

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

SYNOPSIS OF AUDIT

Years Ended December 31, 2022 and December 31, 2021

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 2022 Audit Report of the Lebanon Borough Sewerage Authority, County of Hunterdon.

LEBANON BOROUGH SEWERAGE AUTHORITY
Statements of Net Position
December 31,

	2022	2021
Assets		
Current assets		
Cash and cash equivalents	\$ 202,183	\$ 146,242
Accounts receivable	90,493	107,771
Interest receivable on certificates of deposit	596	594
Total current assets	293,272	254,607
Restricted assets		
Cash and cash equivalents	59,084	70,883
Certificates of deposit	517,872	516,256
Total restricted assets	576,956	587,139
Capital assets		
Capital assets	1,388,710	1,388,710
Less: accumulated depreciation	(1,203,271)	(1,166,057)
Net capital assets	185,439	222,653
Total assets	\$ 1,055,667	\$ 1,064,399

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

	2022	2021
Liabilities		
Current liabilities		
Accounts payable	\$ 6,661	\$ 40,599
Customer overpayments	1,506	1,100
Prepaid sewer rents	129	-
Total current liabilities	8,296	41,699
Current liabilities (payable from restricted assets)		
Trust funds		
Reserve for developer's deposits	6,143	16,418
Total current liabilities (payable from restricted assets)	6,143	16,418
Total liabilities	14,439	58,117
Net position		
Net investment in capital assets	185,439	222,653
Restricted	570,813	570,721
Unrestricted	284,976	212,908
Total net position	1,041,228	1,006,282
Total liabilities and net position	\$ 1,055,667	\$ 1,064,399

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

	2022	2021
Operating revenues		
Sewer charges	\$ 693,176	\$ 696,466
Interest income on delinquent accounts	24,532	5,292
Reserve capacity charges	40,764	52,890
Miscellaneous	110	1,356
Total operating revenues	758,582	756,004
Operating expenses		
Cost of providing services	449,333	515,548
Administrative and general	238,810	249,945
Depreciation	37,214	37,214
Total operating expenses	725,357	802,707
Operating income (loss)	33,225	(46,703)
Non-operating revenues (expenses)		
Interest income	1,629	2,370
Miscellaneous	92	90
Total non-operating revenues (expenses)	1,721	2,460
Change in net position	34,946	(44,243)
Net position - beginning	1,006,282	1,050,525
Net position - ending	\$ 1,041,228	\$ 1,006,282

LEBANON BOROUGH SEWERAGE AUTHORITY
Statements of Cash Flows
For the Years Ended December 31,

	2022	2021
Cash flows from operating activities		
Cash received from customers	\$ 775,750	\$ 706,771
Other operating cash receipts	110	1,356
Cash payments to suppliers and employees	(721,546)	(747,332)
Net cash provided by (used for) operating activities	54,314	(39,205)
Cash flows from investing activities		
Purchase of certificates of deposit	(517,872)	(516,256)
Proceeds from redemption of certificates of deposit	516,256	512,719
Interest income	1,627	3,546
Net cash provided by (used for) investing activities	11	9
Cash flow from capital and related financing activities		
Proceeds from developer's deposits (net)	(10,275)	8,081
Miscellaneous	92	90
Net cash provided by (used for) capital and related financing activities	(10,183)	8,171
Net increase (decrease) in cash and cash equivalents	44,142	(31,025)
Cash and cash equivalents, beginning	217,125	248,150
Cash and cash equivalents, ending	\$ 261,267	\$ 217,125
Reconciliation of balance sheet		
Unrestricted cash and cash equivalents	\$ 202,183	\$ 146,242
Restricted cash and cash equivalents	59,084	70,883
Total cash	\$ 261,267	\$ 217,125

LEBANON BOROUGH SEWERAGE AUTHORITY
Statements of Cash Flows (continued)
For the Years Ended December 31,

	2022	2021
Reconciliation of income (loss) from operations to net cash provided by (used for) operating activities income (loss) from operations	\$ 33,225	\$ (46,703)
Adjustments to reconcile income (loss) from operations to net cash provided by (used for) operating activities		
Depreciation	37,214	37,214
Change in assets and liabilities		
(Increase) decrease in accounts receivable	17,278	(47,877)
Increase (decrease) in accounts payable	(33,938)	19,437
Increase (decrease) in prepaid sewer rents	129	(1,919)
Increase (decrease) in customer overpayments	406	643
Net cash provided by (used for) operating activities	\$ 54,314	\$ (39,205)

LEBANON BOROUGH SEWERAGE AUTHORITY
Schedule of Findings and Responses

General Comments and Recommendations

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

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 2022. This report is on file at the Secretary/Treasurer's office and may be inspected by any interested person.

Secretary/Treasurer