

**CHIPPEWA COUNTY, WISCONSIN
EXECUTIVE AUDIT SUMMARY (EAS)
YEAR ENDED DECEMBER 31, 2024**



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**CHIPPEWA COUNTY, WISCONSIN
TABLE OF CONTENTS
YEAR ENDED DECEMBER 31, 2024**

AUDIT REPORT SUMMARY	1
APPENDIX A	
FORMAL REQUIRED COMMUNICATIONS	2
APPENDIX B	
FINANCIAL STATEMENT NOTATIONS	5

Audit Report Summary

We prepared this Executive Audit Summary and Management Report in conjunction with our audit of Chippewa County's (the County) financial statements for the year ended December 31, 2024. The following is a summary of reports we have issued:

Audit Opinion

The financial statements are fairly stated. We issued what is known as an "unmodified" audit opinion.

Internal Controls Over Financial Reporting

Our report on internal control did not include any deficiencies in internal controls over financial reporting.

Compliance and Internal Controls Over Compliance

As part of our audit, we tested the County's compliance with the requirements of laws, regulations, contracts and grants applicable to its federal and state programs as well as the County's internal controls over compliance. A separate report will be issued with the results of this testing.



APPENDIX A

FORMAL REQUIRED COMMUNICATIONS

County Board
Chippewa County
Chippewa Falls, Wisconsin

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Chippewa County as of and for the year ended December 31, 2024, and have issued our report thereon dated July 9, 2025. We have previously communicated to you information about our responsibilities under auditing standards generally accepted in the United States of America and *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit in our engagement letter dated December 11, 2024. Professional standards also require that we communicate to you the following information related to our audit.

Significant audit findings or issues

Qualitative aspects of accounting practices

Accounting policies

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Chippewa County are described in Note 1 to the financial statements.

During the year, the County implemented Governmental Accounting Standards Board (GASB) No.101, *Compensated Absences*.

We noted no transactions entered into by the entity during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the financial statements were:

- Management's estimate of the claims payable is based on outside authoritative guidance. We evaluated the key factors and assumptions used to develop the estimate in determining that it is reasonable in relation to the financial statements taken as a whole.
- The actuarial assumptions used for the single-employer other postemployment benefits are outlined in the notes to the basic financial statements. We evaluated the key factors and assumptions used to develop the estimate in determining that it is reasonable in relation to the financial statements taken as a whole.

Financial statement disclosures

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. There were no particularly sensitive financial statement disclosures.

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

Significant unusual transactions

We identified no significant unusual transactions.

Difficulties encountered in performing the audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Uncorrected misstatements

Professional standards require us to accumulate all misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management did not identify and we did not notify them of any uncorrected financial statement misstatements.

Corrected misstatements

None of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to the financial statements taken as a whole.

Disagreements with management

For purposes of this communication, a disagreement with management is a disagreement on a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditors' report. No such disagreements arose during our audit.

Management representations

We have requested certain representations from management that are included in the management representation letter dated July 9, 2025.

Management consultations with other independent accountants

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

Significant issues discussed with management prior to engagement

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to engagement as the entity's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our engagement.

Other audit findings or issues

We have provided a separate communication to you dated July 9, 2025, communicating internal control related matters identified during the audit.

Required supplementary information


With respect to the required supplementary information (RSI) accompanying the financial statements, we made certain inquiries of management about the methods of preparing the RSI, including whether the RSI has been measured and presented in accordance with prescribed guidelines, whether the methods of measurement and preparation have been changed from the prior period and the reasons for any such changes, and whether there were any significant assumptions or interpretations underlying the measurement or presentation of the RSI. We compared the RSI for consistency with management's responses to the foregoing inquiries, the basic financial statements, and other knowledge obtained during the audit of the basic financial statements. Because these limited procedures do not provide sufficient evidence, we did not express an opinion or provide any assurance on the RSI.

