EAST CENTRAL WISCONSIN REGIONAL PLANNING COMMISSION
MENASHA, WISCONSIN

ANNUAL FINANCIAL REPORT

YEARS ENDED DECEMBER 31, 2024 AND 2023

EAST CENTRAL WISCONSIN REGIONAL PLANNING COMMISSION
MENASHA, WISCONSIN

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INDEPENDENT AUDITORS' REPORT

Board of Commissioners
East Central Wisconsin Regional Planning Commission
Menasha, Wisconsin

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of the East Central Wisconsin Regional Planning Commission, Menasha, Wisconsin (the Commission), as of and for the years ended December 31, 2024 and 2023, 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 2023, and the changes in financial position and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits 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 audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter

As discussed in Note 4 to the financial statements, effective January 1, 2023, the Commission adopted new accounting guidance for compensated absences. The guidance requires the Commission to recognize a liability for all leave benefits that are more likely than not to be used in subsequent reporting periods. Our opinion is not modified with respect to this matter.

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 audits 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 audits were 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 is not a required part of the basic financial statements. The schedules of expenditures of federal awards and state awards are presented for purposes of additional analysis, as required by Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and the *State Single Audit Guidelines,* issued by the Wisconsin Department of Administration, and are also 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 audits 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 and the schedules of expenditures of federal and state awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Board of Commissioners
East Central Wisconsin Regional Planning Commission

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated April 4, 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.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Green Bay, Wisconsin
April 4, 2025

FINANCIAL STATEMENTS

EAST CENTRAL WISCONSIN REGIONAL PLANNING COMMISSION
MENASHA, WISCONSIN
STATEMENTS OF NET POSITION
DECEMBER 31, 2024 AND 2023

	2024	2023
ASSETS		
Cash and Investments	$ 697,048	$ 638,105
Restricted Cash and Investments	22,989	18,200
Accounts Receivable	415,764	380,764
Prepaid Items	55,713	28,300
Capital Assets - Net	234,076	90,495
Total Assets	1,425,590	1,155,864
DEFERRED OUTFLOWS OF RESOURCES		
Other Postemployment Related Amounts	54,576	54,556
Pension Related Amounts	827,233	1,245,921
Total Deferred Outflows of Resources	881,809	1,300,477
LIABILITIES		
Accounts Payable	56,428	74,438
Accrued and Other Current Liabilities	19,994	15,493
Unearned Revenue	22,534	18,200
Long-Term Obligations:		
Due Within One Year	79,829	5,842
Due in More Than One Year	167,643	105,714
Net Pension Liability	91,216	330,493
Net Other Postemployment Benefit Liability	104,487	93,602
Total Liabilities	542,131	643,782
DEFERRED INFLOWS OF RESOURCES		
Other Postemployment Related Amounts	113,089	125,490
Pension Related Amounts	488,679	696,072
Total Deferred Inflows of Resources	601,768	821,562
NET POSITION		
Net Investment in Capital Assets	105,975	76,492
Unrestricted	1,057,525	914,505
Total Net Position	$ 1,163,500	$ 990,997

See accompanying Notes to Financial Statements.

EAST CENTRAL WISCONSIN REGIONAL PLANNING COMMISSION
MENASHA, WISCONSIN
STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
YEARS ENDED DECEMBER 31, 2024 AND 2023

	2024	2023
OPERATING REVENUES		
Intergovernmental:		
Federal Grants	$ 1,732,062	$ 1,318,871
State Grants	69,940	71,514
Community Grants	10,748	16,940
Intergovernmental Charges for Services:		
Local Districts Membership Levy	625,000	625,000
Local Contracts	46,525	58,026
NR-135 Program	161,220	136,355
Public Charges for Services	8,850	9,475
Total Operating Revenues	2,654,345	2,236,181
OPERATING EXPENSES		
Salaries and Wages	1,369,020	1,195,943
Employee Fringes and Benefits	390,647	453,702
Direct Grant Expenses	490,625	427,697
Meetings and Staff Development	15,264	12,300
Supplies	4,100	6,017
Office Space and Equipment	88,171	90,311
Reference Materials, Subscriptions, and Dues	9,616	3,772
Printing and Publishing	1,425	617
Staff Expenses	5,047	5,267
Insurance and Professional Fees	75,096	55,399
Depreciation	60,044	72,031
Total Operating Expenses	2,509,055	2,323,056
OPERATING INCOME (LOSS)	145,290	(86,875)
NONOPERATING REVENUES (EXPENSES)		
Interest Income	31,611	22,075
Interest and Fiscal Charges	(4,398)	(1,097)
Total Nonoperating Revenues (Expenses)	27,213	20,978
CHANGE IN NET POSITION	172,503	(65,897)
Net Position - Beginning of Year, As Previously Reported	990,997	1,124,988
Cumulative Effect for Change in Accounting Principle	-	(68,094)
Adjusted Net Position - Beginning of Year	990,997	1,056,894
NET POSITION - END OF YEAR	$ 1,163,500	$ 990,997

See accompanying Notes to Financial Statements.

EAST CENTRAL WISCONSIN REGIONAL PLANNING COMMISSION
MENASHA, WISCONSIN
STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2024 AND 2023

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash Received from Grants and Charges	$ 1,773,355	$ 1,377,790
Cash Received from Other Government Payments	850,324	828,003
Cash Paid for Employee Wages and Benefits	(1,763,174)	(1,565,605)
Cash Paid to Suppliers	(734,458)	(581,020)
Net Cash Provided by Operating Activities	126,047	59,168
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Acquisition of Capital Assets	(54,977)	(2,813)
Principal Payments on Leases Payable	(34,551)	(50,371)
Interest Paid on Debt	(4,398)	(1,097)
Net Cash Used by Capital and Related Financing Activities	(93,926)	(54,281)
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest Received	31,611	22,075
CHANGE IN CASH AND CASH EQUIVALENTS	63,732	26,962
Cash and Cash Equivalents - Beginning of Year	656,305	629,343
CASH AND CASH EQUIVALENTS - END OF YEAR	$ 720,037	$ 656,305
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES		
Operating Income (Loss)	$ 145,290	$ (86,875)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by Operating Activities:		
Depreciation	60,044	72,030
Change in Liability (Asset) and Deferred Outflows and Inflows of Resources:		
Change in Pension Liability	(239,277)	860,669
Change in Pension Deferred Outflow	418,688	(211,641)
Change in Pension Deferred Inflow	(207,393)	(559,724)
Change in OPEB Liability	10,885	(36,807)
Change in OPEB Deferred Outflow	(20)	4,477
Change in OPEB Deferred Inflow	(12,401)	21,447
Changes in Operating Assets and Liabilities:		
Accounts Receivable	(35,000)	15,223
Prepaid Items	(27,413)	(2,576)
Accounts Payable	(18,010)	26,591
Accrued and Other Current Liabilities	4,501	(6,436)
Accrued Compensated Absences	21,819	8,401
Unearned Revenue	4,334	(45,611)
Net Cash Provided by Operating Activities	$ 126,047	$ 59,168
RECONCILIATION OF CASH AND CASH EQUIVALENTS TO THE STATEMENT OF NET POSITION		
Cash and Investments in Current Assets	$ 697,048	$ 638,105
Cash and Investments in Restricted Assets	22,989	18,200
Total Cash and Cash Equivalents	$ 720,037	$ 656,305
SUPPLEMENTAL DISCLOSURE OF NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES		
Lease Addition	$ 148,649	$ -

