JASON BUCKINGHAM
Executive Director

Golden Sierra Job Training Agency
115 Ascot Drive, Suite 140
Roseville, CA 95661

(916) 773-8540

RGOLDEN SIERRA JOB TRAINING AGENCY

GOVERNING BODY
REGULAR MEETING
AGENDA

Wednesday, April 3, 2019 – 10:00 am

Golden Sierra Job Training Agency
Board Room
115 Ascot Drive, Suite 100
Roseville, CA 95661

Teleconferencing location:

Alpine County Administration
Conference Room
99 Waters Street
Markleeville, CA 96120

I. ROLL CALL AND INTRODUCTION OF GUESTS

II. APPROVAL OF AGENDA — 1-2

III. CONSENT AGENDA

All matters listed under the Consent Agenda are considered to be routine in nature and will be approved by one blanket motion.

a) Approval of Minutes from February 6, 2019 GB Meeting — 3-6

IV. PUBLIC COMMENT – FOR THOSE ITEMS NOT ON THE AGENDA

V. FY 2017/2018 FINANCIAL STATEMENTS/SINGLE AUDIT; VAVRINEK, TRINE DAY & CO. — 7-68

VI. RESOLUTION 18-02 PENSION LUMP-SUM CONTRIBUTION — 69-70

VII. FY 2019/2020 APPROVAL OF ALLOCATION DRAFT PLANNING FORMAT AND ASSUMPTIONS — 71-73

VIII. PY 2019/2020 SUBGRANT SIGNATURE AUTHORITY — 74

IX. BONDING — 75

X. WIOA LOCAL PLAN 2 YEAR MODIFICATION – PY 18/19 — 76-80

XI. WIOA REGIONAL PLAN 2 YEAR MODIFICATION – PY 18/19 — 81-82

XII. DIRECTOR'S UPDATE

XIII. WORKFORCE BOARD MEMBERSHIP — 83

XIV. WIOA SERVICE PROVIDER REPORTS 84-86

- ADVANCE - Alpine / South Lake Tahoe
- Golden Sierra Job Training Agency - Placer & El Dorado County

XV. CLOSED SESSION

PUBLIC EMPLOYMENT: PERFORMANCE EVALUATION
(Government Code §54957)

TITLE: EXECUTIVE DIRECTOR

XVI. CLOSED SESSION

CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION
(GOVERNMENT CODE 54956.9(b))

AGENCY DESIGNATED REPRESENTATIVES:
JASON BUCKINGHAM, TERRIE TROMBLEY, DARLENE GALIPO,
LORNA MAGNUSSEN, KENNETH RUTHENBERG, JR.,
AND CHRISTOPHER ONSTOTT

XVII. FUTURE AGENDA ITEMS/NEW BUSINESS

XVIII. NEXT MEETING

Wednesday, June 5, 2019 – Golden Sierra Job Training Agency

XIX. ADJOURNMENT

GOLDEN SIERRA JOB TRAINING AGENCY

GOVERNING BODY
REGULAR MEETING
MINUTES

Wednesday, February 6, 2019 – 10:00 am

Golden Sierra Job Training Agency
Board Room
115 Ascot Drive, Suite 100
Roseville, CA 95661

Teleconferencing locations:

Alpine County Administration
Conference Room (1)
99 Waters Street
Markleeville, CA 96120

El Dorado County Government Center
Board of Supervisors Department
Building A (2)
330 Fair Lane
Placerville, CA 95667

Placer County District Office (3)
1700 Eureka Road, Suite 160
Roseville, CA 95661

I. ROLL CALL AND INTRODUCTION OF GUESTS

Quorum was established and meeting was called to order at 10:00 a.m. by Chair Uhler

☒ Kirk Uhler (Chair) *(3)* ☒ Katherine Rakow (Vice-Chair) *(1)*
☒ Lori Parlin *(2)*

GSJTA Staff:

☒ Jason Buckingham ☒ Terrie Trombley ☒ Darlene Galipo
☒ Lorna Magnussen

Guests:

☒ Christopher Onstott

(#) indicates teleconference location

II. APPROVAL OF AGENDA

Motion to approve agenda by Uhler

Motion approved unanimously by roll call

Aye: **Rakow, Parlin, Uhler**
Nay: **None**
Abstain: **None**
Absent: **None**

III. CONSENT AGENDA

All matters listed under the Consent Agenda are considered to be routine in nature and will be approved by one blanket motion

a) Approval of Minutes from October 4, 2018 GB Meeting

b) Approval of Minutes from December 7, 2018 GB Meeting

Motion to approve consent agenda items a-b by Rakow, second by Uhler

Motion approved unanimously by roll call

Aye: **Rakow, Parlin, Uhler**
Nay: **None**
Abstain: **None**
Absent: **None**

IV. PUBLIC COMMENT – FOR THOSE ITEMS NOT ON THE AGENDA

None

V. WORKFORCE BOARD MEMBERSHIP

Motion to conditionally approve Workforce Board Membership by Rakow, second by Parlin

Motion approved unanimously by roll call

Aye: **Rakow, Parlin, Uhler**
Nay: **None**
Abstain: **None**
Absent: **None**

VI. WIOA REGIONAL/LOCAL PLAN

Local Plan Modification is currently open for public comment until February 18th

Regional Plan Modification will be released for public comment by February 15th

VII. DIRECTOR'S UPDATE

- Agency is currently undergoing its single audit, and letters were sent to the Governing Body members.
- P2E (Prison to Employment) application will be submitted by 2/15/19. Golden Sierra will be the fiscal administrator for the regional award.
- Agency is currently working with the Department of Child Support Services (DCSS) in Placer and El Dorado County to identify who would best benefit from the services; in addition to developing the best workforce model for successful outcomes.

- SlingShot/Regional Organizer award of $250,000; to fund regional activities such as the Future Focus event and dislocation preparedness report. Both these activities will assist in mitigating future impacts to the workforce due to automation and artificial intelligence technology. Future Focus keynote speakers include TED Talks speaker/Author Patrick Schwerdtfeger and Assembly memberKiley.
- The Workforce Board has formed an initiative called “The Construction Training Initiative”, and will hold its first meeting next week. Invitees include North State Building Industry Association, Placer County Contractors Association, local adult schools, community colleges, etc. Beginning conversations will focus on revamping the activities around construction training in the area, with the possibility of developing a center to address the skills needed in the local area regarding construction.
- Agency is working with the Institute of Local Government to promote public sector pathways for youth.
- AB1111 Breaking Barriers to Employment Initiative. Future funding from the State’s General Fund will make available $15 million. The awards will be from $150,000 to $500,000; the RFA will be released in March with services to begin in July 2019.
- SB1 (also known as the gas tax) funding designates $5 million annually to be used for workforce development activities. Anticipate RFA to be released in next few months.

VIII. <u>WIOA SERVICE PROVIDER REPORTS</u>

Reports attached to the agenda packet

IX. <u>CLOSED SESSION</u>

Uhler called the meeting into closed session at 10:21 a.m.

Uhler recused himself from the closed session.

Rakow assumed the Chair role in Uhler’s absence

CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION (GOVERNMENT CODE 54956.9(b))

AGENCY DESIGNATED REPRESENTATIVES:

JASON BUCKINGHAM, TERRIE TROMBLEY, LORNA MAGNUSSEN, KENNETH RUTHENBERG, JR., AND CHRISTOPHER ONSTOTT

Rakow called the meeting back into open session at 10:51 a.m.

Report out of closed session: some amount of authority was given to pursue the best course of action after further development is received on February 15.

X. FUTURE AGENDA ITEMS/NEW BUSINESS

- Approval of Regional and Local Plan
- Financial Statements

XI. NEXT MEETING

Wednesday, April 3, 2019 – Golden Sierra Job Training Agency

XII. ADJOURNMENT

Motion to Adjourn by Parlin, second by Rakow at 10:53 am.

GOLDEN SIERRA
GOVERNING BODY

MEMORANDUM

DATE: April 3, 2019

TO: Governing Body (GB)

FROM: Jason Buckingham, GSJTA Executive Director

SUBJECT: FY 2017/2018 Financial Statements/Single Audit

Attached for your review is the SAS No. 114 *Required Auditor's Communication with Those Charged with Governance* letter and the Combined Annual Financial Reports for Fiscal Year 2017/2018. The reports are the result of the annual financial audit completed by the firm Vavrinek, Trine, Day & Co, LLP.

The Combined Annual Financial Reports can be reviewed by sections:

- Independent Auditors' Report to the Governing Board
- Management's Discussion and Analysis
- Basic Financial Statements
- Required Supplementary Information
- Single Audit

There are two Federal Award Findings and Questioned Costs in this report. They can be reviewed within the Financial Statement Report beginning on page forty-six.

Agency's Corrective Action Plan (CAP).

VAVRINEK, TRINE, DAY & CO., LLP
Certified Public Accountants

To the Governing Board
Golden Sierra Job Training Agency
Roseville, California

We have audited the financial statements of the governmental activities and the general fund of the Golden Sierra Job Training Agency (Agency) for the year ended June 30, 2018. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, *Government Auditing Standards* and the Uniform Guidance, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated January 28, 2019. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Matters

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Agency are described in Note A to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the year. We noted no transactions entered into by the Agency during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

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

> Management's estimates include amounts related to the net OPEB liability, proportionate share of the net pension liability and their related deferred inflows of resources and deferred outflows of resources. These estimates were based on actuarial valuations. We evaluated the key factors and assumptions used to develop the management's estimates, in determining that it is reasonable in relation to the financial statements taken as a whole.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosure(s) affecting the financial statements was:

> As disclosed in Note F of the financial statements, the valuation of the Agency's proportionate share of the net pension liability and related deferred outflows/inflows of resources are sensitive to the underlying actuarial assumptions used including, but not limited to, the investment rate of return and discount rate. As disclosed in Note F, a one percent increase or decrease in the discount rate has a material effect on the Agency's proportionate share of the net pension liability.
>
> As disclosed in Note G of the financial statements, the valuation of the Agency's net OPEB liability and related deferred outflows/inflows of resources are sensitive to the underlying actuarial assumptions used including, but not limited to, the discount rate and healthcare cost trend rate. As disclosed in Note G, a one percent increase or decrease in the discount rate has a material effect on the Agency's net OPEB liability.

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

Difficulties Encountered in Performing the Audit

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

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated March 22, 2019.

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 Agency's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

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

Other Matters

We applied certain limited procedures to management's discussion and analysis, budgetary comparison schedule, schedule of Agency's proportionate share of net pension liability, schedule of Agency's pension contributions, schedule of changes in the net OPEB liability and related ratios and schedule of OPEB contributions, which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on the schedule of expenditures of federal awards, which accompany the financial statements but is not RSI. With respect to this supplementary information, 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, 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.

Restriction on Use

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

Vavrinek, Trine, Day & Co. LLP

Sacramento, California
March 22, 2019

GOLDEN SIERRA JOB TRAINING AGENCY
Roseville, California

Independent Auditors' Report, Basic Financial Statements, Required Supplementary Information and Single Audit Reports and Schedules

For the Fiscal Year Ended June 30, 2018

GOLDEN SIERRA JOB TRAINING AGENCY
For the Fiscal Year Ended June 30, 2018

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Page(s)

VAVRINEK, TRINE, DAY & CO., LLP
Certified Public Accountants

INDEPENDENT AUDITORS' REPORT

To the Governing Board
Golden Sierra Job Training Agency
Auburn, California

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and the general fund of the Golden Sierra Job Training Agency (Agency) as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the Agency's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the general fund of the Agency as of June 30, 2018, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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Emphasis of Matter

As described in Note A, to the financial statements, the Agency adopted Governmental Accounting Standards Board (GASB) Statement No. 75¸ *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* and No. 85, *Omnibus 2017,* effective July 1, 2017. Our opinions are not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, schedule of proportionate share of the net pension liability, schedule of pension contributions, schedule of changes in the net OPEB liability and related ratios, and schedule of OPEB contributions, as listed in the table of contents, be presented to supplement the basic financial statements. Such 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. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Agency's basic financial statements. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for the purposes of additional analysis and is not a required part of the basic financial statements.

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 22, 2019, on our consideration of the Agency'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 Agency'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 Agency's internal control over financial reporting and compliance.

Vavrinek, Trine, Day & Co. LLP

Sacramento, California
March 22, 2019

MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Fiscal Year Ended June 30, 2018

The following discussion and analysis of the Golden Sierra Job Training Agency's financial performance provides an overview of financial activities for the fiscal year ending June 30, 2018. This information is presented in conjunctions with the audited financial statements and the accompanying notes that follow this section.

Financial Highlights

- The Agency was awarded $176,446 under the *Disability Employment Accelerator* (DEA) from the Employment Development Department in the fiscal year. This round of funding will provide resources to complement allocation funding allowing for robust outreach and training services for self-attesting disability participants along with training opportunities for participants seeking services offered within the Employment Network Program (EN) currently run by the Agency. The award is scheduled to close in December of 2018 of Fiscal Year 2019.