Supplementary information in relation to the financial statements as a whole

With respect to the individual and combining fund statements and schedules (collectively, the supplementary information) accompanying the financial statements, on which we were engaged to report in relation to the financial statements as a whole, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period or the reasons for such changes, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves. We have issued our report thereon dated July 9, 2025.

* * *

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



CliftonLarsonAllen LLP

Eau Claire, Wisconsin
July 9, 2025

APPENDIX B

FINANCIAL STATEMENT NOTATIONS

The following information has been derived from management's financial statements. These tables are not intended to present all of the information and disclosures required by accounting principles generally accepted in the United States of America. Rather, the tables presented below are offered for the purpose of providing a multi-year trend analysis for discussion purposes. We were not engaged nor do we provide an opinion on the tables presented below. Please contact the Chippewa County Administration Office for copies of management's financial statements and refer to the independent auditors' report included therein for the opinions issued in connection with those financial statements.

Financial Statement Notations

Item
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- 1 **General Fund:** The General fund is the general operating fund of the County. It is used to account for all financial resources which are not required to be accounted for in another fund.

	12/31/2024	12/31/2023	12/31/2022	12/31/2021
General Fund Balance Sheet Summary:				
Cash and Investments	\$ 24,405,907	\$ 23,190,935	\$ 14,880,230	\$ 22,810,640
Taxes Receivable:				
Current Taxes Receivable	18,083,167	17,440,080	18,189,548	17,918,220
Delinquent Taxes Receivable	1,378,634	1,104,542	949,206	988,984
Tax Deeds Owned by County	-	4,582	-	37
Accounts Receivable	1,492,837	1,318,893	1,191,200	885,429
Due from Other Funds	151,814	460,210	6,871,133	626,429
Other Assets	401,524	385,021	614,400	196,188
Total Assets	\$ 45,913,883	\$ 43,904,263	\$ 42,695,717	\$ 43,425,927
Payables	\$ 2,230,124	\$ 1,949,011	\$ 1,834,107	\$ 1,680,387
Unearned Revenue & Deferred Inflows of Resources	18,266,346	17,773,441	18,562,269	18,006,177
Total Liabilities & Deferred Inflows of Resources	20,496,470	19,722,452	20,396,376	19,686,564
Fund Balance:				
Nonspendable - Delinquent Taxes	1,378,634	1,109,124	949,206	989,021
Nonspendable - Other Purposes	401,524	385,021	386,307	196,188
Assigned	8,558,964	8,398,983	8,472,451	9,724,777
Unassigned	15,078,291	14,288,683	12,491,377	12,829,377
Total Fund Balance	25,417,413	24,181,811	22,299,341	23,739,363
	\$ 45,913,883	\$ 43,904,263	\$ 42,695,717	\$ 43,425,927
 % of Unassigned Fund Balance to General Fund Expenditures	 37.8%	 36.2%	 32.0%	 39.0%
Revenues	\$ 37,295,563	\$ 38,027,389	\$ 35,188,093	\$ 30,473,525
Expenditures	(39,860,152)	(39,419,766)	(39,043,280)	(32,921,424)
Leases/SBITAs Issued	333,224	94,233	6,518	-
Transfers In	6,570,334	4,970,684	3,264,123	3,097,679
Transfers Out	(3,103,367)	(1,790,070)	(855,476)	(2,777,928)
 Net Change in Fund Balance	 \$ 1,235,602	 \$ 1,882,470	 \$ (1,440,022)	 \$ (2,128,148)

Financial Statement Notations

**Item
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- 2 Special Revenue Funds:** Special Revenue funds are used to account for the proceeds of specific revenues sources that are restricted to expenditures for specified purposes.

