



GOLDEN SIERRA JOB TRAINING AGENCY

**Audited Financial Statements and
Single Audit Report and Schedules**

For the Fiscal Year Ended June 30, 2025

Focused
on YOU



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GOLDEN SIERRA JOB TRAINING AGENCY
Table of Contents
For the Fiscal Year Ended June 30, 2025

	Page(s)
Independent Auditors' Report	1-3
Management's Discussion and Analysis.....	4-11
Basic Financial Statements:	
Government-Wide Financial Statements:	
Statement of Net Position	15
Statement of Activities	16
Governmental Fund Financial Statements:	
Balance Sheet.....	17
Statement of Revenues, Expenditures and Changes in Fund Balance	18
Notes to the Basic Financial Statements	19-34
Required Supplementary Information:	
Schedule of Revenues, Expenditures and Changes in Fund Balance –Budget and Actual	37
Schedule of Agency's Proportionate Share of Plan's Net Pension Liability and Related Ratios ..	38
Schedule of Agency's Pension Plan Contributions	39
Schedule of Agency's Changes in Net OPEB Liability and Related Ratios.....	40-41
Schedule of Agency's OPEB Contributions	42
Note to the Required Supplementary Information	43
Single Audit Section:	
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 <i>Government Auditing Standards</i>	47-48
Independent Auditors' Report on Compliance for Each Major Federal Program and on Internal Control over Compliance Required by the Uniform Guidance	49-51
Schedule of Expenditures of Federal Awards.....	52
Notes to the Schedule of Expenditures of Federal Awards	53
Schedule of Findings and Questioned Costs:	
I. Summary of Auditors' Results	54
II. Financial Statement Findings	55
III. Federal Award Findings and Questioned Costs.....	55

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INDEPENDENT AUDITORS' REPORT

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

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities and the general fund of the Golden Sierra Job Training Agency, (hereafter, the Agency) as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Agency's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the general fund of the Agency as of June 30, 2025, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Agency and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery,



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

intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, and required pension and other post-employment benefits schedules as listed on the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with 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.

Supplementary 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 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.



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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated February 23, 2026, 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.

LSL, LLP

Sacramento, California
February 23, 2026

**GOLDEN SIERRA JOB TRAINING AGENCY
Management’s Discussion and Analysis
For the Fiscal Year Ended June 30, 2025**

The following discussion and analysis of the Golden Sierra Job Training Agency’s (the Agency) financial performance provides an overview of financial activities for the fiscal year ended June 30, 2025. This information is presented in conjunction with the audited financial statements and the accompanying notes that follow this section.

Financial Highlights

- The Agency was awarded \$1,165,665 from the California Workforce Development Board to administer the Prison to Employment (P2E 2.0) Regional Partnership grant. The Agency budgeted to begin expending these state funds in fiscal year 2022-2023; however, \$601,018 was re-budgeted to expend in fiscal year 2024-2025. The P2E 2.0 initiative supports regional planning efforts and provides direct services to formerly incarcerated and justice-involved individuals.
- The Agency was awarded \$1,550,000 from the California Workforce Development Board to administer the Regional Equity and Recovery Partnerships (RERP) grant. The Agency budgeted to begin expending these state funds in fiscal year 2022-2023; however, \$990,438 was re-budgeted to expend in fiscal year 2024-2025. The RERP initiative supports regional planning efforts and partnership coordination between workforce development boards, community college, and employers.
- The Agency was awarded \$92,000 from Sierra Joint Community College District to administer additional RERP funding. The Agency budgeted to begin expending these state funds in fiscal year 2023-2024; however, \$56,755 was re-budgeted to expend in fiscal year 2024-2025.
- The Agency was awarded \$464,276 from the Foundation for California Community Colleges to administer the Student Training and Employment Program (STEP). The Agency budgeted to begin expending these Workforce Innovation and Opportunity Act (WIOA) Title IV funds in fiscal year 2023-2024; however, \$365,781 was re-budgeted to expend in fiscal year 2024-2025. In January 2025, the Agency received an additional award in the amount of \$358,938. This modification brought the total contract to \$823,213. STEP supports job readiness training and work-based learning opportunities for students with disabilities.
- California Workforce Services Directive 18-10 requires Local Boards to spend at least 30 percent of their Adult and Dislocated Worker formula funds on training services. Per SB 734, Local Boards are allowed the use of leveraged funds to receive a credit of up to 10 percent toward meeting their training expenditure requirement. The Agency met this state-imposed requirement by spending \$377,933 on training activities and collecting \$159,605 in leverage.

Program Year Funding and Training Expenditures	
	Amount
1. Adult and Dislocated Worker Formula Fund Allocations	\$1,791,792
2. Training Expenditure Requirement	537,538
3. Formula Fund Training Expenditures	377,933
4a. Leveraged Resources used for Training	159,605
4b. Leveraged Resources used for Supportive Services	-
5. Total amount spent on Training and Supportive Services	537,538

- The Agency’s General Fund reported a fund balance of \$275,776, which is an increase of \$11,855 from the prior year.

GOLDEN SIERRA JOB TRAINING AGENCY Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2025

- Presented in the Agency's statement of net position are three long-term liabilities. They are the lease liability for \$23,062, accrued compensated absences in the amount of \$131,042, and net pension liability of \$5,189,857 as of June 30, 2025. 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. The Agency has been making Additional Discretionary Payments (ADP) in order to reduce the pension liability when funding allows. During fiscal year 2024-2025, the Agency's ADP payment totaled \$150,000 to assist in mitigating pension liability. In addition, the Agency has set up a California Employer's Pension Prefunding Trust (CEPPT) administered by CalPERS. The Agency contributed \$100,000 in the CEPPT for the fiscal year ended June 30, 2025.

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 of 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 of resources, liabilities and deferred inflows of resources, 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 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 15 and 16 of this report.

Governmental 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.

GOLDEN SIERRA JOB TRAINING AGENCY
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2025

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 provide a reconciliation to facilitate this comparison between the General Fund and government-wide financial statements. The General Fund financial statements can be found on pages 17 and 18 of this report.

The Notes to the Basic Financial Statements 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 19 through 34 of this report.

Government-Wide Financial Analysis

The 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 \$3,592,372, which represented a decrease of \$128,714 in the net deficit at the close of fiscal year ended June 30, 2025. The following table presents the statement of net position as of June 30, 2025 and June 30, 2024:

Statement of Net Position

	2025	2024	Increase / (Decrease)	
			Dollar Change	Percentage Change
Current assets	\$ 557,197	\$ 516,585	\$ 40,612	8%
Restricted cash and investments	101,175	-	101,175	N/A
Net OPEB asset	290,775	90,309	200,466	222%
Capital assets, net	116,173	31,030	85,143	274%
Total assets	<u>1,065,320</u>	<u>637,924</u>	<u>427,396</u>	67%
Deferred outflows of resources	<u>1,822,705</u>	<u>2,513,731</u>	<u>(691,026)</u>	-27%
Current liabilities	487,920	277,816	210,104	76%
Long-term lease liability	23,062	-	23,062	N/A
Long-term compensated absences	131,042	90,617	40,425	45%
Net pension liability	<u>5,189,857</u>	<u>5,444,631</u>	<u>(254,774)</u>	-5%
Total liabilities	<u>5,831,881</u>	<u>5,813,064</u>	<u>18,817</u>	0%
Deferred inflows of resources	<u>648,516</u>	<u>1,059,677</u>	<u>(411,161)</u>	-39%
Net investment in capital assets	2,347	15,946	(13,599)	-85%
Restricted for pension prefunding	101,175	-	101,175	N/A
Restricted for net OPEB asset	290,775	90,309	200,466	222%
Unrestricted	<u>(3,986,669)</u>	<u>(3,827,341)</u>	<u>(159,328)</u>	4%
Total net deficit	<u>\$ (3,592,372)</u>	<u>\$ (3,721,086)</u>	<u>\$ 128,714</u>	-3%

GOLDEN SIERRA JOB TRAINING AGENCY
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2025

The increase in current assets of \$40,612 or 8% was mainly due to the increase in due from other governments resulting from the timing of receiving the federal funding. The increase in restricted cash and investment of \$101,175 was due to the Agency contributed to the California Employers' Pension Prefunding Trust (CEPPT), which is a multiple employer tax exempt Trust organized under Section 115 of the Internal Revenue Code. The increase in net capital assets of \$85,143 or 274% was mainly due to the addition of a new lease asset for office space in fiscal year ended 2025, offset by current year depreciation/amortization.

