

**GOLDEN SIERRA
WORKFORCE BOARD
EXECUTIVE COMMITTEE**

MEMORANDUM

DATE: May 19, 2022

TO: Executive Committee (EC)

FROM: Jason Buckingham, GSJTA Executive Director

SUBJ: FY 2022-2023 Agency Draft Budget

Before the Board for review is the Fiscal Year 2022-2023 Agency Draft Budget. The draft budget has been developed based on estimated allocation awards for the Workforce Innovation and Opportunity Act (WIOA) 2022-2023 funding stream as well as related workforce development grants operated by Golden Sierra Job Training Agency. The budget utilizes a priority-based model, approved by the Governing Body, intended to meet the requirements of the awarded grants while funding Agency debt obligations.

Fiscal Year 2022-2023 Agency Draft Budget will be provided to the board and posted on the website no later than May 18, 2022 for review.

Budget Introduction and Overview

Golden Sierra Job Training Agency is a Joint Powers Authority (JPA) organized between the counties of Placer, El Dorado and Alpine. The Agency's annual source of funds is the Title 1 award from the *Workforce Innovation and Opportunity Act (WIOA)*. Additionally, the Agency administers miscellaneous grants and awards that complement the WIOA Title 1 objectives and the stated purpose of the JPA.

Approach in Developing the Draft Budget for Fiscal Year 2022/2023

The model used to develop the Consortium's annual budget is the Priority Based Budget model. The goal is to develop a budget based on the relationship between program funding levels and expected results from that program. The objectives are to retain cost-efficient and effective ways to meet the requirements of WIOA while providing quality services to participants and meeting the debt obligations of the Agency.

The Fiscal Year 2022/2023 Final Budget:

The funding used to develop the budget estimates rollover funding from WIOA Title 1 formula fund allocations, as well as estimation of the new WIOA allocation. Other programs to be administered by the Agency are categorized as Non-Allocation grants. These grants have been awarded via competitive processes. The largest of which include the SB1 High Road Training Project being awarded by the California Workforce Development Board. This funding is being administered by Golden Sierra on behalf of the Capital Region Workforce Boards including SETA, and Yolo County. Additional non-allocation funding includes funding related to fire recovery within the Golden Sierra region, expansion of the agency's virtual footprint, technology supports for clients, and California's High Road Construction Careers, California Climate Investments Initiative.

The Prison to Employment implementation grant, the Disability Employment Accelerator grant, and the Pandemic Assistance Grants have concluded

The budget meets mandated funding requirements as follows:

20% of the Adult and Dislocated Worker funding will support *Direct Training* with a planned assumption of 10% leverage in order to meet the full requirement of 30% with a 20/10 ratio of WIOA cash/leverage.

20% of the Youth funding is earmarked to meet the *Youth Work Based Learning (WBL)* requirement as outlined in the WIOA Title I award. To clarify, *Work Based Learning* only includes a participant's enrollment in employment related training such as an On-The-Job Training (OJT) or Work Experience (WEX). It does not include classroom training. Seventy percent of the earmarked WBL funding is planned to support career services for eligible WBL participants in the program.

The remaining cost objectives required of the Title I funding is to maintain a minimum of one *Comprehensive - America's Job Center (AJCC)* in the *Local Area*, strategically utilizing financial resources to meet the debt service required payments for the liabilities of the JPA, and participating in the continued development of both local and regional Workforce Systems.

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Additional Notes

Note:

- It is important to understand that this budget is being presented with a broad number of assumptions. At this time the agency has received no information related to local allocation planning figures.
- Draft revenues assume flat funding from the 2021/2022 to 2022/2023
- The draft budget presentation incorporates an assumption that carry-over from the previous program year must be no more than 20% plus encumbrances.
- Rapid Response and Layoff Aversion allocations assume no carry-over from 2021/2022 to 2022/2023
- The Agency has been able to identify reductions in Professional Services as well as Services and Supplies from FY 2021/2022 Final Budget Mod 2 to FY 2022/2023 Draft Budget.
- The Draft assumption for funding SLT/Alpine region remains flat at \$100,000
- Included in the budget is a transfer of 70% of the Dislocated Worker funding to the Adult funding stream. The law allows a 100% transfer which increases access to funds for participants and eases eligibility documentation for the community.
- Overall pension costs have risen slightly however, the draft budget does not include an Additional Discretionary Payment of \$150,000 at this time
- Staffing costs have increased in order to accommodate cross training for planned staff exits, and retirements.
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<i>Description of Schedules</i>		
<u>Schedule 1</u>	<u>Consortium Final 21/22 to Draft 22/23 Budget</u>	Schedule is based on rollover funding, non-allocation carry over, and new awards. Expenditures have been adjusted based on anticipated costs, WIOA spending requirements, and pension debt service requirements and shows a comparison of FY21/22 Final Budget to the proposed Draft Budget for FY22/23
<u>Schedule 2</u>	<u>Consortium Cost Center Detail</u>	
	Consortium Administration:	Includes fiscal management, procurement, and human resource functions.
	Consortium Program Operations:	Includes program oversight and technical assistance to member counties. Staff and consultants have expertise in ADA/EO compliance, program monitoring, WIOA continual refinement, and database management.
	Consortium Rapid Response and Layoff Aversion:	Includes activities related to business outreach, workshop facilitation, and labor exchange. Staff have expertise in helping affected employees return to work as quickly as possible following a layoff and developing early-warning systems to prevent layoffs altogether.
	Consortium Comprehensive One-Stop:	Includes the physical location and related operating expenses of the required job center that offers universal access and comprehensive employment-related programs and services.
	El Dorado County Career and Training Services:	Includes PY 21/22 carry-in funds and PY22/23 WIOA funding to be administered by the Agency.
	Placer County Career and Training Services:	Includes PY 21/22 carry-in funds and PY 22/23 WIOA funding to be administered by the Agency.
	South Lake Tahoe / Alpine County Career and Training Services:	Includes balance of contract for PY 21/22 and Planned PY 22/23 WIOA funding awarded to SLT/Alpine Co region