- The Agency was successful in meeting the State of California's mandated Direct Training Expenditure Requirement for Sub-Grant K7102029. Imposed upon all Local Boards carrying out the Workforce Investment Act Programs to expend a minimum of 20 percent of the sub-grant's Adult and Dislocated Worker funding on participants direct training while capturing a minimum of 10 percent in allowable leverage for a 30 percent total. Direct financial support in the amount $545,839 was utilized representing 24.7 percent of the grant award along $287,045 from qualified leverage resources. The leveraged resources are a combination of employer contributions for *On the Job Training and Federal Pell Grant Awards*. The combined total of $832,884 in Direct Training Services was provided participants within the Consortium between October 1st 2016 and June 30th, 2018 utilizing the K7102029 Sub-Grant.

- The Agency's general fund reported a fund balance of $70,813, an increase of $18,794. This increase is representative of the Ticket to Work cash receipts from the Agency's operations as an Employment Network.

- Presented in the Agency's financial statements are three long-term liabilities. They are accrued compensated absences in the amount of $73,628, net pension liability of $5,686,790 and newly presented with the implementation of the Governmental Accounting Standards Board (GASB) Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions (OPEB)* a net OPEB liability of $1,149,000 as of June 30, 2018. The net pension liability will continue to be a focus of attention for the Agency as actuarial assumptions are being routinely reviewed by the pension administrator.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Agency's basic financial statements. The Agency's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements and 3) notes to the basic financial statements.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

The government-wide financial statements are designed to provide readers with a broad overview of the Agency's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of the Agency's assets, deferred outflows, liabilities and deferred inflows, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Agency is improving or deteriorating. The *statement of activities* presents information showing how the Agency's net position changed during the most recent year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future periods (e.g. earned but unused vacation leave).

The government-wide financial statements report on the function of the Agency that is principally supported by operating grants and contributions. The Agency's primary function is the development and implementation of public and private employers' job training programs.

The government-wide financial statements can be found on pages 10 and 11 of this report.

FUND FINANCIAL STATEMENTS

A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Agency, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

General Fund

The Agency maintains one major governmental fund, the General Fund, for its governmental fund financial statements.

The General Fund is used to account for essentially the same function reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the year. Such information may be useful in evaluating the Agency's near-term financing requirements.

Because the focus of the General Fund is narrower than that of the government-wide financial statements, it is useful to compare the information presented in the governmental fund with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the Agency's near-term financial decisions. Both the General Fund balance sheet and statement of revenues, expenditures, and changes in fund balance to provide a reconciliation to facilitate this comparison between the General Fund and *governmental activities.* The General Fund financial statements can be found on pages 12 and 13 of this report.

NOTES TO THE BASIC FINANCIAL STATEMENTS

The notes provide additional information that is essential for a full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found on pages 14 through 32 of this report.

Government-Wide Financial Analysis

Net position of the Agency's governmental activities may serve over time as a useful indicator of a government's financial position. In the case of the Agency, liabilities and deferred inflows exceeded assets and deferred outflows by $4,933,359 and increase of $1,210,515 at the close of the current fiscal year.

	2018	2017	Change
Current assets	$ 367,993	$ 607,355	$ (239,362)
Capital assets, net	67,263	4,032	63,231
Total assets	435,256	611,387	(176,131)
Deferred outflows of resources	1,962,803	1,728,693	234,110
Current liabilities	297,180	487,651	(190,471)
Long-term liabilities	73,628	73,819	(191)
Net pension liability	5,686,790	5,304,341	382,449
Net OPEB liability	1,149,000	-	1,149,000
Total liabilities	7,206,598	5,865,811	1,340,787
Deferred inflows of resources	124,820	197,113	(72,293)
Net position			
Net investment in capital assets	67,263	4,032	63,231
Unrestricted	(5,000,622)	(3,726,876)	(1,273,746)
Total net position (deficit)	$ (4,933,359)	$ (3,722,844)	(1,210,515)

The variance of total Net Position is primarily related to the change in the Agency's net pension liability which increased by $382,449 and the implementation of GASB 75 which presents the net OPEB liability of $1,149,000 into the Government wide Financial Statements. Further detailed information regarding both liabilities can be found in Note F Pension Plan beginning on page 24 and Note G Other Postemployment Benefits on page 28. The Agency participates in the CalPERS Pension Plan and is allocated its proportionate share of the CalPERS's cost sharing plan net pension liability, deferred outflows of resources, deferred inflows of resources and pension expense.

NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)

The Statement of Activities is presented here to demonstrate how the Agency managed its limited program resources to finance its obligation.

Statement of Activities
For the Fiscal Years Ended June 30, 2018 and 2017

	2018	2017	Change
Revenues:			
Program revenue:			
Operating grants and contributions	$ 3,670,700	$ 4,111,749	$ (441,049)
General revenue:			
Miscellaneous	25,266	20,255	5,011
Total revenues	3,695,966	4,132,004	(436,038)
Expenses:			
Education	3,884,181	3,865,874	18,307
Change in net position	(188,215)	266,130	(454,345)
Net position, beginning of year restated	(4,745,144)	(3,988,974)	(756,170)
Net position, end of year	$ (4,933,359)	$ (3,722,844)	$ (1,210,515)

The Agency's sole sources of revenues are federally-funded governmental grants and state funded grants categorized in the above presentation as "Operating grants and contributions." Revenue represents reimbursable services provided by the Agency resulting in a direct relationship between expenses and revenue at the operating fund level. There are no adjustments to revenues at the government wide presentation for the Agency. The change in "education" expenses from the prior year in the amount of $18,307 is directly related to the net increase in the reporting elements of both net OPEB and the net pension liability calculations in the amount of $270,434 which offset operating level decreasing expenses. Of the $1,210,515 total change in net position $756,170 is related to the restatement of net position for the beginning of the year due to the implementation of GASB 75 which incorporated transactions for the recording of net OPEB liability in the Statement of Activities.

Fund Financial Analysis

The Agency uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The Agency's General Fund is discussed below.

NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)

GENERAL FUND

The focus of the Agency's General Fund is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Agency's financing requirements. In particular, *fund balance* may serve as a useful measure of the Agency's net resources available for spending for program purposes at the end of the year. As of the end of the current year, the Agency's General Fund reported an ending fund balance of $70,813.

Revenues by Source Analysis

Revenues by Source
General Fund
For the Years Ended June 30, 2018 and 2017

	2018	2017	Change	%
Federal	$ 3,532,909	$ 3,777,198	$ (244,289)	-6%
State	137,791	334,551	(196,760)	-59%
Miscellaneous	25,266	20,255	5,011	25%
Total revenues	$ 3,695,966	$ 4,132,004	$ (436,038)	-11%

Federal revenue decreased during the fiscal year due to a $502,988 reduction in allocation funding being awarded to the Agency. State funding was the second year of the *Supervised Population Workforce Training Grant Program* Miscellaneous funding represents receipts to the Agency from the Social Security Administration for active participants registered in the Ticket to Work Program.

Expenditures by Function
General Fund
For the Years Ended June 30, 2018 and 2017

	2018	2017	Change	%
Salaries and employee benefits	$ 2,114,772	$ 2,187,779	$ (73,007)	-3%
Training and support services	1,088,103	1,565,201	(477,098)	-30%
Services and supplies	336,143	237,999	98,144	41%
Rents	138,154	125,056	13,098	10%
Total expenditures	$ 3,677,172	$ 4,116,035	$ (438,863)	-11%

During the fiscal year ended June 30, 2018, expenditures decreased proportionately within funding categories based on the availability of grant funds. The largest category impacted is the *Training and support services* which has a $477,098 reduction which represents direct services to participants.

NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)

Analysis of General Fund Budget

As presented on page 37, The Schedule of Revenues, Expenditures and Changes in General Fund Balance Budget to Actual, denotes significant variances from the final budget to actual amounts. The annual budget is prepared on a "Cash plus Encumbrance" basis while expenditures are recorded according to a modified accrual Generally Accepted Accounting Principles (GAAP) basis, which requires revenues and expenditures be recognized when they are measurable and available. The variances are primarily attributable to the following items for fiscal year ending June 30, 2018.

- The Agency's Final Budget reflects a built in $877,379 scheduled to be expended in the second year of allocation award period for Sub-Grant K8106175which would be Fiscal Year 2019.
- There is $434,486 dollars held in active contracts and $310,158 earmarked for Direct Training participant services.
- The Agency's grantor lifted the Funds Utilization requirements allowing for more than 80 percent of the program grant award to be rolled into the second year of award period.

Capital Assets

Golden Sierra's investment in capital assets as of June 30, 2018 was $67,263. This investment in capital assets represents depreciable equipment and leasehold improvements for the Agency. The change in capital assets during the current year is due to depreciation expense and cash outlay of $10,780 for equipment and $63,737 for leasehold improvements.

Long-Term Liabilities

Long-term liabilities relate to compensated absences net pension and OPEB liabilities. The liabilities balances as of June 30, 2018 were as follows; compensated absences $73,628, net pension $5,686,790 and net OPEB $1,149,000.

NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)

Economic Factors and Next Year's Budgets and Rates

The following factors were considered while preparing the Agency's budget for Fiscal Year 2019

- Re-budget prior year-ending balances of $434,486 for active contracts and $310,158 of earmarked funding for Direct Training participant services from fiscal year end June 30, 2018.

- Provide sufficient resources to meet State and Federally mandated requirements:

  State Required: 25 percent of Adult and Dislocated Worker funding will support Direct Training with a planned assumption of 5 percent leverage in order to meet the full requirement of 30 percent with a 25/5 ratio of WIOA Cash/Leverage.

  Federally Required: 20 percent of Youth funding is earmarked to meet the Youth Work Based Learning (WBL) requirement as outlined in the WIOA Title I award. Maintain a *Comprehensive One-Stop Center* in the *Local Area* while strategically utilizing financial resources to meet obligations of the JPA and leading and participating in the continued development of both local and regional *Workforce Systems.*

- The Agency applied for and was awarded $142,500 for the *Prison to Employment Initiative Planning Grant* from the California Workforce Development Board. This grant will support collaborative development of regional partnerships and plans to serve the formerly incarcerated and other justice involved individuals. There are plans for the Agency to become the regional administrator for the Implementation award in the coming fiscal year as well. Plans are still in development.

- The Agency will be budgeting to provide all services to El Dorado County outside of the South Lake Tahoe region along with the Placer County part of the Consortium. The Health and Human Services Division of El Dorado County chose not to accept.

- The Agency is maintaining the strategy of utilizing 10 percent allowable Administrative funding and 20 percent Program funding in the second year of the award periods.

Requests for Information

This financial report is designed to provide a general overview of the Agency's finances for all those with an interest. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Golden Sierra Job Training Agency, Attention Jason Buckingham, Director, and 115 Ascot Drive, Suite 140, Roseville, California 95661.

BASIC FINANCIAL STATEMENTS

GOLDEN SIERRA JOB TRAINING AGENCY
Statement of Net Position - Governmental Activities
June 30, 2018

Assets		
Cash and investments	$	134,847
Due from other governments		228,300
Prepaid items		4,846
Capital assets, net		67,263
Total Assets		435,256
Deferred Outflows of Resources		
Deferred outflows related to pension		1,562,803
Deferred outflows related to OPEB		400,000
Total deferred Outflows of Resources		1,962,803
Liabilities		
Accounts payable		168,400
Salaries and wages payable		76,476
Benefits payable		1,968
Unearned revenue		50,336
Compensated Absences:		
Due within one year		11,044
Due in more than one year		62,584
Net pension liability		5,686,790
Net OPEB liability		1,149,000
Total Liabilities		7,206,598
Deferred Inflows of Resources		
Deferred inflows related to pension		82,820
Deferred inflows related to OPEB		42,000
Total deferred Inflows of Resources		124,820
Net Position		
Investment in capital assets		67,263
Unrestricted		(5,000,622)
Total Net Position (deficit)	$	(4,933,359)

See accompanying notes to the financial statements

GOLDEN SIERRA JOB TRAINING AGENCY
Statement of Activities - Governmental Activities
For the Fiscal Year Ended June 30, 2018

Program expenses	
Education	$ 3,884,181
Program revenues	
Operating grants and contributions:	
Federal	3,532,909
State	137,791
Total Program Revenues	3,670,700
Net program revenues	(213,481)
General revenues	
Miscellaneous	25,266
Total General Revenues	25,266
Changes in net position	(188,215)
Net position (deficit), beginning of year	(4,745,144)
Net position (deficit), end of year	$ (4,933,359)

See accompanying notes to the financial statements

GOLDEN SIERRA JOB TRAINING AGENCY
Balance Sheet - General Fund
June 30, 2018

Assets		
Cash and investments	$	134,847
Due from other governments		228,300
Prepaid items		4,846
Total Assets	$	367,993
Liabilities and Fund Balance		
Liabilities:		
Accounts payable	$	168,400
Salaries and wages payable		76,476
Benefits payable		1,968
Unearned revenue		50,336
Total Liabilities		297,180
Fund balance:		
Nonspendable for prepaid items		4,846
Unassigned		65,967
Total Fund Balance		70,813
Total Liabilities and Fund Balance	$	367,993

