



August 24, 2018

Board of Commissioners
Freeport Park District
Freeport, IL 61032

Dear Board of Commissioners:

We have audited the financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the Freeport Park District (the "Park District") for the year ended March 31, 2018, and have issued our report thereon dated August 24, 2018. Professional standards require that we provide you with the following information related to our audit:

Our Responsibility Under Auditing Standards Generally Accepted in the United States

As stated in our engagement letter dated December 1, 2017, our responsibility, as described by professional standards, is to express opinions about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with accounting principles generally accepted in the United States. Our audit of the financial statements does not relieve you or management of your responsibilities.

As part of our audit, we considered the internal control of the Park District. Such considerations were solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

Required Supplementary Information Accompanying Audited Financial Statements

We applied certain limited procedures to the management's discussion and analysis, budgetary comparison information, the schedule of contributions for IMRF, and the schedule of changes in net pension liability for IMRF, which are 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.

Supplementary Information in Documents Containing Audited 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 accounting principles generally accepted in the United States, 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.

Other Information in Documents Containing Audited Financial Statements

The auditor's responsibility for other information in documents containing audited financial statements does not extend beyond the financial information identified in our report, and we have no obligation to perform any procedures to corroborate other information contained in a document. Our responsibility is to read the other information and consider whether such information, or the manner of its presentation, is materially inconsistent with information, or the manner of its presentation, appearing in the financial statements. We are not aware of any documents or other information containing audited financial statements, and furthermore management has not requested us to devote attention to any documents containing audited financial statements.

Planned Scope and Timing of the Audit

We performed the audit according to the planned scope and timing previously communicated to your representative, Vickie Witt, in our engagement letter dated December 1, 2017, accepted by Jack Carey.

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Park District are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2018.

We noted no transactions entered into by the Park District 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 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 estimates affecting the financial statements are management's estimate of useful lives of fixed assets and the actuarial assumptions related to the pension disclosures.

The disclosures in the financial statements are neutral, consistent, and clear. Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users.

Difficulties Encountered in Performing the Audit

We encountered no difficulties in dealing with management in performing and completing 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 the financial statements taken as a whole. The attached listing of adjusting journal entries were misstatements noted during our audit and were corrected by management.

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 Representations

We have requested certain representations from management that are included in the management representation letter dated August 24, 2018, a copy of which accompanies this letter.

Management Consultations With Other 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 the application of an accounting principle to the Park District'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 of 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 Park District's. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition of our retention.

Internal Control Matters

In planning and performing our audit of the financial statements of Freeport Park District (the "Park District") as of and for the year ended March 31, 2018, in accordance with auditing standards generally accepted in the United States, we considered Freeport Park District's internal control over financial reporting (internal control) as a basis for designing our auditing 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 Park District's internal control. Accordingly, we do not express an opinion on the effectiveness of the Park District's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be significant deficiencies or material weaknesses and, therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we identified certain deficiencies in internal control that we consider to be significant deficiencies.

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 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. We did not identify any deficiencies in internal control that we consider to be material weaknesses.

A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

We consider the following deficiencies in internal control to be significant deficiencies:

Segregation of Duties

The Freeport Park District currently has inadequate segregation of duties within the cash receipt and cash disbursement functions. The Office Manager currently has authority to disburse monies, sign checks, and access the general ledger. This combination of procedures increases the likelihood that errors or misappropriation of assets could occur. One of the basic tenets of good internal control is to separate the recording of cash from the physical handling of cash.

While we also recognize that ultimate controls cannot be implemented with your current number of employees, we believe that strong supervision and review by the Executive Director and Board of Commissioners will compensate for some of these weaknesses. Therefore, it is important that you recognize that regular and active involvement by the Board of Commissioners as a whole is an integral and critical area within the District's system of internal control.

Effect.

Without adequate segregation of duties, the likelihood that unauthorized or false transactions will be prevented or detected in a timely fashion is significantly diminished which may result in misstated financial statements.

Financial Statements Preparation

A client's internal control over financial reporting does not end at the general ledger, but extends to the financial statements and notes. As part of our professional services for the year ended March 31, 2018, Wipfli assisted in drafting the financial statements and related notes. The Park District does not have sufficient expertise to completely prepare its own financial statements disclosures. Because the Park District relies on Wipfli to provide the necessary understanding of current accounting and disclosure principles in the preparation of the financial statements, a significant deficiency exists in the Park District's internal controls.

Effect.

The completeness of the financial statement disclosures and the accuracy of the overall financial presentation is negatively impacted as outside auditors do not have the same comprehensive understanding of the Park District as its internal financial staff.

We appreciate the opportunity to be of service to Freeport Park District.

