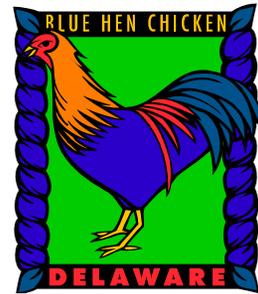


Delaware League of Local Governments  
Financial Statements  
For the Year ending June 30, 2017



October 2, 2017

MK Consulting I Inc.  
P O Box 723, Dover, Delaware 19903  
[miekaria@msn.com](mailto:miekaria@msn.com) -- [www.mkconsulting.us](http://www.mkconsulting.us)  
Phone: 302-222-0600

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, 2017 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 C. Karia*

*October 2, 2017*

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

**Balance Sheet as of June 30, 2017**

**Assets**

**Current Assets:**

Cash at Bank: Checking Account	\$997	
Cash at Bank: Money Market Account	83,652	
Certificates of Deposit	<u>20,000</u>	
Total Current Assets	\$104,649	
Total Assets		<u>\$104,649</u>

**Liabilities and Equity**

**Equity:**

Unreserved Fund Balance	\$104,649	
Total Equity	\$104,649	
Total Liabilities and Equity		<u>\$104,649</u>

**Delaware League of Local Governments  
Dover, Delaware  
Income Statement for Year Ending  
June 30, 2017**

**Revenue**

**Dues:**

Dues Received \$104,850

**Program Income:**

Programs/Meetings 26,257

Directory Advertising 3,400

**Grants:**

Homeland Security 55,818

**Other Income:**

Interest Received 270

Corporate Contributions 3,000

Collection Company Fee Received 5,000

Miscellaneous Receipts 5,520

Total Revenue . . . . . \$204,115

**Expenditures**

**Programs:**

Programs/Meetings \$21,211

NLC Dues/Support 2,102

Plaques/Awards 382

Training/Conferences 5062

Legislative Relations 8,900

Scholarship 475

**Grant Program:**

Homeland Security 55,818

**Administration:**

Management Contract 61,650

Auto Allowance 8,600

Accounting/Finance 2,850

Administrative Help 833

Office Supplies 112

Postage 130

Printing Publication 1,332

Website/IT Related 300

Total Expenditures . . . . . \$169,757

**Excess of Income over Expenditures**

34,358

Unreserved Fund Balance – Beginning of Year

+70,802

Year End Budgeting/Financial Adjustment

- 511

Unreserved Fund Balance – End of Year

\$104, 649

**Delaware League of Local Governments**  
**Dover, Delaware**  
**Notes of the Financial Statements**  
**for the Year Ending June 30, 2017**

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 6-30-2017 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:

**Dues** received amount is higher than last year because of the effective collection efforts.

**Homeland Security Grant: Receipt and Expenditure:** These amounts are higher because of hours put in by the personnel for training the local police departments personnel and additional funds reimbursed by the State of Delaware (Grantor).

**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 slightly lower than previous year due to lower collection.

### 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.

### 11. Miscellaneous Receipts: \$5520:

These receipts reflect the amounts received for the information provided from the League directory to a corporate associate member. From July 1, 2017, these receipts are shown under such title on the Monthly Budget Report in place of "Miscellaneous" Receipts.

### 12. Budgeting/Financial Adjustment: -\$511: This item reflects the year end reconciling difference pending the outcome of the audit and subsequent resolution.

**Delaware League of Local Governments**  
Supplementary Information

6-30-2017

**Delaware League of Local Government  
Fiscal Year July 1, 2016 to June 30, 2017  
Cash Basis Budget Report for June 2017**

	Annual Budget	June Activity	Year to Date	Budget Balance
<b>Revenues:</b>				
League Dues	\$98,000.00		\$104,850.00	-\$6,850.00
Directory and Ads	\$3,000.00		\$3,400.00	-\$400.00
Interest - Money Market	\$20.00	\$1.30	\$21.86	-\$1.86
Interest - CD	\$400.00	\$21.12	\$248.72	\$151.28
Meetings/ Programs	\$23,000.00	\$2,400.00	\$26,256.60	-\$3,256.60
Corporate Contributions	\$3,000.00		\$3,000.00	\$0.00
MetroRev Contract	\$5,000.00		\$5,000.00	\$0.00
Program Grant- Homeland Security	\$52,000.00	\$4,545.00	\$55,817.72	-\$3,817.72
Miscellaneous	\$1,000.00		\$5,520.00	-\$4,520.00
<b>Total Revenue</b>	<b>\$185,420.00</b>	<b>\$6,967.42</b>	<b>\$204,114.90</b>	<b>-\$18,694.90</b>
<b>Expenditures:</b>				
<b>Program Expenses:</b>				
Meetings/Programs	\$21,000.00	\$2,604.00	\$21,210.60	-\$210.60
NLC Dues and Support	\$3,000.00		\$2,102.00	\$898.00
Program Grant- Homeland Security	\$52,000.00	\$4,545.00	\$55,817.72	-\$3,817.72
Scholarships	\$500.00		\$475.00	\$25.00
Plaques and Awards	\$500.00		\$381.86	\$118.14
Training	\$300.00		\$0.00	\$300.00
<b>Training/Conference:</b>				
NLC City Summit	\$4,000.00		\$1,011.44	\$2,988.56
Congressional City Conference	\$3,000.00		\$464.93	\$2,535.07
Director's Conference	\$3,000.00		\$2,233.72	\$766.28
Hospitality	\$3,000.00		\$1,352.36	\$1,647.64
<b>Management:</b>				
Management Contract	\$61,800.00	\$5,150.00	\$61,650.00	\$150.00
Executive Director Auto Expense	\$8,600.00	\$716.67	\$8,600.04	-\$0.04
Legislative Relations	\$9,900.00	\$800.00	\$8,900.00	\$1,000.00
Admin Assistance	\$3,000.00	\$171.33	\$832.53	\$2,167.47
Officer's Expense	\$1,000.00		\$0.00	\$1,000.00
Accounting/ Finance/ Mgt	\$2,850.00		\$2,850.00	\$0.00
<b>Office Expenses:</b>				
Office Supplies	\$1,000.00		\$112.13	\$887.87
Postage	\$600.00		\$130.00	\$470.00
Printing/Publishing	\$2,500.00		\$1,332.31	\$1,167.69
Telephone	\$750.00		\$0.00	\$750.00
Web Site Expenses	\$300.00		\$300.00	\$0.00
Miscellaneous Expenses	\$200.00		\$0.00	\$200.00
<b>Total Expenditures:</b>	<b>\$182,800.00</b>	<b>\$13,987.00</b>	<b>\$169,756.64</b>	<b>\$13,043.36</b>
<b>Revenue over Expenditures (Expenditures over Revenue)</b>			<b>\$34,358.26</b>	