

**2024 MUNICIPAL ANNUAL AUDIT
AND
FINANCIAL REPORT**

ROCKLEDGE BOROUGH, MONTGOMERY COUNTY

ROCKLEDGE BOROUGH, MONTGOMERY COUNTY
BALANCE SHEET
December 31, 2024

		GOVERNMENTAL FUNDS				PROPRIETARY FUNDS		FIDUCIARY FUNDS	ACCOUNT GROUPS		TOTAL
		General Fund	Special Revenue	Capital Projects	Debt Service	Enterprise	Internal Service	Trust and Agency	General Fixed Assets	General Long Term Debt	Memorandum Only
ASSETS AND OTHER DEBITS											
100-120	Cash and Investments	474,202	234,435	44,613				4,012,832			4,766,082
140-144	Tax Receivable	-									-
121-129, 145-149	Accounts Receivable (excluding taxes)										-
130	Due From Other Funds	5,176	-	-							5,176
131-139, 150-159	Other Current Assets	-	-	-							-
160-169	Fixed Assets								-		-
180-189	Other Debits									87,200	87,200
TOTAL ASSETS AND OTHER DEBITS		\$ 479,378	\$ 234,435	\$ 44,613	\$ -		\$ -	\$ 4,012,832	\$ -	\$ 87,200	\$ 4,858,458
LIABILITIES AND OTHER CREDITS											
210-229	Payroll Taxes & Other Payroll W/H	2,112									2,112
200-209, 231-239	All Other Current Liabilities	-	-	-							-
230	Due to Other Funds	-	-	5,176				-			5,176
260-269	Long Term Liabilities									34,000	34,000
240-259	Current Portion of LTD & Other Credits									53,200	53,200
TOTAL LIABILITIES AND OTHER CREDITS		\$ 2,112	\$ -	\$ 5,176	\$ -		\$ -	\$ -	\$ -	\$ 87,200	\$ 94,488
FUND AND ACCOUNT GROUP EQUITY											
281-284	Contributed Capital										-
290	Investment in General Fixed Assets								-		-
270-289	Fund Balance/Retained Earnings 12/31	477,266	234,435	39,437				4,012,832			4,763,970
291-299	Other Equity										-
TOTAL FUND AND ACCOUNT GROUP EQUITY		\$ 477,266	\$ 234,435	\$ 39,437	\$ -		\$ -	\$ 4,012,832	\$ -	\$ -	\$ 4,763,970
TOTAL LIABILITIES AND FUND AND ACCOUNT GROUP EQUITY										\$ 4,858,458	

ROCKLEDGE BOROUGH, MONTGOMERY COUNTY
STATEMENT OF REVENUES AND EXPENDITURES
 December 31, 2024

REVENUES

GOVERNMENTAL FUNDS				PROPRIETARY FUNDS		FIDUCIARY FUNDS	TOTAL
General Fund	Special Revenue	Capital Projects	Debt Service	Enterprise	Internal Service	Trust and Agency	Memorandum Only

TAXES									
301.00	Real Estate Taxes	1,182,395							1,182,395
305.00	Occupation Taxes (levied under muni. code)								-
308.00	Residence Taxes (levied by cities of 3rd class)								-
309.00	Regional Asset District Sales Tax								-
310.00	Per Capita Taxes	-							-
310.10	Real Estate Transfer Taxes	56,442							56,442
310.20	Earned Income Taxes/Wage Taxes	336,100							336,100
310.30	Business Gross Receipts Tax	78,400							78,400
310.40	Occupation Taxes (levied under Act 511)								-
310.50	Local Services Tax	29,860							29,860
310.60	Amusement/Admission Taxes								-
310.70	Mechanical Device Taxes								-
310.90	Other Local Tax Enabling Act / Act 511 / Taxes								-
									-
TOTAL TAXES		\$ 1,683,197	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,683,197

LICENSES & PERMITS									
320-322	All Other Licenses and Permits	34,235							34,235
321.80	Cable Television Franchise Fees	43,169							43,169
TOTAL LICENSES & PERMITS		\$ 77,404	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 77,404

