



2021 Annual Report

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

2021 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 50,360 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/Carmine ISD
- Giddings ISD
- Smithville ISD
- Weimar ISD
- City of La Grange
- City of Schulenburg
- City of Flatonia
- City Fayetteville
- City of Carmine
- Town of Round Top
- Fayette County Groundwater Control District
- Cummins Creek WCID
- Monument Hill WCID

ACTIVITIES PERFORMED BY FCAD IN 2021

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 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 2021 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 50,360 parcels. The following represents a summary of property types appraised by the district for **2021**:

PTAD Classification	Property Type	Parcel Count	Market Value
A	Single Family	6,996	1,003,917,118
B	Multi Family	6061	25,308,980
C	Vacant Lot	1,638	37,733,555
D1	Qualified Ag Land	11,855	3,9323,855,264
D2	Imps. On Non AG Land	1,299	18,721,216
E	Non Qualified AG Land	8,179	1,341,277,293
F1	Commercial Real Prop.	1,184	322,077,575
F2	Industrial Real Prop.	84	134,513,420
G1	Oil & Gas	14,088	166,021,370
J1	Water Systems	7	129,780
J2	Gas Dist. System	23	3,293,870
J3	Electric Company	59	83,496,540
J4	Telephone Company	106	21,823,550
J5	Railroad	39	69,863,960
J6	Pipeline Company	830	88,700,410
J7	Cable Television Company	13	772,540
J8	Other Type of Utility	17	5,672,290
J9	Railroad Rolling Stock	1	13,951,320
L1	Commercial Personal Prop.	1,233	83,011,720
L2	Industrial Personal Prop.	328	133,366,250
M1	Mobile Homes	754	20,729,103
O	Residential Inventory	0	0
S	Special Inventory	16	11,789,860
X	Exempt Property	9,518	296,982,602

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General Information

	2020	2021
Properties Inspected	6,488	6,748
Exemptions Processed	618	768
1-d-1 Applications Processed	582	695

Inquiry and Formal Protest Data

	2020	2021
Informal Appeals Processed	633	1,979
Formal Appeals Processed	2,122	1,911
ARB Decision	132	136
Arbitration Cases	3	4

Certified Values for All Jurisdictions

	2020		2021	
	Market Value	Taxable Value	Market Value	Taxable Value
Fayette County Gen Fund	7,597,093,831	3,418,358,400	7,817,316,508	3,540,355,852
Farm/Market Road	7,583,973,,778	3,395,064,580	7,803,484,358	3,516,356,428
La Grange ISD	2,799,347,530	1,159,433,182	2,858,018,035	1,166,034,366
Schulenburg ISD	1,235,244,898	461,394,439	1,252,183,052	465,745,989
Flatonia ISD	1,334,167,799	409,928,198	1,335,961,471	392,424,640
Fayetteville ISD	783,009,933	246,322,187	794,742,868	245,480,014
Round Top/Carmine ISD	1,218,808,040	377,097,992	1,343,266,284	433,700,274
City of La Grange	489,931,710	360,818,698	507,380,730	369,603,177
City of Schulenburg	317,509,818	280,371,246	326,072,819	286,738,528
City of Flatonia	134,633,033	112,313,801	132,293,405	110,062,698
City of Fayetteville	63,737,670	49,160,692	63,781,760	49,372,690
City of Carmine	47,534,180	30,138,293	51,995,259	34,319,592
Town of Round Top	67,366,440	53,285,733	76,551,690	59,956,448
Fayette County GWCD	7,583,372,498	3,442,026,339	7,802,782,028	3,564,304,378
Monument Hill WCID	68,276,366	55,613,438	71,202,779	58,481,479
Cummins Creek WCID	1,649,309,309	656,476,814	1,791,141,044	743,582,377
Giddings ISD*	52,084,560	29,068,047	57,482,220	32,686,531
Smithville ISD*	55,093,040	17,906,110	57,035,830	17,716,570
Weimar ISD*	105,309,328	22,884,607	104,046,198	20,673,505