RECONCILIATION OF THE BALANCE SHEET -
GENERAL FUND TO THE STATEMENT OF NET POSITION:

Fund balance - from above	$	70,813
Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the general fund.		67,263
Deferred outflows of resources - contributions to the pension plan and OPEB plan subsequent to the measurement date of the net pension liability and OPEB liability and before the end of the reporting period, differences in proportion and difference between expected and actual experience are reported as a deferred outflows of resources related to pensions other post employment benefits (OPEB)		1,962,803
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the general fund:		
Compensated absences		(73,628)
Net pension liability		(5,686,790)
Net OPEB liability		(1,149,000)
Deferred inflows of resources - are deferred and amortized Net difference between projected and actual earnings on pension plan and other post employment benefits (OPEB) investments and changes in assumptions.		(124,820)
Net position of governmental activities	$	(4,933,359)

See accompanying notes to the financial statements

GOLDEN SIERRA JOB TRAINING AGENCY
Statement of Revenues, Expenditures and Changes in Fund Balance - General Fund
For the Fiscal Year Ended June 30, 2018

Revenues		
Intergovernmental:		
Federal	$	3,532,909
State		137,791
Miscellaneous		25,266
Total Revenues		3,695,966
Expenditures		
Current:		
Education:		
Salaries and employee benefits		2,114,772
Training and support services		1,088,103
Services and supplies		336,143
Rents		138,154
Total Expenditures		3,677,172
Changes in fund balance		18,794
Fund balance (deficit), beginning of year		52,019
Fund balance, end of year	$	70,813

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - GENERAL FUND TO THE STATEMENT OF ACTIVITIES:

Changes in fund balance from above	$	18,794
The general fund records capital outlays as expenditures. However, in the statement of activities the cost of these assets is allocated over their estimated useful lives and reported as depreciation expense.		63,231
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the general fund:		
Change in compensated absences		191
Change in net pension liability		(434,046)
Change in net OPEB liability		163,615
Change in Net Position	$	(188,215)

See accompanying notes to the financial statements

NOTE A – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

The Golden Sierra Job Training Agency (Agency) was formed by a Joint Powers Agreement among the following counties: Alpine, El Dorado, and Placer. The purpose of the Agency is the development and implementation of workforce development programs including business related services under which local employment needs and goals are determined and training and employment programs are planned, developed, and administered. The Agency is funded through various grants provided by the federal government. The Governing Body is made up of one representative from each County's governing Board of Supervisors.

Accounting Policies

The Agency accounts for its financial transactions in accordance with the policies and procedures of the County of Placer (County). The accounting policies of the Agency conform to accounting principles generally accepted in the United States of America as prescribed by the Governmental Accounting Standards Board (GASB).

Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the Agency's activities. The Agency is only engaged in governmental activities and is supported primarily by intergovernmental revenues.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. The Agency's program revenues include grants and contributions that are restricted to meeting the operational or capital requirements of its education function. Investment earnings and miscellaneous revenues not included among program revenues are reported instead as general revenues.

Separate financial statements are provided for the Agency's governmental fund. The General Fund is the general operating fund of the Agency and is used to account for all of the Agency's financial resources.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The General Fund is accounted for using the modified accrual basis of accounting. Revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current accounting period. Revenues are considered to be available if they are collected within 60 days of the end of the current year. Expenditures are generally recognized when the related fund liability is incurred (when goods are received or services rendered). However, expenditures related to compensated absences are recorded only when payment is due.

NOTE A – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus, Basis of Accounting and Financial Statement Presentation (Continued)

When Non-spendable or unassigned fund balance resources are available for use, it is the Agency's practice to seek Governing Body approval via a resolution or budget revision.

Cash and Investments

The Agency maintains cash in banks and in the Placer County Treasury where it is pooled with other County funds. The County Treasurer's investment pool is subject to oversight by the Treasury Oversight Committee.

The County's pooled investments are stated at fair value. The value of the Agency's pool shares that may be withdrawn is determined on an amortized cost basis, which is different than the fair value of the Agency's position in the pool. The County's comprehensive annual financial report, containing information relating to the County's cash and investments by risk category, can be obtained from the County Auditor-Controller's office.

Prepaid Items

Payments made for services that will benefit future accounting periods are recorded as prepaid items. Prepaid items, as reported in the governmental funds balance sheet, are offset by a no spendable fund balance account to indicate such amounts are not in spendable form. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

Unearned Revenue

Unearned revenue arises when resources are received by the Agency before it has a legal claim to them (i.e., when grant monies are received prior to the incurrence of qualifying expenditures).

Capital Assets

Capital assets used in Agency operations are accounted for in the statement of activities. Purchased capital assets are stated at cost. Donated capital assets are valued at their acquisition value on the date of donation. The Agency follows the County's capitalization threshold of $50,000 for capital asset purchases. Capital equipment is depreciated using the straight-line method over an estimated useful life of 5 years. Capitalized building improvements are being depreciated over the life of the lease agreement, which is 5 years.

Deferred Outflows/Inflows of Resources

The statement of net position reports a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period(s) and so will not be recognized as an expense/expenditure until then. Employer pension contributions made subsequent to the measurement period, differences between expected and actual experience, and changes in proportion are recorded as deferred outflows of resources.

NOTE A – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Deferred Outflows/Inflows of Resources (Continued)

The statement of net position reports a separate section for deferred inflows of resources. This separate financial statement element represents the net difference between projected and actual earnings on pension and OPEB plan investments and changes in assumptions.

Pensions

For purposes of measuring the net pension liability and deferred inflows/outflows of resources related to pensions, and pensions expense, information about the fiduciary net position of the Agency's cost-sharing multiple-employer defined benefit pension plan participating in the California Public Employees' Retirement System (CalPERS) plans and additions to/deductions from the plans' fiduciary net position have been determined on the same basis as they are reported by CalPERS. 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.

Other Postemployment Benefits (OPEB)

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the Agency's OPEB Plan (OPEB Plan) and additions to/deductions from OPEB Plan's fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, the OPEB plan recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value, except for money market investments and participating interest-earning investment contracts that have a maturity at the time of purchase of one year or less, which are reported at cost.

Compensated Absences

Accumulated unpaid employee vacation benefits are recognized as liabilities of the Agency in the statement of net position. All regular employees of the Agency earn vacation hours each pay period at rates based upon the years of continuous service and the bargaining unit to which the employee belongs.

The compensated absences liability is calculated based on the number of vacation hours and floating holiday hours accrued times the employee's hourly rate of pay while estimating related employer paid taxed. Employees with less than ten years of service may accrue up to a maximum of 240 hours of unused vacation and for employees with ten or more years of service the cap is 360 hours. Regular employees are given credit for eight hours sick leave each month of employment with no limits on the number of hours that may be accumulated. Upon termination, employees are entitled to a lump sum payment for accrued vacation and additional retirement credits from the California Public Employees' Retirement System (CalPERS) for unused sick leave based on a specified formula.

NOTE A – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Net Position

The government-wide financial statements utilize a net position presentation. Net position represents the difference between assets, deferred outflows of resources, liabilities and deferred inflows of resources. The Agency's net position is categorized as net investment in capital assets and unrestricted.

> ***Investment in Capital Assets*** – This category groups all capital assets, including infrastructure, into one component of net position. Accumulated depreciation of these assets reduces the balance in this category. Debt incurred and outstanding to construct and/or acquire capital assets, net of unspent proceeds, also reduces the balance in this category.
>
> ***Unrestricted*** – This category represents net position of the Agency, not restricted for any project or other purpose.

Fund Balance

In the fund financial statements, the governmental fund reports fund balance as nonspendable, unassigned based primarily on the extent to which the Agency is bound to honor constraints on how specific amounts can be spent.

> *Nonspendable fund balance* – amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.
>
> *Unassigned fund balance* – amounts that constitute the residual balances that have no restrictions placed on them.

The Governing Body establishes, modifies and rescinds the use of fund balance by the passage of a resolution. This is done through the adoption of the budget and budget revisions.

Use of Estimates

The preparation of the basic financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Fair Value Measurement

The Agency categorizes the fair value measurements of its investments based on the hierarchy established by generally provides guidance for determining a fair value measurement for reporting purposes and applying fair value to certain investments and disclosures related to all fair value measurements. The Agency categorizes the fair value measurements of its investments based on the hierarchy established by Generally accepted accounting principles. The fair value hierarchy, which has three levels, is based on the valuation inputs used to measure an asset's fair value: Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The Agency does not have any investments that are measured using Level 3 inputs.

NOTE A – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fair Value Measurement (continued)

The Agency is a participant in the Placer County Treasurer's Pool (County Pool). The County Pool is an external investment pool, is not rated and is not registered with the Securities Exchange Commission (SEC). The Placer County Treasurer's Review Panel conducts County Pool oversight. Cash on deposit in the County Pool at June 30, 2018, is stated at fair value. The County Pool values participant shares on an amortized cost basis during the year and adjusts to fair value at year-end.

Current Governmental Accounting Standards Board (GASB) Pronouncements

GASB Statement No. 75 – In June 2015, GASB issued Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. The primary objective of this statement is to improve accounting and financial reporting by state and local governments for postemployment benefits other than pensions (other postemployment benefits or OPEB). It also improves information provided by state and local governmental employers about financial support for OPEB that is provided by other entities. This statement is effective for periods beginning after June 15, 2017. The Agency implemented this statement as of July 1, 2017.

GASB Statement No. 81 – In March 2016, GASB issued Statement No. 81, *Irrevocable Split-Interest Agreements*. The objective of this Statement is to improve accounting and financial reporting for irrevocable split-interest agreements by providing recognition and measurement guidance for situations in which a government is a beneficiary of the agreement. The requirements of this Statement are effective for financial statements for periods beginning after December 15, 2016. The Agency has determined that this statement is not applicable.

GASB Statement No. 85 – In March 2017, GASB issued Statement No. 85, *Omnibus 2017*. The objective of this Statement is to address practice issues that have been identified during implementation of application of certain GASB Statements. This Statement addresses a variety of topics including issues related to blending component units, goodwill, fair value measurement and application, and postemployment benefits (pensions and other postemployment benefits [OPEB]). The requirements of this Statement are effective for reporting periods beginning after June 15, 2017. The Agency implemented this statement as of July 1, 2017.

GASB Statement No. 86 – In May 2017, GASB issued Statement No. 86, *Certain Debt Extinguishment Issues*. The primary objective of this Statement is to improve consistency in accounting and financial reporting for in-substance defeasance of debt by providing guidance for transactions in which cash and other monetary assets acquired with only existing resources – resources other than the proceeds of refunding debt – are placed in an irrevocable trust for the sole purpose of extinguishing debt. This Statement also improves accounting and financial reporting for prepaid insurance on debt that is extinguished and notes to financial statements for debt that is defeased in substance. The requirements of this Statement are effective for reporting periods beginning after June 15, 2017. The Agency has determined that this statement is not applicable.

NOTE A – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Future Governmental Accounting Standards Board (GASB) Pronouncements

GASB Statement No. 83 – In November 2016 GASB issued Statement No. 83, *Certain Asset Retirement Obligations*. The objective of this Statement is to address accounting and financial reporting for certain asset retirement obligations (AROs). An ARO is a legally enforceable liability associated with the retirement of a tangible capital asset. A government that has legal obligations to perform future asset retirement activities related to its tangible capital assets should recognize a liability. The requirements of this Statement are effective for financial statements for periods beginning after June 15, 2018. The Agency is evaluating the effect, if any, on the financial statements.

GASB Statement No. 84 – In January 2017, GASB issued Statement No. 84, *Fiduciary Activities*. The objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. This Statement establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities. The requirements of this Statement are effective for financial statements for periods beginning after December 15, 2018. The Agency is evaluating the effect, if any, on the financial statements.

GASB Statement No. 85 – In March 2017, GASB issued Statement No. 85, *Omnibus*. The objective of this Statement is to address practice issues that have been identified during implementation of application of certain GASB Statements. This Statement addresses a variety of topics including issues related to blending component units, goodwill, fair value measurement and application, and postemployment benefits (pensions and other postemployment benefits [OPEB]). The requirements of this Statement are effective for reporting periods beginning after June 15, 2017. The Agency implemented this statement as of July 1, 2017.

GASB Statement No. 86 – In May 2017, GASB issued Statement No. 86, *Certain Debt Extinguishment Issues*. The primary objective of this Statement is to improve consistency in accounting and financial reporting for in-substance defeasance of debt by providing guidance for transactions in which cash and other monetary assets acquired with only existing resources – resources other than the proceeds of refunding debt – are placed in an irrevocable trust for the sole purpose of extinguishing debt. This Statement also improves accounting and financial reporting for prepaid insurance on debt that is extinguished and notes to financial statements for debt that is defeased in substance. The requirements of this Statement are effective for reporting periods beginning after June 15, 2017. The Agency has determined that this statement is not applicable.

