



Summer Sears CPA, LLC
Finance & Accounting Support for Local Governments



SENSIBA SAN FILIPPO
CERTIFIED PUBLIC ACCOUNTANTS AND BUSINESS ADVISORS



Please VOTE YES on HB 2110-A Relating to municipal audits.

Chair Taylor, Vice Chair Bonham, and members of the committee –

A working group of municipal representatives, municipal auditors, other consultants, and professional organizations came together to discuss and provide feedback on the proposed changes and updates. This group represents a variety of perspectives and priorities - balancing transparency and accountability for our municipal organizations with the challenges that members of the group and their constituents are facing in complying with the current laws.

The participating individuals and organizations **are in support of the changes as proposed**, including:

- Elimination of the withholdings provision (ORS 297.466) - this penalty is ineffective and expensive for the State to carry out;
- Increasing the threshold for audit exemption from \$500,000 to \$1,000,000 (ORS 297.435);
- Increasing the cut off for In Lieu of Audit reports (ORS 297.435) – consensus on increasing to *at least* \$250,000; and
- Replacing the Reviewed report requirement with targeted Agreed Upon Procedures (AUP) (ORS 297.435).

HB 2110-A will support the significant number of small cities and special districts that are having difficulty:

- a) finding a municipal auditor to serve the organization; there are fewer than 200 municipal auditors in Oregon to complete nearly 1,200 audits and more than 150 reviews, and
- b) affording the substantial cost of a municipal audit or review.

We urge you to VOTE YES on HB 2110-A to improve municipal audit law

Submitted on behalf of:

Oregon Government Finance Officers Association

Special Districts Association of Oregon

Oregon Society of CPAs

Oregon Library Association

Summer Sears, CPA/Consultant – Summer Sears CPA, LLC

Tara Kamp, CPA, Partner – Pauly, Rogers and Co., P.C.

Brenda Bartlett, Partner – Sensiba San Filippo

Tonya Moffitt, CPA, Managing Partner – Merina + Co

Wes Price, CPA Partner Emeritus – Price Fronk & Co.

Christina Shearer, Finance Director – Lincoln County

Heidi Reid, Administrator - Hebo JWSA, Cloverdale Water District, and Cloverdale Sanitary District

Matt Brown, Director of Financial Services - Eugene School District