

**BAY-LAKE REGIONAL PLANNING COMMISSION
GREEN BAY, WISCONSIN**

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

YEAR ENDED DECEMBER 31, 2024



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**BAY-LAKE REGIONAL PLANNING COMMISSION
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INDEPENDENT AUDITORS' REPORT

Board of Commissioners
Bay-Lake Regional Planning Commission
Green Bay, Wisconsin

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of the Bay-Lake Regional Planning Commission, Green Bay, Wisconsin (the Commission) as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the Commission's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Commission, as of December 31, 2024, and the changes in financial position, and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Commission and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Commission's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Commission's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Commission's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the schedules relating to pensions and other postemployment benefits as listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about 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 do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Commission's basic financial statements. The schedule of revenues, expenses, and changes in net position – budget and actual is presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the schedule of revenues, expenses, and changes in net position – budget and actual is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Report on Summarized Comparative Information

We have previously audited the Commission's 2023 financial statements, and we expressed an unmodified opinion on those financial statements in our report dated April 10, 2024. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2023, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated April 8, 2025, on our consideration of the Commission's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Commission's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Commission's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "CliftonLarsonAllen LLP". The signature is written in a cursive, flowing style.

CliftonLarsonAllen LLP

Green Bay, Wisconsin
April 8, 2025

FINANCIAL STATEMENTS

BAY-LAKE REGIONAL PLANNING COMMISSION
STATEMENT OF NET POSITION
DECEMBER 31, 2024
(WITH SUMMARIZED FINANCIAL INFORMATION AS OF DECEMBER 31, 2023)

	2024	2023
ASSETS		
Current Assets		
Cash and Investments	\$ 289,430	\$ 221,550
Due from Other Governments	216,185	111,933
Inventories and Prepaid Items	-	27
Total Current Assets	<u>505,615</u>	<u>333,510</u>
Other Assets		
Restricted Cash and Investments	<u>35,496</u>	<u>35,496</u>
Capital Assets		
Nondepreciable	93,990	93,990
Depreciable	<u>437,841</u>	<u>455,204</u>
Total Capital Assets	<u>531,831</u>	<u>549,194</u>
 Total Assets	 1,072,942	 918,200
DEFERRED OUTFLOWS OF RESOURCES		
Pension Related Amounts	423,160	643,144
Other Postemployment Related Amounts	<u>41,515</u>	<u>41,809</u>
Total Deferred Outflows of Resources	<u>464,675</u>	<u>684,953</u>
LIABILITIES		
Current Liabilities		
Accounts Payable	72,799	14,759
Accrued and Other Current Liabilities	5,569	4,801
Unearned Revenue	-	34,027
Current Portion of Long-Term Debt	408,054	44,224
Accrued Interest	<u>1,098</u>	<u>1,192</u>
Total Current Liabilities	<u>487,520</u>	<u>99,003</u>
Long-Term Obligations, Less Current Portion		
Note Payable	8,360	388,468
Compensated Absences	114,456	85,634
Net Pension Liability	48,650	172,460
Other Postemployment Benefits	<u>89,748</u>	<u>84,060</u>
Total Long-Term Liabilities	<u>261,214</u>	<u>730,622</u>
 Total Liabilities	 748,734	 829,625
DEFERRED INFLOWS OF RESOURCES		
Pension Related Amounts	262,925	362,512
Other Postemployment Related Amounts	<u>59,542</u>	<u>60,984</u>
Total Deferred Inflows of Resources	<u>322,467</u>	<u>423,496</u>
NET POSITION		
Net Investment in Capital Assets	158,974	159,648
Restricted		
Disaster Relief Fund	35,496	35,496
Unrestricted	<u>271,946</u>	<u>154,888</u>
 Total Net Position	 <u>\$ 466,416</u>	 <u>\$ 350,032</u>

See accompanying Notes to Financial Statements.

BAY-LAKE REGIONAL PLANNING COMMISSION
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
YEAR ENDED DECEMBER 31, 2024
(WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2023)

	<u>2024</u>	<u>2023</u>
OPERATING REVENUES		
Intergovernmental		
Federal Grants	\$ 799,680	\$ 476,769
State Grants	17,867	15,947
Intergovernmental Charges for Services		
Local Districts Membership Levy	296,673	261,642
Local Contracts	334,608	291,615
Public Charges for Services	6,834	2,159
Total Operating Revenues	<u>1,455,662</u>	<u>1,048,132</u>
OPERATING EXPENSES		
Salaries and Wages	594,059	634,946
Employee Fringes and Benefits	198,239	232,258
Utilities and Other Contractual Services	80,812	98,388
Subcontracted Project Consultants	338,406	88,197
Beneficiary Payments	-	5,000
Supplies and Expenses	68,470	64,686
Insurance	13,820	12,991
Rent and Leases	2,842	2,880
Depreciation	30,056	31,091
Total Operating Expenses	<u>1,326,704</u>	<u>1,170,437</u>
OPERATING INCOME (LOSS)	128,958	(122,305)
NONOPERATING REVENUES (EXPENSES)		
Interest Income	3,028	350
Interest and Fiscal Charges	<u>(15,602)</u>	<u>(16,061)</u>
Total Nonoperating Revenues (Expenses)	<u>(12,574)</u>	<u>(15,711)</u>
CHANGE IN NET POSITION	116,384	(138,016)
Net Position - Beginning of Year	<u>350,032</u>	<u>488,048</u>
NET POSITION - END OF YEAR	<u><u>\$ 466,416</u></u>	<u><u>\$ 350,032</u></u>

See accompanying Notes to Financial Statements.

BAY-LAKE REGIONAL PLANNING COMMISSION
STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2024
(WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2023)

	<u>2024</u>	<u>2023</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash Received from Customers	\$ 1,317,383	\$ 1,093,871
Cash Paid for Employee Wages and Benefits	(753,564)	(836,298)
Cash Paid to Suppliers	(446,283)	(269,672)
Net Cash Provided (Used) by Operating Activities	<u>117,536</u>	<u>(12,099)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Interest on Long-Term Obligations	(705)	(927)
Principal Payments on Long-Term Obligations	(7,606)	(7,817)
Net Cash Used by Noncapital Financial Activities	<u>(8,311)</u>	<u>(8,744)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Acquisition of Capital Assets	(12,693)	(1,103)
Principal Paid on Long-Term Debt	(16,689)	(15,901)
Interest Paid on Long-Term Debt	(14,991)	(15,347)
Net Cash Used by Capital and Related Financing Activities	<u>(44,373)</u>	<u>(32,351)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest Received	<u>3,028</u>	<u>350</u>
CHANGE IN CASH AND CASH EQUIVALENTS	67,880	(52,844)
Cash and Cash Equivalents - Beginning of Year	<u>257,046</u>	<u>309,890</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u><u>\$ 324,926</u></u>	<u><u>\$ 257,046</u></u>

See accompanying Notes to Financial Statements.

BAY-LAKE REGIONAL PLANNING COMMISSION
STATEMENT OF CASH FLOWS (CONTINUED)
YEAR ENDED DECEMBER 31, 2024
(WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2023)

	<u>2024</u>	<u>2023</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		
Operating Income (Loss)	\$ 128,958	\$ (122,305)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:		
Depreciation	30,056	31,091
Change in Pension Liability	(123,810)	427,431
Change in Deferred Outflows Related to Pension	219,984	(143,390)
Change in Deferred Inflows Related to Pension	(99,587)	(237,729)
Change in Other Postemployment Benefits Liability	5,688	(33,999)
Change in Deferred Outflows Related to Other Postemployment Benefits	294	11,620
Change in Deferred Inflows Related to Other Postemployment Benefits	(1,442)	30,299
(Increase) Decrease in Assets:		
Inventory and Prepaids	27	1,404
Due from Other Governments	(104,252)	11,712
Increase (Decrease) in Liabilities:		
Accounts Payable	58,040	1,066
Accrued and Other Current Liabilities	768	(24,238)
Compensated Absences	36,839	912
Unearned Revenue	<u>(34,027)</u>	<u>34,027</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ 117,536</u>	<u>\$ (12,099)</u>
RECONCILIATION OF CASH AND CASH EQUIVALENTS TO THE STATEMENT OF NET POSITION		
Cash and Cash Equivalents in Current Assets	\$ 289,430	\$ 221,550
Cash and Cash Equivalents in Restricted Assets	<u>35,496</u>	<u>35,496</u>
Total Cash and Cash Equivalents	<u>\$ 324,926</u>	<u>\$ 257,046</u>

See accompanying Notes to Financial Statements.