GASB Statement No. 87 – In June 2017, GASB issued Statement No. 87, *Leases*. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases; enhancing the comparability of financial statements between governments; and also enhancing the relevance, reliability (representational faithfulness), and consistency of information about the leasing activities of governments. This Statement is effective for reporting periods beginning after December 15, 2019. The Agency is evaluating the effect, if any, on the financial statements.

NOTE A – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

GASB Statement No. 88 – In March 2018, the GASB issued Statement No. 88, *Certain Disclosures Related to debt, including Direct Borrowings and Direct Placements*. The objective of this Statement is to improve consistency in the information that is disclosed in notes to government financial statements related to debt, including direct borrowings and direct placements, and to provide financial statement users with additional essential information about debt. This statement is effective for periods beginning after June 15, 2018. The Agency has not determined the effect, if any, on the financial statements.

GASB Statement No. 89 – In June 2018, the GASB issued Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*. The objectives of this statement are (a) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (b) to simplify accounting for certain interest costs. This statement is effective for periods beginning after December 15, 2019. The Agency has not determined the effect, if any, on the financial statements.

GASB Statement No. 90 – In September 2018, the GASB issued Statement No. 90, *Majority Equity Interests*, an amendment of GASB Statements No. 14 and No. 61. The objectives of this Statement are to improve the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units. The Statement is effective for reporting periods beginning after December 15, 2018. The Agency has not determined the effect, if any, on the financial statements.

NOTE B – CASH AND INVESTMENTS

Cash and investments shown on the statement of net position and the balance sheet represent the Agency's share of the County Treasurer's cash and investment pool.

The Agency involuntarily participates in the County Treasurer's cash and investment pool. California Government Code Section 53600, et. seq., and the County investment policy authorizes the following investments; U.S. Treasury securities, U.S. agency securities, local agency bonds, bankers acceptances, commercial paper, negotiable certificates of deposit, repurchase agreements, corporate notes, collateralized certificates of deposit, California Local Agency Investment Fund (LAIF), CDARS certificates of deposit and Supranational. Other allowable investments pursuant to Government Code Section 53601, although restricted by the County's investment policy, include mutual funds, mortgage and collateral-backed securities, asset-backed securities, reverse repurchase agreements, and joint powers agency investment pools.

The County has a Treasury Review Panel, which performs regulatory oversight for its pool as required by Treasurer Policy. Investments are stated at fair value in accordance with generally accepted accounting principles. However, the value of the Agency's shares in the County investment pool that may be withdrawn is determined on an amortized cost basis, which is different than the fair value of the Agency's position in the pool. The County's comprehensive annual financial report, containing information relating to the County's cash and investments by risk category, can be obtained from the County Auditor-Controller's office.

NOTE B – CASH AND INVESTMENTS (CONTINUED)

GASB Statement No. 40, *Deposit and Investment Risk Disclosures – an amendment of GASB Statement No. 3,* requires additional disclosures about a government's deposit and investment risks that include credit risk, custodial credit risk, concentration of credit risk and interest rate risk. The Agency does not have an investment policy that addresses these specific types of risk.

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 its fair value is to changes in market interest rates. The weighted average to maturity of the County's external investment pool as of June 30, 2018 was 1,301 days.

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. The Agency's investment in the County investment pool is not rated.

Custodial Credit Risk

The custodial credit risk for deposits is the risk that in the event of the failure of a depository institution, the Agency will not be able to recover deposits or will not be able to recover collateral securities that are in possession of an outside party. The custodial credit risk for investments is the risk that, in the event of failure of the counterparty (i.e. broker-dealer) to a transaction, the Agency will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and the Agency's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits: the California Government Code requires that a financial institution secure deposits made by state and local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law. The market value of the pledged securities in the collateral pool must equal at least 110 percent of the total amount deposited by the public agencies. California law also allows financial institutions to secure deposits by pledging first trust deed mortgage notes having a value of 150 percent of the secured public deposits.

Fair Value Measurement

The Agency categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. 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 other observable inputs; Level 3 inputs are significant unobservable inputs. In instances where inputs used to measure fair value fall into different levels in the above fair value hierarchy, fair value measurements in their entirety are categorized based on the lowest level input that is significant to the valuation. The Agency's assessment of the significance of particular inputs to these fair value measurements requires judgment and considers factors specific to each asset or liability. Deposits and withdrawals from the County Pool are made on the basis of $1 and not fair value. Accordingly, the Agency's proportionate share of cash and investments in the County Pool at June 30, 2018 of $134,847 is an uncategorized input not defined as a Level 1, Level 2, or Level 3 input.

NOTE C – CAPITAL ASSETS

The changes in capital assets for the fiscal year ended June 30, 2018 were as follows:

	Balance July 1, 2017	Additions	Deletions	Balance June 30, 2018
Building and Leasehold Improvements	$ 159,431	$ 63,737	$ (159,431)	$ 63,737
Furniture and equipment	35,637	10,780	(1,492)	44,925
Less accumulated deprecation:				
Building and Improvements	(159,431)	(7,436)	159,431	(7,436)
Furniture and equipment	(31,605)	(2,358)	-	(33,963)
Total Capital Assets, net	$ 4,032	$ 64,723	$ (1,492)	$ 67,263

NOTE D – LONG-TERM LIABILITIES

Changes in long-term liabilities for the fiscal year ended June 30, 2018 are presented below:

	Balance July 1, 2017	Additions	Deletions	Balance June 30, 2018	Due Within One Year
Compensated absences	$ 73,819	$ 141,847	$ (142,038)	$ 73,628	$ 11,044

NOTE E – COMMITMENTS AND CONTINGENCIES

Federal and State Allowances, Awards, and Grants

The Agency has received federal funds for specific purposes that are subject to review and audit by the grantor agencies. Although such audits could generate expenditure disallowances under terms of the grants, it is believed that any required reimbursement would not be material to the Agency's financial position.

NOTE F – PENSION PLAN

Plan Description

All qualified permanent and probationary employees are eligible to participate in the Public Agency Cost-Sharing Multiple-Employer Defined Benefit Pension Plan (Plan) administered by the California Public Employees' Retirement System (CalPERS). The Plan consists of individual rate plans (benefit tiers) within a safety risk pool (police and fire) and a miscellaneous risk pool (all other). Plan assets may be used to pay benefits for any employer rate plan of the safety and miscellaneous pools. Accordingly, rate plans within the safety or miscellaneous pools are not separate plans under GASB Statement No. 68. Individual employers may sponsor more than one rate plan in the miscellaneous or safety risk pool. The Agency sponsors two rate plans. Benefit provisions under the Plan are established by State statute and District resolution. CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website.

NOTE F – PENSION PLAN (CONTINUED)

Benefits Provided

CalPERS provides retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full time employment and the retirement formula of 2.5 percent at 55 for existing "Miscellaneous Classic" members and 2.0 percent at 62 for "PEPRA Miscellaneous Tier" existing members and all future members. The cost of living adjustments for each plan are applied as specified by PERL.

The rate provisions and benefits in effect as of June 30, 2018 are summarized as follows:

	Miscellaneous Classic Rate Plan	**Miscellaneous Rate Plan**
	Hired on or before	Hired on or after
Hire Date	December 31, 2012	January 1, 2013
Benefit formula	2.5% at 55	2.0% at 62
Benefit vesting schedule	5 years service	5 years service
Benefit payments	monthly for life	monthly for life
Retirement age	50 - 63	52-67
Monthly benefits, as a % of eligible compensation	1.43% - 2.50%	1.0% - 2.0%

Contributions

Section 20814(c) of the California Public Employees' Retirement Law (PERL) requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. The total plan contributions are determined through the CalPERS' annual actuarial valuation process. For public agency cost-sharing plans covered by the Miscellaneous risk pools, the Plan's actuarially determined rate is based on the estimated amount necessary to pay the Plan's allocated share of the risk pool's costs of benefits earned by employees during the year, and any unfunded accrued liability. The employer is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. Employees under the Miscellaneous Classic and PEPRA Miscellaneous Rate plans are required to contribute 8 percent and 6.25 percent of their annual pay, respectively. The Agency's contractually required contribution rates for the year ended June 30, 2018, for the Miscellaneous Classic and PEPRA Miscellaneous Tier, were and respectively, of annual payroll, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The Agency's contributions to the pension plan were $573,608 for the year ended June 30, 2018, which included an additional amount of $100,000towards the Agency's unfunded liability.

At June 30, 2018, the Agency reported a liability of $5,686,790 for its proportionate share of the net pension liability. The net pension liability of the Plan was measured as of June 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2016. The Agency's proportion of the net pension liabilities was based on a projection of the Agency's long-term share of contributions to the pension plans relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2017, the Agency's proportion was 0.0573 percent, which was a decrease of 0.004 percent from the Agency's proportion measured as of June 30, 2016.

NOTE F – PENSION PLAN (CONTINUED)

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

For the year ended June 30, 2018, the Agency recognized pension expense of $1,007,653. At June 30, 2018, the Agency reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 5,781	$ 82,820
Changes of assumptions	662,566	-
Net differences between projected and actual investment earnings	162,214	-
Changes in proportion and differences between Agency contributions and proportionate share of contributions	158,633	-
Pension contributions made subsequent to measurement date	573,608	-
Total	$ 1,562,802	$ 82,820

The amount of $573,608 reported as the Agency's deferred outflows of resources related to pension contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2019. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in future pension expense as follows:

Year Ended June 30	Amount
2019	$ 309,154
2020	433,203
2021	260,327
2022	(96,309)
Total	$ 906,375

Actuarial Assumptions

The total pension liability in the June 30, 2016 actuarial valuations, rolled forward to June 30, 2017, was determined using the following actuarial methods and assumptions:

	Miscellaneous
Valuation date	June 30, 2016
Measurement date	June 30, 2017
Actuarial cost method	Entry age normal cost method
Actuarial assumptions:	
Discount rate	7.15%
Inflation	2.75%
Payroll Growth	3.00%
Projected salary increase	Varies by entry age and service
Mortality Rate Table [1]	Derived using CalPERS' membership data for all funds

[1] The Mortality Table used was developed based on CalPER's specific data CAFR. The table includes 20 years of mortality improvements using Society of Actuaries Scale BB. For more details on this table, please refer to the 2014 experience sutdy report.

NOTE F – PENSION PLAN (CONTINUED)

Changes of Assumption:

In measurement year ended June 30, 2017, the discount rate was reduced from 7.65 to 7.15 percent. All other actuarial assumptions used in the June 30, 2016 valuation were based on the results of a 2014 CalPERS Experience Study for the period from 1997 to 2011, including updates to salary increases, mortality rates and retirement ages. The Experience Study report can be obtained at CalPERS' website under Forms and Publications.

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Such cash flows were developed assuming that both members and employers will make their required contributions on time and as scheduled in all future years. Using historical returns of all the funds' asset classes, expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long-term (11-60 years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and rounded down to the nearest one quarter of 1 percent.

The table below reflects long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. These geometric rates of return are net of administrative expenses.

		Long-term expected real rate of return	
Asset Class	**Target Allocation**	**Real Return Years 1 - 10**[1]	**Real Return Years 11+**[2]
Global Equity	47.0%	4.90%	5.38%
Global Fixed Income	19.0%	0.80%	2.27%
Inflation Sensitive	6.0%	0.60%	1.39%
Private Equity	12.0%	6.60%	6.63%
Real Estate	11.0%	2.80%	5.21%
Infrastructure and Forestland	3.0%	3.90%	5.36%
Liquidity	2.0%	-0.40%	-0.90%
	100.0%		

[1] An expected inflation of 2.5% used for this period

[2] An expected inflation of 3.0% used for this period

Discount Rate

The discount rate used to measure the total pension liability was 7.15 percent. To determine whether the municipal bond rate should be used in the calculation of a discount rate for each plan, CalPERS stress the tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing, none of the tested plans run out of assets. Therefore, the current 7.15 percent discount rate is adequate and the use of the municipal bond rate calculation is not necessary. The long term expected discount rate of 7.15 percent is applied to all plans in the Public Employees Retirement Fund. The stress test results are presented in a detailed report called "GASB Crossover Testing Report" that can be obtained at CalPERS' website under the GASB 68 section.

NOTE F – PENSION PLAN (CONTINUED)

Sensitivity of the Agency's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the Agency's proportionate share of the net pension liability, calculated using the discount rate of 7.15 percent, as well as what the Agency's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.15%) or 1 percentage point higher (8.15%) than the current rate.

	Agency's Proportionate Share of the Net Pension Liability
Discount Rate - 1%	6.15%
Net Pension Liability	$ 8,646,543
Current Discount Rate	7.15%
Net Pension Liability	$ 5,686,790
Discount Rate + 1%	8.15%
Net Pension Liability	$ 3,253,737

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued CalPERS financial reports.