The Net OPEB asset increased by \$200,466 or 222%, and the related decreases in deferred outflows of resources by \$140,346 or 66%, and in deferred inflows of resources by \$78,608 or 31%, which was mainly due to changes in actuarial assumptions, the discount rate assumption changed from 5.79% to 6.10%, the healthcare trend rates and mortality tables were updated, and favorable asset returns, which resulted in higher than expected investment returns.

The increase in current liabilities of \$210,104 or 76% was mainly due to the increase in current lease liability of \$75,680 or 502% due to a new lease liability for office space, and the increase in unearned revenue of \$99,256 or 13341% resulting from the Agency's contributions to the CEPPT.

The decreases in net pension liability of \$254,774 or 5% and the related decreases in deferred outflows of resources by \$550,680 or 24%, and in deferred inflows of resources by \$332,553 or 41%, were mainly due to higher than expected investment returns.

The following table presents the statement of activities for the fiscal years ended June 30, 2025 and 2024:

Statement of Activities				
	<u>2025</u>	<u>2024</u>	<u>Increase / (Decrease)</u>	
			<u>Dollar Change</u>	<u>Percentage Change</u>
Revenues:				
Program revenues:				
Operating grants and contributions	\$ 4,530,700	\$ 4,577,142	\$ (46,442)	-1%
General revenues:				
Investment income (loss)	1,198	6,770	(5,572)	-82%
Miscellaneous	-	26	(26)	-100%
Total revenues	<u>4,531,898</u>	<u>4,583,938</u>	<u>(52,040)</u>	-1%
Expenses:				
Program expenses - job training	<u>4,403,184</u>	<u>4,405,356</u>	<u>(2,172)</u>	0%
Change in net position	128,714	178,582	(49,868)	-28%
Net deficit, beginning of year	<u>(3,721,086)</u>	<u>(3,899,668)</u>	<u>178,582</u>	-5%
Net deficit, end of year	<u>\$ (3,592,372)</u>	<u>\$ (3,721,086)</u>	<u>\$ 128,714</u>	-3%

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.

GOLDEN SIERRA JOB TRAINING AGENCY
Management’s Discussion and Analysis
For the Fiscal Year Ended June 30, 2025

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.

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 June 30, 2025, the Agency’s General Fund reported an ending fund balance of \$275,776.

Revenues by source
General Fund
For the Years Ended June 30, 2025 and 2024

	<u>2025</u>	<u>2024</u>	<u>Increase / (Decrease)</u>	
			<u>Dollar Change</u>	<u>Percentage Change</u>
Federal	\$ 3,446,557	\$ 3,506,596	\$ (60,039)	-2%
State	1,084,143	1,070,546	13,597	1%
Investment income (loss)	1,198	6,770	(5,572)	-82%
Miscellaneous	-	26	(26)	-100%
	<u>\$ 4,531,898</u>	<u>\$ 4,583,938</u>	<u>\$ (52,040)</u>	

Federal revenue decreased by \$60,039 or 2% mainly due to variations in the economic conditions that affect the formula used to disburse the funds (e.g., unemployment rates, number of low-income individuals, and job loss from mass layoff data). State revenue increased by \$13,597 or 1% mainly due to receiving additional awards from state-funded sources. The decrease in investment income of \$5,572 or 82% was mainly due to the Agency was charged with investment expenditures for maintaining a negative cash balance in Placer County’s treasurer investment pool, the negative cash balance increased compared to the prior fiscal year.

GOLDEN SIERRA JOB TRAINING AGENCY
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2025

Expenditures by function
General Fund
For the Years Ended June 30, 2025 and 2024

	2025	2024	Increase / (Decrease)	
			Dollar Change	Percentage Change
Current - Education:				
Salaries and employee benefits	\$ 2,401,468	\$ 2,414,705	\$ (13,237)	-1%
Training and support services	1,748,999	1,812,351	(63,352)	-3%
Service and supplies	278,943	243,880	35,063	14%
Debt Service:				
Principal	89,832	102,415	(12,583)	-12%
Interest and fiscal charges	801	1,719	(918)	-53%
Capital outlay	188,573	115,895	72,678	63%
Total expenditures	<u>\$ 4,708,616</u>	<u>\$ 4,690,965</u>	<u>\$ 17,651</u>	

During the fiscal year ended June 30, 2025, training and support services decreased by \$63,352 or 3% mainly due to the slight reduction in WIOA funding for such services, and services and supplies increased by \$35,063 or 14% mainly due to a contract with a new Information Technology vendor. The increase in capital outlay of \$72,678 or 63% was mainly due to a new office lease asset, which was offset by the increase in lease proceeds of \$188,573.

Analysis of General Fund Budget

As presented on page 37, the schedule of revenues, expenditures and changes in fund balance - budget and actual denotes significant variances from the final budget to actual amounts. The annual budget is adopted on a modified accrual basis including encumbrances to reflect estimated revenues and expenditures. The difference between final budget and actual amounts for the fiscal year ended June 30, 2025, is explained by grant funding being awarded for multiple fiscal terms. Full grant awards are reflected in the budget with the remaining unspent variance reappropriated to the future fiscal years.

Capital Assets

Golden Sierra's net investment in capital assets as of June 30, 2025, was \$2,347. This net investment in capital assets represents building and improvements, equipment, subscription and lease assets, net of accumulated depreciation/amortization and related lease liability. The change in capital assets during the current year was primarily due to the addition of lease asset, offset by depreciation and amortization expenses. Refer to Note 3 to the basic financial statements for capital asset details.

Long-Term Liabilities

Long-term liabilities, including current balances, relate to lease liability, compensated absences, and net pension liability, which totaled \$113,826, \$145,602 and \$5,189,857, respectively, as of June 30, 2025. Refer to Notes 4 and 5 to the basic financial statements for details.

GOLDEN SIERRA JOB TRAINING AGENCY
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2025

Economic Factors and Next Year's Budget and Rates

The following factors were considered while preparing the Agency's budget for fiscal year 2025-2026:

- Re-budget prior year-end balance of \$858,517 of WIOA allocated funding for active contracts and earmarked funding for direct training, participant services, operations, and administration from fiscal year ended June 30, 2025. An additional amount of \$62,874 will be re-budgeted from Rapid Response and Layoff Aversion as the required spend date was extended. Furthermore, \$985,809 from non-allocation sources will be re-budgeted in fiscal year 2025-2026.
- Provide sufficient resources to meet State and Federally mandated requirements:
 - *State Required:* 20% of Adult and Dislocated Worker funding from the Workforce Innovation and Opportunity Act (WIOA) 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 as allowable by Workforce Services Directive 18-10.
 - *Federally Required:* 20% of Youth funding (less 10% administration) is earmarked to meet the Youth Work Based Learning (WBL) requirement as outlined in the WIOA Title I award. The Agency will also maintain a *Comprehensive One-Stop Center* and a *One-Stop Operator* while strategically utilizing financial resources to meet obligations of the JPA and leading and participating in the continued development of both the local and regional *Workforce Systems*.
 - *Allowable:* WIOA allows up to 100% of the Dislocated Worker funding award to be transferred to the Adult funding stream. For fiscal year 2025-2026, the Agency will budget a 75% transfer of these funds in order to ease access for those seeking assistance, as documentation for the Adult funding is less onerous, and all Dislocated Workers will also qualify for Adult funds.
- The Agency continues to act as the regional administrator for several state funded opportunities on behalf of the Capital Region Planning Unit. This includes the RERP and P2E 2.0 grants. We expect to re-budget \$329,778 and \$234,286, respectively, for fiscal year 2025-2026.
- The Agency will continue to administer STEP and expects to receive a third round of funding in the amount of \$443,086 by January 2026.
- 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 Agency is maintaining the strategy of utilizing 10% allowable administrative funding and 20% program funding in the second year of the award periods.
- The Agency budgeted \$150,000 to support a pension ADP.
- The Agency anticipated an increase in salaries and benefits related to the collective bargaining process.

