

**City of Gladstone
Audit Committee Meeting
City Hall Council Chambers
October 29, 2018
5:30 p.m.**

 **Introductions**

 **Merina & Company**

○ **AUDIT DELIVERABLES**

- Opinions on Basic Financial Statements
- Independent Auditor's Report Required by Oregon State Regulations
- Summary of Revenues and Expenses as required by Minimum Standards
- Management Letter – as applicable
- AU-C 260 Communications
- AU-C 265 Communications – as applicable

○ **AUDIT APPROACH**

- Interim (July 30-August 2, 2018)
 - Audit planning
 - Update controls documentation and internal controls testing
 - Risk assessments
 - Develop audit programs and procedures
- Field work (December 3 - 7, 2018)
 - Perform all remaining audit areas not performed during interim
 - Evaluate audit results
 - Conduct an exit conference with City management
- Concluding the audit
 - Review financial statements
 - Complete all of the audit deliverables
 - Presentation to the Audit Committee in January

- **FRAUD DISCUSSION**
 - Overview
 - Discussion with Committee
 - Views of the Committee on risks for fraud
 - Any knowledge of actual or alleged fraud
 - Committee's oversight of fraud risks, assessments, controls
 - Nature and extent of communications the Committee desires with regard to fraud
 - Areas of concern or interest for Committee

- **NEW GASB STATEMENTS/STANDARDS**
 - Effective for the City beginning with fiscal year ending June 30, 2018
 - GASB 75 - Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions
 - GASB 85 – Omnibus 2017
 - GASB 86 - Certain Debt Extinguishment Issues
 - Effective for the City in future years
 - June 30, 2019
 - GASB 83 - Certain Asset Retirement Obligations
 - GASB 88 – Certain Debt Disclosures
 - June 30, 2020
 - GASB 84 - Fiduciary Activities
 - June 30, 2022
 - GASB 87 - Leases

 **Other Items for Discussion**