



Two Rock Union School District
5001 Spring Hill Road • Petaluma, CA • 94952
Phone: (707) 762-6617 • Fax: (707) 762-1923
www.trusd.org

**AGENDA
BOARD OF TRUSTEES
TWO ROCK UNION SCHOOL DISTRICT
REGULAR MEETING**

February 8, 2024
Closed Session 3:30 P.M.
Open Session 4:30 P.M.
[Zoom Link](#)
Meeting ID: 707 955 5705
Passcode: 4MfhPC

- 1. CALL TO ORDER**
A. ROLL CALL

- 2. CLOSED SESSION**
 - 2.1 Announcement of Closed Session Items**
 - 2.1a Negotiations with TREA and chief negotiator - Stephen Owens**
 - 2.1b Public Employee Performance - Superintendent**

- 3. RECONVENE TO PUBLIC MEETING**
Report of any actions taken during Closed Session (if necessary).

- 4. Adoption and Approval of Agenda**
 - 4.1 Approval of the Agenda for February 8, 2024.**

Action

Motion: Second: Aye: Nay:

- 5. PUBLIC COMMENT**
Members of the public may address the Board concerning any item of interest within the subject matter jurisdiction of the Board. No discussion or action shall be taken on any item not appearing on the Agenda. Each person will be allowed up to three (3) minutes per item.

Board of Trustees

John Martin, President ♦ Gayleen Maas, Clerk ♦ John Silvestrini ♦ Nicolas Noyes ♦ Joel Ruiz

Stephen Owens, Superintendent/Principal

6. CONSENT ITEMS

ACTION

Items within the Consent Agenda are routine in nature and do not require discussion. Any Board member may have any item removed from the Consent Calendar and have it acted upon separately. All items are approved with a single action.

Background: Routine items presented for approval.

Plan: Routine process.

Public Comment:

Board Discussion:

Recommended motion: Approval of Consent Agenda.

6.1 Approval of the Accounts Payable Reports; January 2024.

PG. 1

Action

Motion: Second: Aye: Nay:

6.2 Review and Possible Approval of Minutes from meeting on January 11, 2024.

PG. 5

Action

Motion: Second: Aye: Nay:

7. REPORTS/PRESENTATIONS:

7.1 TREA Representative-

7.2 CSEA Representative-

7.3 TRSEF Representative-

7.4 USCG Representative-

7.5 Superintendent's Report

PG.

- Enrollment Update
- Facilities Update
- Staffing Update
- Curriculum Update
- Other Updates Upcoming Events

8. DISCUSSION ITEMS

8.1 LCAP Mid Year Reading

PG.

Background: The LCAP is a three-year plan that describes the goals, actions, services, and expenditures to support positive student outcomes that address state and local priorities. The LCAP provides an opportunity for LEAs (county office of education [COE], school districts and charter schools) to share their stories of how, what, and why programs and services are selected to meet their local needs.

Board of Trustees

John Martin, President ♦ Gayleen Maas, Clerk ♦ John Silvestrini ♦ Nicolas Noyes ♦ Joel Ruiz

Stephen Owens, Superintendent/Principal

Plan: Discuss the LCAP
Public Comment:
Board Discussion:

8.2 Human Resources - Employment Report

Pg.

Background: Superintendent will discuss the Employment Report
Plan:
Public Comment:
Board Discussion:

9. ACTION ITEMS

9.1 2022-2023 District Audit

Pg.

Background: School districts are required to submit to a financial audit of the General Fund. The audit is conducted annually by an independent auditing firm. Christy White & Associates conducted an audit of Two Rock Union School District's General Fund.

Plan: Review the audit report by Christy White & Associates.

Public Comment:

Board Discussion:

Recommended motion: It is recommended that the Board of Trustees review and approve the 2022-2023 District Financial Audit.

Motion: **Second:** **Aye:** **Nay:**

9.2 Consolidated Application Part II Reporting Certification

Pg.

Background: There are two parts to the Consolidated Application Reports System (CARS). This is part 2 and is for funding for critical federal categorical programs including:

- 2023-2024 Title II, Part A
- 2023-2024 Title III Immigrant LEA Allocations and Reservations
- 2023-2024 Title III Immigrant YTD Expenditure Report, 6 months
- 2023-2024 Title IV, Part A
 - We did not meet the minimum threshold of 10 students at poverty level, and will not receive funding for 2023-2024, as well as 2024-2025.

Plan:

Public Comment:

Board Discussion:

Recommended Action: Recommend vote

Motion: **Second:** **Aye:** **Nay:**

9.3 Proposal of the 2024-2025 School Year Calendar

Pg.

Board of Trustees

John Martin, President ♦ Gayleen Maas, Clerk ♦ John Silvestrini ♦ Nicolas Noyes ♦ Joel Ruiz

Stephen Owens, Superintendent/Principal

Background: Each school year the Board of Trustees adopt a school calendar.

Plan: To review the proposed calendar for approval.

Public Comment:

Board Discussion:

Recommended Action:

Motion:

Second:

Aye:

Nay:

9.4 CAASPP Testing Window

Pg.

Background: The CAASPP is the state mandated annual assessment for grades 3-6. It is required to schedule a testing window for the annual assessment.

Plan: To review the proposed testing window for approval. *Apr 30-May 17*

Public Comment:

Board Discussion:

Recommended Action: Approve the testing window

Motion:

Second:

Aye:

Nay:

9.5 Walker Creek Outdoor Education- 6th Grade Trip

Pg.

Background: Students will participate in an outdoor education program at Walker Creek outside of Marshall Ca. The program is sponsored by the Marin County Office of Education. Students from the sixth-grade will stay at the camp from March 26-28. The students have raised funds for the trip and donations will be solicited to cover the costs.

Public Comment:

Board Discussion:

Recommended Action: That the Board approve the Outdoor Education field trip.

Motion:

Second:

Aye:

Nay:

9.6 MOU- SPED Director Susan Radford

Pg.

Background: Susan Radford has agreed to consult as the RSP specialist with the long term substitute teacher in special education. She will work in this capacity through May 31, 2024.

Public Comment:

Board Discussion:

Recommended motion: It is recommended that the Board approve the MOU.

Motion:

Second:

Aye:

Nay:

9.7 Consideration of and Possible Action on Resolution Regarding Certificated Reduction in Reduction in Force (.4 F.T.E - Layoff)

Pg.

Board of Trustees

John Martin, President ♦ Gayleen Maas, Clerk ♦ John Silvestrini ♦ Nicolas Noyes ♦ Joel Ruiz

Stephen Owens, Superintendent/Principal

Background: The Superintendent has determined and hereby recommends that at the end of the 2023-2024 school year, the following particular kind of services now being provided by the District be reduced or continued as follows:

1. Eliminate the equivalent of .4 (F.T.E) Resource Specialist

Plan: The Superintendent will present the Recommendation Concerning Reduction of Certificated Services for the 2024-2025 school year.

Public Comment:

Board Discussion:

Recommended motion: That the Board approve Resolution 2024-01, in the Matter of the Reduction or Discontinuance of Certain Kinds of Services for 2024-2025 school year.

Motion: Second: Aye: Nay:

10. **ADJOURNMENT TO CLOSED SESSION** (if necessary)
11. **RECONVENE TO PUBLIC MEETING** Report of any actions taken during Closed Session (if necessary)
12. **DATES AND FUTURE AGENDA ITEMS**
Next Regular Board Meeting - March 14, 2024
13. **SIGNING OF PAPERS**
14. **ADJOURNMENT**

ACTION

Motion: Second: Aye: Nay:

Posted By:



Stephen Owens, Superintendent

Accessibility Accommodations

If you require assistance to access the Board meeting room or to otherwise participate at this meeting, including auxiliary aids or services, please contact the school office at 707-762-6617. You are encouraged to provide as much advance notice as possible to better enable Two Rock Union School District to meet your accessibility needs in accordance with applicable law.

Public Records

In accordance with Government Code section 54957.5 and the Public Records Act, public records that are distributed to a majority of the Board of Trustees concerning open session agenda items will be made available upon request. Such records distributed less

Board of Trustees

John Martin, President ♦ Gayleen Maas, Clerk ♦ John Silvestrini ♦ Nicolas Noyes ♦ Joel Ruiz

Stephen Owens, Superintendent/Principal

than 72 hours prior to a regular meeting are available for inspection at the District Office located at 5001 Spring Hill Road, Petaluma, CA 94952.

Board of Trustees

John Martin, President ♦ Gayleen Maas, Clerk ♦ John Silvestrini ♦ Nicolas Noyes ♦ Joel Ruiz

Stephen Owens, Superintendent/Principal

Includes Purchase Orders dated 01/01/2024 - 01/31/2024 **Board Meeting Date February 8, 2024**

PO Number	Vendor Name	Loc	Description	Fund Object	Account Amount	
P24-00154	Charles Wattenburg DBA Petaluma a Learning & Guid.	TWRK	2023-2024 Counseling Services	01-5830	30,120.00	
P24-00155	Zoe Brooker	TWRK	OT Services 2023-2024	01-5800	4,455.00	
P24-00156	Discovery Office Systems	TWRK	2023-2024 Overage Charges	01-5632	637.65	
P24-00157	Sonoma Technology Partners	TWRK	2023-24 Tech Services	01-5800	8,400.00	
P24-00158	Petaluma Schools - Business	TWRK	2023-2024 SOCC- NIPP Billback	01-5800	8,517.00	
P24-00159	Alicia Henson	TWRK	Nutrition Classes 2023-2024	01-5800	192.60	
P24-00160	DEMCO	TWRK	Repair Materials for Library 2023-24	01-4310	387.79	
P24-00161	Petaluma Schools - Business	TWRK	2023-2024 School Meals	01-4710	92,000.00	
P24-00162	STLR	TWRK	CBO Consultant Jan - June 24	01-5830	19,200.00	
P24-00163	KUEHG Corp.	TWRK	Champions Extended Day Program- Sept 2023	01-5100	4,740.00	
P24-00164	KUEHG Corp.	TWRK	Champions Extended Day Program- November 2023	01-5100	13,520.00	
P24-00165	KUEHG Corp.	TWRK	Champions Extended Day Program- December 2023	01-5100	12,460.00	
Total Number of POs				12	Total	194,630.04

Fund Recap

Fund	Description	PO Count	Amount
01	General Fund	12	194,630.04

The preceding Purchase Orders have been issued in accordance with the District's Purchasing Policy and authorization of the Board of Trustees. It is recommended that the preceding Purchase Orders be approved and that payment be authorized upon delivery and acceptance of the items ordered.



Checks Dated 01/01/2024 through 01/31/2024 **Board Meeting Date February 8, 2024**

Check Number	Check Date	Pay to the Order of	Fund-Object	Expensed Amount	Check Amount
2005629	01/10/2024	Petaluma Schools - Business	01-9510		6,750.00
2006559	01/12/2024	Employment Development Dept.	01-9555		1,786.24
2007768	01/19/2024	Kyocera Document Solutions Northern California Inc	01-5632		637.65
2007769	01/19/2024	Nor-Cal Pumpworks	01-6100		9,500.00
2007770	01/19/2024	STLR	01-5830		3,200.00
2007771	01/19/2024	Sonoma Technology Partners	01-5800		9,000.02
2007772	01/19/2024	Anova Education and Behavior	01-5810		4,852.48
2007773	01/19/2024	John Antonio Landscaping	01-5830		945.00
2007774	01/19/2024	Pacific Gas & Electric	01-5520		51.90
2007775	01/19/2024	Petaluma Schools - Business	01-5800		12,637.00
2007776	01/19/2024	Terminix	01-5800		200.00
2007777	01/19/2024	Zoe Brooker	01-5800		3,080.00
2007778	01/19/2024	Alicia Honson	01-5800		91.49
Total Number of Checks			13		52,731.78

Fund Recap

Fund	Description	Check Count	Expensed Amount
01	General Fund	13	52,731.78
Total Number of Checks		13	52,731.78
Less Unpaid Tax Liability			.00
Net (Check Amount)			52,731.78

The preceding Checks have been issued in accordance with the District's Policy and authorization of the Board of Trustees. It is recommended that the preceding Checks be approved.



Two Rock Union School District
5001 Spring Hill Road • Petaluma, CA • 94952
Phone: (707) 762-6617 • Fax: (707) 762-1923
www.trusd.org

**AGENDA
BOARD OF TRUSTEES
TWO ROCK UNION SCHOOL DISTRICT
REGULAR MEETING
January 11, 2024**

**Open Session 4:30 P.M.
STEAM Room 12**

- 1. CALL TO ORDER**
A. ROLL CALL

- 2. CLOSED SESSION**
2.1 Announcement of Closed Session Items

- 3. RECONVENE TO PUBLIC MEETING**
Report of any actions taken during Closed Session (if necessary).

- 4. Adoption and Approval of Agenda**
4.1 Approval of the Agenda for January 11, 2024.

Action

Motion: Second: Aye: Nay:

- 5. PUBLIC COMMENT**
Members of the public may address the Board concerning any item of interest within the subject matter jurisdiction of the Board. No discussion or action shall be taken on any item not appearing on the Agenda. Each person will be allowed up to three (3) minutes per item.

- 6. CONSENT ITEMS** **ACTION**
Items within the Consent Agenda are routine in nature and do not require discussion. Any Board member may have any item removed from the Consent Calendar and have it acted upon separately. All items are approved with a single action.

Background: Routine items presented for approval.
Plan: Routine process.
Public Comment:
Board Discussion:
Recommended motion: Approval of Consent Agenda.

- 6.1 Approval of the Accounts Payable Reports; December, 2023. PG. 1
- 6.2 Review and Possible Approval of Minutes from meeting on December 12, 2023.

Action
 Motion: Second: Aye: Nay:

7. REPORTS/PRESENTATIONS:

- 7.1 TREA Representative
- 7.2 CSEA Representative
- 7.3 TRSEF Representative
- 7.4 USCG Representative
- 7.5 Superintendent's Report PG.
 - Enrollment Update
 - Facilities Update
 - Staffing Update
 - Curriculum Update
 - Other Updates
 - Upcoming Events

8. DISCUSSION ITEMS

- 8.1 Summer Maintenance and Facilities Updates PG.

Background: Annual discussion on major improvements or repairs to the school site and an update on current or past projects.
Plan: Discuss and review or revise.
Public Comment:
Board Discussion:

- 8.2 Audit Review PG.

Background: School districts are required to submit a financial statement of the General Fund. The audit is conducted annually by an independent auditing firm. Christy White and Associated conducted an audit of Two Rock Union School Districts general fund. The audit review has been postponed until February.
Plan: Discuss..
Public Comment:
Board Discussion:

- 8.3 Principal Apportionment Data Collection (PADC) P1 Submission PG. 12

Background: Two Rock Union School District will present on P-1 Data Submission.
Plan: Discuss..
Public Comment:

Board Discussion:

9. ACTION ITEMS

9.1 Williams Act Reporting, Q3 & Q4 PG.

Background: Schools report the overall condition of their facilities, the number of teacher mis assignments and vacant teacher positions, and the availability of textbooks or instructional materials. This information is presented in an annual SARC report. There were no complaints in Q4 2023.

Plan: Williams report is a quarterly report.

Public Comment:

Board Discussion:

Recommended motion: It is recommended the board approve the Williams Settlement Quarterly Report.

Motion: Second: Aye: Nay:

9.2 School Accountability Report Card (SARC) PG. 18

Background: The SARC contains information about Two Rock Elementary School such as funding, number of students and teachers, and the facilities. Note: Some information has not been provided by the state of California Department of Education. The CDE recommends that the Board of Trustees approve the SARC before the February 1, 2024 deadline and have information entered into the report once made available from CDE.

Plan: Review and discuss

Public Comment:

Board Discussion:

Recommended motion: It is recommended that the Board approve the SARC.

Motion: Second: Aye: Nay:

9.3 Potential Provisional Appointment of a Board Member PG. 36

Background: Two Rock Union School District has a five member school board. Currently there is a vacancy and the Board shall provisionally appoint a member for the Board of Trustees.

Plan: Conduct an interview of the candidate(s) and discuss the provisional appointment of a Board Member.

Public Comment:

Board Discussion:

Recommended motion: It is recommended that the Board provisionally appoint a School Board member.


Motion: Second: Aye: Nay:

Board of Trustees

- 10. ADJOURNMENT TO CLOSED SESSION (if necessary)
- 11. RECONVENE TO PUBLIC MEETING Report of any actions taken during Closed Session (if necessary)
- 12. DATES AND FUTURE AGENDA ITEMS
Next Regular Board Meeting - February , 2024.
- 13. SIGNING OF PAPERS
- 14. ADJOURNMENT

ACTION

Motion: Second: Aye: Nay:

Posted By: 
 Stephen Owens, Superintendent

Accessibility Accommodations

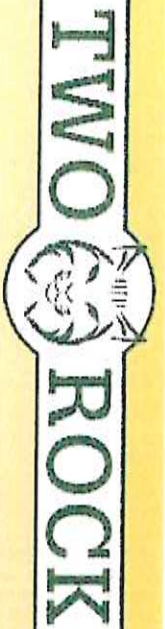
If you require assistance to access the Board meeting room or to otherwise participate at this meeting, including auxiliary aids or services, please contact the school office at 707-762-6617. You are encouraged to provide as much advance notice as possible to better enable Two Rock Union School District to meet your accessibility needs in accordance with applicable law.

Public Records

In accordance with Government Code section 54957.5 and the Public Records Act, public records that are distributed to a majority of the Board of Trustees concerning open session agenda items will be made available upon request. Such records distributed less than 72 hours prior to a regular meeting are available for inspection at the District Office located at 5001 Spring Hill Road, Petaluma, CA 94952.

Board of Trustees

John Martin, President • Gayleen Maas, Clerk • Nicholas Noyes • John Silvestrini
 Stephen Owens, Superintendent/Principal



Monitoring Goals, Actions, and Resources for the 2023-24 Local Control and Accountability Plan (LCAP)

This template is intended for internal monitoring purposes only. The 2023-24 LCAP template and instructions should be consulted when completing required documents.

(6) (A) The superintendent of the school district shall present a report on the annual update to the local control and accountability plan and the local control funding formula budget overview for parents on or before February 28 of each year at a regularly scheduled meeting of the governing board of the school district. (B) The report shall include both of the following: (i) All available midyear outcome data related to metrics identified in the current year's local control and accountability plan. (ii) All available midyear expenditure and implementation data on all actions identified in the current year's local control and accountability plan.