GOLDEN SIERRA JOB TRAINING AGENCY
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2025

- The Agency will continue to apply for funding opportunities from federal and state sources as they present themselves.

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, Executive Director, at 115 Ascot Drive, Suite 140, Roseville, California 95661.

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Basic Financial Statements

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GOLDEN SIERRA JOB TRAINING AGENCY
Statement of Net Position
June 30, 2025

Assets

Due from other governments	\$ 549,779
Prepaid items	7,418
Restricted cash and investments	101,175
Net OPEB asset	290,775
Capital assets:	
Building and equipment	2,347
Leases and SBITAs	113,826
Capital assets, net	<u>116,173</u>
Total assets	<u>1,065,320</u>

Deferred Outflows of Resources

Deferred outflows related to pension	1,750,451
Deferred outflows related to OPEB	72,254
Total deferred outflows of resources	<u>1,822,705</u>

Liabilities

Accounts payable	75,157
Salaries and wages payable	54,547
Due to County of Placer	108,014
Due to other governments	44,878
Unearned revenue	100,000
Lease liability due within one year	90,764
Compensated absences due within one year	14,560
Noncurrent liabilities:	
Lease liability	23,062
Compensated absences	131,042
Net pension liability	<u>5,189,857</u>
Total liabilities	<u>5,831,881</u>

Deferred Inflows of Resources

Deferred inflows related to pension	470,211
Deferred inflows related to OPEB	178,305
Total deferred inflows of resources	<u>648,516</u>

Net Position (Deficit)

Net investment in capital assets	2,347
Restricted for pension prefunding	101,175
Restricted for net OPEB asset	290,775
Unrestricted	<u>(3,986,669)</u>
Total net deficit	<u>\$ (3,592,372)</u>

The notes to the basic financial statements are an integral part of this statement.

GOLDEN SIERRA JOB TRAINING AGENCY
Statement of Activities
For the Fiscal Year Ended June 30, 2025

		<u>Program Revenues</u>	<u>Net (Expense) Revenue and Changes in Net Position</u>
<u>Governmental Activities</u>	<u>Expenses</u>	<u>Operating Grants and Contributions</u>	<u>Governmental Activities</u>
Job training	\$ 4,403,184	\$ 4,530,700	\$ 127,516
	General revenues:		
	Investment income (loss)		1,198
	Change in net position		128,714
	Net deficit, beginning of year		(3,721,086)
	Net deficit, end of year		\$ (3,592,372)

The notes to the basic financial statements are an integral part of this statement.

GOLDEN SIERRA JOB TRAINING AGENCY
Balance Sheet
June 30, 2025

Assets

Restricted cash and investments	\$	101,175
Due from other governments		549,779
Prepaid items		7,418
Total assets	\$	658,372

Liabilities and Fund Balance

Liabilities:

Accounts payable	\$	75,157
Salaries and wages payable		54,547
Due to County of Placer		108,014
Due to other governments		44,878
Unearned revenue		100,000
Total liabilities		382,596

Fund balance:

Nonspendable for prepaid items		7,418
Restricted for pension prefunding		101,175
Unassigned		167,183
Total fund balance		275,776
Total liabilities and fund balance	\$	658,372

Reconciliation of the Balance Sheet to the Statement of Net Position

Fund balance	\$	275,776
Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the general fund.		116,173
Net OPEB asset reported in governmental activities are not current financial resources and, therefore, are not reported in the general fund.		290,775
Deferred outflows of resources related to pensions		1,750,451
Deferred outflows of resources related to OPEB		72,254
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the general fund.		
Lease liability		(113,826)
Compensated absences		(145,602)
Net pension liability		(5,189,857)
Deferred inflows of resources related to pensions		(470,211)
Deferred inflows of resources related to OPEB		(178,305)
Net position of governmental activities	\$	(3,592,372)

The notes to the basic financial statements are an integral part of this statement.

GOLDEN SIERRA JOB TRAINING AGENCY
Statement of Revenues, Expenditures and Changes in Fund Balance
For the Fiscal Year Ended June 30, 2025

Revenues

Intergovernmental:	
Federal	\$ 3,446,557
State	1,084,143
Investment income (loss)	1,198
Total revenues	<u>4,531,898</u>

Expenditures

Current:	
Education:	
Salaries and employee benefits	2,401,468
Training and support services	1,748,999
Services and supplies	278,943
Debt service:	
Principal	89,832
Interest and fiscal charges	801
Capital outlay	188,573
Total expenditures	<u>4,708,616</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(176,718)</u>

Other financing sources (uses)

Leases issued (as lessee)	188,573
Total other financing sources (uses)	<u>188,573</u>

Net change in fund balance 11,855

Fund balance, beginning of year	263,921
Fund balance, end of year	<u>\$ 275,776</u>

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balance to the Statement of Activities

Changes in fund balance from above \$ 11,855

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/amortization expense:

Capital outlay	188,573
Depreciation and amortization expense	(103,429)

Amortization and expense of deferred outflows on pensions and OPEB (691,028)

Amortization and expense of deferred inflows on pensions and OPEB 411,161

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 lease liability	(98,741)
Change in compensated absences	(44,917)
Change in net pension liability	254,774
Change in net OPEB liability	200,466
Change in net position	<u>\$ 128,714</u>

The notes to the basic financial statements are an integral part of this statement.

GOLDEN SIERRA JOB TRAINING AGENCY
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2025

Note 1 – 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 and state governments. The Agency's 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 Governmental Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all 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 are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. The Agency's program revenues include operating 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 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 180 days of the end of the current fiscal 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 and debt service (i.e., lease liability) are recorded only when payment is due.

GOLDEN SIERRA JOB TRAINING AGENCY
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2025

Note 1 – Organization and Summary of Significant Accounting Policies (Continued)

Cash and Investments

The Agency maintains cash in the Placer County Treasury where it is pooled with other County funds, special districts and joint power authorities. The County Treasurer's investment pool is subject to oversight by the Treasurer's Review Panel.

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 approximates the fair value of the Agency's position in the pool. The County's Annual Comprehensive Financial Report (ACFR), containing information relating to the County's pooled investments by risk category, can be obtained from the County Auditor-Controller's Office.

Restricted Cash and Investments

The agency participates in the California Employers' Pension Prefunding Trust (CEPPT), a multiple employer tax exempt Trust organized under Section 115 of the Internal Revenue Code, administered by the California Public Employees' Retirement System. The CEPPT is dedicated to prefund the employer's defined benefit pension plan contributions.

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 nonspendable 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.

Due from Other Governments

These amounts represent receivables from the Federal and State agencies.

