



2020 Annual Report

**Fayette County Appraisal District
P. O. Box 836
La Grange, TX 78945**

2020 ANNUAL REPORT

FAYETTE COUNTY APPRAISAL DISTRICT

INTRODUCTION

The Fayette County Appraisal District is a political subdivision of the State of Texas. The Constitution of the State of Texas, the Texas Property Tax Code, and the Rules of the Texas Comptroller's Property Tax Assistance Division govern the operations of the appraisal district.

MISSION

The Fayette County Appraisal District (FCAD) provides market value appraisals of all taxable property and collects ad valorem taxes in a fair, equitable and cost effective manner on behalf of the taxing entities of Fayette County while providing services and assistance to the county's citizens. This will be done by administering the laws under the property tax system and operating under the standards of:

- The Property Tax Assistance Division of the Texas State Comptroller's Office (PTAD)
- The International Association of Assessing Officers
- The Uniform Standards of Professional Appraisal Practices

OVERVIEW

The Fayette County Appraisal District is responsible for local property tax appraisal and exemption administration for 15 jurisdictions or taxing units in the county. Each taxing unit, such as the county, a city, school district, municipal utility district, etc., sets its own tax rate to generate revenue to pay for such things as police and fire protection, public schools, road and street maintenance, courts, water and sewer systems, and other public services. Property appraisals and estimated values by the appraisal district allocate the year's tax burden on the basis of each taxable property's market value. The District also determines eligibility for various types of property tax exemptions such as those for homeowners, the elderly, disabled veterans, charitable or religious organizations and agricultural productivity valuation.

FCAD is responsible for 960 square miles and 51,141 accounts within Fayette County. Portions of Giddings ISD, Smithville ISD and Weimar ISD cross into Fayette County. These properties are appraised by FCAD and are included in the total number of accounts.

FCAD's required operations are outlined in the Texas Administrative Code and are monitored by the Texas Comptroller of Public Accounts. Except as otherwise provided by the Texas Property Tax Code, all taxable property is appraised at "market value" as of January 1. Under the Texas Property Tax Code, Sec. 1.04(7), "market value" means the price at which a property would transfer for cash or its equivalent under prevailing market conditions if: exposed for sale in the

open market with a reasonable time for the seller to find a purchaser; both the seller and the purchaser know of all the uses and purposes to which the property is adapted and for which it is capable of being used and of the enforceable restrictions on its use, and; both the seller and purchaser seek to maximize their gains and neither is in a position to take advantage of the exigencies of the other.

The Texas Property Tax Code defines special appraisal provisions for the valuation of residential homestead property (Sec. 23.23), productivity (Sec. 23.41), real property inventory (Sec 23.12), dealer inventory (Sec 23.121, 23.124, 23.1241 and 23.127), nominal (Sec. 23.18) or restricted use properties (Sec. 23.83) and allocation of interstate property (Sec. 23.03).

TAXING JURISDICTIONS

The Fayette County Appraisal District is responsible for appraising all properties for each of the taxing jurisdictions that have territory located within Fayette County. They are as follows:

- Fayette County
- La Grange ISD
- Schulenburg ISD
- Flatonia ISD
- Fayetteville ISD
- Round Top/Carminie ISD
- Giddings ISD
- Smithville ISD
- Weimar ISD
- City of La Grange
- City of Schulenburg
- City of Flatonia
- City Fayetteville
- City of Carminie
- Town of Round Top
- Fayette County Groundwater Control District
- Cummins Creek WCID
- Monument Hill WCID

ACTIVITIES PERFORMED BY FCAD IN 2020

The FCAD uses a process called mass appraisal. Mass appraisal allows for the valuing of large groups of property as of a given date and allows for statistical testing. The appraised value of real estate is calculated using specific information about each property. Using computer-assisted mass appraisal programs and recognized appraisal methods and techniques, information is compared with the data of similar properties and with recent cost and market data. The District, as required by the state of Texas, follows the standards of the International Association of Assessing Officers (IAAO) regarding its appraisal practices and procedures, and subscribes to the standards promulgated by the Appraisal Foundation known as the Uniform Standards of Professional Appraisal Practice (USPAP) to the extent they are applicable. Chapter 23 of the Texas Property Tax Code contains statutes dealing with appraisal methods and procedures. Section 23.01 of this chapter was

amended in 1997 to specify that appraisal districts are required to comply with the mass appraisal standards of USPAP (Standard Six) when the appraised *value* of a property is established using mass appraisal techniques.

