

**2025 MUNICIPAL ANNUAL AUDIT  
AND  
FINANCIAL REPORT**

**480093 BATH BORO, NORTHAMPTON COUNTY**



## BATH BORO, NORTHAMPTON County

## BALANCE SHEET

December 31, 2025

		Governmental Funds				Proprietary Funds		Fid. Fund	Account Groups		Total
		General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service	Enterprise	Internal Service	Trust and Agency	General Fixed Assets	General Long Term Debt	Memorandum Only
<b>Liabilities and Other Credits</b>											
260-269	Long-Term-Liabilities									220,000	220,000
240-259	Current Portion of Long-Term Debt and Other Credits									55,000	55,000
<b>Total Liabilities and Other Credits</b>		6,363		372,748						275,000	654,111
<b>Fund and Account Group Equity</b>											
281-284	Contributed Capital										
290.00	Investment in General Fixed Assets								4,366,680		4,366,680
270-289	Fund Balance / Retained Earnings on 12/31	1,821,714	424,330	180,358		268,947		69,405			2,764,754
291-299	Other Equity										
<b>Total Fund and Account Group Equity</b>		1,821,714	424,330	180,358		268,947		69,405	4,366,680		7,131,434
<b>TOTAL LIABILITIES AND FUND AND ACCOUNT GROUP EQUITY</b>											7,785,545

**BATH BORO, NORTHAMPTON County**  
**STATEMENT OF REVENUES AND EXPENDITURES**

December 31, 2025

Governmental Funds				Proprietary Funds		Fiduciary Fund	Total
General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service	Enterprise	Internal Service	Trust and Agency	Memorandum Only

**REVENUES**

**Taxes**

301.00	Real Estate Taxes	865,665	27,382		68,922			961,969
305.00	Occupation Taxes (levied under municipal code)							
308.00	Residence Taxes (levied by cities of the 3rd Class)							
309.00	Regional Asset District Sales Tax (Allegheny County municipalities only)							
310.00	Per Capita Taxes							
310.10	Real Estate Transfer Taxes	51,751						51,751
310.20	Earned Income Taxes / Wage Taxes	477,913						477,913
310.30	Business Gross Receipts Taxes							
310.40	Occupation Taxes (levied under Act 511)							
310.50	Local Services Tax **	27,058						27,058
310.60	Amusement / Admission Taxes							
310.70	Mechanical Device Taxes							
310.90	Other: _____							
	Other: _____							
<b>Total Taxes</b>		1,422,387	27,382		68,922			1,518,691

**Licenses and Permits**

320-322	All Other Licenses and Permits	49,390						49,390
321.80	Cable Television Franchise Fees	27,709						27,709
<b>Total Licenses and Permits</b>		77,099						77,099

**Fines and Forfeits**

330-332	Fines and Forfeits	22,238						22,238
<b>Total Fines and Forfeits</b>		22,238						22,238



**BATH BORO, NORTHAMPTON County**  
**STATEMENT OF REVENUES AND EXPENDITURES**

December 31, 2025

Governmental Funds				Proprietary Funds		Fiduciary Fund	Total
General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service	Enterprise	Internal Service	Trust and Agency	Memorandum Only

**REVENUES**

State								
355.00	All Other State Shared Revenues and Entitlements							
356.00	State Payments in Lieu of Taxes							
<b>Total State</b>		50,694	70,128	497,215				618,037

Local Government Units								
357.03	Highways and Streets							
357.00	All Other Local Governmental Units Capital and Operating Grants	2,985		36,150				39,135
358.00	Local Government Unit Shared Payments for Contracted Intergovernmental Services							
359.00	Local Governmental Units and Authorities Payments in Lieu of Taxes							
<b>Total Local Government Units</b>		2,985		36,150				39,135

Charges for Service								
361.00	General Government	6,850						6,850
362.00	Public Safety	27,812					136,372	164,184
363.20	Parking	5,346						5,346
363.00	All Other Charges for Highway & Street Services							
364.10	Wastewater / Sewage (including connection / tapping fees, sewer usage charges, reserve capacity fee, etc.)							
364.30	Solid Waste Collection and Disposal Charge (trash)				413,795			413,795
364.60	Host Municipality Benefit Fee for Solid Waste Facility							
364.00	All Other Charges for Sanitation Services							
365.00	Health							
366.00	Human Services							
367.00	Culture and Recreation							
368.00	Airports							

