

Dear [REDACTED] Senator Shields:

In February I began discussing with Representative Gene Whisnant my deep concerns regarding the lack of strong controls over auditing and oversight of local homeowners association finances in the State of Oregon. Representative Whisnant subsequently suggested I contact Samantha White, and I have communicated through her my feelings AND concerns that the rules and regulations regarding this subject should definitely be tightened and more controlled through legislation. She has kept me informed of the progress on House Bill 2823 as it has moved through committee, and we have periodically e-mailed regarding this issue as the bill progressed.

Sam informed me by e-mail today that the bill is probably scheduled for vote tomorrow at 3 pm. Although I felt like a small flea screaming down a long tunnel through this whole process, it still is a strong hope that somehow, someday, by some miracle that something would come about to make it more mandatory for the sake of the homeowners who pay their homeowners dues to these organizations, that some strength would be added to the bill as it has progressed. As I have consistently pointed out, our particular association had a "review" in 2007 when the builder (declarant) turned over the ownership of our local homeowners association to a Board of Directors. Since that turnover we have not had a single review -- let alone an audit -- and our Board is absolutely adamant that they do not want an audit and they do not want a review. (Please see the correspondence below to give you more insight into this matter). We have over \$183,000 currently in reserves, our Board has spent thousands and thousands and thousands of dollars on various projects from landscaping a small plot at the back entrance to the development (\$26,000) to building a storage building behind our Clubhouse (over \$20,000 with a special added assessment to the homeowners of \$110.00 each to help pay for it), acoustic tiles on the ceiling (many thousands), numerous redecorating processes, etc. We are informed, but never surveyed nor are there votes on the issues involved. And we are told that a review (let alone, heave forbid an audit) are not needed or a viable consideration.

So here we are, down to the final moment of the whole matter and the bill is due for a vote. And, unfortunately, it has not been strengthened and reviews can still be recommended against by being a sheep, or as in our associations case, just merely turning a blind eye and turning your back to the matter and ignoring it all. The word audit has not even been, nor will it ever be, an option for our Board. And, as you can see by the documentation copied below, it gets even more convoluted -- vote yes if you mean no, but if you really vote no, then please vote yes as it will mean no. And we wonder why members just throw up their hands and fail to vote.

But I know, personally, that it was worth it to appeal and hope that someone within the state legislative organization would hear my pleas.

Perhaps next time -- some year -- but it may be a yes instead of a no, or even maybe a no instead of a yes. Who knows?

Oh, by the way, Diversified Bookkeeping represents quite a few homeowners associations in the Bend area, we are told. They are a small business -- only 3 employees -- the owner, her daughter and one other person. Our association pays them high fees to handle our finances and count our ballots. But they are unable to handle the oversight and possibility of an audit by a certified public accounting organization. It just really makes me wonder aloud and ask which tail is wagging the dog (or dogs).

Sincerely,
Betty McKittrick
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