**BAY-LAKE REGIONAL PLANNING COMMISSION
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Bay-Lake Regional Planning Commission is a public agency formed under Section 66.0309 of the Wisconsin Statutes. The agency provides planning and other services to the Wisconsin County governments and local communities within the Counties of Florence, Marinette, Oconto, Brown, Door, Kewaunee, Manitowoc, and Sheboygan.

The financial statements of the Commission have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The significant accounting principles and policies utilized by the Commission are described below:

A. Reporting Entity

In accordance with GAAP, the financial statements are required to include the Commission and any separate component units that have a significant operational or financial relationship with the Commission. The Commission has not identified any component units that are required to be included in the financial statements in accordance with standards.

B. Enterprise Funds

The accounts of the Commission are accounted for in an enterprise fund as required by GAAP. Enterprise funds are used to account for government operations (a) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability and other purposes.

C. Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. Enterprise funds are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets, liabilities, and deferred inflows and outflows of resources associated with the operation are included on the statement of net position. Enterprise fund operating statement presents increases (i.e., revenues) and decreases (i.e., expenses) in net total position.

The accrual basis of accounting is utilized by enterprise funds. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred. Unpaid enterprise fund service receivables are recorded at year-end. All capital assets are capitalized at historical cost and depreciated over their useful lives.

**BAY-LAKE REGIONAL PLANNING COMMISSION
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Indirect Cost Allocations

Employee fringe benefits, including employee's time off with pay, and indirect costs are allocated to specific Commission programs based on a cost allocation plan. The cost allocation plan distributes the aforementioned expenses to specific programs based on direct salary charges and predetermined charge out rates. The audit for 2022 was used to calculate any adjustment that was effective for 2024. Rates used in 2024 were as follows:

Employee Fringe Benefits	31.1 %
Employee Time Off with Pay (Leave Additive)	29.0
Indirect Costs	78.3

E. Budget

In accordance with Wisconsin Statute 66.0309 the annual budget of a regional planning commission is adopted on or before October 1 of the preceding year. The amount of the budget charged to any local governmental unit shall be in the proportion of the equalized value for tax purposes of the land, buildings and other improvements thereon of such local governmental unit, within the region, to the total such equalized value within the region. The amount charged to a local governmental unit shall not exceed .003% of such equalized value unless the governing body of the unit expressly approves the amount in excess of such percentage. For the 2024 budget, the Commission assessed all local governmental units within the region a charge of .00060% of equalized value. During the year, the Commission records revisions to the budget as other revenue sources become available.

F. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position

1. Cash and Investments

Cash and investments are combined in the financial statements. Cash deposits consist of demand and time deposits with financial institutions and are carried at cost. Investments are stated at fair value. Fair value is the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date. For purposes of the statement of cash flows, all cash deposits and highly liquid investments (including restricted assets) with a maturity of three months or less from date of acquisition are considered to be cash equivalents.

2. Capital Assets

Capital assets, which include office furniture and equipment and website, are reported in the financial statements. Capital assets are defined by the Commission as assets with an initial, individual cost of \$1,000 or higher and an estimated useful life in excess of a year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation.

**BAY-LAKE REGIONAL PLANNING COMMISSION
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

**F. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position
(Continued)**

2. Capital Assets (Continued)

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Capital assets of the Commission are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Building and Improvements	30
Office Furniture and Equipment	5 to 10
Website	5

3. Unearned Revenue

The Commission reports unearned revenues on its statement of net position. Unearned revenues arise when resources are received by the Commission before it has a legal claim to them as when grant or local project funds are received prior to the incurrence of qualifying expenses. In subsequent periods, when the Commission has a legal claim to the resources, the liability for unearned revenue is removed from the statement of net position and the revenue is recognized.

4. Compensated Absences

The Commission has adopted various policies in regard to sick leave and vacation benefits. The liability for compensated absences reported in the financial statements consists of leave that has not been used that is attributable to services already rendered, accumulates and is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. The liability also includes amounts for leave that has been used for time off but has not yet been paid in cash or settled through noncash means and certain other types of leave.

5. Deferred Outflows/Inflows of Resources

Deferred outflows of resources are a consumption of net position by the government that is applicable to a future reporting period. Deferred inflows of resources are an acquisition of net position by the government that is applicable to a future reporting period. The recognition of those outflows and inflows as expenses and revenues are deferred until the future periods to which the outflows and inflows are applicable.

**BAY-LAKE REGIONAL PLANNING COMMISSION
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

**F. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position
(Continued)**

6. Long-Term Obligations

In the financial statements, long-term debt and other long-term obligations are reported as liabilities. Debt premiums and discounts are deferred and amortized over the life of the related debt. Long-term obligations payable are reported net of the applicable premium or discount. Debt issuance costs are expensed in the current period.

7. Pensions

Wisconsin Retirement System

The fiduciary net position of the Wisconsin Retirement System (WRS) has been determined using the flow of economic resources measurement focus and accrual basis of accounting. This includes for purposes of measuring the following:

- Net Pension Liability (Asset),
- Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions,
- Pension Expense (Revenue).

Information about the fiduciary net position of the WRS and additions to/deductions from WRS' fiduciary net position have been determined on the same basis as they are reported by the WRS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Deferred Compensation Plan

The Commission offers its employees a deferred compensation plan created in accordance with the Internal Revenue Code Section 457. The Plan, available to all District employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. Contributions to this plan are entirely from employee voluntary contributions. The Commission makes no employer contributions to this plan.

8. Other Postemployment Benefits Other Than Pensions (OPEB)

Single-Employer Defined Postemployment Benefit Plan

Qualifying employees are provided with other postemployment benefits. The OPEB is a cost sharing single employer defined benefit plan administered by Wisconsin Employee Trust Fund on behalf of the District. For purposes of measuring the OPEB liability, related deferred outflows and inflows of resources and OPEB expense, the Commission has used values provided by its actuary. Benefit payments are recognized when due and payable in accordance with the benefit terms.

**BAY-LAKE REGIONAL PLANNING COMMISSION
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

**F. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position
(Continued)**

8. Other Postemployment Benefits Other Than Pensions (OPEB) (Continued)

Local Retiree Life Insurance Fund

The fiduciary net position of the Local Retiree Life Insurance Fund (LRLIF) has been determined using the flow of economic resources measurement focus and the accrual basis of accounting. This includes for purposes of measuring the following:

- Net OPEB Liability (Asset)
- Deferred Outflows of Resources and Deferred Inflows of Resources related to other postemployment benefits
- OPEB Expense (Revenue).

Information about the fiduciary net position of the LRLIF and additions to/deductions from LRLIF's fiduciary net position have been determined on the same basis as they are reported by LRLIF. For this purpose, benefit payments (including refunds of member contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

9. Fund Equity

Equity is classified as net position and displayed in three components:

- **Net Investment in Capital Assets.** Amount of capital assets, net of accumulated depreciation, and capital related deferred outflows of resources less outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets and any capital related deferred inflows of resources.
- **Restricted Net Position.** Amount of net position that is subject to restrictions that are imposed by 1) external groups, such as creditors, grantors, contributors or laws or regulations of other governments or 2) law through constitutional provisions or enabling legislation.
- **Unrestricted Net Position.** Net position that is neither classified as restricted nor as net investment in capital assets.

G. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

**BAY-LAKE REGIONAL PLANNING COMMISSION
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

H. Prior Year Information

Comparative amounts for the prior year have been presented in the financial statements to provide an understanding of changes in the Commission's financial position and operations. The comparative amounts may be summarized in total and not at the level of detail required for a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the government's financial statements for the year ended December 31, 2023, from which the summarized information was derived.

NOTE 2 DETAILED NOTES ON ALL FUNDS

A. Cash and Investments

The Commission maintains various cash and investment accounts which are displayed on the financial statements as "Cash and investments".

Invested cash consists of deposits and investments that are restricted by Wisconsin Statutes to the following:

Time deposits; repurchase agreements; securities issued by federal, state and local governmental entities; statutorily authorized commercial paper and corporate securities; and the Wisconsin local government investment pool.

The carrying amount of the Commission's cash and investments totaled \$324,926 on December 31, 2024 as summarized below:

Deposits with Financial Institutions	\$ 97,286
Investments	
Wisconsin Local Government Investment Pool	227,640
Total	<u>\$ 324,926</u>

Reconciliation to the financial statements:

Statement of Net Position:	
Cash and Investments	\$ 289,430
Restricted Cash and Investments	35,496
Total	<u>\$ 324,926</u>

**BAY-LAKE REGIONAL PLANNING COMMISSION
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

A. Cash and Investments (Continued)

Fair Value Measurements

The Commission categorizes its fair value measurements within the fair value hierarchy established by accounting principles generally accepted in the United States of America. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant observable inputs; Level 3 inputs are significant unobservable inputs. The Commission currently has no investments that are subject to fair value measurement.

