



Form 3101
Exhibit A
Appeal to Board of Review
by Property Owner/Taxpayer
For Real and Personal Property

Name: MONSANTO COMPANY Parish/District: St. Charles Parish
Taxpayer
Address: 12501 River Rd City, State, Zip: Luling, LA 70070
Ward: 2 Assessment/Tax Bill Number: 250000001100 Appeal No. _____
(Attach copy of complete appeal submitted to the Board of Review) **Board of Review**
Address or Legal Description of Property Being Appealed (Also, please identify building by place of business for
convenience of appraisal) _____
12501 River Rd, Luling, LA 70070

I hereby request the review of the assessment of the above described property pursuant to L.R.S. 47:1992.

The assessor has determined Fair Market Value of this property at:

Land \$ _____ Improvement \$ _____ * Personal Property \$ 665,565,414
Total \$ 665,565,414

I am requesting that the Fair Market Value of this property be fixed at:

Land \$ _____ Improvement \$ _____ * Personal Property \$ 519,324,453
Total \$ 519,324,453

* If you are not appealing personal property, leave this section blank.

Please notify me of the date, place and time of my appeal at the address shown below.

NOTE: The Board of Review's decision may be appealed to the La. Tax Commission by completing and submitting Appeal Form 3103.A to the LTC within 30 calendar days of the Board of Review's decision. For further information, call the LTC at (225) 219-0339.

Monsanto Company (Jeff McFarland); Tax Agent: DuCharme,
McMillen & Associates (William Marchbanks, Nathan Fineman)
Property Owner/Taxpayer:

Address: 12710 Research Blvd, Suite 305
Austin, TX 78759

Telephone No.: 512-335-5900, ext. 1324; Mobile: 512-993-5903

Email Address: wmarchbanks@dmainc.com

PLEASE NOTE: You must submit all information concerning the value of your property to your assessor before the deadline for filing an appeal with the Board of Review. The failure to submit such information may prevent you from relying on that information should you protest your value.



September 16, 2024

St. Charles Parish Council – Board of Review
St. Charles Parish Courthouse, Council Chambers
15045 River Road
P. O. Box 302
Hahnville, LA 70057

RE: MONSANTO COMPANY – Account 250000001100

Dear St. Charles Parish Council,

Below and enclosed please find documentation supporting the taxpayers, Monsanto/Bayer, requested Fair Market Value illustrated on Form 3101. Per Louisiana Title 61, Section 2501 (H), Bayer is providing this letter and attached documentation, which was also shared with Assessor Tab Troxler, illustrating external (economic) obsolescence has negatively impacted the fair market value of Monsanto's Luling, Louisiana Plant.

Pertinent information included in the attachments is outlined below:

- Chinese competition has severely impacted domestic production. Current market conditions resulted in 2023 revenue decline of -26% and a gross margin decline of -70% for the Luling plant since 2022.
 - Chinese glyphosate production stopped with the onset of COVID.
 - Chinese glyphosate production restarted after COVID, flooding the market and driving down glyphosate prices worldwide, maintaining a price ceiling on glyphosate.
- Monsanto recognized a \$792.5M impairment on its property, plant, and equipment at the end of 2023.
 - \$491M directly allocated to Luling.
 - \$149M attributable to equipment (taxable personal property)
 - \$31M attributable to building and infrastructure.
 - Remaining portion allocated to CIP and intangibles.
- Deferred Maintenance / Sustaining Capital
 - Most of the capital invested at Luling is sustaining capital to attempt a cure for deferred maintenance.
 - Luling needs to maintain operations, but these costs are not contributing to increased supply or revenue growth.
- Litigation and Financial Impacts
 - ~\$11B already paid, an additional ~\$6B still outstanding, covering 165,000 claims.

The Exhibits included with this submission are outlined below.

- **Exhibit I:** Summary of issues illustrating economic obsolescence.
- **Exhibit II:** Additional detail and supporting documentation.
- **Exhibit III:** Email correspondence. Monsanto has asked Assessor Troxler what information he is requesting, but were told "he believes we should continue this discussion further in the future years".
- **Exhibit IV:** Placeholder, reserved for a Fair Market Value Expert Appraisal, currently in process, and will be shared with the Assessor immediately upon completion.

Based on the enclosed data, in order for the 2024 property assessment to represent Fair Market Value, Monsanto is requesting a \$146,200,000 market value reduction to the 2024 assessment as shown below.

Property Class	2024 Noticed Market Value	Obsolescence Factor (Percent Good)*	Bayer Requested Market Value	Obsolescence Adjustment
MANUFACTURING PLANTS	58,866,627	48.99%	28,839,192	30,027,435
MACHINERY & EQUIPMENT	444,894,567	74.69%	332,283,341	112,611,226
INVENTORIES & MERCHANDISE	150,456,227	100.00%	150,456,227	-
FURNITURE & FIXTURES	5,493,680	65.60%	3,603,939	1,889,741
COMPUTER EQUIPMENT	5,854,313	70.75%	4,141,755	1,712,558
TOTAL	665,565,414	78%	519,324,453	146,240,961

* Overall Obsolescence Discount of 22%.