See accompanying Notes to Financial Statements.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the East Central Wisconsin Regional Planning Commission, Menasha, Wisconsin (the Commission), have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP). 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

The Commission is a public agency formed under Section 66.0309 of the Wisconsin Statutes. The Commission provides planning and other services to Wisconsin County governments and local communities within the counties of Calumet, Fond du Lac, Green Lake, Marquette, Menominee, Outagamie, Shawano, Waupaca, Waushara, and Winnebago. 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.

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 statements present 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.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Measurement Focus and Basis of Accounting (Continued)

Enterprise funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Commission are operating grants received from federal, state, and local governments and dues from member counties. Operating expenses for the Commission include the payroll costs of operating the Commission, occupancy costs, administrative expenses, costs associated with providing program services to its members, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the Commission's policy to use restricted resources first, then unrestricted resources, as they are needed.

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 negotiated indirect cost rate (NICRA) with a fixed rate with carryforward:

Employee Fringe Benefits and Time Off with Pay	77.34 %
All Other Indirect Costs	50.04

The NICRA was received from Department of Interiors (DOI) in November 2023. The rate was used for 2024. The audit for 2022 was used to calculate any adjustment to the rate that was effective for 2024. The audit for 2023 will be used to calculate any adjustment for the rate to be applied in 2025. This process will be ongoing.

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 expressively 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 .0010051% of equalized value. For the 2023 budget, the Commission assessed all local governmental units within the region a charge of .0011296% of equalized value.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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. Accounts Receivable

   Accounts receivable are recorded at gross amounts with uncollectible amounts recognized under the direct write-off method. No allowance for uncollectible accounts has been provided since it is believed that the amount of such allowance would not be material to the financial statements.

3. Prepaid Items

   Payments made to vendors that will benefit periods beyond the end of the current fiscal year are recorded as prepaid items and are expensed in the periods benefited.

4. Capital Assets

   Capital assets, which include property and equipment are reported in the financial statements. Capital assets are defined by the Commission as assets with an initial, individual cost of $5,000 or higher or an estimated useful life in excess of two years. Such assets are recorded at historical cost. Donated capital assets are recorded at estimated acquisition value at the date of donation.

   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:

Assets	Years
Vehicle	4
Computer Equipment	2-4
Other Equipment	4-10

5. 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.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

6. Compensated Absences

   The Commission adopted various policies in regard to the accumulation of sick leave and vacation time. 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.

7. Deferred Outflows/Inflows of Resources

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

8. Long-Term Obligations

   In the financial statements, long-term debt and other long-term obligations are reported as liabilities in the statement of net position.

9. Leases

   The East Central Wisconsin Regional Planning Commission is a lessee for noncancellable lease of office space. The Commission recognizes a lease liability and an intangible right-to-use lease asset (lease asset) in their financial statements.

   At the commencement of a lease, the Commission initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized in a systematic and rational manner over the shorter of the lease term or the useful life of the underlying asset.

   Key estimates and judgments related to leases include how the Commission determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

9. Leases (Continued)

   - The Commission uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the Commission generally uses its estimated incremental borrowing rate as the discount rate for leases.
   - The lease term includes the noncancellable period of the lease.
   - Lease payments included in the measurement of the lease liability are composed of fixed payments and the purchase option price that the Commission is reasonably certain to exercise.

   The Commission monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

   Lease assets are reported with other capital assets and lease liabilities are reported with long- term debt on the statement of net position.

10. Other Postemployment Benefits Other Than Pensions (OPEB)

    <u>Single-Employer Defined Postemployment Benefit Plan</u>

    Qualifying employees are provided with other postemployment benefits. The OPEB is a cost sharing single employer defined benefit plan administered by the State of Wisconsin Group Insurance Board on behalf of the Commission. 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.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

10. 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
- Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEBs, and
- 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.

11. Pensions

Wisconsin Retirement System (WRS)

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 Commission 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 the Plan are entirely from employee voluntary contributions. The Commission makes no employee contributions to this Plan.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

12. Net Position

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 fewer 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 U.S. GAAP 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.

NOTE 2 DETAILED NOTES

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 on December 31 is summarized below:

	2024	2023
Petty Cash and Cash on Hand	$ 100	$ 100
Deposits with Financial Institutions	161,607	126,224
Investments:		
Wisconsin Local Government Investment Pool	558,330	529,981
Total	$ 720,037	$ 656,305

Reconciliation to the financial statements:

	2024	2023
Government-Wide Statement of Net Position:		
Cash and Investments	$ 697,048	$ 638,105
Restricted Cash and Investments	22,989	18,200
Total	$ 720,037	$ 656,305

<u>Fair Value Measurements</u>

The Commission categorizes its fair value measurements within the fair value hierarchy established by GAAP. 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.

NOTE 2 DETAILED NOTES (CONTINUED)

A. Cash and Investments (Continued)

Custodial Credit Risk

Custodial credit risk for *deposits* is the risk that, in the event of the failure of a depository financial institution, the Commission 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, the Commission 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. 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 and December 31, 2023, none of the Commission's deposits with financial institutions were in excess of federal and state depository insurance limits. Deposits that are not covered by depository insurance and are uncollateralized.

Credit Risk

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's formal investment policy limits credit risk by diversifying the investment portfolio so that losses from any one type of security or from any one individual issuer will be minimized. The Commission's investment in the Wisconsin local government investment pool is not rated.

NOTE 2 DETAILED NOTES (CONTINUED)

A. Cash and Investments (Continued)

Interest Rate Risk

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's formal investment policy limits investment maturities to shorter-term securities, money market mutual funds, or similar investment pools and limits the average maturity of its portfolio as a means of managing its exposure to fair value losses arising from increasing interest rates. The investments held by the Wisconsin Local Government Investment Pool as of December 31, 2024 have a weighted average maturity of 9 days and as of December 31, 2023 had a weighted average maturity of 28 days.

