

Delaware League of Local Governments
Financial Statements
for the Year ending June 30, 2013



October 8, 2013

**Delaware League of Local Governments
Dover, Delaware**

Balance Sheet as of June 30, 2013

Assets

Current Assets:

Cash at Bank: Checking Account	\$1,119	
Cash at Bank: Money Market Account	15,728	
Certificates of Deposit	<u>20,000</u>	
Total Current Assets	\$36,847	
Total Assets		<u>\$36,847</u>

Liabilities and Equity

Equity:

Unreserved Fund Balance	<u>\$36,847</u>	
Total Equity	\$36,847	
Total Liabilities and Equity		<u>\$36,847</u>

**Delaware League of Local Governments
Dover, Delaware**

**Income Statement for Year Ending
June 30, 2013**

Revenue

Dues:

Dues Received \$89,300

Program Income:

Programs/Meetings 14,585

Directory Advertising 2,690

Grants:

Homeland Security 58,995

Other Income:

Interest Received 482

Total Revenue \$166,052

Expenditures

Programs:

Programs/Meetings \$11,243

NLC Dues/Support 2,102

Plaques/Awards 320

Training/Conferences 4,134

Legislative Relations 7,200

Grant Program:

Homeland Security 64,215

Administration:

Management Contract 65,000

Auto Allowance 8,600

Accounting/Finance 2,500

Administrative Help 1,730

Office Supplies 542

Postage 705

Printing Publication 1,185

Web/Computer Related 140

Telephone 1,977

Total Expenditures \$171,593

Excess of Expenditure Over Income

(\$5,541)

Unreserved Fund Balance – Beginning of Year

45,470

Adjustments to Income/Fund Balance

(3082)

Unreserved Fund Balance – End of Year

\$36,847

**Delaware League of Local Governments
Dover, Delaware**

**Notes of the Financial Statements
for the Year Ending June 30, 2013**

1. Entity:

Delaware League of Local Governments (*The League*) is an organization of cities and counties in the State of Delaware.

The League is registered as a not for profit corporation under the laws of the State of Delaware.

2. Internal Revenue Service Status:

The League has a 501 (c) (6) organization status from the Internal Revenue Service. The League files form 990 with the IRS.

3. Member Organization:

The League is a member organization of the League of Cities which is a national organization of the cities and counties in the U.S.A.

4. Governing Document:

The League is governed by the by-laws adopted and revised, as and when needed, by its general membership.

5. Management:

The League is governed by the Board of Directors elected annually by its membership.

6. Operations:

The day to day operations are managed by the Executive Director who is appointed by the Board of Director who is appointed by the Board of Directors with a management contract.

7. Financial Management:

- a. The fiscal year of the The League is July 1 through June 30.
- b. The books are maintained on a cash basis.
- c. The year-end financial statements are prepared on a cash basis. At the year end, bills payable are all paid and no material amounts are outstanding as receivables.
- d. The Board of Directors approves the annual budget each year in May, receives the quarterly budget reports and monitors the receipts and expenditures throughout the year.

The League of Local Governments: Notes

- e. The membership dues to The League are billed in July each year and a majority of the dues are paid in August and September.
- f. The expenses are paid monthly. There are no outstanding bills at the end of the month.
- g. The League has a checking account and a money market account at the bank.
The League invests the working capital in a fixed deposit at a local bank.
The balances are within the FDIC insurance limits.
- h. The adjustment to the fund balance for \$3082 at the end of the Income Statement reflects the financial and budgetary items. These are being researched at the present time.

8. Fixed Assets and Depreciation:

The League does not own any fixed assets or real estate.
The Leagues does not have any depreciation expense.

9. Homeland Security Grant:

The League has received a Homeland security Grant from the State of Delaware. The purpose of the grant is to help the town, cities and the counties to assess and enhance the homeland security measures for their entities.

The League has hired a Homeland security Professional for this function at a monthly payment based on the hours spent by the consultant.

The League pays the amount initially and then receives a reimbursement from the State of Delaware.

As of June 30, 2013, two months expenses remain to be reimbursed from the State of Delaware. This will be recognized as receipt/revenue when received in next fiscal year.

The League does not charge the State any overhead expenses and 100% amount received is spent on the program by the League.

During the fiscal year 2010, the Bank account for the grant was closed and now all transactions are passed through League's operating bank accounts.