Monsanto has been transparent with Assessor Troxler and his staff, inviting the Assessor to tour the plant on March 26, 2024, followed by a meeting at the Assessor’s office on July 2, 2024. Assessor Troxler has continued to request additional information/support to this request, however, upon request by Monsanto on what he is requesting, has not provided any direction as to what would be considered sufficient. Therefore, Monsanto is in the process of having an expert appraisal report completed and will immediately share with the Assessor upon completion.

Respectfully,



William G. Marchbanks

DMA – DuCharme, McMillen & Associates, Inc.

12710 Research Blvd, Suite 305, Austin, TX 78759

Phone: 512-335-5900 ext. 1324 | Cell: 512-993-5903 | Fax: 512-335-5825

wmarchbanks@dmainsc.com

Summary point: Bayer is requesting a market value reduction as a result of obsolescence at their Luling Glyphosate plant.

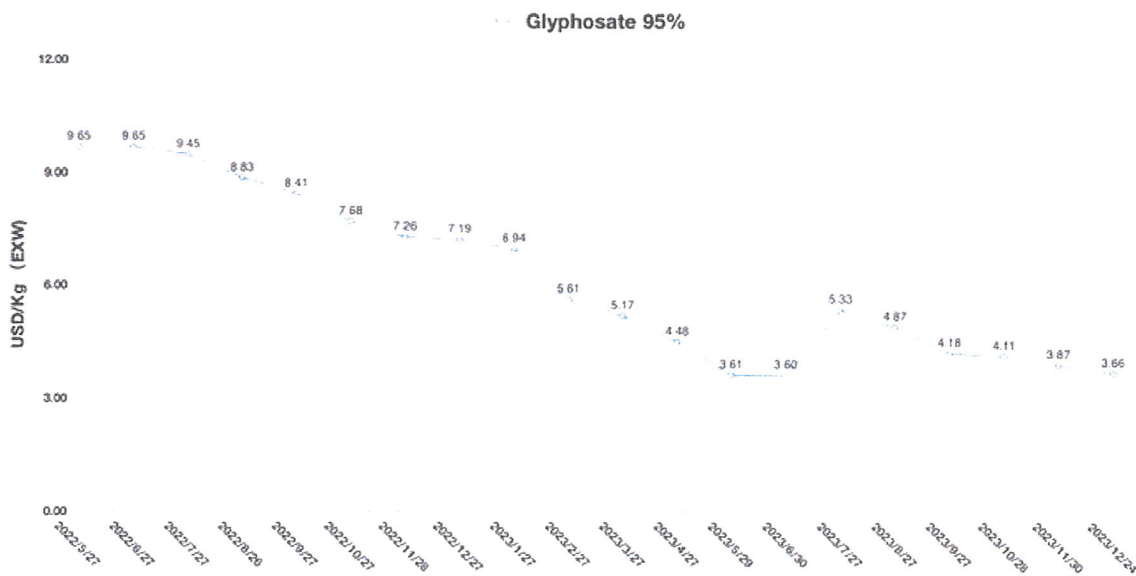
Obsolescence / Economic Obsolescence Definitions:

- External (Economic) Obsolescence – the loss of appraisal value (relative to the cost of replacing a property with property of equal utility) resulting from causes outside the property that suffers the loss. Usually locational in nature in the depreciation of real estate, it is more commonly marketwide in personal property, and is generally considered to be economically infeasible to cure.¹
- These may include such things as the economics of the industry; availability of financing; loss of material and/or labor sources; passage of new legislation; changes in ordinances; increased cost of raw materials, labor, or utilities (without an offsetting increase in product price); reduced demand for the product; increased competition; inflation or high interest rates; or similar factors.²

Why is Bayer saying there is a loss in value for their Luling Plant?

The Luling Plant produces a chemical called *Glyphosate*. Global Glyphosate markets, inflation, and accusations around the carcinogenic properties of Glyphosate have been causing operational challenges, further described below.

- (1) Increased Competition:** Competition in the glyphosate market stems from foreign producers, specifically China. China can produce a lower cost product and at quantities that drive global market prices. During 2022 and 2023, Glyphosate prices declined by 63% as Chinese producers rapidly increased market supply. Glyphosate prices are expected to remain below \$4/Kg and will make it difficult for Luling to operate profitably in the future.



¹ Louisiana Tax Commission Manual – Chapter 3 – Definitions, January 2022.

² American Society of Appraisers – Valuing Machinery and Equipment

- (2) **Increased costs** in chemical inputs, labor and overhead are plaguing not just Bayer but many industries. Since 2020, operating costs per Roundup Equivalent Gallon (“REG”) have increased by over 28%. Some companies can pass through increased operating costs through higher prices. Unfortunately, the Luling plant competes with manufacturers in China which makes it difficult to sell Glyphosate at a price point that recovers the cost increases.
- (3) **Glyphosate Litigation:** Bayer continues to be involved in significant litigation around Glyphosate, its active ingredient in Roundup. The \$10 billion in litigation losses so far exceed the profits of producing the product and an additional \$6 billion in settlements are still pending.