Deposits and investments of the Commission are subject to various risks. Presented below is a discussion of the Commission's deposits and investments and the related risks.

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. Wisconsin statutes require repurchase agreements to be fully collateralized by bonds or securities issued or guaranteed by the federal government or its instrumentalities. The Commission does not have an additional custodial credit policy.

Deposits with financial institutions within the state of Wisconsin are insured by the Federal Deposit Insurance Corporation (FDIC) in the amount of \$250,000 for the combined amount of all time and savings deposits and \$250,000 for interest-bearing and noninterest-bearing demand deposits per official custodian per insured depository institution. Deposits with financial institutions located outside the state of Wisconsin are insured by the FDIC in the amount of \$250,000 for the combined amount of all deposit accounts per official custodian per depository institution. Deposits with credit unions are insured by the National Credit Union Share Insurance Fund (NCUSIF) in the amount of \$250,000 per credit union member. Also, the state of Wisconsin has a State Guarantee Fund which provides a maximum of \$1,000,000 per public depository above the amount provided by an agency of the U.S. Government. However, due to the relatively small size of the State Guarantee Fund in relation to the Fund's total coverage, total recovery of insured losses may not be available. This coverage has been considered in determining custodial credit risk.

As of December 31, 2024, all of the Commission's deposits with financial institutions were fully covered by federal and state depository insurance limits.

**BAY-LAKE REGIONAL PLANNING COMMISSION
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

A. Cash and Investments (Continued)

Investments

The Commission has investments in the Wisconsin Local Government Investment Pool of \$227,640 at year-end. The LGIP is part of the State Investment Fund (SIF) and is managed by the State of Wisconsin Investment Board. The SIF is not registered with the Securities and Exchange Commission, but it operates under the statutory authority of Wisconsin Chapter 25. The SIF reports the fair value of its underlying assets annually. Participants in the LGIP have the right to withdraw their funds in total on one day's notice. At December 31, 2024, the fair value of the Commission's share of the LGIP's assets was substantially equal to the carrying value.

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Wisconsin statutes limit investments in securities to the top two ratings assigned by nationally recognized statistical rating organizations. The Commission does not have an additional credit risk policy. The Commission's investment in the Wisconsin Local Government Investment Pool is not rated.

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The Commission does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. As of December 31, 2024, the Wisconsin Local Government Investment Pool had a weighted average maturity of 9 days.

B. Restricted Assets

The Commission has restricted assets at December 31, 2024 totaling \$35,496 consisting of deposits in financial institutions. Assets are held for the restricted purpose of providing disaster funds through a revolving loan fund.

**BAY-LAKE REGIONAL PLANNING COMMISSION
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

C. Capital Assets

Capital asset activity for the year ended December 31, 2024 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Capital Assets, not Being Depreciated:				
Land	\$ 93,990	\$ -	\$ -	\$ 93,990
Capital Assets, Depreciable:				
Buildings and Improvements	471,145	-	-	471,145
Office Furniture and Equipment	100,092	12,693	-	112,785
Website	6,500	-	-	6,500
Subtotals	577,737	12,693	-	590,430
Less Accumulated Depreciation for:				
Buildings and Improvements	48,881	15,705	-	64,586
Office Furniture and Equipment	67,152	14,351	-	81,503
Website	6,500	-	-	6,500
Subtotals	122,533	30,056	-	152,589
Total Capital Assets, Depreciable, Net	455,204	(17,363)	-	437,841
Capital Assets, Net	<u>\$ 549,194</u>	<u>\$ (17,363)</u>	<u>\$ -</u>	531,831
Less: Capital Related Debt				<u>372,857</u>
Net Investment in Capital Assets				<u>\$ 158,974</u>

D. Long-Term Obligations

The following is a summary of changes in long-term obligations of the Commission for the year ended December 31, 2024:

	Beginning Balance	Issued	Retired	Ending Balance	Due Within One Year
Notes from Direct Borrowings	\$ 413,054	\$ -	\$ 24,295	\$ 388,759	\$ 380,399
Compensated Absences	105,272	48,986	12,147	142,111	24,163
Total Long-Term Obligations	<u>\$ 518,326</u>	<u>\$ 48,986</u>	<u>\$ 36,442</u>	<u>\$ 530,870</u>	<u>\$ 404,562</u>

Total interest paid during the year on long-term debt totaled \$15,696.

Notes from direct borrowings currently outstanding is detailed as follows:

	Date of Issue	Final Maturity	Interest Rates	Original Indebtedness	Balance 12/31/24
Sheboygan County	12/22/16	3/1/26	3.00%	\$ 72,609	\$ 15,902
Mortgage	10/16/20	10/16/25	3.85%	439,200	372,857
Total Long-Term Obligations					<u>\$ 388,759</u>

**BAY-LAKE REGIONAL PLANNING COMMISSION
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

D. Long-Term Obligations (Continued)

The Commission has a \$15,902 promissory note payable to Sheboygan County. This outstanding note resulted from a direct borrowing and has a provision that in an event of default, outstanding amounts shall become payable at once without notice.

The Commission has a \$372,857 promissory note payable to a financial institution. This outstanding note resulted from a direct borrowing and has a provision that in an event of default, outstanding amounts shall become payable at once without notice.

Annual principal and interest maturities of the outstanding long-term obligations of \$388,759 on December 31, 2024 are detailed below:

<u>Year Ending December 31,</u>	<u>Totals</u>	
	<u>Principal</u>	<u>Interest</u>
2025	\$ 380,399	\$ 12,220
2026	8,360	242
Total	<u>\$ 388,759</u>	<u>\$ 12,462</u>

E. Pension Plan

1. Plan Description

The Wisconsin Retirement System (WRS) is a cost-sharing, multiemployer defined benefit pension plan. WRS benefits and other plan provisions are established by Chapter 40 of the Wisconsin Statutes. Benefit terms may only be modified by the legislature. The retirement system is administered by the Wisconsin Department of Employee Trust Funds (ETF). The system provides coverage to all eligible State of Wisconsin, local government and other public employees. All employees, initially employed by a participating WRS employer on or after July 1, 2011, and expected to work at least 1200 hours a year and expected to be employed for at least one year from employee's date of hire are eligible to participate in the WRS.

ETF issues a standalone Annual Comprehensive Financial Report, which can be found at <http://etf.wi.gov/reports-and-studies/financial-reports-and-statements>.

Additionally, ETF issued a standalone Wisconsin Retirement System Financial Report, which can also be found using the link above.

**BAY-LAKE REGIONAL PLANNING COMMISSION
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

E. Pension Plan (Continued)

1. Plan Description (Continued)

Vesting

For employees beginning participation on or after January 1, 1990, and no longer actively employed on or after April 24, 1998, creditable service in each of five years is required for eligibility for a retirement annuity. Participants employed prior to 1990 and on or after April 24, 1998, and prior to July 1, 2011, are immediately vested. Participants who initially became WRS eligible on or after July 1, 2011, must have five years of creditable service to be vested.

Benefits Provided

Employees who retire at or after age 65 (54 for protective occupations and 62 for elected officials and executive service retirement plan participants, if hired on or before December 31, 2016) are entitled to a retirement benefit based on a formula factor, their final average earnings, and creditable service.

Final average earnings is the average of the participant's three highest earnings periods. Creditable service includes current service and prior service for which a participant received earnings and made contributions as required. Creditable service also includes creditable military service. The retirement benefit will be calculated as a money purchase benefit based on the employee's contributions plus matching employer's contributions, with interest, if that benefit is higher than the formula benefit.

Vested participants may retire at or after age 55 (50 for protective occupations) and receive an actuarially-reduced benefit. Participants terminating covered employment prior to eligibility for an annuity may either receive employee-required contributions plus interest as a separation benefit or leave contributions on deposit and defer application until eligible to receive a retirement benefit.

The WRS also provides death and disability benefits for employees.

