



FISCAL YEAR 2027

BUDGET IN BRIEF

A clear, concise guide to Josephine's approved financial plan for October 1, 2026 through September 30, 2027.

BUILDING JOSEPHINE'S FUTURE

The FY2027 budget balances responsible growth with investments in infrastructure, public safety, employees, essential services, and long-term financial stability.

\$38.43M

TOTAL BUDGET

STABILITY

\$18.68M

CAPITAL PROGRAM

INFRASTRUCTURE

\$17.91M

REVENUE

PUBLIC SAFETY



Approved by the Josephine City Council

www.cityofjosephinetx.com

FY2027 at a glance

TOTAL APPROVED BUDGET

\$38,429,080

2% lower than the FY2026 budget.

OPERATING BUDGET

\$19,747,586

Supports day-to-day services, people, utilities, and debt costs.

CAPITAL BUDGET

\$18,681,494

Major infrastructure, facilities, vehicles, and equipment.

How the budget is funded



- **REVENUE**
\$17,907,606
- **BOND FUNDS**
\$18,306,000
- **UNRESTRICTED FUND BALANCE**
\$2,753,000
- **DEBT SERVICE FUND BALANCE**
\$540,000

Major operating commitments

Personnel and related **\$8,422,351**

Water purchases **\$1,770,000**

Bond interest **\$1,438,183**

Debt retirement **\$1,208,000**

Sanitation collection **\$940,000**

Engineering and consulting **\$871,550**

The operating budget increased as Josephine funds a full year of Fire Department operations, public safety dispatch, required overtime, utility operations, employee retirement obligations, and staffing needed to support a growing community.

Certified property tax rate

FY2027 PROPERTY TAX RATE

\$0.481878

Per \$100 of taxable value. The adopted rate equals the voter-approval tax rate.

PRIOR YEAR RATE

\$0.468097

The change reflects certified values, operating needs, and debt obligations.

Estimated annual impact

TAXABLE VALUE	FY2026 RATE	FY2027 RATE	CHANGE
\$100,000 home	\$468.10	\$481.88	+\$13.78
\$250,000 home	\$1,170.24	\$1,204.70	+\$34.46
Median homestead	\$1,347	\$1,386	+\$39

Where recurring revenue comes from

Charges for services		\$11.352M
Taxes		\$2.123M
Transfers		\$1.770M
Interest		\$1.080M
Other revenue		\$1.583M

A CONSERVATIVE APPROACH

Revenue estimates use historical performance, certified values, documented fees, and current service trends. Conservative forecasting helps protect services when economic or development conditions change.

\$18.68 million in capital investments

The capital plan directs most available funding to water, wastewater, drainage, and street infrastructure while also replacing essential public safety and operational equipment.

NORTH WASTEWATER TREATMENT PLANT

\$9,818,699

Construction and engineering

GROUND WATER STORAGE TANK

\$5,300,000

Bond and Water Fund investment

DRAINAGE AND FLOOD MITIGATION

\$2,145,000

Bond-funded improvements

ROAD REHABILITATION

\$400,000

General Fund

ADA CITY PARK IMPROVEMENTS

\$197,947

80% grant funded

NWWTP FENCE

\$295,000

Sewer Fund

Capital funding sources



● Bond funds
\$15.1M

● Water Fund
\$2.2M

● General Fund
\$0.7M

● Sewer Fund
\$0.5M

● Grants
\$0.2M

Additional projects include police cameras, radios, laptop replacements and radar; Fire Department Capital Equipment replacement program; a sewer work truck; lift station controls; and City Hall technology.

Investing in the people who serve Josephine

EMPLOYEE RETIREMENT

8% TMRS

Employee contribution with a City 2-to-1 match.

POLICE AND FIRE

4% SCALE

2.8% COLA plus 1.2% base adjustment, with top-out provisions.

OTHER STAFF

2.8% COLA

Plus performance-based merit consideration.

Meeting growing service demand

POLICE CALLS

9,329

10,052

+723 | +7.8%

FY25

FY26

UTILITY ORDERS

2,762

3,310

+548 | +19.8%

FY25

FY26

About the utility rate adjustment

WHY RATES CHANGE

The current adjustment follows the multi-year rate schedule adopted by Council on September 12, 2022 after an independent utility rate study.

WHAT RATES SUPPORT

Rates reflect NTMWD wholesale water costs, inflation, operations and capital improvements while keeping the Utility Fund self-supporting.

WHY A SCHEDULE HELPS

Smaller annual adjustments are less disruptive than infrequent large increases and provide more time for customers and the City to plan.

WHAT COMES NEXT

The City will begin an updated study this year. Council will review the results and vote on a new rate schedule in 2027.

LEARN MORE

The full budget and utility rate study are available in the City's Transparency Center.

cityofjosephinetx.com