

**RAPHO TOWNSHIP
2026 BUDGET NARRATIVE**

GENERAL FUND

Income

The total taxable assessed valuation in Rapho Township is down from \$1,247,025,900 in 2025 to \$1,246,489,30 for 2026. The 2026 budget increases the real estate tax from 1.75 mils to 1.9 mils. This will generate \$2,309,121.43 in real estate taxes.

Real Estate Transfer Tax is expected to generate \$360,000 in 2026. 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 \$250,000 has been included in this budget.

LCTCB anticipates less revenue from the EIT for Rapho in 2026. As residential development in the township has slowed, growth of our EIT has slowed as well. The 2026 EIT Income budget is \$2,186,740 down from 2025 budget of \$2,235,646

The total tax revenue budgeted in the General Fund is \$5,155,861.43. The balance of our income consists of revenue generated by fees and permits and grants. The total General Fund budgeted income for 2026 is \$6,469,390.32 up slightly from \$6,351,229.94 budgeted in 2025.

GENERAL FUND

Expenses

We do not anticipate hiring any additional staff in 2026, beyond replacing a full-time public works employee who retired in the last quarter of 2025. Staff regular wages account for \$771,678 in 2026, a 3% increase over 2025. Our budget for employee health insurance expenditures will increase by 2% in 2026, for a total of \$156,262.96, after employee contributions.

The total cost for Police, Fire and EMS expenditures in 2026 is budgeted at \$2,788,971, an increase of \$105,079 over 2025.

The total 2026 General Fund budgeted expenses, including the debt service payment and capital transfers, are \$6,674,792.57 up \$74,828.65 from \$6,599,963.92 budgeted in 2025. These expenses will result in the Township drawing down from our reserves by \$205,402.25. 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 2026 estimated Liquid Fuels allocation for the Township is \$484,415.38. This is a reduction from the \$490,661.53 we received in 2025. The allocation is based on fuel sold and road mileage, which totals 97.72 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 \$536,095.38

STATE FUND

Expenses

Contracted road construction projects will be completed using State funds, including: Overlaying Brenneman Road from Hossler Road to Colebrook Road and oil and chipping 11 miles of roadway. Salt and cinder costs paid from the State Fund are expected to be \$30,000 in 2026.

The total State Fund budgeted expenses are \$524,500. The 2026 budgeted revenue exceed expenses by \$11,595.

CAPITAL RESERVE FUND

Income

The Capital Reserve Fund budget is project-based, allowing large, lengthy projects to be planned and paid for over multiple budget years. In 2026 we are budgeting for a \$650,000 transfer from the General Fund to the Capital Reserve Fund.

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 six-year plan extending through 2031 has been acknowledged along with the 2026 budget.

In 2026, in addition to the previously mentioned project using all state funds, Rapho Township anticipates the following capital fund projects: Widen Garfield Road (Pinkerton to Bridge), Widen Wisegarver Road (Sunnyside Road to E-Town Rd), Weaver Road & Auction Road Intersection Drainage Improvements, Stormwater Improvements on Spangler Road and base repairs to Colebrook Road.

In addition, the township will purchase a new Mack Tandem Dump Truck and a John Deere mulching mower for the Rapho Community Park.

The total expenses in the 2026 capital fund budget are \$1,559,042.00