Capital Assets

Capital assets used in the Agency's operations are accounted for in the governmental-wide financial statements. Purchased capital assets are stated at cost. Donated capital assets are valued at their acquisition value on the date of donation. The Agency engages in lease agreements to meet operational needs or to serve the general public. The Agency's lease contracts relate to office space and information technology software. For short-term leases with a maximum possible term of 12 months or less at commencement, the Agency recognizes periodic revenue or expense based on the provisions of the lease contract. For all other contracts where the Agency is the lessee, the Agency recognizes intangible lease and subscription assets and the corresponding lease and subscription liabilities based on the present value of future lease payments over the contracted term of the lease. Lease and subscription assets are reported with capital assets, and lease and subscription liabilities are reported as long-term debt in the statement of net position.

The Agency follows the County's capitalization threshold of \$5,000 for equipment and \$100,000 for buildings and improvements. Subscription and lease assets' capitalization thresholds are consistent with the County's capital asset policy depending on the type of subscription and lease assets. Depreciation on capital assets is based on the straight-line method. The estimated useful life for equipment is 2 to 25 years, and for buildings and improvements is 10 to 50 years. Subscription and lease assets are amortized over the term of the lease, as the Agency is not expected to lease assets beyond the underlying asset's useful life.

GOLDEN SIERRA JOB TRAINING AGENCY
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2025

Note 1 – Organization and Summary of Significant Accounting Policies (Continued)

The Agency uses the County of Placer's estimated incremental borrowing rate as the discount rate for leases unless the rate the lessor charges is known. The County's incremental borrowing rate is an approximation of the rate the County would have to pay on a bond issuance or a lease-lease back arrangement such as a Certificate of Participation. If amendments or other certain circumstances occur that are expected to significantly affect the amount of the lease, the present value is remeasured and corresponding adjustments made. For lease contracts that include increases to rent payments related to the consumer price index (CPI), or similar indices, the available index increase is included in the present value at the commencement of the lease or upon remeasurement. Payments based on future performance are not included in the measurement of the lease liability but recognized as expense in the period performed. Residual value guarantees and exercise options are included in the measurement if they are reasonably certain to be paid or exercised.

Due to County of Placer

As of June 30, 2025, the Agency had a negative cash and investment position at the County Treasurer's investment pool, which was reported as a payable to the County of Placer's General Fund.

Deferred Outflows/Inflows of Resources

The statement of net position reports separate sections for deferred outflows of resources and deferred inflows of resources. These separate financial statement elements represent a consumption of net assets that applies to future periods and so will not be recognized as an expense/expenditure until then, and an acquisition of net assets that applies to future periods and so will not be recognized as revenue until that time. The Agency records deferred outflows of resources and deferred inflows of resources related to pensions and OPEB.

Pensions

For purposes of measuring the net pension liability, deferred outflow/inflows 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 (Plan) participating in the California Public Employees' Retirement System (CalPERS) and additions to/deductions from the Plan's 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/(asset), deferred outflows/inflows of resources related to OPEB, and OPEB expense/(credit), information about the fiduciary net position of the Agency's OPEB Plan and additions to/deductions from the 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 amortized cost.

Compensated Absences

All regular employees of the Agency earn vacation hours each pay period at the rates based upon the years of continuous service and the bargaining unit to which the employee belongs.

GOLDEN SIERRA JOB TRAINING AGENCY
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2025

Note 1 – Organization and Summary of Significant Accounting Policies (Continued)

The Agency recognizes a liability for compensated absences for leave time that 1) has been earned for services previously rendered by employees, 2) accumulates and is allowed to be carried over to subsequent years, and 3) is more likely than not to be used as time off or settled (paid in cash or payment to an employee's flex spending account) during or upon separation from employment. The compensated absences liability is calculated based on the number of vacation hours, management leave, holiday credit, and floating holiday hours accrued multiplied by the employee's hourly rate of pay including estimated employer-related taxes. 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 one-half of all sick leave accumulated over 192 hours to a maximum of \$2,000. Upon retirement, employees are entitled to retirement credits from CalPERS for unused sick leave based on a specified formula.

Long-term Liabilities

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the statement of net position. In the governmental fund financial statements, long-term debt proceeds are reported as other financing sources. Principal and interest are reported as expenditures in the period in which the related payments are made.

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 follows:

- *Net Investment in Capital Assets* – This category groups all capital assets, including leased assets, into one component of net position. Accumulated depreciation/amortization 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.
- *Restricted for pension and OPEB* – This category consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. This category represents external restrictions for pension prefunding and net OPEB asset.
- *Unrestricted* – This category represents the net position of the Agency that is not restricted for any project or other purpose.

It is the Agency's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

Fund Balance

In the fund financial statements, the governmental fund reports fund balance as nonspendable, restricted and 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.

GOLDEN SIERRA JOB TRAINING AGENCY
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2025

Note 1 – Organization and Summary of Significant Accounting Policies (Continued)

- *Restricted fund balance* – Amounts that can be spent only for the specific purposes stipulated by external resource providers, constitutionally or through enabling legislation. Restrictions may effectively be changed or lifted only with the consent of resource providers.
- *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. It is the Agency's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance.

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.

Current Governmental Accounting Standards Board (GASB) Pronouncement

The Agency adopted GASB Statement No. 102, Certain Risk Disclosures, effective fiscal year ended June 30, 2025. The objective of this Statement is to provide users of government financial statements with information about risks related to a government's vulnerabilities due to certain concentrations or constraints that are essential to their analyses for making decisions or assessing accountability. The implementation of this Statement does not have an impact on the Agency's financial statements for the fiscal year ended June 30, 2025.

Note 2 – Restricted Cash and Investments

The Agency contributed to the California Employers' Pension Prefunding Trust (CEPPT) Fund administered by CalPERS. CEPPT is a multiple employer tax exempt Trust organized under Section 115 of the Internal Revenue Code dedicated to prefunding employer contributions to defined benefit pension systems. As of June 30, 2025, the Agency's contribution was invested in the CEPPT Strategy 2 portfolio (Portfolio). The Agency owns units of this Portfolio and the Agency's investments in the Portfolio were valued at net asset value. The Portfolio consists of global equity, fixed income, treasury inflation-protected securities, and real estate investment trusts. As of June 30, 2025, the individual fixed income security was rated by Moody's quality rating, and the weighted average maturity of the Portfolio's fixed income investments was 8.28 years.

GOLDEN SIERRA JOB TRAINING AGENCY
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2025

Note 3 – Capital Assets

The changes in capital assets for the fiscal year ended June 30, 2025, were as follows:

	<u>Balance July 1, 2024</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2025</u>
Capital assets:				
Building and improvements	\$ 63,737	\$ -	\$ -	\$ 63,737
Equipment	27,044	-	-	27,044
Subscription assets	26,620	-	-	26,620
Lease asset - office space	283,660	188,573	-	472,233
Total capital assets	<u>401,061</u>	<u>188,573</u>	<u>-</u>	<u>589,634</u>
Less accumulated depreciation/amortization:				
Building and improvements	(63,737)	-	-	(63,737)
Equipment	(21,987)	(2,710)	-	(24,697)
Subscription assets	(15,528)	(11,092)	-	(26,620)
Lease asset - office space	(268,780)	(89,627)	-	(358,407)
Total accumulated depreciation/amortization	<u>(370,032)</u>	<u>(103,429)</u>	<u>-</u>	<u>(473,461)</u>
Total capital assets, net	<u>\$ 31,029</u>	<u>\$ 85,144</u>	<u>\$ -</u>	<u>\$ 116,173</u>

Note 4 – Long-Term Liabilities

Changes in long-term liabilities for the fiscal year ended June 30, 2025, are presented below:

	<u>Balance July 1, 2024</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2025</u>	<u>Due Within One Year</u>
Lease liability	\$ 15,085	\$ 188,573	\$ (89,832)	\$ 113,826	\$ 90,764
Compensated absences	100,685	44,917 *	-	145,602	14,560
Total	<u>\$ 115,770</u>	<u>\$ 233,490</u>	<u>\$ (89,832)</u>	<u>\$ 259,428</u>	<u>\$ 105,324</u>

(*) The change in the compensated absences liability is presented as a net change.

