 Adj Based on Recent SFR Price

#### 2021-22 Estimated Real Property Value

- Base Year Values
- Secured Personal Property Value (-2.0% growth)
- Unsecured Personal Property Value (-2.0% growth)
- Nonunitary Utility Value
- Enter Completed New Construction

#### 2021-22 Estimated Net Taxable Value

### Estimated Total Percent Change 2021-22

#### Revenue Calculations

All Values 2020-21

#### 2021-22 Estimated Taxable Value

2020-21 Override Tax Rate

#### Rev Estimate for 2021-22

#### Dist Wide Value Change

\$11,294,583,794

\$11,050,109,538

\$104,430,091

\$457,224,621

\$71,325,291

\$11,683,089,541

Included in AV

\$11,889,503

\$227,429,809

\$270,876

\$11,922,679,729

5.56%

\$11,294,583,794

\$11,922,679,729

0.175000

\$20,864,690

Approved Levy for 2020-21

If this percent changes,  
the estimated revenue will  
be impacted

Coren & Cone



# SAN GORGONIO PASS WATER SAN GORGONIO PASS WATER AGENCY DEBT SERVICE SPECIAL DISTRICT REVENUE ESTIMATE - DEFAULT SCENARIO FOR 2021

2021-22 Through 2025-26 Revenue Estimate Based on 2020-21 Values and Estimated Changes

Dist Wide Value Change	2021-22	2022-23	2023-24	2024-25	2025-26
<b>District Net Taxable Value</b>	<b>\$11,294,583,794</b>	<b>\$11,922,679,729</b>	<b>\$12,318,416,878</b>	<b>\$12,796,798,071</b>	<b>\$13,311,333,696</b>
<b>Real Property Value</b> (Incl. Prop 8 parcels)	<b>\$11,050,109,538</b>	<b>\$11,683,089,541</b>	<b>\$12,078,826,690</b>	<b>\$12,557,207,883</b>	<b>\$13,071,743,507</b>
CPI of Non Prop 8 Parcels (2021-22 @ 1.036%)	\$104,430,091	\$157,353,619	\$226,246,232	\$238,312,935	\$251,210,498
Transfer of Ownership Assessed Val Change	\$457,224,621	\$180,377,186	\$203,824,686	\$231,510,832	\$250,594,145
Est. SFR Prop 8 Adj Based on Recent SFR Price	\$71,325,291	\$58,006,344	\$48,310,274	\$44,711,858	\$37,091,570
<b>Estimated Real Property Value</b>	<b>\$11,683,089,541</b>	<b>\$12,078,826,690</b>	<b>\$12,557,207,883</b>	<b>\$13,071,743,507</b>	<b>\$13,610,639,720</b>
Secured Personal Property Value (see notes)	\$11,889,503	\$11,651,713	\$11,651,713	\$11,651,713	\$11,651,713
Unsecured Personal Property Value (see notes)	\$227,429,809	\$222,881,213	\$222,881,213	\$222,881,213	\$222,881,213
Nonunitary Utility Value (0.0% growth)	\$270,876	\$270,876	\$270,876	\$270,876	\$270,876
Enter Completed New Construction					
<b>Estimated Net Taxable Value</b>	<b>\$11,922,679,729</b>	<b>\$12,318,416,878</b>	<b>\$12,796,798,071</b>	<b>\$13,311,333,696</b>	<b>\$13,850,229,908</b>
<b>Estimated Total Percent Change</b>	<b>5.56%</b>	<b>3.32%</b>	<b>3.88%</b>	<b>4.02%</b>	<b>4.05%</b>
All Values	\$11,294,583,794	\$11,922,679,729	\$12,318,416,878	\$12,796,798,071	\$13,311,333,696
<b>Estimated Taxable Value</b>	<b>\$11,922,679,729</b>	<b>\$12,318,416,878</b>	<b>\$12,796,798,071</b>	<b>\$13,311,333,696</b>	<b>\$13,850,229,908</b>
2020-21 Override Tax Rate	0.175000	0.175000	0.175000	0.175000	0.175000
<b>Rev Estimate</b>	<b>\$20,864,690</b>	<b>\$21,557,230</b>	<b>\$22,394,397</b>	<b>\$23,294,834</b>	<b>\$24,237,902</b>

## NOTES:

- The revenue projection assumes 100% payment of taxes. Delinquency is not considered in the projection; however, rates of between 1% and 2.5% are typical.
- Estimated Assessor Prop 8 Adjustments: Prop 8 reductions in value are TEMPORARY reductions applied by the assessor that recognize the fact that the current market value of a property has fallen below its trended (Prop 13) assessed value. For 2021-22 and later, properties with prior Prop 8 reductions are not included in the CPI increase, they are projected flat until either the Assessor begins to recapture value as the economy improves and median sale prices begin to increase, they are further reduced, or they sell and are reset per Prop 13.
- CPI of Non Prop 8 Parcels is calculated at the following rates: 2021-22 @ 1.036%; 2022-23 @ 1.500%; 2023-24 @ 2.000%; 2024-25 @ 2.000%; 2025-26 @ 2.000%;
- Prop 8 restoration adjustments are based on projected median SFR home price growth. For this projection the following median year-to-year percentage changes are used: 2022-23: 6.4%; 2023-24: 7.1%; 2024-25: 7.8%; 2025-26: 8.2%
- Transfer of Ownership Assessed Value Change: For 2021-22, the projected increase from known 2020 transfers is used. For years 2022-23 and later a growth rate is applied that is representative of the historical average rate of real property growth due to properties that have transferred ownership. Value growth due to transfers is estimated as the following percentages of prior year real property value: 2022-23 @ 1.5%; 2023-24 @ 1.7%; 2024-25 @ 1.8%; 2025-26 @ 1.9%;
- Base Year Values Entry: With the dissolution of redevelopment, base year values are unlikely to change and are budgeted flat.
- Secured personal property and unsecured values are projected to grow at the following rates 2021-22 @ -2.0%; 2022-23 @ -2.0%; 2023-24 @ 0.0%; 2024-25 @ 0.0%; 2025-26 @ 0.0%; .
- Unsecured escaped assessments may be included in the unsecured value. The value of escaped assessments is generally inconsistent and varies from year to year.
- Completed new construction entry: This data entry point allows for the inclusion of new construction projects completed annually. Due to processing delays we suggest that a time frame of November - October be selected. (e.g. Nov. 2019 - Oct. 2020 for the 2022-23 FY). If completed new construction has resulted in a sale of the property it is likely that the new value will appear in the value increase due to transfers of ownership entry and therefore should not be also included in the completed new construction value.
- Pooled Revenue Sources include supplemental allocations, redemptions for delinquent payments in Non-Teeter cities, tax payer refunds due to successful appeals, roll corrections and other adjustments applied after the release of the roll. The forecasting of these revenues should be developed based on historical averages over a minimum of 3 years.
- General Fund Revenue Estimate does not include any ad valorem voter approved debt service revenue.







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