



Galveston County Tax Office

Policies & Procedures

Support Services

Entity Billing Cost Analysis



POLICY It is the policy of the Tax Assessor/Collector to annually estimate the cost of providing tax assessment and collection services to government partners.

RESPONSIBILITY The Tax Assessor/Collector and Chief Deputy of Property Tax & Support Services are responsible for compliance with this policy.

PROCEDURE Section 6.27(b) of the Texas Property Tax Code provides that "...the county assessor-collector is entitled to a reasonable fee, which may not exceed the actual costs incurred, for assessing and collecting taxes for a taxing unit..."

Each year the Tax Assessor/Collector will consult with the Chief Deputy of Property Tax and Support Services to develop the proper analysis of the cost of providing services to entities other than the County. This analysis is an estimate only as it is a projection and actual costs can fluctuate year to year. For this reason, only increases or decreases totaling \$0.02 or more will result in a fee change being recommended to Commissioners Court for ratification after review by the County Auditor's Office.

The Analysis

The basis for cost estimates is based on the determination of what expenses and personnel would be required if the office only collected for Galveston County. It is the joint opinion of the Chief Deputy of Property Tax and the Tax Assessor Collector that services could provide assessment and collection services for the County with one less Property Tax Application Specialist and one less Accounting Technician II. In a consolidated collection environment, these positions are essential to completing the work necessary to fulfill a best practices level of legally required services for the current number of entity partners. Additionally, due to the demands of serving 40 entities in addition to the County during the Assessment Phase adds an additional workload and responsibility to the Chief Deputy and Tax Assessor Collector. The additional time spent over the three-month period is estimated to add no less than the equivalent of one month of additional work for each position thus 1/12 of the combined salaries and personnel cost is also included.

The additional costs are analyzed and proposed during the annual budget cycle to the Tax Collection Contracts budget #151553. The Entity Cost Calculator spreadsheet (maintained with this policy in the W drive ADMIN TEAM/POLICY MANUAL/SUPPORT SERVICES folder) shall be updated to reflect projected budget costs, most current CAD Grand Total parcel counts and per parcel fee determined that will return sufficient funds to cover all anticipated budgeted costs.

**The Analysis
(continued)**

This spreadsheet and policy shall be submitted to the County Auditor's team for review and, upon approval, policy updated with the final per parcel amounts.

Estimates for the 2026 tax year (FY 2027) are \$158,084 for Galveston County parcels and \$5,039 for Harris County parcels. Estimates are based on the following assumptions:

1. Salaries plus personnel costs based on 2 FTEs to include a Property Tax Application Specialist and Accounting Tech II with an estimated 3% COLA/P4P added for the FY 2027 plus 1/12th of the salary and benefit cost of the TAC and CDPT&SS.
2. Travel, education and membership expenses for Property Tax Application Specialist (training to begin with FY 2026-2027)
3. Office supplies at \$1,000 x 2 FTEs
4. PC, monitor, printer and software costs x FTEs/7 year replacement
5. Truth in Taxation software costs are based on number of entities (1 entity in 2025 is \$340 and 20+ \$2,300 thus the contributory cost for government partners is \$2,300-340 or \$1,960). Costs have increased on average 7% over the last three years thus the 2027 projected cost for the software for entities is rounded to \$2,100
6. Harris County costs based on estimated/actual cost of statement printing and mailing, all other printing and postage expenses (postcard receipts, February and 33.08 delinquent notices, cost of quarter and split pay coupons) and apportioned cost of hard and personnel costs for HC properties based on the HC parcel count as a percentage of all
7. PIDs historically were assessed a higher rate but this could not be justified thus those parcels are to be the same as all other parcels in the specific county
8. Costs are allocated to achieve rates necessary to cover estimated and hard costs utilizing the most current parcel counts. The cost estimate is included as Exhibit A.
9. The preliminary estimates for TY 2026 indicate a Galveston County per parcel rate of \$0.27 and a Harris County rate of \$1.03. The indicated rates are greater than or equal to the \$0.02 increase that requires a contracted rate change thus rates will increase for Galveston and Harris County parcels as well as PIDs for Tax Year 2026. This policy along with audited cost estimates will be submitted to County Commissioners for ratification. County Auditor approval will be included as Exhibit B.

**Fee To Be
Established**

This process was presented at a workshop of Commissioners Court in March 2015. Proposed fee increases or decreases will be presented to Commissioners for ratification in advance of the April 1st deadline to notify collection partners of rate changes.

BILLING

The Chief Deputy of Property Tax and Support Services maintains copies of contracts and/or resolutions of the jurisdictions with the TNT

BILLING
(cont)

entity files. Billing for assessment and collection services occurs once a year in February and is based on the most current parcel counts indicated on the most current supplemental appraisal district rolls. Payment status is reported monthly to the Chief Deputy Property Tax and Support Services until all receivables are paid. Efforts to streamline billings will be analyzed each year.

Support Services
Generating Bills

1. Obtain most current Galveston and Harris County parcel counts are prepared by Property Tax Application Specialists using the most current central appraisal district supplemental roll total parcels.
2. Prepare invoice for each entity utilizing most current entity list.
3. Using prior year Word document maintained in the Q drive at Entity Information/Billing and Collections, create invoice for each entity. Billing amounts are as follows for 2026 tax year:

GC (including PIDs): parcel count x \$0.27
HC: parcel count x \$1.03 (Friendswood, City Centre PID, League City & Westwood Management District)

Prior to printing or emailing final statement, print draft invoices for review by TAC and/or Chief Deputy PT&SS.
4. Upon approval, merge, sign and make two copies of each invoice (one to mail or scan and email and one for Admin files)
5. Mail along with blue return envelope stamped or noted (ATTN SUPPORT SERVICES).
6. Enter invoice date into spreadsheet
7. Create and print a document for Admin Clerk with entity name and amount billed so they can monitor and record payments

Logging
Payments

Upon receipt of check, copy check and envelope, enter payment information into entity billing spreadsheet including date received, check number and amount received ((Q:)/Entity Information/20XX to 20XX Entity List For All, in the Tax Year 20XX Entity Billing tab.