This communication is intended solely for the information and use of management, the Board of Commissioners, others within the District, and includes a description of the scope of our testing of internal controls over financial reporting and the results of that testing. Accordingly, this communication is not suitable for any other purpose.

Sincerely,

Wipfli LLP

Wipfli LLP

Enc.

Freeport Park District

Year End: March 31, 2018

Adjusting journal entries

Date: 4/1/2017 To 3/31/2018

| Number | Date | Name | Account No | Reference | Debit | Credit | Recurrence |
|--------|-----------|------------------|----------------------|-----------|------------|-------------|------------|
| 1 | 3/31/2018 | TAXES RECEIVABLE | 101100-141000 GEN | D. 2 | 805,118.00 | | |
| 1 | 3/31/2018 | DEFERRED TAXES | 101100-230400 GEN | D. 2 | | -805,118.00 | |
| 1 | 3/31/2018 | TAXES RECEIVABLE | 201100-141000 REC | D. 2 | 425,013.00 | | |
| 1 | 3/31/2018 | DEFERRED TAXES | 201100-230400 REC | D. 2 | | -425,013.00 | |
| 1 | 3/31/2018 | TAXES RECEIVABLE | 221100-141000 SPREC | D. 2 | 81,765.00 | | |
| 1 | 3/31/2018 | DEFERRED TAXES | 221100-230400 SPREC | D. 2 | | -81,765.00 | |
| 1 | 3/31/2018 | TAXES RECEIVABLE | 251100-141000 MUSEUM | D. 2 | 143,088.00 | | |
| 1 | 3/31/2018 | DEFERRED TAXES | 251100-230400 MUSEUM | D. 2 | | -143,088.00 | |
| 1 | 3/31/2018 | TAXES RECEIVABLE | 401100-141000 POLICE | D. 2 | 51,103.00 | | |
| 1 | 3/31/2018 | DEFERRED TAXES | 401100-230400 POLICE | D. 2 | | -51,103.00 | |
| 1 | 3/31/2018 | TAXES RECEIVABLE | 601100-141000 AUDIT | D. 2 | 10,221.00 | | |
| 1 | 3/31/2018 | DEFERRED TAXES | 601100-230400 AUDIT | D. 2 | | -10,221.00 | |
| 1 | 3/31/2018 | TAXES RECEIVABLE | 701100-141000 RETIRE | D. 2 | 163,611.00 | | |
| 1 | 3/31/2018 | DEFERRED TAXES | 701100-230400 RETIRE | D. 2 | | -163,611.00 | |
| 1 | 3/31/2018 | TAXES RECEIVALBE | 801100-141000 DS | D. 2 | 529,652.00 | | |
| 1 | 3/31/2018 | DEFERRED TAXES | 801100-230400 DS | D. 2 | | -529,652.00 | |

To record property tax receivable
and deferral for the current property tax levy (Vickie, please reverse this entry)

Recurring

| | | | | | | | |
|---|-----------|------------------------------|------------------|-------|------------|-------------|--|
| 2 | 3/31/2018 | 2016 BOND ISSUE | 801100-472002 DS | AA. 1 | | | |
| 2 | 3/31/2018 | TRANS BONDS PROCEEDS FROM CI | 801100-580010 DS | AA. 1 | | -582,469.00 | |
| 2 | 3/31/2018 | INTEREST EXPENSE 2007 (2M) | 801100-611004 DS | AA. 1 | 22,469.00 | | |
| 2 | 3/31/2018 | BOND PRINCIPAL 2007 (2M) | 801100-611504 DS | AA. 1 | 560,000.00 | | |
| 2 | 3/31/2018 | 2017 BOND ISSUE | 901100-472011 CP | AA. 1 | | -582,469.00 | |
| 2 | 3/31/2018 | TRANSFER TO B&I RETIRE BONDS | 901100-580201 CP | AA. 1 | 582,469.00 | | |

To reclass bond issuance accounting

Recurring

| | | | | | | | |
|---|-----------|-------------------------|-------------------|-------|----------|-----------|--|
| 3 | 3/31/2018 | ACCRUED SALARIES | 101100-220000 GEN | FF. 1 | | -5,053.00 | |
| 3 | 3/31/2018 | DIRECTOR | 101100-510005 GEN | FF. 1 | 238.00 | | |
| 3 | 3/31/2018 | OFFICE MANAGER | 101100-510006 GEN | FF. 1 | 507.00 | | |
| 3 | 3/31/2018 | PR SPECIALISTS | 101100-510007 GEN | FF. 1 | 337.00 | | |
| 3 | 3/31/2018 | MAINTENANCE SUPERVISOR | 101100-510205 GEN | FF. 1 | 860.00 | | |
| 3 | 3/31/2018 | YEAR AROUND MAINTENANCE | 101100-510210 GEN | FF. 1 | 1,994.00 | | |
| 3 | 3/31/2018 | SEASONAL MAINTENANCE | 101100-510230 GEN | FF. 1 | 1,117.00 | | |

| | | | | | | |
|---|-----------|------------------------------|----------------------|-------|----------|-----------|
| 3 | 3/31/2018 | ACCRUED SALARIES | 201100-220000 REC | FF. 1 | | -4,635.00 |
| 3 | 3/31/2018 | DIRECTOR | 201100-510005 REC | FF. 1 | 331.00 | |
| 3 | 3/31/2018 | OFFICE MANAGER | 201100-510006 REC | FF. 1 | 212.00 | |
| 3 | 3/31/2018 | SECRETARY | 201100-510007 REC | FF. 1 | 135.00 | |
| 3 | 3/31/2018 | SUPERINTENDENT OF RECREATION | 201100-510100 REC | FF. 1 | 995.00 | |
| 3 | 3/31/2018 | ATHLETIC SUPERVISOR | 201100-510101 REC | FF. 1 | 784.00 | |
| 3 | 3/31/2018 | TR & COMM REC SUPERVISOR | 201100-510102 REC | FF. 1 | 124.00 | |
| 3 | 3/31/2018 | MAINTENANCE SUPERVISOR | 201100-510205 REC | FF. 1 | 113.00 | |
| 3 | 3/31/2018 | YEAR AROUND MAINTENANCE | 201100-510210 REC | FF. 1 | 1,304.00 | |
| 3 | 3/31/2018 | SEASONAL MAINTENANCE | 201100-510230 REC | FF. 1 | 196.00 | |
| 3 | 3/31/2018 | BUNNY TRAIL | 205216-591546 REC | FF. 1 | 27.00 | |
| 3 | 3/31/2018 | TAI CHI | 205217-591410 REC | FF. 1 | 56.00 | |
| 3 | 3/31/2018 | GUARD START | 205315-591606 REC | FF. 1 | 215.00 | |
| 3 | 3/31/2018 | POOL MANAGERS | 205328-510601 REC | FF. 1 | 111.00 | |
| 3 | 3/31/2018 | CONCESSION SUPERVISOR | 205429-510800 REC | FF. 1 | 12.00 | |
| 3 | 3/31/2018 | MINI-GOLF SALARIES | 205435-510607 REC | FF. 1 | 8.00 | |
| 3 | 3/31/2018 | CONCESSION SUPERVISOR | 205435-510800 REC | FF. 1 | 12.00 | |
| 3 | 3/31/2018 | ACCRUED SALARIES | 221100-220000 SPREC | FF. 1 | | -1,401.00 |
| 3 | 3/31/2018 | OFFICE MANAGER | 221100-510006 SPREC | FF. 1 | 101.00 | |
| 3 | 3/31/2018 | SECRETARY | 221100-510007 SPREC | FF. 1 | 101.00 | |
| 3 | 3/31/2018 | SUPERINTENDENT OF RECREATION | 221100-510100 SPREC | FF. 1 | 426.00 | |
| 3 | 3/31/2018 | TR & COMM REC SUPERVISOR | 221100-510102 SPREC | FF. 1 | 703.00 | |
| 3 | 3/31/2018 | S.O. SOCCER | 225515-591717 SPREC | FF. 1 | 23.00 | |
| 3 | 3/31/2018 | S.O. TRACK & FIELD | 225515-591720 SPREC | FF. 1 | 29.00 | |
| 3 | 3/31/2018 | ARTS AND CRAFTS | 225515-591737 SPREC | FF. 1 | 6.00 | |
| 3 | 3/31/2018 | SPECIAL REC. BOWLING | 225515-591754 SPREC | FF. 1 | 12.00 | |
| 3 | 3/31/2018 | ACCRUED SALARIES | 251100-220000 MUSEUM | FF. 1 | | -2,449.00 |
| 3 | 3/31/2018 | DIRECTOR | 251100-510005 MUSEUM | FF. 1 | 329.00 | |
| 3 | 3/31/2018 | OFFICE MANAGER | 251100-510006 MUSEUM | FF. 1 | 101.00 | |
| 3 | 3/31/2018 | SECRETARY | 251100-510007 MUSEUM | FF. 1 | 101.00 | |
| 3 | 3/31/2018 | MUSEUM CURATORS | 251100-510010 MUSEUM | FF. 1 | 293.00 | |
| 3 | 3/31/2018 | EXECUTIVE DIRECTOR OF MUSEUM | 251100-510150 MUSEUM | FF. 1 | 659.00 | |
| 3 | 3/31/2018 | MAINTENANCE SUPERVISOR | 251100-510205 MUSEUM | FF. 1 | 205.00 | |
| 3 | 3/31/2018 | YEAR AROUND MAINTENANCE | 251100-510210 MUSEUM | FF. 1 | 565.00 | |
| 3 | 3/31/2018 | SEASONAL MAINTENANCE | 251100-510230 MUSEUM | FF. 1 | 196.00 | |
| 3 | 3/31/2018 | ACCRUED SALARIES | 301100-220000 GC | FF. 1 | | -5,182.00 |
| 3 | 3/31/2018 | GOLF COURSE SUPERINTENDENT | 301100-510300 GC | FF. 1 | 1,777.00 | |
| 3 | 3/31/2018 | PRO/MANAGER SALARY | 301100-510302 GC | FF. 1 | 886.00 | |
| 3 | 3/31/2018 | PROSHOP SALARIES | 301100-510306 GC | FF. 1 | 26.00 | |
| 3 | 3/31/2018 | 1ST ASST GREENSKEEPER | 301100-510308 GC | FF. 1 | 828.00 | |
| 3 | 3/31/2018 | 2ND ASST GREENSKEEPER | 301100-510330 GC | FF. 1 | 694.00 | |
| 3 | 3/31/2018 | GOLF COURSE MECHANIC | 301100-510332 GC | FF. 1 | 853.00 | |
| 3 | 3/31/2018 | LESSONS | 302125-510575 GC | FF. 1 | 50.00 | |
| 3 | 3/31/2018 | CLUB REPAIRS | 302125-510590 GC | FF. 1 | 68.00 | |
| 3 | 3/31/2018 | ACCRUED SALARIES | 401100-220000 POLICE | FF. 1 | | -312.00 |
| 3 | 3/31/2018 | PARK RANGERS | 401100-510375 POLICE | FF. 1 | 93.00 | |
| 3 | 3/31/2018 | POLICE COORDINATOR | 401100-510415 POLICE | FF. 1 | 219.00 | |

