

**City of Gladstone
Audit Committee Meeting
September 16, 2019
6:00 p.m.
City Hall Council Chambers**

+ 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 8 – 10, 2019)
 - Audit planning
 - Update controls documentation and internal controls testing
 - Risk assessments
 - Develop audit programs and procedures
- Field work (October 28 – November 1, 2019)
 - 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, 2019
 - GASB 83 - Certain Asset Retirement Obligations
 - GASB 88 – Certain Debt Disclosures
 - Effective for the City in future years
 - June 30, 2020
 - GASB 84 - Fiduciary Activities
 - GASB 90 – Majority Equity Interests
 - June 30, 2021
 - GASB 89 – Accounting for Interest Cost Incurred before the End of a Construction Period
 - GASB 87 – Leases
 - June 30, 2022
 - GASB 91 – Conduit Debt Obligations

 **Other Items for Discussion**