The FCAD's Valuation Process

In order to make a valuation, the staff must first identify new properties. This is done by viewing aerial photography, scouring local government records such as building permits and septic permits, or locating advertisements in the newspaper.

The staff must then collect data by visiting new and existing properties. The staff assesses the value of new structures, as well as assesses depreciation and the value of any new additions to existing structures. Additionally appraisers must classify the quality of the construction by examining features such as rooflines, add-ons, construction type such as brick or wood, etc. Data regarding sales and building prices must also be collected.

These values must be entered into the automated system along with changes in property parcel sizes and exemptions received from homeowners, the elderly, disabled veterans, charitable or religious organizations, and agricultural productivity valuation (this includes wildlife management).

Then the data must be analyzed following the mass appraisal standards of the USPAP. Properties are grouped by school district, subdivision, town and neighborhood. Questions such as 'does the FCAD value match recent sales values?' must be answered. Value is then assessed to as close to 100% of market value as possible (per state law). If this is not the case, then an analysis must be done to determine the reason the values are not within an acceptable range. Once this is determined, further adjustments are made according to existing professional standards.

Additionally FCAD must

- Analyze and revise office operations to conform with legislative changes,
- Compile and file reports required by the state,
- Work with customers regarding concerns and appeals,
- Prepare for state audits and inspections, and
- Perform required community outreach.

FCAD had 12 full-time employees during 2020 with the following classifications:

- 2 Administrative Professionals
- 4 Field Appraisers
- 1 Business Personal Property Appraiser
- 4 Technicians/Clerks
- 1 Administrative Support Professional

Note: Because the work is highly technical and closely regulated, appraisers and professionals must obtain licensing and attend yearly training on legislative updates. Additionally, all staff are now required by the state of Texas to obtain yearly customer service training.

Mineral, Industrial, Utility and Related Personal Property

Mineral, Industrial, Utility and Related personal property is appraised by Pritchard & Abbott, Inc. (P&A) at the fair market value by utilizing approaches such as the cost approach, market approach, and income approach. The main source P&A uses for data collection is fieldwork by the appraisers and commercially/publicly available schedules developed on current costs such as Marshall & Swift, Handy-Whitman, Chemical Engineering Magazine, Oil & Gas Journal, etc. The validity of the values by P&A's income and cost approaches to value is tested against actual market transactions, if and when these transactions and verifiable details of the transactions are disclosed to P&A. These transactions are checked for meeting all requisites of fair market value definition. Any conclusions from this analysis are also compared to industry benchmarks before being incorporated in the calibration procedure.

Property Types Appraised

The appraisal district is responsible for the appraisal of approximately 51,141 parcels. The following represents a summary of property types appraised by the district for **2020**:

PTAD Classification	Property Type	Parcel Count	Market Value
A	Single Family	6,858	944,577,859
B	Multi Family	60	20,347,673
C	Vacant Lot	1,696	34,437,872
D1	Qualified Ag Land	11,734	3,849,425,561
D2	Imps. On Non AG Land	1,364	51,089,784
E	Non Qualified AG Land	8,106	1,241,109,719
F1	Commercial Real Prop.	1,185	318,265,663
F2	Industrial Real Prop.	79	134,711,190
G1	Oil & Gas	15,498	215,590,510
J1	Water Systems	7	112,620
J2	Gas Dist. System	24	3,154,310
J3	Electric Company	58	80,830,830
J4	Telephone Company	115	18,800,760
J5	Railroad	41	67,301,660
J6	Pipeline Company	823	59,977,660
J7	Cable Television Company	13	778,360
J8	Other Type of Utility	17	5,265,840
J9	Railroad Rolling Stock	1	13,244,973
L1	Commercial Personal Prop.	1,264	86,183,990
L2	Industrial Personal Prop.	329	133,917,190
M1	Mobile Homes	715	19,066,561
O	Residential Inventory	9	233,720
S	Special Inventory	16	11,932,160
X	Exempt Property	8,958	286,225,636