What is an impairment?

An impairment happens when the market value of an asset (like equipment or buildings) drops below the amount it's currently listed for in a company's financial records. It usually occurs due to things like damage, obsolescence, or market changes.

For example, if a company has a machine on its books valued at \$10,000, but after a new technology comes out, that machine can now only be sold for \$4,000, the company would record an impairment. This means they lower the asset's value on the balance sheet to reflect its current worth and record a loss on their income statement.

In short, impairment reflects a long-term drop in the value of an asset.

The overall goal of asset impairment is to periodically evaluate a company's assets to make sure the total value of the assets is not being overstated. An impaired asset is one that has a market value less than what is listed on the company's balance sheet.

Bayer is required to have a third-party auditor do an annual test to see if the money they invested in Glyphosate assets will be recouped through cash from ongoing business operations. Third-party auditors determined the expected profits from the Luling operations will not be enough to justify the money invested in the equipment, and the overall operation cannot support the value of the assets. When cash is insufficient to recoup investment there is an “impairment”—a reduction in the value on the owner’s books. Bayer recognized a global \$792.5M impairment on property, plant and equipment (“PP&E”) at year-end 2023. Of that total, \$620M was associated with the Glyphosate business unit’s PP&E, and **\$491M** of that figure was directly allocated to Luling’s PP&E. Of the \$491M, **\$168.3M was associated with taxable assets at Luling, which equates to a market value impairment/reduction of \$146.2M.**

How did the adjustment get quantified?

Bayer Management and Bayer’s tax representatives have worked together to apply the third-party auditor’s impairment study to a cost approach valuation completed by the Parish’s office.

Is this a long-term problem?

Yes. If a third-party auditor is expecting profits to improve, the expectation is built into their models and they will conclude that no impairment is necessary. Unfortunately, the issues plaguing the Glyphosate industry, specifically Bayer’s Luling plant, are expected to be long-term. Hence, the material impairment was recognized on Bayer’s financials.

Obsolescence Request

With consideration to Louisiana’s 2024 composite multipliers, and to adequately reflect the external (economic) obsolescence affecting these taxable assets (per Louisiana property tax guidelines), **Bayer respectfully requests that the taxable impaired assets receive an external (economic) obsolescence discount of 22%, equating to a market value reduction of \$146.2M (reference chart on page 3).**

Reference

Please see below and our report dated June 24, 2024 for additional detail, background, support, and calculations that further expand on the summarized points we’ve highlighted in this abbreviated memo. Additional information can be provided as requested.

Property Class	2024 Noticed Market Value	Obsolescence Factor (Percent Good)*	Bayer Requested Market Value	Obsolescence Adjustment
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EXHIBIT II
MONSANTO COMPANY

DATE: JUNE 24, 2024
ACCOUNT #s: 250000001100
12501 RIVER RD
LULING, LA 70070

ST CHARLES PARISH BOARD OF REVIEW
FOR ASSESSMENT DATE JANUARY 1, 2024



DUCHARME, McMILLEN & ASSOCIATES, INC.

Introduction

The Bayer-Monsanto facility in Luling, which produces ~85% of the world's glyphosate, has faced numerous challenges and operational changes over the past several years, stemming from the turbulent global glyphosate market. There exists extreme market volatility, leading to ongoing financial and operational issues at the plant.

The global glyphosate market is strongly influenced by China's production and the commoditization of glyphosate. Chinese companies are the low-cost suppliers of these products, and China has significantly increased production over the last several years.

Bayer is generally trying to use less chemical on the fields, and alternate products are being researched on an ongoing basis. Bayer has been and continues to be involved in significant litigation regarding their RoundUp™ product (active ingredient: glyphosate), which has negatively impacted the profitability of the business.

Facility Design and History

The Monsanto facility in Luling focuses on the production of various agriculture products, specifically herbicides, pesticides and fertilizers. Bayer's herbicides fight weeds, controlling weed pressure and providing reliable, season-long control and burndown solutions. These herbicides may utilize multiple modes of action to help combat glyphosate-tolerant and resistant grass and broad-leaf weeds.

The main operations are chemical processing of these various intermediary and final products. At the Luling Plant, there are four central production lines or products produced including: phosphorous trichloride ("PCL3"), disodium iminodiacetate ("DSIDA"), Glyphosate ("GI"), and Glyphosate Tech (AI). The process results in GI, which is either processed at Luling or sent to other Bayer facilities for conversion into AI.

Obsolescence Request

The primary request of the Taxpayer is a consideration of an Economic Obsolescence ("EO") and Functional Obsolescence ("FO") adjustment to determine the Fair Market Value ("FMV") of the subject property. EO and FO are defined as:

Economic Obsolescence. This is a loss in value resulting from factors outside the real property. External obsolescence may be caused by economic or locational factors and may be temporary or permanent. It may be necessary to allocate external obsolescence between land and improvements.¹

Functional Obsolescence: Functional obsolescence is when a loss in value of a property is caused by an outdated feature that usually is not easily updated. As there are changes in tastes, preferences, technical innovations, or market standards, certain features can become undesirable and negatively affect the value of a property.

