

REQUEST FOR QUOTE

Tyrone Water and Wastewater Association

AUDIT SERVICES

Submitted by

Beasley, Mitchell & Co., LLP

Certified Public Accountants

509 South Main Street, Suite A · Las Cruces, New Mexico 88001

October 19, 2026

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Beasley, Mitchell & Co.

Certified Public Accountants

October 19, 2026

Alan Berg, President

Tyrone Water and Wastewater Association
50 Malachite Avenue
Tyrone, NM 88065

Re: Request for Quote — Audit Services

Dear Mr. Berg:

I am pleased to present our proposal to provide audit services for the Tyrone Water and Wastewater Association (the Association) for the year ended June 30, 2026, and any potential renewals, in accordance with accounting principles generally accepted in the United States of America.

I believe that with our experience serving not-for-profit organizations, our single audit experience, and our overall knowledge and audit experience, we are an excellent choice for the Association. Beasley, Mitchell & Co., LLP has experience providing all of the services outlined in the request for quote. This proposal is valid for ninety (90) days after the deadline for submission of the proposal, or sixty (60) days after receipt of a best and final offer if one is submitted. We have read all of the specifications and the scope of work, and we fully understand the work to be performed.

We look forward to building such a relationship with you. If you have any questions, please contact me at (915) 831-9253 or by email at garciadp@bmc-cpa.com, or Brad Beasley, CPA, CGMA, Managing Partner, at (575) 528-6700 or by email at brad@bmc-cpa.com. Dahlia Garcia will be your main point of contact. Brad Beasley is authorized to make representations for Beasley, Mitchell & Co., LLP and to bind our firm to a contract.

Very truly yours,

Dahlia Garcia, CPA

Audit & Assurance Partner

Beasley, Mitchell & Co., LLP

FIRM QUALIFICATIONS AND EXPERIENCE

ABOUT BEASLEY, MITCHELL & CO., LLP

In 1987, Don Beasley and Paul Mitchell founded Beasley, Mitchell & Co., LLP, an independent certified public accounting firm. Beasley, Mitchell & Co., LLP is the largest accounting firm in Southern New Mexico, employing over 100 team members, including twenty-six CPAs and a Certified Fraud Examiner, as well as several certified bookkeepers. The Accounting and Auditing department has eleven professionals fully dedicated to performing assurance services.

Beasley, Mitchell & Co., LLP is guided by the following mission statement:

Our mission is to provide exceptional quality client services, allowing our clients and our firm to prosper — and for all of us to enjoy the journey.

Beasley, Mitchell & Co., LLP has expanded the services it offers as demand has increased due to economic growth in Southern New Mexico and West Texas. We are actively seeking new clients for audit services by employing and training professionals who are responsible for performing governmental and not-for-profit audits. All audit, assurance, and monitoring work is supervised and reviewed to meet the highest quality control standards. Our firm provides national firm resources with a local firm feel, and we are dedicated to providing timely service and quality work.

FIRM INDEPENDENCE

Beasley, Mitchell & Co., LLP is independent in all respects with regard to the Tyrone Water and Wastewater Association, both in fact and in appearance, and exceeds all independence requirements set forth under Generally Accepted Auditing Standards (GAAS) as issued by the American Institute of Certified Public Accountants.

EXTERNAL QUALITY CONTROL REVIEW

Beasley, Mitchell & Co., LLP is committed to providing quality work and excellent service. We accomplish this in part by participating in the American Institute of Certified Public Accountants (AICPA) Peer Review Program. Further, our firm maintains a written quality control document that requires annual reviews of both the quality control process related to the auditing and accounting services we provide and a review of select engagements performed during the past year. Our most recent peer review report is provided in the appendix.

CONTINUING PROFESSIONAL EDUCATION

Our firm stresses the importance of adequate training by designating a partner to oversee all continuing professional education. This ensures that staff requiring specific training to perform their normal tasks receive it. Individuals who perform Single Audits and/or Yellow Book audits attend courses that relate directly to not-for-profit auditing and accounting, or courses that qualify for Yellow Book credit. We do not allow any staff member to perform services that are not directly supervised by a supervisor meeting the standards established by the AICPA.

