

**RAPHO TOWNSHIP
2025 BUDGET NARRATIVE**

GENERAL FUND

Income

The total taxable assessed valuation in Rapho Township for 2025 is \$1,247,025,900. This will generate an additional \$8,330.25 in income in 2025 for a total raised from the property tax of \$2,127,737.94. The 2025 budget leaves the real estate tax at 1.75 mils.

The total revenue expected to be generated by the real estate tax at this rate is estimated to be \$2,137,737.94 . Real Estate Transfer Tax is expected to generate \$432,000 in 2025. Revenue from Local Services Tax has been relatively flat. The Lancaster County Tax Collection Bureau (LCTCB) collects the LST, including interest and late fees, on our behalf. An estimate of \$186,000 has been included in this budget.

We set our anticipated EIT income for 2024 at \$2,222,802 based on LCTCB projections of 8.53% growth for 2024 based upon our 2000 to 2023 EIT growth. LCTCB anticipates fairly flat revenue in the EIT for Rapho in 2025. As residential development in the township has slowed, growth of our EIT is expected to slow as well. The 2025 EIT Income budget is \$2,235,646

The total tax revenue budgeted in the General Fund is \$4,991,384. The balance of our income consists of revenue generated by fees and permits and grants. The total General Fund budgeted income for 2025 is \$6,351,134.94 up from \$6,200,237.02 budgeted in 2024.

GENERAL FUND

Expenses

We do not anticipate hiring any additional staff in 2025. Staff regular wages account for a \$749,138 in 2025, a 3% increase over 2024. Our budget for employee health insurance expenditures will increase by 9% in 2025, for a total of \$155, 522, after employee contributions.

The total cost for Police, Fire and EMS expenditures in 2025 is budgeted at \$2,683,893, an increase of \$158,556 over 2024.

The total 2025 General Fund expenses, including the debt service payment and capital transfers, are \$6,599,963.92. These expenses will result in the Township drawing down from our reserves by \$248,831. This will still leave the township with a 6-month reserve. We analyzed the level of reserves we have on hand and determined that it would be wise for us to utilize some of those funds to balance this year’s budget.

STATE FUND

Income

The 2025 estimated Liquid Fuels allocation for the Township is \$490,661.53. This is a reduction from the \$495,626.36 we received in 2024. The allocation is based on fuel sold and road mileage, which now totals over ninety-six miles. The increase in alternative energy vehicles is expected to continue to see this revenue source flat or decreasing. Turnback and interest income make up the balance of the income. The total State Fund budgeted income is \$542,342.

STATE FUND

Expenses

Contracted road construction projects will be completed using State funds, including: Resurfacing Shumaker Road from Old Line Road to Cider Press Road. Salt and cinder costs paid from the State Fund are expected to be \$30,000 in 2025.

The total State Fund budgeted expenses are \$659,000. The 2025 expenditures exceed 2025 income by \$116, 658. The deficit is offset by reserves in the state fund.

CAPITAL RESERVE FUND

Income

The Capital Reserve Fund budget is project-based, allowing large, lengthy projects to be paid for over multiple budget years.

CAPITAL RESERVE FUND

Expenses

The Township continues to update our five-year capital project plan, which was initiated in conjunction with the 2013 budget. An updated plan extending through 2029 has been acknowledged along with the 2025 budget.

In 2025, in addition to the previously mentioned project using all state funds, Rapho Township anticipates the following capital fund projects: Resurfacing Moyer Ridge, Resurfacing Camp Road (Cider Press to Township Line), S. Garfield Road Bridge Removal, Weaver Road Bridge and the Rapho Township Woody Waste Yard. In addition, the township will receive grants to offset costs of the Johnson Mill Road streambank stabilization and the installation of sidewalks along Main Street, PA 230 to complete the missing links.

The total expenses in the capital fund budget are \$2,006,946.



July 5, 2023

On July 5, 2023, at 6:00 a.m. the Rapho Township Public works building exploded due to a propane leak. The public works building, and all the equipment in it was destroyed and the office building was heavily damaged. Fortunately, all our employees and neighbors were uninjured. The explosion also resulted in the closure of our woody yard waste yard facility. The township began construction of the new public works building in May 2024 and the office staff was able to move back in the repaired office by the end of January 2024. This explosion and the resultant insurance payments and expenditures have had a significant impact on the 2023, 2024 and 2025 township General Fund, State Fund and Capital Fund budgets. Rapho Township received \$6,055,665.70 in insurance proceeds. The estimated costs of repairing and replacing buildings relocating the woody yard waste recycle yard and replacing equipment is expected to be about \$8 million.