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September 5, 2025

To the Members of Council and Borough Manager
Borough of Conshohocken
Conshohocken, Pennsylvania

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of the Borough of Conshohocken for the year ended December 31, 2024. 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 May 23, 2024. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Matters

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Borough of Conshohocken are described in Note 1 to the financial statements. Governmental Accounting Statement #100 (Accounting Changes and Error Corrections) and #101 (Compensated Absences) were implemented during the fiscal year ended December 31, 2024. We noted no transactions entered into by the governmental unit 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. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the financial statements were:

- Management's estimate of accumulated depreciation and depreciation expense is based on original cost and estimated useful lives of the capital assets.

- Management's estimate of lease receivable, right of use asset, and lease payable are based on written lease contracts.
- Management's estimate of donated assets are based on current values for similar assets.
- Management's estimate of the fair value of investments is based on market values as of the financial statement date.
- Management's estimate for taxes receivable is based on prior experience.
- Management's estimate of the minimum municipal obligation, net pension liability and deferred inflows and outflows related to the pension plans are based on actuarial valuations.
- Management's estimate of the net other postemployment benefits liability, and deferred inflows and outflows, related to the other postemployment benefit plan is based on actuarial valuations.
- Management's estimate of the end of year liability for compensated absences is calculated based on vested time accumulated.

We evaluated the methods, assumptions, and data used to develop the accounting estimates in determining that it is reasonable in relation to the financial statements taken as a whole.

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. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole.

Because Conshohocken Borough's general ledger is maintained for each fund according to the modified accrual basis of accounting, we recommended adjustment to allow for the presentation of the government-wide financial statements on the full accrual basis since generally accepted accounting principles require that both presentations be made in the financial statements.

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 auditor's 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 September 5, 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 the governmental unit’s financial statements or a determination of the type of auditor’s 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 the governmental unit’s auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

We recommend the following changes to internal control:

1. The Borough should conduct a year end search for accruals.
2. The Borough should prepare a lease inventory and summary of terms, updated each year to ensure that noncancellable leases are recorded as leases receivable.

Other Matters

We applied certain limited procedures to the Management Discussion and Analysis, budgetary comparison, and historical trend information, which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management’s responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on the combining statements, individual fund statements, which accompany the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

Restriction on Use

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

Very truly yours,

A handwritten signature in cursive script that reads "Bee, Bergvall & Co.".

Bee, Bergvall & Co., P.C.
Certified Public Accountants