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Non-Allocation Career and Training Services:	<p><u>Cost Centers listed here are non-routine in nature managed by the Agency:</u></p> <p><u>CAREER Grant</u> - Comprehensive and Accessible Reemployment through Equitable Employment Recovery.</p> <p>: <u>Ticket to Work</u> – Funds received through the Ticket to Work program for successfully assisting Persons with Disabilities (PWD) find gainful, and long-term employment.</p> <p><u>Tamarack and Caldor Additional Assistance Funds</u>: Provide assistance to those dislocated workers in the River, Bridge, Tamarack, and Caldor fire regions.</p>
Regional Grants	<p>HRCC: SB1 – High Road Training Project</p> <p>HRCC: CCI – California Climate Investments</p>
Board Initiatives	Not funded at draft
Surplus Funds	<u>Surplus funds, if available, represent discretionary funding for allocation by the Governing Body and are generally used to reduce pension liabilities.</u>

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L i n e #		A		B		C		B/A		
		Consortium Fiscal Year 2021/2022		Consortium Fiscal Year 2022/2023		Column A less Column B Change Between Final Budget Mod 2 to 2022/2023 Draft Budget		Percent Change from Final Budget Mod 2 to 2022/2023 Draft Budget		
		Final Budget Mod 2	% of Total Funding	Draft Budget	% of Total Funding					
Funding Sources:										
1	Carry-In WIOA Allocation	\$ 1,198,386	16.45%	\$ 1,025,468	18.25%	\$ (172,918)	-14.43%	SOURCES		
2	Awarded WIOA Allocations	\$ 2,637,999	36.21%	\$ 2,620,014	46.63%	\$ (17,985)	-0.68%			
3	Carry-In RR/LA	\$ 122,505	1.68%	\$ -	0.00%	\$ (122,505)	-100.00%			
4	Awarded Rapid Response Funds	\$ 210,221	2.89%	\$ 210,221	3.74%	\$ -	0.00%			
5	Awarded Layoff Aversion Funds	\$ 62,847	0.86%	\$ 62,847	1.12%	\$ -	0.00%			
6	Non Allocation Awards Carried In	\$ 2,197,724	30.17%	\$ 1,699,826	30.25%	\$ (497,898)	-22.66%			
7	Non-Allocation Awards (New)	\$ 854,794	11.73%	\$ -	0.00%	\$ (854,794)	-100.00%			
8	Total Funding Sources PY 23	\$ 7,284,476		\$ 5,618,376		\$ (1,666,100)	-22.87%			
Expenditures:										
9	Retiree Benefits	\$ 682,300	9.37%	\$ 562,975	10.02%	\$ (119,325)	-17.49%	EXPENDITURES		
10	Salaries and Benefits	\$ 1,448,414	19.88%	\$ 1,563,052	27.82%	\$ 114,638	7.91%			
11	Services and Supplies	\$ 453,419	6.22%	\$ 393,172	7.00%	\$ (60,247)	-13.29%			
12	Professional Services	\$ 157,190	2.16%	\$ 141,840	2.52%	\$ (15,350)	-9.77%			
13	Salaries, Services, and Supplies Total	\$ 2,741,323	37.63%	\$ 2,661,039	47.36%	\$ (80,284)	-2.93%			
Career & Training Services										
14	Placer County	\$ 431,928	5.93%	\$ 450,801	8.02%	\$ 18,873	4.37%	DIRECT CLIENT EXPENDITURES		
15	El Dorado County	355,130	4.88%	366,679	6.53%	11,549	3.25%			
16	SLT & Alpine County	200,000	2.75%	245,635	4.37%	45,635	22.82%			
17	Non Allocation Carried in From Prev FY	292,817	4.02%	167,200	2.98%	(125,617)	-42.90%			
18	Non-Allocation Awards (New)	85,000	1.17%	-	0.00%	(85,000)	-100.00%			
19	Regional Contracts	1,528,041	20.98%	807,554	14.37%	(720,487)	-47.15%			
20	Career & Training Services Total	\$ 2,892,916	39.71%	\$ 2,037,869	36.27%	\$ (855,047)	-29.56%			
21	Board Initiatives	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%	WORKFORCE BOARD EXPENDITURES		
22	Non allocation Carry-out to New FY	673,940	9.25%	187,949	3.35%	(485,991)	-72.11%	CARRYOUT		
23	Allocation carry-out to New FY	\$ 976,297	13.40%	\$ 731,519	13.02%	(244,778)	-25.07%			
24	Carry-out to PY 23 Total	\$ 1,650,237	22.65%	\$ 919,468	16.37%	(730,769)	-44.28%			
25	TOTAL EXPENDITURES	\$ 7,284,476		\$ 5,618,376		\$ (1,666,100)	-22.87%			
26	Net Surplus vs (Deficit)	\$ -		\$ -		\$ -		Surplus vs (Deficit)		