| | | | | | | |
|---|-----------|--------------------|--------------------|-------|--------|-----------|
| 3 | 3/31/2018 | ACCRUED SALARIES | 501100-220000 TORT | FF. 1 | | -1,055.00 |
| 3 | 3/31/2018 | DIRECTOR | 501100-510005 TORT | FF. 1 | 901.00 | |
| 3 | 3/31/2018 | PARK RANGERS | 501100-510375 TORT | FF. 1 | 105.00 | |
| 3 | 3/31/2018 | POLICE COORDINATOR | 501100-510415 TORT | FF. 1 | 23.00 | |
| 3 | 3/31/2018 | POLICE | 501100-510501 TORT | FF. 1 | 26.00 | |

to record accrued payroll (Vickie,
please reverse this entry)

Recurring

| | | | | | | |
|---|-----------|--------------------------------|-------------------|------|----------|---------|
| 6 | 3/31/2018 | GELWICK'S TRUST FUND | 201100-111001 REC | B. 1 | 1,111.00 | |
| 6 | 3/31/2018 | MISCELLANEOUS | 203100-536000 REC | B. 1 | | -556.00 |
| 6 | 3/31/2018 | UNREALIZED GAIN ON INVESTMENTS | 205100-420147 REC | B. 1 | | -804.00 |
| 6 | 3/31/2018 | REALIZED GAIN ON INVESTMENTS | 205100-420153 REC | B. 1 | 227.00 | |
| 6 | 3/31/2018 | GELWICKS TRUST ACCT | 205100-420156 REC | B. 1 | 657.00 | |
| 6 | 3/31/2018 | GELWICKS TRUST FUND INTEREST | 205100-450200 REC | B. 1 | | -635.00 |

