

REPORT DATE

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Allied Drive Redevelopment, LLC  
c/o CDA of the City of Madison  
Madison Municipal Building, Room 161  
215 Martin Luther King Jr Blvd  
Madison, WI 53703

Randy Oleszak  
Lutheran Social Services of Wisconsin and Upper Michigan, Inc.  
6737 W. Washington Street, Suite 2275  
West Allis, WI 53214

This letter includes a brief summary of our responsibilities regarding considerations of internal control and fraud in the performance of our audit engagement. In addition, this letter summarizes certain matters required to be communicated to you under professional standards in your oversight responsibilities for the entity's financial reporting process.

**REQUIRED COMMUNICATIONS**

Professional standards require that we provide you with certain information related to our audit. These Required Communications are attached to this letter.

**CONSIDERATION OF INTERNAL CONTROL AND FRAUD**

Internal Control Considerations

As described in our engagement letter, our audit included obtaining an understanding of the system of internal control sufficient to identify and assess the risks of material misstatement and perform audit procedures responsive to those risks. An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses in internal control. However, we would communicate to you internal control matters that are required to be communicated under professional standards. Our findings are presented in the Internal Control Communication attached to this letter.

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Fraud Considerations

As described in our engagement letter, we planned and performed our audit to obtain reasonable assurance about whether the financial statements were free of material misstatements, whether from errors, fraudulent financial reporting, misappropriation of assets, or violations of laws or governmental regulations that are attributable to the entity or to acts by management or employees acting on behalf of the entity. An audit is not designed to provide absolute assurance, and because we do not perform a detailed testing of all transactions, there is a risk that material misstatements may exist and not be detected by us. An audit is also not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements.

**CONCLUSION**

We would like to thank you and your employees for the assistance provided to us in the performance of our engagement. We hope we have provided you with valuable information during the course of our engagement.

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

Sincerely,

**Lynn Heslinga, CPA**

*Principal*

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Encl.

## REQUIRED COMMUNICATIONS

We have audited the financial statements of Allied Drive Redevelopment, LLC for the year ended December 31, 2023, and have issued our report thereon dated REPORT DATE. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated January 31, 2024. Professional standards also 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 Allied Drive Redevelopment, LLC are described in Note A to the financial statements. No new accounting policies were adopted, and the application of existing policies was not changed during fiscal year 2023. We noted no transactions entered into by the entity 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 sensitive estimate affecting the financial statements was:

Management's estimate of the useful lives of depreciable assets and the related depreciation methods, as described in Note A, are based on historical factors and industry practice. We evaluated the key factors and assumptions used to develop the estimated useful lives and related depreciation methods in determining that they are reasonable in relation to the financial statements taken as a whole.

##### *Financial Statement Disclosures*

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosure(s) affecting the financial statements was the disclosure of the Land Use Restriction Agreement in the notes to the financial statements.

The financial statement disclosures are neutral, consistent, and clear.

### Significant Unusual Transactions

There were no significant unusual transactions identified during the course of our audit.

### Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in 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.

### Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the entity's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

### Other Audit Findings or Issues

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 entity's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

### **CORRECTED AND UNCORRECTED MISSTATEMENTS**

Professional standards require us to accumulate all misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management.

There were no misstatements detected as a result of audit procedures.

## SUPPLEMENTARY INFORMATION ACCOMPANYING THE FINANCIAL STATEMENTS

With respect to the supplementary information accompanying the financial statements, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with U.S. generally accepted accounting principles; 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.

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## INTERNAL CONTROL COMMUNICATION

In planning and performing our audit of the financial statements of Allied Drive Redevelopment, LLC as of and for the year ended December 31, 2023 in accordance with auditing standards generally accepted in the United States of America, we considered the entity's system of internal control over financial reporting (internal control) as a basis for designing auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we do not express an opinion on the effectiveness of the entity's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses. Given these limitations, during our audit, we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

This communication is intended solely for the information and use of management, the members, and others within the entity, and is not intended to be, and should not be, used by anyone other than these specified parties.