Local Educational Agency (LEA) Name	Contact Name and Title		Email and Phone
Two Rock Union Elementary School District	Stephen Owens Superintendent/Principal		sowens@trusd.org 707-762-6617

Goal 1

Goal Description

All students will be proficient in grade level standards

Expected Annual Measurable Objectives

Metric	Baseline	Year 1 Outcome	Year 2 Outcome	Mid-Year Outcome Data	Desired Outcome for 2023-24
SBAC in ELA and mathematics for all students, low income and English language learners.	2018-2019 dashboard for math students 22 points below standard. For the same reporting year, students were 1.8 points below standard in ELA.	34.37% Met or Exceeded Standard in ELA. 16.67 Met or Exceeded Standard in Math.	43.28% Met or Exceeded Standard in ELA 29.85% Met or Exceeded Standard in Math	48.39% Met or exceeded standard in ELA and 40.32% Met or exceeded standard in mathematics.	Students will in ELL, low socio-economic and student body will enter green on the State Dashboard for both ELA and mathematics. Students will hit standard in ELA and in mathematics

Monitoring Goals, Actions, and Resources for the 2023-24 LCAP for Two Rock Union Elementary School District

Metric	Baseline	Year 1 Outcome	Year 2 Outcome	Mid-Year Outcome Data	Desired Outcome 2023-24
Properly credentialed teachers	100% properly credentialed	100% Properly credentialed	100% Properly credentialed	100% Properly Credentialed	100% properly credentialed
Student access to instructional materials.	100% of students will have access to required instructional materials.	100% of students will have access to required instructional materials.	100% of students will have access to required instructional materials.	100% of students have access to required instructional materials.	100% of students will have access to required instructional materials.
ELL reclassification rate	2.2% ELL students reclassified	4.5%	10.9%	Not Yet Available	10% of ELL students reclassified
Percentage of ELL students who have made progress toward English Proficiency on the ELPAC.	16.40% of ELL students made progress on ELPAC	2020-2021 13.98% Proficient	2021-2022 15.57% students were proficient	2022-2023 52.9%	20% or greater shall improve on the ELPAC Proficiency.
Implementation of academic standards	All provided access to academic standards.	100%	100%	10%	All provided access to academic standards.
% of students a-g completion	N/A	N/A	N/A	N/A	N/A
% of students either a-g or CTE completion	N/A	N/A	N/A	N/A	N/A
% of students demonstrating college preparedness	N/A	N/A	N/A	N/A	N/A
% of students passed an AP exam	N/A	N/A	N/A	N/A	N/A
HS Grad Rate	N/A	N/A	N/A	N/A	N/A
HS Dropout Rate	N/A	N/A	N/A	N/A	N/A
MS Dropout Rate	N/A	N/A	N/A	N/A	N/A

Actions & Measuring and Reporting Results

Goal # Action #	Action Title and Description	Contributing	Implementation Level	Mid-year Outcome Data	Other Data/Evidence (qualitative, quantitative, artifacts)	Total Funds Budgeted	Mid-Year Expenditures
1.1	1.1 Provide highly qualified teachers 1.1: Provide highly qualified teachers. Continue to provide high quality instruction to all students at	No	Fully Implemented	100% of teachers are highly qualified.		\$639,704.00	\$340893

Goal # Action #	Action Title and Description	Contributing	Implementation Level	Mid-year Outcome Data	Other Data/Evidence (qualitative, quantitative, artifacts)	Total Funds Budgeted	Mid-Year Expenditures
	Two Rock Elementary. Hire the most qualified candidate for any openings at the school.						
1.2	<p>1.2 Provide instructional assistants to assist students in classrooms</p> <p>1.2: Provide instructional assistants to assist students in classrooms. Continue to offer student and teacher support with instructional assistants. We will aide one instructional assistant to help students in combined classes to assist with intervention and acceleration for students in the identified sub-groups and all students.</p>	Yes	Fully Implemented	Three instructional aides have been hire, including a Bilingual aide to assist ELL.		\$21,982.00	\$12307
1.3	<p>1.3: Provide staff development for teachers to strengthen their knowledge of CCSS,History-Social Science, NGSS, STEM based activities and technology integration.</p> <p>1.3: Provide staff development for teachers to strengthen their knowledge of CCSS, History-Social Science, NGSS, STEM based activities and technology integration. Teacher will be provided training in the newly adopted science curriculum. Literacy and writing has been identified as an area of instructional focus 2021-2022. Professional</p>	Yes	Partially Implemented	Two teachers will attend the STEAM conference in late February.		\$37,320.00	\$5963

Goal # Action #	Action Title and Description	Contributing	Implementation Level	Mid-year Outcome Data	Other Data/Evidence (qualitative, quantitative, artifacts)	Total Funds Budgeted	Mid-Year Expenditures
1.4	1.4: Provide CCSS, NGSS and STEM aligned materials. 1.4: Provide CCSS, NGSS and STEM aligned materials. Align newly adopted science to STEAM curriculum to support students in math, science and art.	No	Fully Implemented	Full adoption for CCSS, NGSS and STEM		\$0.00	
1.5	1.5: Provide CCSS based assessments, SBAC interim assessments and CCSS report cards. 1.5: Provide CCSS based assessments, SBAC interim assessments and CCSS report cards. We will provide multiple measure on the report cards to measure student progress, and areas of need for SBAC.	No	Partially Implemented	Standards based report cards and Interim assessments will be given in February 2024.		\$8,998.00	

Goal # Action #	Action Title and Description	Contributing	Implementation Level	Mid-year Outcome Data	Other Data/Evidence (qualitative, quantitative, artifacts)	Total Funds Budgeted	Mid-Year Expenditures
1.6	<p>1.6 Provide intervention services for students performing below grade level.</p> <p>1.6 Provide intervention services for students performing below grade level. The site will continue to refer students to Learning Team to identify intervention needs and provide intervention/acceleration for those students. The after school program will provide time and quiet place for homework and assistance from an instructional assistance.</p>	Yes	Fully Implemented	Walk to read intervention has been implement school wide. A partime intervention teacher has been hired.		\$57,074.00	
1.7	<p>1.7 Provide intervention services for students with disabilities</p> <p>1.7 Provide Intervention services for students with disabilities. Ongoing interventions will be in place for students with disabilities such as MTSS and PBIS strategies. Students will also work in small group instruction with an instructional aide or teacher during class time in a differentiated instruction model.</p>	No	Partially Implemented	Students with disabilities have been provided with reading and literacy interventions in the Walk to Read program.		\$341,101.00	\$101506
1.8	<p>1.8: EL students will receive supplemental academic support through the services provided by our credentialed ELD teacher.</p> <p>1.8: EL students will receive supplemental academic support through the services provided by</p>	Yes	Planned	EL students receive ELD instruction throughout the day. A Bilingual Instructional aide was hired to assist newly arrived Spanish speaking students.		\$0.00	

Goal # Action #	Action Title and Description	Contributing	Implementation Level	Mid-year Outcome Data	Other Data/Evidence (qualitative, quantitative, artifacts)	Total Funds Budgeted	Mid-Year Expenditures
1.9	<p>1.9 Utilize Response to Intervention/MTSS strategies to differentiate curriculum for students in the classroom.</p> <p>1.9 Utilize Response to Intervention/MTSS strategies to differentiate curriculum for students in the classroom. Provide intervention/MTSS supports for students in the classroom.</p>	Yes	Partially Implemented	Continued work with the SEAS team from Penn St to develop and strategic plan with data collection using local assessments in ELA and math and behavior. Teachers and IAs are implementing Tier 2 of MTSS for literacy intervention.		\$26,895.00	
1.10	<p>1.10 Provide preschool program.</p> <p>1.10 Provide preschool program through STARS preschool and SOCC for students with severe disabilities.</p>	No	Fully Implemented	Continue to operate programs.		\$0.00	\$0
1.11	<p>1.11 Provide BTSA to any beginning teachers</p> <p>1.11 Provide BTSA to any beginning teachers. Provide support provided by Sonoma County Office of Education</p>	No		Teachers have completed Induction Program.		\$12,268.00	\$3500

Goal # Action #	Action Title and Description	Contributing	Implementation Level	Mid-year Outcome Data	Other Data/Evidence (qualitative, quantitative, artifacts)	Total Funds Budgeted	Mid-Year Expenditures
1.12	<p>1.12 Provide after school and summer intervention programs</p> <p>1.12 Provide after school and summer intervention programs. Two Rock will offer an after school intervention program for students during the school year. During the summer months students will be offered a summer learning program with a focus on math and literacy.</p>	No	Planned	Two Rock Elementary School plans to partner with Champions for an ongoing summer program with intervention included.		\$115,717.00	\$84958
1.13	<p>1.13 Provide training for Instructional Assistants</p> <p>1.13 Provide training for Instructional Assistants. The Instructional assistants of Two Rock will be given training in intervention strategies to support teachers and students.</p>	No	Partially Implemented	Instructional aides have received peer to peer training and training in the SIPPS reading program.		\$0.00	\$0.00
1.14	<p>1.14 Implement ways to support students in families where English is not spoken in the home.</p> <p>1.14 Implement ways to support students in families where English is not spoken in the home. The site's community liaison provides interpretive services for families who speak Spanish. She also translates correspondence in Spanish with school information.</p>	Yes	Fully Implemented	The site has bilingual clerical and instructional aide who support and communicate with Spanish speaking families. All school correspondence is in both English and Spanish. The District has month ELAC meeting to convey critical district and educational information.		\$0.00	\$0.00

Goal #	Action Title and Description	Contributing	Implementation Level	Mid-year Outcome Data	Other Data/Evidence (quantitative, qualitative, artifacts)	Total Funds Budgeted	Mid-Year Expenditures

Goal 2

Goal Description

Parents will be provided with appropriate opportunities to be involved in their students' education.

Expected Annual Measurable Objectives

Metric	Baseline	Year 1 Outcome	Year 2 Outcome	Mid-Year Outcome Data	Desired Outcome for 2023-24
Parent involvement as measured by the number parents volunteering at school and other school functions.	Baseline is 0 for 2020-21	The number of parents who volunteer on a regular basis is three. One parent comes twice weekly to work in the library one hour. Other parent volunteers teach art to students several times a month. During major events, as many as 30 parents have volunteered to run the events or assist staff.	There were three parent volunteer days this year to help beautify the campus. Each day averaged at least 10 -40 parents or volunteers working to clean the campus. A school wide fundraiser in November drew approximately 20 parents who organized the event, and the school had volunteers in class on on three thematic days and organized fundraisers for holidays and sixth-grade camp. Volunteers worked in the library two days a week. The school had eight field trips with parent volunteer as chaperones and drivers.	The number of parents who volunteered to make tamarles for a fund raiser numbered 10, there have been approximately 40 parent volunteers for field trip drivers and chaperones.	1. Increase parent participation to 3 parents each day.
The percentage of responses to the California Healthy Kids Survey.	40%	34% of the parents responded to the Youth Truth Survey for the Family portion of the the survey.	87% of the parents responded to the Youth Truth Survey.	Not yet available	Parent response for CHKS 60%

Metric	Baseline	Year 1 Outcome	Year 2 Outcome	Mid-Year Outcome Data	Desired Outcome 2023-24
Increase the number of parents attending ELAC meetings.	Seven parents regularly attended	The number of parents who regularly attend ELAC increased an average of 2 parents to 9 who regularly attended.	The number of parents who attend ELAC meeting is 8-10 on a regular basis. At some meetings, one or two new parents attend, but not each meeting.	7-10 parents continue to attend the ELAC meeting.	10 or more parents attend ELAC meetings regularly.

Actions & Measuring and Reporting Results

Goal # Action #	Action Title and Description	Contributing	Implementation Level	Mid-year Outcome Data	Other Data/Evidence (qualitative, quantitative, artifacts)	Total Funds Budgeted	Mid-Year Expenditures
2.1	2.1: Use information from Youth Truth Survey, along with input from ELAC and Two Rock School Education Foundation meetings, and school staff to provide parents with opportunities to be involved in their students' education. 2.1: Use information from Youth Truth Parent Survey, along with input from ELAC and Two Rock School Education Foundation meetings, and school staff to provide parents with opportunities to be involved in their students' education.	No	Fully Implemented	The District administered the Youth Truth survey for third consecutive school year.		\$0.00	
2.2	2.2: Provide translation services for Spanish speaking parents. 2.2: Provide translation services for Spanish speaking parents. Two Rock's Community Liaison provides translation services for the school and teacher. She is also the interpret for Town Hall style meetings and other school functions where an interpreter is needed. The site also has a bilingual instructional assistance	Yes	Fully Implemented	The site has four Spanish speaking aides or clerical staff to offer translation services.		\$10,000.00	\$4906

Goal # Action #	Action Title and Description	Contributing	Implementation Level	Mid-year Outcome Data	Other Data/Evidence (qualitative, quantitative, artifacts)	Total Funds Budgeted	Mid-Year Expenditures
	who provides services for parents. The ELD instructor is bilingual and facilitates the ELAC meetings.						
2.3	2.3 Provide bilingual instructional assistance. 2.3 Provide bilingual instructional assistance.	Yes	Fully Implemented	The site has three bilingual instructional assistances to provide support for our Spanish speaking students. The site also hired a bilingual first grade teacher.		\$44,183.00	\$27749
2.4	2.4: Continue to pursue options for adding a non-voting member seat on the School Board to include English Language Learner parents and Coast Guard voice in policy decisions. 2.4: Continue to pursue options for adding a non-voting member seat on the School Board to include English Language Learner parents and Coast Guard voice in policy decisions.	Yes	Fully Implemented	There has been efforts to a Spanish speaking community member for the Board of Trustees. Currently there is one Spanish speaking board members. The CG is represented with a non-voting member.		\$0.00	
2.5	2.5 Provide "live" school board meetings. 2.5 Provide "live" school board meetings.	No	Fully Implemented	All school board meetings are live or held in person.		\$0.00	
2.6	2.6: Offer regular principal meetings to answer questions and provide input.	No	Fully Implemented	There are monthly coffee with the principal meetings to meet with		\$0.00	

Goal # Action #	Action Title and Description	Contributing	Implementation Level	Mid-year Outcome Data	Other Data/Evidence (qualitative, quantitative, artifacts)	Total Funds Budgeted	Mid-Year Expenditures
2.7	<p>2.7: Provide parent education nights, student showcases and cultural events.</p> <p>2.7: Provide parent education nights, student showcases and cultural events. Organize cultural events to celebrate the diverse student body at the school.</p>	No	Partially Implemented	<p>In spring of the school hosts parent literacy nights where there are a variety of activities for parents and child to read boo or access literacy activities. A Mothers Day celebrating both American and Mexican traditions is planned for the spring of 2024.</p>		\$0.00	
2.8	<p>2.8: Implement strategies to support students and families where English is not spoken in the home.</p> <p>2.8: Implement strategies to support students and families where English is not spoken in the home.</p>	Yes	Partially Implemented	<p>Continued supports for families and students who speak Spanish at home by providing materials in Spanish, software support for English and Bilingual aides to provide guidance for families with school. Translation services are provided for families for parent conferences and the the registrar is biliterate in Spanish.</p>		\$0.00	
2.9	<p>2.9 Pursue partnership with Coast Guard Base to increase student and parent involvement.</p>	No	Partially Implemented	<p>The schools a variety of parent volunteer days for campus beautification. Also parents from our</p>		\$0.00	

Goal #	Action Title and Description	Contributing	Implementation Level	Mid-year Outcome Data	Other Data/Evidence (quantitative, qualitative, artifacts)	Total Funds Budgeted	Mid-Year Expenditures
	2.9 Pursue partnership with Coast Guard Base to increase student and parent involvement.			Spanish speaking families make and sell tamales for a fund raiser for students to attend outdoor learning camp. The school hosts a food bank every other week with Redwood Empire Food Bank for all families to volunteer or for food for their familie.			

Goal 3

Goal Description

Provide a safe, secure environment for students.

Expected Annual Measurable Objectives

Metric	Baseline	Year 1 Outcome	Year 2 Outcome	Mid-Year Outcome Data	Desired Outcome for 2023-24
Suspension Rate The suspension rate shall remain at 1% or less. The site will maintain 0% expulsion rate.	Suspension Rate at 0%	1 day of suspension 1%	0 days of suspension	0 days of suspension	Suspension rate remains at 0% Maintain 0%
California Healthy Kids Survey	98% positive response "If a student is bullied he/she would tell one of the teachers/staff members" To question on CHKS.	The District switched to the Youth Truth Survey from the CHKS. 50% student response to question. 83% Responded that a parent/guardian was told.	The Youth Truth Survey recorded that 62% of students responded that a school staff was informed and 88% informed their parent or guardian.	Awaiting data from Youth Truth Survey.	Review Questions "Is school a safe place" 98% positive response "If a student is bullied he/she would tell one of the teachers/staff members" 100%
Facilities Inspection Tool	Good rating	Good Rating	Good Rating	Good Rating	Facilities ratings remain at Good.

