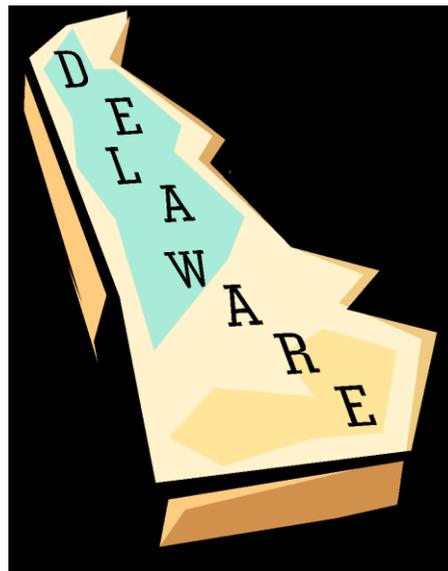


Delaware League of Local Governments  
Financial Statements  
For the Year ending June 30, 2018



August 20, 2018

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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, 2018 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*

August 20, 2018

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

**Balance Sheet as of June 30, 2018**

**Assets**

**Current Assets:**

Cash at Bank: Checking Account	\$1,000	
Cash at Bank: Money Market Account	105,108	
Certificates of Deposit	<u>20,000</u>	
Total Current Assets	\$126,108	
Total Assets		<u>\$126,108</u>

**Liabilities and Equity**

**Equity:**

Unreserved Fund Balance	<u>\$126,108</u>	
Total Equity	\$126,108	
Total Liabilities and Equity		<u>\$126,108</u>

**Delaware League of Local Governments  
Dover, Delaware  
Income Statement for Year Ending June 30, 2018**

**Revenue**

**Dues:**

Dues Received \$106,000

**Program Income:**

Programs/Meetings 21,366

Directory Advertising 2,950

**Grants:**

Homeland Security 41,985

**Other Income:**

Interest Received 277

Corporate Contributions 4,500

Collection Company Fee Received 630

Marketing Contract Fee 6,000

Total Revenue \$183,708

**Expenditures**

**Programs:**

Programs/Meetings \$22,138

NLC Dues/Support 2,102

Plaques/Awards 430

Training/Conferences 7,329

Legislative Relations 11,000

Scholarship 475

Officers Expense 1,141

**Grant Program:**

Homeland Security 41,985

**Administration:**

Management Contract 61,800

Auto Allowance 8,600

Accounting/Finance 2,850

Administrative Help 716

Office Supplies 102

Postage 227

Printing Publication 1,354

Total Expenditures (\$162,249)

**Excess of Income over Expenditures** \$21,459

Unreserved Fund Balance – Beginning of Year +104,649

Unreserved Fund Balance – End of Year \$126,108

**Delaware League of Local Governments**  
**Notes of the Financial Statements**  
**for the Year Ending June 30, 2018**

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 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 6-30-2018, 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.
- 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 slightly 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: \$630:** The League received the fee from a collection company on the amount it collects from the local governments. This year, this amount is lower than previous year due to lower collection.

**Marketing Contract Fee: \$6000:** The League received this amount from a Company for working with them on Directory information.

**Officers Expense** reflects the amounts paid for Executive Committee activities related to the League.

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. Budget Report and Income Statement Reconciliation:

A.	Budget Report Year to Date	Income Statement
Dues Receive	\$106,600	\$106,000
MetroRev Contract	30	-
Collection Company Fee Received	-	630

B. Total Budget Report expenditure is \$162,251.39 and total Income Statement expenditure is \$162,249. This is due to rounding in the income statement.

**Delaware League of Local Governments**  
Supplementary Information  
Budget Report for the Year ending 6-30-2018

**Delaware League of Local Government  
Fiscal Year July 1, 2017 to June 30, 2018  
Cash Basis Budget Report for June 2018**

	<b>Annual Budget</b>	<b>Jun Activity</b>	<b>Year to Date</b>	<b>Budget Balance</b>
<b>Revenues:</b>				
<b>League Dues</b>	\$99,000.00		\$106,600.00	-\$7,600.00
<b>Directory and Ads</b>	\$3,000.00		\$2,950.00	\$50.00
<b>Interest - Money Market</b>	\$20.00	\$1.68	\$27.63	-\$7.63
<b>Interest - CD</b>	\$400.00	\$21.14	\$248.74	\$151.26
<b>Meetings/ Programs</b>	\$23,400.00	\$330.00	\$21,366.40	\$2,033.60
<b>Corporate Contributions</b>	\$3,000.00		\$4,500.00	-\$1,500.00
<b>MetroRev Contract</b>	\$630.00		\$30.00	\$600.00
<b>Marketing Contract Fee</b>	\$5,000.00		\$6,000.00	-\$1,000.00
<b>Program Grant- Homeland Security</b>	\$48,000.00	\$3,420.00	\$41,985.00	\$6,015.00
<b>Miscellaneous</b>	\$1,000.00		\$0.00	\$1,000.00
<b>Total Revenue</b>	<b>\$183,450.00</b>	<b>\$3,772.82</b>	<b>\$183,707.77</b>	<b>-\$257.77</b>
<b>Expenditures:</b>				
<b>Program Expenses:</b>				
<b>Meetings/Programs</b>	\$21,400.00		\$22,137.90	-\$737.90
<b>NLC Dues and Support</b>	\$3,000.00		\$2,102.00	\$898.00
<b>Program Grant- Homeland Security</b>	\$48,000.00	\$3,420.00	\$41,985.00	\$6,015.00
<b>Scholarships</b>	\$500.00		\$475.00	\$25.00
<b>Plaques and Awards</b>	\$500.00		\$430.45	\$69.55
<b>Training</b>	\$300.00		\$0.00	\$300.00
<b>Training/Conference:</b>				
<b>NLC City Summit</b>	\$4,000.00		\$1,666.17	\$2,333.83
<b>Congressional City Conference</b>	\$3,000.00		\$1,911.49	\$1,088.51
<b>Director's Conference</b>	\$3,000.00		\$1,478.13	\$1,521.87
<b>Hospitality</b>	\$3,000.00		\$2,274.47	\$725.53
<b>Management:</b>				
<b>Management Contract</b>	\$61,800.00	\$5,150.00	\$61,800.00	\$0.00
<b>Executive Director Auto Expense</b>	\$8,600.00	\$716.67	\$8,600.04	-\$0.04
<b>Legislative Relations</b>	\$9,600.00	\$1,000.00	\$11,000.00	-\$1,400.00
<b>Admin Assistance</b>	\$3,000.00	\$547.67	\$715.99	\$2,284.01
<b>Officer's Expense</b>	\$1,000.00		\$1,141.12	-\$141.12
<b>Accounting/ Finance/ Mgt.</b>	\$2,850.00	\$2,850.00	\$2,850.00	\$0.00
<b>Office Expenses:</b>				
<b>Office Supplies</b>	\$1,000.00		\$102.59	\$897.41
<b>Postage</b>	\$600.00		\$226.69	\$373.31

<b>Printing/Publishing</b>	\$2,500.00		\$1,354.35	\$1,145.65
<b>Telephone</b>	\$750.00		\$0.00	\$750.00
<b>Web Site Expenses</b>	\$300.00		\$0.00	\$300.00
<b>Miscellaneous Expenses</b>	\$200.00		\$0.00	\$200.00
<b>Total Expenditures:</b>	<b>\$178,900.00</b>	<b>\$13,684.34</b>	<b>\$162,251.39</b>	<b>\$16,648.61</b>
<b>Revenue over Expenditures (Expenditures over Revenue)</b>				
			\$21,456.38	