**BATH BORO, NORTHAMPTON County**  
**STATEMENT OF REVENUES AND EXPENDITURES**

December 31, 2025

Governmental Funds				Proprietary Funds		Fiduciary Fund	Total
General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service	Enterprise	Internal Service	Trust and Agency	Memorandum Only

**REVENUES**

Charges for Service								
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	All Other Charges for Service	5,569						5,569
<b>Total Charges for Service</b>		45,577			413,795		136,372	595,744

Unclassified Operating Revenues								
383.00	Special Assessments							
386.00	Escheats (sale of personal property)							
387.00	Contributions and Donations from Private Sectors	4,544					3,510	8,054
388.00	Fiduciary Fund Pension Contributions							
389.00	All Other Unclassified Operating Revenues							
<b>Total Unclassified Operating Revenues</b>		4,544					3,510	8,054

Other Financing Sources								
391.00	Proceeds of General Fixed Asset Disposition	55,012						55,012
392.00	Interfund Operating Transfers	6,494	595,622					602,116
393.00	Proceeds of General Long-Term Debt							
394.00	Proceeds of Short Term-Debt							

**BATH BORO, NORTHAMPTON County**  
**STATEMENT OF REVENUES AND EXPENDITURES**

December 31, 2025

Governmental Funds				Proprietary Funds		Fiduciary Fund	Total
General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service	Enterprise	Internal Service	Trust and Agency	Memorandum Only

**REVENUES**

Other Financing Sources								
395.00	Refunds of Prior Year Expenditures	20,000						20,000
<b>Total Other Financing Sources</b>		81,506		595,622				677,128

**TOTAL REVENUES**

	1,808,931	103,313	1,151,877	68,922	427,636		140,035	3,700,714
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**EXPENDITURES**

General Government								
400.00	Legislative (Governing) Body	14,825						14,825
401.00	Executive (Manager or Mayor)	86,357						86,357
402.00	Auditing Services / Financial Administration	44,830						44,830
403.00	Tax Collection	4,709						4,709
404.00	Solicitor / Legal Services	69,893		9,914		1,456		81,263
405.00	Secretary / Clerk	52,981						52,981
406.00	Other General Government Administration	39,706		48		245		39,999
407.00	IT-Networking Services-Data Processing	56,401				9,763		66,164
408.00	Engineering Services	52,151		58,511				110,662
409.00	General Government Buildings and Plant	53,460		89,860				143,320
<b>Total General Government</b>		475,313		158,333		11,464		645,110

**Public Safety**

410.00	Police							
411.00	Fire	26,749	28,139					54,888
412.00	Ambulance / Rescue							
413.00	UCC and Code Enforcement	156,151						156,151

**BATH BORO, NORTHAMPTON County**  
**STATEMENT OF REVENUES AND EXPENDITURES**

December 31, 2025

Governmental Funds				Proprietary Funds		Fiduciary Fund	Total
General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service	Enterprise	Internal Service	Trust and Agency	Memorandum Only

**EXPENDITURES**

**Public Safety**

414.00	Planning and Zoning	17,050					91,382	108,432
415.00	Emergency Management and Communications	4,514						4,514
416.00	Militia and Armories							
417.00	Examination of Licensed Occupations							
418.00	Public Scales (weights and measures)							
419.00	Other Public Safety							
<b>Total Public Safety</b>		204,464	28,139				91,382	323,985

**Health and Human Services**

420.00-425.00	Health and Human Services							
<b>Total Health and Human Services</b>								

**Public Works - Sanitation**

426.00	Recycling Collection and Disposal							
427.00	Solid Waste Collection and Disposal (garbage)	1,730			357,625			359,355
428.00	Weed Control							
429.00	Wastewater / Sewage Treatment and Collection							
<b>Total Public Works - Sanitation</b>		1,730			357,625			359,355