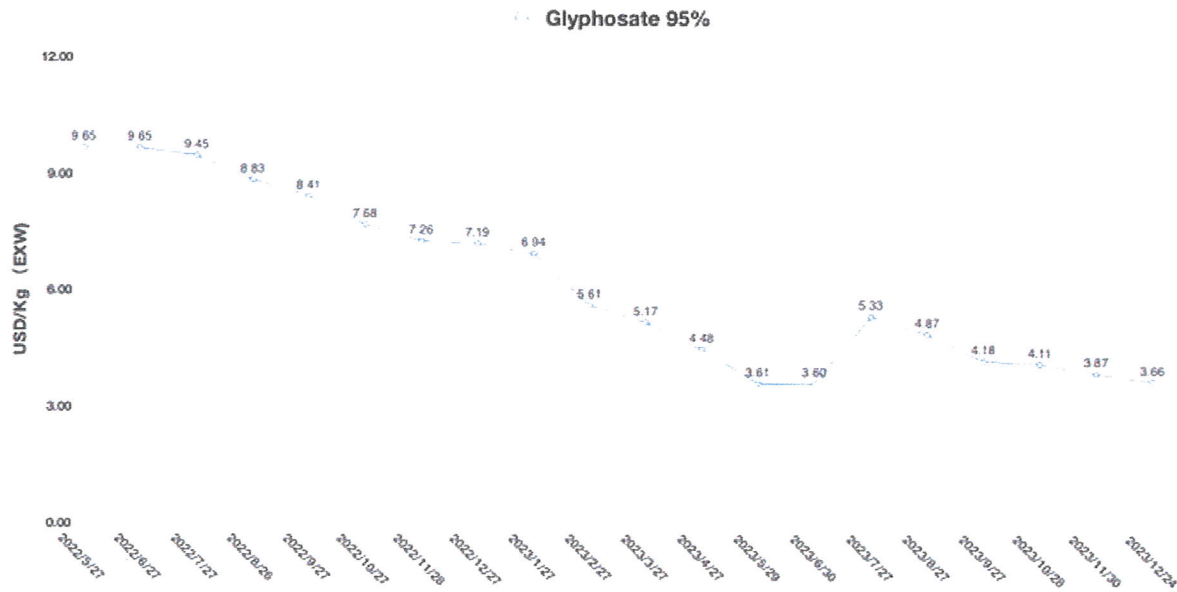
A potential purchaser would consider the challenges of the industry when determining the most likely purchase price.

¹ ASA Valuing Machinery and Equipment 4th Edition 2021.

Obsolescence Due to Increased Competition in Glyphosate Products

Costs for glyphosate products spiked nearly 300% to \$50-\$60 a gallon in 2022 due to the COVID pandemic and associated supply chain issues. As competitors returned to the market in 2023, competition from Chinese companies created an overcapacity and drove prices down 60% to 75%.² China accounts for the majority of global pesticide production, and their ability in the market to offer a generic product leads to a significant drop in the commodity price.³ The net selling price of glyphosate is highly volatile and tied to China's production volumes.

Figure 1: Glyphosate Calendar Year 2023 Price Trends⁴



The decline in prices in the glyphosate market resulted in a 26% decline in revenue for glyphosate for Bayer Monsanto in 2023.⁵ This was also evidenced by shrinking margins at Bayer Monsanto Luling due to the lower Chinese spot price. Their gross profit margin fell by 70% in 2023 compared to prior year. The gross profit margin forecast is at least 22% lower than their historical average.

² <https://www.reuters.com/markets/commodities/off-charts-chemical-shortages-hit-us-farms-2022-06-27/>

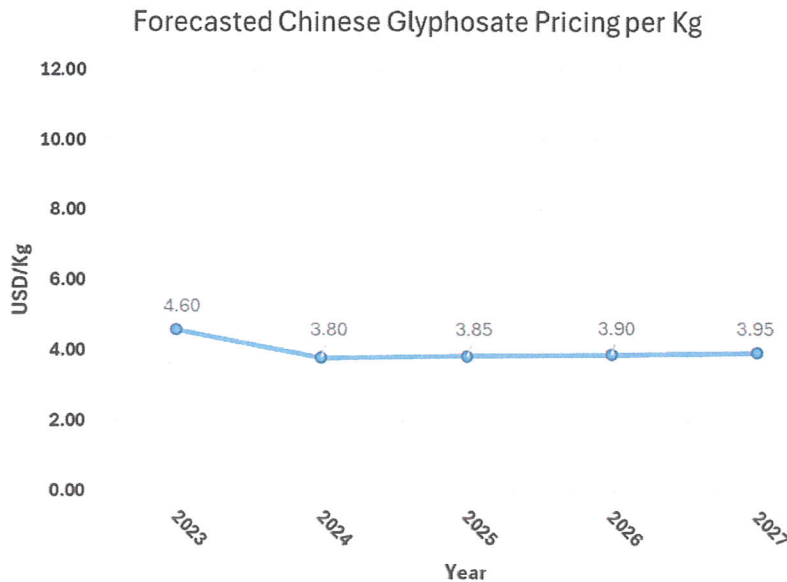
³ <https://www.statista.com/statistics/1401556/global-agricultural-use-of-pesticides-forecast/>