NOTE G – OTHER POSTEMPLOYMENT BENEFITS

Plan Description

The Agency provides healthcare and dental insurance to its active and retired annuitants. Healthcare benefits are administered via CalPERS and is governed by *The Public Employees' Medical & Hospital Care Act (PEMCHA)*. The dollar amount contributed by the Agency is negotiated within the employee Memorandum of Understanding and approved by the Agency's Governing Body. Dental insurance is purchased via an agreement with Placer County Personnel and the Agency pays 100 percent of the premium employee or retired annuitant only. The post-retirement healthcare benefits are paid for based on the selection of coverage and status in the plan as a Non-Medicare or Medicare eligible participant. The Agency contributes to the California Employers' Retiree Benefit Trust (CERBT), an agent multiple employer plan, administered by CalPERS. CalPERS publishes their Comprehensive Annual Financial Report that includes financial statements and required supplementary information. Copies of CalPERS' annual financial report may be obtained from their Executive Office, 400 Q Street, P.O. Box 942701, Sacramento, California 94229.

Employees Covered

At June 30, 2018, the following employees were covered by the benefit terms for each plan:

Retirees and beneficiaries receiving benefits	21
Terminated plan members entitled to but not yet receiving benefits	9
Active plan members	15
Total	45

NOTE G – OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Contributions

The Agency's, Governing Body annually approves the funding of the actuarially determined contributions for the OPEB Trust during the budget approval process. For the fiscal year ended June 30, 2018 the annual required contribution rate was 20.1 percent per employee (excluding extra help). The Agency contributed $244,955 to the OPEB plan. Of this amount, the Agency paid $ 97,658 for healthcare and dental on behalf of retirees during the year and $147,297 for deposit to the CERBT.

Net OPEB Liability

The Agency's net OPEB liability was measured as of June 30, 2017, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2017.

Actuarial assumptions – The total OPEB liability in the June 30, 2017 actuarial valuation was determined using the following actuarial assumptions:

Actuarial Valuation date	June 30, 2017
Measurement date	June 30, 2017
Actuarial assumptions:	
Discount rate	6.00% at June 30, 2017
Inflation	2.75% per annum
Mortality, retirement, disability, termination	CalPERS 1997-2014 experience study
Salary Increases	3.00%
Healthcare Cost Trend Rate	Non-Medicare - 7.5% for 2019, decreasing to an ultimate rate of 4.0% in 2076 and later years Medicare - 6.5% for 2019, decreasing to an ultimate rate of 4.0% in 2076 and later years

Mortality rates were based on CalPERS 1997-2014 experience study. Post-retirement mortality projected fully generated with scale MP-2017.

The long-term expected rate of return on OPEB 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 OPEB plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Expected Real Rate of Return
Global Equity	40.0%	4.82%
Fixed Income	39.0%	1.47%
TIPS	10.0%	1.29%
Commodities	3.0%	0.84%
REITs	8.0%	3.76%
Total	100.0%	

NOTE G – OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Discount Rate

The discount rate used to measure the total OPEB liability was 6.00 percent and uses the projection of cash flows used to determine the discount rate assumed that the Agency contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected OPEB payments for current active and inactive employees. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

Changes in the Net OPEB Liability

	Total OPEB Liability	Fiduciary Net Position	Net OPEB Liability
Balance at June 30, 2017	$ 2,302,000	$ 1,140,000	$ 1,162,000
Changes in the year:			
Service Cost	77,000	-	77,000
Interest on the total pension liability	140,000	-	140,000
Contributions - employer	-	111,000	(111,000)
Net investment income	-	120,000	(120,000)
Benefit payments and refunds	(111,000)	(111,000)	-
Administrative expense	-	(1,000)	1,000
Net Changes	106,000	119,000	(13,000)
Balance at June 30, 2018	$ 2,408,000	$ 1,259,000	$ 1,149,000

Sensitivity of the net OPEB liability to changes in the discount rate and healthcare cost trend rates

The net OPEB liability of the Agency, as well as what the Agency's net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (percent) or 1-percentage-point higher (percent) than the current discount rate.

The net OPEB liability of the Agency, as well as what the Agency's net OPEB liability would be if it were calculated using healthcare cost trend rates that are a1-percentage-point lower (percent decreasing to percent) or 1-percentage-point higher (percent decreasing to percent) than the current healthcare cost trend rates.

	1 % Decrease (5.00%)	Discount Rate (6.00%)	1 % Decrease (7.00%)
Net OPEB Liability	$ 1,450,000	$ 1,149,000	$ 897,000

	1 % Decrease	Current Trend	1 % Decrease
Net OPEB Liability	$ 879,000	$ 1,149,000	$ 1,472,000

<u>OPEB plan fiduciary net position</u> – Detailed information about the OPEB plans' fiduciary net position is available in the separately issued CalPERS financial reports.

NOTE G – OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

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

For the fiscal year ended June 30, 2018, the Agency recognized OPEB expense of $140,000. As of June 30, 2018, The Agency reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
OPEB contributions subsequent to measurement date	$ 400,000	$ -
Net differences between projected and actual earnings on OPEB plan investments	-	42,000
Total	$ 400,000	$ 42,000

The amounts reported as deferred outflows of resources related to OPEB contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the fiscal year ending June 30, 2019. Other amounts reported as deferred outflows and deferred inflows of resources related to OPEB will be recognized in future OPEB expenses, as follows:

Years Ended June 30	Deferred Outflows/(Inflows) of Resources
2019	$ (10,000)
2020	(10,000)
2021	(10,000)
2022	(12,000)
Total	$ (42,000)

NOTE H – RISK MANAGEMENT

The Agency is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Agency reports all of its risk management activities in the General Fund. The Agency purchases commercial insurance through an insurance agent, which obtains the appropriate insurance coverage needed by the Agency from insurance companies.

NOTE H – RISK MANAGEMENT (CONTINUED)

The Agency's deductibles and maximum coverage follow:

Coverage	Deductible	Maximum per Occurrence
Commercial and professional general liability – aggregate	$ 500	$ 2,000,000
Each occurrence	500	2,000,000
Advertising and personal injury	500	2,000,000
Workers' compensation	NA	1,000,000
Medical expenses	500	5,000
Fire	500	100,000
Commercial automobile	500	1,000,000

Settled claims have not exceeded insurance coverage and there have been no significant reductions in insurance coverage in any of the past three years.

NOTE I – OPERATING LEASE OBLIGATIONS

The Agency leases office space under a five year non-cancellable operating lease agreement and an eight year sublease agreement, which is non-cancellable in the first three years. Total lease expense for the fiscal year ended June 30, 2018 was $137,761. Future minimum lease payments are scheduled as follows:

Year Ending June 30	Total Minimum Payments
2019	$ 111,300
2020	55,859
2021	57,474
2022	59,089
2023	9,960
Total	$ 293,682

NOTE J – RESTATEMENT OF NET POSITION

During the fiscal year ended June 30, 2018, the Agency implemented GASB Statement 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. As a result, the Agency restated the net position as of July 1, 2017 to reflect the prior period costs related to the implementation of net OPEB liability. These restatements are summarized as follows:

NOTE J – RESTATEMENT OF NET POSITION (CONTINUED)

This restatement is summarized as follows:

	Government-Wide Financial Statements
Net Position, June 30, 2017, as previously reported	$ (3,722,844)
Restatement:	
Net OPEB asset	(67,685)
Deferred outflows of resources	207,385
Net OPEB liability	(1,162,000)
Total Restatement:	(1,022,300)
Net Position (Deficit), June 30, 2017, as restated	$ (4,745,144)

	June 30, 2017 Previously Presented	Restatement	June 30, 2017 Restated
Net OPEB asset	$ 67,685	$ (67,685)	$ -
Deferred outflows of resources	-	207,385	207,385
Net pension liability	-	(1,162,000)	(1,162,000)
Net Position - Beginning	(3,722,844)	(1,022,300)	(4,745,144)

In accordance with GASB 75, the restatement of all deferred outflows and inflows was not practical and therefore not included in the restatement of beginning balance.

REQUIRED SUPPLEMENTARY INFORMATION

GOLDEN SIERRA JOB TRAINING AGENCY
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - General Fund
For the Fiscal Year Ended June 30, 2018

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance with Final Budget
Revenues:				
Intergovernmental:				
Federal	$ 5,290,136	$ 5,290,136	$ 3,532,909	$ (1,757,227)
State	204,283	204,283	137,791	(66,492)
Miscellaneous	-	-	25,266	25,266
Total Revenues	5,494,419	5,494,419	3,695,966	(1,798,453)
Expenditures:				
Current:				
Education:				
Salaries and employee bene	2,161,023	2,191,023	2,114,772	76,251
Training and support servic	2,765,080	2,735,080	1,088,103	1,646,977
Services and supplies	431,381	431,381	336,143	95,238
Rents	136,935	136,935	138,154	(1,219)
Total Expenditures	5,494,419	5,494,419	3,677,172	1,817,247
Change in fund balance	$ -	$ -	18,794	$ 18,794
Fund balance, beginning of year			52,019	
Fund balance, end of year			$ 70,813	

See accompanying notes to Schedule of Expenditures of Federal Awards

GOLDEN SIERRA JOB TRAINING AGENCY
Schedule of the Agency's Proportionate Share of the Net Pension Liability
Last Ten Years*

	2018	2017	2016	2015
Agency's proportion of the net pension liability	0.0573%	0.0613%	0.0685%	0.0629%
Agency's proportionate share of the net pension liability	$ 5,686,790	$ 5,304,341	$ 4,699,419	$ 3,908,523
Agency's covered payroll	$ 1,013,647	$ 1,085,378	$ 1,159,652	$ 1,168,596
Agency's proportionate share of the net pension liability as a percentage of its covered payroll	561.02%	488.71%	405.24%	334.46%
Plan's proportionate share of the fiduciary net position as a percentage of the Plan's total pension liability	73.31%	74.06%	78.40%	79.82%
Measurement Date	6/30/2017	6/30/2016	6/30/2015	6/30/2014

* Fiscal year 2015 was the first year of implementation, therefore only four years are shown.

GOLDEN SIERRA JOB TRAINING AGENCY
Schedule of the Agency's Pension Contributions
Last Ten Years*

	2018	2017	2016	2015
Actuarially determined contributions	$ 473,608	$ 530,751	$ 481,222	$ 393,772
Contributions in relation to the actuarially determined contribution	573,608	580,751	531,222	463,123
Contribution deficiency (excess)	$ (100,000)	$ (50,000)	$ (50,000)	$ (69,351)
Covered payroll	$ 1,013,647	$ 1,085,378	$ 1,159,652	$ 1,168,596
Contributions as a percentage of covered payroll	56.59%	53.51%	45.81%	39.63%

* Fiscal year 2015 was the first year of implementation, therefore only four years are shown.

GOLDEN SIERRA JB1:F40OB TRAINING AGENCY
REQUIRED SUPPLEMENTARY INFORMATION
Schedule of Changes in Net OPEB Liability and Related Ratios

Last Ten Fiscal Years (1)

	2018
Total OPEB Liability	
Service Cost	$ 77,000
Interest	140,000
Differences between expected and actual experience	-
Changes of assumptions	-
Benefit payments	(111,000)
Net change in total OPEB liability	106,000
Total OPEB liability -- beginning	2,302,000
Total OPEB liability -- ending (a)	$ 2,408,000
Plan fiduciary net position	
Contributions - employer	$ 111,000
Net investment income	120,000
Benefit payments	(111,000)
Administrative expense	(1,000)
Net change in plan fiduciary net position	119,000
Plan fiduciary net position -- beginning	1,140,000
Plan fiduciary net position -- ending (b)	$ 1,259,000
Net OPEB liability -- ending (a) - (b)	$ 1,149,000
Plan fiduciary net position as a percentage of the total OPEB liability	47.7%
Covered payroll	$ 1,247,000
Net OPEB liability as a percentage of covered-employee payroll	92.2%
Measurement date	6/30/2017

(1) Fiscal year 2018 was the first year of implementation of GASB 75; therefore, only one year is shown.

GOLDEN SIERRA JOB TRAINING AGENCY
REQUIRED SUPPLEMENTARY INFORMATION

Schedule of the Agency's OPEB Contributions

Last Ten Fiscal Years (1)

		2018
Actuarially determined contribution	$	236,000
Contributions in relation to the actuarially determined contribution		400,000
Contribution deficiency (excess)	$	(164,000)
Covered payroll	$	1,170,000
Contributions as a percentage of covered payroll		34.2%

Notes to schedule:

Valuation date	June 30, 2017
Methods and assumptions used to determine contribution rates:	
Actuarial cost method	Entry age normal
Amortization method	Level percentage of payroll
Amortization period	22-year fixed period for 2017/2018
Asset valuation method	5 year rolling period
Inflation	3.0%
Healthcare cost trend rates	Non-Medicare - 6.5% for 2018, decreasing to an ultimate rate of 5.0% in 2021 and later years; Medicare - 6.7% for 2018, decreasing to an ultimate rate of 5.0% in 2021 and later years.
Investment rate of return	6.00% net of OPEB plan investment expense, including inflation.
Mortality improvement	Mortality projected fully generational with Scale MP-14 modified to coverage to ultimate improvement rates in 2022

(1) Fiscal year 2018 was the first year of implementation of GASB 75; therefore, only one year is shown

GOLDEN SIERRA JOB TRAINING AGENCY
Note to the Required Supplementary Information
For the Fiscal Year Ended June 30, 2018

Budgets and Budgetary Accounting

The Agency's Governing Body approves the job-training plan by July 1st of each year. A public hearing must be conducted to receive comments prior to adoption. This job-training plan, including the annual budget, is revised by the Agency's Governing Body and management during the year to give consideration to unanticipated revenues and expenditures. The original and final revised budgets are presented in the budgetary comparison schedule as required supplementary information to the financial statements.