The following table presents the lease liability principal and interest requirements to maturity:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>
2026	\$ 90,764	\$ 1,683
2027	23,062	50
Total	<u>\$ 113,826</u>	<u>\$ 1,733</u>

GOLDEN SIERRA JOB TRAINING AGENCY
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2025

Note 5 – 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 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 within the miscellaneous risk pool (Classic and PEPRA rate plans). Benefit provisions under the Plan are established by State statute and Agency resolution. CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions and membership information, and can be found on CalPERS' website.

Benefits Provided

CalPERS provides retirement and disability benefits, annual cost of living adjustments and death benefits to Plan members and their beneficiaries. Benefits are based on years of credited service, equal to one year of full-time employment. The cost-of-living adjustments for each plan are applied as specified by California Public Employees' Retirement Law (PERL).

The benefits in effect as of June 30, 2025, are summarized as follows:

	<u>Classic Rate Plan</u>	<u>PEPRA Rate Plan</u>
	Hired on or before December 31, 2012	Hired on or after 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%	1.00% - 2.00%

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 July 1 following notice of a change in the rate. The total Plan contributions are determined through CalPERS' annual actuarial valuation process. For public agency cost-sharing plans covered by the Miscellaneous and Safety 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 pools' 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 rate plans are required to contribute 7.96% and 7.75% of their annual pay, respectively. The Agency's contractually required contribution rates for the fiscal year ended June 30, 2025, for the Miscellaneous Classic and PEPRA rate plans were 14.13% and 7.87% of covered payroll, respectively, plus a payment to the Agency's unfunded accrued liability (UAL). For the fiscal year ended June 30, 2025, the Agency's contributions totaled \$729,321.

GOLDEN SIERRA JOB TRAINING AGENCY
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2025

Note 5 – Pension Plan (Continued)

As of June 30, 2025, the Agency reported \$5,189,857 for its proportionate share of the net pension liability. The net pension liability of the Plan was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2023. The Agency's proportion of the net pension liability was based on a projection of the Agency's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers in the Miscellaneous risk pool, actuarially determined. As of June 30, 2025, the Agency's proportion was 0.1073%, which was a decrease of 0.0016% from the Agency's proportion as of June 30, 2024.

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

For the fiscal year ended June 30, 2025, the Agency recognized pension credit of \$36,647. As of June 30, 2025, 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
Differences between expected and actual experience	\$ 448,711	\$ 17,508
Changes of assumptions	133,390	-
Net differences between projected and actual earnings on pension plan investments	298,774	-
Change in employer's proportion	-	450,287
Differences between employer's contributions and proportionate share of contributions	140,255	2,416
Pension contributions made subsequent to measurement date	729,321	-
Total	\$ 1,750,451	\$ 470,211

The amount of \$729,321 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 fiscal year ending June 30, 2026. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized over five years for the net differences between projected and actual investment earnings and over the expected average remaining service lifetime (EARSL) of employees for the remaining items as follows:

Fiscal Year Ending June 30,	Pension Expense Amount
2026	\$ 51,011
2027	611,290
2028	(8,996)
2029	(102,386)
Total	\$ 550,919

The EARSL for CalPERS' Public Agency Cost-Sharing Plan, Miscellaneous Risk Pool, for the measurement period ended June 30, 2024, was 3.8 years.

GOLDEN SIERRA JOB TRAINING AGENCY
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2025

Note 5 – Pension Plan (Continued)

Actuarial Assumptions

The total pension liability in the June 30, 2023, actuarial valuation, rolled forward to June 30, 2024, was determined using the following actuarial methods and assumptions:

Valuation date	June 30, 2023
Measurement date	June 30, 2024
Actuarial cost method	Entry age normal cost method
Actuarial assumptions:	
Discount rate	6.90%
Inflation	2.30%
Payroll growth	2.80%
Projected salary increase	Varies by entry age and service
Mortality rate table ¹	Derived using CalPERS' membership data for all funds
Post-retirement benefit increase	Contract COLA up to 2.30% until Purchasing Power Protection Allowance Floor on Purchasing Power applies

¹The mortality table was developed based on CalPERS-specific data. The rates incorporate Generational Mortality to capture ongoing mortality improvement using 80% of Scale MP 2020 published by the Society of Actuaries. For more details, please refer to the 2021 experience study report that can be found on the CalPERS website.

Long-Term Expected Rate of Return

In determining the long-term expected rate of return, CalPERS took into account long-term market return expectations as well as the expected pension fund cash flows. Projected returns for all asset classes are estimated and combined with risk estimates and are used to project compound (geometric) returns over the long term. The discount rate used to discount liabilities was informed by the long-term projected portfolio return.

GOLDEN SIERRA JOB TRAINING AGENCY
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2025

Note 5 – Pension Plan (Continued)

The expected real rates of return by asset class are as follows:

<u>Asset Class</u>	<u>Assumed Asset Allocation</u>	<u>Real Return Years 1 - 10^{1, 2}</u>
Global Equity - Cap-Weighted	30.0%	4.54%
Global Equity Non-Cap-Weighted	12.0%	3.84%
Private Equity	13.0%	7.28%
Treasury	5.0%	0.27%
Mortgage-Backed Securities	5.0%	0.50%
Investment Grade Corporates	10.0%	1.56%
High Yield	5.0%	2.27%
Emerging Market Debt	5.0%	2.48%
Private Debt	5.0%	3.57%
Real Assets	15.0%	3.21%
Leverage	-5.0%	-0.59%
Total	100.0%	

¹ An expected inflation of 2.3% used for this period.

² Figures are based on the 2021-22 Asset Liability Management study.

Discount Rate

The discount rate used to measure the total pension liability for CalPERS' Public Agency Cost-Sharing Multiple-Employer Defined Benefit Pension Plan was 6.90%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of 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 6.90%, as well as what the Agency's proportionate share of the net pension liability would be if it was calculated using a discount rate that is 1 percentage point lower (5.90%) or 1 percentage point higher (7.90%) than the current discount rate:

	<u>1% Decrease (5.90%)</u>	<u>Current Discount Rate (6.90%)</u>	<u>1% Increase (7.90%)</u>
Net Pension Liability	\$ 7,925,257	\$ 5,189,857	\$ 2,938,221

GOLDEN SIERRA JOB TRAINING AGENCY
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2025

Note 5 – Pension Plan (Continued)

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 6 – Other Postemployment Benefits

Plan Description

The Agency provides healthcare and dental insurance to its retired annuitants. Healthcare benefits are administered by CalPERS and is governed by *The Public Employees’ Medical & Hospital Care Act (PEMCHA)*. Dental insurance is purchased via an agreement with Placer County Personnel and the Agency pays 100 percent of the premium. 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 ACFR 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

As of June 30, 2025, the following employees were covered by the benefit terms for each plan:

Retirees and beneficiaries receiving benefits	27
Active plan members	16
Total	43

Contributions

The Agency’s Governing Body annually approves the funding of the actuarially determined contributions for the OPEB Trust during the budget approval process. The Agency did not contribute to the OPEB plan for the fiscal year ended June 30, 2025.

Net OPEB Liability(Asset)

The Agency’s net OPEB liability/(asset) was measured as of June 30, 2024, and the total OPEB liability used to calculate the net OPEB liability/(asset) was determined by an actuarial valuation as of June 30, 2023.