**Public Works - Highways and Streets**

430.00	General Services - Administration	215,492		371,533				587,025
431.00	Cleaning of Streets and Gutters							
432.00	Winter Maintenance – Snow Removal	14,491						14,491
433.00	Traffic Control Devices	70,888						70,888
434.00	Street Lighting	31,395		399,309				430,704

**BATH BORO, NORTHAMPTON County**  
**STATEMENT OF REVENUES AND EXPENDITURES**

December 31, 2025

Governmental Funds				Proprietary Funds		Fiduciary Fund	Total
General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service	Enterprise	Internal Service	Trust and Agency	Memorandum Only

**EXPENDITURES**

<b>Public Works - Highways and Streets</b>								
435.00	Sidewalks and Crosswalks							
436.00	Storm Sewers and Drains	8,515						8,515
437.00	Repairs of Tools and Machinery	42,683						42,683
438.00	Maintenance and Repairs of Roads and Bridges	30,986						30,986
439.00	Highway Construction and Rebuilding Projects			86,685				86,685
<b>Total Public Works - Highways and Streets</b>		414,450		857,527				1,271,977

<b>Other Public Works Enterprises</b>								
440.00	Airports							
441.00	Cemeteries							
442.00	Electric System							
443.00	Gas System							
444.00	Markets							
445.00	Parking	525						525
446.00	Storm Water and Flood Control							
447.00	Transit System							
448.00	Water System							
449.00	Water Transport and Terminals							
<b>Total Other Public Works Enterprises</b>		525						525

<b>Culture and Recreation</b>								
451.00	Culture-Recreation Administration							
452.00	Participant Recreation	675						675
453.00	Spectator Recreation	13,169						13,169
454.00	Parks	50,044		28,182				78,226

**BATH BORO, NORTHAMPTON County**  
**STATEMENT OF REVENUES AND EXPENDITURES**

December 31, 2025

Governmental Funds				Proprietary Funds		Fiduciary Fund	Total
General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service	Enterprise	Internal Service	Trust and Agency	Memorandum Only

**EXPENDITURES**

<b>Culture and Recreation</b>								
455.00	Shade Trees							
456.00	Libraries							
457.00	Civil and Military Celebrations							
458.00	Senior Citizens' Centers							
459.00	All Other Culture and Recreation	1,852						1,852
<b>Total Culture and Recreation</b>		65,740		28,182				93,922

<b>Community Development</b>								
461.00	Conservation of Natural Resources							
462.00	Community Development and Housing							
463.00	Economic Development							
464.00	Economic Opportunity							
465-469	All Other Community Development							
<b>Total Community Development</b>								

<b>Debt Service</b>								
471.00	Debt Principal (short-term and long-term)				55,000			55,000
472.00	Debt Interest (short-term and long-term)				7,428			7,428
475.00	Fiscal Agent Fees							
<b>Total Debt Service</b>					62,428			62,428

<b>Employer Paid Benefits and Withholding Items</b>								
481.00	Employer Paid Withholding Taxes and Unemployment Compensation	32,341						32,341
482.00	Judgments and Losses							
483.00	Pension / Retirement Fund Contributions	26,479						26,479

**BATH BORO, NORTHAMPTON County**  
**STATEMENT OF REVENUES AND EXPENDITURES**

December 31, 2025

Governmental Funds				Proprietary Funds		Fiduciary Fund	Total
General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service	Enterprise	Internal Service	Trust and Agency	Memorandum Only

**EXPENDITURES**

<b>Employer Paid Benefits and Withholding Items</b>								
484.00	Worker Compensation Insurance	26,562						26,562
487.00	Other Group Insurance Benefits	109,154						109,154
<b>Total Employer Paid Benefits and Withholding Items</b>		194,536						194,536

<b>Insurance</b>								
486.00	Insurance, Casualty, and Surety	42,761						42,761
<b>Total Insurance</b>		42,761						42,761

<b>Unclassified Operating Expenditures</b>								
488.00	Fiduciary Fund Benefits and Refunds Paid							
489.00	All Other Unclassified Expenditures							
<b>Total Unclassified Operating Expenditures</b>								