FINES & FORFEITS									
330-332	Fines and Forfeits	9,270							9,270
TOTAL FINES & FORFEITS		\$ 9,270	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,270

INTEREST, RENTS & ROYALTIES									
341.00	Interest Earnings	2,472	652	-				477,529	480,653
342.00	Rents and Royalties	70,299	-	-					70,299
TOTAL INTEREST, RENTS & ROYALTIES		\$ 72,771	\$ 652	\$ -	\$ -	\$ -	\$ -	\$ 477,529	\$ 550,952

ROCKLEDGE BOROUGH, MONTGOMERY COUNTY
STATEMENT OF REVENUES AND EXPENDITURES
December 31, 2024

REVENUES

GOVERNMENTAL FUNDS				PROPRIETARY FUNDS		FIDUCIARY FUNDS	TOTAL
General Fund	Special Revenue	Capital Projects	Debt Service	Enterprise	Internal Service	Trust and Agency	Memorandum Only

CHARGES FOR SERVICE									
361.00	General Government	12,149							12,149
362.00	Public Safety	23,169							23,169
363.20	Parking								-
363.00	All Other Charges for Hwy/Streets Svc								-
364.10	Wastewater / Sewage Charges	532,410							532,410
364.30	Solid Waste Collection & Disposal Charge (trash)	509,866							509,866
364.60	Host Municipality Fee for Solid Waste								-
364.00	Other Charges for Sanitation Svc								-
365.00	Health								-
366.00	Human Services								-
367.00	Culture and Recreation	4,650							4,650
368.00	Airports								-
369.00	Bars								-
370.00	Cemeteries								-
372.00	Electric System								-
373.00	Gas System								-
374.00	Housing System								-
375.00	Markets								-
377.00	Transit Systems								-
378.00	Water System								-
379.00	Other Charges for Svc	-							-
TOTAL CHARGES FOR SERVICE		\$ 1,082,244	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,082,244

UNCLASSIFIED OPERATING REVENUES									
383.00	Special Assessments	-							-
386.00	Escheats (sale of personal property)								-
387.00	Contributions and Donations from Prvt	1,750		887					2,637
388.00	Fiduciary Fund Pension Contributions						71,614		71,614
389.00	All Other Unclassified Operating Revenues	780	-	-			-		780
TOTAL UNCLASSIFIED OPERATING REVENUES		\$ 2,530	\$ -	\$ 887	\$ -	\$ -	\$ -	\$ 71,614	\$ 75,031

ROCKLEDGE BOROUGH, MONTGOMERY COUNTY
STATEMENT OF REVENUES AND EXPENDITURES
 December 31, 2024

REVENUES

GOVERNMENTAL FUNDS				PROPRIETARY FUNDS		FIDUCIARY FUNDS	TOTAL
General Fund	Special Revenue	Capital Projects	Debt Service	Enterprise	Internal Service	Trust and Agency	Memorandum Only

OTHER FINANCING SOURCES								
391.00	Proceeds of General Fixed Asset Disposition	1,404						1,404
392.00	Interfund Operating Transfers	980,245	-	160,089				1,140,334
393.00	Proceeds of Gen. Long Term Debt	-		-				-
394.00	Proceeds of Short-Term Debt	-						-
395.00	Refunds of Prior Year Expenditures	8,346	-					8,346
TOTAL OTHER FINANCING SOURCES		\$ 989,995	\$ -	\$ 160,089	\$ -	\$ -	\$ -	\$ 1,150,084

TOTAL REVENUES		\$ 4,066,431	\$ 68,641	\$ 160,976	\$ -	\$ -	\$ -	\$ 549,143	\$ 4,845,191
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ROCKLEDGE BOROUGH, MONTGOMERY COUNTY
STATEMENT OF REVENUES AND EXPENDITURES
December 31, 2024