Actions & Measuring and Reporting Results

Goal # Action #	Action Title and Description	Contributing	Implementation Level	Mid-year Outcome Data	Other Data/Evidence (qualitative, quantitative, artifacts)	Total Funds Budgeted	Mid-Year Expenditures
3.1	<p>3.1: Solicit parent input through surveys and parent meetings (ELAC, Site Council, etc.). 3.1: Solicit parent input through surveys and parent meetings (ELAC, Site Council, etc.). Gather parent input for continuous improvement of the educational program at Two Rock.</p>	No				\$0.00	
3.2	<p>3.2: Maintain technology upgrade of clocks, bells, intercom, phones, cabling and wireless access throughout the school to ensure security. 3.2: Maintain technology upgrade of clocks, bells, intercom, phones, cabling and wireless access throughout the school to ensure security.</p>	No	Fully Implemented	In the District has a fully implemented a new security camera system and a new PA and phone system. The upgrades were done last year.		\$18,938.00	\$16439
3.3	<p>3.3: Implement a school wide social emotional learning program. 3.3: Implement a school wide social emotional learning program. Counseling for students will provide emotional supports for military and agricultural families. An MFT intern will be on the campus four days a week under the supervision of a licensed MFT counselor.</p>	No	Partially Implemented	The District hired a parttime MFT intern for counseling needs and to support the SEL programs at the school.		\$0.00	

Goal # Action #	Action Title and Description	Contributing	Implementation Level	Mid-year Outcome Data	Other Data/Evidence (qualitative, quantitative, artifacts)	Total Funds Budgeted	Mid-Year Expenditures
3.4	<p>3.4: Maintain school security system.</p> <p>3.4: Maintain school security system. Ensure school assets are protected and buildings are secured. Surveillance cameras are in place to ensure student and campus safety around the clock.</p>	No	Fully Implemented	Security system fully maintained.		\$2,500.00	
3.5	<p>3.5: Provide full time facility manager/custodian.</p> <p>3.5: Provide full time facility manager/custodian. This position oversees the school's facilities and is responsible for contracting with outside vendors for large projects such as roofing, flooring etc....</p>	No	Fully Implemented	A full time custodian is provided by a maintenance company that contracted by the District. Maintenance to the facilities is done through the same vendor.		\$80,000.00	\$59469
3.6	<p>3.6 Continue maintenance of landscaping and garden areas.</p> <p>3.6 Continue maintenance of landscaping and garden areas. To promote a healthy campus environment and school culture an outside landscaping company for grounds maintenance and improvements.</p>	No	Fully Implemented	A fulltime landscape maintenance has been contracted. They maintain the grounds around front office, parking lots and play fields.		\$14,280.00	
3.7	<p>3.7 Continue to monitor and upgrade playground areas.</p>	No	Partially Implemented	A new track for the transitional/kindergarten playground in being		\$41,000.00	\$40414

Goal # Action #	Action Title and Description	Contributing	Implementation Level	Mid-year Outcome Data	Other Data/Evidence (qualitative, quantitative, artifacts)	Total Funds Budgeted	Mid-Year Expenditures
	3.7 Continue to monitor and upgrade playground areas. The play structure are monitored and maintained regularly for student safety. Wood chips are added annually or when needed under and around play structures.			Installed to students to ride tricycles and play.			
3.8	3.8 Continue to monitor and implement energy upgrades 3.8 Continue to monitor and implement energy upgrades	No	Fully Implemented	No longer needed.		\$1500	\$0
3.9	3.9 Strengthen school policies on bullying. Provide trainings for students, parents and staff. 3.9 Strengthen school policies on bullying. Provide trainings for students, parents and staff. The district has a PBIS team which attends county wide professional development to reduce bullying and other students behaviors which detracts from the learning program. The site has an ongoing PBIS team which provides school-wide staff development to reduce bullying in the school. Students are engaged in restorative practices and Toolbox for positive behavior practices school wide.	No	Partially Implemented			\$0.00	

Goal # Action #	Action Title and Description	Contributing	Implementation Level	Mid-Year Outcome Data	Other Data/Evidence (qualitative, quantitative, artifacts)	Total Funds Budgeted	Mid-Year Expenditures
3.10	<p>3.10 Provide counseling services to students in need.</p> <p>3.10 Provide counselling services to students in need. The district provides counselling for students at school. The counselors are contracted through a MFT specialist for student supports.</p>	No				\$28000.00	\$9880
3.11	<p>3.11 Review and update school handbooks and disseminate to ensure understanding and compliance.</p> <p>3.11 Review and update school handbooks and disseminate to ensure understanding and compliance. Continue to update and school information and policies for parents, staff and learning community.</p>	No	Fully Implemented	Handbooks are updated annually with important information concerning the District. The website is also up to date with important information for parents and staff. Information for parents is in both Spanish and English.		\$0.00	
3.12	<p>3.12: Provide training for yard supervisors.</p> <p>3.12: Provide training for yard supervisors. Continue to include yard supervisors in the district's PBIS training and to help diffuse and potential conflict that may arise on the yard.</p>	No	Partially Implemented	Aides participate in the planning for PBIS days for students and are versed with assisting students who have conflicts on the play yard.		\$0.00	

Goal 4

Goal Description

Students will be engaged in their learning in order to be successful

Expected Annual Measurable Objectives

Metric	Baseline	Year 1 Outcome	Year 2 Outcome	Mid-Year Outcome Data	Desired Outcome for 2023-24
Attendance measured with student data system. The goal of the school will be to maintain 97% attendance for students. The school information system will maintain student attendance.	97% Attendance rate.	91.96%	93.3%	Not yet available	Increase attendance to 98%
Chronic absenteeism	4.26% of students were chronic absent, or six students.	2020-2021 Data 15.35%	2021-2022 Data 25.5%	21.9	Reduce chronic absent students by 100% to zero students.
Pupil expulsion rate	0 expulsions	0 expulsions	0 expulsions	0 expulsions	0 expulsions
Access to a full range of courses such as art, music, library for all students including unduplicated students and students with disabilities. Students will have access for 30 minutes weekly.	Maintained access for all students in the variety of course offerings.	Maintained access for all students	Maintained access for all students.	Maintained access for students.	Access to a full range of courses such as art, music, library for all students including unduplicated students and students with disabilities. Students will have access for 30 minutes weekly.
Reduce the number of tardies by 10% and the number of students receiving them.	677 tardies in 2018-2019	454 tardies in 2021-2022.	471 tardies in 2022-2023	Not yet available	Reduce the number of tardies by 10% and the number of students receiving them.

Actions & Measuring and Reporting Results

Goal # Action #	Action Title and Description	Contributing	Implementation Level	Mid-year Outcome Data	Other Data/Evidence (qualitative, quantitative, artifacts)	Total Funds Budgeted	Mid-Year Expenditures
4.1	Reduce Student Absences 4.1: Present information to parents about how tardiness impacts student performance (include information in school newsletter each month, presentations at ELAC and other parent meetings etc).	No	Partially Implemented	Continued effort to inform parents of correlation between attendance and school performance is in monthly newsletters, back to school night presentations and parent conferences.		\$0.00	\$0.00
4.2	Awards for Perfect Attendance 4.2: Present perfect attendance awards at monthly assemblies (perfect attendance means no absences, no tardies)	No	Fully Implemented	Students are recognized for positive behavior and being a model students. Also students are awarded certificates improving in the literacy with the online reading program IXL and		\$0.00	
4.3	PE for Students 4.3: Provide students with a physical education program that meets state standards.	No	Fully Implemented	A PE teacher (non-credentialed) has been provided by an outside vendor. The teachers provides instruction one day a week.		\$0.00	\$12,000
4.4	Enrichment Courses 4.4: Provide access to a full range of courses by providing additional instruction in music, art, and library.	No	Fully Implemented	Students are provided music instruction, library time and a nutritional and gardening class one hour a week.		\$10,000.00	
4.5	Administer California Healthy Kids Survey 4.5 Solicit student and parent input through the California Healthy Kids survey	No				\$0.00	

Goal # Action #	Action Title and Description	Contributing	Implementation Level	Mid-year Outcome Data	Other Data/Evidence (quantitative, artifacts)	Total Funds Budgeted	Mid-Yea. Expenditures
4.6	Outdoor Learning 4.6 Integrate the garden into the school curriculum through development of a Farm to Table program.	No	Partially Implemented	The school has an afterschool garden club in late spring and fall. This year a nutrition class was added to educate students where food comes and its health value.		\$0.00	
4.7	Inform Parent for Student Absence 4.7 Provide information to parents on chronic absenteeism and consequences of missing school.	No	Partially Implemented	Parents are contacted by the registrar for absenteeism. Truancy letters are sent home.		\$0.00	
4.8	Student Advisory 4.8 Implement ways to increase student input and voice including implementation of a student leadership group.	No	Partially Implemented	A teacher has formed a student leadership group that meets monthly. They plan themes for days and help PBIS practices school wide.		\$0.00	
4.9	Enrichment Offering 4.9 Maintain after school enrichment offerings to include TK-6th grade.	No	Partially Implemented	The District has contracted with the company Champions for after school care.		\$31,960.00	\$5874
4.10	Student Devices	No	Fully Implemented	Students in grade k-6 have 1:1 devices.		\$8,612.00	\$16622

Goal # Action #	Action Title and Description	Contributing	Implementation Level	Mid-year Outcome Data	Other Data/Evidence (qualitative, quantitative, artifacts)	Total Funds Budgeted	Mid-Yea. Expenditures
	4.10 Provide and maintain 1:1 or 2:1 devices:student ratios.						
4.11	STEM 4.11: Maintain establishment of a STEM lab and the application of the garden.	No	Fully Implemented	An afterschool garden club has started in February and the students are actively involved in STEM learning in the STEM lab.		\$3,000.00	\$0

Goal 5

Goal Description

Expected Annual Measurable Objectives

Metric	Baseline	Year 1 Outcome	Year 2 Outcome	Mid-Year Outcome Data	Desired Outcome for 2023-24

Actions & Measuring and Reporting Results

Goal # Action #	Action Title and Description	Contributing	Implementation Level	Mid-year Outcome Data	Other Data/Evidence (qualitative, quantitative, artifacts)	Total Funds Budgeted	Mid-Year Expenditures

Two Rock Union School District

TO: John Martin, Board President

FROM: Stephen Owens, Superintendent/principal

DATE: November 8, 2023

ITEM: CONSIDERATION OF APPROVAL OF THE MONTHLY PERSONNEL REPORT

BACKGROUND INFORMATION:

Stephen Owens, Superintendent/principal will provide a Monthly Personnel Report on the Open Session Agenda that will include the employees name, position, site, FTE, effective date of employment and a reason if appropriate. The purpose of adding a monthly Personnel Report to the Open Session is to ensure our employees and stakeholders of changes in personnel across the District prior to the Board Meeting.

CURRENT CONSIDERATION:

If a personnel action comes up between February 5, 2024 and the Board Meeting on Wednesday, 8, 2024, Mr. Owens will provide an updated report.

RECOMMENDATION:

It is respectfully recommended the Board of Education approve the Monthly Personnel Report.

ATTACHMENTS: Yes

**February 8, 2024 PERSONNEL REPORT
AS OF February, 202**

Administrative and Management Employment						
Name	Position	Site	Effective Date	FTE	Reason	
Administrative and Management Termination/Retirement/Resignation						
Name	Position	Site	Effective Date	FTE	Reason	
Certificated Employment						
Name	Position	Position Site	Effective Date	FTE	Reason	
Certificated Leave of Absence/						
Name	Position	Site	Effective Date	FTE	Reason	
Emilie Klein	RSP	TR	10/30/23		Workers Comp Disability Leave	

Certificated Temporary to Probationary Status

Name	Position	Site	Effective Date	FTE	Reason

Certificated Termination/Retirement/Resignation

Name	Position	Site	Effective Date	FTE	Reason

Classified/Confidential Employment

Name	Position	Site	Effective Date	FTE	Reason

Classified/Confidential Leave of Absence

Name	Position	Site	Effective Date	FTE	Reason

**February 8, 2024 PERSONNEL REPORT
AS OF February 5, 2023**



Certified Public Accountants serving
K-12 School Districts and Charter
Schools throughout California

January 25, 2024

Board of Education
Two Rock Union School District
Petaluma, California

We have audited the financial statements of the governmental activities, the major fund, and the aggregate remaining fund information of Two Rock Union School District for the year ended June 30, 2023. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards (and, if applicable, *Government Auditing Standards* and the Uniform Guidance), as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated January 30, 2023. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Matters

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Two Rock Union School District are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2023. We noted no transactions entered into by Two Rock Union School District during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

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

Management's estimate of depreciation of capital assets is based on historical estimates of each capitalized item's useful life. We evaluated the key factors and assumptions used to develop the depreciation of capital assets in determining that it is reasonable in relation to the financial statements taken as a whole.

Management's estimate of the net pension liability and related deferred outflows of resources and deferred inflows of resources are based on actuarial valuations and pension contributions made during the year. We evaluated the key factors, assumptions, and proportionate share calculations used to develop the net pension liability and related deferred outflows of resources and deferred inflows of resources in determining that it is reasonable in relation to the financial statements taken as a whole.

Significant Audit Matters (continued)

Qualitative Aspects of Accounting Practices (continued)

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

The disclosure of capital assets in Note 4 to the financial statements is based on historical information which could differ from actual useful lives of each capitalized item.

The disclosure of the pension plans, net pension liability and related deferred outflows of resources and deferred inflows of resources in Note 10 to the financial statements represents management's estimates based on actuarial valuations and pension contributions made during the year. Actual results could differ depending on the key factors, and assumptions and proportionate share calculations used to develop the net pension liability and related deferred outflows of resources and deferred inflows of resources.

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

Difficulties Encountered in Performing the Audit

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

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole.

Disagreements with Management

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

Management Representations

We have requested certain representations from management that are included in the management representation letter dated January 25, 2024.

Management Consultations with Other Independent Accountants

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

Other Audit Findings or Issues

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

Other Matters

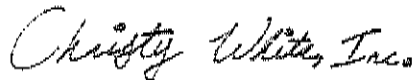
We applied certain limited procedures to management's discussion and analysis, and the required supplementary information section, which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on the supplementary information, which accompany the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

Restriction on Use

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

Very truly yours,

A handwritten signature in cursive script that reads "Christy White, Inc.".

Christy White, Inc.
San Diego, California

TWO ROCK UNION SCHOOL DISTRICT

AUDIT REPORT
JUNE 30, 2023



**TWO ROCK UNION SCHOOL DISTRICT
TABLE OF CONTENTS
JUNE 30, 2023**

FINANCIAL SECTION

Report on the Audit of the Financial Statements 1
 Management's Discussion and Analysis 4
 Basic Financial Statements
 Government-wide Financial Statements
 Statement of Net Position 11
 Statement of Activities 12
 Fund Financial Statements
 Governmental Funds – Balance Sheet 13
 Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position 14
 Governmental Funds – Statement of Revenues, Expenditures, and Changes in Fund Balances 15
 Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances to the Statement of Activities 16
 Notes to Financial Statements 17

REQUIRED SUPPLEMENTARY INFORMATION

General Fund – Budgetary Comparison Schedule 39
 Schedule of the District's Proportionate Share of the Net Pension Liability - CalSTRS 40
 Schedule of the District's Proportionate Share of the Net Pension Liability - CalPERS 41
 Schedule of District Contributions - CalSTRS 42
 Schedule of District Contributions - CalPERS 43
 Notes to Required Supplementary Information 44

SUPPLEMENTARY INFORMATION

Schedule of Average Daily Attendance (ADA) 45
 Schedule of Instructional Time 46
 Schedule of Financial Trends and Analysis 47
 Reconciliation of Annual Financial and Budget Report with Audited Financial Statements 48
 Local Education Agency Organization Structure 49
 Notes to Supplementary Information 50

OTHER INDEPENDENT AUDITORS' REPORTS

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* 51
 Report on State Compliance and on Internal Control Over Compliance for State Programs 53

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Summary of Auditors' Results 57
 Financial Statement Findings 58
 State Award Findings and Questioned Costs 59
 Summary Schedule of Prior Audit Findings 62

FINANCIAL SECTION



Certified Public Accountants serving
K-12 School Districts and Charter
Schools throughout California

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Independent Auditors' Report

Governing Board
Two Rock Union School District
Petaluma, California

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the major fund, and the aggregate remaining fund information of the Two Rock Union School District, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Two Rock Union School District'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, the major fund, and the aggregate remaining fund information of the Two Rock Union School District, as of June 30, 2023, 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 Two Rock Union School District 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 Two Rock Union School District'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.

Auditor's 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 auditor's 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, 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 judgement made by a reasonable user of the financial statements.

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

- Exercise professional judgement 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 Two Rock Union School District'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 judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Two Rock Union School District'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

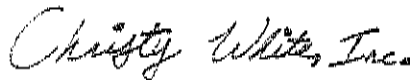
Accounting principles generally accepted in the United States of America require that the required supplementary information, such as management's discussion and analysis, budgetary comparison information, schedules of proportionate share of net pension liability, and schedules of district contributions for pensions be presented to supplement the basic financial statements. Such information, although not 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 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 Two Rock Union School District's basic financial statements. The supplementary information listed in the table of contents 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 supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 25, 2024 on our consideration of the Two Rock Union School District'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 Two Rock Union School District'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 Two Rock Union School District's internal control over financial reporting and compliance.



San Diego, California
January 25, 2024

TWO ROCK UNION SCHOOL DISTRICT MANAGEMENT'S DISCUSSION AND ANALYSIS

INTRODUCTION

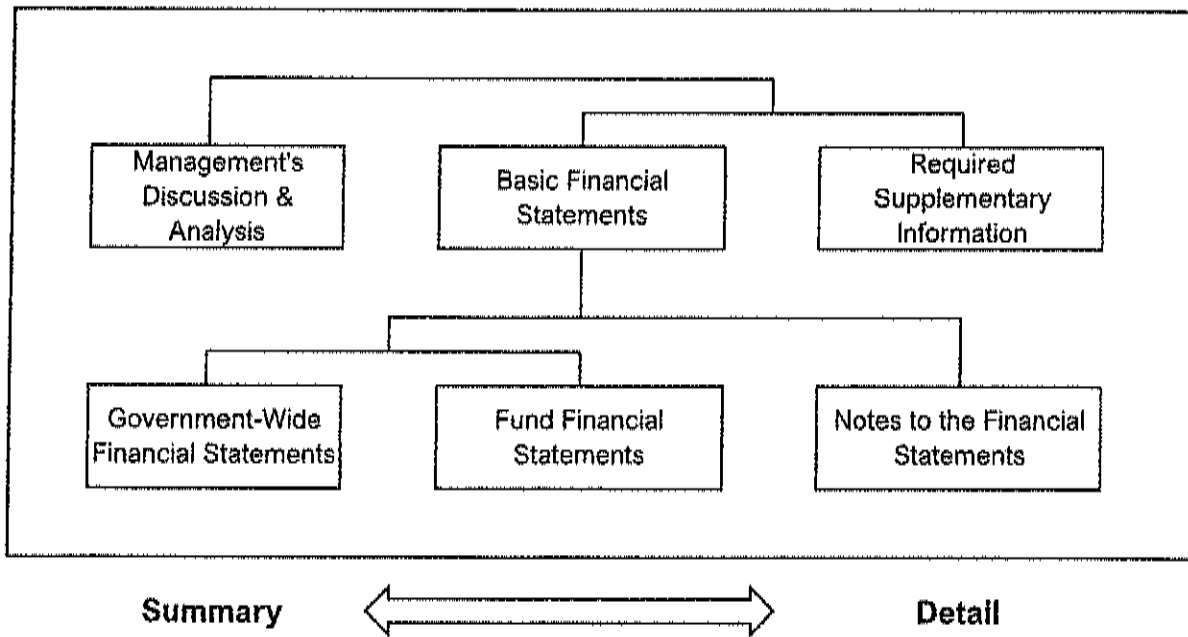
Our discussion and analysis of Two Rock Union School District's (District) financial performance provides an overview of the District's financial activities for the fiscal year ended June 30, 2023. It should be read in conjunction with the District's financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

- ▶ The District's net position was \$2,445,496, at June 30, 2023. This was an increase of \$750,176 from the prior year.
- ▶ Overall revenues were \$2,857,883, which exceeded expenses of \$2,107,707.

