

**STATE BOARD OF ACCOUNTS**  
**302 West Washington Street**  
**Room E418**  
**INDIANAPOLIS, INDIANA 46204-2769**

AUDIT REPORT

OF

COUNTY COMMISSIONERS

DELAWARE COUNTY, INDIANA

January 1, 2009 to December 31, 2009



**FILED**

08/18/2010



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COUNTY OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
President of the County Council	Christopher Matchett	01-01-09 to 12-31-10
President of the Board of County Commissioners	Todd Donati	01-01-09 to 12-31-10



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

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TO: THE OFFICIALS OF DELAWARE COUNTY

We have audited the records of the County Commissioners for the period from January 1, 2009 to December 31, 2009, and certify that the records and accountability for cash and other assets are satisfactory to the best of our knowledge and belief, except as stated in the Audit Result and Comment. The financial transactions of this office are reflected in the Annual Report of Delaware County for the year 2009.

STATE BOARD OF ACCOUNTS

June 16, 2010

COUNTY COMMISSIONERS  
DELAWARE COUNTY  
AUDIT RESULT AND COMMENT

INTERNAL CONTROLS – DELAWARE COUNTY 2007 EMPLOYEE HEALTH BENEFITS TRUST

In 2007, Delaware County's Board of County Commissioners agreed to establish a separate trust for employee health benefits under the laws of the state of Delaware. The trust issued debt in the form of a loan in the amount of \$23,092,710. The proceeds of the loan are to be used to pay among other things, insurance premiums for certain health and medical care claims of eligible county employees and their dependents. In addition to providing health and medical care insurance, the trustee is responsible for remitting the loan payments and investing the proceeds of the loan. The County supports this trust through monthly remittances that approximate the employees' health care costs. However, the County could not provide documentation to determine the proper reporting of its relationship with the Employee Health Benefits Trust in its financial statements.

Governmental units should have internal controls in effect which provide reasonable assurance regarding the reliability of financial information and records, effectiveness and efficiency of operations, proper execution of management's objectives, and compliance with laws and regulations. Among other things, segregation of duties, safeguarding controls over cash and all other assets and all forms of information processing are necessary for proper internal control. (Accounting and Uniform Compliance Guidelines Manual for Counties, Chapter 1)

COUNTY COMMISSIONERS  
DELAWARE COUNTY  
EXIT CONFERENCE

The contents of this report were discussed on June 16, 2010, with Judy Rust, Auditor; Sharon Yaudas, Chief Deputy Auditor; Donna Patterson, Deputy Auditor; and Todd Donati, President of the Board of County Commissioners.