Surplus reflected in Draft Budget applied to
pension per direction from Governing Body

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		H	I	N	O	Q	R
		HRCC: SB1	HRCC:CCI	NDWG CAREERS	Tamarack and Caldor Wildfires AA (PG710029)	Ticket to Work	Total of all Funding Sources and Expenditures
#							
	Funding Sources:						
1	Carry-In Allocation Funds from PY 22	\$ -	\$ -				\$ 1,025,468
2	Allocation Awards PY 23	\$ -	\$ -				\$ 2,620,014
3	Carry-In Rapid Response	\$ -	\$ -				\$ -
4	Carry-LA	\$ -	\$ -				\$ -
6	Awarded Rapid Response Funds PY 23	\$ -	\$ -				\$ 210,221
7	Awarded Layoff Aversion Funds PY 23	\$ -	\$ -				\$ 62,847
	Carry-In Non-Allocation from PY 22	\$ 810,992	\$ 211,578	\$ 111,813	\$ 378,539	\$ 186,904	\$ 1,699,826
8	Actual Non-Allocation Awards PY 23			\$ -			\$ -
9	Total Funding Sources	\$ 810,992	\$ 211,578	\$ 111,813	\$ 378,539	\$ 186,904	\$ 5,618,376
	Expenditures:						
	Consortium Operations:						
10	Retiree Benefits	\$ -	\$ -				\$ 562,975
11	Salaries and Benefits	\$ 84,465	\$ 11,025	\$ 11,768	\$ 168,000		\$ 1,563,052
12	Services and Supplies	\$ 5,769	\$ 6,557	\$ 39,000	\$ 28,000		\$ 393,172
13	Professional Services	\$ -	\$ -				\$ 141,840
14	Consortium Operations Total	\$ 90,234	\$ 17,582	\$ 50,768	\$ 196,000		\$ 2,661,039
	Career & Training Services						
	Program Year 2021/2022 WIOA/Other - Rebudget						
15	Non-Allocation Awards	\$ 107,200		\$ 60,000	\$ -		\$ 167,200
16	Placer County	-	-		\$ 45,634		\$ 225,508
17	El Dorado County	-	-		\$ 91,270		\$ 232,230
18	SLT and Alpine County	-	-		\$ 45,635		\$ 145,635
	Program Year 2022/2023 WIOA/Other						
19	Non-Allocation Awards	-	-				\$ -
20	Placer County	-	-		\$ -		\$ 225,293
21	El Dorado County	\$ -	-		\$ -		\$ 134,449
22	SLT and Alpine County	-	-		\$ -		\$ 100,000
	Regional Contracts	613,558	193,996				\$ 807,554
23	Career & Training Services Total	\$ 720,758	\$ 193,996	\$ 60,000	\$ 182,539	\$ -	\$ 2,037,869
24	Board Initiatives	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
25	PY23 Award Expend in Second Year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 731,519
26	Future Year Expend Non-Allocation	\$ -	\$ -	\$ 1,045	\$ -	\$ 186,904	\$ 187,949
27	PY 22/23 WIOA Additional Pension Support (ADP)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
28	TOTAL EXPENDITURES	\$ 810,992	\$ 211,578	\$ 111,813	\$ 378,539	\$ 186,904	\$ 5,618,376
29	Net Income/(Loss)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -