NORTHWEST FLORIDA WATER MANAGEMENT DISTRICT
SOLICITATION ADDENDUM

Northwest Florida Water Management District Attn: Procurement Officer 81 Water Management Drive Havana, FL 33333	Request for Proposal (RFP) No.: 26-003 ADDENDUM NUMBER: 1 DATE: September 11, 2026
Project Title: Independent Financial Audit Services	
Deadline for Submission of Proposals and the Opening of Sealed Proposals is Wednesday, September 23, 2026, 2:00 P.M. ET.	

This ADDENDUM NO. 1 is issued for INDEPENDENT FINANCIAL AUDIT SERVICES for RFP 26-003 to provide answers to questions received during the inquiry period. Below are the questions and answers.

Question 1: Do you have the bid docs for this opportunity: Independent Financial Audit Services?

Answer: The bid documents can be found within the RFP that is posted on the District's website, DemandStar, and the Department of Management Services' Vendor Information Portal.

Question 2: Please provide the audit fee for FY2025.
Additionally, please confirm whether the audit may be performed remotely.

Answer: The independent financial services fee for the FY2025 audit was $47,578. The annual audit may be performed remotely although on-site activities and meetings are highly encouraged.

Question 3: Is subcontracting or teaming with certified MBE/WBE firms encouraged or required as part of this solicitation?

Answer: Subcontracting or teaming with certified MBE/WBE firms is not required as part of this solicitation.

Question 4: Is there a list of prime respondents or a matchmaking process we could connect with regarding potential subcontracting opportunities?

Answer: The list of prime respondents will be posted once the RFP closes on September 23, 2026.

Question 5: What was the cost of the latest financial audit and single audit?

Answer: The independent financial services fee for the FY2025 audit was $47,578 including the single audit.

Question 6: What is the reason for going out for RFP? Will the current firm be able to propose?

Answer: The contract for independent financial services expired and must be re-procured. Yes, the firm that had the contract will be able to submit a proposal.

Question 7: Has the current auditor charged fees outside the scope of the audit in the past several years? If so, what is the nature of this and the amount of fees?

Answer: The firm was hired to assist with GASB 96 implementation for a fee of $2,450 and GASB 87 implementation for a fee of $2,500.

Question 8: How long have you utilized your current auditing firm?

Answer: The most recent agreement was for five (5) years with three (3) 1-year renewals. The firm was used for all eight (8) years. The firm was also used in years prior to FY2014.

Question 9: When does preliminary fieldwork normally occur for the financial audit?

Answer: Historically, the preliminary field work is performed during one week in November.

Question 10: How many auditors were onsite during preliminary and final fieldwork for the financial audit and for how long?

Answer: For the most recent audit, no auditors were on site for the preliminary field work, and two auditors were on site for two days during the final fieldwork.

Question 11: Does the District prepare its own financial statements, footnotes, and Schedule of Expenditures of Federal Awards and State Financial Assistance, or do the auditors assist with preparation?

Answer: The District prepares the Schedule of Expenditures of Federal Awards and State Financial Assistance. The auditors assist with preparation of the financial statements and footnotes etc.

Question 12: What IT system(s) do you utilize for the general ledger, work order system, etc.?

Answer: The District utilizes Enterprise ERP (previously known as Munis) by Tyler Technologies for its financial software.

Question 13: Is there a page limit for the proposal?

Answer: There is no page limit for the proposal.

Question 14: Were there any adjusting journal entries made as a part of the fiscal year 2025 audit? If so, can you please attach.

Answer: The District relies on the auditors to supply adjusting entries for OPEB and Pension activity (HIS and FRS deferred inflow/outflows etc.). The District recorded no other adjusting entries during the most recent audit. See below titled "Question 14. FY 2025 Audit - Journal Entries".

Question 15: Is there are local preference in evaluating this RFP?

Answer: The proposals will be scored according to the guidelines identified in the RFP.

Question 16: How many meetings is the auditor expected to have with the governing body each year?

Answer: The auditor is expected to be available to make a presentation to the Governing Board during the board meeting at which the audited financial statements are presented, which is normally in May.

Question 17: Has the entity undergone any significant changes since the last audit such as a change in accounting or operation software or turnover in key finance / accounting personnel?

Answer: The District has not had any significant changes since the last audit to the accounting software or key finance/accounting personnel.

Question 18: Does the District have an auditor rotation policy?

Answer: No

Question 19: Will the current audit firm be allowed to submit a proposal?

Answer: Yes

Question 20: Who typically writes up the financial statements and notes, the auditor or management?

Answer: The District prepares the Schedule of Expenditures of Federal Awards and State Financial Assistance. The auditors assist with preparation of the financial statements and footnotes etc.

Question 21: Who typically prepares the Schedule of Federal and State Awards, the auditor or management?

Answer: The District prepares the Schedule of Expenditures of Federal Awards and State Financial Assistance. The auditors assist with preparation of the financial statements and footnotes etc.