<b>Other Financing Uses</b>								
491.00	Refund of Prior Year Revenues					61,876		61,876
492.00	Interfund Operating Transfers	595,622			6,494			602,116
493.00	All Other Financing Uses							
<b>Total Other Financing Uses</b>		595,622			6,494	61,876		663,992

<b>TOTAL EXPENDITURES</b>	1,995,141	28,139	1,044,042	68,922	430,965		91,382	3,658,591
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<b>EXCESS/DEFICIT OF REVENUES OVER EXPENDITURES</b>	-186,210	75,174	107,835		-3,329		48,653	42,123
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## BATH BORO

December 31, 2025

## DEBT STATEMENT

## 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
<b>General Obligation Bonds and Notes</b>											
G.O. Note 2021	Note	2021	2030	550,000	330,000		55,000		275,000		275,000
<b>Revenue Bonds and Notes</b>											
<b>Lease Rental Debt</b>											
<b>Other</b>											

(1) - excludes unamortized premium/discount

<b>Total bonds and notes outstanding</b>	275,000
<b>Capitalized lease obligations</b>	0
<b>Net debt</b>	275,000

**BATH BORO, NORTHAMPTON County**  
**STATEMENT OF CAPITAL EXPENDITURES**

December 31, 2025

Category	Capital Purchases	Capital Construction	Total
Community Development			
Electric			
Fire	18,396		18,396
Gas System			
General Government	95,000		95,000
Health			
Housing			
Libraries			
Mass Transit			
Parks	11,359	32,882	44,241
Police			
Recreation			
Sewer			
Solid Waste			
Streets / Highways	371,534		371,534
Water			
Other: Street Lighting		476,138	476,138
<b>TOTAL CAPITAL EXPENDITURES</b>	496,289	509,020	1,005,309

**EMPLOYEE COMPENSATION**

Total salaries, wages, commissions, etc. paid this year (including all employees and elected officials)

413,801

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**Independent Public Accountant/Certified Public Accountant Submission Page**  
**Opinion page was provided in lieu of signature page.**

**SIGNATURE AND VERIFICATION**

Signed: Paul G. Mack, CPA Appointed Auditor/CPA

December 31, 2025

**NOTES / COMMENTS**

The Borough has a defined contribution plan. The activity within the plan is not reported on the Fiduciary Fund (Trust and Agency) section of the DCED-CLGS-30.

## INDEPENDENT AUDITOR'S REPORT

To the Borough Council  
Borough of Bath

### Opinions

We have audited the accompanying 2025 Municipal Annual Audit and Financial Report (DCED-CLGS-30) of Borough of Bath, which comprise the balance sheet as of December 31, 2025, and the related statement of revenues and expenditures, debt statement, and statement of capital expenditures and employee compensation (collectively, the "financial report") for the year then ended.

#### Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the 2025 Municipal Annual Audit and Financial Report referred to above presents fairly, in all material respects, the assets, liabilities and fund balances of Borough of Bath as of December 31, 2025, and its revenues and expenditures for the year then ended in accordance with the accounting principles prescribed by the Pennsylvania Department of Community and Economic Development.

#### 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 section of our report, the 2025 Municipal Annual Audit and Financial Report referred to above does not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of Borough of Bath, as of December 31, 2025, or changes in net 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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are required to be independent of Borough of Bath 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 opinion.

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

As described in the second paragraph of this report, the 2025 Municipal Annual Audit and Financial Report is prepared by Borough of Bath, 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 the Pennsylvania Department of Community and Economic Development.

The effects on the 2025 Municipal Annual Audit and Financial Report of the variances between the regulatory basis of accounting described in the second paragraph and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material and pervasive.

### **Responsibilities of Management for the Financial Report**

Management is responsible for the preparation and fair presentation of this financial report in accordance with the financial reporting provisions of the Pennsylvania Department of Community and Economic Development. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of this financial report that is free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibilities for the Audit of the Financial Report**

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. 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 generally accepted auditing standards 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 report.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial report, 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 report.
- 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 Borough of Bath'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 report.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Borough of Bath'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.

*Corybell, Rappold & Yasaitis LLP*

March 27, 2026