OVERVIEW OF FINANCIAL STATEMENTS

Components of the Financial Section



**TWO ROCK UNION SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS, continued
FOR THE YEAR ENDED JUNE 30, 2023**

OVERVIEW OF FINANCIAL STATEMENTS (continued)

Components of the Financial Section (continued)

This annual report consists of three parts – Management's Discussion and Analysis (this section), the basic financial statements, and required supplementary information. The three sections together provide a comprehensive overview of the District. The basic financial statements are comprised of two kinds of statements that present financial information from different perspectives:

- ▶ **Government-wide financial statements**, which comprise the first two statements, provide both short-term and long-term information about the entity's overall financial position.

- ▶ **Fund financial statements** focus on reporting the individual parts of District operations in more detail. The fund financial statements comprise the remaining statements.
 - ▶ **Governmental Funds** provide a detailed *short-term* view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs.

The financial statements also include notes that explain some of the information in the statements and provide more detailed data. The basic financial statements are followed by a section of required and other supplementary information that further explain and support the financial statements.

Government-Wide Statements

The government-wide statements report information about the District as a whole using accounting methods similar to those used by private-sector companies. The statement of net position includes all of the government's assets and liabilities. All of the current year's revenues and expenses are accounted for in the statement of activities, regardless of when cash is received or paid.

The two government-wide statements report the District's net position and how it has changed. Net position is one way to measure the District's financial health. Over time, increases or decreases in the District's net position are an indicator of whether its financial health is improving or deteriorating, respectively.

The government-wide financial statements of the District include governmental activities. All of the District's basic services are included here, such as regular education, food service, maintenance and general administration. Local control formula funding and federal and state grants finance most of these activities.

**TWO ROCK UNION SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS, continued
FOR THE YEAR ENDED JUNE 30, 2023**

FINANCIAL ANALYSIS OF THE ENTITY AS A WHOLE

Net Position

The District's net position was \$2,445,496 at June 30, 2023, as reflected in the table below. Of this amount, \$674,662 was unrestricted. Restricted net position is reported separately to show legal constraints from debt covenants and enabling legislation that limit the Governing Board's ability to use that net position for day-to-day operations.

	Governmental Activities		
	2023	2022	Net Change
ASSETS			
Current and other assets	\$ 2,779,586	\$ 2,341,569	\$ 438,017
Capital assets	1,103,985	984,992	118,993
Total Assets	3,883,571	3,326,561	557,010
DEFERRED OUTFLOWS OF RESOURCES	490,435	503,136	(12,701)
LIABILITIES			
Current liabilities	199,615	257,848	(58,233)
Long-term liabilities	1,443,202	1,074,111	369,091
Total Liabilities	1,642,817	1,331,959	310,858
DEFERRED INFLOWS OF RESOURCES	285,693	802,418	(516,725)
NET POSITION			
Net investment in capital assets	1,103,985	984,992	118,993
Restricted	666,849	428,708	238,141
Unrestricted	674,662	281,620	393,042
Total Net Position	\$ 2,445,496	\$ 1,695,320	\$ 750,176

**TWO ROCK UNION SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS, continued
FOR THE YEAR ENDED JUNE 30, 2023**

FINANCIAL ANALYSIS OF THE ENTITY AS A WHOLE (continued)

Changes in Net Position

The results of this year's operations for the District as a whole are reported in the Statement of Activities. The table below takes the information from the Statement and rearranges it slightly, so you can see our total revenues and expenses for the year.

	Governmental Activities		
	2023	2022	Net Change
REVENUES			
Program revenues			
Operating grants and contributions	\$ 729,741	\$ 544,097	\$ 185,644
General revenues			
Property taxes	493,672	497,395	(3,723)
Unrestricted federal and state aid	1,582,850	1,388,327	194,523
Other	51,620	46,742	4,878
Total Revenues	2,857,883	2,476,561	381,322
EXPENSES			
Instruction	917,262	976,864	(59,602)
Instruction-related services	202,100	190,166	11,934
Pupil services	256,391	195,666	60,725
General administration	279,037	282,935	(3,898)
Plant services	315,152	197,242	117,910
Ancillary and community services	40,738	40,316	422
Depreciation	97,027	98,327	(1,300)
Total Expenses	2,107,707	1,981,516	126,191
Change in net position	750,176	495,045	255,131
Net Position - Beginning	1,695,320	1,200,275	495,045
Net Position - Ending	\$ 2,445,496	\$ 1,695,320	\$ 750,176

The cost of all our governmental activities this year was \$2,107,707 (refer to the table above). The amount that our taxpayers ultimately financed for these activities through taxes was only \$493,672 because the remaining portion of the cost was paid by other governments and organizations who subsidized certain programs with grants and contributions.

**TWO ROCK UNION SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS, continued
FOR THE YEAR ENDED JUNE 30, 2023**

FINANCIAL ANALYSIS OF THE ENTITY AS A WHOLE (continued)

Changes in Net Position (continued)

In the table below, we have presented the net cost of each of the District's functions. Net cost shows the financial burden that was placed on the District's taxpayers by each of these functions. Providing this information allows our citizens to consider the cost of each function in comparison to the benefits they believe are provided by that function.

	Net Cost of Services	
	2023	2022
Instruction	\$ 474,220	\$ 622,379
Instruction-related services	180,915	180,214
Pupil services	67,089	58,190
General administration	232,502	280,123
Plant services	315,152	192,146
Ancillary and community services	11,061	6,040
Depreciation	97,027	98,327
Total	\$ 1,377,966	\$ 1,437,419

FINANCIAL ANALYSIS OF THE DISTRICT'S MAJOR FUNDS

The financial performance of the District as a whole is reflected in its governmental funds as well. As the District completed this year, its governmental funds reported a combined fund balance of \$2,579,971, which is more than last year's ending fund balance of \$2,083,721. The District's General Fund had \$706,363 more in operating revenues than expenditures for the year ended June 30, 2023.

CURRENT YEAR BUDGET 2022-2023

During the fiscal year, budget revisions and appropriation transfers are presented to the Board for their approval on a regular basis to reflect changes to both revenues and expenditures that become known during the year. In addition, the Board of Education approves financial projections included with the Adopted Budget, First Interim, and Second Interim financial reports. The Unaudited Actuals reflect the District's financial projections and current budget based on State and local financial information.

**TWO ROCK UNION SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS, continued
FOR THE YEAR ENDED JUNE 30, 2023**

CAPITAL ASSETS AND LONG-TERM LIABILITIES

Capital Assets

By the end of 2022-2023 the District had invested \$1,103,985 in capital assets, net of accumulated depreciation.

	Governmental Activities		
	2023	2022	Net Change
CAPITAL ASSETS			
Land	\$ 5,500	\$ 5,500	\$ -
Land improvements	1,033,075	901,605	131,470
Buildings & improvements	1,519,085	1,434,535	84,550
Furniture & equipment	91,116	91,116	-
Less: Accumulated depreciation	(1,544,791)	(1,447,764)	(97,027)
Total Capital Assets	\$ 1,103,985	\$ 984,992	\$ 118,993

Long-Term Liabilities

At year-end, the District had \$1,443,202 in long-term liabilities, a decrease of 34.36% from last year – as shown in the table below. More detailed information about the District's long-term liabilities is presented in footnotes to the financial statements.

	Governmental Activities		
	2023	2022	Net Change
LONG-TERM LIABILITIES			
Compensated absences	\$ 4,155	\$ 3,923	\$ 232
Net pension liability	1,439,047	1,070,188	368,859
Total Long-term Liabilities	\$ 1,443,202	\$ 1,074,111	\$ 369,091

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

At the time these financial statements were prepared and audited, the District was aware of several circumstances that could affect its future financial health.

In its June 2023 quarterly report, the UCLA Anderson Forecast stated the U.S. economy was not in a recession yet, but the forecast comes with a caution. Anti-inflation actions by the Federal Reserve could still trigger a near-term recession. The Federal Reserve has said that its actions will be dependent on data. If data shows that the labor market continues to remain robust and if another jobs report shows strong growth in payroll employment and inflation remains sticky, the Federal Reserve will likely err on the side of further tightening of monetary policy and thus, a mild recession later this year is the most likely. The Forecast anticipates that there will be a mild impact on the State of California's economy regardless of the Federal Reserve's policy actions. The California unemployment rate averages for 2023, 2024, and 2025 are expected to be 4.1%, 4.0% and 4.0%, respectively, and non-farm payroll jobs are expected to grow at rates of 2.0%, 1.3%, and 1.6%, during the same three years.

**TWO ROCK UNION SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS, continued
FOR THE YEAR ENDED JUNE 30, 2023**

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET (continued)

Fiscal policy for the funding of public education changes annually based on fluctuations in State revenues. The May 2023 Budget Revision includes a total Proposition 98 guarantee of \$106.8 billion (\$77.4 billion General Fund and \$29.4 billion local property tax) down from the January 2023 Governor's Budget Proposition 98 guarantee of \$108.8 billion (\$79.6 billion General Fund and \$29.2 billion local property tax). The Proposition 98 Guarantee continues to be in Test 1 for 2022-23 and 2023-24. At May Revision, the 2023-24 cost-of-living adjustment (COLA) is updated to 8.22 percent, the largest COLA in the history of LCFF. Additionally, the May revise saw a reduction of \$1.8 billion to the Arts, Music, and Instructional Materials Discretionary Block Grant and a \$2.5 billion reduction of the Learning Recovery Emergency Block Grant.

The District participates in state employee pensions plans, California State Teachers' Retirement System (CalSTRS) and California Public Employees' Retirement System (CalPERS) and both are underfunded. The District's proportionate share of the liability is reported in the Statement of Net Position as of June 30, 2023. The amount of the liability is material to the financial position of the District. The CalSTRS projected employer contribution rate for 2023-24 is 19.10 percent. The CalPERS projected employer contribution rate for 2023-24 is 26.68 percent. The projected increased pension costs to school employers remain a significant fiscal factor.

Enrollment can fluctuate due to factors such as population growth, competition from private, parochial, inter-district transfers in or out, economic conditions and housing values. Losses in enrollment will cause a school district to lose operating revenues without necessarily permitting the district to make adjustments in fixed operating costs.

All of these factors were considered in preparing the District's budget for the 2023-24 fiscal year.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, students, and investors and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have questions about this report or need any additional financial information, contact the District Office, Two Rock Union School District, 5001 Spring Hill Rd, Petaluma CA, 94952.

**TWO ROCK UNION SCHOOL DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2023**

	<u>Governmental Activities</u>
ASSETS	
Cash and investments	\$ 2,520,218
Accounts receivable	253,547
Prepaid expenses	5,821
Capital assets, not depreciated	5,500
Capital assets, net of accumulated depreciation	<u>1,098,485</u>
Total Assets	<u>3,883,571</u>
DEFERRED OUTFLOWS OF RESOURCES	
Deferred outflows related to pensions	<u>490,435</u>
Total Deferred Outflows of Resources	<u>490,435</u>
LIABILITIES	
Accrued liabilities	105,740
Unearned revenue	93,875
Long-term liabilities, non-current	<u>1,443,202</u>
Total Liabilities	<u>1,642,817</u>
DEFERRED INFLOWS OF RESOURCES	
Deferred inflows related to pensions	<u>285,693</u>
Total Deferred Inflows of Resources	<u>285,693</u>
NET POSITION	
Net investment in capital assets	1,103,985
Restricted:	
Capital projects	269,638
Educational programs	397,211
Unrestricted	<u>674,662</u>
Total Net Position	<u>\$ 2,445,496</u>

**TWO ROCK UNION SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2023**

Function/Programs	Expenses	Program Revenues Operating Grants and Contributions	Net (Expenses) Revenues and Changes In Net Position Governmental Activities
GOVERNMENTAL ACTIVITIES			
Instruction	\$ 917,262	\$ 443,042	\$ (474,220)
Instruction-related services			
Instructional supervision and administration	32,378	21,185	(11,193)
Instructional library, media, and technology	9,089	-	(9,089)
School site administration	160,633	-	(160,633)
Pupil services			
Home-to-school transportation	15,602	37,551	21,949
Food services	153,787	116,474	(37,313)
All other pupil services	87,002	35,277	(51,725)
General administration			
All other general administration	279,037	46,535	(232,502)
Plant services	315,152	-	(315,152)
Community services	40,738	29,677	(11,061)
Depreciation (unallocated)	97,027	-	(97,027)
Total Governmental Activities	\$ 2,107,707	\$ 729,741	(1,377,966)
General revenues			
Taxes and subventions			
Property taxes, levied for general purposes			493,672
Federal and state aid not restricted for specific purposes			1,582,850
Interest and investment earnings			(84,006)
Miscellaneous			135,626
Subtotal, General Revenue			2,128,142
CHANGE IN NET POSITION			750,176
Net Position - Beginning			1,695,320
Net Position - Ending			\$ 2,445,496

**TWO ROCK UNION SCHOOL DISTRICT
GOVERNMENTAL FUNDS
BALANCE SHEET
JUNE 30, 2023**

	General Fund	Non-Major Governmental Funds	Total Governmental Funds
ASSETS			
Cash and investments	\$ 2,428,180	\$ 92,038	\$ 2,520,218
Accounts receivable	253,547	-	253,547
Due from other funds	-	177,600	177,600
Prepaid expenditures	5,821	-	5,821
Total Assets	\$ 2,687,548	\$ 269,638	\$ 2,957,186
LIABILITIES			
Accrued liabilities	\$ 105,740	-	\$ 105,740
Due to other funds	177,600	-	177,600
Unearned revenue	93,875	-	93,875
Total Liabilities	377,215	-	377,215
FUND BALANCES			
Nonspendable	7,821	-	7,821
Restricted	397,211	269,638	666,849
Assigned	371,052	-	371,052
Unassigned	1,534,249	-	1,534,249
Total Fund Balances	2,310,333	269,638	2,579,971
Total Liabilities and Fund Balances	\$ 2,687,548	\$ 269,638	\$ 2,957,186

**TWO ROCK UNION SCHOOL DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET
POSITION
JUNE 30, 2023**

Total Fund Balance - Governmental Funds **\$ 2,579,971**

Amounts reported for assets and liabilities for governmental activities in the statement of net position are different from amounts reported in governmental funds because:

Capital assets:

In governmental funds, only current assets are reported. In the statement of net position, all assets are reported, including capital assets and accumulated depreciation:

Capital assets	\$	2,648,776	
Accumulated depreciation		<u>(1,544,791)</u>	1,103,985

Long-term liabilities:

In governmental funds, only current liabilities are reported. In the statement of net position, all liabilities, including long-term liabilities, are reported. Long-term liabilities relating to governmental activities consist of:

Compensated absences	\$	4,155	
Net pension liability		<u>1,439,047</u>	(1,443,202)

Deferred outflows and inflows of resources relating to pensions:

In governmental funds, deferred outflows and inflows of resources relating to pensions are not reported because they are applicable to future periods. In the statement of net position, deferred outflows and inflows of resources relating to pensions are reported.

Deferred outflows of resources related to pensions	\$	490,435	
Deferred inflows of resources related to pensions		<u>(285,693)</u>	204,742

Total Net Position - Governmental Activities **\$ 2,445,496**

**TWO ROCK UNION SCHOOL DISTRICT
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2023**

	General Fund	Non-Major Governmental Funds	Total Governmental Funds
REVENUES			
LCFF sources	\$ 1,591,052	\$ -	\$ 1,591,052
Federal sources	636,397	-	636,397
Other state sources	570,991	-	570,991
Other local sources	158,449	(569)	157,880
Total Revenues	2,956,889	(569)	2,956,320
EXPENDITURES			
Current			
Instruction	1,104,929	-	1,104,929
Instruction-related services			
Instructional supervision and administration	31,823	-	31,823
Instructional library, media, and technology	9,089	-	9,089
School site administration	193,468	-	193,468
Pupil services			
Home-to-school transportation	15,602	-	15,602
Food services	153,312	-	153,312
All other pupil services	87,198	-	87,198
General administration			
All other general administration	295,500	-	295,500
Plant services	294,101	-	294,101
Facilities acquisition and construction	27,085	209,544	236,629
Community services	38,419	-	38,419
Total Expenditures	2,250,526	209,544	2,460,070
Excess (Deficiency) of Revenues Over Expenditures	706,363	(210,113)	496,250
Other Financing Sources (Uses)			
Transfers in	-	275,000	275,000
Transfers out	(275,000)	-	(275,000)
Net Financing Sources (Uses)	(275,000)	275,000	-
NET CHANGE IN FUND BALANCE	431,363	64,887	496,250
Fund Balance - Beginning	1,878,970	204,751	2,083,721
Fund Balance - Ending	\$ 2,310,333	\$ 269,638	\$ 2,579,971

**TWO ROCK UNION SCHOOL DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2023**

Net Change in Fund Balances - Governmental Funds \$ 496,250

Amounts reported for governmental activities in the statement of activities are different from amounts reported in governmental funds because:

Capital outlay:

In governmental funds, the costs of capital assets are reported as expenditures in the period when the assets are acquired. In the statement of activities, costs of capital assets are allocated over their estimated useful lives as depreciation expense. The difference between capital outlay expenditures and depreciation expense for the period is:

Expenditures for capital outlay:	\$	216,020	
Depreciation expense:		<u>(97,027)</u>	118,993

Compensated absences:

In governmental funds, compensated absences are measured by the amounts paid during the period. In the statement of activities, compensated absences are measured by the amount earned. The difference between compensated absences paid and compensated absences earned, was:

(232)

Pensions:

In governmental funds, pension costs are recognized when employer contributions are made. In the government-wide statement of activities, pension costs are recognized on the accrual basis. This year, the difference between accrual-basis pension costs and employer contributions was:

135,165

Change in Net Position of Governmental Activities	\$	<u>750,176</u>
--	-----------	-----------------------

**TWO ROCK UNION SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Financial Reporting Entity

The Two Rock Union School District (the "District") accounts for its financial transactions in accordance with the policies and procedures of the Department of Education's *California School Accounting Manual*. The accounting policies of the District conform to generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board (GASB) and the American Institute of Certified Public Accountants (AICPA).

