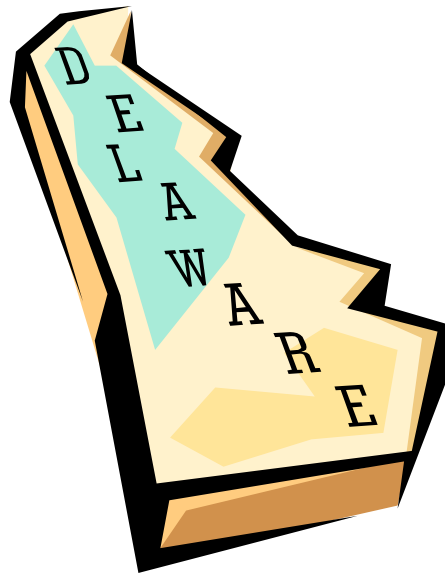


Delaware League of Local Governments  
Financial Statements  
For the Year ending June 30, 2019



July 20, 2019

MK Consulting I Inc.  
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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, 2019 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*

*July 20, 2019*

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

**Balance Sheet as of June 30, 2019**

**Assets**

**Current Assets:**

Cash at Bank: Checking Account	\$1,000
Cash at Bank: Money Market Account	118,332
Certificates of Deposit	<u>20,000</u>

Total Current Assets	\$139,332
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Total Assets	<u>\$139,332</u>
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**Liabilities and Equity**

**Equity:**

Unreserved Fund Balance	<u>\$139,332</u>
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Total Equity	\$139,332
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Total Liabilities and Equity	<u>\$139,332</u>
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**Delaware League of Local Governments  
Dover, Delaware  
Income Statement for Year Ending  
June 30, 2019**

**Revenue**

<b><u>Dues:</u></b>	
Dues Received	\$106,100
<b><u>Program Income:</u></b>	
Meetings/Programs	20,113
Directory Advertising	3,400
<b><u>Grants:</u></b>	
Homeland Security	50,760
<b><u>Other Income:</u></b>	
Interest Received	280
Corporate Contributions	2,250
Collection Company Fee Received	630
Marketing Contract Revenue	3,500
Total Revenue .....	\$187,033

**Expenditures**

<b><u>Programs:</u></b>	
Meetings/Programs	\$20,143
NLC Dues/Support	2,152
Plaques/Awards	434
Training/Conferences	8,585
Legislative Relations	12,000
Scholarship	495
Officers Expense	52
<b><u>Grant Program:</u></b>	
Homeland Security	50,760
<b><u>Administration:</u></b>	
Management Contract	64,733
Auto Allowance	8,600
Accounting/Finance	3,000
Administrative Assistance	712
Office Supplies	501
Postage	151
Printing/Publishing	1,491
Total Expenditures .....	<u>\$173,809</u>

**Excess of Income over Expenditures** \$13,224

Unreserved Fund Balance – Beginning of Year	<u>+126,108</u>
Unreserved Fund Balance – End of Year	<u>\$139,332</u>

**Delaware League of Local Governments**  
**Dover, Delaware**  
**Notes of the Financial Statements**  
**for the Year Ending June 30, 2019**

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 990/990EZ 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 6-30-2019, 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 higher this year because of hours put in by the personnel for training the local police departments personnel and related additional funds reimbursed by the State of Delaware (Grantor).

**Marketing Contract Fee:** This revenue is lower this year due to contract revision with the firm that pays the amount.

**Officers Expense:** This expenditure is lower this year due to lower spending by the Executive Committee.

**Office/Computer Expenses:** This expense is higher this year because it includes \$300 paid for annual website information update. To reflect this, we have revised the title to Office/Computer Expenses on the Income Statement.

### 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  
Budget Report for the Year ending 6-30-2019

# Delaware League of Local Governments

## Supplementary Information

Budget Report for the Year ending 6-30-2019

	Annual Budget	June Activity	Year to Date	Budget Balance
<b>Revenues:</b>				
League Dues	\$102,000.00		\$106,100.00	-\$4,100.00
Directory and Ads	\$3,000.00		\$3,400.00	-\$400.00
Interest - Money Market	\$30.00	\$1.93	\$31.16	-\$1.16
Interest - CD	\$300.00	\$21.12	\$248.72	\$51.28
Meetings/ Programs	\$22,400.00	\$395.00	\$20,113.00	\$2,287.00
Corporate Contributions	\$3,000.00		\$2,250.00	\$750.00
MetroRev Contract	\$630.00		\$630.00	\$0.00
Marketing Contract Fee	\$5,000.00		\$3,500.00	\$1,500.00
Program Grant- Homeland Security	\$52,000.00	\$4,635.00	\$50,760.00	\$1,240.00
Miscellaneous	\$1,000.00		\$0.00	\$1,000.00
<b>Total Revenue</b>	<b>\$189,360.00</b>	<b>\$5,053.05</b>	<b>\$187,032.88</b>	<b>\$2,327.12</b>
<b>Expenditures:</b>				
<b>Program Expenses:</b>				
Meetings/Programs	\$22,000.00	\$3,960.00	\$20,143.00	\$1,857.00
NLC Dues and Support	\$3,000.00		\$2,152.00	\$848.00
Program Grant- Homeland Security	\$52,000.00	\$4,635.00	\$50,760.00	\$1,240.00
Scholarships	\$500.00		\$495.00	\$5.00
Plaques and Awards	\$500.00	\$170.00	\$433.73	\$66.27
Training	\$300.00		\$0.00	\$300.00
<b>Training/Conference:</b>				
NLC City Summit	\$4,000.00		\$2,675.58	\$1,324.42
Congressional City Conference	\$3,000.00		\$1,593.00	\$1,407.00
Director's Conference	\$3,000.00	\$605.24	\$2,258.28	\$741.72
Hospitality	\$3,000.00		\$2,057.69	\$942.31
<b>Management:</b>				
Management Contract	\$65,000.00	\$5,416.66	\$64,733.26	\$266.74
Executive Director Auto Expense	\$8,600.00	\$716.67	\$8,600.04	-\$0.04
Legislative Relations	\$12,000.00	\$1,000.00	\$12,000.00	\$0.00
Admin Assistance	\$3,000.00	\$197.98	\$711.59	\$2,288.41
Officer's Expense	\$1,000.00		\$52.05	\$947.95
Accounting/ Finance/ Mgt	\$3,000.00		\$3,000.00	\$0.00
<b>Office Expenses:</b>				
Office Supplies	\$1,000.00		\$151.96	\$848.04
Postage	\$600.00		\$150.62	\$449.38
Printing/Publishing	\$2,500.00		\$1,491.47	\$1,008.53
Telephone	\$750.00		\$0.00	\$750.00
Web Site Expenses	\$300.00		\$300.00	\$0.00
Miscellaneous Expenses	\$200.00		\$50.00	\$150.00
<b>Total Expenditures:</b>	<b>\$189,250.00</b>	<b>\$16,701.55</b>	<b>\$173,809.27</b>	<b>\$15,440.73</b>
<b>Revenue over Expenditures (Expenditures over Revenue)</b>			\$13,223.61	