Investments

The Commission has investments in the Wisconsin Local Government Investment Pool of $558,330 and $529,981 at December 31, 2024 and 2023, respectively. The Wisconsin Local Government Investment Pool (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 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 and 2023, the fair value of the Commission's share of the LGIP's assets was substantially equal to the carrying value.

B. Restricted Assets

Restricted assets on December 31, 2024 and 2023 was $22,989 and $18,200, respectively, and consisted of cash and investments. The amount of $15,226 and $15,361 for the years ended December 31, 2024 and 2023, respectively, were held for the NR-135 Mining Reclamation program and upon termination of the program would be returned to the four-member counties (Outagamie, Shawano, Waupaca, and Winnebago) based on active acreage. The liability associated with this program's restricted assets is included with unearned revenues on the statement of net position.

Restricted assets also include $7,763 and $2,839 for the years ended December 31, 2024 and 2023, respectively, received in advance from grantors. If the grant program would end without fulfilling the project requirements, the unspent funds would be returned to the grantors. All grant requirements are expected to be fulfilled in 2025. The liability associated with these grants' restricted assets is included with unearned revenues on the statement of net position.

NOTE 2 DETAILED NOTES (CONTINUED)

C. Grants and Projects Accounts Receivable

The Commission performs planning and other services for its members and certain other entities under agreements to provide these services. In addition, it performs certain services under terms of state and federal grants.

The Commission bills those receiving services and/or applies grant funds (recognizes revenues from grant proceeds) based on services performed. Unrecognized grant funds and prepaid local project services are treated as unearned revenues if expenditures for the respective grant or project have not been incurred.

The amount due from various grants and local projects on December 31, 2024 and 2023 was $415,764 and $380,764, respectively.

D. Capital Assets

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

	Beginning Balance	Increases	Decreases	Ending Balance
Capital Assets, Depreciable and Amortizable:				
Vehicle	$ 28,346	$ -	$ -	$ 28,346
Computer Equipment	93,655	15,508	-	109,163
Other Equipment	133,314	39,469	-	172,783
Other Equipment Right-to-Use Asset	27,190	-	-	27,190
Building Right-to-Use Asset	116,182	148,649	-	264,831
Subtotals	398,687	203,625	-	602,312
Less Accumulated Depreciation and Amortization For:				
Vehicle	7,559	5,669	-	13,228
Computer Equipment	83,089	10,019	-	93,108
Other Equipment	84,627	10,289	-	94,916
Other Equipment Right-to-Use	16,735	3,099	-	19,834
Building Right-to-Use	116,182	30,968	-	147,150
Subtotals	308,192	60,044	-	368,236
Total Capital Assets, Depreciable and Amortizable, Net	90,495	143,581	-	234,076
Business-Type Capital Assets, Net	$ 90,495	$ 143,581	$ -	234,076
Less: Capital Related Debt - Lease Liabilities				128,101
Net Investment in Capital Assets				$ 105,975

NOTE 2 DETAILED NOTES (CONTINUED)

D. Capital Assets (Continued)

Capital asset activity for the year ended December 31, 2023 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Capital Assets, Depreciable and Amortizable:				
Vehicle	$ 28,346	$ -		$ 28,346
Computer Equipment	90,842	2,813	-	93,655
Other Equipment	133,314	-	-	133,314
Other Equipment Right-to-Use Asset	27,190	-	-	27,190
Building Right-to-Use Asset	116,182	-	-	116,182
Subtotals	395,874	2,813	-	398,687
Less Accumulated Depreciation and Amortization For:				
Vehicle	1,890	5,669		7,559
Computer Equipment	75,102	7,987	-	83,089
Other Equipment	75,334	9,293	-	84,627
Other Equipment Right-to-Use	10,459	6,276	-	16,735
Building Right-to-Use	73,377	42,805	-	116,182
Subtotals	236,162	72,030	-	308,192
Total Capital Assets, Depreciable and Amortizable, Net	159,712	(69,217)	-	90,495
Business-Type Capital Assets, Net	$ 159,712	$ (69,217)	$ -	90,495
Less: Capital Related Debt - Lease Liabilities				14,003
Net Investment in Capital Assets				$ 76,492

NOTE 2 DETAILED NOTES (CONTINUED)

E. 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
Lease Liabilities	$ 14,003	$ 148,649	$ 34,551	$ 128,101	$ 79,829
Compensated Absences	97,553	21,818	-	119,371	-
Total Long-Term Obligations	$ 111,556	$ 170,467	$ 34,551	$ 247,472	$ 79,829

The following is a summary of changes in long-term obligations of the Commission for the year ended December 31, 2023:

	Beginning Balance	Adjustments*	Issued	Retired	Ending Balance	Due Within One Year
Lease Liabilities	$ 64,374	$ -	$ -	$ 50,371	$ 14,003	$ 5,842
Compensated Absences	-	68,094	29,459	-	97,553	-
Total Long-Term Obligations	$ 64,374	$ 68,094	$ 29,459	$ 50,371	$ 111,556	$ 5,842

*Adjustments reported as of December 31, 2023 were for the implementation of a new accounting principle. See Note 4 for additional information.

Leases

The Commission leases office space usage and a copier under long-term, noncancelable lease agreements. The lease for the space usage was renewed in 2024. The copier expires in 2026.

Total principal and interest costs for the lease was $50,375 and $81,875 for the years ended December 31, 2024 and 2023.

The future minimum lease payments for the copier agreement are as follows:

Year Ending December 31,	Principal	Interest	Total
2025	79,829	4,586	84,415
2026	48,272	640	48,912
Total Minimum Payments Required	$ 128,101	$ 5,226	$ 133,327

Right-to-Use assets acquired through outstanding leases are shown in Note 2.D.

NOTE 2 DETAILED NOTES (CONTINUED)

F. Pension Plan

Plan Description

The Wisconsin Retirement System (WRS) is a cost-sharing, multiple-employer 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, 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 https://etf.wi.gov/about-etf/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.

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 annual 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.

NOTE 2 DETAILED NOTES (CONTINUED)

F. Pension Plan (Continued)

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:

Year	Core Fund Adjustment	Variable Fund Adjustment
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)

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, including teachers, 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 years ended December 31, 2024 and December 31, 2023, the WRS recognized $92,121 and $79,439, respectively, in contributions from the Commission.