⁴ <https://www.agribusinessglobal.com/agrochemicals/china-price-index-2024-reorganization-of-the-pesticide-supply-chain-in-china/>

⁵ <https://www.bayer.com/media/en-us/bayer-aims-to-enhance-performance-and-regain-strategic-flexibility-by-202>

Bayer, the industry, and their auditors do not forecast a turnaround in Chinese pricing; the glyphosate commodity price is forecasted to remain below \$4 per Kg through 2027. The depressed price, coupled with increasing raw material costs (i.e. P4, DEA) and high overhead, resulted in the trigger for the long-lived asset impairment.

Figure 2: Forecasted Glyphosate Pricing Trend 2023-2027⁶



Bayer has initially adjusted some portions of the processes on site to produce lower quality glyphosate for generic labels to combat the margin issues, but this is unsustainable and leads to even further depressed revenue and margins for the plant. Even with these operational changes, there was still a YoY decrease in production that can be observed in Figure 3 below.

Figure 3: Bayer Luling Production by Line, 2018 – 2023 and Max Operating Capacity

Product Line	Production Capacity	2018 Actual	2019 Actual	2020 Actual	2021 Actual	2022 Actual	2023 Actual	YoY Change
PCL3	393,495	367,000	351,356	350,625	315,327	345,849	311,189	-11%
DSIDA	1,011,000	876,000	832,513	852,215	780,804	962,579	882,406	-9%
GI	607,438	570,000	546,573	547,907	488,487	530,719	476,727	-11%
Tech (AI)	145,158	106,000	120,420	114,855	109,611	114,275	108,703	-5%

Further, the price competition was substantial enough that the company recognized a €718 million (\$792.5M) impairment on its property, plant, and equipment at the end of the year. Of the total impairment, Bayer Monsanto noted that €562 million (\$620M) was specifically associated with assets used in the production of glyphosate (See Figure 4). Accordingly, ~\$491M of this glyphosate impairment was directly allocated to Luling's Property, Plant and Equipment effective July 2023. Of the \$491 million impairment, taxable personal property received a \$137.5 million impairment and real property (building and infrastructure) received

⁶ Forecast per discussions with Bayer Monsanto

a \$31 million impairment. The remaining impairment amount was applied to Construction in Progress and non-taxable intangibles.

Figure 4: Bayer Annual Report - €718M Impairment⁷

B 15/1					
Changes in Property, Plant and Equipment					
€ million	Land and buildings	Plant installations and machinery	Furniture, fixtures and other equipment	Construction in progress and advance payments	Total
Cost of acquisition or construction, December 31, 2022	10,478	11,984	2,601	3,274	28,337
Acquisitions	1	–	–	–	1
Capital expenditures	455	325	304	1,394	2,478
Retirements	(344)	(251)	(256)	(9)	(860)
Transfers	491	793	130	(1,414)	–
Transfers (IFRS 5)	(125)	(17)	(3)	–	(145)
Divestments/changes in the scope of consolidation	6	(7)	(3)	–	(4)
Inflation adjustment (IAS 29)	176	174	40	31	421
Exchange differences	(399)	(380)	(88)	(104)	(971)
December 31, 2023	10,739	12,621	2,725	3,172	29,257
Accumulated depreciation and impairment, December 31, 2022	4,704	8,070	1,844	45	14,663
Retirements	(218)	(231)	(225)	(1)	(675)
Depreciation and impairment losses	707	953	346	329	2,335
Depreciation	538	775	304	–	1,617
Impairment losses	169	178	42	329	718
Impairment loss reversals	(4)	(3)	(2)	–	(9)
Transfers	2	26	1	(29)	–
Transfers (IFRS 5)	(81)	(13)	(2)	–	(96)
Divestments/changes in the scope of consolidation	6	(3)	(2)	–	1
Inflation adjustment (IAS 29)	79	133	31	–	243
Exchange differences	(175)	(279)	(63)	(9)	(526)
December 31, 2023	5,020	8,653	1,928	335	15,936
Carrying amounts, December 31, 2023	5,719	3,968	797	2,837	13,321
Carrying amounts, December 31, 2022	5,774	3,914	757	3,229	13,674

Impairment losses on property, plant and equipment amounted to €718 million (2022: €231 million) and primarily comprised an amount of €562 million resulting from the impairment testing of the glyphosate cash-generating unit within the Crop Science segment.

In addition to the impairment, Bayer-Monsanto has also announced a “dynamic shared ownership” reorganization in early 2024. The goal of the reorganization is to eliminate layers of bureaucracy and flatten the organization. Companywide job cuts are planned to be implemented over the coming months and completed by the end of 2025.⁸

⁷ Bayer Annual Report 2023. p. 178

⁸ <https://www.bayer.com/media/en-us/bayer-aims-to-sustainably-improve-performance-with-new-organization/>

Overview of International Financial Impairments

Under International Accounting Standard 16 (“IAS 16”), property, plant, and equipment cannot be carried at more than the higher of either 1) its fair value less cost to sell or 2) its value in use.⁹ In this case, IFRS defines “Fair Value” as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants.¹⁰

In this case, the selling price for glyphosate has declined to where the estimated selling price for the assets is less than the company’s depreciated costs, so an impairment is recognized on the financials. In other words, Bayer-Monsanto has determined that a potential purchaser would pay substantially less than the acquisition cost less depreciation for these assets in the current market. The impairment in this case supports the existence of economic obsolescence affecting the property.