	<u>12/31/2024</u>	<u>12/31/2023</u>	<u>12/31/2022</u>	<u>12/31/2021</u>
Special Revenue Fund Balances:				
Human Services	\$ 972,712	\$ 983,236	\$ 104,863	\$ 76,463
County Sales Tax	16,109,192	16,078,109	14,010,658	11,936,498
C.D.B.G. Grant Fund	340,598	304,986	206,558	189,756
WRRWC Fund	-	-	-	-
Public Health	200,000	200,000	200,000	200,000
Shelter Care	25,712	25,712	25,712	25,712
Dog Licenses	1,000	999	899	899
Aging and Disability Resource Center	550,187	550,000	550,000	550,000
Land Management	246,061	218,063	350,000	300,279
Jail Assessment Fees	14,242	18,549	22,868	41,091
American Rescue Plan Act	-	477,615	26,273	2,092
Economic Development	654,271	653,171	649,256	639,312
Crime Prevention	6,082	4,110	-	-
Opioid Settlement	734,201	313,320	330,610	-
NMM Reclamation	3,517,079	-	-	-
	<u>\$ 23,371,337</u>	<u>\$ 19,827,870</u>	<u>\$ 16,477,697</u>	<u>\$ 13,962,102</u>

- 3 Capital Project Funds:** Capital Project funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities other than those financed from proprietary funds.

	<u>12/31/2024</u>	<u>12/31/2023</u>	<u>12/31/2022</u>	<u>12/31/2021</u>
Capital Project Fund Balances:				
2020 Capital Projects Fund	\$ -	\$ -	\$ -	\$ 1,302,433
2022 Capital Projects Fund	-	-	3,026,266	-
2025 Capital Projects Fund	3,541,991	-	-	-
	<u>\$ 3,541,991</u>	<u>\$ -</u>	<u>\$ 3,026,266</u>	<u>\$ 1,302,433</u>

- 4 Debt Service Funds:** Debt Service Funds are used to account for the accumulation of resources for, and the payment of certain general long-term obligations.

	<u>12/31/2024</u>	<u>12/31/2023</u>	<u>12/31/2022</u>	<u>12/31/2021</u>
Debt Service Fund Balances:				
2013 Capital Projects Debt	\$ -	\$ -	\$ -	\$ -
2018 Capital Projects Debt	-	94,458	94,458	94,458
2020 Capital Projects Debt	-	673,962	673,962	673,962
2022 Capital Projects Debt	-	-	61,970	-
2025 Capital Projects Debt	228,306	-	-	-
	<u>\$ 228,306</u>	<u>\$ 768,420</u>	<u>\$ 830,390</u>	<u>\$ 768,420</u>

Financial Statement Notations

Item
#

- 5 **Enterprise Funds:** Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprise--where the intent of the governing body is that the costs of providing the services is to be recovered from those using the services.

	Farm Land Development			
	12/31/2024	12/31/2023	12/31/2022	12/31/2021
Balance Sheet Summary:				
Cash and Investments	\$ 4,267,564	\$ 4,092,597	\$ 3,755,989	\$ 2,971,638
Accounts Receivable	1,166,075	1,390,650	1,677,584	2,103,426
Property Held for Resale	1,200,251	1,231,762	1,286,171	1,311,380
Capital Assets (Net)	22,653	22,653	22,653	22,653
	<u>\$ 6,656,543</u>	<u>\$ 6,737,662</u>	<u>\$ 6,742,397</u>	<u>\$ 6,409,097</u>
Current Liabilities	\$ 10,044	\$ 16,445	\$ 7,332	\$ 4,589
Net Position:				
Net Investment in Capital Assets	22,653	22,653	22,653	22,653
Unrestricted	6,623,846	6,698,564	6,712,412	6,381,855
	<u>\$ 6,656,543</u>	<u>\$ 6,737,662</u>	<u>\$ 6,742,397</u>	<u>\$ 6,409,097</u>
Income Statement Summary:				
Operating Income (Loss)	\$ (74,718)	\$ (13,848)	\$ 330,557	\$ 775,683
Transfers In	-	-	-	500,000
Change in Net Position	<u>\$ (74,718)</u>	<u>\$ (13,848)</u>	<u>\$ 330,557</u>	<u>\$ 1,275,683</u>

Financial Statement Notations

Item
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- 6 **Internal Service Funds:** Internal Service funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the County, or to other government units, on a cost reimbursement basis.