2. Postretirement Adjustments

The Employee Trust Funds Board may periodically adjust annuity payments from the retirement system based on annual investment performance in accordance with s. 40.27, Wis. Stat. An increase (or decrease) in annuity payments may result when investment gains (losses), together with other actuarial experience factors, create a surplus (shortfall) in the reserves, as determined by the system's consulting actuary. Annuity increases are not based on cost of living or other similar factors. For Core annuities, decreases may be applied only to previously granted increases. By law, Core annuities cannot be reduced to an amount below the original, guaranteed amount (the floor) set at retirement. The Core and Variable annuity adjustments granted during recent years are as follows:

**BAY-LAKE REGIONAL PLANNING COMMISSION
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

E. Pension Plan (Continued)

2. Postretirement Adjustments (Continued)

<u>Year</u>	<u>Core Fund Adjustment</u>	<u>Variable Fund Adjustment</u>
2014	4.7	25.0
2015	2.9	2.0
2016	0.5	(5.0)
2017	2.0	4.0
2018	2.4	17.0
2019	-	(10.0)
2020	1.7	21.0
2021	5.1	13.0
2022	7.4	15.0
2023	1.6	(21.0)

3. Contributions

Required contributions are determined by an annual actuarial valuation in accordance with Chapter 40 of the Wisconsin Statutes. The employee required contribution is one-half of the actuarially determined contribution rate for general category employees, executives and elected officials. Starting on January 1, 2016, the Executives and Elected Officials category was merged into the General Employee Category. Required contributions for protective employees are the same rate as general employees. Employers are required to contribute the remainder of the actuarially determined contribution rate. The employer may not pay the employee required contribution unless provided for by an existing collective bargaining agreement.

During the year ending December 31, 2024, the WRS recognized \$36,238 in contributions from the Commission.

Contribution rates for the reporting period are:

<u>Employee Category</u>	<u>Employee</u>	<u>Employer</u>
General (Including Executives and Elected Officials)	6.90 %	6.90 %
Protective with Social Security	6.90	14.30
Protective without Social Security	6.90	19.10

**BAY-LAKE REGIONAL PLANNING COMMISSION
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

E. Pension Plan (Continued)

4. Pension Liabilities, Pension Expense (Revenue), and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At December 31, 2024, the Commission reported a liability of \$48,650 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2022 rolled forward to December 31, 2023. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The Commission's proportion of the net pension liability was based on the Commission's share of contributions to the pension plan relative to the contributions of all participating employers. At December 31, 2023, the Commission's proportion was 0.00327212%, which was an increase of 0.00001674% from its proportion measured as of December 31, 2022.

For the year ended December 31, 2024, the Commission recognized pension expense of \$32,871.

At December 31, 2024, the Commission reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ 196,156	\$ 259,810
Net Differences Between Projected and Actual Earnings on Pension Plan Investments	169,538	-
Changes in Assumptions	21,205	-
Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	23	3,115
Employer Contributions Subsequent to the Measurement Date	36,238	-
Total	<u>\$ 423,160</u>	<u>\$ 262,925</u>

\$36,328 reported as deferred outflows related to pension resulting from the Commission's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability (asset) in the year ended December 31, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

**BAY-LAKE REGIONAL PLANNING COMMISSION
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

E. Pension Plan (Continued)

4. Pension Liabilities, Pension Expense (Revenue), and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

<u>Year Ending December 31,</u>	<u>Expense</u>
2025	\$ 25,018
2026	26,293
2027	105,604
2028	(32,918)
Total	<u>\$ 123,997</u>

5. Actuarial Assumptions

The total pension liability in the December 31, 2023 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Valuation Date:	December 31, 2022
Measurement Date of Net Pension Liability:	December 31, 2023
Experience Study:	January 1, 2018 - December 31, 2020 Published November 19, 2021
Actuarial Cost Method:	Entry Age
Asset Valuation Method:	Fair Value
Long-term Expected Rate of Return:	6.8%
Discount Rate:	6.8%
Salary Increases:	
Wage Inflation	3.0%
Seniority/Merit	0.1% - 5.6%
Mortality	2020 WRS Experience Mortality Table
Postretirement Adjustments*	1.7%

* No postretirement adjustment is guaranteed. Actual adjustments are based on recognized investment return, actuarial experience and other factors. 1.7% is the assumed annual adjustment based on the investment return assumption and the postretirement discount rate.

Actuarial assumptions are based upon an experience study conducted in 2021 that covered a three-year period from January 1, 2018 to December 31, 2020. The total pension liability for December 31, 2023 is based upon a roll-forward of the liability calculated from the December 31, 2022 actuarial valuation.

**BAY-LAKE REGIONAL PLANNING COMMISSION
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

E. Pension Plan (Continued)

5. Actuarial Assumptions (Continued)

Long-Term Expected Return on Plan Assets. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

	Current Asset Allocation %	Long-Term Expected Nominal Rate of Return %	Long-term Expected Real Rate of Return %
<u>Core Fund Asset Class</u>			
Public Equity	40.0 %	7.3 %	4.5 %
Public Fixed Income	27.0	5.8	3.0
Inflation Sensitive	19.0	4.4	1.7
Real Estate	8.0	5.8	3.0
Private Equity/Debt	18.0	9.6	6.7
Leverage	(12.0)	3.7	1.0
Total Core Fund	<u>100.0 %</u>	7.4 %	4.6 %
<u>Variable Fund Asset</u>			
U.S. Equities	70.0 %	6.8 %	4.0 %
International Equities	30.0	7.6	4.8
Total Variable Fund	<u>100.0 %</u>	7.3 %	4.5 %

New England Pension Consultants Long Term US CPI (Inflation) Forecast: 2.7%

Asset Allocations are managed within established ranges, target percentages may differ from actual monthly allocations

The investment policy used for the Core Fund involves reducing equity exposure by leveraging lower-volatility assets, such as fixed income securities.

Currently, an asset allocation target of 12% policy leverage is used, subject to an allowable range of up to 20%.

**BAY-LAKE REGIONAL PLANNING COMMISSION
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

E. Pension Plan (Continued)

5. Actuarial Assumptions (Continued)

Single Discount Rate. A single discount rate of 6.80% was used to measure the total pension liability for the current and prior year. The discount rate is based on the expected rate of return on pension plan investments of 6.80% and a municipal bond rate of 3.77% (Source: Fixed-income municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity Index's "20-year Municipal GO AA Index" as of December 31, 2023. In describing this index, Fidelity notes that the Municipal Curves are constructed using option-adjusted analytics of a diverse population of over 10,000 tax-exempt securities.). Because of the unique structure of WRS, the 6.80% expected rate of return implies that a dividend of approximately 1.7% will always be paid. For purposes of the single discount rate, it was assumed that the dividend would always be paid. The projection of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments (including expected dividends) of current plan members. Therefore, the municipal bond rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Commission's Proportionate Share of the Net Pension Liability (Asset) to Changes in the Discount Rate. The following presents the Commission's proportionate share of the net pension liability (asset) calculated using the discount rate of 6.80%, as well as what the Commission's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (5.80%) or 1-percentage-point higher (7.80%) than the current rate:

	1% Decrease to Discount Rate (5.80%)	Current Discount Rate (6.80%)	1% Increase to Discount Rate (7.80%)
Commission's Proportionate Share of the Net Pension Liability (Asset)	\$ 470,226	\$ 48,650	\$ (246,344)

6. Payables to the Pension Plan

At December 31, 2024, the Commission reported a payable of \$6,281 for the outstanding amount of contributions to the pension plan for the year ended December 31, 2024.

**BAY-LAKE REGIONAL PLANNING COMMISSION
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

F. Other Postemployment Benefits

The Commission reports OPEB related balances at December, 31, 2024 as summarized below:

	OPEB Liability	Deferred Outflows of Resources	Deferred Inflows of Resources	OPEB Expense
Local Retiree Life Insurance Fund (LRLIF)	\$ 41,171	\$ 19,914	\$ 39,732	\$ 1,885
Single-Employer Defined OPEB Plan	48,577	21,601	19,810	2,838
Total	<u>\$ 89,748</u>	<u>\$ 41,515</u>	<u>\$ 59,542</u>	<u>\$ 4,723</u>

1. Single-Employer Defined Postemployment Benefit Plan

Plan Description

The Plan is a single-employer defined benefit postemployment health plan that covers retired employees of the Commission. Eligible retired employees have access to group medical coverage through the Commission's group plan. Commission paid medical benefits are paid for as indicated below. All employees of the Commission are eligible for the Plan if they meet the following age and service requirements below. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

Benefits Provided

The Commission provides medical (including prescription drugs) coverage for retired employees through the Commission's group health insurance plan. Employees must retire from the Commission and be eligible for Wisconsin Retirement System benefits to be eligible for this other postemployment health benefit.

Employees Covered by Benefit Terms

At December 31, 2023, the following employees were covered by the benefit terms:

Active Employees	<u><u>8</u></u>
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Contributions

Certain retired plan members and beneficiaries currently receiving benefits are required to contribute 100% of the cost of insurance premiums. Commission paid medical benefits are comprised solely of the implicit rate subsidy incurred when the premium rate paid by retirees is lower than it would be if the retiree's premium was rated separately from the active employees.