EXPENDITURES

GOVERNMENTAL FUNDS				PROPRIETARY FUNDS		FIDUCIARY FUNDS	TOTAL
General Fund	Special Revenue	Capital Projects	Debt Service	Enterprise	Internal Service	Trust and Agency	Memorandum Only

CULTURE AND RECREATION									
451.00	Culture-Recreation Administration	17,209							17,209
452.00	Participant Recreation	24,569							24,569
453.00	Spectator Recreation	-		32,633					32,633
454.00	Parks	-							-
455.00	Shade Trees								-
456.00	Libraries	2,500							2,500
457.00	Civil and Military Celebrations	4,553							4,553
458.00	Senior Citizen Centers								-
459.00	All Other Culture and Recreation	-							-
TOTAL CULTURE AND RECREATION		\$ 48,831	\$ -	\$ 32,633	\$ -	\$ -	\$ -	\$ -	\$ 81,464

COMMUNITY DEVELOPMENT									
461.00	Conservation of Natural Resources	-							-
462.00	Community Development and Housing								-
463.00	Economic Development								-
464.00	Economic Opportunity								-
5.00-469	All Other Community Development								-
TOTAL COMMUNITY DEVELOPMENT		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

DEBT SERVICE									
471.00	Debt Principal (short-term and long-term)	43,000		8,000					51,000
472.00	Debt Interest (short-term and long-term)	1,711		767					2,478
475.00	Fiscal Agent Fees								-
TOTAL DEBT SERVICE		\$ 44,711	\$ -	\$ 8,767	\$ -	\$ -	\$ -	\$ -	\$ 53,478

ROCKLEDGE BOROUGH, MONTGOMERY COUNTY
STATEMENT OF REVENUES AND EXPENDITURES
December 31, 2024

EXPENDITURES

GOVERNMENTAL FUNDS				PROPRIETARY FUNDS		FIDUCIARY FUNDS	TOTAL
General Fund	Special Revenue	Capital Projects	Debt Service	Enterprise	Internal Service	Trust and Agency	Memorandum Only

EMPLOYER PAID BENEFITS & W/H ITEMS									
481.00	Employer Paid W/H Taxes and UC	92,259							92,259
482.00	Judgements and Losses								-
483.00	Pension/Retirement Fund Contributions								-
484.00	Workers Compensation Insurance								-
487.00	Other Group Insurance Benefits								-
TOTAL EMPLOYER PAID BENEFITS & W/H ITEMS		\$ 92,259	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 92,259

INSURANCE									
486.00	Insurance, Casualty, and Surety	105,186							105,186
TOTAL INSURANCE		\$ 105,186	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 105,186

UNCLASSIFIED OPERATING EXPENDITURES									
488.00	Fiduciary Fund Benefits and Refunds Paid							211,104	211,104
489.00	All Other Unclassified Expenditures	23,670						25,480	49,150
TOTAL UNCLASSIFIED OPERATING EXPENDITURES		\$ 23,670	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 236,584	\$ 260,254

OTHER FINANCING USES									
491.00	Refund of Prior Year Revenues	-		-					-
492.00	Interfund Operating Transfers	1,050,245	90,089	-					1,140,334
493.00	Other Financing Uses								-
TOTAL OTHER FINANCING USES		\$ 1,050,245	\$ 90,089	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,140,334

TOTAL EXPENDITURES	\$ 4,263,369	\$ 129,178	\$ 222,015	\$ -	\$ -	\$ -	\$ 236,584	\$ 4,851,146
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EXCESS/DEFICIT OF REVENUES OVER EXPENDITURES	\$ (196,938)	\$ (60,537)	\$ (61,039)	\$ -	\$ -	\$ -	\$ 312,559	\$ (5,955)
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ROCKLEDGE BOROUGH, MONTGOMERY COUNTY
DEBT STATEMENT
December 31, 2024