To record Gelwick investment
account activity

Recurring

| | | | | | | |
|---|-----------|---------------------|----------------------|--|----------|-----------|
| 8 | 3/31/2018 | Interest Receivable | 151100-142000 CP | | 967.00 | |
| 8 | 3/31/2018 | INTEREST INVESTMENT | 151100-420150 CP | | | -967.00 |
| 8 | 3/31/2018 | Interest Receivable | 211100-142000 CP | | 222.00 | |
| 8 | 3/31/2018 | INTEREST INVESTMENT | 211100-420150 CP | | | -222.00 |
| 8 | 3/31/2018 | Interest Receivable | 301100-142000 GC | | 2,989.00 | |
| 8 | 3/31/2018 | INTEREST INVESTMENT | 301100-420150 GC | | | -2,989.00 |
| 8 | 3/31/2018 | Interest Receivable | 311100-142000 GC | | 131.00 | |
| 8 | 3/31/2018 | INTEREST INVESTMENT | 311100-420150 GC | | | -131.00 |
| 8 | 3/31/2018 | Interest Receivable | 351100-142000 GC | | 1,153.00 | |
| 8 | 3/31/2018 | INTEREST INVESTMENT | 351100-420150 GC | | | -1,153.00 |
| 8 | 3/31/2018 | Interest Receivable | 501100-142000 TORT | | 1,746.00 | |
| 8 | 3/31/2018 | INTEREST INVESTMENT | 501100-420150 TORT | | | -1,746.00 |
| 8 | 3/31/2018 | Interest Receivable | 601100-142000 AUDIT | | 67.00 | |
| 8 | 3/31/2018 | INTEREST INVESTMENT | 601100-420150 AUDIT | | | -67.00 |
| 8 | 3/31/2018 | Interest Receivable | 701100-142000 RETIRE | | 1,337.00 | |
| 8 | 3/31/2018 | INTEREST INVESTMENT | 701100-420150 RETIRE | | | -1,337.00 |
| 8 | 3/31/2018 | Interest Receivable | 851100-142000 GC | | 132.00 | |
| 8 | 3/31/2018 | INTEREST INVESTMENT | 851100-420150 GC | | | -132.00 |
| 8 | 3/31/2018 | Interest Receivable | 900500-142000 CP | | 1,106.00 | |
| 8 | 3/31/2018 | INTEREST INVESTMENT | 900500-420150 CP | | | -1,106.00 |
| 8 | 3/31/2018 | Interest Receivable | 901100-142000 CP | | 3,061.00 | |
| 8 | 3/31/2018 | INTEREST INVESTMENT | 901100-420150 CP | | | -3,061.00 |
| 8 | 3/31/2018 | Interest Receivable | 902100-142000 CP | | 13.00 | |
| 8 | 3/31/2018 | INTEREST INVESTMENT | 902100-420150 CP | | | -13.00 |

To record accrued interest on
investments (Vickie, please reverse this entry)

Recurring

| | | | | | | |
|----|-----------|--------------------------|------------------|-----------|-----------|------------|
| 12 | 3/31/2018 | PARK HILLS INVENTORY | 301100-121201 GC | E.1/DD. 2 | 16,927.00 | |
| 12 | 3/31/2018 | ACCOUNTS/VOUCHER PAYABLE | 301100-210000 GC | E.1/DD. 2 | | -16,927.00 |

To record additional payable per
search for unrecorded (Vickie, please reverse this entry) Recurring

| | | | | | | |
|----|-----------|--------------------------------|----------------------|--|----------|-----------|
| 13 | 3/31/2018 | INVESTMENTS | 151100-111000 CP | | | -1,304.00 |
| 13 | 3/31/2018 | UNREALIZED GAIN ON INVESTMENTS | 151100-420147 CP | | 1,304.00 | |
| 13 | 3/31/2018 | INVESTMENTS | 211100-111000 CP | | | -299.00 |
| 13 | 3/31/2018 | UNREALIZED GAIN ON INVESTMENTS | 211100-420147 CP | | 299.00 | |
| 13 | 3/31/2018 | INVESTMENTS | 301100-111000 GC | | | -4,031.00 |
| 13 | 3/31/2018 | UNREALIZED GAIN ON INVESTMENTS | 301100-420147 GC | | 4,031.00 | |
| 13 | 3/31/2018 | INVESTMENTS | 311100-111000 GC | | | -177.00 |
| 13 | 3/31/2018 | UNREALIZED GAIN ON INVESTMENTS | 311100-420147 GC | | 177.00 | |
| 13 | 3/31/2018 | INVESTMENTS | 351100-111000 GC | | | -1,554.00 |
| 13 | 3/31/2018 | UNREALIZED GAIN ON INVESTMENTS | 351100-420147 GC | | 1,554.00 | |
| 13 | 3/31/2018 | INVESTMENTS | 501100-111000 TORT | | | -2,355.00 |
| 13 | 3/31/2018 | UNREALIZED GAIN ON INVESTMENTS | 501100-420147 TORT | | 2,355.00 | |
| 13 | 3/31/2018 | INVESTMENTS | 601100-111000 AUDIT | | | -90.00 |
| 13 | 3/31/2018 | UNREALIZED GAIN ON INVESTMENTS | 601100-420147 AUDIT | | 90.00 | |
| 13 | 3/31/2018 | INVESTMENTS | 701100-111000 RETIRE | | | -1,802.00 |
| 13 | 3/31/2018 | UNREALIZED GAIN ON INVESTMENTS | 701100-420147 RETIRE | | 1,802.00 | |
| 13 | 3/31/2018 | INVESTMENTS | 851100-111000 GC | | | -178.00 |
| 13 | 3/31/2018 | UNREALIZED GAIN ON INVESTMENTS | 851100-420147 GC | | 178.00 | |
| 13 | 3/31/2018 | INVESTMENTS | 900500-111000 CP | | | -1,492.00 |
| 13 | 3/31/2018 | UNREALIZED GAIN ON INVESTMENTS | 900500-420147 CP | | 1,492.00 | |
| 13 | 3/31/2018 | INVESTMENTS | 901100-111000 CP | | | -4,128.00 |
| 13 | 3/31/2018 | UNREALIZED GAIN ON INVESTMENTS | 901100-420147 CP | | 4,128.00 | |
| 13 | 3/31/2018 | INVESTMENTS | 902100-111000 CP | | | -17.00 |
| 13 | 3/31/2018 | UNREALIZED GAIN ON INVESTMENTS | 902100-420147 CP | | 17.00 | |