**BAY-LAKE REGIONAL PLANNING COMMISSION
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

F. Other Postemployment Benefits (Continued)

1. Single-Employer Defined Postemployment Benefit Plan (Continued)

Total OPEB Liability, OPEB Expense, and Deferred Outflows of Resources and
Deferred Inflows of Resources Related to OPEB

At December 31, 2024, the Commission reported a liability of \$48,577. The Commission's total OPEB liability was measured as of December 31, 2023, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2023.

Actuarial Assumptions

The total OPEB liability in the December 31, 2023 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation:	2.50%
Salary Increases, Including Inflation:	0.1% to 3.5% Based on Years of Service Plus 3%
Discount Rate:	4.00%
Healthcare Cost Trend Rates:	7.00% decreasing to 6.5%, then decreasing by 0.10% per year down to 4.50%, and then level thereafter

Mortality rates are the same as those used in the Wisconsin 2020 Mortality Table.

The actuarial assumptions used in the December 31, 2023 valuation were based on an experience study conducted in 2021 using Wisconsin Retirement System (WRS) experience from 2018-2020.

Discount Rate

The discount rate used to measure the total OPEB liability was 4.00% as opposed to 4.25% in the prior year. The discount rate is based on the 20-year AA Municipal Bond Index as of the measurement date.

**BAY-LAKE REGIONAL PLANNING COMMISSION
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

F. Other Postemployment Benefits (Continued)

1. Single-Employer Defined Postemployment Benefit Plan (Continued)

Changes in the Total OPEB Liability

	Total OPEB Liability (a)
Balance at December 31, 2023	\$ 34,643
Changes for the Year:	
Service Cost	1,636
Interest	1,507
Differences Between Expected and Actual Experience	9,391
Changes in Assumptions or Other Input	1,400
Net Changes	13,934
Balance at December 31, 2024	\$ 48,577

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following presents the total OPEB liability of the Commission, as well as what the Commission's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3.00%) or 1-percentage-point higher (5.00%) than the current rate:

	1% Decrease to Discount Rate (3.00%)	Current Discount Rate (4.00%)	1% Increase to Discount Rate (5.00%)
Total OPEB Liability	\$ 50,949	\$ 48,577	\$ 46,316

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the total OPEB liability of the Commission, as well as what the Commission's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (Actual first year increase, then 6.0% decreasing to 3.5%) or 1-percentage-point higher (Actual first year increase, then 8.0% decreasing to 5.5%) than the current healthcare cost trend rate

	1% Decrease (Actual First Year Increase, then 6.0% Decreasing to 3.5%)	Healthcare Cost Trend Rates (Actual First Year Increase, then 7.0% Decreasing to 4.5%)	1% Increase (Actual First Year Increase, then 8.0% Decreasing to 5.5%)
Total OPEB Liability	\$ 46,823	\$ 48,577	\$ 50,522

**BAY-LAKE REGIONAL PLANNING COMMISSION
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

F. Other Postemployment Benefits (Continued)

1. Single-Employer Defined Postemployment Benefit Plan (Continued)

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended December 31, 2024, the Commission recognized OPEB expense of \$2,838. At December 31, 2024 the Commission reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences Between Expected and Actual Experience	\$ 12,213	\$ 16,619
Changes in Assumptions	9,388	3,191
Total	<u>\$ 21,601</u>	<u>\$ 19,810</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in other postemployment benefits expense as follows:

<u>Year Ending December 31,</u>	<u>Expense</u>
2025	\$ (305)
2026	(305)
2027	(301)
2028	(200)
2029	(203)
Thereafter	3,105
Total	<u>\$ 1,791</u>

Payable to the OPEB Plan

At December 31, 2024, the Commission reported no outstanding contribution to the Plan required for the year ended December 31, 2024.

**BAY-LAKE REGIONAL PLANNING COMMISSION
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

F. Other Postemployment Benefits (Continued)

2. Local Retiree Life Insurance Fund (LRLIF)

Plan Description

The LRLIF is a multiple-employer, defined benefit OPEB plan. LRLIF benefits and other plan provisions are established by Chapter 40 of the Wisconsin Statutes. The Wisconsin Department of Employee Trust Funds (ETF) and the Group Insurance Board have statutory authority for program administration and oversight. The plan provides postemployment life insurance benefits for all eligible members.

OPEB Plan Fiduciary Net Position

ETF issues a standalone Annual Comprehensive Financial Report, which can be found at <https://etf.wi.gov/about-etf/reports-and-studies/financial-reports-and-statements>.

Additionally, ETF issued a standalone Retire Life Insurance Financial Report, which can also be found using the link above

Benefits Provided

The LRLIF plan provides fully paid up life insurance benefits for post-age 64 retired members and pre-65 retirees who pay for their coverage.

Contributions

The Group Insurance Board approves contribution rates annually, based on recommendations from the insurance carrier. Recommended rates are based on an annual valuation, taking into consideration an estimate of the present value of future benefits and the present value of future contributions. A portion of employer contributions made during a member's working lifetime funds a postretirement benefit.

Employers are required to pay the following contributions based on member contributions for active members to provide them with Basic Coverage after age 65. There are no employer contributions required for pre-age 65 annuitant coverage. If a member retires prior to age 65, they must continue paying the member premiums until age 65 in order to be eligible for the benefit after age 65.

Contribution rates as of December 31, 2024 are:

<u>Coverage Type</u>	<u>Employer Contribution</u>
50% Postretirement Coverage	40% of Member Contribution
25% Postretirement Coverage	20% of Member Contribution

**BAY-LAKE REGIONAL PLANNING COMMISSION
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

F. Other Postemployment Benefits (Continued)

2. Local Retiree Life Insurance Fund (LRLIF) (Continued)

Contributions (Continued)

Member contributions are based upon nine age bands through age 69 and an additional eight age bands for those age 70 and over. Participating members must pay monthly contribution rates per \$1,000 of coverage until the age of 65 (age 70 if active). The member contribution rates in effect for the year ended December 31, 2023 are listed below:

Life Insurance Member Contribution Rates For the Year Ended December 31, 2023		
Attained Age	Basic	Supplemental
Under 30	0.05	0.05
30 - 34	0.06	0.06
35 - 39	0.07	0.07
40 - 44	0.08	0.08
45 - 49	0.12	0.12
50 - 54	0.22	0.22
55 - 59	0.39	0.39
60 - 64	0.49	0.49
65 - 69	0.57	0.57

During the reporting period, the LRLIF recognized \$99 in contributions from the employer.

OPEB Liabilities, OPEB Expense (Revenue) and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At December 31, 2024, the Commission reported a liability of \$41,171 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of December 31, 2023, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of January 1, 2023 rolled forward to December 31, 2023. No material changes in assumptions or benefits terms occurred between the actuarial valuation date and the measurement date. The Commission's proportion of the net OPEB liability was based on the Commission's share of contributions to the OPEB plan relative to the contributions of all participating employers. At December 31, 2023, the Commission's proportion was 0.00894900% which was a decrease of 0.00402200% from its proportion measured as of December 31, 2022.

**BAY-LAKE REGIONAL PLANNING COMMISSION
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

F. Other Postemployment Benefits (Continued)

2. Local Retiree Life Insurance Fund (LRLIF) (Continued)

OPEB Liabilities, OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)

For the year ended December 31, 2024, the Commission recognized OPEB expense of \$1,885.

At December 31, 2024, the Commission reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences Between Expected and Actual Experience	\$ -	\$ 3,644
Net Differences Between Projected and Actual Earnings on OPEB Plan Investments	556	-
Changes in Assumptions	12,879	16,212
Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	6,479	19,876
Total	<u>\$ 19,914</u>	<u>\$ 39,732</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Year Ending December 31,</u>	<u>Expense</u>
2025	\$ (1,684)
2026	(1,305)
2027	(3,738)
2028	(5,092)
2029	(5,954)
Thereafter	(2,045)
Total	<u>\$ (19,818)</u>

**BAY-LAKE REGIONAL PLANNING COMMISSION
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

F. Other Postemployment Benefits (Continued)

2. Local Retiree Life Insurance Fund (LRLIF) (Continued)

Actuarial Assumptions

The total OPEB liability in the January 1, 2023 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Actuarial Valuation Date:	January 1, 2023
Measurement Date of Net OPEB Liability:	December 31, 2023
Experience Study:	January 1, 2018 - December 31, 2020 Published November 19, 2021
Actuarial Cost Method:	Entry age normal
20 Year Tax-Exempt Municipal Bond Yield*:	3.26%
Long-Term Expected Rate of Return:	4.25%
Discount Rate:	3.32%
Salary Increases:	
Wage Inflation	3.00%
Seniority/Merit	0.1% - 5.6%
Mortality:	2020 WRS Experience Mortality Table

*Based on the Bond Buyers GO 20-Bond Municipal index

Actuarial assumptions are based upon an experience study conducted in 2021 that covered a three-year period from January 1, 2018 to December 31, 2020. The total OPEB liability for December 31, 2023 is based upon a roll-forward of the liability calculated from the January 1, 2023 actuarial valuation.