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

Average Value of Single Family Residence

	2020			2021	
	Market Value	Taxable Value		Market Value	Taxable Value
Fayette County Gen Fund	172,557	170,960		179,062	177,197
Farm/Market Road	172,523	169,432		179,062	175,719
La Grange ISD	183,635	158,376		188,560	163,673
Schulenburg ISD	135,706	110,744		144,098	117,576
Flatonina ISD	148,789	122,335		152,370	126,830
Fayetteville ISD	188,130	160,692		192,662	166,653
Round Top/Carmine ISD	228,710	150,725		251,633	163,449
City of La Grange	180,921	144,362		187,048	149,635
City of Schulenburg	126,470	126,104		138,249	135,787
City of Flatonina	146,309	144,961		149,837	149,266
City of Fayetteville	207,983	203,725		213,263	211,441
City of Carmine	159,196	156,860		159,383	158,747
Town of Round Top	501,422	450,880		549,343	462,970
Fayette County GWCD	172,523	170,927		179,062	177,197
Monument Hill WCID	276,631	222,623		283,400	228,469
Cummins Creek WCID	209,034	202,427		225,344	216,192
Giddings ISD	117,595	81,008		119,832	85,018
Smithville ISD	114,308	84,457		123,270	95,808
Weimar ISD	169,412	145,690		166,728	143,569

Certified New Value for All Jurisdictions

	2020			2021	
	Market Value	Taxable Value		Market Value	Taxable Value
Fayette County Gen Fund	58,555,221	55,049,890		93,235,861	86,569,358
Farm/Market Road	58,555,221	55,020,980		93,249,731	86,526,432
La Grange ISD	24,797,402	22,212,380		38,941,800	32,166,488
Schulenburg ISD	6,232,180	6,130,080		13,361,010	13,013,030
Flatonina ISD	8,491,639	8,107,057		12,823,230	12,497,166
Fayetteville ISD	5,335,860	4,400,390		7,306,570	7,212,160
Round Top/Carmine ISD	11,623,430	10,591,416		18,643,301	17,096,003
City of La Grange	5,331,060	3,267,504		9,874,400	3,939,396
City of Schulenburg	1,063,280	1,063,280		5,472,960	5,395,020
City of Flatonina	1,358,460	1,358,460		1,416,070	1,416,070
City of Fayetteville	1,246,750	373,520		119,180	117,860
City of Carmine	561,650	443,870		279,280	176,950
Town of Round Top	733,800	733,800		1,283,610	1,283,610
Fayette County GWCD	58,555,221	55,128,572		93,183,421	86,651,264
Monument Hill WCID	1,898,370	1,835,738		1,655,740	1,655,740
Cummins Creek WCID	15,143,590	13,971,381		22,410,871	22,307,221
Giddings ISD	422,640	378,728		541,200	502,497
Smithville ISD*	680,400	664,500		1,126,230	909,005
Weimar ISD*	971,670	971,670		506,390	465,710

Top 10 Taxpayers - 2021

	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
Exxon Mobil Corp.	31,342,660		31,342,660
Ironroc Energy	26,278,290		26,278,290
Lazy Q Ranch LLC	25,737,100		25,737,100
Magnolia Oil & Gas Oper.	22,208,670		22,166,670
ETC Texas Pipeline Gas. Div.	30,071,320		20,330,310
Magnolia Oil & Gas Oper. 395	19,365,500		19,365,500

2021 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. The school districts invalid finding was appealed to the PTAD and after informal discussions, the value was adjusted. After the adjustment the Flatonia ISD value was determined to be valid and no further action was necessary.

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 reviews of 2013, 2015, 2017, 2019 and 2021. FCAD is therefore in compliance with Texas Property Tax Code Section 5.102.

LEGISLATIVE CHANGES

There were numerous legislative changes as a result of the 2021 legislative sessions with numerous bills passed affecting appraisal districts and property tax. The FCAD continues to administer the new laws that occurred in the 87th Legislative Session. Some of the changes required can be found in HB 988. They are: protesting property owners can request an informal conference with CAD staff; a property owner can request a single member ARB hearing. SB 1449 increases the exemption threshold for business personal property to \$2,500. SB 1 & SJR 2 would increase the amount of the homestead exemption from \$25,000 to \$40,000 if approved by voters. SB 8 would allow a homeowner to receive the homestead exemption in the year that they acquire the property rather than wait for January 1 of the following year.

FCAD AND THE FUTURE

FCAD expects operating expenses to continue to rise in the coming years based on population growth, land fragmentation and increased state regulatory mandates and oversight. Currently FCAD employs 12 staff members, four of which are appraisers. Aerial photography is also used to assist in the appraisal process, discovery of new property and demolitions and other changes.

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

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