

LEBANON BOROUGH SEWERAGE AUTHORITY
(A COMPONENT UNIT OF THE BOROUGH OF LEBANON)
SYNOPSIS OF AUDIT
YEARS ENDED DECEMBER 31, 2015 AND DECEMBER 31, 2014

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 2015 Audit Report of the Lebanon Borough Sewerage Authority, County of Hunterdon.

LEBANON BOROUGH SEWERAGE AUTHORITY
(A COMPONENT UNIT OF THE BOROUGH OF LEBANON)
COMPARATIVE STATEMENT OF NET POSITION
DECEMBER 31, 2015 AND 2014

	<u>December 31,</u> <u>2015</u>	<u>December 31,</u> <u>2014</u>
ASSETS		
Unrestricted Assets:		
Cash and Cash Equivalents	\$ 20,662	\$ 169,265
Investments		102,557
Accounts Receivable	63,301	51,426
Interest Receivable on Investments	<u>2,823</u>	<u>3,463</u>
Total Unrestricted Assets	<u>86,786</u>	<u>326,711</u>
Restricted Assets:		
Cash and Cash Equivalents	103,359	8,261
Investments	<u>752,562</u>	<u>744,552</u>
Total Restricted Assets	<u>855,921</u>	<u>752,813</u>
Capital Assets:		
Capital Assets Being Depreciated	1,353,944	1,353,944
Less: Accumulated Depreciation	<u>(952,778)</u>	<u>(919,041)</u>
Net Property, Plant and Equipment	<u>401,166</u>	<u>434,903</u>
TOTAL ASSETS	<u><u>\$ 1,343,873</u></u>	<u><u>\$ 1,514,427</u></u>

LEBANON BOROUGH SEWERAGE AUTHORITY
(A COMPONENT UNIT OF THE BOROUGH OF LEBANON)
COMPARATIVE STATEMENT OF NET POSITION
DECEMBER 31, 2015 AND 2014
(Continued)

	December 31, 2015	December 31, 2014
LIABILITIES AND NET POSITION		
Current Liabilities (Payable from Unrestricted Assets):		
Accounts Payable	\$ 23,835	\$ 28,205
Customer Overpayments	1,077	1,149
Prepaid Sewer Rents		264
Intergovernmental Loan Payable		221,929
	24,912	251,547
Current Liabilities (Payable from Restricted Assets):		
Customer Deposits:		
Reserve for Developer's Deposits	5,712	970
Total Current Liabilities	30,624	252,517
Net Position:		
Net Investment in Capital Assets	401,166	434,903
Restricted	850,209	751,843
Unrestricted	61,874	75,164
Total Net Position	1,313,249	1,261,910
TOTAL LIABILITIES AND NET POSITION	\$ 1,343,873	\$ 1,514,427

LEBANON BOROUGH SEWERAGE AUTHORITY
(A COMPONENT UNIT OF THE BOROUGH OF LEBANON)
COMPARATIVE STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
FOR THE YEARS ENDED DECEMBER 31, 2015 AND 2014

	December 31, 2015	December 31, 2014
Operating Revenues:		
Sewerage Charges	\$ 517,803	\$ 462,967
Interest on Delinquent Accounts	4,938	5,037
Reserve Capacity Charges	39,668	44,352
Miscellaneous Other	1,335	386
Total Operating Revenues	563,744	512,742
Operating Expenses:		
Cost of Providing Services	348,179	321,931
Administrative and General	233,507	242,745
Depreciation	33,737	33,738
Total Operating Expenses	615,423	598,414
Operating Income (Loss)	(51,679)	(85,672)
Nonoperating Revenues (Expenses):		
Interest Income	4,825	5,475
Contribution to Lebanon Borough Debt Service:		
Principal	(110,010)	(106,343)
Interest	(13,726)	(18,837)
Total Nonoperating Revenues (Expenses)	(118,911)	(119,705)
Other Financing Sources:		
Intergovernmental Loan Payable Balance Canceled	221,929	-
Increase (Decrease) in Net Position	51,339	(205,377)
Net Position at Beginning of Year	1,261,910	1,467,287
Net Position at End of Year	\$ 1,313,249	\$ 1,261,910

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RECOMMENDATIONS

2015-01 Procedures should be implemented by the Authority to reduce the risk of errors in connection with a lack of segregation of duties.

STATUS OF PRIOR YEAR'S AUDIT FINDINGS/RECOMMENDATIONS

There were no prior year recommendations.

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 2015. This report is on file at the Secretary/Treasurer's office and may be inspected by any interested person.



Secretary/Treasurer