To record unrealized g/l on
investments Recurring

| | | | | | | |
|----|-----------|--------------------------------|------------------|--|----------|-----------|
| 14 | 3/31/2018 | ACCRUED VACATION PAY | 301100-220005 GC | | 2,009.00 | |
| 14 | 3/31/2018 | COMPENSATED ABSENCES-LONG TERM | 301100-220010 GC | | | -4,294.00 |
| 14 | 3/31/2018 | GOLF COURSE SUPERINTENDENT | 301100-510300 GC | | 2,285.00 | |

To adjust accrued vacation to
actual Recurring

| | | | | | | |
|----|-----------|------------------|-------------------|--|--------|---------|
| 15 | 3/31/2018 | ACCRUED SALARIES | 101100-220000 GEN | | | -400.00 |
| 15 | 3/31/2018 | DIRECTOR | 101100-510005 GEN | | 400.00 | |
| 15 | 3/31/2018 | ACCRUED SALARIES | 201100-220000 REC | | | -471.00 |
| 15 | 3/31/2018 | DIRECTOR | 201100-510005 REC | | 471.00 | |

| | | | | | |
|----|-----------|------------------|--------------------|----------|-----------|
| 15 | 3/31/2018 | ACCRUED SALARIES | 501100-220000 TORT | | -1,000.00 |
| 15 | 3/31/2018 | DIRECTOR | 501100-510005 TORT | 1,000.00 | |

To record Jack's additional retro pay

| | | | | | |
|----|-----------|------------------------------|---------------------|-----------|------------|
| 16 | 3/31/2018 | CASH/CHECKING - CURRENT YEAR | 101100-110000 GEN | | -10,000.00 |
| 16 | 3/31/2018 | CORP TRANSFER | 101100-580300 GEN | 10,000.00 | |
| 16 | 3/31/2018 | CASH/CHECKING - CURRENT YEAR | 601100-110000 AUDIT | 10,000.00 | |
| 16 | 3/31/2018 | TRANSFER FROM FUND 10 | 601100-460101 AUDIT | | -10,000.00 |

To record audit transfer that was budgeted for but mistakenly omitted

| | | | | | |
|----|-----------|--------------------------------|------------------|-----------|------------|
| 18 | 3/31/2018 | KRAPE/READ ROAD PAVING PROJECT | 900000-600118 CP | 53,804.00 | |
| 18 | 3/31/2018 | PECATONICA PRAIRIE PATH | 900000-600244 CP | 16,253.00 | |
| 18 | 3/31/2018 | ACCOUNTS/VOUCHER PAYABLE | 901100-210000 CP | | -53,804.00 |
| 18 | 3/31/2018 | ACCOUNTS/VOUCHER PAYABLE | 901100-210000 CP | | -16,253.00 |

To record fixed asset and payable as of 3/31/18 (Vickie, please reverse this entry)

| | | | | | |
|----|-----------|--------------------------|------------------|------|-------------|
| 19 | 3/31/2018 | ACCUMULATED DEPRECIATION | 301100-189500 GC | P. 4 | -116,962.00 |
| 19 | 3/31/2018 | DEPRECIATION | 302100-528010 GC | P. 4 | 116,962.00 |

To record current year depreciation for golf course

Recurring

| | | | | | |
|----|-----------|-----------------------|------------------|-----------|------------|
| 20 | 3/31/2018 | BUILDINGS & EQUIPMENT | 301100-185000 GC | 54,960.00 | |
| 20 | 3/31/2018 | CAPITAL IMPROVEMENTS | 354100-528000 GC | | -54,960.00 |