GOLDEN SIERRA JOB TRAINING AGENCY
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2025

Note 6 – Other Postemployment Benefits (Continued)

Actuarial assumptions

The total OPEB liability in the June 30, 2024 actuarial valuation was determined using the following actuarial assumptions:

Actuarial valuation date	June 30, 2023
Measurement date	June 30, 2024
Actuarial assumptions:	
Discount rate	6.10%
Inflation	2.30%
Salary increases	2.80%
Actuarial cost method	Entry Age Normal Level Percentage of Pay
Mortality rates ¹	CalPERS 2021 experience study
Healthcare cost trend rate	6.80 % (pre-Medicare) and 4.17% (Medicare) for fiscal year 2025, gradually decreasing over several decades to an ultimate rate of 4.14% in fiscal year 2076 and later years
Dental cost trend rate	4.00%

¹ Mortality rates were based on assumptions for Public Agency Miscellaneous members published in the November 2021 CalPERS Experience Study. These tables include generational mortality improvement using 80% of scale MP-2020.

Changes of Assumption

The discount rate increased from 5.79% for the measurement period June 30, 2023, to 6.10% for the measurement period June 30, 2024. The healthcare cost trend rate for pre-Medicare and Medicare of 7.40% and 4.20%, respectively, for the measurement period June 30, 2023, changed to 6.80% and 4.17%, respectively, for the measurement period June 30, 2024.

Long-Term Expected Rate of Return

The long-term expected rate of return is determined using the long-term rates of return developed by the CalPERS Investment Office based on the Agency's investment in CalPERS' Strategy 2. The CERBT enables employers to pre-fund liabilities for OPEB. Three diversified policy portfolios (Strategies 1, 2, and 3) are available for employers to select depending on employer preferences for return and risk (volatility) expectations. By comparison, Strategy 1 has the higher long-term expected rate of return and return volatility, Strategy 2 has a moderate long-term expected rate of return and return volatility, and Strategy 3 has the lower long-term expected rate of return and return volatility.

GOLDEN SIERRA JOB TRAINING AGENCY
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2025

Note 6 – Other Postemployment Benefits (Continued)

The following table summarizes the assumed asset allocation in the CERBT Strategy 2:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Global Equity	34%	6.9%
Fixed Income	41%	4.1%
Real Estate Investment Trust	17%	6.3%
Treasury Inflation-Protected Securities	5%	3.9%
Commodities	3%	4.6%
Total	<u>100%</u>	

Discount Rate

GASB 75 allows the use of a discount rate that is up to the expected long-term rate of return on the assets in the OPEB Plan set aside to pay benefits, if the Agency makes regular contributions to the OPEB Plan such that the assets are not depleted at any point in the future. If the Plans' actuary determines that contributions are not sufficient to keep the OPEB Plan funded, a blend of the long-term rate of return and the yield or index rate for 20- year, tax-exempt municipal bonds will be used for the periods when the OPEB Plan funds are not sufficient to cover benefit payments. Based on this requirement, and with the approval of the Agency, the discount rate used to measure the total OPEB liability was 6.10% for the fiscal year ended June 30, 2025.

GOLDEN SIERRA JOB TRAINING AGENCY
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2025

Note 6 – Other Postemployment Benefits (Continued)

Changes in the Net OPEB Liability/(Asset)

	<u>Total OPEB Liability</u>	<u>Fiduciary Net Position</u>	<u>Net OPEB Liability/(Asset)</u>
Balance at June 30, 2024	\$ 1,941,535	\$ 2,031,844	\$ (90,309)
Changes in the year:			
Service cost	52,212	-	52,212
Interest on the total pension liability	111,246	-	111,246
Differences between expected and actual experience	(5,859)	-	(5,859)
Changes in assumptions	(47,555)	-	(47,555)
Contributions:			
Employer - Agency's contributions	-	116,588	(116,588)
Employer - Implicit subsidy	-	28,229	(28,229)
Net investment income	-	166,713	(166,713)
Benefit payments and refunds	(116,588)	(116,588)	-
Implicit subsidy credit	(28,229)	(28,229)	-
Administrative expense	-	(1,020)	1,020
Net changes	<u>(34,773)</u>	<u>165,693</u>	<u>(200,466)</u>
Balance at June 30, 2025	<u>\$ 1,906,762</u>	<u>\$ 2,197,537</u>	<u>\$ (290,775)</u>

Sensitivity of the Net OPEB Liability/(Asset) to Changes in the Discount Rate and Healthcare Cost Trend Rate

The following table presents the net OPEB liability/(asset) of the Agency, as well as what the Agency's net OPEB liability/(asset) would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current discount rate.

	<u>1% Decrease (5.10%)</u>	<u>Current Discount Rate (6.10%)</u>	<u>1% Increase (7.10%)</u>
Net OPEB Liability (Asset)	\$ (130,046)	\$ (290,775)	\$ (431,761)

GOLDEN SIERRA JOB TRAINING AGENCY
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2025

Note 6 – Other Postemployment Benefits (Continued)

The following table presents the net OPEB liability/(asset) of the Agency, as well as what the Agency’s net OPEB liability/(asset) would be if it were calculated using a healthcare cost trend rate that is one percentage point lower or one percentage point higher than the current healthcare cost trend rate.

	<u>1% Decrease (5.80%)</u>		<u>Current Healthcare Trend Rate (6.80%)</u>		<u>1% Increase (7.80%)</u>
Net OPEB Liability (Asset)	\$ (397,452)	\$	(290,775)	\$	(188,986)

OPEB Plan Fiduciary Net Position

Detailed information about the OPEB plans’ fiduciary net position is available in the separately issued CalPERS financial reports.

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

For the fiscal year ended June 30, 2025, the Agency recognized OPEB credit of \$138,728. As of June 30, 2025, the Agency reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Changes of assumptions	\$ -	\$ 95,534
Differences between expected and actual experience	-	82,771
Net differences between projected and actual earnings on OPEB plan investments	<u>72,254</u>	<u>-</u>
Total	<u>\$ 72,254</u>	<u>\$ 178,305</u>

Other amounts reported as deferred outflows and deferred inflows of resources related to OPEB will be recognized in future OPEB expenses, as follows:

<u>Fiscal Year Ending June 30,</u>	<u>OPEB Expense Amount</u>
2026	\$ (85,514)
2027	12,491
2028	(16,601)
2029	<u>(16,427)</u>
Total	<u>\$ (106,051)</u>

GOLDEN SIERRA JOB TRAINING AGENCY
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2025

Note 7 – 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.

The Agency's deductibles and maximum coverage are as follows:

<u>Coverage</u>	<u>Deductible</u>	<u>Maximum per Occurrence</u>
Commercial general liability:		
Each occurrence	\$ 1,000	\$ 2,000,000
Aggregate	1,000	2,000,000
Personal and advertising injury	1,000	2,000,000
Commercial property	1,000	53,500
Business auto	1,000	1,000,000
Directors and Officers liability	2,500	1,000,000
Employment practices liability	2,500	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 8 – Commitments and Contingencies

Federal and State Allowances, Awards, and Grants

The Agency receives 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, management believes that any required reimbursement would not be material to the Agency's financial position.