The District operates under a locally elected Board form of government and provides educational services to grades K-6 as mandated by the state. A reporting entity is comprised of the primary government, component units, and other organizations that are included to ensure the financial statements are not misleading. The primary government of the District consists of all funds, departments and agencies that are not legally separate from the District. For the District, this includes general operations, food service, and student-related activities.

B. Component Units

Component units are legally separate organizations for which the District is financially accountable. Component units may also include organizations that are fiscally dependent on the District in that the District approves their budget, the issuance of their debt or the levying of their taxes. In addition, component units are other legally separate organizations for which the District is not financially accountable but the nature and significance of the organization's relationship with the District is such that exclusion would cause the District's financial statements to be misleading or incomplete. The District has no such component units.

C. Basis of Presentation

Government-Wide Statements. The statement of net position and the statement of activities display information about the primary government (the District). These statements include the financial activities of the overall government. Eliminations have been made to minimize the double-counting of internal activities. Governmental activities generally are financed through taxes, intergovernmental revenue, and other non-exchange transactions.

The statement of activities presents a comparison between direct expenses and program revenue for each function of the District's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Indirect expense allocations that have been made in the funds have been reserved for the statement of activities. Program revenues include charges paid by the recipients of the goods or services offered by the programs and grants and contributions that are restricted to meeting of operational or capital requirements of a particular program. Revenues that are not classified as program revenues are presented as general revenues. The comparison of program revenues and expenses identifies the extent to which each program or business segment is self-financing or draws from the general revenues of the District.

Fund Financial Statements. The fund financial statements provide information about the District's funds. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as non-major funds.

Governmental funds are used to account for activities that are governmental in nature. Governmental activities are typically tax-supported and include education of pupils, operation of food service and child development programs, construction and maintenance of school facilities, and repayment of long-term debt.

**TWO ROCK UNION SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS, continued
JUNE 30, 2023**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. Basis of Presentation (continued)

Major Governmental Funds

General Fund: The General Fund is the main operating fund of the District. It is used to account for all activities except those that are required to be accounted for in another fund. In keeping with the minimum number of funds principle, all of the District's activities are reported in the General Fund unless there is a compelling reason to account for an activity in another fund. A District may have only one General Fund.

Non-Major Governmental Funds

Capital Project Funds: Capital project funds are established to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds and trust funds).

Special Reserve Fund for Capital Outlay Projects: This fund exists primarily to provide for the accumulation of General Fund moneys for capital outlay purposes (*Education Code Section 42840*).

D. Basis of Accounting – Measurement Focus

Government-Wide Financial Statements

The government-wide financial statements are reported using the economic resources measurement focus. The government-wide financial statements are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place.

Net Position equals assets and deferred outflows of resources minus liabilities and deferred inflows of resources. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. The net position should be reported as restricted when constraints placed on its use are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation. The net position restricted for other activities results from special revenue funds and the restrictions on their use.

Governmental Funds

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Governmental funds use the modified accrual basis of accounting.

Revenues – Exchange and Non-Exchange Transactions

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded under the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. "Available" means the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. Generally, "available" means collectible within the current period or within 60 days after year-end. However, to achieve comparability of reporting among California school districts and so as not to distort normal revenue patterns, with specific respect to reimbursement grants and corrections to State-aid apportionments, the California Department of Education has defined available for school districts as collectible within one year.

**TWO ROCK UNION SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS, continued
JUNE 30, 2023**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. Basis of Accounting – Measurement Focus (continued)

Revenues – Exchange and Non-Exchange Transactions, (continued)

Non-exchange transactions, in which the District receives value without directly giving equal value in return, include property taxes, grants, and entitlements. Under the accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from the grants and entitlements is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Eligibility requirements include timing requirements, which specify the year when the resources are to be used or the fiscal year when use is first permitted; matching requirements, in which the District must provide local resources to be used for a specific purpose; and expenditure requirements, in which the resources are provided to the District on a reimbursement basis. Under the modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

Unearned Revenue

Unearned revenue arises when potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period or when resources are received by the District prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the District has a legal claim to the resources, the liability for unearned revenue is removed from the balance sheet and revenue is recognized.

Certain grants received that have not met eligibility requirements are recorded as unearned revenue. On the governmental fund financial statements, receivables that will not be collected within the available period are also recorded as unearned revenue.

Expenses/Expenditures

On the accrual basis of accounting, expenses are recognized at the time a liability is incurred. On the modified accrual basis of accounting, expenditures are generally recognized in the accounting period in which the related fund liability is incurred, as under the accrual basis of accounting. However, under the modified accrual basis of accounting, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. Allocations of cost, such as depreciation and amortization, are not recognized in the governmental funds. When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed.

E. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, Fund Balance and Net Position

Cash and Cash Equivalents

The District's cash and cash equivalents consist of cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition.

Investments

Investments with original maturities greater than one year are stated at fair value. Fair value is estimated based on quoted market prices at year-end. All investments not required to be reported at fair value are stated at cost or amortized cost. Fair values of investments in county and State investment pools are determined by the program sponsor.

**TWO ROCK UNION SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS, continued
JUNE 30, 2023**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

E. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, Fund Balance and Net Position (continued)

Inventories

Inventories are recorded using the purchases method in that the cost is recorded as an expenditure at the time the individual inventory items are requisitioned. Inventories are valued at historical cost and consist of expendable supplies held for consumption.

Capital Assets

The accounting and reporting treatment applied to the capital assets associated with a fund is determined by its measurement focus. Capital assets are reported in the governmental activities column of the government-wide statement of net position, but are not reported in the fund financial statements.

Capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated fixed assets are recorded at their acquisition value as of the date received. The District maintains a capitalization threshold of \$5,000. The District does not own any infrastructure as defined in GASB Statement No. 34. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not capitalized. All reported capital assets, except for land and construction in progress, are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method over an estimated useful life of 5-50 years depending on the asset class.

Interfund Balances

On fund financial statements, receivables and payables resulting from short-term interfund loans are classified as "Due from other funds/Due to other funds." These amounts are eliminated in the governmental activities columns of the statement of net position.

Compensated Absences

Accumulated unpaid employee vacation benefits are accrued as a liability as the benefits are earned. The entire compensated absence liability is reported on the government-wide financial statements. For governmental funds, the current portion of unpaid compensated absences is recognized upon the occurrence of relevant events such as employee resignations and retirements that occur prior to year-end that have not yet been paid with expendable available financial resource. These amounts are recorded in the fund from which the employees who have accumulated leave are paid.

Accumulated sick leave benefits are not recognized as liabilities of the District. The District's policy is to record sick leave as an operating expense in the period taken because such benefits do not vest, nor is payment probable; however, unused sick leave is added to the creditable service period for calculation of retirement benefits when the employee retires.

Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities, and long-term obligations are reported in the government-wide financial statements. In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources are reported as obligations of the funds.

Premiums and Discounts

In the government-wide financial statements, long-term obligations are reported as liabilities in the statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight line method.

TWO ROCK UNION SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS, continued
JUNE 30, 2023

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

E. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, Fund Balance and Net Position (continued)

Deferred Outflows/Deferred Inflows of Resources

In addition to assets, the District will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the District will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time.

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the defined benefit pension plans (the Plans) of the California State Teachers' Retirement System (CalSTRS) and the California Public Employees' Retirement System (CalPERS) and additions to/deductions from the Plans' fiduciary net position have been determined on the same basis as they are reported by the Plans. 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.

Fund Balance

Fund balance is divided into five classifications based primarily on the extent to which the District is bound to observe constraints imposed upon the use of the resources in the governmental funds. The classifications are as follows:

Nonspendable - The nonspendable fund balance classification reflects amounts that are not in spendable form. Examples include inventory, lease receivables (net of related deferred inflows), prepaid items, the long-term portion of loans receivable, and nonfinancial assets held for resale. This classification also reflects amounts that are in spendable form but that are legally or contractually required to remain intact, such as the principal of a permanent endowment.

Restricted - The restricted fund balance classification reflects amounts subject to externally imposed and legally enforceable constraints. Such constraints may be imposed by creditors, grantors, contributors, or laws or regulations of other governments, or may be imposed by law through constitutional provisions or enabling legislation.

Committed - The committed fund balance classification reflects amounts subject to internal constraints self-imposed by formal action of the Governing Board. The constraints giving rise to committed fund balance must be imposed no later than the end of the reporting period. The actual amounts may be determined subsequent to that date but prior to the issuance of the financial statements. In contrast to restricted fund balance, committed fund balance may be redirected by the government to other purposes as long as the original constraints are removed or modified in the same manner in which they were imposed, that is, by the same formal action of the Governing Board.

**TWO ROCK UNION SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS, continued
JUNE 30, 2023**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

E. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, Fund Balance and Net Position (continued)

Fund Balance (continued)

Assigned - The assigned fund balance classification reflects amounts that the government *intends* to be used for specific purposes. Assignments may be established either by the Governing Board or by a designee of the governing body, and are subject to neither the restricted nor committed levels of constraint. In contrast to the constraints giving rise to committed fund balance, constraints giving rise to assigned fund balance are not required to be imposed, modified, or removed by formal action of the Governing Board. The action does not require the same level of formality and may be delegated to another body or official. Additionally, the assignment need not be made before the end of the reporting period, but rather may be made any time prior to the issuance of the financial statements.

Unassigned - In the General Fund only, the unassigned fund balance classification reflects the residual balance that has not been assigned to other funds and that is not restricted, committed, or assigned to specific purposes. However, deficits in any fund, including the General Fund that cannot be eliminated by reducing or eliminating amounts assigned to other purposes are reported as negative unassigned fund balance.

The District applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

F. Interfund Activity

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented in the financial statements. Interfund transfers are eliminated in the governmental activities columns of the statement of activities.

G. Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

H. Budgetary Data

The budgetary process is prescribed by provisions of the California Education Code and requires the governing board to hold a public hearing and adopt an operating budget no later than July 1 of each year. The District governing board satisfied these requirements. The adopted budget is subject to amendment throughout the year to give consideration to unanticipated revenue and expenditures primarily resulting from events unknown at the time of budget adoption with the legal restriction that expenditures cannot exceed appropriations by major object account.

**TWO ROCK UNION SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS, continued
JUNE 30, 2023**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

H. Budgetary Data (continued)

The amounts reported as the original budgeted amounts in the budgetary statements reflect the amounts when the original appropriations were adopted. The amounts reported as the final budgeted amounts in the budgetary statements reflect the amounts after all budget amendments have been accounted for. For purposes of the budget, on-behalf payments have not been included as revenue and expenditures as required under generally accepted accounting principles.

I. Property Tax

Secured property taxes attach as an enforceable lien on property as of January 1. Taxes are payable in two installments on November 1 and February 1 and become delinquent on December 10 and April 10, respectively. Unsecured property taxes are payable in one installment on or before August 31. The County Auditor-Controller bills and collects the taxes on behalf of the District. Local property tax revenues are recorded when received.

J. New Accounting Pronouncements

GASB Statement No. 91 – In May 2019, GASB issued Statement No. 91, *Conduit Debt Obligations*. This standard's primary objectives are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. The statement was postponed by GASB Statement No. 95 and is effective for periods beginning after December 15, 2021. The District has fully implemented this Statement as of June 30, 2023.

GASB Statement No. 96 – In May 2020, GASB issued Statement No. 96, *Subscription-Based Information Technology Arrangements*. This statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for governments. This statement defines a SBITA; establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, *Leases*, as amended. The statement is effective for periods beginning after June 15, 2022. The District has fully implemented this Statement as of June 30, 2023.

GASB Statement No. 99 – In April 2022, GASB issued Statement No. 99, *Omnibus 2022*. The objectives of this statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees. The statement addresses various practice issues, including: (a) clarification of provisions in Statement No. 87, *Leases*, as amended, related to the determination of the lease term, classification of a lease as a short-term lease, recognition and measurement of a lease liability and a lease asset, and identification of lease incentives, (b) disclosures related to nonmonetary transactions; clarification of provisions in Statement No. 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*, as amended, related to the focus of the government-wide financial statements, (c) terminology updates related to certain provisions of Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, and (d) terminology used in Statement 53 to refer to resource flows statements. A portion of this statement was effective upon issuance, while the remaining portions of this statement were effective for periods beginning after June 15, 2022 and for periods beginning after June 15, 2023. The District has implemented the requirements that were effective upon issuance but has not yet determined the impact on the financial statements for the requirements of this statement that are not yet effective.

**TWO ROCK UNION SCHOOL DISTRICT
 NOTES TO FINANCIAL STATEMENTS, continued
 JUNE 30, 2023**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

J. New Accounting Pronouncements (continued)

GASB Statement No. 100 – In June 2022, GASB issued Statement No. 100, *Accounting Changes and Error Corrections* – an amendment of GASB Statement No. 62. The primary objective of this statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. This statement is effective for periods beginning after June 15, 2023. The District has not yet determined the impact on the financial statements.

GASB Statement No. 101 – In June 2022, GASB issued Statement No. 101, *Compensated Absences*. The objective of this statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. This statement is effective for periods beginning after December 15, 2023. The District has not yet determined the impact on the financial statements.

NOTE 2 – CASH AND INVESTMENTS

A. Summary of Cash and Investments

	Governmental Activities
Investment in county treasury	\$ 2,605,167
Fair value adjustment	(87,949)
Cash on hand and in banks	1,000
Cash in revolving fund	2,000
Total	\$ 2,520,218

B. Policies and Practices

The District is authorized under California Government Code to make direct investments in local agency bonds, notes, or warrants within the state; U.S. Treasury instruments; registered state warrants or treasury notes; securities of the U.S. Government, or its agencies; bankers acceptances; commercial paper; certificates of deposit placed with commercial banks and/or savings and loan companies; repurchase or reverse repurchase agreements; medium term corporate notes; shares of beneficial interest issued by diversified management companies, certificates of participation, obligations with first priority security; collateralized mortgage obligations; and the County Investment Pool.

**TWO ROCK UNION SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS, continued
JUNE 30, 2023**

NOTE 2 – CASH AND INVESTMENTS (continued)

B. Policies and Practices (continued)

Investment in County Treasury – The District maintains substantially all of its cash in the County Treasury in accordance with *Education Code Section 41001*. The Sonoma County Treasurer's pooled investments are managed by the County Treasurer who reports on a monthly basis to the board of supervisors. In addition, the function of the County Treasury Oversight Committee is to review and monitor the County's investment policy. The committee membership includes the Treasurer and Tax Collector, the Auditor-Controller, Chief Administrative Officer, Superintendent of Schools Representative, and a public member. The fair value of the District's investment in the pool is based upon the District's pro-rata share of the fair value provided by the County Treasurer for the entire portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by the County Treasurer, which is recorded on the amortized cost basis.

C. General Authorizations

Except for investments by trustees of debt proceeds, the authority to invest District funds deposited with the county treasury is delegated to the County Treasurer and Tax Collector. Additional information about the investment policy of the County Treasurer and Tax Collector may be obtained from its website. The table below identifies the investment types permitted by California Government Code.

<u>Authorized Investment Type</u>	<u>Maximum Remaining Maturity</u>	<u>Maximum Percentage of Portfolio</u>	<u>Maximum Investment in One Issuer</u>
Local Agency Bonds, Notes, Warrants	5 years	None	None
Registered State Bonds, Notes, Warrants	5 years	None	None
U. S. Treasury Obligations	5 years	None	None
U. S. Agency Securities	5 years	None	None
Banker's Acceptance	180 days	40%	30%
Commercial Paper	270 days	25%	10%
Negotiable Certificates of Deposit	5 years	30%	None
Repurchase Agreements	1 year	None	None
Reverse Repurchase Agreements	92 days	20% of base	None
Medium-Term Corporate Notes	5 years	30%	None
Mutual Funds	N/A	20%	10%
Money Market Mutual Funds	N/A	20%	10%
Mortgage Pass-Through Securities	5 years	20%	None
County Pooled Investment Funds	N/A	None	None
Local Agency Investment Fund (LAIF)	N/A	None	None
Joint Powers Authority Pools	N/A	None	None

D. Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The District manages its exposure to interest rate risk by investing in the County Treasury. The District maintains a pooled investment with the County Treasury with a fair value of \$2,517,218. The average weighted maturity for this pool is 539 days.

**TWO ROCK UNION SCHOOL DISTRICT
 NOTES TO FINANCIAL STATEMENTS, continued
 JUNE 30, 2023**

NOTE 2 – CASH AND INVESTMENTS (continued)

E. Credit Risk

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The investments in the County Treasury are not required to be rated. As of June 30, 2023, the pooled investments in the County Treasury were not rated.

F. Custodial Credit Risk – Deposits

This is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District does not have a policy for custodial credit risk for deposits. However, the California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law. The market value of the pledged securities in the collateral pool must equal at least 110 percent of the total amount deposited by the public agencies. California law also allows financial institutions to secure public deposits by pledging first trust deed mortgage notes having a value of 150 percent of the secured public deposits and letters of credit issued by the Federal Home Loan Bank of San Francisco having a value of 105 percent of the secured deposits. As of June 30, 2023, the District's bank balance was not exposed to custodial credit risk.

G. Fair Value

The District categorizes the fair value measurements of its investments based on the hierarchy established by generally accepted accounting principles. The fair value hierarchy is based on the valuation inputs used to measure an asset's fair value. The following provides a summary of the hierarchy used to measure fair value:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets.