Long-Term Expected Return on Plan Assets

The long-term expected rate of return is determined by adding expected inflation to expected long-term real returns and reflecting expected volatility and correlation. Investments for the LRLIF are held with Securian, the insurance carrier. Interest is calculated and credited to the LRLIF based on the rate of return for a segment of the insurance carriers' general fund, specifically 10-year A- Bonds (as a proxy, and not tied to any specific investments). The overall aggregate interest rate is calculated using a tiered approach based on the year the funds were originally invested and the rate of return for that year. Investment interest is credited based on the aggregate rate of return and assets are not adjusted to fair market value. Furthermore, the insurance carrier guarantees the principal amounts of the reserves, including all interest previously credited thereto. The target allocation and expected returns are summarized in the following table:

**BAY-LAKE REGIONAL PLANNING COMMISSION
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

F. Other Postemployment Benefits (Continued)

2. Local Retiree Life Insurance Fund (LRLIF) (Continued)

Long-Term Expected Return on Plan Assets (Continued)

<u>Asset Class</u>	<u>Index</u>	<u>Target Allocation%</u>	<u>Long-Term Expected Geometric Real Rate of Return %</u>
U.S. Intermediate Credit Bonds	Bloomberg U.S. Interim Credit	40.0	2.32
U.S. Mortgages	Bloomberg U.S.	60.0	2.52
Inflation			2.30
Long-Term Expected Rate of Return			4.25

Single Discount Rate

A single discount rate of 3.32% was used to measure the total OPEB liability for the current year, as opposed to a discount rate of 3.76% for the prior year. The significant change in the discount rate was primarily caused by the decrease in the municipal bond rate from 3.72% as of December 31, 2022 to 3.26% as of December 31, 2023. The Plan's fiduciary net position was projected to be insufficient to make all projected future benefit payments of current active and inactive members. Therefore, the discount rate for calculating the Total OPEB Liability is equal to the single equivalent rate that results in the same actuarial present value as the long-term expected rate of return applied to benefit payments, to the extent that the plan's fiduciary net position is projected to be sufficient to make projected benefit payments, and the municipal bond rate applied to benefit payment to the extent that the plan's fiduciary net position is projected to be insufficient. The plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through December 31, 2036.

The projection of cash flows used to determine the single discount rate assumed that employer contributions will be made according to the current employer contribution schedule and that contributions are made by plan members retiring prior to age 65.

**BAY-LAKE REGIONAL PLANNING COMMISSION
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

F. Other Postemployment Benefits (Continued)

2. Local Retiree Life Insurance Fund (LRLIF) (Continued)

Sensitivity of the Commission's Proportionate Share of Net OPEB Liability (Asset) to Changes in the Discount Rate

The following presents the Commission's proportionate share of the net OPEB liability (asset) calculated using the discount rate of 3.32%, as well as what the Commission's proportionate share of the net OPEB liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (2.32%) or 1-percentage-point higher (4.32%) than the current rate:

	1% Decrease to Discount Rate (2.32%)	Current Discount Rate (3.32%)	1% Increase to Discount Rate (4.32%)
Commission's Proportionate Share of the Net OPEB Liability (Asset)	\$ 55,319	\$ 41,171	\$ 30,372

Payable to the OPEB Plan

At December 31, 2024, the Commission had no outstanding contribution to the Plan required for the year ended December 31, 2024.

NOTE 3 OTHER INFORMATION

A. Risk Management

The Commission has purchased commercial insurance policies for various risks of loss related to torts; theft, damage or destruction of assets; errors or omissions; injuries to employees; or acts of God. Payments of premiums for these policies are recorded as expenses of the Commission. Settled claims have not exceeded coverage amounts in any of the last three fiscal years.

B. Contingencies

The Commission participates in a number of federal and state assisted grant programs. These programs are subject to program compliance audits by the grantors or their representatives. Accordingly, the Commission's compliance with applicable grant requirements will be established at some future date. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time although the Commission expects such amounts, if any, to be immaterial.

From time to time, the Commission is party to other various pending claims and legal proceedings. Although the outcome of such matters cannot be forecast with certainty, it is the opinion of management and that the likelihood is remote that any such claims or proceedings will have a material adverse effect on the Commission's financial position or results of operations.

REQUIRED SUPPLEMENTARY INFORMATION

**BAY-LAKE REGIONAL PLANNING COMMISSION
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET) —
WISCONSIN RETIREMENT SYSTEM
LAST 10 MEASUREMENT PERIODS**

Measurement Period Ending	Proportion of the Net Pension Liability (Asset)	Proportionate Share of the Net Pension Liability (Asset)	Covered Employee Payroll	Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability (Asset)
12/31/14	0.00243500%	\$ (59,810)	\$ 338,747	(17.66)%	102.74 %
12/31/15	0.00419670%	39,319	339,340	11.59	98.20
12/30/16	0.00246752%	20,338	375,272	5.42	99.12
12/30/17	0.00253314%	(75,211)	387,908	(19.39)	102.93
12/30/18	0.00272337%	96,888	453,589	21.36	96.45
12/30/19	0.00288116%	(92,901)	491,874	(18.89)	102.96
12/29/20	0.00302236%	(188,690)	507,862	(37.15)	105.26
12/29/21	0.00316334%	(254,971)	580,281	(43.94)	106.02
12/31/22	0.00325538%	172,460	607,841	28.37	95.72
12/31/23	0.00327212%	48,650	606,597	8.02	98.85

**SCHEDULE OF CONTRIBUTIONS —
WISCONSIN RETIREMENT SYSTEM
LAST 10 FISCAL YEARS**

Fiscal Year Ending	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	Covered Employee Payroll (Fiscal Year)	Contributions as a Percentage of Covered Payroll
12/31/15	\$ 23,075	\$ 23,075	\$ -	\$ 339,340	6.80 %
12/31/16	24,768	24,768	-	375,272	6.60
12/31/17	26,378	26,378	-	387,908	6.80
12/31/18	30,390	30,390	-	453,589	6.70
12/31/19	32,218	32,218	-	491,874	6.55
12/31/20	34,281	34,281	-	507,862	6.75
12/31/21	39,169	39,169	-	580,281	6.75
12/31/22	39,510	39,510	-	607,841	6.50
12/31/23	41,249	41,249	-	606,597	6.80
12/31/24	36,238	36,238	-	525,183	6.90

See Notes to Required Supplementary Information.

BAY-LAKE REGIONAL PLANNING COMMISSION
SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS —
SINGLE EMPLOYER DEFINED POSTEMPLOYMENT BENEFIT PLAN
LAST 10 FISCAL YEARS

	2024	2023	2022	2021
Total OPEB Liability				
Service Cost	\$ 1,636	\$ 2,251	\$ 2,949	\$ 2,598
Interest	1,507	849	1,138	1,241
Differences Between Expected and Actual Experience	9,391	(1,243)	(25,100)	-
Changes of Assumptions	1,400	(3,840)	8,534	1,451
Net Change in Total OPEB Liability	13,934	(1,983)	(12,479)	5,290
Total OPEB Liability - Beginning	34,643	36,626	49,105	43,815
Total OPEB Liability - Ending	<u>\$ 48,577</u>	<u>\$ 34,643</u>	<u>\$ 36,626</u>	<u>\$ 49,105</u>
Covered-Employee Payroll	\$ 539,478	\$ 599,019	\$ 599,019	\$ 469,715
Commission's Total OPEB Liability as a Percentage of Covered-Employee Payroll	9.00%	9.00%	5.78%	6.11%

	2020	2019	2018
Total OPEB Liability			
Service Cost	\$ 1,092	\$ 1,212	\$ 1,212
Interest	1,217	1,022	947
Differences Between Expected and Actual Experience	7,735	-	-
Changes of Assumptions	3,880	(941)	-
Net Change in Total OPEB Liability	13,924	1,293	2,159
Total OPEB Liability - Beginning	29,891	28,598	26,439
Total OPEB Liability - Ending	<u>\$ 43,815</u>	<u>\$ 29,891</u>	<u>\$ 28,598</u>
Covered-Employee Payroll	\$ 469,715	\$ 453,389	\$ 453,389
Commission's Total OPEB Liability as a Percentage of Covered-Employee Payroll	10.45%	9.33%	6.31%

* The amounts presented for each fiscal year were determined as of the current fiscal year end. Amounts for prior years were not available.