Question 22: Does management typically provide the schedule of rolled up data in order for the auditor to prepare and submit the AFR to the Florida Department of Financial Services through the Florida Open Financial Statement System online?

Answer: Yes, the District will prepare the data for the AFR that is to be submitted to the Florida Department of Financial Services.

Question 23: What were the audit fees paid for the previous two fiscal years?

Answer: The fee for the FY2025 audit was $47,578 and the fee for the FY2024 audit was $49,191.

Question 24: What were the total audit hours billed for the previous two audits by staffing level, if provided on the audit invoices?

Answer: The number of hours by staffing level was not provided on the audit invoices.

Question 25: Were there any additional billings for out-of-scope services billed by the auditor in the previous two years? If so, what were the nature of the services performed and the amounts billed?

Answer: The firm was hired to assist with GASB 96 implementation for a fee of $2,450 and GASB 87 implementation for a fee of $2,500.

Question 26: How quickly after year-end can the books be closed and ready for audit?

Answer: Historically, the books are closed and ready for audit by mid-February.

Question 27: Have there been any delays in getting the audit completed within the requested timeline in the last three years? If so, what was the cause for the delay?

Answer: No

Question 28: What accounting software is currently used by the District? Do you anticipate converting to a new software system in the next 3-5 years?

Answer: The District utilizes Enterprise ERP (previously known as Munis) by Tyler Technologies for its financial software. The District does not anticipate converting to a new software system in the next 3-5 years.

Question 29: Are any significant changes in operations or funding (including federal and state grants) expected in the next 3-5 years?

Answer: No significant changes in operations or funding are expected in the next 3-5 years.

Question 30: Were there a significant number of audit adjustments proposed by the auditor in the previous two audits?

Answer: No

Question 31: Can you please provide the Communication with Governance Letter (SAS 114) for the 9/30/25 audit?

Answer: See below titled “Question 31. Communication with Governance Letter (SAS 114)”

Question 32: Is the audit typically performed remotely or a substantial portion of the audit performed remotely, or do you prefer fully on-site fieldwork?

Answer: Typically, there is a mixture of both remote and on-site fieldwork.

Question 33: Do you expect any turnover in key finance/accounting positions in the next few years?

Answer: No

Question 34: We noted you early implemented GASB Statement 103. Do you plan to early implement all new accounting standards going forward?

Answer: As a component unit of the State of Florida, the District typically early implements new accounting standards.

Question 35: Are there any improvements you'd like to see made to the audit process?

Answer: No

Question 36: Has there been any recent turnover?

Answer: The District has not had any significant changes since the last audit to key finance/accounting personnel.

Question 37: Have there been any changes to systems / significant service providers?

Answer: No

Question 38: Are there any anticipated in the coming years?

Answer: No

Question 14. FY 2025 Audit - Journal Entries

Account	Description	W/P Ref	Debit	Credit
To update OPEB				
09-2000	OPEB Deferred Infows		213,298.00	
09-900000-239200-00000	LIABILITY FOR OPEB		32,288.00	
09-1999	OPEB Deferred Outflows			71,682.00
09-5000	Opeb Expense Water Resource			39,708.00
09-5001	OPEB Expenses Acquisition			9,817.00
09-5002	OPEb Expenses Operation			38,068.00
09-5003	OPEB Expenses Regulation			48,365.00
09-5004	OPEb Expenses Outreach			2,313.00
09-5005	OPEB Expenses Admin			35,633.00
Total			**245,586.00**	**245,586.00**
To adjust GE Pension activity to actual				
09-900000-20001	NPL FRS		1,112,723.00	
09-900000-20002	NPL HIS		375,312.00	
09-900000-19999	DO FRS			441,935.00
09-900000-19999	DO FRS			48,701.00
09-900000-29998	DI HIS			208,383.00
09-900000-29999	DI FRS			308,643.00
09-900000-50001	Pension Expenses Water			109,686.00
09-900000-50002	Pension Expenses Acq			27,117.00
09-900000-50003	Pension Expenses Operations			105,155.00
09-900000-50004	Pension Expenses Regulations			133,597.00
09-900000-50005	Pension expenses Outreach			6,388.00
09-900000-50006	Pension expenses Admin			98,430.00
Total			**1,488,035.00**	**1,488,035.00**
To reclass amounts between HIS and FRS to agree the deferred				
09-900000-19999	DO FRS		48,701.00	
09-900000-19998	DO HIS			48,701.00
Total			**48,701.00**	**48,701.00**

Question 31. Communication with Governance Letter (SAS114)

JAMESMOORE

May 5, 2026

The Members of the Governing Board,
Northwest Florida Water Management District:

We have audited the financial statements of the Northwest Florida Water Management District (the District) as of and for the year ended September 30, 2025, and have issued our report thereon dated May 5, 2026. Professional standards require that we advise you of the following matters relating to our audit.