Level 2 - Observable inputs other than Level 1 prices such as quoted prices for similar assets in active markets, quoted prices for identical or similar assets in markets that are not active, or other inputs that are observable, either directly or indirectly.

Level 3 - Unobservable inputs should be developed using the best information available under the circumstances, which might include the District's own data. The District should adjust that data if reasonable available information indicates that other market participants would use different data or certain circumstances specific to the District are not available to other market participants.

Uncategorized - Investments in the Sonoma County Treasury Investment Pool are not measured using the input levels above because the District's transactions are based on a stable net asset value per share. All contributions and redemptions are transacted at \$1.00 net asset value per share.

The District's fair value measurements at June 30, 2023 were as follows:

	<u>Uncategorized</u>
Investment in county treasury	\$ 2,517,218
Total	<u>\$ 2,517,218</u>

**TWO ROCK UNION SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS, continued
JUNE 30, 2023**

NOTE 3 – ACCOUNTS RECEIVABLE

Accounts receivable at June 30, 2023 consisted of the following:

	<u>General Fund</u>
Federal Government	
Categorical aid	\$ 133,875
State Government	
Apportionment	27,495
Categorical aid	39,931
Lottery	8,246
Local Government	
Other local sources	44,000
Total	<u>\$ 253,547</u>

NOTE 4 – CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2023 was as follows:

	Balance July 01, 2022	Additions	Deletions	Balance June 30, 2023
Governmental Activities				
Capital assets not being depreciated				
Land	\$ 5,500	\$ -	\$ -	\$ 5,500
Total capital assets not being depreciated	5,500	-	-	5,500
Capital assets being depreciated				
Land improvements	901,605	131,470	-	1,033,075
Buildings & improvements	1,434,535	84,550	-	1,519,085
Furniture & equipment	91,116	-	-	91,116
Total capital assets being depreciated	2,427,256	216,020	-	2,643,276
Less: Accumulated depreciation				
Land improvements	438,109	58,734	-	497,843
Buildings & improvements	969,781	34,898	-	1,004,679
Furniture & equipment	38,874	3,395	-	42,269
Total accumulated depreciation	1,447,764	97,027	-	1,544,791
Total capital assets being depreciated, net	979,492	118,993	-	1,098,485
Governmental Activities				
Capital Assets, net	\$ 984,992	\$ 118,993	\$ -	\$ 1,103,985

NOTE 5 – INTERFUND TRANSACTIONS

A. Interfund Receivables/Payables (Due From/Due To)

The individual interfund receivable/payable for the year ended June 30, 2023 consisted of \$177,600 due from the General Fund to the Special Reserve Fund for Capital Outlay Projects to transfer facilities impact aid funds.

B. Operating Transfers

The individual interfund transfer for the year ended June 30, 2023 consisted of a transfer from the General Fund to the Special Reserve Fund for Capital Outlay Projects totaling \$275,000 to transfer facilities impact aid funds and project expenditures.

**TWO ROCK UNION SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS, continued
JUNE 30, 2023**

NOTE 6 – ACCRUED LIABILITIES

Accrued liabilities at June 30, 2023 consisted of the following:

	<u>General Fund</u>
Payroll	\$ 16,848
Vendors payable	69,572
Due to grantor government	19,320
Total	<u>\$ 105,740</u>

NOTE 7 – UNEARNED REVENUE

Unearned revenue at June 30, 2023 consisted of the following:

	<u>General Fund</u>
Federal sources	\$ 13,085
State categorical sources	80,790
Total	<u>\$ 93,875</u>

NOTE 8 – LONG-TERM LIABILITIES

A schedule of changes in long-term liabilities for the year ended June 30, 2023 consisted of the following:

	<u>Balance July 01, 2022</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2023</u>	<u>Balance Due In One Year</u>
Governmental Activities					
Compensated absences	\$ 3,923	\$ 232	\$ -	\$ 4,155	\$ -
Net pension liability	1,070,188	368,859	-	1,439,047	-
Total	<u>\$ 1,074,111</u>	<u>\$ 369,091</u>	<u>\$ -</u>	<u>\$ 1,443,202</u>	<u>\$ -</u>

Payments for compensated absences are typically liquidated in the General Fund.

A. Compensated Absences

Total unpaid employee compensated absences as of June 30, 2023 amounted to \$4,155. This amount is included as part of long-term liabilities in the government-wide financial statements.

B. Net Pension Liability

The District's beginning net pension liability was \$1,070,188 and increased by \$368,859 during the year ended June 30, 2023. The ending net pension liability at June 30, 2023 was \$1,439,047. See Note 10 for additional information regarding the net pension liability.

**TWO ROCK UNION SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS, continued
JUNE 30, 2023**

NOTE 9 – FUND BALANCES

Fund balances were composed of the following elements at June 30, 2023:

	General Fund	Non-Major Governmental Funds	Total Governmental Funds
Non-spendable			
Revolving cash	\$ 2,000	\$ -	\$ 2,000
Prepaid expenditures	5,821	-	5,821
Total non-spendable	7,821	-	7,821
Restricted			
Educational programs	397,211	-	397,211
Capital projects	-	269,638	269,638
Total restricted	397,211	269,638	666,849
Assigned			
Other assignments	371,052	-	371,052
Total assigned	371,052	-	371,052
Unassigned	1,534,249	-	1,534,249
Total	\$ 2,310,333	\$ 269,638	\$ 2,579,971

The District is committed to maintaining a prudent level of financial resources to protect against the need to reduce service levels because of temporary revenue shortfalls or unpredicted expenditures. In June 2015, the Board authorized by resolution a stabilization reserve commitment of 5% in addition to the unrestricted fund balance in the General Fund of 5% of total General Fund expenditures, other uses and transfers out at the close of each fiscal year, consistent with the recommended level promulgated by the State of California. If any portion of the 5% Reserve for Economics is spent, then the District shall reduce expenditures to reestablish the 5% Reserve for Economic Uncertainties.

**TWO ROCK UNION SCHOOL DISTRICT
 NOTES TO FINANCIAL STATEMENTS, continued
 JUNE 30, 2023**

NOTE 10 – PENSION PLANS

Qualified employees are covered under multiple-employer contributory retirement plans maintained by agencies of the State of California. Certificated employees are members of the California State Teachers' Retirement System (CalSTRS), and classified employees are members of the California Public Employees' Retirement System (CalPERS). The District reported its proportionate share of the net pension liabilities, pension expense, deferred outflow of resources, and deferred inflow of resources for each of the above plans as follows:

	Net pension liability	Deferred outflows related to pensions	Deferred inflows related to pensions	Pension expense
STRS Pension	\$ 835,628	\$ 257,865	\$ 159,745	\$ (32,765)
PERS Pension	603,419	232,570	125,948	84,067
Total	\$ 1,439,047	\$ 490,435	\$ 285,693	\$ 51,302

A. California State Teachers' Retirement System (CalSTRS)

Plan Description

The District contributes to the California State Teachers' Retirement System (CalSTRS); a cost-sharing multiple employer public employee retirement system defined benefit pension plan administered by CalSTRS. The plan provides retirement and disability benefits and survivor benefits to beneficiaries. Benefit provisions are established by state statutes, as legislatively amended, within the State Teachers' Retirement Law. CalSTRS issues a separate comprehensive annual financial report that includes financial statements and required supplementary information. Copies of the CalSTRS annual financial report may be obtained from CalSTRS, 7919 Folsom Blvd., Sacramento, CA 95826.

Benefits Provided

The CalSTRS defined benefit plan has two benefit formulas:

1. CalSTRS 2% at 60: Members first hired on or before December 31, 2012, to perform service that could be creditable to CalSTRS. CalSTRS 2% at 60 members are eligible for normal retirement at age 60, with a minimum of five years of credited service. The normal retirement benefit is equal to 2.0 percent of final compensation for each year of credited service. Early retirement options are available at age 55 with five years of credited service or as early as age 50 with 30 years of credited service. The age factor for retirements after age 60 increases with each quarter year of age to 2.4 percent at age 63 or older. Members who have 30 years or more of credited service receive an additional increase of up to 0.2 percent to the age factor, known as the career factor. The maximum benefit with the career factor is 2.4 percent of final compensation.
2. CalSTRS 2% at 62: Members first hired on or after January 1, 2013, to perform service that could be creditable to CalSTRS. CalSTRS 2% at 62 members are eligible for normal retirement at age 62, with a minimum of five years of credited service. The normal retirement benefit is equal to 2.0 percent of final compensation for each year of credited service. An early retirement option is available at age 55. The age factor for retirement after age 62 increases with each quarter year of age to 2.4 percent at age 65 or older.

Contributions

Active plan CalSTRS 2% at 60 and 2% at 62 members are required to contribute 10.25% and 10.205% of their salary for fiscal year 2023, respectively, and the District is required to contribute an actuarially determined rate. The actuarial methods and assumptions used for determining the rate are those adopted by CalSTRS Teachers' Retirement Board. The required employer contribution rate for fiscal year 2023 was 19.10% of annual payroll. The contribution requirements of the plan members are established by state statute. Contributions to the plan from the District were \$126,324 for the year ended June 30, 2023.

TWO ROCK UNION SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS, continued
JUNE 30, 2023

NOTE 10 – PENSION PLANS (continued)

A. California State Teachers' Retirement System (CalSTRS) (continued)

On-Behalf Payments

The District was the recipient of on-behalf payments made by the State of California to CalSTRS for K-12 education. These payments consist of state general fund contributions of approximately \$67,138 to CalSTRS.

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

At June 30, 2023, the District reported a liability for its proportionate share of the net pension liability that reflected a reduction for State pension support provided to the District. The amount recognized by the District as its proportionate share of the net pension liability, the related State support, and the total portion of the net pension liability that was associated with the District were as follows:

District's proportionate share of the net pension liability	\$	835,628
State's proportionate share of the net pension liability associated with the District		418,485
Total	\$	1,254,113

The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by applying update procedures to an actuarial valuation as of June 30, 2021 and rolling forward the total pension liability to June 30, 2022. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating school districts, actuarially determined. At June 30, 2022, the District's proportion was 0.001 percent, which did not change from its proportion measured as of June 30, 2021.

For the year ended June 30, 2023, the District recognized pension expense of \$(32,765). In addition, the District recognized pension expense and revenue of \$(31,299) for support provided by the State. At June 30, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between projected and actual earnings on plan investments	\$ -	\$ 40,852
Differences between expected and actual experience	685	62,655
Changes in assumptions	41,441	-
Changes in proportion and differences between District contributions and proportionate share of contributions	89,415	56,238
District contributions subsequent to the measurement date	126,324	-
Total	\$ 257,865	\$ 159,745

**TWO ROCK UNION SCHOOL DISTRICT
 NOTES TO FINANCIAL STATEMENTS, continued
 JUNE 30, 2023**

NOTE 10 – PENSION PLANS (continued)

A. California State Teachers' Retirement System (CalSTRS) (continued)

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

The \$126,324 reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30,	Deferred Outflows of Resources	Deferred Inflows of Resources
2024	\$ 60,128	\$ 68,195
2025	25,073	53,940
2026	25,071	66,243
2027	20,093	(56,336)
2028	587	24,828
2029	589	2,875
Total	\$ 131,541	\$ 159,745

Actuarial Assumptions

The total pension liability was determined by applying update procedures to an actuarial valuation as of June 30, 2021, and rolling forward the total pension liability to June 30, 2022 using the following actuarial assumptions, applied to all periods included in the measurement:

Consumer Price Inflation	2.75%
Investment Rate of Return*	7.10%
Wage Inflation	3.50%

* Net of investment expenses, but gross of administrative expenses.

CalSTRS uses custom mortality tables to best fit the patterns of mortality among its members. These custom tables are based on MP-2016 series tables adjusted to fit CalSTRS experience.

The actuarial assumptions used in the June 30, 2021 valuation were based on the results of an actuarial experience study for the period July 1, 2015 through June 30, 2018.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. The best-estimate ranges were developed using capital market assumptions from CalSTRS general investment consultant (Pension Consulting Alliance-PCA) as an input to the process. The actuarial investment rate of return assumption was adopted by the board in January 2020 in conjunction with the most recent experience study. For each current and future valuation, CalSTRS' independent consulting actuary (Milliman) reviews the return assumption for reasonableness based on the most current capital market assumptions.

**TWO ROCK UNION SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS, continued
JUNE 30, 2023**

NOTE 10 – PENSION PLANS (continued)

A. California State Teachers' Retirement System (CalSTRS) (continued)

Actuarial Assumptions, continued

Best estimates of expected 20-year geometrically linked real rates of return and the assumed asset allocation for each major asset class as of June 30, 2022, are summarized in the following table:

Asset Class	Assumed Asset Allocation	Long-Term Expected Real Rate of Return*
Public I Equity	42%	4.80%
Real Estate	15%	3.60%
Private Equity	13%	6.30%
Fixed Income	12%	1.30%
Risk Mitigating Strategies	10%	1.80%
Inflation Sensitive	6%	3.30%
Cash/Liquidity	2%	-0.40%
	<hr/> 100% <hr/>	

*20-year geometric average

Discount Rate

The discount rate used to measure the total pension liability was 7.10 percent. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and employers will be made at statutory contribution rates in accordance with the rate increases per AB 1469. Projected inflows from investment earnings were calculated using the long-term assumed investment rate of return (7.10 percent) and assuming that contributions, benefit payments, and administrative expense occur midyear. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments to current plan members. Therefore, the long-term assumed investment rate of return was applied to all periods of projected benefit payments to determine the total pension liability.

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

The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 7.10 percent, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.10 percent) or 1-percentage-point higher (8.10 percent) than the current rate:

	1% Decrease (6.10%)	Current Discount Rate (7.10%)	1% Increase (8.10%)
District's proportionate share of the net pension liability	\$ 1,419,206	\$ 835,628	\$ 351,083

Pension Plan Fiduciary Net Position

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

**TWO ROCK UNION SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS, continued
JUNE 30, 2023**

NOTE 10 – PENSION PLANS (continued)

B. California Public Employees' Retirement System (CalPERS)

Plan Description

The District contributes to the School Employer Pool under the California Public Employees' Retirement System (CalPERS); a cost-sharing multiple-employer public employee retirement system defined benefit pension plan administered by CalPERS. The plan provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefit provisions are established by state statutes, as legislatively amended, within the Public Employees' Retirement Laws. CalPERS issues a separate comprehensive annual financial report that includes financial statements and required supplementary information. Copies of the CalPERS annual financial report may be obtained from the CalPERS Executive Office, 400 P Street, Sacramento, CA 95811.

Benefits Provided

The benefits for the defined benefit plan are based on members' years of service, age, final compensation, and benefit formula. Benefits are provided for disability, death, and survivors of eligible members or beneficiaries. Members become fully vested in their retirement benefits earned to date after five years of credited service.

Contributions

Active plan members who entered into the plan prior to January 1, 2013, are required to contribute 7.0% of their salary. The California Public Employees' Pension Reform Act (PEPRA) specifies that new members entering into the plan on or after January 1, 2013, shall pay the higher of fifty percent of normal costs or 7.0% of their salary. Additionally, for new members entering the plan on or after January 1, 2013, the employer is prohibited from paying any of the employee contribution to CalPERS unless the employer payment of the member's contribution is specified in an employment agreement or collective bargaining agreement that expires after January 1, 2013.

The District is required to contribute an actuarially determined rate. The actuarial methods and assumptions used for determining the rate are those adopted by the CalPERS Board of Administration. The required employer contribution rate for fiscal year 2023 was 25.37% of annual payroll. Contributions to the plan from the District were \$60,143 for the year ended June 30, 2023.

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

At June 30, 2023, the District reported a liability of \$603,419 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by applying update procedures to an actuarial valuation as of June 30, 2021 and rolling forward the total pension liability to June 30, 2022. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating school districts, actuarially determined. At June 30, 2022, the District's proportion was 0.002 percent, which did not change from its proportion measured as of June 30, 2021.

TWO ROCK UNION SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS, continued
JUNE 30, 2023

NOTE 10 – PENSION PLANS (continued)

B. California Public Employees' Retirement System (CalPERS) (continued)

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

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between projected and actual earnings on plan investments	\$ 71,247	\$ -
Differences between expected and actual experience	2,727	15,014
Changes in assumptions	44,638	-
Changes in proportion and differences between District contributions and proportionate share of contributions	53,815	110,934
District contributions subsequent to the measurement date	60,143	-
Total	<u>\$ 232,570</u>	<u>\$ 125,948</u>

The \$60,143 reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ended June 30,</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
2024	\$ 71,289	\$ 43,517
2025	38,457	43,517
2026	19,237	38,914
2027	43,444	-
Total	<u>\$ 172,427</u>	<u>\$ 125,948</u>

Actuarial Assumptions

The total pension liability was determined by applying update procedures to an actuarial valuation as of June 30, 2021, and rolling forward the total pension liability to June 30, 2022 using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.30%
Discount Rate	6.90%
Salary Increases	Varies by Entry Age and Service

CalPERS uses custom mortality tables to best fit the patterns of mortality among its members. These custom tables are derived using CalPERS' membership data for all funds. The table includes 15 years of mortality improvements using the Society of Actuaries Scale 80% of scale MP 2020.

**TWO ROCK UNION SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS, continued
JUNE 30, 2023**

NOTE 10 – PENSION PLANS (continued)

B. California Public Employees' Retirement System (CalPERS) (continued)

Actuarial Assumptions (continued)

The actuarial assumptions used in the June 30, 2021, valuation were based on the results of an actuarial experience study for the period from 2000 through 2019.

The long-term expected rate of return on pension plan investments was determined using a building block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. In determining the long-term expected rate of return, both short-term and long-term market return expectations as well as the expected pension fund cash flows were taken into account. Such cash flows were developed assuming that both members and employers will make their required contributions on time and as scheduled in all future years. Using historical returns of all the funds' asset classes, expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long-term (11+ years) using a building block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and adjusted to account for assumed administrative expenses.

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

Asset Class	Assumed Asset Allocation	Real Return Years 1 – 10*
Global Equity – cap-weighted	30.0%	4.45%
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)%
	<u>100.0%</u>	

*An expected inflation of 2.30% used for this period. Figures are based on the 2021-22 CalPERS Asset Liability Management Study

Discount Rate

The discount rate used to measure the total pension liability was 6.90 percent. A projection of the expected benefit payments and contributions was performed to determine if assets would run out. The test revealed the assets would not run out. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability for the Schools Pool. The results of the crossover testing for the Schools Pool are presented in a detailed report that can be obtained at CalPERS' website.