General Information

	2019	2020
Properties Inspected	5,387	6,488
Exemptions Processed	706	618
1-d-1 Applications Processed	635	582

Inquiry and Formal Protest Data

	2019	2020
Informal Appeals Processed	695	633
Formal Appeals Processed	2,147	2,122
ARB Decision	136	132
Arbitration Cases	3	3

Certified Values for All Jurisdictions

	2019		2020	
	Market Value	Taxable Value	Market Value	Taxable Value
Fayette County Gen Fund	7,412,424,774	3,320,501,220	7,597,093,831	3,418,358,400
Farm/Market Road	7,399,957,014	3,297,765,401	7,583,973,778	3,395,064,580
La Grange ISD	2,746,402,860	1,122,876,552	2,799,347,530	1,159,433,182
Schulenburg ISD	1,229,998,598	452,250,891	1,235,244,898	461,394,439
Flatonia ISD	1,291,602,852	430,996,789	1,334,167,799	409,928,198
Fayetteville ISD	755,417,047	221,868,015	783,009,933	246,322,187
Round Top/Carmine ISD	1,183,968,751	362,739,097	1,218,808,040	377,097,992
City of La Grange	467,193,581	346,505,066	489,931,710	360,818,698
City of Schulenburg	311,676,541	276,574,057	317,509,818	280,371,246
City of Flatonia	128,171,548	107,240,843	134,633,033	112,313,801
City of Fayetteville	60,145,890	47,568,901	63,737,670	49,160,692
City of Carmine	40,821,498	23,008,077	47,534,180	30,138,293
Town of Round Top	67,943,260	52,979,165	67,366,440	53,285,733
Fayette County GWCD	7,399,634,604	3,344,138,557	7,583,372,498	3,442,026,339
Monument Hill WCID	65,549,207	53,027,161	68,276,366	55,613,438
Cummins Creek WCID	1,588,887,335	610,802,416	1,649,309,309	656,476,814
Giddings ISD*	35,377,620	12,436,673	52,084,560	29,068,047
Smithville ISD*	52,305,940	16,286,274	55,093,040	17,906,110
Weimar ISD*	104,229,806	22,229,400	105,309,328	22,884,607

*Includes only that portion which is situated in Fayette County.

Average Value of Single Family Residence

	2019			2020	
	Market Value	Taxable Value		Market Value	Taxable Value
Fayette County Gen Fund	167,523	164,658		172,557	170,960
Farm/Market Road	167,528	161,715		172,523	169,432
La Grange ISD	178,750	152,457		183,635	158,376
Schulenburg ISD	132,654	106,986		135,706	110,744
Flatonia ISD	141,669	114,599		148,789	122,335
Fayetteville ISD	179,018	148,843		188,130	160,692
Round Top/Carmine ISD	225,800	142,347		228,710	150,725
City of La Grange	175,380	138,338		180,921	144,362
City of Schulenburg	121,428	121,076		126,470	126,104
City of Flatonia	141,220	138,140		146,309	144,961
City of Fayetteville	196,187	187,971		207,983	203,725
City of Carmine	148,335	146,289		159,196	156,860
Town of Round Top	482,727	402,691		501,422	450,880
Fayette County GWCD	167,551	164,680		172,523	170,927
Monument Hill WCID	274,883	220,766		276,631	222,623
Cummins Creek WCID	204,328	193,059		209,034	202,427
Giddings ISD	104,473	65,259		117,595	81,008
Smithville ISD	96,037	72,544		114,308	84,457
Weimar ISD	171,310	144,111		169,412	145,690

