

## **Polk Regional Water Cooperative**

Report to the Members of the Board of Directors  
required by AICPA auditing standards section

AU-C Section 260 – *The Auditor's Communication with Those Charged with Governance*

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March 9, 2026

To the Members of the Board of Directors  
Polk Regional Water Cooperative

We have audited the basic financial statements of the Polk Regional Water Cooperative (the “Cooperative”) as of and for the year ended September 30, 2025 and have issued our report thereon dated March 9, 2026. We have previously communicated to you information about our responsibilities under auditing standards generally accepted in the United States of America and *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit in our engagement letter dated August 11, 2025 (signed on September 17, 2025). Professional standards require that we communicate to you the following information related to our audit.

### **Significant Audit Matters**

#### *Qualitative Aspects of Accounting Practices:*

*Accounting policies:* Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Cooperative are described in note 1 to the financial statements. There have not been any initial selections of, or changes in, significant accounting policies during the year.

We noted no transactions entered into by the Cooperative during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

*Accounting estimates:* Accounting estimates are an integral part of the financial statements prepared by management and are based on management’s 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 significantly from those expected. The most significant estimate affecting the Cooperative’s financial statements were:

- Management estimates that approximately \$9,920,000 in costs will be reimbursed by Florida Department of Environmental Protection grant LPA0212 based on a review of costs incurred but not yet reimbursed as of September 30, 2025.

*Financial Statement Disclosures:* The disclosures in the financial statements are neutral, consistent, and clear.

*Difficulties Encountered in Performing the Audit:* We encountered no significant difficulties in dealing with management while performing and completing our audit.

*Disagreements with Management:* For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor’s report. We are pleased to report that no such disagreements arose during the course of our audit.

*Corrected and Uncorrected Misstatements:* Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit’s financial statements taken as a whole.

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*Management Representations:* We have requested certain representations from management that are included in the management representation letter dated March 9, 2026.

*Management Consultations with Other Independent Accountants:* Management has consulted with CliftonLarsonAllen, LLP with regards to general accounting matters for the year ending September 30, 2025. We are aware that management consults with CliftonLarsonAllen, LLP on general accounting matters which can have a direct and material impact on the financial statements of the Cooperative.

*Other Matters:* We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Cooperative's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our engagement.

We applied certain limited procedures to *management's discussion and analysis*, which is required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on the *schedule of revenues and expenses – budget to actual – admin* and the *schedule of expenditures of federal awards and state financial assistance* which accompany the financial statements but are not RSI. With respect to this supplementary information, we 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.

*Use of audit report and audited financial statements in other documents:* Our auditor's opinion, the audited financial statements, and the notes to financial statements should only be used in their entirety. Inclusion of the audited financial statements in a document you prepare, such as an annual report, should be done only with our prior approval and review of the document.

This information is intended solely for the use of the Members of the Board of Directors and the Member Governments of the Polk Regional Water Cooperative and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

*Brynjulfson CPA, P.A.*

**Brynjulfson CPA, P.A.**  
Auburndale, Florida  
March 9, 2026