

**LEBANON BOROUGH SEWERAGE AUTHORITY**  
**(A COMPONENT UNIT OF THE BOROUGH OF LEBANON)**

**SYNOPSIS OF AUDIT**

**Years Ended December 31, 2017 and December 31, 2016**

## **SUMMARY OF SYNOPSIS OF AUDIT REPORT FOR PUBLICATION**

Attention is directed to the fact that a summary or Synopsis of the audit report, together with the recommendations, is the minimum required to be published.

Synopsis of the 2017 Audit Report of the Lebanon Borough Sewerage Authority, County of Hunterdon.

**LEBANON BOROUGH SEWERAGE AUTHORITY**  
**Comparative Statement of Net Position**  
**December 31,**

	<u>2017</u>	<u>2016</u>
Assets		
Current assets		
Cash and cash equivalents	\$ 76,362	\$ 18,673
Accounts receivable	73,952	92,181
Interest receivable on certificates of deposit	2,275	2,929
Total current assets	<u>152,589</u>	<u>113,783</u>
Restricted assets		
Cash and cash equivalents	116,051	116,003
Certificates of deposit	494,129	617,462
Total restricted assets	<u>610,180</u>	<u>733,465</u>
Capital assets		
Capital assets	1,353,944	1,353,944
Less: accumulated depreciation	(1,020,254)	(986,516)
Net capital assets	<u>333,690</u>	<u>367,428</u>
Total assets	<u>\$ 1,096,459</u>	<u>\$ 1,214,676</u>

**LEBANON BOROUGH SEWERAGE AUTHORITY**  
**Comparative Statement of Net Position (continued)**  
**December 31,**

	<u>2017</u>	<u>2016</u>
Liabilities		
Current liabilities		
Accounts payable	\$ 12,705	\$ 38,833
Customer overpayments	1,084	1,646
Prepaid sewer rents	34	213
Other current liabilities	401	-
Total current liabilities	<u>14,224</u>	<u>40,692</u>
Current liabilities (payable from restricted assets)		
Trust funds		
Reserve for developers deposits	5,037	4,865
Other current liabilities	-	401
Total current liabilities (payable from restricted assets)	<u>5,037</u>	<u>5,266</u>
Total liabilities	<u>19,261</u>	<u>45,958</u>
Net position		
Net investment in capital assets	333,690	367,428
Restricted	605,143	728,199
Unrestricted	138,365	73,091
Total net position	<u>1,077,198</u>	<u>1,168,718</u>
Total liabilities and net position	<u>\$ 1,096,459</u>	<u>\$ 1,214,676</u>

**LEBANON BOROUGH SEWERAGE AUTHORITY**  
**Comparative Statement of Revenues, Expenses and Changes in Net Position**  
**For the Years Ended December 31,**

	<u>2017</u>	<u>2016</u>
Operating revenues		
Sewer charges	\$ 571,098	\$ 570,634
Interest income on delinquent accounts	10,527	7,968
Reserve capacity charges	43,665	43,665
Miscellaneous	1,280	690
Total operating revenues	<u>626,570</u>	<u>622,957</u>
Operating expenses		
Cost of providing services	352,759	350,187
Administrative and general	227,219	266,489
Depreciation	33,738	33,738
Total operating expenses	<u>613,716</u>	<u>650,414</u>
Operating income (loss)	<u>12,854</u>	<u>(27,457)</u>
Non-operating revenues (expenses)		
Interest income	4,810	5,016
Connection fees	13,872	-
Miscellaneous	78	-
Contribution to Lebanon Borough Debt Service		
Principal	(120,277)	(113,677)
Interest	(2,857)	(8,413)
Total non-operating revenues (expenses)	<u>(104,374)</u>	<u>(117,074)</u>
Change in net position	(91,520)	(144,531)
Net position, beginning	<u>1,168,718</u>	<u>1,313,249</u>
Net position, ending	<u>\$ 1,077,198</u>	<u>\$ 1,168,718</u>

## LEBANON BOROUGH SEWERAGE AUTHORITY

### **Significant Deficiencies**

None noted.

### **Recommendations**

No recommendations have been developed as a result of this audit.

### **Status of Prior Year's Audit Findings/Recommendations**

A review was performed on prior year recommendations and corrective action was taken.

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The above summary or synopsis was prepared from the report of audit of the Lebanon Borough Sewerage Authority, County of Hunterdon for the calendar year 2017. This report is on file at the Secretary/Treasurer's office and may be inspected by any interested person.

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Secretary/Treasurer