

REQUEST FOR QUALIFICATIONS (RFQ)
Professional Auditing Services
City of Starbase

August 27, 2025

The City of Starbase is seeking qualifications from certified public accountants for Professional Auditing Services.

Responses should either be emailed or mailed to:

Kent Myers, City Administrator
39046 LBJ Blvd. Unit 2
Brownsville, Texas 78521
kent.myers@cityofstarbase-texas.com

Responses are due by 3:00 pm on Friday, September 26, 2025. No late responses will be accepted.

Questions about the RFQ may be forwarded in writing to Kent Myers, City Administrator, at kent.myers@cityofstarbase-texas.com until Monday, September 22.

Caroline Cole
City Clerk
City of Starbase

REQUEST FOR QUALIFICATIONS (RFQ) PROFESSIONAL AUDITING SERVICES

INTRODUCTION

A. General Information

The City of Starbase, Texas (City) is seeking qualified certified public accountants to audit its financial statements for the fiscal year ending September 30, 2025, with the option of auditing its financial statements for each of the two (2) subsequent fiscal years. This audit is to be performed in accordance with generally accepted auditing standards as set forth by the American Institute of Certified Public Accountants, the standards set forth for financial audits in the General Accounting Office's (GAO) Government Auditing Standards (1994), and the Governmental Accounting Standards Board (GASB). Other requirements that should be met include the "Uniform Guidance issued by the Office of Management and Budget (OMB) consolidated into one regulatory location (2.C.F.R 200) which supersedes OMB Circular A-133, as well as the requirements of the State of Texas Single Audit Circular (State Single Audit) in accordance with Uniform Grants Management Standards of the State of Texas.

To be considered, responses must be received by the City Administrator at 39046 LBJ Blvd. Unit 2, Brownsville, Texas 78521 by 3:00 p.m. on Friday, September 26. Responses received after this time will not be considered.

During the evaluation and selection process, the City reserves the right, where it may serve the City's best interest, to request additional information or clarification from respondents. At the discretion of the City, Respondents may be requested to make oral presentations of not more than 30 minutes as part of the evaluation and selection process.

Responses will be subject to *The Public Information Act, Texas Government Code §552*.

The City will notify Respondents within seven (7) days after the award of the contract by City Commission. Award results will be posted on the City's Public Notices webpage. *Texas Local Government Code 2269.056*

B. Term of Engagement

A three-year engagement is contemplated and is subject to annual review and recommendation of the City, satisfactory negotiation of terms, concurrence of the City Commission and the annual appropriation of funds. The City will consider a contract with the qualified firm for additional one-year terms after the three-year engagement has ended.

C. Subcontracting

No subcontracting will be allowed without the express prior written consent of the City.

MUNICIPAL GOVERNMENT DESCRIPTION

A. Contact Information

The City's accounting function falls within the authority of the City Administrator. The City Administrator, who reports to the City Commission, is responsible for all financial accounting and reporting activities of the City. The City Administrator is a part-time contract employee. Other contract employees include the City Clerk, City Attorney, City Engineer and Chief Building Official. The city does not have any part-time or full-time employees. The City has contracted with a local accounting firm, Carr Riggs and Ingram (CRI), to provide bookkeeping services

and the preparation of monthly financial statements. Copies of their July 31, 2025, financial statements are available upon request.

During the audit and field work, the auditor's principal contact with the city will be the City Administrator who will coordinate any assistance to be provided by the city to the auditor. The City Clerk will also be available to assist.

B. Background Information

The City of Starbase was incorporated as a Class C city. Policy-making and legislative authority are vested in a city commission consisting of the mayor and two commission members. The commission is responsible for passing ordinances, adopting the budget, and hiring the City Administrator. The City Administrator is responsible for carrying out the policies and ordinances of the commission, and for overseeing the day-to-day operations of the government.

On May 3, 2025, local voters approved the incorporation of the City of Starbase. Cameron County certified the votes with the new City being established on May 20, 2025. The current population is approximately 550. However, due to current construction activities, the city is expected to double in population within the next year.

The City currently provides a limited number of services such as building plan reviews, building inspections, engineering, code enforcement and public relations. However, during the coming fiscal year, these services will likely be expanded in areas such as law enforcement, fire and mosquito control. The city currently has only the General Fund to support its operations and has no enterprise funds. In addition, the City has not funded any capital improvements since incorporation. In addition, the City has not received any grant funds from any outside agency.

With the City starting operations on May 20, 2025, the city approved a short-term budget covering the period from May 20-September 30, 2025. This "bridge budget" approved by the City Commission includes total expenses of \$1,941,140. The revenues and expenses included in this budget are the focus of this initial audit.

Finally, it should be noted that the city has a heavy reliance on property taxes and building permit fees to fund operations. The City does not have other major revenue sources such as local sales tax or franchise fees. Since property taxes will not be collected and paid to the city until January 2026, the city has issued short-term financing via Tax Anticipation Notes to finance initial operations. This short-term financing is the only City debt.

PROPOSAL FORMAT AND SUBMISSION

A. Cover Letter

This section should include the firm name; the name, address, email address and telephone number of the contact person; and the date of the proposal. The cover letter must also be signed by a partner authorized to bind the company under contract.

B. Key Personnel Qualifications and Experience

- a. Identify the accounting staff who would be assigned to the engagement.
- b. Indicate whether each person is registered or licensed to practice as a certified public accountant in the State of Texas.
- c. Provide information on the government auditing experience of each person.

C. Similar Engagements with Other Government Entities

The firm should list a minimum of 3 public sector auditing engagements performed in the last five years. The engagements should be similar to the engagement described in this RFQ. Indicate the scope of work and the name and telephone number of the principal client contact.

D. Specific Audit Approach

The proposal should set forth a general work plan, including an explanation of the audit methodology to be followed to perform the services required for a small newly incorporated city with a single fund (General Fund) that provides all financial support for the City.