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## Management Letter

Board of Trustees  
Village of Barrington Hills  
Barrington Hills, Illinois

In planning and performing our audit of the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Village of Barrington Hills (the Village) as of and for the year ended December 31, 2016, in accordance with auditing standards generally accepted in the United States of America, we considered the Village's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Village's internal control. Accordingly, we do not express an opinion on the effectiveness of the Village'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 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.

Additionally, we wish to make the following recommendations for improvement:

### Credit Card Usage Policy

Village credit cards are accessed by three Village Officers for certain purchases. Although adequate controls are in place to prevent fraudulent or otherwise prohibited purchases, the Village does not currently have an adopted policy. We recommend a written policy be developed and adopted that outlines and clarifies the current practices and controls in place governing the use of credit cards. We further recommend that all cardholders signify acceptance and understanding of the policy in writing to the card administrator.

### Capital Asset Records

The capital asset records maintained by a third-party appraisal company does not match the figures presented in the annual financial report. The details of the differences are known and reconciled. We recommend the Village work with the appraisal company to synchronize the capital asset records with the annual financial report.

Positive Attributes

Although the general purpose of this letter is to cover only matters needing consideration, we believe it is also important to point out that there are many positive attributes of the Village's financial management systems, which are not specifically covered herein.

We would like to take this opportunity to thank the Village and their personnel for the cooperation and courtesies extended to us during our audit.

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

A handwritten signature in cursive script that reads "Klein Hall CPAs".

Klein, Hall CPAs  
Aurora, Illinois  
May 5, 2017