

Opposition Statement on Future Operational Costs

An analysis of the future operational costs was not provided by the appraisal district. It is inevitable this old building, which will only be half used at best, will lead to additional costs. It is a concern the increased operational cost percentage will be an ongoing burden to the tax payers with no benefit. Also, there is no mention of the considerable 4 acres of land surrounding MBE to maintain. No comparable appraisal district offices carries an acreage burden like this with no future value to the tax payers.

GAD Response

An initial energy cost analysis was presented to the Board on December 11, 2024, when members reviewed options to address facility space needs. The results were discussed but did not dissuade the Board from selecting Option 3—acquiring and renovating the 216 E. College Street property.

In response to opposition statements, GAD projected the new site’s anticipated maintenance and operations (M&O) costs, including utilities, custodial services, repairs and maintenance, security and fire monitoring, building insurance, and grounds and landscaping.

To estimate these costs, GAD used two analytical approaches: a proportional analysis and a benchmarking survey of comparable appraisal districts.

The first analysis calculated a cost per square foot using GAD’s current budgeted M&O expenses (Table 1) and facility size of 8,850 sq. ft. This figure was then applied to the 26,730 sq. ft. main building at 216 E. College Street, projecting an annual cost of **\$243,578**.

The second analysis involved surveying appraisal districts in counties with populations between 185,000 and 292,000 to obtain their 2026 budgeted M&O costs (Table 2). These data provided comparative benchmarks for GAD’s projections. Results were grouped into three scenarios:

- **Best Case** – 25th percentile (lower quartile)
- **Most Likely** – 50th percentile (median)
- **Worst Case** – 75th percentile (upper quartile)

Based on these benchmarks, annual cost projections ranged from **\$178,000** to **\$341,000**.

GAD Statement on Future Operational Costs

Results of the analyses indicate that GAD’s annual M&O expenses are projected to range between **\$178,628** and **\$240,824**, representing an estimated annual increase of **less than 3%** compared to the District’s adopted 2026 budget.

Table 1

Proportional Estimation of M&O Expenditures for 216 E. College Street

Current Facility M&O Expenditures				216 E. College St	
Line Item	Unit(s)	2026 Budget	Cost/ Unit	Unit(s)	Projected Cost
Off-site Storage	2 (10x10)	\$ 4,583	\$ 2,292	N/a	\$ -
Cleaning Supplies	8,850 SqFt	\$ 5,271.00	\$ 0.60	26,730 SqFt.	\$ 15,920.21
Utilities (Elec./Wtr/Swr)	8,850 SqFt	\$ 17,760.00	\$ 2.01	26,730 SqFt.	\$ 53,641.22
Garbage Disposal	8,850 SqFt	\$ 4,698.00	\$ 0.53	26,730 SqFt.	\$ 14,189.55
Insurance (Bldg/ Contents)	8,850 SqFt	\$ 20,062.00	\$ 2.27	26,730 SqFt.	\$ 60,594.04
Janitorial Service (3x Week)	8,850 SqFt	\$ 12,000.00	\$ 1.36	26,730 SqFt.	\$ 36,244.07
Grounds Maintenance (2x Month)	8,850 SqFt	\$ 6,516.00	\$ 0.74	26,730 SqFt.	\$ 19,680.53
Security System Monitoring	8,850 SqFt	\$ 559.00	\$ 0.06	26,730 SqFt.	\$ 1,688.37
Fire Alarm Monitoring	8,850 SqFt	\$ 800.00	\$ 0.09	26,730 SqFt.	\$ 2,416.27
General Maintenance/ Repair	8,850 SqFt	\$ 10,000.00	\$ 1.13	26,730 SqFt.	\$ 30,203.39
2026 Budget				Projected Cost	
\$ 82,249				\$ 234,578	

*Proportionally speaking, M&O expenditures projected to increase annually by \$152,328 or 2.82% of 2026 Adopted

Table 2

Projected Operational Expenditures for 216 E. College Street

Observations: Surveyed CADs	Scenario	Utilities	Custodial Services	Repairs & Maintenance	Security/Fire Monitoring
Lower Boundary (Inner-Quartile)	Best Case	\$1.90	\$1.46	\$1.44	\$0.24
Median Observation	Most Likely	\$2.73	\$2.04	\$1.91	\$0.34
Upper Boundary (Inner-Quartile)	Worst Case	\$3.88	\$2.37	\$2.97	\$0.42

Observations: Surveyed CADs	Scenario	Building Insurance	Grounds/ Landscaping	Proj. M&O \$/Sqft/Yr	Proj. M&O Expenses (Yr)
Lower Boundary (Inner-Quartile)	Best Case	\$1.21	\$0.42	\$6.68	\$178,628
Median Observation	Most Likely	\$1.40	\$0.60	\$9.01	\$240,824
Upper Boundary (Inner-Quartile)	Worst Case	\$2.28	\$0.82	\$12.74	\$340,668

Respondents included the following appraisal districts: Comal, Hays, Jefferson, McLennan, Midland, Webb, Kaufman, and Ellis.

- County population estimates of Respondents ranged between **185,000** and **292,000**.
- Sixty-three percent (**5 CADs**) indicated current facility **does not meet** operational needs of appraisal district.
- Of remaining 3 CADs that indicated current facility meets operational needs of appraisal district, county population ranged between **237,000** and **260,000**. Facility footprint among this group ranged in sqft from **16,000** to **17,500**. It's worth noting, 2 of the 3 CADs responded "Yes, but no definite timeline" when asked "Do you have any plans for facility expansion/relocation?"