Contribution rates for the 2024 reporting period are:

Employee Category	Employee	Employer
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

NOTE 2 DETAILED NOTES (CONTINUED)

F. Pension Plan (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At December 31, 2024 and 2023, the Commission reported a liability of $91,216 and $330,493, respectively, for its proportionate share of the net pension liability (asset). The net pension liability (asset) was measured as of December 31, 2023, and the total pension liability used to calculate the net pension liability (asset) 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 (asset) 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 0.00613507%, which was a decrease of 0.00010335% from its proportion measured as of December 31, 2022.

For the years ended December 31, 2024 and 2023, the Commission recognized pension expense of $64,228 and $168,819 respectively.

At December 31, 2024 and 2023, the Commission reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	2024	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	$ 367,784	$ 487,132
Net Differences Between Projected and Actual Earnings on Pension Plan Investments	317,875	
Changes in Assumptions	39,758	
Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	9,695	1,547
Employer Contributions Subsequent to the Measurement Date	92,121	-
Total	$ 827,233	$ 488,679

NOTE 2 DETAILED NOTES (CONTINUED)

F. Pension Plan (Continued)

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

	2023	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	$ 526,372	$ 691,535
Net Differences Between Projected and Actual Earnings on Pension Plan Investments	561,431	
Changes in Assumptions	64,988	-
Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	13,691	4,537
Employer Contributions Subsequent to the Measurement Date	79,439	-
Total	$ 1,245,921	$ 696,072

The $92,121 and $79,439 reported as deferred outflows at December 31, 2024 and 2023 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 years ending December 31, 2025 and 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension at December 31, 2024 will be recognized in pension expense as follows:

Year Ended December 31,	Expense
2025	$ 51,490
2026	55,029
2027	201,108
2028	(61,194)
Total	$ 246,433

NOTE 2 DETAILED NOTES (CONTINUED)

F. Pension Plan (Continued)

Actuarial Assumptions

The total pension liability in the December 31, 2022, 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 (Asset):	December 31, 2023
Experience Study:	January 1, 2018 - December 31, 2020 Published November 19, 2021
Actuarial Cost Method:	Entry Age Normal
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.

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.

NOTE 2 DETAILED NOTES (CONTINUED)

F. Pension Plan (Continued)

Long-Term Expected Return on Plan Assets (Continued)

The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

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

New England Pension Consultants Long Term US CPI (Inflation) Forecast: 2.70%

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%.

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.

NOTE 2 DETAILED NOTES (CONTINUED)

F. Pension Plan (Continued)

Single Discount Rate (Continued)

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% for the current and prior year, 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:

	2024		
	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)	$ 881,652	$ 91,216	$ (461,884)

	2023		
	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)	$ 1,096,895	$ 330,493	$ (196,726)

Payables to the Pension Plan

At December 31, 2024 and 2023, the Commission reported a payable of $15,836 and $13,788, respectively, for the outstanding amount of contributions to the pension plan for the years then ended.

NOTE 2 DETAILED NOTES (CONTINUED)

G. Other Postemployment Benefits

The Commission reports OPEB related balances at December 31, 2024 and 2023 as summarized below:

	2024			
	OPEB Liability	Deferred Outflows of Resources	Deferred Inflows of Resources	OPEB Expense (Income)
Local Retiree Life Insurance Fund (LRLIF)	$ 65,946	$ 33,293	$ 54,881	$ 488
Single-Employer Defined OPEB Plan	38,541	21,283	58,208	(545)
Total	$ 104,487	$ 54,576	$ 113,089	$ (57)

	2023			
	OPEB Liability	Deferred Outflows of Resources	Deferred Inflows of Resources	OPEB Expense
Local Retiree Life Insurance Fund (LRLIF)	$ 47,958	$ 23,238	$ 62,704	$ (1,022)
Single-Employer Defined OPEB Plan	45,644	31,318	62,786	820
Total	$ 93,602	$ 54,556	$ 125,490	$ (202)

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 and Eligibility Requirements

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 benefit.

NOTE 2 DETAILED NOTES (CONTINUED)

G. Other Postemployment Benefits (Continued)

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

Employees Covered by Benefit Terms

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

Inactive Employees or Beneficiaries Currently Receiving Benefit Payments	1
Active Employees	18
Total	19

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.

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

At December 31, 2024 and 2023, the Commission reported a liability of $38,541 and $45,644, respectively. 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. No material changes in eligibility or benefit terms occurred between the actuarial valuation date and the measurement date.

At December 31, 2024 and 2023 the Commission reported deferred inflows of resources related to OPEB from the following sources:

	2024	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	$ 4,438	$ 41,563
Changes in Assumptions	15,744	16,645
Net Difference Between Projected and Actual Earnings on OPEB Plan Investments	-	-
Commission Contributions Subsequent to the Measurement Date	1,101	-
Total	$ 21,283	$ 58,208

NOTE 2 DETAILED NOTES (CONTINUED)

G. 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 (Continued)

	2023	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	$ 5,178	$ 43,533
Changes in Assumptions	15,750	19,253
Net Difference Between Projected and Actual Earnings on OPEB Plan Investments	-	-
Commission Contributions Subsequent to the Measurement Date	10,390	-
Total	$ 31,318	$ 62,786

The $1,101 and $10,390 reported as deferred outflows at December 31, 2024 and 2023, respectively, related to OPEB resulting from the Commission's contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability (asset) in the year ended December 31, 2025 and 2024. Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB for December 31, 2024 will be recognized in OPEB expense as follows:

Year Ended December 31,	Expense
2025	$ (6,115)
2026	(6,115)
2027	(6,115)
2028	(6,115)
2029	(6,115)
Thereafter	(7,451)
Total	$ (38,026)

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% down to 4.5%, and level thereafter

NOTE 2 DETAILED NOTES (CONTINUED)

G. Other Postemployment Benefits (Continued)

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

Actuarial Assumptions (Continued)

Mortality rates are based on the Wisconsin 2020 Mortality Table adjusted for future mortality improvements using the MP-2021 fully generated improvement scale (multiplied 60%). The previous valuation used the Wisconsin 2018 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 experience from 2018-20. The previous valuation used the “Wisconsin Retirement System 2015 - 2017 Experience Study” conducted in 2018.