Deferred Maintenance / Sustaining Capital

Historically, given the nature of the commoditization of glyphosate and company philosophy, the prior owner (Monsanto) was reluctant to regularly invest capital into Luling unless related to an equipment failure that would result in business disruption, a safety concern, or an improvement that would have a near-term return on investment. As such, this facility has been saddled with deferred maintenance, and equipment has experienced excessive wear and tear. Most of the capital invested at Luling is sustaining capital to attempt a cure for deferred maintenance. In certain situations, invested capital results in increased production or capabilities, but most of the time the investments are sustaining to simply keep the assets operational. We ask that the assessor take this situation into consideration when applying depreciation and obsolescence to Luling’s taxable assets.

RoundUp™ Litigation and Financial Impact

Bayer has been and continues to be involved in significant litigation regarding their RoundUp™ product. Glyphosate is the active ingredient in RoundUp™. At the time of this writing, over 165,000 claims have been filed with over 50,000 still pending, ~\$10B has been paid in settlements¹¹, and an additional ~\$6B in settlements are pending as estimated by Bayer. The litigation losses exceed the profits of the business unit.

To mitigate future litigation risk, non-glyphosate products are currently being utilized for the U.S. residential lawn & garden market.

⁹ <https://www.iasplus.com/en/standards/ias/ias16>

¹⁰ IFRS IAS 16. p. A1139. <https://www.ifrs.org/content/dam/ifrs/publications/pdf-standards/english/2022/issued/part-a/ias-16-property-plant-and-equipment.pdf>

¹¹ <https://finance.yahoo.com/news/judge-slashes-bayers-massive-2b-140650025.html>

Requested Economic Obsolescence & Consideration of Impairment

Based on an extensive analysis of the \$620M impairment calculations associated specifically with the Luling plant, \$137.5 million specifically affect the Lulling facility's taxable personal property, and \$31 million affect the real property ("Manufacturing Plants").

However, the impairment amounts do not consider the trends and depreciation already being applied by the St. Charles Parish Assessor when determining a market value for the personal property. DMA has applied Louisiana's 2024 composite multipliers to the impairment amounts for each vintage to adjust the total impairments for any indexing and depreciation that is already considered in the 2024 market value for the property. After applying the Louisiana composite multipliers, **Bayer is requesting a \$116,200,000 market value reduction to the 2024 personal property assessment (see Figure 5) and a \$30,000,000 adjustment to the value of the real property (see Figure 6).**

Property Class	2024 Noticed Market Value	Obsolescence Factor (Percent Good)*	Bayer Requested Market Value	Obsolescence Adjustment
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TOTAL	665,565,414	78%	519,324,453	146,240,961

* Overall Obsolescence Discount of 22%.

Figure 5: DMA Personal Property Obsolescence Calculation Due to Impairment

				2024	
				Louisiana	2024 Requested
	Age	Impairment	Life	Multiplier	Obsolescence
Computers					
2023	1	1,190,360	5 Yr	0.84	999,902
2022	2	477,205	5 Yr	0.7	334,044
2021	3	593,312	5 Yr	0.62	367,854
2020	4	16,364	5 Yr	0.44	7,200
2018	6	14,828	5 Yr	0.24	3,559
FF&E					
2021	3	100,580	12 Yr	0.95	95,551
2020	4	1,692,682	12 Yr	0.94	1,591,121
2019	5	84,825	12 Yr	0.86	72,949
2018	6	155,431	12 Yr	0.78	121,236
2016	8	14,563	12 Yr	0.61	8,884
M&E - Chemical Plant					
2023	1	15,838,500	15 Yr	0.94	14,888,190
2022	2	16,044,255	15 Yr	0.91	14,600,272
2021	3	2,788,950	15 Yr	1.01	2,816,840
2020	4	12,316,795	15 Yr	1.02	12,563,131
2019	5	10,414,658	15 Yr	0.95	9,893,925
2018	6	3,030,519	15 Yr	0.92	2,788,077
2017	7	2,189,016	15 Yr	0.86	1,882,553
2016	8	1,965,289	15 Yr	0.78	1,532,925
2015	9	-	15 Yr	0.69	-
2014	10	201,187	15 Yr	0.61	122,724
2013	11	489,954	15 Yr	0.53	259,676
2012	12	259,511	15 Yr	0.45	116,780
2011	13	24,010	15 Yr	0.39	9,364
2010	14	144,056	15 Yr	0.35	50,419
2009	15	75,074	15 Yr	0.32	24,024
2008	16	7,939	15 Yr	0.31	2,461
2007	17	460,279	15 Yr	0.31	142,686
2004	20	10,728	15 Yr	0.31	3,326
2000	24	606	15 Yr	0.31	188
1992	32	-	15 Yr	0.31	-
M&E - GI					
2023	1	17,336,810	8 Yr	0.89	15,429,761
2022	2	6,524,281	8 Yr	0.8	5,219,425
2021	3	13,313,967	8 Yr	0.8	10,651,173
2020	4	2,004,988	8 Yr	0.7	1,403,491
2019	5	2,381,724	8 Yr	0.56	1,333,765
2018	6	3,182,791	8 Yr	0.44	1,400,428
2017	7	1,049,383	8 Yr	0.36	377,778
2016	8	3,235,424	8 Yr	0.31	1,002,981
2015	9	-	8 Yr	0.28	-
2014	10	992,295	8 Yr	0.28	277,842
2013	11	97,429	8 Yr	0.28	27,280
2012	12	32,209	8 Yr	0.28	9,019
2011	13	642	8 Yr	0.28	180
2010	14	6,697	8 Yr	0.28	1,875
2009	15	416,178	8 Yr	0.28	116,530
Plant Electrical					
2023	1	12,079,498	8 Yr	0.89	10,750,753
2022	2	1,462,461	8 Yr	0.8	1,169,969
2021	3	1,604,002	8 Yr	0.8	1,283,201
2018	6	250,442	8 Yr	0.44	110,194
2017	7	939,602	8 Yr	0.36	338,257
2016	8	31,484	8 Yr	0.31	9,760
2015	9	-	8 Yr	0.28	-
Total		137,543,783			116,213,525
Total Personal Property Obsolescence					116,200,000

