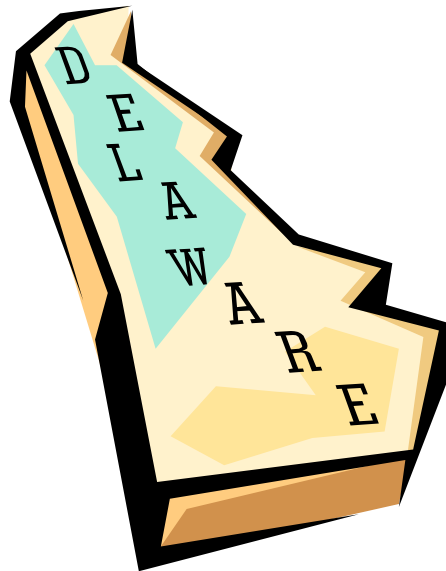


Delaware League of Local Governments  
Financial Statements  
For the Year ending June 30, 2021



August 20, 2021

Mike Karia, MBA- Finance, MBA Advanced Accounting  
54 Merion Road, Dover, Delaware 19904  
Email: [mikekaria@msn.com](mailto:mikekaria@msn.com)

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, 2021 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 true and fair financial condition of the League

.

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, 2021*



**Delaware League of Local Governments  
Dover, Delaware  
Income Statement for Year Ending June 30, 2021**

**Revenue**

**Dues:**

Dues Received \$108,000

**Program Income:**

Programs/Meetings 330

Directory Advertising -0-

**Grants:**

Homeland Security 46,150

**Other Income:**

Interest Received 128

Corporate, Contributions -0-

Metro Revenue Contract Received 600

Miscellaneous Revenue 42

Total Revenue . . . . . \$155,250

**Expenditures**

**Programs:**

Programs/Meetings -0-

NLC Dues/Support 2,188

Plaques/Awards 183

Training -0-

Legislative Relations 14,750

Scholarship -0-

NLC, Congressional, Director's, Hospitality -0-

Plaques and Awards 183

**Grant Program:**

Homeland Security 46,150

**Administration:**

Management Contract 65,000

Auto Allowance 8,600

Administrative Help 260

Accounting/Finance 2,000

Office Supplies/Web Expenses/ Miscellaneous 342

Postage 168

Printing/Publication, Telephone -0-

Total Expenditures . . . . . \$139,641

**Excess of Income over Expenditures:** \$15,609

Unreserved Fund Balance – Beginning of Year: 152,065

Year End Reconciling Item - 36

Unreserved Fund Balance – End of Year \$167,638

**Delaware League of Local Governments**  
**Dover, Delaware**  
**Notes of the Financial Statements**  
**for the Year Ending June 30, 2021**

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 National League of Cities (NLC), which is a national organization comprised of city, town, and village leaders that are focused on improving the quality of life for their current and future constituents.

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, all operations related bills payable are all paid and as of 6-30-2021 there are no outstanding bills payable for operations.  
An amount \$2,053 has been received for Executive Director's Retirement event in June 2021.

This amount is in League's Money Market account and is shown separately on the Balance Sheet.

Expenditure of \$2053 for this event \$2053 will be paid and recorded in July and August, 2021.

This is a wash item and has no effect on League's Revenues and Expenditure and fund balance.

There are no other material amounts outstanding as receivables.

For information and highlight the Covid 19 effects, revenues and expenditures, -0-s are shown even though this is not conventional.

- d. The Executive Committee approves the annual budget each year in May and receives the monthly budget reports and monitors the receipts and expenditures throughout the year.
- e. 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.
- f. All expenses are paid monthly.
- g. The League has a checking account and a money market account at the bank. The total amount is under FDIC insurance limit. The League invests the working capital in a fixed deposit at a local bank. The CD 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:

**Revenues:**

Due to Pandemic, following revenues not received or received at reduced level:  
Programs/Meetings and Corporate Contributions  
Interest income is less than last year due to lower interest rates.

**Expenditures:**

Due to Pandemic, following expenditures were not incurred or incurred at the reduced:  
Programs/Meetings, Training/Conferences, Scholarship, Accounting/Finance,  
Administrative help, Office supplies, Postage and Printing/Publications

**Homeland Security Grant:** Receipt \$46,150 and Expenditure \$46,150:

These amounts are the amount received from the State of Delaware and spent for the training of the local police departments in Homeland Security items.

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 6-30-2020

**Delaware League of Local Government  
Fiscal Year July 1, 2020 to June 30, 2021  
Cash Basis Budget Report for June 2021**

	Annual Budget	Jun Activity	Year to Date	Budget Balance
<b>Revenues:</b>				
League Dues	\$106,000.00		\$108,000.00	-\$2,000.00
Directory and Ads	\$3,800.00		\$0.00	\$3,800.00
Interest - Money Market	\$40.00	\$2.39	\$36.83	\$3.17
Interest - CD	\$300.00	\$5.08	\$91.54	\$208.46
Meetings/ Programs	\$23,000.00	\$330.00	\$330.00	\$22,670.00
Corporate Contributions	\$3,000.00		\$0.00	\$3,000.00
MetroRev Contract	\$630.00		\$600.00	\$30.00
Program Grant- Homeland Security	\$48,000.00	\$3,150.00	\$46,150.00	\$1,850.00
Miscellaneous	\$1,000.00		\$41.82	\$958.18
<b>Total Revenue</b>	<b>\$185,770.00</b>	<b>\$3,487.47</b>	<b>\$155,250.19</b>	<b>\$30,519.81</b>
<b>Expenditures:</b>				
<b>Program Expenses:</b>				
Meetings/Programs	\$22,000.00		\$0.00	\$22,000.00
NLC Dues and Support	\$2,800.00		\$2,188.00	\$612.00
Program Grant- Homeland Security	\$48,000.00	\$3,150.00	\$46,150.00	\$1,850.00
Scholarships	\$500.00		\$0.00	\$500.00
Plaques and Awards	\$500.00		\$183.00	\$317.00
Training	\$200.00		\$0.00	\$200.00
<b>Training/Conference:</b>				
NLC City Summit	\$3,550.00		\$0.00	\$3,550.00
Congressional City Conference	\$3,000.00		\$0.00	\$3,000.00
Director's Conference	\$3,000.00		\$0.00	\$3,000.00
Hospitality	\$3,000.00		\$0.00	\$3,000.00
<b>Management:</b>				
Management Contract	\$65,000.00	\$5,416.66	\$64,999.92	\$0.08
Executive Director Auto Expense	\$8,600.00	\$716.67	\$8,600.04	-\$0.04
Legislative Relations	\$15,000.00	\$1,250.00	\$14,750.00	\$250.00
Admin Assistance	\$2,500.00		\$259.86	\$2,240.14
Officer's Expense	\$500.00		\$0.00	\$500.00
Accounting/ Finance/ Mgt	\$3,000.00		\$2,000.00	\$1,000.00
<b>Office Expenses:</b>				
Office Supplies	\$1,000.00		\$34.21	\$965.79
Postage	\$500.00		\$168.00	\$332.00
Printing/Publishing	\$2,500.00		\$0.00	\$2,500.00
Telephone	\$100.00		\$0.00	\$100.00
Web Site Expenses	\$300.00		\$300.00	\$0.00
Miscellaneous Expenses	\$200.00		\$8.00	\$192.00
<b>Total Expenditures:</b>	<b>\$185,750.00</b>	<b>\$10,533.33</b>	<b>\$139,641.03</b>	<b>\$46,108.97</b>
<b>Revenue over Expenditures (Expenditures over Revenue)</b>			\$15,609.16	