FIRM QUALIFICATIONS AND EXPERIENCE

FIRM EXPERIENCE

Beasley, Mitchell & Co., LLP is a full-service CPA firm. The firm has performed numerous not-for-profit audits, and the management assigned to your audit specializes in not-for-profit audits.

TEAM QUALIFICATIONS AND EXPERIENCE

Competence is derived from a combination of education and experience. All employees at Beasley, Mitchell & Co., LLP are evaluated and assigned to projects that match their level of education and experience. As a result, the Tyrone Water and Wastewater Association will work with competent, technical professionals who deliver quality service. Beasley, Mitchell & Co., LLP currently provides auditing and accounting services to over 100 clients. Among these engagements, we have extensive experience in financial statement audits, evaluations of internal control, compliance audits, single audits, agreed-upon procedures, and program-specific audits.

Beasley, Mitchell & Co., LLP believes staff continuity provides better service to our clients. We recognize that the continued use of new staff on engagements results in additional work and time spent by both the firm and the client, so we strive to limit turnover in staffing. The firm has experienced low turnover rates in its auditing and accounting practice.

OUR SERVICE TEAM FOR THE ASSOCIATION

- Brad Beasley, CPA, CGMA — Partner
- Dahlia Garcia, CPA — Audit & Assurance Partner
- Juan Garcia, CPA — Audit & Assurance Senior Manager
- Victor Galindo — Accountant I

“Diversity, training, relationships. Auditing is not just a job — it’s a resource with Beasley, Mitchell & Co.”

— Daniela Johnson, Village Clerk, Village of Mosquero

TEAM QUALIFICATIONS AND EXPERIENCE

Brad M. Beasley, CPA, CGMA

Partner



Brad has been with Beasley, Mitchell & Co., LLP since 2004 and a partner since 2008. He manages the Audit and Assurance practice and provides accounting and tax services to a broad range of clients, with a concentration in government, not-for-profit, and commercial and residential construction. He previously worked in internal audit and SEC compliance in the gaming industry for Harrah's Entertainment (now Caesars Entertainment). Brad is licensed in Texas and New Mexico, and his range of knowledge has fortified his consulting skills for audit and tax clients. He has served Emergence Health Network, Burrell College of Osteopathic Medicine, GenCon General Construction, and many others, and he serves on the Audit Committee of New Mexico State University. Brad has well over 120 hours of CPE in the last three years, including 36 hours of Yellow Book CPE.

Dahlia Garcia, CPA

Audit & Assurance Partner



Dahlia serves as a partner in the Assurance and Audit department, having joined Beasley, Mitchell & Co., LLP in 2015 after four years at an accounting firm in El Paso, Texas. Dahlia is licensed in Texas. She has not-for-profit and governmental experience and receives extensive Yellow Book training on a regular basis. Dahlia has provided external audit, risk assessment, and control assurance to many governmental agencies and not-for-profit organizations. She has served Carlsbad Soil and Water, Grants Soil and Water, Catron County, Cibola County, and many others. Dahlia will be actively involved in the fieldwork and its supervision. She has well over 120 hours of CPE in the last three years, including over 60 hours of Yellow Book CPE.

TEAM QUALIFICATIONS AND EXPERIENCE

Juan Garcia, CPA

Audit & Assurance Senior Manager

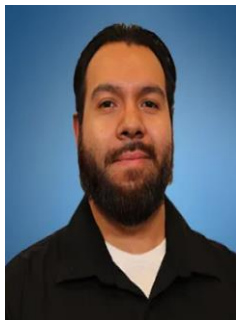


Juan serves as an Audit Manager in the Assurance and Audit department. He has not-for-profit and governmental experience and has earned the Advanced Single Audit Certification. Juan also has experience in external audit and risk assessment. He has served many governmental and not-for-profit entities, including the City of Sunland Park, the City of Artesia, Sierra Soil and Water, Grants Soil and Water, and the City of Anthony. Juan will be actively involved in the fieldwork.



