

DSRA*BENEFIT TRUST
BENEFIT PLANS FOR DELPHI RETIREES



WITTLIN, CAIN, & DRY, LLP
Certified Public Accountants

Discussion Outline

Financial Highlights

Required Auditor Communication

Purpose of 5500

Planning for 2014

Questions

Financial Highlights

	<u><i>\$(000's omitted)</i></u>
Contributions	36,966
Investment Income	646
Insurance Premiums	(43,215)
Other Expenses	<u>(652)</u>
Net Decrease	(6,255)
Investments at beginning of year	<u>12,596</u>
Investments at end of year	<u><u>6,341</u></u>

Required Communication

Auditor's Responsibilities:

- Forming and expressing an opinion about whether the financial statements have been prepared in accordance with the modified cash basis of accounting;
- Performing the audit in accordance with Generally Accepted Auditing Standards;
- Communicating significant matters with those charged with governance (the board);

These were communicated in our engagement letter.

An audit does not relieve management of their responsibilities.

Required Communication

Management's Responsibilities:

Fair presentation of the financial statements in accordance with the modified cash basis of accounting;

The design, implementation and maintenance of internal control over financial reporting;

Provide the auditor with access to information and people relevant to the audit;

Informing us of subsequent events;

Providing us with written representation letter relative to the financial statements.

These and other responsibilities were confirmed in our engagement letter.

Required Communication

Significant Audit Findings:

Significant accounting policies – Disclosed in note 2 to the financial statements. No new accounting policies adopted in 2013 and no policies changed in 2013.

Significant estimates – Valuation of investments is based on quoted market prices as described in Note 3 to the financial statements.

Difficulties encountered – None.

- The information that we requested from Mercer (Marsh) and the various insurance providers was received.
- The representative from Mercer (Marsh) who provided us the information also provided responses to our follow up requests.
- Follow up requests for information from the insurance providers were also received.

Required Communication

Significant Audit Findings:

Corrected and uncorrected misstatements – None noted during the performance of our audit procedures.

Disagreements with management – None.

Required supplementary information – Information required to comply with ERISA reporting requirements.

Purpose of 5500

Required to be filed by ERISA;

- The 5500 provides information about the nature of the plans activities and benefits provided;
- Assess compliance with fiduciary requirements; and
- Retain tax exempt status.

ERISA enacted to protect the interest of employee benefit plan participants from the abuses and underfunding of benefits by employers.

Planning for 2014

Begin the audit process in early May (2015).

- Request information from Mercer (Marsh). We did receive all of the information we requested, however, receipt was delayed substantially and set the audit start date back several weeks.
- This will allow us to perform the audit work during June and July (2015) for completion by end of July/beginning of August (2015).

Questions?