To reclass fixed asset in Golf Course

| | | | | | |
|----|-----------|------------------------------|-------------------|----------|-----------|
| 21 | 3/31/2018 | CASH/CHECKING - CURRENT YEAR | 991100-110000 GEN | | -9,623.00 |
| 21 | 3/31/2018 | ACCOUNTS/VOUCHER PAYABLE | 991100-210000 GEN | 2,472.00 | |
| 21 | 3/31/2018 | ACCOUNTS/VOUCHER PAYABLE | 991100-210000 GEN | 996.00 | |
| 21 | 3/31/2018 | ACCOUNTS/VOUCHER PAYABLE | 991100-210000 GEN | 3,654.00 | |
| 21 | 3/31/2018 | PAYROLL ACCOUNT | 991100-230350 GEN | 533.00 | |
| 21 | 3/31/2018 | FLEX BENEFIT PAYABLE | 991100-230900 GEN | 1,968.00 | |

To adjust deposit in transit made in error by accounting system

3,721,636.00 -3,721,636.00

August 24, 2018

Wipfli LLP
328 W Stephenson St
Freeport, IL 61032

This representation letter is provided in connection with your audit of the financial statements of Freeport Park District, which comprise the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information as of March 31, 2018, and the respective changes in financial position and, where applicable, cash flows for the year then ended, and the related notes to financial statements, for the purpose of expressing opinions as to whether the financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States (GAAP).

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement. An omission or misstatement that is monetarily small in amount could be considered material as a result of qualitative factors.

We confirm, to the best of our knowledge and belief, as of the date of this letter, the following representations made to you during your audit:

Financial Statements

1. We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated December 1, 2017, including our responsibility for the preparation and fair presentation of the financial statements in accordance with GAAP and for preparation of the supplementary information in accordance with the applicable criteria.
2. The financial statements referred to above are fairly presented in accordance with GAAP and include all properly classified funds and other financial information of the primary government and all component units required by GAAP to be included in the financial reporting entity.
3. We acknowledge our responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.
4. We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
5. Significant assumptions we used in making accounting estimates, including those measured at fair value, are reasonable.
6. Related party relationships and transactions, including revenues, expenditures/expenses, loans, transfers, leasing arrangements, and guarantees, and amounts receivable from or payable to related parties have been appropriately accounted for and disclosed in accordance with the

requirements of GAAP.

7. Adjustments or disclosures have been made for all events, including instances of noncompliance, subsequent to the date of the financial statements that would require adjustment to or disclosure in the financial statements.
8. We agree with the adjusting journal entries proposed by you and which are given effect to in the financial statements.
9. The effects of uncorrected misstatements are immaterial, both individually and in the aggregate, to the financial statements for each opinion unit. A list of the uncorrected misstatements is attached to the representation letter, if any.
10. The effects of all known actual or possible litigation, claims, and assessments have been accounted for and disclosed in accordance with GAAP.
11. Material concentrations, if any, have been properly disclosed in accordance with GAAP.
12. Guarantees, whether written or oral, under which the Freeport Park District is contingently liable, if any, have been properly recorded or disclosed in accordance with GAAP.
13. We have determined that Accounting Standards Board issued Statement No. 45, Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions does not apply to us. Our history indicates that retirees have not continued health care coverage with us and we currently have no retirees participating in our health care.

Information Provided

14. We have provided you with:
 - a. Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, and other matters.
 - b. Additional information that you have requested from us for the purpose of the audit.
 - c. Unrestricted access to persons within the Freeport Park District from who you determined it necessary to obtain audit evidence.
 - d. Minutes of the meetings of Freeport Park District Board or summaries of actions of recent meetings for which minutes have not yet prepared.
15. All material transactions have been recorded in the accounting records and are reflected in the financial statements.
16. We have disclosed to you the results of our assessment of risk that the financial statements may be materially misstated as a result of fraud.
17. We have no knowledge of any fraud or suspected fraud affecting the District involving:
 - a. Management.
 - b. Employees who have significant roles in internal control.
 - c. Others where the fraud could have a material effect on the financial statements.