**TWO ROCK UNION SCHOOL DISTRICT
 NOTES TO FINANCIAL STATEMENTS, continued
 JUNE 30, 2023**

NOTE 10 – PENSION PLANS (continued)

B. California Public Employees’ Retirement System (CalPERS) (continued)

Sensitivity of the District’s Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the District’s proportionate share of the net pension liability calculated using the discount rate of 6.90 percent, as well as what the District’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.90 percent) or 1-percentage-point higher (7.90 percent) than the current rate:

	1% Decrease (5.90%)	Current Discount Rate (6.90%)	1% Increase (7.90%)
District’s proportionate share of the net pension liability	\$ 871,669	\$ 603,419	\$ 381,720

Pension Plan Fiduciary Net Position

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

NOTE 11 – COMMITMENTS AND CONTINGENCIES

A. Grants

The District received financial assistance from federal and state agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the District at June 30, 2023.

B. Litigation

The District is involved in various litigation arising from the normal course of business. In the opinion of management and legal counsel, the disposition of all litigation pending is not expected to have a material adverse effect on the overall financial position of the District at June 30, 2023.

C. Construction Commitments

As of June 30, 2023, the District had no commitments with respect to unfinished capital projects.

**TWO ROCK UNION SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS, continued
JUNE 30, 2023**

NOTE 12 – PARTICIPATION IN JOINT POWERS AUTHORITIES

The District participates in one joint venture under a joint powers agreement (JPA) with Redwood Empire Schools Insurance Group (RESIG) for workers' compensation coverage, property and liability insurance and negotiation of contracts for medical insurance. The relationship between the District and the JPA is such that the JPA is not a component unit of the District for financial reporting purposes.

The JPAs have budgeting and financial reporting requirements independent of member units, and their financial statements are not presented in these financial statements. However, fund transactions between the JPAs and the District are included in these statements. The audited financial statements are generally available from the respective entities.

NOTE 13 – DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

Pension Plans

Pursuant to GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, the District recognized deferred outflows of resources related to pensions and deferred inflows of resources related to pensions in the District-wide financial statements. Further information regarding the deferred outflows of resources and deferred inflows of resources can be found at Note 10. At June 30, 2023, total deferred outflows related to pensions was \$490,435 and total deferred inflows related to pensions was \$285,693.

REQUIRED SUPPLEMENTARY INFORMATION

**TWO ROCK UNION SCHOOL DISTRICT
GENERAL FUND – BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2023**

	Budgeted Amounts		Actual* (Budgetary Basis)	Variances - Final to Actual
	Original	Final		
REVENUES				
LCFF sources	\$ 1,543,755	\$ 1,606,495	\$ 1,591,062	\$ (15,443)
Federal sources	508,600	608,947	636,397	27,450
Other state sources	292,465	620,359	552,983	(67,376)
Other local sources	170,314	181,263	241,882	60,619
Total Revenues	2,515,134	3,017,064	3,022,314	5,250
EXPENDITURES				
Certificated salaries	747,531	783,891	739,750	44,141
Classified salaries	312,277	285,019	262,816	22,203
Employee benefits	520,439	463,043	400,536	62,507
Books and supplies	217,180	330,090	292,959	37,131
Services and other operating expenditures	709,903	1,194,535	527,380	667,155
Capital outlay	-	27,416	27,085	331
Total Expenditures	2,507,330	3,083,994	2,250,526	833,468
Excess (Deficiency) of Revenues Over Expenditures	7,804	(66,930)	771,788	838,718
Other Financing Sources (Uses)				
Transfers out	-	(100,000)	(275,000)	(175,000)
Net Financing Sources (Uses)	-	(100,000)	(275,000)	(175,000)
NET CHANGE IN FUND BALANCE	7,804	(166,930)	496,788	663,718
Fund Balance - Beginning	1,801,827	1,801,827	1,801,827	-
Fund Balance - Ending	\$ 1,809,631	\$ 1,634,897	\$ 2,298,615	\$ 663,718

* The actual amounts reported on this schedule do not agree with the amounts reported on the Statement of Revenues, Expenditures, and Changes in Fund Balance for the following reasons:

- The amounts on that schedule include the financial activity of the Deferred Maintenance Fund and the Special Reserve Fund for Other than Capital Outlay Projects, in accordance with the fund type definitions promulgated by GASB Statement No. 54.
- Audit adjustments are also not reflected in the table above.

**TWO ROCK UNION SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY - CALSTRS
FOR THE YEAR ENDED JUNE 30, 2023**

	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015
District's proportion of the net pension liability	0.001%	0.001%	0.001%	0.001%	0.001%	0.001%	0.001%	0.001%	0.002%
District's proportionate share of the net pension liability	\$ 835,628	\$ 603,594	\$ 1,400,703	\$ 1,170,939	\$ 1,155,321	\$ 1,196,995	\$ 1,171,653	\$ 878,379	\$ 1,168,740
State's proportionate share of the net pension liability associated with the District	419,485	393,711	722,956	639,826	651,478	708,139	667,090	464,565	795,736
Total	\$ 1,254,113	\$ 997,305	\$ 2,122,759	\$ 1,809,765	\$ 1,806,799	\$ 1,905,133	\$ 1,838,752	\$ 1,342,944	\$ 1,964,476
District's covered payroll	\$ 898,054	\$ 718,771	\$ 792,315	\$ 711,800	\$ 676,570	\$ 675,724	\$ 605,574	\$ 777,281	\$ 766,715
District's proportionate share of the net pension liability as a percentage of its covered payroll	119.7%	94.0%	176.8%	164.3%	170.8%	177.1%	190.5%	113.0%	152.4%
Plan fiduciary net position as a percentage of the total pension liability	81.2%	87.2%	71.8%	72.6%	71.0%	69.5%	76.0%	74.0%	76.5%

The amounts presented for each fiscal year were determined as of the year-end that occurred one year prior.

**TWO ROCK UNION SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY - CALPERS
FOR THE YEAR ENDED JUNE 30, 2023**

	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015
District's proportion of the net pension liability	0.002%	0.002%	0.002%	0.002%	0.002%	0.003%	0.003%	0.004%	0.004%
District's proportionate share of the net pension liability	\$ 603,419	\$ 466,594	\$ 639,989	\$ 472,850	\$ 650,527	\$ 798,855	\$ 688,458	\$ 542,907	\$ 454,087
District's covered payroll	\$ 268,776	\$ 289,811	\$ 303,071	\$ 224,733	\$ 321,493	\$ 422,946	\$ 400,319	\$ 419,031	\$ 419,026
District's proportionate share of the net pension liability as a percentage of its covered payroll	224.5%	163.6%	211.2%	210.4%	202.3%	186.5%	172.1%	129.6%	108.4%
Plan fiduciary net position as a percentage of the total pension liability	69.8%	81.0%	70.0%	70.0%	70.8%	71.9%	73.9%	79.4%	83.4%

The amounts presented for each fiscal year were determined as of the year-end that occurred one year prior.

**TWO ROCK UNION SCHOOL DISTRICT
SCHEDULE OF DISTRICT CONTRIBUTIONS - CALSTRS
FOR THE YEAR ENDED JUNE 30, 2023**

	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015
Contractually required contribution	\$ 126,324	\$ 118,110	\$ 117,252	\$ 134,257	\$ 115,905	\$ 97,336	\$ 85,117	\$ 79,308	\$ 60,686
Contributions in relation to the contractually required contribution*	(126,324)	(118,110)	(117,252)	(134,257)	(115,905)	(97,336)	(85,117)	(79,308)	(60,686)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered payroll	\$ 665,031	\$ 698,054	\$ 718,771	\$ 792,315	\$ 711,660	\$ 675,570	\$ 675,724	\$ 685,574	\$ 777,281
Contributions as a percentage of covered payroll	19.06%	16.92%	16.31%	16.94%	16.28%	14.38%	12.60%	13.10%	7.31%

*Amounts do not include on-behalf contributions

**TWO ROCK UNION SCHOOL DISTRICT
SCHEDULE OF DISTRICT CONTRIBUTIONS - CALPERS
FOR THE YEAR ENDED JUNE 30, 2023**

	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015
Contractually required contribution	\$ 60,143	\$ 61,576	\$ 62,275	\$ 59,599	\$ 40,588	\$ 49,979	\$ 58,523	\$ 48,486	\$ 47,068
Contributions in relation to the contractually required contribution*	(60,143)	(61,576)	(62,275)	(59,599)	(40,588)	(49,979)	(58,523)	(48,486)	(47,068)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered payroll	\$ 237,916	\$ 268,776	\$ 299,611	\$ 303,071	\$ 224,733	\$ 321,493	\$ 422,916	\$ 400,119	\$ 419,031
Contributions as a percentage of covered payroll	25.28%	22.91%	20.77%	19.67%	18.05%	15.55%	13.84%	12.37%	11.24%

*Amounts do not include on-behalf contributions

**TWO ROCK UNION SCHOOL DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2023**

NOTE 1 – PURPOSE OF SCHEDULES

Budgetary Comparison Schedule

This schedule is required by GASB Statement No. 34 as required supplementary information (RSI) for the General Fund and for each major special revenue fund that has a legally adopted annual budget. The budgetary comparison schedule presents both (a) the original and (b) the final appropriated budgets for the reporting period as well as (c) actual inflows, outflows, and balances, stated on the District's budgetary basis. A separate column to report the variance between the final budget and actual amounts is also presented, although not required.

Schedule of the District's Proportionate Share of the Net Pension Liability

This 10-year schedule is required by GASB Statement No. 68 for each cost-sharing pension plan. Until a full 10-year trend is compiled, the schedule will only show those years under which GASB Statement No. 68 was applicable. The schedule presents the District's proportion (percentage) of the collective net pension liability, the District's proportionate share (amount) of the collective net pension liability, the District's covered payroll, the District's proportionate share (amount) of the collective net pension liability as a percentage of the employer's covered payroll, and the pension plan's fiduciary net position as a percentage of the total pension liability.

Changes in Benefit Terms

There were no changes in benefit terms since the previous valuations for CalSTRS and CalPERS.

Changes in Assumptions

There were no changes in economic assumptions since the previous valuations for CalSTRS. The discount rate changed from 7.15% to 6.90% and the inflation rate changed from 2.50% to 2.30% since the previous measurement for CalPERS.

Schedule of District Contributions

This 10-year schedule is required by GASB Statement No. 68 for each cost-sharing pension plan. Until a full 10-year trend is compiled, the schedule will only show those years under which GASB Statement No. 68 was applicable. The schedule presents the District's statutorily or contractually required employer contribution, the amount of contributions recognized by the pension plan in relation to the statutorily or contractually required employer contribution, the difference between the statutorily or contractually required employer contribution and the amount of contributions recognized by the pension plan in relation to the statutorily or contractually required employer contribution, the District's covered payroll, and the amount of contributions recognized by the pension plan in relation to the statutorily or contractually required employer contribution as a percentage of the District's covered payroll.

NOTE 2 – EXCESS OF EXPENDITURES OVER APPROPRIATIONS

For the year ended June 30, 2023, the District incurred no excess of expenditures over appropriations in individual major funds presented in the Budgetary Comparison Schedule by major object code.

SUPPLEMENTARY INFORMATION

**TWO ROCK UNION SCHOOL DISTRICT
 SCHEDULE OF AVERAGE DAILY ATTENDANCE (ADA)
 FOR THE YEAR ENDED JUNE 30, 2023**

	<u>Second Period Report</u>	<u>Annual Report</u>
SCHOOL DISTRICT		
TK/K through Third		
Regular ADA	76.92	77.74
Special Education - Nonpublic Schools	0.89	0.91
Total TK/K through Third	<u>77.81</u>	<u>78.65</u>
Fourth through Sixth		
Regular ADA	42.09	41.53
Total Fourth through Sixth	<u>42.09</u>	<u>41.53</u>
TOTAL SCHOOL DISTRICT	<u>119.90</u>	<u>120.18</u>

**TWO ROCK UNION SCHOOL DISTRICT
 SCHEDULE OF INSTRUCTIONAL TIME
 FOR THE YEAR ENDED JUNE 30, 2023**

Grade Level	Minutes Requirement	2022-23 Actual Minutes	Number of Days	Status
Kindergarten	36,000	50,700	180	Complied
Grade 1	50,400	55,020	180	Complied
Grade 2	50,400	55,020	180	Complied
Grade 3	50,400	55,020	180	Complied
Grade 4	54,000	55,020	180	Complied
Grade 5	54,000	55,020	180	Complied
Grade 6	54,000	55,020	180	Complied

**TWO ROCK UNION SCHOOL DISTRICT
SCHEDULE OF FINANCIAL TRENDS AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2023**

	2024 (Budget)	2023	2022	2021
General Fund - Budgetary Basis**				
Revenues And Other Financing Sources	\$ 2,899,419	\$ 3,022,314	\$ 2,613,029	\$ 2,405,140
Expenditures And Other Financing Uses	2,985,407	2,525,526	2,158,360	2,095,466
Net change in Fund Balance	\$ (85,988)	\$ 496,788	\$ 454,669	\$ 309,674
Ending Fund Balance	\$ 2,212,627	\$ 2,298,615	\$ 1,801,827	\$ 1,347,158
Available Reserves*	\$ 1,670,563	\$ 1,534,249	\$ 1,533,357	\$ 1,140,160
Available Reserves As A Percentage Of Outgo	55.96%	60.75%	71.04%	54.41%
Long-term Liabilities	\$ 1,443,202	\$ 1,443,202	\$ 1,074,111	\$ 2,046,632
Average Daily Attendance At P-2***	99	120	126	166

The General Fund balance has increased by \$951,457 over the past two years. However, the fiscal year 2023-24 budget projects a decrease of \$85,988. For a District this size, the State recommends available reserves of at least 5% of General Fund expenditures, transfers out, and other uses (total outgo).

The District has incurred operating surpluses in each of the past three years but anticipates incurring an operating deficit during the 2023-24 fiscal year. Total long-term obligations have decreased by \$603,430 over the past two years.

Average daily attendance has decreased by 36 ADA over the past two years. A decrease of 21 ADA is anticipated during the 2023-24 fiscal year.

*Available reserves consist of all unassigned fund balance within the General Fund.

**The actual amounts reported in this schedule are for the General Fund only, and do not agree with the amounts reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances because the amounts on that schedule include the financial activity of the Deferred Maintenance Fund and Special Reserve Fund for Other Than Capital Outlay Projects, in accordance with the fund type definitions promulgated by GASB Statement No. 54. Additionally, the audit adjustments are not included in this schedule.

***Due to the COVID-19 pandemic, Average Daily Attendance at P-2 was not reported in 2021. Funding was based on Average Daily Attendance at P-2 as reported in 2020.

**TWO ROCK UNION SCHOOL DISTRICT
RECONCILIATION OF ANNUAL FINANCIAL AND BUDGET REPORT WITH AUDITED FINANCIAL
STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023**

	<u>General Fund</u>	<u>Deferred Maintenance Fund</u>	<u>Special Reserve Fund for Other Than Capital Outlay Projects</u>	<u>Special Reserve Fund for Capital Outlay Projects</u>
June 30, 2023, annual financial and budget report fund balance	\$ 2,298,615	\$ 12,048	\$ 66,395	\$ 272,854
Adjustments and reclassifications:				
Increase (decrease) in total fund balances:				
Fair value adjustment - cash in county treasury	(84,733)	-	-	(3,216)
Accounts receivable (Resource 6762 AMIM)	37,328	-	-	-
Accounts payable (Resource 7435 LRE)	(19,320)	-	-	-
Fund balance transfer (GASB 54)	78,443	(12,048)	(66,395)	-
Net adjustments and reclassifications	11,718	(12,048)	(66,395)	(3,216)
June 30, 2023, audited financial statement fund balance	\$ 2,310,333	\$ -	\$ -	\$ 269,638

**TWO ROCK UNION SCHOOL DISTRICT
 LOCAL EDUCATION AGENCY ORGANIZATION STRUCTURE
 JUNE 30, 2023**

The Two Rock Union School District was established in 1897. The District is in Petaluma, California. There was no change in District boundaries during the year. The District operates one elementary school.

GOVERNING BOARD

Member	Office	Term Expires
John Martin	President	November 2026
John Silvestrini	Trustee	November 2024
Kenneth Mazzetta	Trustee	November 2023
Gayleen Maas	Trustee	November 2024
Nicolas Noyes	Trustee	November 2025

DISTRICT ADMINISTRATORS

Stephen Owens
Superintendent

**TWO ROCK UNION SCHOOL DISTRICT
NOTES TO SUPPLEMENTARY INFORMATION
JUNE 30, 2023**

NOTE 1 – PURPOSE OF SCHEDULES

Schedule of Average Daily Attendance (ADA)

Average daily attendance (ADA) is a measurement of the number of pupils attending classes of the District. The purpose of attendance accounting from a fiscal standpoint is to provide the basis on which apportionments of state funds are made to school districts. This schedule provides information regarding the attendance of students at various grade levels and in different programs.

Schedule of Instructional Time

This schedule presents information on the amount of instructional time offered by the District and whether the District complied with article 8 (commencing with section 46200) of chapter 2 of part 26 of the *Education Code*.

Schedule of Financial Trends and Analysis

This schedule discloses the District's financial trends by displaying past years' data along with current year budget information. These financial trend disclosures are used to evaluate the District's ability to continue as a going concern for a reasonable period of time.

Reconciliation of Annual Financial and Budget Report with Audited Financial Statements

This schedule provides the information necessary to reconcile the fund balance of all funds reported on the Annual Financial and Budget Report Unaudited Actuals to the audited financial statements.

Local Education Agency Organization Structure

This schedule provides information about the District's boundaries and schools operated, members of the governing board, and members of the administration.

OTHER INDEPENDENT AUDITORS' REPORTS



Certified Public Accountants serving
K-12 School Districts and Charter
Schools throughout California

**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**

Independent Auditors' Report

Governing Board
Two Rock Union School District
Petaluma, 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, the major fund, and the aggregate remaining fund information of Two Rock Union School District, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Two Rock Union School District's basic financial statements, and have issued our report thereon dated January 25, 2024.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Two Rock Union School District'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 Two Rock Union School District's internal control. Accordingly, we do not express an opinion on the effectiveness of Two Rock Union School District'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 Two Rock Union School District'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*.