Figure 6: DMA Real Property Obsolescence Calculation Due to Impairment

Total Impairment Related Obsolescence to Real Property						
Asset Class	Year	Age	Amount of Impairment	Life	2024 Louisiana Multiplier	2024 Requested Obsolescence
Buildings	2023	1	304,776	20	0.96	292,585
Buildings	2021	3	4,991,206	20	1.07	5,340,590
Buildings	2019	5	187,713	20	1.07	200,852
Buildings	2018	6	1,394,791	20	1.05	1,464,530
Buildings	2016	8	43,600	20	0.99	43,164
Buildings	2013	11	27,915	20	0.79	22,053
Buildings	2011	13	4,590	20	0.67	3,075
Buildings	2010	14	27,187	20	0.62	16,856
Buildings	2009	15	1,339,619	20	0.53	709,998
Buildings	2008	16	35,484	20	0.49	17,387
Buildings	2007	17	95,538	20	0.44	42,037
Buildings	2005	19	86,239	20	0.4	34,496
Buildings	2004	20	863	20	0.41	354
Infrastructure	2022	2	197,093	20	0.94	185,268
Infrastructure	2021	3	10,926,405	20	1.07	11,691,253
Infrastructure	2020	4	66,197	20	1.11	73,478
Infrastructure	2019	5	1,001,324	20	1.07	1,071,416
Infrastructure	2018	6	1,029,798	20	1.05	1,081,288
Infrastructure	2016	8	425,818	20	0.99	421,560
Infrastructure	2014	10	15,078	20	0.85	12,816
Infrastructure	2013	11	9,658	20	0.79	7,629
Infrastructure	2012	12	316,410	20	0.73	230,979
Infrastructure	2010	14	77,624	20	0.62	48,127
Infrastructure	2009	15	2,236,604	20	0.53	1,185,400
Industrial Site Imps	2023	1	4,229,745	25	0.97	4,102,853
Industrial Site Imps	2022	2	963,457	25	0.96	924,918
Industrial Site Imps	2021	3	722,947	25	1.11	802,471
Total			30,757,677			30,027,435
Total Real Property Obsolescence (Rounded)						30,000,000

From: [Ashley Plaisance](#)
To: [Marchbanks, William](#)
Cc: [Jeff Mcfarland](#); [Greg Champagne, Jr.](#); [Tab Troxler](#)
Subject: RE: Bayer/Monsanto - Follow Up
Date: Wednesday, August 28, 2024 4:03:21 PM
Attachments: [image003.png](#)
[image004.png](#)
[image005.png](#)
[image006.png](#)
[image007.png](#)



Good Evening William,

Thank you for your response! I spoke to Tab this morning in regards to your email, but he still maintains his decision to stay at the current assessed value. We currently do not have sufficient support to consider reducing the value this year, but he believes we should continue this discussion further in the future years.

Thank you again! We look forward to continuing the discussion next year!

Sincerely,

Ashley Plaisance

Deputy Assessor

St. Charles Parish Assessor's Office

985-783-6281

From: Marchbanks, William <wmarchbanks@dmainc.com>

Sent: Wednesday, August 28, 2024 6:49 AM

To: Ashley Plaisance <ashleyp@stcharlesassessor.com>

Cc: Jeff Mcfarland <jeff.mcfarland@bayer.com>; Greg Champagne, Jr. <gregc@stcharlesassessor.com>; Tab Troxler <ttroxler@stcharlesassessor.com>

Subject: RE: Bayer/Monsanto - Follow Up

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Good Morning Ashley,

Thank you for taking your time and consideration in reviewing the additional information. The simplest answer is that Bayer recognized an impairment of \$491M, which means the market value of the assets was overstated, and less than what was listed on Bayer's balance sheet. Of the total impairment, \$168.3M was allocated/associated directly to the taxable (tangible) assets. In order to stay within the assessment guidelines of Louisiana, the tangible impairment is then being depreciated according to Louisiana's 2024 composite multipliers, equating to an obsolescence adjustment of \$146.2M.