Victor Galindo

Accountant I



Victor brings a strong foundation of discipline, leadership, and commitment to his work. Prior to joining Beasley, Mitchell & Co., he served three years on active duty in the U.S. Army, followed by an additional three years in the Army Reserve. He later pursued his goal of earning a degree in accounting, graduating from New Mexico State University with a Bachelor of Accountancy in December 2025. Victor is currently working toward obtaining his Certified Public Accountant (CPA) license. He works on all of our tier engagements, including engagements under the Office of the State Auditor's program, where the OSA oversees engagement completion and takes financial responsibility.

AUDIT APPROACH

AUDIT APPROACH AND PROPOSED SCHEDULE

We believe a properly planned audit is important not only to the auditor but also to the organization being audited. Time spent with the Association's management and finance staff during the planning stages will result in a better understanding of the organization, allowing for the development of a custom risk-based audit plan specifically for the Tyrone Water and Wastewater Association. This maximizes the efficiency and effectiveness of the audit while complying with U.S. GAAP, GAGAS, and the Uniform Guidance for Single Audits.

1. Engagement Acceptance

Initial meetings with the Association's management will help us evaluate the organizational structure, and we will reach a mutual agreement on the timeline for the various steps of the engagement process. We will share our expectations of management and staff while allowing management and staff to share their expectations of us. Our goal is not to second-guess management and staff, but to form independent conclusions resulting from our procedures. We will conduct the audit in accordance with GAAS, GAGAS, and the requirements of any other applicable regulatory agencies.

2. Engagement Plan

The extent and nature of the procedures designed and applied are customized to your organization based on size, complexity, and structure. Based on the information provided and our observation of operations, we will modify our approach as needed to meet the objectives of the engagement. We will perform an assessment of inherent and control risk.

In assessing inherent risk, we will consider the susceptibility to error in account balances and transactions that would result in material misstatement. Factors include, but are not limited to, the nature of the organization; the skills, knowledge, and experience of employees; and any prior-year noncompliance identified.

Control risk is then assessed by identifying and evaluating the control system in place and the effectiveness of those controls. We will become familiar with the internal policies and procedures, and we will identify and consider significant risks. Significant transaction classes will be walked through, allowing us to understand the entity and its internal control environment. Subsequently, we will observe and test key controls that help prevent, detect, and correct material misstatements and noncompliance.

AUDIT APPROACH

3. Implementation of Plan

Once the risk assessment is complete, sampling and substantive testing will be determined. Our sampling will be statistically based to ensure a representative population sample is tested, and some nonstatistical sampling may be used as deemed necessary. Tests of details will be applied to the transactions and balances determined to be of higher risk. Analytical procedures will be applied and evaluated to establish expectations and determine plausible relationships, both financial and nonfinancial.

4. Completion

After performing our audit procedures, the engagement team will perform concluding steps, including but not limited to preparing the audit report to meet the engagement objectives and completing final analytics to ensure that the information tested and the report are complete and accurate and that any anomalies are identified. We will present the audit results to the respective members of management and governance as designated by the Association.

ENGAGEMENT TOOLS

We utilize CaseWare, an electronic audit engagement and financial statement preparation platform. Using internet access, we are able to share work with staff members located at our offices. Clients may either provide us with original source documents, which we scan into our system, or provide electronic versions using a secure transfer service. Beasley, Mitchell & Co., LLP complies with all professional standards regarding the confidentiality of client information.

We use Checkpoint, a group of tools providing a web-based data search engine that includes auditing standards and other rules and regulations applicable to certain audits. The tools and software we use are updated frequently and provide guidance in their application to the entity being audited. These tools allow us to better serve the Association.

Beasley, Mitchell & Co., LLP is a member of CPAmerica and Crowe Global. CPAmerica is an exclusive international organization of independent certified public accounting firms, and Crowe Global is one of the largest accounting associations in the world. These affiliations give our clients access to the advice and resources of more than 10,000 industry professionals in over 90 countries. They also allow us to share best practices and technical and industry resources, and to leverage resources for interactive national training delivered to small groups of professionals.

AUDIT APPROACH

TIMELINE

Communication before, during, and after fieldwork is important to both the firm and the client. We do not believe in holding things back and then surprising the client with findings or issues. Findings, if any, will be discussed with the appropriate level of management as they are discovered. The in-charge auditor of the engagement will hold an exit conference at the end of fieldwork with selected members of management to ensure open communication. With our numerous resources and qualified staff, we can complete the engagement within the timetable prescribed by the Association, provided all information is made available to us. We are committed to exceeding your expectations, and our proposed timeline can be modified.