Discount Rate

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

Changes in the Total OPEB Liability

	Increase (Decrease) Total OPEB Liability
Balance - December 31, 2022	$ 63,037
Changes for the Year:	
Service Cost	5,526
Interest	1,181
Changes of Benefit Terms	-
Differences Between Expected and Actual Experience	(1,602)
Changes of Assumptions	(8,964)
Benefit Payments	(13,534)
Net Changes	(17,393)
Balance - December 31, 2023	$ 45,644
Changes for the Year:	
Service Cost	3,771
Interest	1,799
Changes of Benefit Terms	-
Differences Between Expected and Actual Experience	(4,692)
Changes of Assumptions	2,409
Benefit Payments	(10,390)
Net Changes	(7,103)
Balance - December 31, 2024	$ 38,541

NOTE 2 DETAILED NOTES (CONTINUED)

G. Other Postemployment Benefits (Continued)

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

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% for 2024 and 3.25% for 2023) or 1-percentage-point higher (5.00% for 2024 and 5.25% for 2023) than the current rate:

	2024		
	1% Decrease to Discount Rate (3.00%)	Current Discount Rate (4.00%)	1% Increase to Discount Rate (5.00%)
Total OPEB Liability	$ 41,954	$ 38,541	$ 35,302

	2023		
	1% Decrease to Discount Rate (3.25%)	Current Discount Rate (4.25%)	1% Increase to Discount Rate (5.25%)
Total OPEB Liability	$ 49,450	$ 45,644	$ 42,146

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 (6.0% decreasing to 3.5%) or 1-percentage-point higher (8.0% decreasing to 5.5%) than the current healthcare cost trend rates:

	2024		
	1% Decrease (6.0% Decreasing to 3.5%)	Healthcare Cost Trend Rates (7.0% Decreasing to 4.5%)	1% Increase (8.0% Decreasing to 5.5%)
Total OPEB Liability	$ 33,919	$ 38,541	$ 43,865

	2023		
	1% Decrease (5.5% Decreasing to 4.0%)	Healthcare Cost Trend Rates (6.5% Decreasing to 5.0%)	1% Increase (7.5% Decreasing to 6.0%)
Total OPEB Liability	$ 40,429	$ 45,644	$ 51,931

OPEB Expense

For the years ended December 31, 2024 and 2023, the Commission recognized OPEB expense (revenue) of ($545) and $820 respectively.

NOTE 2 DETAILED NOTES (CONTINUED)

G. Other Postemployment Benefits (Continued)

Payable to the OPEB Plan

At December 31, 2024 and 2023, the Commission reported no outstanding contribution to the plan required for the years then ended.

2. Local Retiree Life Insurance Fund

Plan Description

The LRLIF is a cost-sharing 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.

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 Retiree Life Insurance Financial Report, which can be found using the link above.

Benefits Provided

The LRLIF plan provides fully paid up life insurance benefits for post-age 64 retired employees 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 employee premiums until age 65 in order to be eligible for the benefit after age 65.

NOTE 2 DETAILED NOTES (CONTINUED)

G. Other Postemployment Benefits (Continued)

Contributions (Continued)

Contribution rates as of December 31, 2023 are:

Coverage Type	Employer Contribution
50% Post-Retirement Coverage	40% of Employee Contribution
25% Post-Retirement Coverage	20% of Employee Contribution

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 reporting period ended December 31, 2023 are as listed below:

Life Insurance
Member Contribution Rates*
For the Reporting Period 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

*Disabled members under age 70 receive a waiver-of-premium benefit

During the years ended December 31, 2024 and 2023, the LRLIF recognized $368 and $282, respectively, in contributions from the Commission.

NOTE 2 DETAILED NOTES (CONTINUED)

G. Other Postemployment Benefits (Continued)

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEBs

At December 31, 2024 and 2023, the Commission reported a liability of $65,946 and $47,958, respectively, 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 .01433400%, which was a increase of .000174600% from its proportion measured as of December 31, 2022.

For the years ended December 31, 2024 and 2023, the Commission recognized OPEB expense (income) of $488 and ($1,022) respectively.

At December 31, 2024 and 2023, the Commission reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	2024	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	$ -	$ 5,836
Net Differences Between Projected and Actual Earnings on OPEB Plan Investments	891	-
Changes in Assumptions	20,628	25,968
Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	11,406	23,077
Employer Contributions Subsequent to the Measurement Date	368	-
Total	$ 33,293	$ 54,881

NOTE 2 DETAILED NOTES (CONTINUED)

G. Other Postemployment Benefits (Continued)

2. Local Retiree Life Insurance Fund (Continued)

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

	2023	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	$ -	$ 4,693
Net Differences Between Projected and Actual Earnings on OPEB Plan Investments	900	-
Changes in Assumptions	17,229	28,308
Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	4,827	29,703
Employer Contributions Subsequent to the Measurement Date	282	-
Total	$ 23,238	$ 62,704

The $368 and $282 reported as deferred outflows at December 31, 2024 and 2023, respectively, related to OPEB resulting from the Commission’s contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability (asset) in the year ending December 31, 2025 and 2024. Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB for December 31, 2024 will be recognized in OPEB expense as follows:

Year Ended December 31,	Expense
2025	$ (5,132)
2026	(3,870)
2027	(5,908)
2028	(6,858)
2029	(2,042)
Thereafter	1,854
Total	$ (21,956)

NOTE 2 DETAILED NOTES (CONTINUED)

G. Other Postemployment Benefits (Continued)

2. Local Retiree Life Insurance Fund (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:

Actuarial Valuation Date:	January 1, 2023
Measurement Date of Net OPEB Liability (Asset):	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

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.

NOTE 2 DETAILED NOTES (CONTINUED)

G. Other Postemployment Benefits (Continued)

2. Local Retiree Life Insurance Fund (Continued)

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.

Asset Class	Index	Target Allocation	Long-Term Expected Geometric Real Rate of Return
U.S. Interim Credit Bonds	Bloomberg U.S. Interim Credit	40 %	2.32 %
U.S. Mortgages	Bloomberg MBS	60 %	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 and prior 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 employees. 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.

NOTE 2 DETAILED NOTES (CONTINUED)

G. Other Postemployment Benefits (Continued)

2. Local Retiree Life Insurance Fund (Continued)

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

The following presents the Commission's proportionate share of the net OPEB liability calculated using the discount rate of 3.32%, as well as what the Commission's proportionate share of the net OPEB liability 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:

	2024		
	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)	$ 88,607	$ 65,946	$ 48,648

	2023		
	1% Decrease to Discount Rate (2.76%)	Current Discount Rate (3.76%)	1% Increase to Discount Rate (4.76%)
Commission's Proportionate Share of the Net OPEB Liability (Asset)	$ 65,386	$ 47,958	$ 34,602

Payable to the OPEB Plan

At December 31, 2024 and 2023, the Commission reported no outstanding contribution to the plan for the years then ended.

NOTE 3 OTHER INFORMATION

A. Risk Management

The Commission is exposed to various risks of loss related torts; theft of, damage to, or destruction of assets; errors and omission; workers' compensation; and health care of its employees. All of these risks are covered through the purchase of commercial insurance, with minimal deductibles. Settled claims have not exceeded the commercial coverage in any of the past three years. There were no significant reductions in coverage compared to the prior year.

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 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.

NOTE 4 CHANGE IN ACCOUNTING PRINCIPLE

Effective January 1, 2023, the Commission implemented GASB Statement No. 101, Compensated Absences. This statement updated the recognition and measurement guidance for compensated absences and associated salary-related payments and amended certain previously required disclosures. As a result of this implementation of this standard, the compensated absences liability as of January 1, 2023 was restated by $68,094. The effect of the implementation of this standard is shown below:

December 31, 2023, Beginning of Year, As Previously Reported	$ 1,124,988
Change in Accounting Principle	(68,094)
December 31, 2023, Beginning of Year, As Restated	$ 1,056,894

REQUIRED SUPPLEMENTARY INFORMATION

EAST CENTRAL WISCONSIN REGIONAL PLANNING COMMISSION
MENASHA, WISCONSIN
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET)
WISCONSIN RETIREMENT SYSTEM
LAST TEN FISCAL YEARS

Measurement Period Ending	Proportion of the Net Pension Liability (Asset)	Proportionate Share of the Net Pension Liability (Asset)	Covered Payroll (Plan Year)	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	0.00780149 %	$ (191,626)	$ 1,105,566	17.33 %	102.74 %
12/31/15	0.00801265	130,204	1,177,775	11.06	98.20
12/31/16	0.00821119	67,680	1,221,768	5.54	99.12
12/31/17	0.00833588	(247,502)	1,228,150	20.15	102.93
12/31/18	0.00824019	293,160	1,232,174	23.79	96.45
12/31/19	0.00789283	(254,500)	1,186,316	21.45	102.96
12/31/20	0.00721547	(450,471)	1,052,602	42.80	105.26
12/31/21	0.00657772	(530,176)	1,051,362	50.43	106.02
12/31/22	0.00623842	330,493	1,145,418	28.85	95.72
12/31/23	0.00613507	91,216	1,168,222	7.81	98.85

SCHEDULE OF CONTRIBUTIONS
WISCONSIN RETIREMENT SYSTEM
LAST TEN FISCAL YEARS

Commission Fiscal Year Ending	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	Covered Payroll (Fiscal Year)	Contributions as a Percentage of Covered Payroll
12/31/15	$ 80,089	$ 80,089	$ -	$ 1,177,775	6.80 %
12/31/16	80,637	80,637	-	1,221,768	6.60
12/31/17	83,515	83,515	-	1,228,150	6.80
12/31/18	82,556	82,556	-	1,232,174	6.70
12/31/19	77,704	77,704	-	1,186,316	6.55
12/31/20	71,051	71,051	-	1,052,602	6.75
12/31/21	70,967	70,967	-	1,051,362	6.75
12/31/22	74,452	74,452	-	1,145,418	6.50
12/31/23	79,439	79,439	-	1,168,222	6.80
12/31/24	92,121	92,121	-	1,335,084	6.90

See accompanying Notes to Required Supplementary Information.

EAST CENTRAL WISCONSIN REGIONAL PLANNING COMMISSION
MENASHA, WISCONSIN
SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS
LAST TEN FISCAL YEARS

	2024	2023	2022	2021
Total OPEB Liability:				
Service Cost	$ 3,771	$ 5,526	$ 8,233	$ 7,322
Interest	1,799	1,181	2,936	3,413
Changes of Benefit Terms	-	-	-	-
Differences Between Expected and Actual Experience	(4,692)	(1,602)	(54,139)	-
Changes of Assumptions	2,409	(8,964)	(11,198)	5,839
Benefit Payments	(10,390)	(13,534)	(18,344)	(2,973)
Net Change in Total OPEB Liability	(7,103)	(17,393)	(72,512)	13,601
Total OPEB Liability - Beginning	45,644	63,037	135,549	121,948
Total OPEB Liability - Ending	$ 38,541	$ 45,644	$ 63,037	$ 135,549
Covered-Employee Payroll	$ 1,305,037	$ 1,058,128	$ 1,058,128	$ 1,052,602
Commission's Total OPEB Liability as a Percentage of Covered-Employee Payroll	2.95 %	4.31 %	5.96 %	12.88 %

	2020	2019	2018
Total OPEB Liability:			
Service Cost	$ 5,813	$ 6,400	$ 6,400
Interest	3,570	2,961	2,645
Changes of Benefit Terms	-	-	-
Differences Between Expected and Actual Experience	8,138	-	-
Changes of Assumptions	18,076	(4,415)	-
Benefit Payments	-	-	-
Net Change in Total OPEB Liability	35,597	4,946	9,045
Total OPEB Liability - Beginning	86,351	81,405	72,360
Total OPEB Liability - Ending	$ 121,948	$ 86,351	$ 81,405
Covered-Employee Payroll	$ 1,187,946	$ 1,234,041	$ 1,274,914
Commission's Total OPEB Liability as a Percentage of Covered-Employee Payroll	10.27 %	7.00 %	6.39 %

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

See accompanying Notes to Required Supplementary Information.

EAST CENTRAL WISCONSIN REGIONAL PLANNING COMMISSION
MENASHA, WISCONSIN
SCHEDULE OF PROPORTIONATE SHARE OF THE NET OPEB LIABILITY (ASSET)
LOCAL RETIREE LIFE INSURANCE FUND
LAST TEN FISCAL YEARS

Measurement Period 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	0.02424000	$ 72,928	$ 1,164,055	6.26 %	44.81 %
12/31/18	0.02303900	59,448	1,172,123	5.07	48.69
12/31/19	0.02164100	92,152	1,139,382	8.09	37.58
12/31/20	0.01978500	108,832	1,016,477	10.71	31.36
12/31/21	0.01139900	67,372	1,051,362	6.41	29.57
12/31/22	0.01258800	47,958	1,145,418	4.19	38.81
12/31/23	0.01433400	65,946	1,168,222	5.64	33.90

SCHEDULE OF CONTRIBUTIONS
LOCAL RETIREE LIFE INSURANCE FUND
LAST TEN 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	$ 441	$ 441	$ -	$ 1,172,123	0.04 %
12/31/19	433	433	-	1,139,382	0.04
12/31/20	355	355	-	1,016,477	0.03
12/31/21	223	223	-	1,051,362	0.02
12/31/22	243	243	-	1,145,418	0.02
12/31/23	282	282	-	1,168,222	0.02
12/31/24	368	368	-	1,335,084	0.03

See accompanying Notes to Required Supplementary Information.

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, 2018 through December 31, 2020, the EFT Board adopted assumption changes that were used to measure the total pension liability beginning with the year-end 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 post-retirement 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 EFT Board adopted assumption changes that were used to measure the total pension liability beginning with the year-end 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 post-retirement adjustments from 2.1% to 1.9%
- Mortality assumptions were changed to reflect updated trends by transitioning from the Wisconsin 2012 Mortality Table to the Wisconsin 2018 Mortality Table.

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

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

Several actuarial assumptions changed from the prior year, including updated WRS decrement assumptions, assumed discount rate and revised medical trend.

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

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

Local Retiree Life Insurance Fund

Changes of Benefit Terms

There were no changes of benefit terms for any participating employer in LRLIF.

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 prior fiscal year-end. 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

EAST CENTRAL WISCONSIN REGIONAL PLANNING COMMISSION
MENASHA, WISCONSIN
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN NET POSITION
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2024

	Approved Budget	Actual	Variance with Budget - Positive (Negative)
OPERATING REVENUES			
Intergovernmental:			
Federal Grants	$ 1,843,826	$ 1,732,062	$ (111,764)
State Grants	85,285	69,940	(15,345)
Community Grants	-	10,748	10,748
Intergovernmental Charges for Services:			
Local Districts Membership Levy	625,000	625,000	-
Local Contracts	62,133	46,525	(15,608)
NR-135 Program	158,156	161,220	3,064
Public Charges for Services	14,000	8,850	(5,150)
Total Operating Revenues	2,788,400	2,654,345	(134,055)
OPERATING EXPENSES			
Salaries and Wages	1,428,023	1,369,020	59,003
Employee Fringes and Benefits	441,071	390,647	50,424
Direct Grant Expenses	582,343	490,625	91,718
Meetings and Staff Development	17,990	15,264	2,726
Supplies	7,000	4,100	2,900
Office Space and Equipment	159,804	88,171	71,633
Reference Materials, Subscriptions, and Dues	9,085	9,616	(531)
Printing and Publishing	33,000	1,425	31,575
Postage	1,000	-	1,000
Staff Expenses	11,500	5,047	6,453
Insurance and Professional Fees	55,200	75,096	(19,896)
Depreciation	68,000	60,044	7,956
Total Operating Expenses	2,814,016	2,509,055	304,961
OPERATING INCOME (LOSS)	(25,616)	145,290	170,906
NONOPERATING REVENUES (EXPENSES)			
Interest Income	24,000	31,611	7,611
Interest and Fiscal Charges	(5,000)	(4,398)	602
Total Nonoperating Revenues (Expenses)	19,000	27,213	8,213
CHANGE IN NET POSITION	(6,616)	172,503	179,119
Net Position - Beginning of Year	990,997	990,997	-
NET POSITION - END OF YEAR	$ 984,381	$ 1,163,500	$ 179,119

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
East Central Wisconsin Regional Planning Commission
Menasha, 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 East Central Wisconsin Regional Planning Commission, Menasha, 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 4, 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 opinion 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 Commission'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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

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*.

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 Commission'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 Commission's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Green Bay, Wisconsin
April 4, 2025

FEDERAL AND STATE AWARDS

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

Board of Commissioners
East Central Wisconsin Regional Planning Commission
Menasha, Wisconsin

Report on Compliance for Each Major Federal and State Program

Opinion on Each Major Federal and State Program

We have audited East Central Wisconsin Regional Planning Commission's (the Commission) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* and the *State Single Audit Guidelines* issued by the Wisconsin Department of Administration that could have a direct and material effect on each of the Commission's major federal and state programs for the year ended December 31, 2024. The Commission's major federal and state 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 and state programs for the year ended December 31, 2024.

Basis for Opinion on the Major Federal and State 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; 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), and the *State Single Audit Guidelines* issued by the Wisconsin Department of Administration. Our responsibilities under those standards, the Uniform Guidance and the *State Single Audit Guidelines* 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 the major federal and state 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 and state 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*, the Uniform Guidance, and the *State Single Audit Guidelines* 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 and state program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, the Uniform Guidance, and the *State Single Audit Guidelines*, 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 and the *State Single Audit Guidelines*, 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.

Board of Commissioners
East Central Wisconsin Regional Planning Commission

Report on Internal Control Over Compliance

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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be significant deficiencies.

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. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2024-001 to be a significant deficiency.

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.

Government Auditing Standards requires the auditor to perform limited procedures on the Commission's response to the internal control over compliance findings identified in our audit 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 compliance and, accordingly, we express no opinion on the response.

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 and the *State Single Audit Guidelines*. Accordingly, this report is not suitable for any other purpose.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Green Bay, Wisconsin
April 4, 2025

EAST CENTRAL WISCONSIN REGIONAL PLANNING COMMISSION
MENASHA, WISCONSIN
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED DECEMBER 31, 2024

Federal Grantor/Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Agency	Pass-Through Entity Identifying Number	Federal Expenditures	Subrecipient Payment
U.S. DEPARTMENT OF COMMERCE					
Economic Development Support for Planning Organizations	11.302	Direct program	N/A	$ 68,142	$ -
U.S. DEPARTMENT OF TRANSPORTATION					
Federal Highway Administration:					
Highway Planning and Construction					
Metropolitan Transportation Planning-Fox Cities and Oshkosh	20.205	Wisconsin Department of Transportation	395-0095-05-79	953,715	-
Metropolitan Transportation Planning-Fond du Lac	20.205	Wisconsin Department of Transportation	395-0095-05-93	180,000	-
Regional Transportation Planning	20.205	Wisconsin Department of Transportation	395-0430-04-46	71,729	-
Regional Safe Routes to School	20.205	Wisconsin Department of Transportation	1009-01-09	112,287	-
Regional Safe Routes to School	20.205	Wisconsin Department of Transportation	1009-01-10	199,571	-
Regional Safe Routes to School	20.205	Wisconsin Department of Transportation	1009-01-13	3,221	-
Regional Safe Routes to School	20.205	Wisconsin Department of Transportation	1009-01-14	44,033	-
Regional Safe Routes to School	20.205	Wisconsin Department of Transportation	1009-01-17	39,664	-
Regional Safe Routes to School	20.205	Wisconsin Department of Transportation	1009-01-18	599	-
Total Highway Planning and Construction				1,604,819	-
Federal Transit Administration:					
Metropolitan and State Transportation Improvement Planning:					
Transit Development Plan for GO Transit	20.505	Wisconsin Department of Transportation	Unknown	32,101	-
Total U.S. Department of Transportation				1,636,920	-
ENVIRONMENTAL PROTECTION AGENCY					
Water Quality Management Planning	66.454	Wisconsin Department of Natural Resources	Unknown	27,000	-
Total Environmental Protection Agency				27,000	-
TOTAL EXPENDITURES OF FEDERAL AWARDS				$ 1,732,062	$ -

See accompanying Notes to Schedule of Expenditures of Federal and State Awards.

EAST CENTRAL WISCONSIN REGIONAL PLANNING COMMISSION
MENASHA, WISCONSIN
SCHEDULE OF EXPENDITURES OF STATE AWARDS
YEAR ENDED DECEMBER 31, 2024

Grantor Agency/State Program Title	State I.D. Number	Pass-Through Agency	State Identifying Number	Total Expenditures	Subrecipient Payment
DEPARTMENT OF NATURAL RESOURCES					
Local Water Quality Management Planning Aids	370.604	Direct program	Unknown	$ 11,000	$ -
Total Local Water Quality Management Planning Aids				11,000	-
DEPARTMENT OF TRANSPORTATION					
Planning Commission Program:					
Metropolitan Transportation Planning-Fox Cities and Oshkosh	395.202	Direct program	395-0095-05-79	43,512	-
Metropolitan Transportation Planning-Fond du Lac	395.202	Direct program	395-0095-05-93	6,462	-
Regional Transportation Planning	395.202	Direct program	395-0430-94-46	8,966	-
Total Planning Commission Program				58,940	-
TOTAL STATE PROGRAMS				$ 69,940	$ -

See accompanying Notes to Schedule of Expenditures of Federal and State Awards.

NOTE 1 BASIS OF PRESENTATION

The accompanying schedules of expenditures of federal and state 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) and the *State Single Audit Guidelines* issued by the Wisconsin Department of Administration.

The schedules of expenditures of federal and state awards include all federal and state 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

Revenues and expenditures in the schedules are presented in accordance with the full accrual basis of accounting and are generally in agreement with revenues and expenses reported in the Commission's 2024 financial statements.

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

NOTE 3 OVERSIGHT AGENCIES

The federal and state oversight agencies for the Commission are as follows:

Federal – U.S. Department of Commerce
State – Wisconsin Department of Transportation

EAST CENTRAL WISCONSIN REGIONAL PLANNING COMMISSION
MENASHA, WISCONSIN
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? ______ yes __x__ 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? __x__ yes ______ 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 Programs

Assistance Listing Number(s)	Name of Federal Program or Cluster
20.205	Highway Planning and Construction

Dollar threshold used to distinguish between Type A and Type B programs: $ 750,000

Auditee qualified as low-risk auditee? __x__ yes ______ no

Section I – Summary of Auditors' Results (Continued)

State Financial Assistance

1. Internal control over state projects:

    - Material weakness(es) identified? ______ yes __x__ no

    - Significant deficiency(ies) identified that are not considered to be material weakness(es)? ______ yes __x__ none reported

2. Type of auditors' report issued on compliance for state projects: Unmodified

3. Any audit findings disclosed that are required to be reported in accordance with state requirements? ______ yes __x__ no

Identification of Major State Projects

CSFA Number(s)	Name of State Project
395.202	Planning Commission Program

Dollar threshold used to distinguish between Type A and Type B state projects: $ 250,000

Section II – Financial Statement Findings

Our audit did not disclose any matters required to be reported in accordance with *Government Auditing Standards*.

Section III – Findings and Questioned Costs – Major Federal and State Programs

2024 – 001

Federal Agency: Federal Highway Administration
Federal Program Name: Highway Planning and Construction
Assistance Listing Number: 20.205
Federal Award Identification Number and Year: Unknown
Pass-Through Agency: Wisconsin Department of Transportation
Pass-Through Number(s): 395-0095-05-79
Award Period: January 1, 2024 – December 31, 2024
Type of Finding: Significant Deficiency in Internal Control over Compliance

Criteria or specific requirement: 2 CFR 200 states that nonfederal entities are prohibited from contracting with or making subawards under covered transactions to parties that are suspended or debarred. “Covered transactions” include contracts for goods and services awarded under a nonprocurement transaction (e.g., grant or cooperative agreement) that are expected to equal or exceed $25,000 or meet certain other criteria as specified in 2 CFR section 180.220). All nonprocurement transactions entered into by a pass-through entity (i.e., subawards to subrecipients), irrespective of award amount, are considered covered transactions, unless they are exempt as provided in 2 CFR section 180.215. When a non-Federal entity enters into a covered transaction with an entity at a lower tier, the non-Federal entity must verify that the entity, as defined in 2 CFR section 180.995 and agency adopting regulations, is not suspended or debarred or otherwise excluded from participating in the transaction.

Condition: The Commission does not have policies and procedures relating to suspension and debarment, they follow guidance provided by 2 CFR rules.

Questioned costs: None

Context: While performing compliance procedures, it was noted that suspension and debarment procedures were not completed for all vendors meeting the requirements. Subsequent client procedures concluded that none of the contractors or vendors were suspended or debarred.

Cause: The Commission does not have policies and procedures relating to suspension and debarment.

Effect: The Commission is not in compliance with suspension and debarment requirements. Vendors may be paid with federal funds that are suspended and debarred entities which would not be in compliance with the Uniform Guidance.

Repeat Finding: No

Recommendation: We recommend the Commission review and update procurement policies to include suspension and debarment to ensure it meets the minimum requirements of 2 CFR 200 for all federal grants.

Views of responsible officials: There is no disagreement with the audit finding.

EAST CENTRAL WISCONSIN REGIONAL PLANNING COMMISSION
MENASHA, WISCONSIN
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2024

Section IV – Other Issues

1. Does the auditor have substantial doubt as to the auditee's ability to continue as a going concern? No

2. Does the audit report show audit issues (i.e. material noncompliance, nonmaterial noncompliance, questioned cost, material weakness, significant deficiencies, management letter comment, excess revenue, or excess reserve) related to grant/contracts with funding agencies that require audits to be in accordance with the State Single Audit Guidelines:

Department of Natural Resources	No
Department of Transportation	No

3. Was a Management Letter or other document conveying audit comments issued as a result of this audit? No

4. Name and signature of partner: Leah J. Lasecki

   Leah Lasecki, CPA, Principal

   Date of report: April 4, 2025