Formal budgetary integration was employed as a management control device during the year for the General Fund. Expenditures cannot exceed appropriations by total expenditures.

Encumbrance accounting is used in the General Fund to reserve portions of applicable appropriations for which commitments have been made. Encumbrances are recorded for purchase orders, contracts, and other commitments when approved. Encumbrances are liquidated when the commitments are paid.

The Agency budgets its capital outlay expenditures as part of its services and supplies expenditures.

SINGLE AUDIT SECTION

VAVRINEK, TRINE, DAY & CO., LLP
Certified Public Accountants

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*

To the Governing Board
Golden Sierra Job Training Agency
Auburn, California

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 the governmental activities and the general fund of the Golden Sierra Job Training Agency (the Agency) as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the Agency's basic financial statements, and have issued our report thereon dated February 28, 2019. Our report includes an emphasis of matter paragraphs regarding the Agency's adoption of Governmental Accounting Standards Board (GASB) Statements No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* and No. 85, *Omnibus 2017*, effective July 1, 2017.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Agency's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Agency's internal control. Accordingly, we do not express an opinion on the effectiveness of the Agency's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Agency'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 determination of financial statement amounts. 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 entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Agency's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Vavrinek, Trine, Day & Co. LLP

Sacramento, California
March 22, 2019

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

To the Governing Board
Golden Sierra Job Training Agency
Auburn, California

Report on Compliance for Each Major Federal Program

We have audited the Golden Sierra Job Training Agency's (the Agency) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Agency's major federal programs for the year ended June 30, 2018. The Agency's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the Agency's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Agency's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the Agency's compliance.

Opinion on Each Major Federal Program

In our opinion, the Agency complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2018.

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Other Matters

The results of our auditing procedures disclosed an instance of noncompliance which is required to be reported in accordance with the Uniform Guidance and which is described in the accompanying schedule of findings and questioned costs as item 2018-002. Our opinion on each major federal program is not modified with respect to these matters.

The Agency's response to the noncompliance finding identified in our audit is described in the accompanying schedule of findings and questioned costs and separate corrective action plan. The Agency's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

Management of the Agency is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Agency's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Agency's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we did identity a certain deficiency in internal control over compliance, described in the accompanying schedule of findings and questioned costs as item 2018-001, which we consider to be a significant deficiency.

The Agency's response to the internal control over compliance findings identified in our audit is described in the accompanying schedule of findings and questioned costs and separate corrective action plan. The Agency's response was not subjected to the 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. Accordingly, this report is not suitable for any other purpose.

Vavrinek, Trine, Day & Co. LLP

Sacramento, California
March 22, 2019

GOLDEN SIERRA JOB TRAINING AGENCY
Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended June 30, 2018

Federal Grantor Pass-Through Grantor **Program Title/Cluster**	**Federal CFDA Number**	**Pass-through Entity Identification Number**	**Federal Expenditures**	**Passed-through to Subrecipients**
U.S. Department of Labor				
Passed through California Employment Development Department				
Employment Service Cluster:				
Employment Service/Wagner-Peyser Funded Activities	17.207	K597222	$ 2,230	$ -
Employment Service/Wagner-Peyser Funded Activities	17.207	K7105778	2,369	-
Total Employment Service Cluster			4,599	-
WIOA National Dislocated Worker Grant	17.277	K698360	51,953	-
Workforce Innovation Opportunity Act (WIOA) (WIOA Cluster):				
WIA Adult Program Disability Employment Accelerator	17.258	K698360	71,560	-
WIA Adult Program Disability Employment Accelerator	17.258	K7102029	84,592	-
WIOA Adult Program	17.258	K7102029	927,143	181,782
WIOA Adult Program	17.258	K8106175	883,205	27,292
Total WIA/WIOA Adult Program			1,966,500	209,074
WIOA Youth Activities	17.259	K7102029	616,765	87,610
WIOA Youth Activities	17.259	K8106175	340,119	33,319
Total WIOA Youth Activities			956,884	120,929
WIOA Dislocated Worker Formula Grants	17.278	K7102029	223,798	13,067
WIOA Dislocated Worker Formula Grants	17.278	K8106175	333,355	15,569
Total WIOA Dislocated Worker Formula Grants			557,153	28,636
Total WIOA Cluster			3,480,537	358,639
Total Expenditures of Federal Awards			$ 3,537,089	$ 358,639

GOLDEN SIERRA JOB TRAINING AGENCY
Notes to the Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended June 30, 2018

NOTE 1 – BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (Schedule) includes the federal activity of the Golden Sierra Job Training Agency (Agency) under programs of the federal government for the year ended June 30, 2018. The information in this Schedule is 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). Because the Schedule presents only a selected portion of the operations of the Agency, it is not intended to and does not present the financial position, changes in net position, or cash flows of the Agency.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting for governmental funds and the accrual basis for proprietary funds. Such expenditures are recognized following the cost principles continued in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown in the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

NOTE 3 – RELATIONSHIP TO BASIC FINANCIAL STATEMENTS

Federal award revenues are reported principally in the Agency's financial statements as program revenues in the General fund.

NOTE 4 – PASS-THROUGH ENTITIES' IDENTIFYING NUMBER

When federal awards were received from a pass-through entity, the Schedule shows, if available, the identifying number assigned by the pass-through entity. When no identifying number is shown, the Agency has determined that no identifying number is assigned for the program or the Agency was unable to obtain an identifying number from the pass-through entity.

NOTE 5 – INDIRECT COST RATE

The Agency has elected not to use the 10-percent de minimize indirect cost rate allowed under the Uniform Guidance.

GOLDEN SIERRA JOB TRAINING AGENCY
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2018

I. SUMMARY OF AUDITORS' RESULTS

FINANCIAL STATEMENTS	
Type of report auditor issued on whether the financial statements audited were prepared in accordance with GAAP:	Unmodified
Internal control over financial reporting:	
Material weakness(es) identified?	No
Significant deficiency(ies) identified?	None reported
Noncompliance material to financial statements noted?	No
FEDERAL AWARDS	
Internal control over major federal programs:	
Material weakness(es) identified?	No
Significant deficiency(ies) identified?	Yes
Type of auditors' report issued on compliance for major federal programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	Yes

Identification of major federal programs:

CFDA Number(s)	Name of Federal Program or Cluster
17.258, 17.259, and 17.278	WIOA Cluster

Dollar threshold used to distinguish between Type A and Type B programs:	$ 750,000
Auditee qualified as low-risk auditee?	Yes

II. FINANCIAL STATEMENT FINDINGS

None reported.

III. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

Finding 2018–001

Program: WIOA Cluster
CFDA No.: 17.258, 17.259 & 17.278
Federal Agency: Department of Labor
Passed-through: California Employment Development Department
Award Year: Various
Compliance Requirement: Reporting

Criteria:

Title 2 CFR Section 200.303(a) Uniform Guidance requires that the non-Federal entity must establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statues, regulations, and the terms and conditions of the Federal award.

Per *Title 2 CFR Section 200.62(a(1)) Uniform Guidance* the Agency is responsible for designing and implementing an internal control process that would permit the preparation of reliable Federal reports. Agency policy and program procedures require that submitted reports be reviewed and signed by an authorized certifying official to indicate review and approval of the reports.

Condition Found:

Significant Deficiency – As a result of our testwork, we noted 4 out of 17 reports selected did not include evidence of review by management.

Questioned Costs:

No questioned costs were identified as a result of our procedures.

Context:

Agency reporting procedures require the Agency Executive Director, document their review of the Summary of Expenditure reports submitted to the State of California Employment Development Department.

Effect:

As a result of the condition noted, reports submitted to the State did not include evidence of review or approval prior to submission.

Cause:

The Agency did not adhere to its standard reporting procedures due to insufficient oversight of internal controls over reporting.

Recommendation:

We recommend the Agency ensure that review procedures are prioritized prior to the submission of expenditure reports. The Agency should strengthen its internal controls to ensure that the appropriate management review and approve reports prior to submitting to the oversight agency. This review should be documented.

Views of Responsible Officials and Planned Corrective Actions:

See separate corrective action plan.

Finding 2018–002

Program: WIOA Cluster
CFDA No.: 17.258, 17.259 & 17.278
Federal Agency: Department of Labor
Passed-through: California Employment Development Department
Award Year: Various
Compliance Requirement: Allowable Costs and Activities

Criteria:

The compliance requirements for the Workforce Innovation Opportunity Act lists activities unallowed without prior approval from the Secretary of Labor, including construction, purchase of facilities or buildings, or other capital expenditures for improvements to land or buildings.

Condition Found:

Instance of Noncompliance – During our review of the Agency's expenditures it was noted that the Agency was paying an additional amount above their agreed rent costs in order to reimburse their lessor for construction costs associated with several leasehold improvements to their office space. This is in violation of the grant as costs for constructing a leasehold improvement would have required pre-approval by the granting agency.

Questioned Costs:

No questioned costs were identified as a result of our procedures.

Context:

The condition noted above was identified during our testing of the allowable costs and activities requirements of the program.

Effect:

As a result of the condition noted the Agency was including unallowed costs in their expenditures.

Cause:

The Agency believed that leasehold improvements were minor in nature and didn't constitute construction or asset creation and therefore included the costs in their rent expense.

Recommendation:

We recommend the Agency seek approval for the identified expenditure and capitalize the leasehold improvement over the life of the lease.

Views of Responsible Officials and Planned Corrective Actions:

See separate corrective action plan.

GOLDEN SIERRA JOB TRAINING AGENCY
Summary Schedule of Prior Audit Findings
For the Fiscal Year Ended June 30, 2018

None reported.

Golden Sierra

Administrative Office

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GOLDEN SIERRA JOB TRAINING AGENCY

Corrective Action Plan

For the Fiscal Year Ended June 30, 2018

Compiled by: Terrie Trombley, CFO,
Golden Sierra Job Training Agency

GOLDEN SIERRA JOB TRAINING AGENCY

Corrective Action Plan

Year ended June 30, 2018

I. FINANCIAL STATEMENT FINDINGS

None Reported.

GOLDEN SIERRA JOB TRAINING AGENCY

Corrective Action Plan

Year ended June 30, 2018

II. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

FINDING 2018-001

Program: WIOA Cluster
CFDA No.: 17.258, 17.259 & 17.278
Federal Agency: Department of Labor
Passed-through: California Employment Development Department
Award Year: Various
Compliance Requirement: Reporting

Management's or Department's Response:
Management understands and accepts audit finding 2018-001.

Views of Responsible Officials and Corrective Action:
The Agency, while meeting timely reporting requirements within the CalJOBS reporting system, staff failed to retain evidence of internal review. This review is substantiated with signed "WIA/WIOA Summary of Expenditure Reports" maintained for review in in monthly reporting files. Staff will develop a check list ensure all required documents are retained for auditing and monitoring requirements.

Name of Responsible Person:
Terrie Trombley

Implementation Date: 7/1/2018

GOLDEN SIERRA JOB TRAINING AGENCY

Corrective Action Plan

Year ended June 30, 2018

FINDING 2018-002

Program: WIOA Cluster
CFDA No.: 17.258, 17.259 & 17.278
Federal Agency: Department of Labor
Passed-through: California Employment Development Department
Award Year: Various
Compliance Requirement: Allowable Costs and Activities

Management's or Department's Response:
Management understands and accepts audit finding 2018-002.

Views of Responsible Officials and Corrective Action:

Though cited as a finding, management followed appropriate protocols and procedures including seeking advice from the grantor. On 9/28/18 a request for prior approval in alignment with WSD16-16 was prepared. On 10/5/16 management met with the then appointed Regional Advisor and discussed this issue. We were informed that costs rolled into the lease would not require prior approval as these costs would be considered rent. Following that guidance management did not submit for prior approval. Moving forward management will submit for prior approval all building improvements and ensure that procurement policy adequately addresses this process. Additionally, management submitted a request for retroactive approval for the items under finding 2018-002, as suggested by the auditor.

Name of Responsible Person:
Lorna Magnussen

Implementation Date: 7/1/2018

GOLDEN SIERRA
GOVERNING BODY

MEMORANDUM

DATE: April 3, 2019

TO: Governing Body (GB)

FROM: Jason Buckingham, GSJTA Executive Director

SUBJ: Resolution 18-02 Pension Lump Sum Payments

Background: In June 2014 the Governing Body authorized the Executive Director, or Deputy Director the authority to submit additional funding to the Agency's Pension liability, in an amount not to exceed $100,000 via Resolution 13-08.