**BAY-LAKE REGIONAL PLANNING COMMISSION
SCHEDULE OF PROPORTIONATE SHARE OF THE NET OPEB LIABILITY (ASSET)
LOCAL RETIREE LIFE INSURANCE FUND
LAST 10 FISCAL YEARS**

Plan Fiscal Year Ending	Proportion of the Net OPEB Liability (Asset)	Proportionate Share of the Net OPEB Liability (Asset)	Covered- Employee Payroll (Plan Year)	Proportionate Share of the Net OPEB Liability (Asset) as a Percentage of Covered- Employee Payroll	Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability (Asset)
12/31/17	0.00949100%	\$ 28,554	\$ 387,908	7.36 %	44.81 %
12/31/18	0.00980400%	25,298	397,000	6.37	48.69
12/31/19	0.01181100%	50,294	491,874	10.22	37.58
12/31/20	0.01176300%	64,705	482,000	13.42	31.36
12/31/21	0.01377800%	81,433	594,000	13.71	29.57
13/21/22	0.01297100%	49,417	538,000	9.19	38.81
12/31/23	0.00894900%	41,171	458,000	8.99	33.90

**SCHEDULE OF CONTRIBUTIONS —
LOCAL RETIREE LIFE INSURANCE FUND
LAST 10 FISCAL YEARS**

Commission Fiscal Year Ending	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	Covered- Employee Payroll (Fiscal Year)	Contributions as a Percentage of Covered- Employee Payroll
12/31/18	\$ 184	\$ 184	\$ -	\$ 397,000	4.63%
12/31/19	188	188	-	491,874	3.82%
12/31/20	213	213	-	482,000	4.42%
12/31/21	234	234	-	594,000	3.94%
12/31/22	260	260	-	538,000	4.83%
12/31/23	177	177	-	458,000	3.86%
12/31/24	99	99	-	525,183	1.89%

See Notes to Required Supplementary Information.

**BAY-LAKE REGIONAL PLANNING COMMISSION
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
DECEMBER 31, 2024**

NOTE 1 WISCONSIN RETIREMENT SYSTEM

Changes of benefit terms: There were no changes of benefit terms for any participating employer in WRS.

Changes of assumptions:

Based on a three-year experience study conducted in 2021 covering January 1, 2019 through December 31, 2020, the ETF Board adopted assumption changes that were used to measure the total pension liability beginning with the year ended December 31, 2021, including the following:

- Lowering the long-term expected rate of return from 7.0% to 6.8%
- Lowering the discount rate from 7.0% to 6.8%
- Lowering the price inflation rate from 2.5% to 2.4%
- Lowering the postretirement adjustments from 1.9% to 1.7%
- Mortality assumptions were changed to reflect updated trends by transitioning from the Wisconsin 2018 Mortality Table to the 2020 WRS Experience Mortality Table

Based on a three-year experience study conducted in 2018 covering January 1, 2015 through December 31, 2017, the ETF Board adopted assumption changes that were used to measure the total pension liability beginning with the year ended December 31, 2018, including the following:

- Lowering the long-term expected rate of return from 7.2% to 7.0%
- Lowering the discount rate from 7.2% to 7.0%
- Lowering the wage inflation rate from 3.2% to 3.0%
- Lowering the price inflation rate from 2.7% to 2.5%
- Lowering the postretirement adjustments from 2.1% to 1.9%
- Mortality assumptions were changed to reflect updated trends by transition from the Wisconsin 2012 Mortality Table to the Wisconsin 2018 Mortality Table

The amounts reported for each fiscal year were determined as of the calendar year-end that occurred within the fiscal year. The Commission is required to present the last 10 fiscal years of data; however accounting standards allow the presentation of as many years as are available until 10 fiscal years are presented.

**BAY-LAKE REGIONAL PLANNING COMMISSION
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
DECEMBER 31, 2024**

NOTE 2 OTHER POSTEMPLOYMENT BENEFITS

Single-Employer Defined Benefit Postemployment Benefit Plan

Changes of benefit terms: There were no changes of benefit terms.

Changes of assumptions: The State of Wisconsin Employee Trust Fund Board adopted economic and demographic assumption changes based on a three year experience study performed for the Wisconsin Retirement System. These assumptions are used in the actuarial valuations of OPEB liabilities (assets) for the retiree life insurance programs and are summarized below.

No assets are accumulated in a trust to provide for future benefits.

The Commission is required to present the last 10 fiscal years of data; however accounting standards allow the presentation of as many years as are available until 10 fiscal years are presented.

Local Retiree Life Insurance Fund

Changes of benefit terms: There were no changes of benefit terms.

Changes of assumptions: In addition to the rate changes detailed in the tables above, the State of Wisconsin Employee Trust Fund Board adopted economic and demographic assumption changes based on a three year experience study performed for the Wisconsin Retirement System. These assumptions are used in the actuarial valuations of OPEB liabilities (assets) for the retiree life insurance programs and are summarized below.

The assumption changes that were used to measure the December 31, 2021 total OPEB liabilities, including the following:

- Lowering the price inflation rate from 2.5% to 2.4%
- Mortality assumptions were changed to reflect updated trends by transitioning from the Wisconsin 2018 Mortality Table to the 2020 WRS Experience Mortality Table

The assumption changes that were used to measure the December 31, 2018 total OPEB liabilities, including the following:

- Lowering the long-term expected rate of return from 5.00% to 4.25%
- Lowering the wage inflation rate from 3.2% to 3.0%
- Lowering the price inflation rate from 2.7% to 2.5%
- Mortality assumptions were changed to reflect updated trends by transitioning from the Wisconsin 2018 Mortality Table to the 2020 WRS Experience Mortality Table

The amounts reported for each fiscal year were determined as of the calendar year-end that occurred within the fiscal year. The Commission is required to present the last 10 fiscal years of data; however accounting standards allow the presentation of as many years as are available until 10 fiscal years are presented.

SUPPLEMENTARY INFORMATION

BAY-LAKE REGIONAL PLANNING COMMISSION
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION —
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2024

	Original and Final Budget	Actual	Variance with Final Budget - Positive (Negative)
OPERATING REVENUES			
Intergovernmental			
Federal Grants	\$ 665,552	\$ 799,680	\$ 134,128
State Grants	60,000	17,867	(42,133)
Other Grants	2,420	-	(2,420)
Intergovernmental Charges for Services			
Local Districts Membership Levy	303,011	296,673	(6,338)
Local Contracts	450,465	334,608	(115,857)
Public Charges for Services	-	6,834	6,834
Total Operating Revenues	<u>1,481,448</u>	<u>1,455,662</u>	<u>(25,786)</u>
OPERATING EXPENSES			
Salaries and Wages	704,655	594,059	110,596
Employee Fringes and Benefits	259,550	198,239	61,311
Utilities and Other Contractual Services	128,900	80,812	48,088
Subcontracted Project Consultants	197,000	338,406	(141,406)
Supplies and Expenses	116,250	68,470	47,780
Insurance	12,994	13,820	(826)
Rent and Leases	2,880	2,842	38
Depreciation	-	30,056	(30,056)
Total Operating Expenses	<u>1,422,229</u>	<u>1,326,704</u>	<u>95,525</u>
OPERATING INCOME (LOSS)	59,219	128,958	69,739
NONOPERATING REVENUES (EXPENSES)			
Interest Income	-	3,028	3,028
Interest and Fiscal Charges	(23,311)	(15,602)	7,709
Total Nonoperating Revenues (Expenses)	<u>(23,311)</u>	<u>(12,574)</u>	<u>10,737</u>
CHANGE IN NET POSITION	35,908	116,384	80,476
Net Position - Beginning of Year	<u>350,032</u>	<u>350,032</u>	<u>-</u>
NET POSITION - END OF YEAR	<u><u>\$ 385,940</u></u>	<u><u>\$ 466,416</u></u>	<u><u>\$ 80,476</u></u>

**ADDITIONAL INDEPENDENT AUDITORS' REPORT
FOR FINANCIAL STATEMENTS**



**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

Board of Commissioners
Bay-Lake Regional Planning Commission
Green Bay, Wisconsin

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Bay-Lake Regional Planning Commission, Green Bay, Wisconsin, (the Commission) as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the Commission's basic financial statements, and have issued our report thereon dated April 8, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Commission'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 Commission's internal control. Accordingly, we do not express an opinion on the effectiveness of the Commission'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. 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.