OUTSTANDING BONDS AND NOTES											
Listed below are all currently outstanding bond and note issues according to our files, excluding bond issues redeemed or refunded and defeased. Please show the principal payments and make any other necessary corrections and additions.											
Purpose	Bond (B) Capital Lease (C) Lease Rental (L) Note (N)	Issue Year (yyyy)	Maturity Year (yyyy)	Original Amount of Issue	Outstanding Beginning of Year (1)	Principal Incurred This Year	Principal Paid This Year	Current Year Accretion on Compound Interest Bonds	Outstanding at Year End (1)	Plus (less) Unamortized Premium (Discount)	Total Balance
General Obligation Bonds and Notes											
									-		\$ -
DVRFA	N	2005	2025	650,000	88,000		(43,000)		45,000		\$ 45,000
DVRFA	N	2019	2029	81,000	50,200	-	(8,000)		42,200		\$ 42,200
Revenue Bonds and Notes											
Lease Rental Debt											
									-		\$ -
					-	-	-		-		\$ -
									-		\$ -
									-		\$ -
									-		\$ -
Other											
									-		\$ -
									-		\$ -
									-		\$ -
									-		\$ -
										Total bonds and notes outstanding	\$ 87,200
										Capitalized lease obligations	-
										Other debt	-
										TOTAL OUTSTANDING DEBT	\$ 87,200

(1) - excludes unamortized premium/discount

ROCKLEDGE BOROUGH, MONTGOMERY COUNTY
December 31, 2024

NOTES / COMMENTS

Details of Miscellaneous Accounts - Fiduciary Funds

Line 489.00 All Other Unclassified Expenditures

Investment Expenses	\$	22,680
Actuarial Expenses		2,800
		<u>25,480</u>

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Certified Public Accountants

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Borough Council
Borough of Rockledge
Rockledge, Pennsylvania

Enclosed please find the accompanying condensed balance sheet of Rockledge Borough as of December 31, 2024 and the related condensed statement of fund equity/retained earnings, and statement of operations for the year then ended, in accordance with standards established by the Borough Code.

The condensation represents a summary of the audited financial statements, which does not include pension funds, and as such we do not express an opinion on it and all disclosures have been omitted.

Bee, Bergvall + Co

Bee, Bergvall and Company, P.C.
Certified Public Accountants

Warrington, PA
July 2, 2025

ROCKLEDGE BOROUGH
CONCISE FINANCIAL STATEMENTS
DECEMBER 31, 2024

ASSETS

Unrestricted Assets	\$ 758,426
Amounts to be Provided for Long-Term General Obligations	<u>87,200</u>
	<u>\$ 845,626</u>

LIABILITIES AND FUND EQUITY

Unrestricted Liabilities	\$ 7,288
Long-Term Debt (Final Maturity 2029)	87,200
Fund Balance and Net Assets	<u>751,138</u>
	<u>\$ 845,626</u>

CONDENSED STATEMENT OF FUND EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2024

Balance, January 1, 2024	\$ 1,069,652
Add: Excess (Deficiency) of Revenues Over Expenses	<u>(318,514)</u>
Balance, December 31, 2024	<u>\$ 751,138</u>

The audit report by an independent certified public accountant is available for inspection
at the office of the Borough during regular business hours.

ROCKLEDGE BOROUGH

CONCISE FINANCIAL STATEMENTS

DECEMBER 31, 2024

CONDENSED STATEMENT OF OPERATIONS
FOR THE YEAR ENDED DECEMBER 31, 2024

Revenues	
Taxes	\$ 1,683,197
Fees, licenses and permits	77,404
Interest and rent	73,423
Intergovernmental revenues	217,009
Fines and forfeitures	9,270
Charges for services	1,082,244
Other	13,167
Total Revenues	<u>3,155,714</u>
Expenditures	
Current	
General government	394,893
Public safety	1,310,021
Health and human services	250
Highway and roads	388,581
Public works - sewer	505,775
Public works - trash	518,651
Culture and recreation	81,464
Debt Service	53,478
Miscellaneous	221,115
Total Expenditures	<u>3,474,228</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (318,514)</u>
Assessed Valuation of Real Estate	<u>\$ 116,564,910</u>

The audit report by an independent certified public accountant is available for inspection at the office of the Borough during regular business hours.

BOROUGH OF ROCKLEDGE

SCHEDULE OF FINDINGS

DECEMBER 31, 2024

BEE BERGVALL & Co.

Certified Public Accountants

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To the Borough Council
Borough of Rockledge, Pennsylvania

In planning and performing our audit of the financial statements of the governmental activities of Rockledge Borough as of and for the year ended December 31, 2023, in accordance with auditing standards generally accepted in the United States of America, we considered Rockledge Borough's internal control over financial reporting (internal control) as a basis for designing auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Rockledge Borough's internal control. Accordingly, we do not express an opinion on the effectiveness of Rockledge Borough's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we identified certain deficiencies in internal control that we consider to be significant deficiencies.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency or a combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. We consider findings #1, #2 and #3 to be material weaknesses.

A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

This communication is intended solely for the information and use of management Borough Council, and others within the organization, and is not intended to be and should not be used by anyone other than these specified parties.

Bee, Bergvall & Co

Bee, Bergvall, and Company, P.C.
Certified Public Accountants

Warrington, PA
July 2, 2025

PENSION FUND

Finding #1

While the pension fund assets were reconciled to the statements, we made several adjustments to the classification of income and expense items. It is necessary to properly record changes in the fund in order to monitor asset returns to maximize performance. The fund amounts (interest, appreciation, etc.) should be reconciled to the investment statements monthly. The potential effect of not updating investment account balances is that monthly reports would be inaccurate, and financial decisions could be made based on incorrect investment balances.

Status: For 2024, the pension assets were not reconciled to the statements.

OPENING EQUITY BALANCES/PRIOR YEAR ADJUSTMENTS

Finding #2

On reviewing opening balances for the equity accounts, it was noted that prior year audit adjustments were not recorded on the Borough's books. We recommend that audit adjustments be recorded every year in order to maintain consistency with the audited financial statements. The potential effect of not recording prior year audit adjustments is that the Borough's financial statements will not be consistent with the audited financial statements.

Status: Prior year audit adjustments were not recorded for 2024.

BOOKKEEPING ASSISTANCE

Finding #3

For two main reasons, it is recommended that the Borough obtain some form of bookkeeping assistance, whether that be via outsourcing to a company or hiring a professional bookkeeper. The first reason is due to a lack of segregation of duties. Currently, there are only two employees who handle all bookkeeping functions. The second reason is because of the yearly entries the audit has historically produced.

Entries needed for 2024:

- Correction of grant expenditures - \$88,000
- Correction to Cash -\$15,000
- Correction to Payroll taxes- \$39,000
- Correction to pension activity -\$400,000

Status: Still applicable for 2024.

FOR INFORMATIONAL PURPOSES ONLY

The Borough has decided not to issue financial statements, as it is not necessary for them to have these statements at this point to obtain financing. The adverse effect of not implementing may be a decrease in the Borough's bond rating. If the Borough decides to go out for a bond issue at some future date, and GASB 34 is not implemented, the rating agencies may give a lower rating. The reason being that the Borough's financial information submitted to the agency would not be comparable to Boroughs of the same size, who have implemented the new law.

Status: The Borough does not maintain a Fixed Asset Register, but provided us with a listing of land inventory. As noted, this comment is for informational purposes only. At this point, it is not necessary to spend the time and money necessary to implement GASB #34. If the Borough decides to implement it in the future, a detailed fixed asset register could be compiled at that time.