Certified New Value for All Jurisdictions

	2019			2020	
	Market Value	Taxable Value		Market Value	Taxable Value
Fayette County Gen Fund	80,226,419	75,535,319		58,555,221	55,049,890
Farm/Market Road	80,177,739	75,450,506		58,555,221	55,020,980
La Grange ISD	38,441,639	35,781,808		24,797,402	22,212,380
Schulenburg ISD	8,547,820	8,026,996		6,232,180	6,130,080
Flatonia ISD	12,295,090	11,597,580		8,491,639	8,107,057
Fayetteville ISD	5,739,320	4,487,060		5,335,860	4,400,390
Round Top/Carmine ISD	12,793,200	11,746,236		11,623,430	10,591,416
City of La Grange	8,355,660	6,778,498		5,331,060	3,267,504
City of Schulenburg	1,972,130	1,663,430		1,063,280	1,063,280
City of Flatonia	2,336,320	1,977,610		1,358,460	1,358,460
City of Fayetteville	2,088,850	1,006,850		1,246,750	373,520
City of Carmine	762,150	308,010		561,650	443,870
Town of Round Top	722,550	692,850		733,800	733,800
Fayette County GWCD	80,182,139	75,589,729		58,555,221	55,128,572
Monument Hill WCID	1,335,230	1,070,994		1,898,370	1,835,738
Cummins Creek WCID	16,172,270	14,548,590		15,143,590	13,971,381
Giddings ISD	448,800	447,694		422,640	378,728
Smithville ISD*	730,660	724,909		680,400	664,500
Weimar ISD*	1,049,890	980,480		971,670	971,670

Top 10 Taxpayers - 2020

	Market Value		Taxable Value
Union Pacific Railroad Co	63,853,920		63,858,920
LCRA Transmission Svcs Corp.	62,855,560		62,855,560
ETC Texas Processing Ltd.	56,568,010		56,334,650
Dairy Farmers of America	37,355,450		36,885,720
Magnolia Oil & Gas Oper 395	31,342,660		31,342,660
Geosouthern Operating II LLC	26,278,290		26,278,290
Ramtex Energy LLC	25,737,100		25,737,100
ETC Texas Pipeline Ltd Gas Div.	22,208,670		22,166,670
Lazy Q	30,071,320		20,330,310
Magnolia Oil & Gas Operating	19,365,500		19,365,500

2020 STATE OF TEXAS OVERSIGHT

The Property Value Study (PVS)

The PVS is a biennial audit by the state of Texas Comptroller of Public Accounts' Property Tax Assistance Division (PTAD). PTAD conducts the PVS to estimate a school district's taxable property value. The last study the FCAD received was in 2020 and the results were released in January 2021, wherein the PTAD accepted the appraisal district values for all school districts in Fayette County and determined that FCAD was appraising at market value, except for Flatonia ISD. The appraisal district's values were deemed low in Flatonia ISD and were found to be invalid. The primary reason for the failing grade seems to be a particular pipeline company. This matter is currently being investigated to determine a course of action to rectify this issue.

Methods and Assistance Program (MAP) Reviews

Tax Code Section 5.102 requires the Comptroller of Public Accounts to review county appraisal district (CAD) governance, taxpayer assistance, operating standards and appraisal standards, procedures and methodology at least once every two years. The first audit was completed in 2011. FCAD performed well and substantially completed all recommendations made in the initial MAP review and the subsequent review of 2013, 2015, 2017 and 2019. FCAD is therefore in compliance with Texas Property Tax Code Section 5.102.

The Comptroller has issued a list of policies and practices it will be focusing on for the 2021 audit. Preliminary data has been submitted to PTAD.

LEGISLATIVE CHANGES

The legislature has convened for 2021. Bills that relate to the property tax system will be closely monitored. Any new laws that are a result of the current session will be administered by the FCAD.

FCAD AND THE FUTURE

FCAD expects operating expenses to continue to rise in the coming years based on population growth, land fragmentation, increased state regulatory mandates and the effects of COVID – 19. Currently FCAD employs 12 staff members, four of which are appraisers. Aerial photography is used to assist in the discovery of new property and demolitions and other changes. Current images will available by March 2021.

Please contact the appraisal district if you have any questions regarding this report at:

Fayette County Appraisal District
P.O. Box 836
111 S. Vail St.
La Grange, TX 78945

Phone: (979) 968-8383
Fax: (979) 968-8385
Website: fayettecad.org
Email: inquiries@fayettecad.org