Phase	Target Date
Entrance Conference	November 2026
Fieldwork	November 2026
Draft to Management	December 7, 2026
Issue Final Report	December 15, 2026

PROPOSED FEES

Our fees for these services are as follows:

Fees FYE 2026	Est. Hours	Fixed Fee
Financial Statement Audit	40	\$ 6,660
Financial Statement Preparation	20	3,320
Sub-total	60	9,980
Gross Receipts Tax	—	837
Total	60	\$ 10,817

Fees FYE 2027	Est. Hours	Fixed Fee
Financial Statement Audit	40	\$ 6,860
Financial Statement Preparation	20	3,420
Sub-total	60	10,280
Gross Receipts Tax	—	862
Total	60	\$ 11,142

Fees FYE 2028	Est. Hours	Fixed Fee
Financial Statement Audit	40	\$ 7,066
Financial Statement Preparation	20	3,523
Sub-total	60	10,589
Gross Receipts Tax	—	888
Total	60	\$ 11,477

PROPOSED FEES

Fees FYE 2029	Est. Hours	Fixed Fee
Financial Statement Audit	40	\$ 7,278
Financial Statement Preparation	20	3,629
Sub-total	60	10,907
Gross Receipts Tax	—	915
Total	60	\$ 11,822

FEE TERMS

We do not increase fees more than 5% from one year to the next unless there is a significant change in operations, and we do not bill in excess of our quoted fees.

From time to time, you may have a question or issue you would like to discuss immediately. We are always available by phone or email, and we are prompt in responding to both routine requests and requests for special services. We anticipate a customary level of incidental questions and research, which is provided at no additional charge. For special projects, in a manner similar to our proposal for the audit services, we can provide a fixed-price bid for each project as requested.

CONCLUSION

WHY BEASLEY, MITCHELL & CO., LLP IS YOUR BEST CHOICE

We are a locally owned firm with national resources. For the Tyrone Water and Wastewater Association, this means upper management is involved in every step of the engagement process, an approach that ensures the utmost professionalism and care for the Association. Further, our extensive national resources allow us to provide technical expertise that would be difficult to attain otherwise. Beasley, Mitchell & Co., LLP differentiates itself within the accounting profession by providing exceptional service and premium technical services.

Our engagement strategy is designed specifically for the Association to ensure that, as our client, you receive the best quality and service. Your ultimate success and growth is our personal goal as your accounting firm and professional advisor.

Since communication is a key component of any business relationship, we have set expectations for employees at all levels of the firm regarding client responsiveness. We are determined to answer emails and phone calls as quickly as possible, and we encourage all our clients to set up face-to-face meetings with us as they deem necessary. As a result of our commitment to excellent communication, we know the Tyrone Water and Wastewater Association will receive optimum service.

Beasley, Mitchell & Co., LLP appreciates the opportunity to provide this proposal.

CLIENT REFERENCES

Client	Contact
The Borderplex Alliance	Monica Fernandez (915) 298-1000 accounting@borderplexalliance.org
Centro Del Obrero Fronterizo	Jackie Tellez (915) 345-8564 jackietellez@mujerobrera.org
Centro San Vicente	Christina Paz (915) 859-7549 christina.paz@sanvicente.org

Services provided to each client above include a Financial Statement Audit, Financial Statement Preparation, and a Federal Single Audit.

THIS IS TO CERTIFY THAT

Beasley, Mitchell & Co., LLP
is licensed / registered in accordance with provisions of laws in the State of New Mexico

License / Registration No. 8181	License / Registration Type Firm Permit
Issue Date 05/31/1988	Expiration Date 06/30/2026

The bearer is prohibited by law from using this identification card to give the impression that they are in any way connected with a governmental agency

Signature of holder:

Beasley, Mitchell & Co., LLP
509 S Main St,
Las Cruces, NM 88004

State of New Mexico




Board of Public Accountancy

HEREBY CERTIFIES THAT

Beasley, Mitchell & Co., LLP

HAVING GIVEN SATISFACTORY EVIDENCE OF THE COMPLETION OF
PROFESSIONAL AND OTHER REQUIREMENTS PRESCRIBED BY LAW
IS GRANTED A LICENSE TO PRACTICE IN THE STATE OF NEW MEXICO

