

Delaware League of Local Governments
Financial Statements
For the Year ending June 30, 2015



August 6, 2015

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The President and Directors
Delaware League of Local Governments
Dover, Delaware 19901

I have prepared the attached annual financial statements for the fiscal ending June 30, 2015 for the Delaware League of Local Governments (the League).

The statements were prepared from the information and records provided by the League and on the basis of the discussions with the Executive Director of the League.

Based on the above, the statements present the financial condition of the League fairly.

The internal controls were reviewed on sample basis and were considered adequate for the size and resources of the League.

Sincerely,
Mike Karia

August 6, 2015

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

Balance Sheet as of June 30, 2015

Assets

Current Assets:

Cash at Bank: Checking Account	\$1,001	
Cash at Bank: Money Market Account	28,421	
Certificates of Deposit	<u>20,000</u>	
Total Current Assets	\$49,422	
Total Assets		<u>\$49,422</u>

Liabilities and Equity

Equity:

Unreserved Fund Balance	<u>\$49,422</u>	
Total Equity	\$49,422	
Total Liabilities and Equity		<u>\$49,422</u>

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

**Income Statement for Year Ending
June 30, 2015**

Revenue

Dues:

Dues Received \$90,800

Program Income:

Programs/Meetings 24,720

Directory Advertising 4,258

Grants:

Homeland Security 38,745

Other Income:

Interest Received 479

Corporate Contributions 1,000

Collection Company Fee Received 5,209

Miscellaneous Income 210

Total Revenue \$165,421

Expenditures

Programs:

Programs/Meetings \$21,653

NLC Dues/Support 2,102

Plaques/Awards 565

Training/Conferences 7,673

Legislative Relations 7,200

Scholarship 475

Grant Program:

Homeland Security 38,745

Administration:

Management Contract 60,417

Auto Allowance 8,600

Accounting/Finance 2,850

Administrative Help 430

Office Supplies 294

Postage 131

Printing Publication 1,012

Telephone 149

Website Expenses 300

Total Expenditures \$152,596

Excess of Income over Expenditures

12,825

Unreserved Fund Balance – Beginning of Year

+36,597

Unreserved Fund Balance – End of Year

\$49,422

Delaware League of Local Governments
Dover, Delaware
Notes of the Financial Statements
for the Year Ending June 30, 2015

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 Executive Committee elected annually by its membership.

6. Operations:

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

7. Financial Management:

- a. The fiscal year of 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 as of 6-30-2015 there are no outstanding bills payable.
- d. There are no material amounts outstanding as receivables.
- e. The Executive Committee approves the annual budget each year in May, receives the monthly budget reports and monitors the receipts and expenditures throughout the year.

The League of Local Governments: Notes

- f. The membership dues to The League are billed in July each year and a majority of the dues are paid in July, August and September.
- g. The expenses are paid monthly.
- h. 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 account balances are within the FDIC insurance limits.

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. Comparison with Previous Year - Major Items:

Homeland Security Grant: Receipt and Expenditure: These amounts are lower than last year because the person doing the related work had retired and there was a time gap before new person started the work.

Collection Company Fee: The League received the fee from a collection company on the amount it collects from the member local governments. This year, this amount is shown separately since is higher than previous years.

Management Contract: The reduction reflect the contract amount with the new Executive Director who came on Board on July 1, 2014.

10. Homeland Security Grant:

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

The League has contracted out this function to a Homeland Security Professional. The payment is made monthly for the hours spent by the professional. The League pays the amount initially and then receives a reimbursement from the State of Delaware.

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

Delaware League of Local Governments
Supplementary Information

June 30, 2015

**Delaware League of Local Government
Fiscal Year July 1, 2014 to June 31, 2015
Cash Basis Budget Report for June 2015**

	Annual Budget	June Activity	Year to Date	Budget Balance
Revenues:				
Beg Balance	\$8,000.00		\$8,000.00	\$0.00
League Dues	\$90,000.00	\$400.00	\$90,800.00	-\$800.00
Directory and Ads	\$2,000.00		\$4,258.00	-\$2,258.00
Interest - Saving	\$80.00	\$0.60	\$18.89	\$61.11
Interest - CD	\$300.00	\$39.12	\$460.30	-\$160.30
Meetings/ Programs	\$15,000.00	\$2,490.00	\$24,720.00	-\$9,720.00
Corporate Contributions	\$3,000.00	\$1,000.00	\$1,000.00	\$2,000.00
Miscellaneous	\$2,000.00		\$5,209.47	-\$3,209.47
Program Grant- Homeland Security	\$60,000.00	\$2,835.00	\$38,745.00	\$21,255.00
Total Revenue	\$180,380.00	\$6,764.72	\$173,211.66	\$7,168.34
Expenditures:				
Program Expenses:				
Meetings/Programs	\$12,000.00	\$4,788.00	\$21,653.00	-\$9,653.00
NLC Dues and Support	\$3,000.00		\$2,102.00	\$898.00
Program Grant- Homeland Security	\$60,000.00	\$2,835.00	\$38,745.00	\$21,255.00
Scholarships	\$500.00		\$475.00	\$25.00
Plaques and Awards	\$400.00		\$565.15	-\$165.15
Training	\$300.00		\$0.00	\$300.00
Web Site	\$300.00		\$300.00	\$0.00
Training/Conference:				
Congress of Cities	\$4,000.00		\$2,953.01	\$1,046.99
Congressional City Conference	\$3,000.00		\$1,032.13	\$1,967.87
Director's Conference	\$2,000.00		\$2,200.32	-\$200.32
Hospitality	\$2,000.00		\$1,487.09	\$512.91
Management:				
Management Contract	\$60,000.00	\$5,000.00	\$60,416.67	-\$416.67
Executive Director Auto Expense	\$8,600.00	\$716.67	\$8,600.04	-\$0.04
Legislative Relations	\$7,500.00	\$600.00	\$7,200.00	\$300.00
Admin Assistance	\$3,000.00		\$430.00	\$2,570.00
Officer's Expense	\$1,000.00		\$75.00	\$925.00
Accounting/ Finance/ Mgt	\$2,850.00		\$2,850.00	\$0.00
Office Expenses:				
Office	\$1,000.00		\$204.79	\$795.21
Postage	\$700.00		\$131.29	\$568.71
Miscellaneous Expenses	\$200.00		\$13.99	\$186.01
Printing/Publishing	\$2,500.00		\$1,012.33	\$1,487.67
Telephone	\$2,000.00		\$148.63	\$1,851.37
Total Expenditures:	\$176,850.00	\$13,939.67	\$152,595.44	\$24,254.56