18. We have no knowledge of any allegations of fraud or suspected fraud affecting the Freeport Park District's financial statements communicated by employees, former employees, regulators, or others.
19. We have no knowledge of instances of noncompliance or suspected noncompliance with provisions of laws, regulations, contracts, or grant agreements, or abuse, whose effects should be considered when preparing financial statements.
20. We are not aware of any pending or threatened litigation, claims, or assessments or unasserted claims or assessments that are required to be accrued or disclosed in the financial statements in accordance with GAAP.
 - a. For the firms Fishburn, Whiton, Thrumman and Hinshaw & Culbertson for which we did not request an attorney letter, we are not aware of any pending or threatened litigation, claims or assessments or unasserted claims or assessments that are required to be accrued or disclosed in the financial statements in accordance with GAAP
21. We have disclosed to you the identity of the Freeport Park District's related parties and all the related party relationships and transactions of which we are aware.
22. We have made available to you all financial records and related data.
23. There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.
24. We have identified to you any previous audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.
25. We have no plans or intentions that may materially affect the carrying value or classification of assets, liabilities, or equity.
26. We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to us, including tax or debt limits and debt contracts, and legal and contractual provisions for reporting specific activities in separate funds.
27. We have identified and disclosed to you all instances that have occurred or are likely to have occurred, of fraud and noncompliance with provisions of laws and regulations that we believe have a material effect on the financial statements or other financial data significant to the audit objectives, and any other instances that warrant the attention of those charged with governance.
28. We have identified and disclosed to you all instances, which have occurred or are likely to have occurred, of noncompliance with provisions of contracts and grant agreements that we believe have a material effect on the determinations of financial statement amounts or other financial data significant to the audit objectives.
29. We have identified and disclosed to you all instances that have occurred or are likely to have occurred, of abuse that could be quantitatively or qualitatively material to the financial statements or other financial data significant to the audit objectives.
30. There are no violations or possible violations of budget ordinances, laws and regulations (including those pertaining to adopting, approving, and amending budgets), provisions of contracts and grant agreements, tax or debt limits, and any related debt covenants whose effects should be considered for disclosure in the financial statements, or as a basis for recording a loss contingency, or for reporting noncompliance.

31. As part of your audit, you assisted with maintenance of fixed asset schedules and preparation of the financial statements and related notes. We acknowledge our responsibility as it relates to those nonaudit services, including that we assume all management responsibilities; oversee the services by designating an individual, preferably within senior management, who possesses suitable skill, knowledge, or experience; evaluate the adequacy and results of the services performed; and accept responsibility for the results of the services. We have reviewed, approved, and accepted responsibility for those schedules and financial statements and related notes.
32. The Freeport Park District has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any material asset been pledged as collateral.
33. The Freeport Park District has complied with all aspects of contractual agreements that would have a material effect on the financial statements in the event of noncompliance.
34. The financial statements include all component units as well as joint ventures with an equity interest, and properly disclose all other joint ventures and other related organizations.
35. The financial statements properly classify all funds and activities in accordance with GASB Statement No. 34.
36. All funds that meet the quantitative criteria in GASB Statement Nos. 34 and 37 for presentation as major are identified and presented as such and all other funds that are presented as major are particularly important to financial users.
37. Components of net position (net investment in capital assets; restricted; and unrestricted) and components of fund balance (nonspendable, restricted, committed, assigned, and unassigned) are properly classified and, if applicable, approved.
38. Investments are properly valued.
39. Provisions for uncollectible receivables have been properly identified and recorded.
40. Expenses have been appropriately classified in or allocated to functions and programs in the statement of activities, and allocations have been made on a reasonable basis.
41. Revenues are appropriately classified in the statement of activities within program revenues, general revenues, contributions to term or permanent endowments, or contributions to permanent fund principal.
42. Interfund, internal, and intra-entity activity and balances have been appropriately classified and reported.
43. Deposits and investment securities are properly classified as to risk, and investments are properly valued and disclosed.
44. Capital assets, including infrastructure assets, are properly capitalized, reported, and, if applicable, depreciated.
45. We have appropriately disclosed the Freeport Park District's policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available and have determined that net position is properly recognized under the policy.

46. The Freeport Park District has identified all accounting estimates that could be material to the financial statements, including the key factors and significant assumptions underlying those estimates, and we believe the estimates are reasonable in the circumstances.
47. There are no estimates that may be subject to a material change in the near term that have not been properly disclosed in the financial statements. We understand that near term means the period within one year of the date of the financial statements. In addition, we have no knowledge of concentrations existing at the date of the financial statements that make the Freeport Park District vulnerable to the risk of severe impact that have not been properly disclosed in the financial statements.
48. We acknowledge our responsibility for the required supplementary information (RSI). The RSI is measured and presented within prescribed guidelines and the methods of measurement and presentation have not changed from those used in the prior period. We have disclosed to you any significant assumptions and interpretations underlying the measurement and presentation of the RSI.
49. We acknowledge our responsibility for presenting the supplementary information in accordance with GAAP, and we believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP. The methods of measurement and presentation of the supplementary information have not changed from those used in the prior period, and we have disclosed to you any significant assumptions or interpretations underlying the measurement and presentation of the supplementary information. If the supplementary information is not presented with the audited financial statements, we will make the audited financial statements readily available to the intended users of the supplementary information no later than the date we issue the supplementary information and the auditor's report thereon.

Sincerely,

Freeport Park District

Jack Carey

Vickie Witt