The current fiscal year's 2018/2019 appropriated amount is $534,079 for the lump sum pension expense. This dollar amount is comprised of two components. The actuarially determined lump sum of $434,079 from the August, 2017 CalPER's Annual Valuation Report and a planned additional $100,000. Due to prior year's additional payment the monthly required payment was modified within the CalPERS system requiring the updating of the authorization to send additional funds to pay down the Agency pension liability. Below is a numerical picture for your review.

	Financial System	CalPERS
Total Budget FY 2018/2019	$ 534,079	$ 434,079
Monthly Payment Total	$ (397,397)	$ (397,397)
Required Lump Sum Payment	**$ 136,682**	**$ 36,682**

Through Resolution 18-02, Staff is requesting the approval of a $50,000 increase from the Governing Body. Resolution 18-02 would authorize the Executive Director or Deputy Director to submit up to $150,000 in additional payments towards the Agency's pension liability annually. The Resolution would supersede Resolution 13-08 dated June 20, 2014.

BEFORE THE GOVERNING BODY
<u>GOLDEN SIERRA JOB TRAINING AGENCY</u>

In the matter of:	Resolution of the Governing Body of Golden Sierra Job Training approving Pension Liability Lump Sum Payments. This Resolution supersedes Resolution 13-08 dated June 20, 2014.	Resolution No.:	**18-02**
		Ordinance No.:	
		First Reading:	

The following **Resolution** was duly passed by the Governing Body of the Golden Sierra Job Training Agency at a regular meeting held **April 3, 2019** by the following vote on roll call:

Ayes:

Noes:

Absent:

Signed and approved by me after its passage.

Kirk Uhler, Chairman Governing Body

Attest:

Lorna Magnussen, Clerk of Golden Sierra Governing Body

BE IT HEREBY RESOLVED by the Governing Body of the Golden Sierra Job Training Agency that this Body authorizes the Executive Director, Jason Buckingham, and Deputy Director, Darlene Galipo, to submit additional payments to the Golden Sierra Job Training Agency's Pension Liability beyond the annual actuarial determined required contributions not to exceed $150,000 annually.

GOLDEN SIERRA
GOVERNING BODY

MEMORANDUM

DATE: April 3, 2019

TO: Governing Body (GB)

FROM: Jason Buckingham, GSJTA Executive Director

SUBJ: FY 2019/2020 Approval of Allocation Draft Planning Format and Assumptions.

Attached for your review are two Allocation budget plan examples. The first presentation is the format that has been issued over the past several years. In this example, funding is distributed using the disaggregate population percentage by member county and state reporting categories are secondary. The second document is a proposed format that integrates the grantor's required reporting categories. Staff is seeking approval to implement the new format which aligns the Agency budget with the required reporting structures, and is seeking approval to move forward with the following budgetary assumptions.

Assumptions of note for draft budget planning:

1) The draft anticipates a 10% reduction of allocation funds from the prior fiscal year.
2) Incorporates meeting the Agency's annual debt service obligation for the pension.
3) Assumes no additional investment in pension above Actuarially Required Contribution (ARC) payments
4) Assumes no investment in the Other Post-Employment Benefits (OPEB) Trust for 2019/2020
5) Meets the required 30% Direct Training Requirement with a 25/5 WIOA Cash to leverage ratio.
6) Focuses efforts on Out-of-School Youth as required by WIOA, and meets the 20% Work Based Learning requirement for Youth participants.
7) Funds the required Comprehensive One-Stop Center.
8) Funds the system's required One-Stop Operator.
9) Assumes coordination with consortium partners on how to meet goals of system with limited financial resources is ongoing.

Line #			A	B	C	D	E	F	G
	Allocation Funding Categories								
	Esimated Award FY 2020 10% Less than FY 2019		**Dislocated Worker**	**80% Dislocated Transfer to Adult**	**Adult**	**Youth Out 100%**	**Rapid Response**	**Layoff Aversion**	**Total**
1	**Funding Awards for New Fiscal Year**		***$ 190,537***	***$ 758,219***	***$ 734,252***	***$ 745,424***	***$ 308,195***	***$ 71,861***	***$ 2,808,488***
	Consortium Operations								
2	**Administration**	10.00%	$ 19,054	$ 75,822	$ 73,425	$ 74,542	$ -	$ -	$ 242,843
3	**WDB Support/Legacy Costs/Program Operations**	38.00%	$ 72,404	$ 288,123	$ 279,016	$ 283,261	$ 117,114	$ 27,307	$ 1,067,225
4	**Consortium Sponsored Cost Centers**	12.00%	$ 22,864	$ 90,986	$ 88,110	$ 89,451	$ 36,983	$ 8,623	$ 337,017
5	**Consortium Operating Cost Totals**		$ 114,322	$ 454,931	$ 440,551	$ 447,254	$ 154,097	$ 35,930	$ 1,647,085
6	**Award less Consortium Operating Cost**		$ 76,215	$ 303,288	$ 293,701	$ 298,170	$ 154,098	$ 35,931	$ 1,161,403
7	**Rapid Response/Layoff Aversion Cost Center**		$ -	$ -	$ -	$ -	$ 154,098	$ 35,931	$ 190,029
8	**Required Direct Training Adult & DW**	25.00%	$ 47,634	$ 189,555	$ 183,563	$ -	$ -	$ -	$ 420,752
9	**Work Based Learning (Youth)**	20.00%	$ -	$ -	$ -	$ 134,176	$ -	$ -	$ 134,176
10	**Allocation for Career Services**		$ 28,581	$ 113,733	$ 110,138	$ 163,994	$ -	$ -	$ 416,446
	Youth - Adult - Dislocated Worker Allocation								
	Career Services								
11	Placer	62.00%	$ 17,720	$ 70,514	$ 68,286	$ 101,676	$ -	$ -	$ 258,196
12	El Dorado	37.00%	$ 10,575	$ 42,081	$ 40,751	$ 60,678	$ -	$ -	$ 154,085
13	Alpine	1.00%	$ 286	$ 1,137	$ 1,101	$ 1,640	$ -	$ -	$ 4,164
	Direct Training								
14	Placer	62.00%	$ 29,533	$ 117,524	$ 113,809	$ -	$ -	$ -	$ 260,866
15	El Dorado	37.00%	$ 17,625	$ 70,135	$ 67,918	$ -	$ -	$ -	$ 155,678
16	Alpine	1.00%	$ 476	$ 1,895	$ 1,836	$ -	$ -	$ -	$ 4,207
	Work Based Learning (Youth)								
17	Placer	61.00%	$ -	$ -	$ -	$ 81,847	$ -	$ -	$ 81,847
18	El Dorado	38.00%	$ -	$ -	$ -	$ 50,987	$ -	$ -	$ 50,987
19	Alpine	1.00%	$ -	$ -	$ -	$ 1,342	$ -	$ -	$ 1,342
	Total Title 1 Allocations by County								
20	Placer		$ 47,253	$ 188,038	$ 182,095	$ 183,523	$ -	$ -	$ 600,909
21	El Dorado		$ 28,200	$ 112,216	$ 108,669	$ 111,665	$ -	$ -	$ 360,750
22	Alpine		$ 762	$ 3,032	$ 2,937	$ 2,982	$ -	$ -	$ 9,713
23								**Check Figure**	**$ 2,808,487**

Line #			A	B	C	D	E	F	G	
	Allocation Funding Categories									
			Reduced all awards by 10% from prior year							
	Estimated for FY 2020		**Dislocated Worker**	**80% Dislocated Transfer to Adult**	**Adult**	**Youth Out 100%**	**Rapid Response**	**Layoff Aversion**	**Total**	
1	**Funding Awards for New Fiscal Year**	*Estimated*	*$ 190,537*	*$ 758,219*	*$ 734,252*	*$ 745,424*	*$ 308,195*	*$ 71,861*	*$ 2,808,488*	
	Pogram Oversight and Administration									
2	Administration	10.00%	$ 19,054	$ 75,822	$ 73,425	$ 74,542	$ -	$ -	$ 242,843	
3	WDB Support/Legacy Costs/Program Operations	50.00%	$ 95,269	$ 379,110	$ 367,126	$ 372,712	$ 154,098	$ 35,931	$ 1,404,246	
4	**Oversight and Administration Total**		**$ 114,323**	**$ 454,932**	**$ 440,551**	**$ 447,254**	**$ 154,098**	**$ 35,931**	**$ 1,647,089**	
	Allocation Earmarking for Programatic Services									
5	Rapid Response/Layoff Aversion		$ -	$ -	$ -	$ -	$ 154,097	$ 35,930	$ 190,027	A
6	Direct Training Requirement (Adult & DW)	25.00%	$ 47,634	$ 189,555	$ 183,563	$ -	$ -	$ -	$ 420,752	B
7	Work Based Learning (Youth)	20.00%	$ -	$ -	$ -	$ 134,176	$ -	$ -	$ 134,176	C
8	Career Services		$ 28,580	$ 113,732	$ 110,138	$ 163,994	$ -	$ -	$ 416,444	D
			$ 76,214	**$ 303,287**	**$ 293,701**	**$ 298,170**	**$ 154,097**	**$ 35,930**	**$ 1,161,399**	
	Prgamatic Services Allocated by State Reporting Categories									
	Rapid Response/Layoff Aversion Activities		$ -	$ -	$ -	$ -	$ 154,097	$ 35,930	$ 190,027	A
	Direct Training Requirement (Adult & DW)		$ 47,634	$ 189,555	$ 183,563	$ -	$ -	$ -	$ 420,752	B
	Work Based Learning (Youth)									
	OJT's and Work Experience	30.00%	$ -	$ -	$ -	$ 40,253	$ -	$ -	$ 40,253	
	Career Services	70.00%	$ -	$ -	$ -	$ 93,923	$ -	$ -	$ 93,923	
	Work Based Learning (Youth) Total		$ -	$ -	$ -	$ 134,176	$ -	$ -	$ 134,176	C
	Career Services									
	Basic	50.00%	$ 14,290	$ 56,866	$ 55,069	$ -	$ -	$ -	$ 126,225	
	Individualized	40.00%	$ 11,432	$ 45,493	$ 44,055	$ -	$ -	$ -	$ 100,980	
	Follow Up	10.00%	$ 2,858	$ 11,373	$ 11,014	$ -	$ -	$ -	$ 25,245	
	Youth	100.00%	$ -	$ -	$ -	$ 163,994	$ -	$ -	$ 163,994	
	Career Services Total		$ 28,580	$ 113,732	$ 110,138	$ 163,994	$ -	$ -	$ 416,444	D
								Total	**$ 1,161,399**	
9								**Check Figure**	**$ 2,808,488**	
	Rows with Numbers Budgetary Line Items									
	Rows with Alpha - Budget to Reporting Categories									

GOLDEN SIERRA
GOVERNING BODY

MEMORANDUM

DATE: April 3, 2019

TO: Governing Body (GB)

FROM: Jason Buckingham, GSJTA Executive Director

SUBJ: PY 2019/2020 Subgrant Signature Authority

Staff is requesting the Governing Body authorize signature authority for the Executive Director to sign the New Program Year (PY) 2019/2020 subgrant agreements not to exceed $3,120,544. The dollar estimate for this request is based on the most recent subgrant award from 2018/2019 (K9110009).

Background: The State of California's Employment Development Department (EDD) acts as the Agency's pass thru for the annual Workforce Innovation and Opportunity Act (WIOA) funds. The policies and procedures for this agreement require immediate action from our office. Execution of the agreement and submittal back to the EDD office ensures the newly awarded funds will be made available in a timely fashion. Current signature authority for the Executive Director rests at $1,000,000 for governmental entities.

GOLDEN SIERRA
GOVERNING BODY

MEMORANDUM

DATE: April 3, 2019

TO: Governing Body (GB)

FROM: Jason Buckingham, GSJTA Executive Director

SUBJECT: JPA Insurance vs Bonding

Agency staff are seeking Governing Body approval to modify the method of compliance with Government Code 6505.1.

The Golden Sierra management team is currently bonded in amounts established by the Governing Body in February 2014, and approved by the courts March 2014.

Alternate method of compliance the Agency is proposing in based on the exemption outlined in Governing Code 1463.

The agency staff and legal counsel would submit a formal request for approval to the courts to exercise this exemption. Upon receipt from the courts that this exemption had been approved and filed, Golden Sierra would terminate the current bond in effect.

STATUTORY FRAMEWORK

Specifically, Government section 6505.1 requires joint powers authorities to bond those persons with charge of or access to property. That sections states, “[t]he contracting parties to an agreement made pursuant to this chapter shall designate the public officer or officers or person or persons who have charge of, handle, or have access to any property of the agency or entity and shall require such public officer or officers or person or persons to file an official bond in an amount to be fixed by the contracting parties.” The section does not specify a bond amount required for each individual. Note that section 6505.5 provides detailed reporting requirements for the organization’s treasurer.

Government Code section 1463, however, provides an exception to the bonding requirement, stating “a government crime insurance policy or employee dishonesty insurance policy, including faithful performance, may be provided as an alternative to the official bond by any county or city, subject to approval by the presiding judge of the superior court and recording and filing as provided in Sections 1457 to 1460.1, inclusive. An insurance policy procured pursuant to this section may be used as a master bond as though it were an official bond, subject to approval of the appointing power or the legislative body as provided in Section 1482.