Prepare payment sheet for Accounting Department and include with all payments received daily (include Payor, Check # and Amount) printing two copies. Provide one payment sheet with checks to Senior Accountant; file additional copy in Entity Billing folder maintained in Admin Assistant filing drawer.

Email Chief Deputy of Business Services, other Administrative Assistant and copy the CDPTSS the payment sheet information.

Follow Up

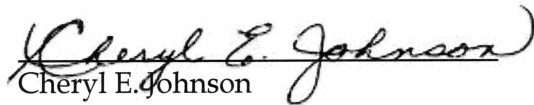
After receiving all payments, notify Chief Deputy Property Tax and Support Services and TAC and transfer file to main filing cabinets

If payment is not received after 30 days, contact the entity and resend

**Follow Up
(cont)**

invoice if address information was incorrect. Update master entity spreadsheet. If the entity provides a check number, pass that information on to Accounting to verify.

APPROVED:


Cheryl E. Johnson

February 23, 2026

Date

EXHIBIT A

Estimated Entity Billing Costs Tax Year 2026 (FY 2027)		
Number of FTE positions in budget	2.00	
Salaries (PTAs, Acct Tech II & I/12 CD&TAC)	118,507	
Contributory Cost of CDPT&SS & TAC Salary 1 month	34,181	
Membership & Dues	75	
Office supplies (\$1,000/employee x 2 employees)	2,000	
Travel/Conference, etc. for PTAs (\$100 for FY 25)	2,000	
ACT TNT Software (cost attributable to over 10 entities)	2,100	
Hardware & Software for Two Employees:		
Dell Pro Slim Desktop @ \$743 each	1,486	
Dell Professional 24" Monitor @ \$193 each	386	
HP LaserJet Pro #101FDW Wireless Laser Multifunct	826	
Microsoft Office ProPlus Software @ \$567.24 each	1,134	
	<u>3,832</u>	
Total Personnel & Hard Costs	159,410	
TOTAL ATTRIBUTABLE TO GC COUNTY		158,084
PARCELS BASED ON 1.0 - 4,887/587,417 = .991681		0.991681
HARRIS COUNTY ONLY COST ESTIMATES:		
#	Per Parcel	Total
49	0.72059	\$3,522
Printed statement/newletters/envelopes/postage		
49	0.63868	31
1% postcard receipt (postage and printing)		
49	0.65794	32
Delinquent notices (February) assume 1%		
49	0.86294	42
Delinquent notices (September) assume 1%		
49	0.86294	42
Supplemental changes (estimated - 1%)		
49	0.92524	45
Split and quarter pay coupon mailing assume 1%		
49		1,326
Contributory cost of Personnel & Hard costs (GC - HC)		
		<u>\$5,039</u>
TOTAL HARRIS COUNTY ENTITY COSTS		
Combined GC and HC Hard Costs		
		\$163,123
PROPOSED 2026 RATES CALCULATOR		
#	Per Parcel	Total Revenue
582,530	\$ 0.27000	157,283
Galveston County		
4,887	\$ 1.03000	5,034
Harris County (FWD, LC, Westwood)		
587,417		<u>162,317</u>
TOTAL BILLED REVENUE		

Johnson, Cheryl E

From: Speer, Jordan
Sent: Monday, February 23, 2026 2:22 PM
To: Johnson, Cheryl E
Cc: Cruz, Sergio; Belk, Tristan
Subject: RE: Final Revised Cost Calculator and Policy

Good afternoon,

Looks great - our numbers agree.

Thank you,
Jordan

From: Johnson, Cheryl E <Cheryl.E.Johnson@co.galveston.tx.us>
Sent: Monday, February 23, 2026 2:12 PM
To: Speer, Jordan <Jordan.Speer@galvestoncountytx.gov>
Cc: Cruz, Sergio <Sergio.Cruz@galvestoncountytx.gov>; Belk, Tristan <Tristan.Belk@galvestoncountytx.gov>
Subject: Final Revised Cost Calculator and Policy
Importance: High

Good afternoon.

I apologize for this change but it was determined that the contributory cost of portions of salaries could be accomplished thus there was a change to the calculator that requires your review prior to submitting to Commissioners for ratification. Specifically, 1/12 of the TAC and Chief Deputy salaries and benefits were added inasmuch as these are real costs associated with providing services to the additional entities served.

Please let me know if you have questions.

Cheryl E. Johnson, PCC, CTOP
Galveston County Tax Assessor Collector
(409) 765-3277 (office)
(409) 392-5457 (mobile)
www.galcofax.com

"Be the change you want to see in the world." Gandhi

Full Time GC TO Office Hours: Monday 7:31-2:25
Monday: Thursday 7:30 am - 5:30 pm, Friday 8 am - Noon
Carrollton Court House, 722 21st Street, Mound, California
Texas City Annex, 2516 Texas Avenue, Texas City
West County Annex, 11700 Highway 6, Santa Fe
Monday Under 8:00 am to 3:00 pm
North County Annex, 174 Galder, League City
Satellite Office Hours: Monday 7:31-2:25 (West Coast - 1:00 pm to 1:00 pm)
946 Noble East Rd., Crystal Beach 3rd. Tuesday 7:30 am - 4:30 pm
910 S. Friendship Dr., Friendswood Thursday, Friday 8 am - 1 pm

