



**STAFF REPORT**  
**City of Dripping Springs**  
**PO Box 384**  
**511 Mercer Street**  
**Dripping Springs, TX 78620**

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**Submitted By:** Shawn Cox, Deputy City Administrator

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**Council Meeting Date:** Tuesday, September 16, 2025

**Agenda Item Wording:** Public hearing and consideration of approval of an Ordinance setting the 2025 Ad Valorem Tax and Levy at Two Thousand and Two Hundred and Sixty-Seven Ten Thousands Cents (\$0.2267) per one hundred (\$100.00) of assessed valuation of all taxable property within the Corporate City Limits.

**Agenda Item Requestor:**

**Summary/Background:**

At the August 19, 2025, meeting Council set the proposed property tax rate for 2025 at \$0.2267 per \$100 valuation. The proposed rate is the sum of the City's Maintenance & Operation Rate and Debt Rate and is below the calculated "Voter-approval" rate.

Rate	Calculation	Generated Revenue
<b>M&amp;O</b>	\$0.1850/\$100	\$4,025,048.58
<b>I&amp;S</b> (Debt)	\$0.0418/\$100	\$909,630.65
<b>Total</b>	\$0.2267/\$100	\$4,933,596.36

Based on the 2025 Tax Rate Calculation prepared by the Tax Assessor – Collector, the City's 2025 calculated rates are:

Rate	Calculation	Generated Revenue
<b>No-new-revenue tax rate</b>	\$0.1809 /\$100	\$3,786,076.51
<b>Voter-approval tax rate</b>	\$0.2335 /\$100	\$4,887,818.89
<b>De minimis rate</b>	\$0.2566 /\$100	\$5,370,279.87

A public hearing was noticed and held on September 2, 2025, at Council's Special Meeting.

**Commission**  
**Recommendations:**

**Recommended Council Actions:** The Deputy City Administrator recommends Council approve setting the Proposed Ad Valorem Tax Rate for 2024 at \$0.2267/\$100.

**Attachments:**

- 2025 Draft Tax Rate Ordinance
- Tax Rate Calculation Worksheet

**Next Steps/Schedule:**