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To the Borough Council
Rockledge Borough, Montgomery, Pennsylvania

We have audited the financial statements of the governmental activities, of Rockledge Borough for the year ended December 31, 2024 included in the Form DCED-CLGS-30, Commonwealth of Pennsylvania Annual Audit and Financial Report. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated December 30, 2024. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practice

Management is responsible for the selection and use of appropriate accounting policies. No new accounting policies were adopted and the application of existing policies was not changed during 2024. We noted no transactions entered into by Rockledge Borough during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. We evaluated the methods, assumptions, and data used to develop the accounting estimates in determining that they are reasonable in relation to the financial statements taken as a whole. The report is prepared, as requested, on the cash basis of accounting and therefore included no significant estimates.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. The following material misstatements detected as a result of audit procedures were corrected by management:

- \$88,000 entry to properly record expenditures of grant funds.
- \$400,000 entry to properly record pension fund activity for the year.
- \$39,000 entry to record payroll taxes.
- \$15,000 entry to correct cash.
- \$14,000 entry to correct opening fund balance in the general fund.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditors' report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated June 27, 2025.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to Rockledge Borough's financial statements or a determination of the type of auditors' opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

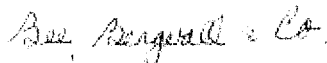
Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as Rockledge Borough's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

At the conclusion of our audit, we issued a Schedule of Findings that discusses internal control related and other matters that existed for the year ended December 31, 2024. In that letter we identified certain significant deficiencies and material weaknesses in internal controls.

This information is intended solely for the information and use of Borough Council and management of Rockledge Borough and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,



Bee, Bergvall & Co., P.C.

BEE BERGVALL & Co.

Certified Public Accountants

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Independent Auditors' Report

Rockledge Borough
Montgomery County, Pennsylvania

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of Rockledge Borough, Montgomery County, Pennsylvania, which comprise the balance sheet as of December 31, 2024 and the related statement of revenues and expenditures for the year then ended in accordance with the financial reporting provisions of the Department of Community and Economic Development of the Commonwealth of Pennsylvania.

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective balance sheet-statutory basis of the Borough, as of December 31, 2024, and its statement of revenues and expenditures-statutory basis, debt statement-statutory basis, and statement of capital expenditures-statutory basis, for the year then ended, in accordance with the financial reporting practices prescribed or permitted by the Department of Community and Economic Development of the Commonwealth of Pennsylvania.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the "Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles" paragraph, the financial statements do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of Rockledge Borough, Pennsylvania, as of December 31, 2024, and the respective changes in financial position for the year then ended.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Rockledge Borough, Montgomery County, Pennsylvania and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

These financial statements are prepared by Rockledge Borough, Montgomery County, Pennsylvania, on the basis of the financial reporting provisions of the Pennsylvania Department of Community and Economic Development, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the requirements of Pennsylvania Department of Community and Economic Development.

The effects on the financial statements of the variances between the regulatory basis of accounting as described below and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material and pervasive.

Emphasis of Matter

These financial statements do not include budgetary comparisons, fixed assets, and footnote disclosures as permitted to be excluded by the Department of Community and Economic Development of the Commonwealth of Pennsylvania, but are required to be included to be in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to that matter.

Emphasis of Matter -Basis of Accounting

We draw attention to basis of accounting used in this report. The financial statements are prepared on the cash basis of accounting as prescribed or permitted by the Department of Community and Economic Development of the Commonwealth of Pennsylvania, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Consequently, certain revenues and the related assets are recognized when received rather than when earned and certain expenses are recognized when paid rather than when a liability is incurred. Our opinion is not modified with respect to that matter.

Emphasis of Matter-Exclusions

The financial statements referred to above include only the primary government of Rockledge Borough, Montgomery County, Pennsylvania, which consists of all funds, organizations, institutions, agencies, departments, and offices that comprise the Borough's legal entity. These primary government financial statements do not include financial data for the Borough's legally separate component unit, which accounting principles generally accepted in the United States of America require to be reported with the financial data of the Borough's primary government. As a result, the primary government financial statements do not purport to, and do not present fairly the financial position of the reporting entity of the Rockledge Borough, Pennsylvania, as of December 31, 2024, the changes in its financial position or, where applicable, its cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the financial reporting provisions of the Commonwealth of Pennsylvania, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Borough's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

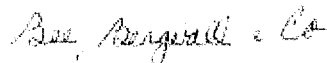
Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Borough's internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Borough's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.



Bee, Bergvall and Company, P.C.
Certified Public Accountants

Warrington, PA
June 27, 2025