We are more than happy to provide any information you would like to see, but in the interest of

everyone's time, could you please provide some direction on what specific information we can provide that would help you with this review?

Thanks,
William



WILLIAM MARCHBANKS, CMI

Vice President, Property Tax

E wmarchbanks@dmainsc.com

P (512) 335-5900 x1324 | M (512) 993-5903 | F (512) 335-5825

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12710 Research Boulevard, Suite 305 | Austin | TX 78759



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From: Ashley Plaisance <ashleyp@stcharlesassessor.com>

Sent: Tuesday, August 20, 2024 8:34 AM

To: Marchbanks, William <wmarchbanks@dmainsc.com>

Cc: Jeff Mcfarland <jeff.mcfarland@bayer.com>; Greg Champagne, Jr. <gregc@stcharlesassessor.com>; Tab Troxler <ttroxler@stcharlesassessor.com>

Subject: RE: Bayer/Monsanto - Follow Up

Good Morning William,

I hope you are doing well! Thank you for sending the additional information below! We, unfortunately, will still need further details at this time in order to consider an obsolescence request for the Monsanto facility. The information is still not providing us with enough support to show how these figures are calculated. Like we reviewed in our meeting we need to be able to defend these types of requests, so we need to be able to explain with support to back up how each of these figures are being calculated in order to defend any obsolescence that gets approved.

If you could provide us with any further support or details, we would be happy to review the request further. Thank you again for all the information you have provided for us so far!

Sincerely,

Ashley Plaisance

Deputy Assessor

St. Charles Parish Assessor's Office

985-783-6281

From: Marchbanks, William <wmarchbanks@dmainc.com>

Sent: Monday, July 22, 2024 2:26 PM

To: Ashley Plaisance <ashleyp@stcharlesassessor.com>; Greg Champagne, Jr. <greggc@stcharlesassessor.com>; Tab Troxler <ttroxler@stcharlesassessor.com>

Cc: Jeff Mcfarland <jeff.mcfarland@bayer.com>

Subject: Bayer/Monsanto - Follow Up

EXTERNAL: This message originated from outside of the organization. Do not click links or open attachments unless you know the content is safe.

Good Afternoon, Ashley, Tab, Greg,

I hope this message finds you all doing well. I wanted to thank you all for taking the time to meet with us earlier this month. It was great catching up, seeing and learning more about St. Charles Borromeo Catholic Church, and having lunch at The Seafood Pot. Our time together was informative and efficient.

As a follow up to our discussion, we wanted to provide the attached additional information relating to the impairment resulting from the downturn of the Glyphosate market. As illustrated below and within, Bayer is requesting an overall obsolescence adjustment/discount of 22%.

Property Class	2024 Noticed Market Value	Obsolescence Factor (Percent Good)*	Bayer Requested Market Value	Obsolescence Adjustment
MANUFACTURING PLANTS	58,866,627	48.99%	28,839,192	30,027,435
MACHINERY & EQUIPMENT	444,894,567	74.69%	332,283,341	112,611,226
INVENTORIES & MERCHANDISE	150,456,227	100.00%	150,456,227	-
FURNITURE & FIXTURES	5,493,680	65.60%	3,603,939	1,889,741
COMPUTER EQUIPMENT	5,854,313	70.75%	4,141,755	1,712,558
TOTAL	665,565,414	78%	519,324,453	146,240,961

* Overall Obsolescence Discount of 22%.

Please let us know when you have a chance to review, and if you all would like to schedule a call to discuss in detail.

Your consideration is greatly appreciated.

Thanks,

William



WILLIAM MARCHBANKS, CMI

Vice President, Property Tax

E wmarchbanks@dmainc.com

Exhibit IV

Fair Market Value Appraisal – Placeholder (In Process)

This appraisal has been ordered and will be provided to the Assessor immediately upon completion.

Ashley Richard

From: Marchbanks, William <wmarchbanks@dmainc.com>
Sent: Monday, September 16, 2024 11:36 AM
To: Michelle Impastato
Cc: Ashley Richard; Angela Gaubert; Jeff Mcfarland
Subject: Monsanto Company (Account 250000001100) - Form 3101 Appeal to Board of Review
Attachments: Form 3101 (Monsanto)_2024_Submission.pdf

Hi Michelle,

Thank you for confirming we can submit Form 3101 via email. Attached please find Form 3101 for Monsanto Company, account 250000001100. Please let me know if there is anything additional needed from our end.

Thanks,
William



WILLIAM MARCHBANKS, CMI

Vice President, Property Tax

E wmarchbanks@dmainc.com

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