Firm Permit

License No. 8181 Issued 05/31/1988 Expires 06/30/2026

THIS LICENSE SHOULD BE CONSPICUOUSLY POSTED IN PLACE OF BUSINESS OR AS REQUIRED BY LAW



Frankel, LLC
11404 W Dodge Rd, Suite 700
Omaha, NE 68154
402.496.9100 | frankel.cpa

REPORT ON THE FIRM'S SYSTEM OF QUALITY CONTROL

October 25, 2023

To the Partners of Beasley, Mitchell & Co., LLP
and the Peer Review Committee of the Colorado Society of CPAs

We have reviewed the system of quality control for the accounting and auditing practice of Beasley, Mitchell & Co., LLP (the firm) in effect for the year ended March 31, 2023. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards).

A summary of the nature, objectives, scope, limitations of, and the procedures performed in a system review as described in the Standards may be found at www.aicpa.org/prsummary. The summary also includes an explanation of how engagements identified as not performed or reported on in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

Firm's Responsibility

The firm is responsible for designing and complying with a system of quality control to provide the firm with reasonable assurance of performing and reporting in conformity with the requirements of applicable professional standards in all material respects. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported on in conformity with the requirements of applicable professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

Peer Reviewer's Responsibility

Our responsibility is to express an opinion on the design of and compliance with the firm's system of quality control based on our review.

Required Selections and Considerations

Engagements selected for review included engagements performed under *Government Auditing Standards*, including a compliance audit under the Single Audit Act, and an audit of an employee benefit plan.

As a part of our peer review, we considered reviews by regulatory entities as communicated by the firm, if applicable, in determining the nature and extent of our procedures.

Opinion

In our opinion, the system of quality control for the accounting and auditing practice of Beasley, Mitchell & Co., LLP in effect for the year ended March 31, 2023, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. Beasley, Mitchell & Co., LLP has received a peer review rating of *pass*.

FRANKEL, LLC

Frankel, LLC
Omaha, Nebraska



**CAMICO MUTUAL INSURANCE COMPANY
DECLARATIONS
ACCOUNTANTS PROFESSIONAL LIABILITY INSURANCE POLICY**

Policy Number: NML01403-23

Effective Date: 12/12/2025 at 12:01 A.M. Standard time at the address shown below
Expiration Date: 12/12/2026 at 12:01 A.M. Standard time at the address shown below
Retroactive Date: 11/12/1987

Item 1 - *Named Insured*: Beasley, Mitchell & Co., LLP

Item 2 - *Business Address*: 509 South Main Street, Suite A
Las Cruces, NM 88001

Item 3 - Limits of Liability: \$2,000,000 Per *Claim*
\$2,000,000 Policy Aggregate

Item 4 - Deductibles: \$10,000 Per *Claim* Deductible

Item 5 - Total Premium: \$85,832.00

Item 6 - The policy consists of this Declarations page, and the following policy forms and endorsements:

PL-1000-A	07/14	Accountants Professional Liability Insurance Policy
PL-2042-A (NM)	07/14	Disclosure Notice
PL-2039-A (NM)	11/21	State Endorsement - New Mexico
PL-1004-A	07/14	Dollar One Defense Endorsement
PL-1007-A	07/14	Exclusion - Claims Following Insured's Suit for Fees
PL-1034-A	07/14	Excluded Entities Endorsement
PL-1039-A	07/14	Computer Consulting Endorsement
PL-1047-A	07/14	Lawyer Attorney Exclusion
PL-1049-A	07/14	Privacy and Client Network Damage Endorsement
PL-1056-A	06/16	Multiple Claims and Related Acts, Errors and Omissions Amendment
PL-1060-A	11/21	Sanctions Limitation and Exclusion

PLEASE READ THESE DECLARATIONS, THE POLICY AND ENDORSEMENTS CAREFULLY.

CAMICO Mutual Insurance Company

Authorized Representative

PL-1001-A

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(rev. 07/14)