Our Responsibility in Relation to the Financial Statement Audit

As communicated in our engagement letter dated May 6, 2025, our responsibility, as described by professional standards, is to form and express an opinion about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of your respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of the system of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control over financial reporting. Accordingly, as part of our audit, we considered the system of internal control of the District solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

We have provided our findings regarding significant control deficiencies over financial reporting and material weaknesses, and material noncompliance, if applicable, and other matters noted during our audit in a separate letter to you dated May 5, 2026.

Planned Scope and Timing of the Audit

We conducted our audit consistent with the planned scope and timing we previously communicated to you.

Compliance with All Ethics Requirements Regarding Independence

The engagement team, others in our firm, as appropriate, our firm, and our network firms have complied with all relevant ethical requirements regarding independence.

We have applied safeguards related to our preparation of the District's financial statements, including, but not limited to, an assessment of management's skills, knowledge, and experience, and by obtaining a completed financial statement disclosure checklist from management.

Significant Risks Identified

Professional standards require that we, as auditors, identify significant risks that impact the audit based upon the nature of the organization and design our audit procedures to adequately address those risks. As part of the audit process, we have identified the following significant risks, which are being communicated solely to comply with auditing standards and do not represent any specific finding and/or concerns related to the audit:

- Management override of controls is considered an inherent risk according to GAAS
- Improper revenue recognition is considered an inherent risk according to GAAS
- Improper fund balance allocation and presentation
- Estimates related to pension and OPEB liabilities

Our audit was designed to adequately address the above risks and no issues were noted that impacted our ability to render an opinion on the financial statements.

Qualitative Aspects of the Entity's Significant Accounting Practices

Significant Accounting Policies

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by the District is included in Note 1 to the financial statements. There have been no initial selection of accounting policies and no changes in significant accounting policies or their application during 2025 other than the implementation of Government Accounting Standards Board (GASB) Statement No. 103, *Financial Reporting Model Improvements*, and Statement No. 104, *Disclosure of Certain Capital Assets*. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

Significant Accounting Estimates and Related Disclosures

Accounting estimates and related disclosures are an integral part of the financial statements prepared by management and are based on management's current judgments. Those judgments are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ markedly from management's current judgments.

The most sensitive accounting estimates affecting the District's financial statements are:

> Management's estimate of the net pension liability, and the OPEB liabilities were based on actuarial factors and were calculated by actuaries independent of the District. We evaluated the factors and assumptions used to develop the fair value estimate and

determined that it is reasonable in relation to the basic financial statements taken as a whole and in relation to the applicable opinion units.

Financial Statement Disclosures

Certain financial statement disclosures involve significant judgment and are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the District's financial statements relate to:

The District's cash and investments note to the financial statements describes the District's policies related to interest rate risk, credit risk, custodial credit risk and concentration of credit risk. This note also details the various investment holdings of the District and provides information on the credit ratings and estimated maturities of the securities included in the portfolio.

The District's commitments and contingencies note to the financial statements discloses how the unrestricted fund balances will be expended in the upcoming fiscal year.

The District's lease liability for long-term leases of which the District is the lessee.

The District's disclosure of the net pension liability in the retirement plans note to the financial statements summarizes the District's share of the net pension liability from the Florida Retirement System (FRS) as calculated by the FRS Plan's independent actuary.

The District's disclosure of the other post-employment benefits (OPEB) total liability in the retirement plans note to the financial statements summarizes basic information regarding the District's total OPEB liability and the funded status.

Significant Difficulties Encountered during the Audit

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

Uncorrected and Corrected Misstatements

For purposes of this communication, professional standards also require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole and each applicable opinion unit. Management has corrected all identified misstatements.

In addition, professional standards require us to communicate to you all material, corrected misstatements that were brought to the attention of management as a result of our audit procedures. None of the misstatements identified by us as a result of our audit procedures and corrected by management were material, either individually or in the aggregate, to the financial statements taken as a whole or applicable opinion units.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to the District's financial statements or the auditor's report. No such disagreements arose during the course of the audit.

Representations Requested from Management

We have requested certain written representations from management, which are included in the management representation letter dated May 5, 2026.

Management's Consultations with Other Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

Other Significant Matters, Findings, or Issues

In the normal course of our professional association with the District, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, significant events or transactions that occurred during the year, operating and regulatory conditions affecting the entity, and operational plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as the District's auditors.

Other Information Included in Annual Reports

Pursuant to professional standards, our responsibility as auditors for other information, whether financial or nonfinancial, included in the District's annual reports, does not extend beyond the information identified in the audit report, and we are not required to perform any procedures to obtain assurance about such other information. However, in accordance with such standards, with respect to the supplementary information accompanying the financial statements we have: made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

Our responsibility also includes communicating to you any information which we believe is a material misstatement of fact. Nothing came to our attention that caused us to believe that such information, or its manner of presentation, is materially inconsistent with the information, or manner of its presentation, appearing in the financial statements.

This report is intended solely for the information and use of the Governing Board, management of the District, and others within the District, and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

James Moore & Co., P.L.

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