

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

SYNOPSIS OF AUDIT

Years Ended December 31, 2020 and December 31, 2019

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 2020 Audit Report of the Lebanon Borough Sewerage Authority, County of Hunterdon.

LEBANON BOROUGH SEWERAGE AUTHORITY
Statements of Net Position
December 31, 2020

| | 2020 | 2019 |
|--|--------------|--------------|
| Assets | | |
| Current assets | | |
| Cash and cash equivalents | \$ 181,901 | \$ 89,797 |
| Accounts receivable | 59,894 | 92,856 |
| Interest receivable on certificates of deposit | 1,770 | 2,328 |
| Total current assets | 243,565 | 184,981 |
| Restricted assets | | |
| Cash and cash equivalents | 66,249 | 71,116 |
| Certificates of deposit | 512,719 | 505,755 |
| Total restricted assets | 578,968 | 576,871 |
| Capital assets | | |
| Capital assets | 1,388,710 | 1,388,710 |
| Less: accumulated depreciation | (1,128,843) | (1,091,629) |
| Net capital assets | 259,867 | 297,081 |
| Total assets | \$ 1,082,400 | \$ 1,058,933 |

LEBANON BOROUGH SEWERAGE AUTHORITY
Statements of Net Position (continued)
December 31,

| | <u>2020</u> | <u>2019</u> |
|--|---------------------|---------------------|
| Liabilities | | |
| Current liabilities | | |
| Accounts payable | \$ 21,162 | \$ 12,581 |
| Customer overpayments | 457 | 767 |
| Prepaid sewer rents | 1,919 | 243 |
| Total current liabilities | <u>23,538</u> | <u>13,591</u> |
| Current liabilities (payable from restricted assets) | | |
| Trust funds | | |
| Reserve for developers deposits | 8,337 | 6,327 |
| Total current liabilities (payable from restricted assets) | <u>8,337</u> | <u>6,327</u> |
| Total liabilities | <u>31,875</u> | <u>19,918</u> |
| Net position | | |
| Net investment in capital assets | 259,867 | 297,081 |
| Restricted | 570,631 | 570,544 |
| Unrestricted | 220,027 | 171,390 |
| Total net position | <u>1,050,525</u> | <u>1,039,015</u> |
| Total liabilities and net position | <u>\$ 1,082,400</u> | <u>\$ 1,058,933</u> |

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

| | <u>2020</u> | <u>2019</u> |
|---|---------------------|---------------------|
| Operating revenues | | |
| Sewer charges | \$ 696,466 | \$ 657,851 |
| Interest income on delinquent accounts | 12,526 | 7,837 |
| Reserve capacity charges | 52,890 | 49,815 |
| Miscellaneous | 1,041 | 545 |
| Total operating revenues | <u>762,923</u> | <u>716,048</u> |
| Operating expenses | | |
| Cost of providing services | 478,136 | 477,398 |
| Administrative and general | 242,593 | 282,295 |
| Depreciation | 37,214 | 36,557 |
| Total operating expenses | <u>757,943</u> | <u>796,250</u> |
| Operating income (loss) | 4,980 | (80,202) |
| Non-operating revenues (expenses) | | |
| Interest income | 6,443 | 6,566 |
| Miscellaneous | 87 | 85 |
| Total non-operating revenues (expenses) | <u>6,530</u> | <u>6,651</u> |
| Change in net position | 11,510 | (73,551) |
| Net position - beginning | <u>1,039,015</u> | <u>1,112,566</u> |
| Net position - ending | <u>\$ 1,050,525</u> | <u>\$ 1,039,015</u> |

LEBANON BOROUGH SEWERAGE AUTHORITY
Schedule of Findings and Responses

General Comments and Recommendations

General Comment

2020-01 The Authority should ensure that political disclosure forms are received in a timely manner for all applicable vendors.

Status of Prior Year's Audit Findings/Recommendations

There were no prior year findings or 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 2020. This report is on file at the Secretary/Treasurer's office and may be inspected by any interested person.



ANITA WEINGART

Secretary/Treasurer