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 or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses.

We identified a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2024-001 that we consider to be a significant deficiency.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Commission's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Bay-Lake Regional Planning Commission's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the Commission's response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. The Commission's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "CliftonLarsonAllen LLP". The signature is written in a cursive, flowing style.

CliftonLarsonAllen LLP

Green Bay, Wisconsin
April 8, 2025

FEDERAL AWARDS



**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR
FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE
REQUIRED BY THE UNIFORM GUIDANCE**

Board of Commissioners
Bay-Lake Regional Planning Commission
Green Bay, Wisconsin

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Bay-Lake Regional Planning Commission's (the Commission) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect the Commission's major federal programs for the year ended December 31, 2024. The Commission's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Commission complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2024.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Commission and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the Commission's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the Commission's federal programs.

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Commission's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Commission's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Commission's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Commission's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Commission's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

A handwritten signature in cursive script that reads "CliftonLarsonAllen LLP".

CliftonLarsonAllen LLP

Green Bay, Wisconsin
April 8, 2025

**BAY-LAKE REGIONAL PLANNING COMMISSION
GREEN BAY, WISCONSIN
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED DECEMBER 31, 2024**

Federal Grantor/Federal Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Agency	Pass-Through Entity Identifying Number	(Accrued) Deferred Revenue 1/1/24	Cash Received (Refunded)	(Accrued) Deferred Revenue 12/31/24	Total Federal Expenditures	Subrecipient Payments
U.S. DEPARTMENT OF COMMERCE								
Broadband Equity, Access, and Deployment Program	11.035	Direct Program	Not Applicable	\$ (4,418)	\$ 5,117	\$ -	\$ 699	\$ -
Economic Development Support for Planning Organization	11.302	Direct Program	Not Applicable	(17,500)	70,000	17,500	70,000	-
National Sea Grant College Program	11.417	New North, Inc.	NA220AR4170145	(2,950)	6,755	13,820	17,625	-
Coastal Zone Management Administration Awards								
Technical Assistance 2023-2024	11.419	WI Dept. of Administration	AD239125-024-33	(11,600)	30,000	-	18,400	-
Technical Assistance 2024-2025	11.419	WI Dept. of Administration	AD249145-025.22	-	-	18,754	18,754	-
Total Coastal Zone Management Administration Awards				<u>(11,600)</u>	<u>30,000</u>	<u>18,754</u>	<u>37,154</u>	<u>-</u>
Total U.S. Department of Commerce				<u>(36,467)</u>	<u>111,872</u>	<u>50,074</u>	<u>125,478</u>	<u>-</u>
U.S. DEPARTMENT OF TRANSPORTATION								
Highway Planning and Construction								
Rural Transportation Work Program 2023	20.205	WI Dept. of Transportation	395-0097-23-44	-	55,835	10,900	66,736	-
Sheboygan MPO - Comprehensive, Continuing and Cooperative Transportation Planning 2023	20.205	WI Dept. of Transportation	395-0096-23-87	(29,601)	45,639	-	16,038	-
Sheboygan MPO - Comprehensive, Continuing and Cooperative Transportation Planning 2024	20.205	WI Dept. of Transportation	395-0096-24-87	-	146,006	46,687	192,693	-
Regional Transportation Work Program 2024	20.205	WI Dept. of Transportation	395-0097-24-44	(1,289)	1,289	-	-	-
Transportation Access to Public Health Options Study (TAPHO)	20.205	WI Dept. of Transportation	4996-20-00	<u>(2,845)</u>	<u>14,698</u>	<u>7,294</u>	<u>19,148</u>	<u>-</u>
Total Highway Planning and Construction				<u>(33,735)</u>	<u>263,467</u>	<u>64,882</u>	<u>294,614</u>	<u>-</u>
Total U.S. Department of Transportation				<u>(33,735)</u>	<u>263,467</u>	<u>64,882</u>	<u>294,614</u>	<u>-</u>
ENVIRONMENTAL PROTECTION AGENCY								
Brownsfield Assessment and Cleanup Cooperative Agreements	66.818	Direct Program	Not Applicable	(560)	288,812	61,336	349,588	-
SSA Plan City of Sheboygan	66.454	WI DNR	10000-68400	-	23,843	6,157	30,000	-
Total Environmental Protection Agency				<u>(560)</u>	<u>312,655</u>	<u>67,493</u>	<u>379,588</u>	<u>-</u>
Total Expenditures of Federal Awards				<u>\$ (70,762)</u>	<u>\$ 687,994</u>	<u>\$ 182,449</u>	<u>\$ 799,680</u>	<u>\$ -</u>

See accompanying Notes to Schedule of Expenditures of Federal Awards

**BAY-LAKE REGIONAL PLANNING COMMISSION
GREEN BAY, WISCONSIN
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED DECEMBER 31, 2024**

NOTE 1 BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards for the Commission are presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

The schedule of expenditures of federal awards includes all federal awards of the Commission. Because the schedules present only a selected portion of the operations of the Commission, it is not intended to and does not present the financial position, changes in net position, or cash flows of the Commission.

NOTE 2 SIGNIFICANT ACCOUNTING POLICIES

Expenditures in the schedule are presented in accordance with the accrual basis of accounting and are generally in agreement with revenues and expenses reported in the Commission's 2024 financial statements. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, where in certain types of expenditures are not allowable or are limited as to reimbursement.

The Commission has not elected to charge a de minimis cost rate of 10%.

NOTE 3 OVERSIGHT AGENCIES

The federal oversight agency for the Commission is the U.S. Department of Commerce.

**BAY-LAKE REGIONAL PLANNING COMMISSION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2024**

Section I – Summary of Auditors’ Results

Financial Statements

1. Type of auditors’ report issued: Unmodified
2. Internal control over financial reporting:
- Material weakness(es) identified? _____ yes x no
 - Significant deficiency(ies) identified? x yes _____ none reported
3. Noncompliance material to financial statements noted? _____ yes x no

Federal Awards

1. Internal control over major federal programs:
- Material weakness(es) identified? _____ yes x no
 - Significant deficiency(ies) identified? _____ yes x none reported
2. Type of auditors’ report issued on compliance for major federal programs: Unmodified
3. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? _____ yes x no

Identification of Major Federal Program

Assistance Listing Number
66.818

Name of Federal Program or Cluster
Brownsfield Assessment and Cleanup
Cooperative Agreements

Dollar threshold used to distinguish between Type A and Type B programs:

\$ 750,000

Auditee qualified as low-risk auditee?

_____ yes x no

**BAY-LAKE REGIONAL PLANNING COMMISSION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2024**

Section II – Financial Statement Findings

FINDING NO.	CONTROL DEFICIENCIES
2024-001	Preparation of Financial Report
Type of Finding:	Significant Deficiency in Internal Control over Financial Reporting
Condition:	Current Commission staff maintains accounting records which reflect the Commission's financial transactions; however, preparing the Commission's annual financial report, including note disclosures, and schedule of federal expenditures, involves the selection and application of specific accounting principles which would require additional experience and knowledge. The Commission contracts with us and our knowledge of applicable accounting principles, financial statement formats, and note disclosures to assist in the preparation of the annual financial report and schedule of federal expenditures in an efficient manner. However, as independent auditors, CLA cannot be considered part of the Commission's internal control system. As part of its internal control over preparation of its financial statements, including disclosures, and schedule of federal expenditures the Commission had implemented a comprehensive review procedure to ensure that the financial statements, including note disclosures, are complete and accurate.
Criteria or Specific Requirement:	The preparation and review of the annual financial report by staff with expertise in financial reporting is an internal control intended to prevent, detect, and correct a potential misstatement in the financial statements or notes.
Effect:	Without our involvement, the Commission may not be able to completely prepare an annual financial report in accordance with accounting principles generally accepted in the United States of America.
Cause:	Commission management has determined that the additional costs associated with training staff to become experienced in applicable accounting principles and note disclosures outweigh the derived benefits.
Repeat Finding:	Yes; 2023-001
Recommendation:	We recommend the Commission continue reviewing the annual financial report. Such review procedures should be performed by an individual possessing a thorough understanding of accounting principles generally accepted in the United States of America and knowledge of the Commission's activities and operations. While it may not be cost beneficial to train additional staff to completely prepare a report, a thorough review of this information by appropriate staff of the Commission is necessary to obtain a complete and adequate understanding of the Commission's annual financial report.
Views of responsible Officials:	There is no disagreement with this finding.

Section III – Findings and Questioned Costs – Major Federal Program

Our audit did not disclose any matters required to be reported in accordance with 2 CFR 200.516(a).



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