Required Supplementary Information

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GOLDEN SIERRA JOB TRAINING AGENCY
Required Supplementary Information
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2025

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental:				
Federal ⁽¹⁾	\$ 6,169,562	\$ 6,528,500	\$ 3,446,557	\$ (3,081,943)
State	-	-	1,084,143	1,084,143
Investment income (loss)	-	-	1,198	1,198
Total revenues	<u>6,169,562</u>	<u>6,528,500</u>	<u>4,531,898</u>	<u>(1,996,602)</u>
Expenditures:				
Current:				
Education:				
Salaries and employee benefits	2,423,209	2,378,080	2,401,468	(23,388)
Training and support services	2,550,186	3,734,920	1,748,999	1,985,921
Services and supplies	315,243	324,865	278,943	45,922
Debt Service:				
Principal	880,924	90,635	89,832	803
Interest and fiscal charges	-	-	801	(801)
Capital outlay	-	-	188,573	(188,573)
Total expenditures	<u>6,169,562</u>	<u>6,528,500</u>	<u>4,708,616</u>	<u>1,819,884</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>(176,718)</u>	<u>(176,718)</u>
Other financing sources (uses):				
Leases issued (as lessee)	-	-	188,573	188,573
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	11,855	<u>\$ 11,855</u>
Fund balance, beginning of year			<u>263,921</u>	
Fund balance, end of year			<u>\$ 275,776</u>	

⁽¹⁾ For budget purposes, the Federal and State revenues are budgeted in total.

The note to the required supplementary information is an integral part of this schedule.

GOLDEN SIERRA JOB TRAINING AGENCY
Required Supplementary Information
Schedule of Agency's Proportionate Share of the Plan's Net Pension Liability and Related Ratios
Last Ten Fiscal Years

Fiscal Year	Agency's Proportion of the Plan's Net Pension Liability	Agency's Proportionate Share of the Plan's Net Pension Liability	Agency's Covered Payroll	Agency's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	Plan's Proportionate Share of the Fiduciary Net Position as a Percentage of the Total Pension Liability	Measurement Date
2016	0.0685%	\$ 4,699,419	\$ 1,149,967	408.66%	78.40%	6/30/2015
2017	0.0613%	5,304,341	1,130,884	469.04%	74.06%	6/30/2016
2018	0.0573%	5,686,790	1,085,378	523.95%	73.31%	6/30/2017
2019	0.0557%	5,369,146	1,013,647	529.69%	75.26%	6/30/2018
2020	0.0533%	5,459,561	1,141,431	478.31%	77.73%	6/30/2019
2021	0.0510%	5,551,793	1,059,353	524.07%	77.71%	6/30/2020
2022	0.1730%	3,284,932	998,864	328.87%	90.49%	6/30/2021
2023	0.1170%	5,474,177	1,078,686	507.49%	78.19%	6/30/2022
2024	0.1089%	5,444,631	1,233,280	441.48%	77.97%	6/30/2023
2025	0.1073%	5,189,857	1,210,113	428.87%	79.91%	6/30/2024

GOLDEN SIERRA JOB TRAINING AGENCY
Required Supplementary Information
Schedule of Agency's Pension Plan Contributions
Last Ten Fiscal Years

Fiscal Year	Actuarially Determined Contributions	Contributions in Relation to the Actuarially Determined Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2016	\$ 481,222	\$ 531,222	\$ (50,000)	\$ 1,130,884	46.97%
2017	530,751	580,751	(50,000)	1,085,378	53.51%
2018	473,608	573,608	(100,000)	1,013,647	56.59%
2019	434,079	547,440	(113,361)	1,141,431	47.96%
2020	459,437	609,437	(150,000)	1,059,353	57.53%
2021	487,638	787,638	(300,000)	998,864	68.82%
2022	401,862	701,862	(300,000)	1,078,686	65.07%
2023	439,233	720,233	(281,000)	1,233,280	58.40%
2024	536,938	686,938	(150,000)	1,210,113	56.77%
2025	579,321	729,321	(150,000)	1,105,391	65.98%

GOLDEN SIERRA JOB TRAINING AGENCY
Required Supplementary Information
Schedule of Agency's Changes in Net OPEB Liability and Related Ratios
Last Ten Fiscal Years ⁽¹⁾

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>
Total OPEB Liability				
Service cost	\$ 52,212	\$ 52,539	\$ 47,072	\$ 47,743
Interest	111,246	121,831	128,611	131,780
Differences between expected and actual experience	(5,859)	(183,368)	(69,969)	10,065
Changes of assumptions	(47,555)	(143,659)	98,782	(95,333)
Benefit payments	(116,588)	(103,469)	(138,004)	(154,571)
Implicit subsidy credit	(28,229)	(33,272)	-	-
Net change in total OPEB liability	<u>(34,773)</u>	<u>(289,398)</u>	<u>66,492</u>	<u>(60,316)</u>
Total OPEB liability - beginning	<u>1,941,535</u>	<u>2,230,933</u>	<u>2,164,441</u>	<u>2,224,757</u>
Total OPEB liability - ending	<u>\$ 1,906,762</u>	<u>\$ 1,941,535</u>	<u>\$ 2,230,933</u>	<u>\$ 2,164,441</u>
Plan fiduciary net position				
Contributions - employer	\$ 144,817	\$ 136,741	\$ 138,004	\$ 154,571
Net investment income/(loss)	166,713	69,936	(282,450)	369,084
Benefit payments	(116,588)	(103,469)	(138,004)	(154,571)
Implicit subsidy credit	(28,229)	(33,272)	-	-
Administrative expense	(1,020)	(967)	(568)	(684)
Other miscellaneous income/(expense)	-	(66)	-	-
Net change in plan fiduciary net position	<u>165,693</u>	<u>68,903</u>	<u>(283,018)</u>	<u>368,400</u>
Plan fiduciary net position - beginning	<u>2,031,844</u>	<u>1,962,941</u>	<u>2,245,959</u>	<u>1,877,559</u>
Plan fiduciary net position - ending	<u>\$ 2,197,537</u>	<u>\$ 2,031,844</u>	<u>\$ 1,962,941</u>	<u>\$ 2,245,959</u>
Net OPEB liability/(asset)-ending	<u>\$ (290,775)</u>	<u>\$ (90,309)</u>	<u>\$ 267,992</u>	<u>\$ (81,518)</u>
Plan fiduciary net position as a percentage of the total OPEB liability	115.2%	104.7%	88.0%	103.8%
Covered payroll	\$ 1,314,967	\$ 1,369,631	\$ 998,866	\$ 1,144,522
Net OPEB liability/(asset) as a percentage of covered payroll	-22.1%	-6.6%	26.8%	-7.1%
Measurement date	6/30/2024	6/30/2023	6/30/2022	6/30/2021

⁽¹⁾ Fiscal year 2018 was the first year of implementation of GASB Statement No. 75; therefore, only eight years are shown.

GOLDEN SIERRA JOB TRAINING AGENCY
Required Supplementary Information
Schedule of Agency's Changes in Net OPEB Liability and Related Ratios
Last Ten Fiscal Years ⁽¹⁾

2021	2020	2019	2018	
				Total OPEB Liability
\$ 42,992	\$ 81,475	\$ 79,102	\$ 77,000	Service cost
131,160	152,607	145,776	140,000	Interest
(32,980)	(17,128)	-	-	Differences between expected and actual experience
-	(420,586)	-	-	Changes of assumptions
(118,861)	(111,800)	(115,000)	(111,000)	Benefit payments
-	-	-	-	Implicit subsidy credit
22,311	(315,432)	109,878	106,000	Net change in total OPEB liability
2,202,446	2,517,878	2,408,000	2,302,000	Total OPEB liability - beginning
<u>\$ 2,224,757</u>	<u>\$ 2,202,446</u>	<u>\$ 2,517,878</u>	<u>\$ 2,408,000</u>	Total OPEB liability - ending
				Plan fiduciary net position
\$ 118,861	\$ 111,800	\$ 400,000	\$ 111,000	Contributions - employer
96,440	129,625	111,145	120,000	Net investment income/(loss)
(118,861)	(111,800)	(115,000)	(111,000)	Benefit payments
-	-	-	-	Implicit subsidy credit
(879)	(358)	(2,414)	(1,000)	Administrative expense
-	-	-	-	Other miscellaneous income/(expense)
95,561	129,267	393,731	119,000	Net change in plan fiduciary net position
1,781,998	1,652,731	1,259,000	1,140,000	Plan fiduciary net position - beginning
<u>\$ 1,877,559</u>	<u>\$ 1,781,998</u>	<u>\$ 1,652,731</u>	<u>\$ 1,259,000</u>	Plan fiduciary net position - ending
<u>\$ 347,198</u>	<u>\$ 420,448</u>	<u>\$ 865,147</u>	<u>\$ 1,149,000</u>	Net OPEB liability/(asset)-ending
84.4%	80.9%	65.6%	52.3%	Plan fiduciary net position as a percentage of the total OPEB liability
\$ 1,057,029	\$ 1,155,311	\$ 1,170,000	\$ 1,247,000	Covered payroll
32.8%	36.4%	73.9%	92.1%	Net OPEB liability/(asset) as a percentage of covered payroll
6/30/2020	6/30/2019	6/30/2018	6/30/2017	Measurement date