After review of the insurances maintained, legal counsel believes the Agency’s Insurances to provide sufficient coverage in order to remove the Bonds.

GOLDEN SIERRA
GOVERNING BODY

MEMORANDUM

DATE: April 3, 2019

TO: Governing Body (G)

FROM: Jason Buckingham, GSJTA Executive Director

SUBJECT: WIOA Local Plan 2 Year Modification – PY 18/19

Before the Board for review and approval is the required WIOA Local Plan 2 Year Modification for the period of 2017-2021. The request includes allowing Golden Sierra Job Training Agency (GSJTA) staff to make adjustments to the plan, as necessary, in order to ensure that the plan meets state requirements.

WIOA Local Plan 2 Year Modification

The Local Plan Modification was made publicly available and open for comment for the required 30 day period which closed on February 18, 2019.

An unsigned copy of the Local Plan Modification was provided to Sacramento Employment & Training Agency (SETA), for submission on behalf of the Capital Area Regional Planning Unit, by the March 15, 2019 deadline without the required signatures as allowed by EDD Directive WSD18-01.

Agency staff will submit a fully signed copy to the California Workforce Development Board upon approval by the Governing Body.

PROGRAM ADMINISTRATION DESIGNEE AND PLAN MODIFICATION SIGNATURES

This local plan represents the Golden Sierra Workforce Development Board's efforts to maximize and coordinate resources available under Title I of the *Workforce Innovation and Opportunity Act*.

This local plan modification is submitted for the period of July 1, 2018 through June 30, 2019 in accordance with the provisions of the WIOA.

Local Workforce Development Board Chair	**Chief Elected Official**
Signature	Signature
Rick Larkey	Kirk Uhler
Name	Name
Chair, Golden Sierra Workforce Development Board	Chair, Golden Sierra Job Training Agency Governing Body
Title	Title
March 21, 2019	April 3, 2019
Date	Date

Local Board Assurances

Through Program Year 2017-20, the Local Workforce Development Board (Local Board) assures the following:

A. The Local Board assures that it will comply with the uniform administrative requirements referred to in the *Workforce Innovation and Opportunity Act* (WIOA) Section 184(a)(3).

B. The Local Board assures that no funds received under the WIOA will be used to assist, promote, or deter union organizing (WIOA Section 181[b][7]).

C. The Local Board assures that the board will comply with the nondiscrimination provisions of WIOA Section 188.

D. The Local Board assures that the board will collect and maintain data necessary to show compliance with the nondiscrimination provisions of WIOA Section 188.

E. The Local Board assures that funds will be spent in accordance with the WIOA, written Department of Labor guidance, and other applicable federal and state laws and regulations.

F. The Local Board assures it will comply with future State Board policies and guidelines, legislative mandates and/or other special provisions as may be required under Federal law or policy, including the WIOA or state legislation.

G. The Local Board assures that when allocated adult funds for employment and training activities are limited, priority shall be given to veterans, recipients of public assistance and other low-income individuals for Individualized Career services and training services. (WIOA Section 134[c][3][E], and California Unemployment Insurance Code [CUIC] Section 14230[a][6])

H. The Local Board certifies that its America's Job Center of California℠ (AJCC) location(s) will recognize and comply with applicable labor agreements affecting represented employees located in the AJCC(s). This shall include the right to access by state labor organization representatives pursuant to the *Ralph Dills Act* (Chapter 10.3 [commencing with Section 3512] of Division 4, of Title 1 of the Government Code, and CUIC Section 14233).

I. The Local Board assures that state employees who are located at the AJCC(s) shall remain under the supervision of their employing department for the purposes of performance evaluations and other matters concerning civil service rights and responsibilities. State employees performing services at the AJCC(s) shall retain existing civil service and collective bargaining protections on matters relating to employment, including, but not limited to, hiring, promotion, discipline, and grievance procedures.

J. The Local Board assures that when work-related issues arise at the AJCC(s) between state employees and operators or supervisors of other partners, the operator or other supervisor shall refer such issues to the State employee's civil service supervisor. The AJCC operators and partners shall cooperate in the investigation of the following matters: discrimination under the *California Fair Employment and Housing Act* (Part 2.8 [commencing with Section 12900] of Division 3, of Title 2 of the Government Code), threats and/or violence concerning state employees, and state employee misconduct.

K. The Local Board assures that it will select the One-Stop Operator with the agreement of the Chief Elected Official (CEO), through a competitive process, or with approval from the local elected official and the Governor's Office. (WIOA Section 121[d][2][A]). The AJCC Operator is responsible for administering AJCC services in accordance with roles that have been defined by the Local Board.

SIGNATURE PAGE

Instructions

The Local Board chairperson and local CEO must sign and date this form. Include the original signatures with the request.

By signing below, the local CEO and Local Board chair agree to abide by the Local Area assurances included in this document.

Local Workforce Development Board Chair	**Local Chief Elected Official**
Signature	Signature
Rick Larkey Name	Kirk Uhler Name
Chair, Golden Sierra Workforce Development Board Title	Chair, Golden Sierra Job Training Agency Governing Body Title
March 21, 2019 Date	April 3, 2019 Date

GOLDEN SIERRA
GOVERNMENT BODY

MEMORANDUM

DATE: March 21, 2019

TO: Governing Body (GB)

FROM: Jason Buckingham, GSJTA Executive Director

SUBJECT: WIOA Regional Plan 2 Year Modification – PY 18/19

Before the Board for review and approval is the required WIOA Regional Plan 2 Year Modification for the period of 2017-2021. The request includes allowing Golden Sierra Job Training Agency (GSJTA) staff to make adjustments to the plan, as necessary, in order to ensure that the plan meets state requirements.

WIOA Regional Plan 2 Year Modification

Sacramento Employment & Training Agency (SETA), on behalf of the Capital Area Regional Planning Unit, has made the plan publicly available and open for comment for the required 30 day period. SETA submitted the Regional Plan Modification by the March 15, 2019 deadline without the required signatures as allowed by EDD Directive WSD18-01.

Agency staff secured the signatures from the Workforce Board on March 21, 2019, and will secure the required signatures from the Governing Body. Upon completion of all signatures, Agency staff will forward to SETA for final submission.

REGIONAL PLAN MODIFICATION SIGNATURES

This regional plan represents the Capital Area Regional Planning Unit's efforts to maximize and coordinate resources available under Title I of the *Workforce Innovation and Opportunity Act*.

This regional plan modification is submitted for the period of July 1, 2018 through June 30, 2019 in accordance with the provisions of the WIOA.

Local Workforce Development Board Chair	**Chief Elected Official**
Signature	Signature
Rick Larkey	Kirk Uhler
Name	Name
Chair, Golden Sierra Workforce Development Board	Chair, Golden Sierra Job Training Agency Governing Body
Title	Title
March 21, 2019	April 3, 2019
Date	Date

GOLDEN SIERRA
GOVERNING BODY

MEMORANDUM

DATE: April 3, 2019

TO: Governing Body (GB)

FROM: Lorna Magnussen, WDB Analyst

SUBJECT: Workforce Board Membership

In accordance with 20 CFR 679.310 the board is being informed of current vacancies on the Workforce Board and recruitment efforts in place in accordance with Workforce Board notification and recruitment policy.

Resignation(s)

Diana Souza, NorCal Kenworth; representing Business; resigned 9/13/18

Jaqui Humenick, Ponte Polmero; representing Business; resigned 3/18/19

Recruitment efforts

Currently working with Sacramento Valley Manufacturing Initiative (SVMI), Governing Body, Workforce Board and partners to recruit potential replacement.

Potential applicant

Amanda Westphal, Blue Ribbon Personnel Services; representing Business

SERVICE PROVIDER REPORT

ADVANCE at Lake Tahoe Community College

Report Period: Jan-Feb 2019
Prepared By: Frank Gerdeman

PARTICIPANT STATUS			
	Actual	Goal	% of Goal
Number who received basic career services	73	100	73
Number who received individualized career services	16	50	32
Number who received training services	9	15	60
On-site hours in Alpine County	502		

ACTIVITY SUMMARY

Please note that numbers above are cumulative for the entire contract period (and updated through the end of February 2019). Onsite (LTCC) and offsite partner office hours continue in South Lake Tahoe and in Alpine County, including an expansion to onsite hours at the Tribal TANF offices at the Hung A Lel Ti community. January saw our first OJT set up for the CDC at LTCC with a second in development for a March start date (w/County Library in SLT). We also conducted our first career focused workshop at the Hung A Lel Ti Community Center in partnership with Tribal TANF and continued to expand support services to LTCC students (primarily books and materials costs).

PRACTICES WITH PROMISE

Growing relationship in Alpine County, especially with the Hung A Lel Ti community (and leadership) as we continue to expand workshops and offerings onsite for their community members AND opening up opportunities for general Alpine County residents (will include culinary and forest management related offerings beginning in April 2019). Additionally, we are leveraging adult education funding and relationships to establish shuttle service from Alpine County to LTCC for access to face-to-face instruction, training, and education opportunities beginning in April 2019. We also implemented pre-release transition meetings with individuals a the SLT County jail so that more coordination is completed prior to release date (this includes completion of high school credentials, CalJobs accounts, career interests and other aspects of our local onboarding process).

CHALLENGES/BARRIERS

State subsidy of higher education tuition costs continues to impact spending of training dollars (typically, tuition can be a significant, if not the major, expense of education/training). The high employment rate also influences the number of individuals looking for employment at this time.

EVENT PARTICIPATION	
Date	Event
1/22/19	Meeting with Tahoe Chamber to discuss Job Fair(s)
2/6/19	ADVANCE Transition Network Meeting
2/6/19	Culinary Arts Advisory Committee - LTCC
2/7/19	Career Exploration Workshop – Hung A Lel Ti Community Center

SERVICE PROVIDER REPORT

Golden Sierra Job Training Agency

Report Period: 07/01/18 – 02/28/18
Prepared By: Darlene Galipo

PARTICIPANT STATUS			
	Placer	El Dorado	Total
New WIOA Enrollments	76	25	101
Training Contracts (OST/WEX/OJT)	74	20	94
Cases Closed with Employment	39	17	56
Average Hourly Wage at Placement	$22.53	$19.41	

ACTIVITY SUMMARY

Adult: There is a strong demand for classroom training. In-demand training occupations include vocational nursing, security officer, commercial electrician, truck driver, project manager, and certified bookkeeper.

Dislocated Worker: There was a substantial layoff at TSI affecting 241 workers. Rapid Response services were delivered on 01/11/2019. Some of the affected workers were rapidly re-employed with new employers who took advantage of hiring incentives like the on-the-job training program. There was also a layoff at Finance of America. Rapid Response services were delivered on 02/13/2019. Finally, the agency received a portion of a regional award to serve 19 Dislocated Workers affected by local reductions in force. The acronym for this special project is TET NDWG. Staff will identify eligible individuals and refer them to employers willing to hire and train using the on-the-job training program. Others will be provided scholarships for classroom training. Funding and services are expected to be available through September 2020.

Youth: A new participant was placed at All Phase Welder Repair as a technician in training. This placement is considered a non-traditional career for the particular individual. Young adults eligible for services typically require intensive case management and wrap-around support from multiple programs. The case managers assigned to the Youth program regularly collaborate with other agencies such as Acres of Hope, Koinonia, Unity Care, Compassion Planet, Department of Rehabilitation, and the Sierra College Foundation.

PRACTICES WITH PROMISE

Cross Training Presentations for Staff: Over the past two months agency staff and colocated partners have participated in scheduled training events designed to improve their understanding of other organizations and the services available within the local workforce development area. These presentations allow front line staff to meet the front line staff from other agencies, which improves the customer referral process. Health and Human Services (CalWORKs and CalFresh), AARP, the Sierra College Foundation, and the Department of Child Support Services delivered presentations and provided informational materials for the job center. This promising practice will continue with a half-day training event on 03/15/2019, scheduled by the one-stop operator.

CHALLENGES/BARRIERS

The job centers in the local area are open to the public Monday - Friday. Staffing is provided by Golden Sierra Job Training Agency and co-located partners such as the Employment Development Department and El Dorado County Health and Human Services. It would be ideal to have increased participation from other required one-stop partners. The Department of Rehabilitation holds office hours once per month. Placer School for Adults facilitates twice weekly workshops. Roseville Adult School facilitates a career planning workshop once per month. AARP provides interns for basic administrative and customer service support. The job centers would benefit from additional partners able to provide basic career services to walk-in customers.

EVENT PARTICIPATION	
Date	Event
01/09/19	Community Resource Fair (Coordinated by Placer County Probation)
01/09/19	Job Center Orientation for Unity Care (Placerville)
01/11/19	On-Site Rapid Response Orientation: TSI
01/30/19	Staff Training: Safe Zone
02/04/19	Hiring Event: WalMart
02/06/19	Staff Training: Working with Ex-Offenders
02/07/19	DEI/DEA Quarterly Meeting
02/13/19	On-Site Rapid Response Orientation: Finance of America
02/15/19	Staff Training: Nurtured Heart Training