	Highway Department			
	12/31/2024	12/31/2023	12/31/2022	12/31/2021
Summary Balance Sheets:				
Current Assets	\$ 12,640,025	\$ 9,042,558	\$ 7,644,458	\$ 7,911,723
Restricted Assets - WRS	-	-	1,939,065	1,555,556
Capital Assets (Net)	11,117,864	11,473,166	11,198,002	11,025,402
Deferred Outflows - WRS & OPEB	3,164,493	4,854,014	3,974,311	2,795,368
	<u>\$ 26,922,382</u>	<u>\$ 25,369,738</u>	<u>\$ 24,755,836</u>	<u>\$ 23,288,049</u>
Current Liabilities	\$ 1,326,089	\$ 1,556,476	\$ 1,906,729	\$ 1,467,558
Noncurrent Liabilities	428,595	207,464	193,398	204,221
WRS Liability	336,169	1,260,215	-	-
Other Postemployment Benefits	328,551	306,598	459,889	793,081
Deferred Inflows - WRS & OPEB	2,011,275	2,878,167	4,683,703	3,496,867
Net Position:				
Net Investment in Capital Assets	11,089,973	11,418,251	11,198,002	11,025,402
Restricted	-	-	1,939,065	1,555,556
Unrestricted	11,401,730	7,742,567	4,375,050	4,745,364
Total Net Position	<u>22,491,703</u>	<u>19,160,818</u>	<u>17,512,117</u>	<u>17,326,322</u>
	<u>\$ 26,922,382</u>	<u>\$ 25,369,738</u>	<u>\$ 24,755,836</u>	<u>\$ 23,288,049</u>
Income Statement Summary:				
Operating Income (Loss)	\$ (5,288,892)	\$ (7,085,384)	\$ (4,467,482)	\$ (2,879,406)
Nonoperating Rev (Expenses)	1,540	(27,349)	1,560	(2,004)
Contributions and Transfers	8,618,237	8,761,434	4,651,717	4,464,633
Change in Net Position	<u>\$ 3,330,885</u>	<u>\$ 1,648,701</u>	<u>\$ 185,795</u>	<u>\$ 1,583,223</u>
	Self-Funded Workers' Compensation			
	12/31/2024	12/31/2023	12/31/2022	12/31/2021
Summary Balance Sheets:				
Current Assets	\$ 2,707,801	\$ 2,129,418	\$ 1,791,637	\$ 1,937,877
Capital Assets (Net)	4,094	12,371	-	-
	<u>\$ 2,711,895</u>	<u>\$ 2,141,789</u>	<u>\$ 1,791,637</u>	<u>\$ 1,937,877</u>
Current Liabilities	\$ 1,876,195	\$ 1,141,789	\$ 930,040	\$ 937,877
Net Position:				
Net Investment in Capital Assets	4,094	1,797	-	-
Unrestricted	831,606	998,203	861,597	1,000,000
Total Net Position	<u>835,700</u>	<u>1,000,000</u>	<u>861,597</u>	<u>1,000,000</u>
	<u>\$ 2,711,895</u>	<u>\$ 2,141,789</u>	<u>\$ 1,791,637</u>	<u>\$ 1,937,877</u>
Income Statement Summary:				
Operating Income (Loss)	\$ (148,248)	\$ 329,067	\$ (100,330)	\$ 41,292
Nonoperating Rev (Expenses)	30,666	27,714	8,645	313
Contributions and Transfers	(46,718)	(218,378)	(46,718)	(41,605)
Change in Net Position	<u>\$ (164,300)</u>	<u>\$ 138,403</u>	<u>\$ (138,403)</u>	<u>\$ -</u>

Financial Statement Notations

Item
#

6 Internal Service Funds (continued):

Self-Funded Health Insurance				
	12/31/2024	12/31/2023	12/31/2022	12/31/2021
Summary Balance Sheets:				
Current Assets	\$ 4,707,757	\$ 3,842,718	\$ 3,071,786	\$ 1,446,273
Current Liabilities	\$ 846,664	\$ 564,679	\$ 270,740	\$ -
Net Position:				
Unrestricted	3,861,093	3,278,039	2,801,046	1,446,273
	<u>\$ 4,707,757</u>	<u>\$ 3,842,718</u>	<u>\$ 3,071,786</u>	<u>\$ 1,446,273</u>
Income Statement Summary:				
Operating Income (Loss)	\$ (1,776,478)	\$ 390,495	\$ 1,420,042	\$ (103,766)
Nonoperating Rev (Expenses)	87,032	113,998	27,231	39
Contributions and Transfers	2,272,500	(27,500)	(92,500)	1,550,000
Change in Net Position	<u>\$ 583,054</u>	<u>\$ 476,993</u>	<u>\$ 1,354,773</u>	<u>\$ 1,446,273</u>
Self-Funded Liability Insurance				
	12/31/2024	12/31/2023	12/31/2022	12/31/2021
Summary Balance Sheets:				
Current Assets	\$ 561,591	\$ 532,476	\$ 275,288	\$ 280,530
Investment in WMMIC	750,327	750,327	750,327	750,327
	<u>\$ 1,311,918</u>	<u>\$ 1,282,803</u>	<u>\$ 1,025,615</u>	<u>\$ 1,030,857</u>
Current Liabilities	\$ 1,095,706	\$ 899,007	\$ 998,390	\$ 991,040
Net Position:				
Unrestricted	216,212	383,796	27,225	39,817
	<u>\$ 1,311,918</u>	<u>\$ 1,282,803</u>	<u>\$ 1,025,615</u>	<u>\$ 1,030,857</u>
Income Statement Summary:				
Operating Income (Loss)	\$ (162,507)	\$ (138,809)	\$ (4,993)	\$ (288,541)
Nonoperating Rev (Expenses)	31,423	31,880	28,901	36,481
Contributions and Transfers	(36,500)	463,500	(36,500)	-
Change in Net Position	<u>\$ (167,584)</u>	<u>\$ 356,571</u>	<u>\$ (12,592)</u>	<u>\$ (252,060)</u>
Flexible Benefits Fund				
	12/31/2024	12/31/2023	12/31/2022	12/31/2021
Summary Balance Sheets:				
Current Assets	\$ 136,681	\$ 142,853	\$ 150,380	\$ 144,483
Current Liabilities	\$ 48,154	\$ 47,851	\$ 58,825	\$ 60,532
Net Position:				
Unrestricted	88,527	95,002	91,555	83,951
	<u>\$ 136,681</u>	<u>\$ 142,853</u>	<u>\$ 150,380</u>	<u>\$ 144,483</u>
Income Statement Summary:				
Operating Income (Loss)	\$ (12,475)	\$ (2,553)	\$ 1,604	\$ 1,121
Contributions and Transfers	6,000	6,000	6,000	6,000
Change in Net Position	<u>\$ (6,475)</u>	<u>\$ 3,447</u>	<u>\$ 7,604</u>	<u>\$ 7,121</u>

Financial Statement Notations

Item
#

7 Long-Term Obligations

	<u>12/31/2024</u>	<u>12/31/2023</u>	<u>12/31/2022</u>	<u>12/31/2021</u>
General Obligation Notes	\$ 10,380,000	\$ 8,450,000	\$ 10,040,000	\$ 8,615,000
Subscription Liability	417,038	374,402	-	-
Lease Liability	4,190	57,830	103,712	-
	<u>10,801,228</u>	<u>8,882,232</u>	<u>10,143,712</u>	<u>8,615,000</u>
Vested Employee Benefits:				
General County	2,369,491	2,147,481	2,086,312	2,129,803
Highway	646,244	589,634	586,212	592,133
	<u>\$ 13,816,963</u>	<u>\$ 11,619,347</u>	<u>\$ 12,816,236</u>	<u>\$ 11,336,936</u>
General Obligation Debt as Percent of Debt Limitation	2.1%	1.8%	2.9%	2.7%