GOLDEN SIERRA JOB TRAINING AGENCY
Required Supplementary Information
Schedule of Agency's OPEB Contributions
Last Ten Fiscal Years ⁽¹⁾

Fiscal Year	Actuarially Determined Contributions	Contributions in Relation to the Actuarially Determined Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2018	\$ 236,000	\$ 400,000	\$ (164,000)	\$ 1,170,000	34.2%
2019	147,000	111,800	35,200	1,155,311	9.7%
2020	151,000	118,861	32,139	1,057,029	11.2%
2021	76,772	154,571	(77,799)	1,144,522	13.5%
2022	78,858	114,115	(35,257)	998,866	11.4%
2023	55,398	112,941	(57,543)	1,369,631	8.2%
2024	44,131	-	44,131	1,314,967	0.0%
2025	48,328	-	48,328	1,427,405	0.0%

Notes to schedule:

Valuation date	June 30, 2023
Methods and assumptions used to determine contribution rates:	
Actuarial cost method	Entry age normal
Amortization method	Level percentage of pay cost
Amortization period	16-year fixed period for 2023/2024
Asset valuation method	Market value of assets
Inflation	2.30%
Healthcare cost trend rates	6.20% (non-Medicare) / 4.14% (Medicare) for 2025, gradually decreasing to an ultimate rate of 4.14%, and dental trend rate 4.00%.
Investment rate of return	5.79% net of OPEB plan investment expense, including inflation.
Payroll growth, mortality, disability, termination and retirement	Based on CalPERS Experience Study and Review of Actuarial Assumptions published in November 2021.

⁽¹⁾ Fiscal year 2018 was the first year of implementation of GASB Statement No. 75; therefore, only eight years are shown.

GOLDEN SIERRA JOB TRAINING AGENCY
Note to the Required Supplementary Information
For the Fiscal Year Ended June 30, 2025

Budgets and Budgetary Accounting

The Agency's Governing Body approves the workforce development budget by July 1st of each year. The budget is presented in accordance with open meeting requirements to the Workforce Development Board (WDB) prior to it being forwarded to the Agency's Governing Body for final approval. The budget is then approved in open session by the Governing Body. The budget is revised by management and is presented to the WDB and the Agency's Governing Body 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 General Fund expenditure. The Agency budgets its capital outlay expenditures as part of its services and supplies 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.

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Single Audit Section

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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
Roseville, 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 (hereafter, the Agency), as of and for the year ended June 30, 2025, 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 23, 2026.

Report on 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) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the 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 or significant deficiencies may exist that were not identified.

Report on 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 financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.



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

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 Agency'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.

LSL, LLP

Sacramento, California
February 23, 2026



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

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

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the Golden Sierra Job Training Agency (hereafter, the Agency)'s compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the Agency's major federal programs for the year ended June 30, 2025. The Agency's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the 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, 2025.

Basis for Opinion on Each Major Federal Program

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

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

Responsibilities of Management for Compliance

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



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

Auditors' Responsibilities for the Audit of Compliance

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

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

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

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

Report on Internal Control over Compliance

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

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



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

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

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

LSL, LLP

Sacramento, California
February 23, 2026

GOLDEN SIERRA JOB TRAINING AGENCY
Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended June 30, 2025

Federal Grantor Pass-Through Grantor Program Title/Cluster	Federal Assistance Listing Number	Pass-through Entity Identification Number	Federal Expenditures	Passed-through to Subrecipients
U.S. Department of Labor				
<u>Passed through California Employment Development Department</u>				
Workforce Innovation Opportunity Act (WIOA Cluster):				
WIO Adult Program				
WIA/WIOA Formula Adult	17.258	AA411006	\$ 308,509	\$ -
WIA/WIOA Formula Adult	17.258	AA511006	599,142	-
1289 High Performing Boards	17.258	AA411006	5,556	-
Subtotal WIO Adult Program			<u>913,207</u>	<u>-</u>
WIOA Youth Activities				
WIA/WIOA Formula Youth	17.259	AA411006	209,624	-
WIA/WIOA Formula Youth	17.259	AA511006	436,454	-
Subtotal WIOA Youth Activities			<u>646,078</u>	<u>-</u>
WIOA Dislocated Worker Formula Grants				
WIA/WIOA Rapid Response Layoff Aversion	17.278	AA411006	13,267	-
WIA/WIOA Rapid Response by Formula	17.278	AA411006	36,921	-
WIA/WIOA Formula Dislocated Worker/Transfer	17.278	AA411006	478,108	55,000
WIA/WIOA Rapid Response Layoff Aversion	17.278	AA511006	74,683	-
WIA/WIOA Rapid Response by Formula	17.278	AA511006	229,903	-
WIA/WIOA Formula Dislocated Worker/Transfer	17.278	AA511006	566,825	-
Subtotal WIOA Dislocated Worker Formula Grants			<u>1,399,707</u>	<u>55,000</u>
Total WIOA Cluster			<u>2,958,992</u>	<u>55,000</u>
U.S. Department of Education				
<u>Passed through the Foundation for California Community Colleges</u>				
Rehabilitation Services Vocational Rehabilitation Grants to States				
STEP WIOA Title IV Vocational Rehabilitation Funds	84.126	00008515	487,565	149,282
Total			<u>487,565</u>	<u>149,282</u>
Total Expenditures of Federal Awards			<u>\$ 3,446,557</u>	<u>\$ 204,282</u>

The notes to the Schedule of Expenditures of Federal Awards are an integral part of this schedule.

GOLDEN SIERRA JOB TRAINING AGENCY
Notes to the Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended June 30, 2025

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 fiscal year ended June 30, 2025. 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 and the changes in net position 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. Such expenditures are recognized following the cost principles contained 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 statement of activities and as intergovernmental revenues in the statement of revenues, expenditures, and changes in fund balance.

Note 4 – Pass-Through Entities' Identifying Number

For federal awards 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 minimis 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, 2025**

I. Summary of Auditors' Results

Financial Statements

- | | |
|--|--------------------|
| 1. Type of auditors' report issued: | Unmodified Opinion |
| 2. Internal control over financial reporting: | |
| • Material weaknesses identified? | No |
| • Significant deficiencies identified? | None Reported |
| 3. Noncompliance material to financial statements noted? | No |

Federal Awards

- | | |
|---|--------------------|
| 1. Internal control over major federal programs: | |
| • Material weaknesses identified? | No |
| • Significant deficiencies identified? | None Reported |
| 2. Type of auditors' report issued on compliance for major federal programs: | Unmodified Opinion |
| 3. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? | No |

Identification of Major Federal Programs

<u>Assistance Listing Number</u>	<u>Name of Federal Program or Cluster</u>
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

**GOLDEN SIERRA JOB TRAINING AGENCY
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2025**

II. Financial Statement Findings

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

III. Federal Award Findings and Questioned Costs

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