348 Olive Street
San Diego, CA
92103

O: 619-270-8222
F: 619-260-9085
christywhite.com

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Christy White, Inc.

San Diego, California

January 25, 2024



Certified Public Accountants serving
K-12 School Districts and Charter
Schools throughout California

REPORT ON STATE COMPLIANCE AND ON INTERNAL CONTROL OVER COMPLIANCE FOR STATE PROGRAMS

Independent Auditors' Report

Governing Board
Two Rock Union School District
Petaluma California

Report on State Compliance

Opinion on State Compliance

We have audited Two Rock Union School District's compliance with the types of compliance requirements described in the *2022-2023 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*, prescribed by Title 5, *California Code of Regulations*, section 19810, that could have a direct and material effect on each of Two Rock Union School District's state programs for the fiscal year ended June 30, 2023, as identified below.

In our opinion, Two Rock Union School District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on the applicable state programs for the year ended June 30, 2023.

Basis for Opinion on State Compliance

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 *2022-2023 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*, prescribed by Title 5, *California Code of Regulations*, section 19810 as regulations (the K-12 Audit Guide). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of State Compliance section of our report.

We are required to be independent of Two Rock Union School District 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 audit opinion on state compliance. Our audit does not provide a legal determination of Two Rock Union School District'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 the laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to Two Rock Union School District's state programs.

348 Olive Street
San Diego, CA
92103

O: 619-270-8222
F: 619-260-9085
christywhite.com

Auditor's Responsibilities for the Audit of State Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the state compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Two Rock Union School District'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 K-12 Audit Guide will always detect a material noncompliance when it exists. The risk of not detecting a material noncompliance resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgement made by a reasonable user of the report on compliance about Two Rock Union School District's compliance with the requirements of the applicable state programs as a whole.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, and the K-12 Audit Guide, we:

- Exercise professional judgement 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 Two Rock Union School District's compliance with compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Two Rock Union School District'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 K-12 Audit Guide, but not for the purpose of expressing an opinion on the effectiveness of Two Rock Union School District's internal control over compliance. Accordingly, no such opinion is expressed.
- Select and test transactions and records to determine Two Rock Union School District's compliance with the state laws and regulations related to the following items:

<u>PROGRAM NAME</u>	<u>PROCEDURES PERFORMED</u>
Local Education Agencies Other Than Charter Schools	
Attendance	Yes
Teacher Certification and Misassignments	Yes
Kindergarten Continuance	Yes
Independent Study	No
Continuation Education	Not Applicable
Instructional Time	Yes
Instructional Materials	Yes
Ratio of Administrative Employees to Teachers	Yes
Classroom Teacher Salaries	Yes
Early Retirement Incentive	Not Applicable
Gann Limit Calculation	Yes
School Accountability Report Card	Yes
Juvenile Court Schools	Not Applicable
Middle or Early College High Schools	Not Applicable
K-3 Grade Span Adjustment	Yes
Transportation Maintenance of Effort	Yes
Apprenticeship: Related and Supplemental Instruction	Not Applicable
Comprehensive School Safety Plan	Yes
District of Choice	Not Applicable
Home to School Transportation Reimbursement	Yes
Independent Study Certification for ADA Loss Mitigation	Yes

Auditor's Responsibilities for the Audit of State Compliance (continued)

<u>PROGRAM NAME</u>	<u>PROCEDURES PERFORMED</u>
School Districts, County Offices of Education, and Charter Schools	
California Clean Energy Jobs Act	Yes
After/Before School Education and Safety Program	Yes
Proper Expenditure of Education Protection Account Funds	Yes
Unduplicated Local Control Funding Formula Pupil Counts	Yes
Local Control and Accountability Plan	Yes
Independent Study-Course Based	Not Applicable
Immunizations	Yes
Educator Effectiveness	Yes
Expanded Learning Opportunities Grant (ELO-G)	Yes
Career Technical Education Incentive Grant	Not Applicable
Transitional Kindergarten	Yes
Charter Schools	
Attendance; for charter schools	Not Applicable
Mode of Instruction; for charter schools	Not Applicable
Nonclassroom-Based Instruction/Independent Study; for charter schools	Not Applicable
Determination of Funding for Nonclassroom-Based Instruction; for charter schools	Not Applicable
Annual Instructional Minutes - Classroom Based	Not Applicable
Charter School Facility Grant Program	Not Applicable

We did not perform testing for independent study as the ADA did not exceed the threshold requiring testing. The term "Not Applicable" is used above to mean either the District did not offer the program during the current fiscal year, the District did not participate in the program during the current fiscal year, or the program applies to a different type of local education agency.

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 or material weaknesses in internal control over compliance that we identified during the audit.

The results of our auditing procedures disclosed instances of noncompliance, which are described in the accompanying schedule of findings and questioned costs as Findings #2023-001, #2023-002, and #2023-003. Our opinion on state compliance is not modified with respect to these matters.

Government Auditing Standards requires the auditor to perform limited procedures on Two Rock Union School District's response to the noncompliance findings identified in our audit and described in the accompanying schedule of findings and questioned costs. Two Rock Union School District's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

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 state program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a state 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 state 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.

Report on Internal Control Over Compliance (continued)

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of State Compliance section 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. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

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 K-12 Audit Guide. Accordingly, this report is not suitable for any other purpose.

Christy White, Inc.

San Diego, California
January 25, 2024

**SCHEDULE OF FINDINGS AND
QUESTIONED COSTS**

**TWO ROCK UNION SCHOOL DISTRICT
SUMMARY OF AUDITORS' RESULTS
FOR THE YEAR ENDED JUNE 30, 2023**

FINANCIAL STATEMENTS

Type of auditors' report issued:	<u>Unmodified</u>
Internal control over financial reporting:	
Material weakness(es) identified?	<u>No</u>
Significant deficiency(ies) identified?	<u>None Reported</u>
Non-compliance material to financial statements noted?	<u>No</u>

FEDERAL AWARDS

The District was not subject to Uniform Guidance Single Audit for the year ended June 30, 2023 because federal award expenditures did not exceed \$750,000.

STATE AWARDS

Internal control over state programs:	
Material weaknesses identified?	<u>No</u>
Significant deficiency(ies) identified?	<u>None Reported</u>
Any audit findings disclosed that are required to be reported in accordance with 2022-23 Guide for Annual Audits of California K-12 Local Education Agencies?	<u>Yes</u>
Type of auditors' report issued on compliance for state programs:	<u>Unmodified</u>

**TWO ROCK UNION SCHOOL DISTRICT
FINANCIAL STATEMENT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2023**

FIVE DIGIT CODE

20000
30000

AB 3627 FINDING TYPE

Inventory of Equipment
Internal Control

There were no financial statement findings for the year ended June 30, 2023.

**TWO ROCK UNION SCHOOL DISTRICT
STATE AWARD FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2023**

<u>FIVE DIGIT CODE</u>	<u>AB 3627 FINDING TYPE</u>
10000	Attendance
40000	State Compliance
42000	Charter School Facilities Programs
43000	Apprenticeship: Related and Supplemental Instruction
60000	Miscellaneous
61000	Classroom Teacher Salaries
62000	Local Control Accountability Plan
70000	Instructional Materials
71000	Teacher Misassignments
72000	School Accountability Report Card

FINDING #2023-001: INSTRUCTIONAL MATERIALS (70000)

Criteria: Per Education Code Section 60119, the public hearing for instructional materials must occur on or before the end of the eighth week from the first day pupils attended school for that year.

Condition: The District did not hold a public hearing for instructional materials on or before the eighth week of school for the 2022-23 year.

Cause: There were changes in personnel during this time which may have contributed to the public hearing not taking place.

Effect: The District is not in compliance with California Education Code Section 60119.

Questioned Costs: Funding for this program has ended, thus there are no questioned costs related to instructional materials.

Repeat Finding: This is not a repeat finding.

Recommendation: We recommend that the District comply with Education Code Section 60119 in the future and ensure that the public hearing for instructional materials occurs on or before the end of the eighth week from the first day pupils attended school for that year.

Corrective Action Plan: The District has reviewed the Board Action Calendar to ensure that all compliance items are listed and adhered to in order to ensure Board action is agendized and necessary approvals are obtained in accordance with applicable Education Code. The Public Hearing was held on September 14, 2023 for the current year in compliance with Ed Code Section 60119.

**TWO ROCK UNION SCHOOL DISTRICT
STATE AWARD FINDINGS AND QUESTIONED COSTS, continued
FOR THE YEAR ENDED JUNE 30, 2023**

FINDING #2023-002: AFTER SCHOOL EDUCATION & SAFETY (ASES) PROGRAM ENROLLMENT POLICY (40000)

Criteria: Education Code Section 8483(c)(1) requires that priority for enrollment of pupils in an after-school/before-school program shall be given to pupils who are identified as homeless youth or in foster care.

Condition: After review of the Two Rock Elementary ASES enrollment policy, it was noted that the policy provides priority of enrollment to students identified as at-risk and requiring supplemental instruction. The policy did not note that priority is given to homeless youth or those in foster care.

Cause: Error in updating of enrollment policy.

Effect: The District may not be providing priority enrollment to the student population noted in Education Code Section 8483(c)(1).

Questioned Costs: None.

Repeat Finding: This is not a repeat finding.

Recommendation: We recommend the District updated the ASES enrollment policy to comply with Education Code Section 8483(c)(1).

Corrective Action Plan: The District has reviewed current Board Policy and is recommending amendments to Board Policy #5148.2 in order to bring the existing BP into compliance with Ed Code Section 8483(c)(1). This will include added language to identify priority enrollment in the After School Education and Safety (ASES) Program for Homeless and Foster Youth that complies with Ed Code Section 8483(c)(1), and will codify what is already in practice in the District ASES Program.

**TWO ROCK UNION SCHOOL DISTRICT
STATE AWARD FINDINGS AND QUESTIONED COSTS, continued
FOR THE YEAR ENDED JUNE 30, 2023**

FINDING #2023-003: HOME-TO-SCHOOL TRANSPORTATION (40000)

Criteria: As a condition of receiving apportionments under Education Code Section 41850.1, a local educational agency shall develop a plan describing the transportation services it will offer to its pupils, and how it will prioritize planned transportation services for pupils in transitional kindergarten, kindergarten, and any of grades 1 to 6, inclusive, and pupils who are low income. The plan shall be adopted by the local educational agency's governing board on or before April 1, 2023, and updated by April 1 each year thereafter.

Condition: The District did not develop and adopt a plan on or before April 1, 2023.

Cause: Administrative oversight.

Effect: The District is not in compliance with State requirements.

Questioned Costs: The full amount of the home-to-school transportation reimbursement funding, \$6,627.

Repeat Finding: This is not a repeat finding.

Recommendation: We recommend that the District comply with Education Code Section 41850.1 in the future and ensure that a transportation plan be developed, adopted by the governing board, and updated by April 1 each year.

Corrective Action Plan: The District will record a prior year adjustment in the amount of \$6,627 to reflect a repayment of the funds received for 2022-23. In addition, the District will adjust the Board Action Calendar to reflect the Home-to-School Transportation Service Plan in March to be reviewed and approved by the Board of Trustees prior to April 1st each year. The Home-to-School Transportation Service Plan will be developed and agendaized for the Board to review and approve in March 2024. The plan will be updated every year thereafter.

**TWO ROCK UNION SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2023**

There were no findings or questioned costs for the year ended June 30, 2022.

2023–24 Federal Transferability

Federal transferability of funds is governed by Title V in ESSA Section 5102. An LEA may transfer Title II, Part A and/or Title IV, Part A program funds to other allowable programs. This transferability is not the same as Title V, Part B Alternative Fund Use Authority (AFUA) governed by ESEA Section 5211.

Note: Funds utilized under Title V, Part B AFUA are not to be included on this form.

CDE Program Contact:

Lisa Fassett, Professional Learning Support & Monitoring Office, LFassett@cde.ca.gov, 916-323-4963
 Kevin Donnelly, Rural Education and Student Support Office, TitleIV@cde.ca.gov, 916-319-0942

Title II, Part A Transfers

2023–24 Title II, Part A allocation	\$1,578
Transferred to Title I, Part C	
Transferred to Title I, Part D	
Transferred to Title III English Learner	
Transferred to Title III Immigrant	
Transferred to Title IV, Part A	
Transferred to Title V, Part B, Subpart 1 Small, Rural School Achievement Grant	
Transferred to Title V, Part B, Subpart 2 Rural and Low-Income Grant	
Total amount of Title II, Part A funds transferred out	\$0
2023–24 Title II, Part A allocation after transfers out	\$1,578

Title IV, Part A Transfers

2023–24 Title IV, Part A allocation	\$10,000
Transferred to Title I, Part A	\$0
Transferred to Title I, Part C	\$0
Transferred to Title I, Part D	\$0
Transferred to Title II, Part A	\$0
Transferred to Title III English Learner	\$0
Transferred to Title III Immigrant	\$10,000
Transferred to Title V, Part B Subpart 1 Small, Rural School Achievement Grant	\$0
Transferred to Title V, Part B Subpart 2 Rural and Low-Income Grant	\$0
Total amount of Title IV, Part A funds transferred out	\$10,000
2023–24 Title IV, Part A allocation after transfers out	\$0

*****Warning*****

The data in this report may be protected by the Family Educational Rights and Privacy Act (FERPA) and other applicable data privacy laws. Unauthorized access or sharing of this data may constitute a violation of both state and federal law.

California Department of Education

Two Rock Union (49 70979 0000000)

Consolidated Application

Status: Certified
Saved by: Sarah Daugherty
Date: 1/15/2024 2:53 PM

2023–24 Title II, Part A LEA Allocations

The purpose of this data collection is to calculate the total allocation amount available to the local educational agency (LEA) for Title II, Part A Supporting Effective Instruction.

CDE Program Contact:

Alice Ng (Fiscal), Division Support Office, ANg@cde.ca.gov, 916-323-4636

Lisa Fassett (Program), Professional Learning Support & Monitoring Office, LFassett@cde.ca.gov, 916-323-4963

2023–24 Title II, Part A allocation	\$1,578
Transferred-in amount	\$0
Total funds transferred out of Title II, Part A	\$0
2023–24 Total allocation	\$1,578
Administrative and indirect costs	\$0
Reservation for equitable services for nonprofit private schools	\$0
2023–24 Title II, Part A adjusted allocation	\$1,578

*****Warning*****

The data in this report may be protected by the Family Educational Rights and Privacy Act (FERPA) and other applicable data privacy laws. Unauthorized access or sharing of this data may constitute a violation of both state and federal law.

2023–24 Title III Immigrant LEA Allocations and Reservations

The purpose of this data collection is to show the total allocation amount available to the local educational agency (LEA) for the Title III Immigrant student program and to report required reservations.

CDE Program Contact:

Annie Abreu Park, Language Policy and Leadership Office, AAbreuPark@cde.ca.gov, 916-319-9620
 Geoffrey Ndirangu, Language Policy and Leadership Office, GNdirang@cde.ca.gov, 916-323-5831

Total Allocation

2023–24 Title III Immigrant student program allocation	\$960
Transferred-in amount	\$10,000
Repayment of funds	\$0
2023–24 Total allocation	\$10,960

Allocation Reservations

Authorized activities	\$10,745
Direct administrative costs (amount should not exceed 2% of the student program allocation plus transferred-in amount)	\$0
Indirect costs (LEA can apply its approved indirect rate to the portion of the subgrant that is not reserved for direct administrative costs)	\$215
Total allocation reservations	\$10,960

*****Warning*****

The data in this report may be protected by the Family Educational Rights and Privacy Act (FERPA) and other applicable data privacy laws. Unauthorized access or sharing of this data may constitute a violation of both state and federal law.

2023–24 Title III Immigrant YTD Expenditure Report, 6 Months

A report of year-to-date (YTD) expenditures by activity. Activity period covered is July 1, 2023 through December 31, 2023.

CDE Program Contact:

Annie Abreu Park, Language Policy and Leadership Office, AAbreuPark@cde.ca.gov, 916-319-9620
 Geoffrey Ndirangu, Language Policy and Leadership Office, GNdirang@cde.ca.gov, 916-323-5831

Authorized Title III Immigrant student program activities

An eligible entity receiving funds under the Every Student Succeeds Act section 3114(d)(1) shall use the funds to pay for supplemental activities that provide enhanced instructional opportunities for immigrant children and youth.

Refer to the Program Information link above for authorized Immigrant student program activities.

Refer to the Data Entry Instructions link above for Expenditure Report Instructions.

2023–24 Title III immigrant student program allocation	\$960
Transferred-in amount	\$10,000
2023–24 Total allocation	\$10,960
Object Code - Activity	
1000–1999 Certificated personnel salaries	\$0
2000–2999 Classified personnel salaries	\$0
3000–3999 Employee benefits	\$0
4000–4999 Books and supplies	\$0
5000–5999 Services and other operating expenditures	\$0
Direct administrative costs (amount should not exceed 2% of the student program allocation plus transferred-in amount)	\$0
Indirect costs (LEA can apply its approved indirect rate to the portion of the subgrant that is not reserved for direct administrative costs)	\$0
Total year-to-date expenditures	\$0
2023–24 Unspent funds	\$10,960

*****Warning*****

The data in this report may be protected by the Family Educational Rights and Privacy Act (FERPA) and other applicable data privacy laws. Unauthorized access or sharing of this data may constitute a violation of both state and federal law.

2023–24 Consolidation of Administrative Funds

A request by the local educational agency (LEA) to consolidate administrative funds for specific programs.

CDE Program Contact:

Hilary Thomson, Fiscal Oversight and Support Office, HThomson@cde.ca.gov, 916-323-0765

Title I, Part A Basic SACS Code 3010	No
Title I, Part C Migrant Education SACS Code 3060	No
Title I, Part D Delinquent SACS Code 3025	No
Title II, Part A Supporting Effective Instruction SACS Code 4035	No
Title III English Learner Students - 2% maximum SACS Code 4203	No
Title III Immigrant Students SACS Code 4201	No
Title IV, Part A Student Support - 2% maximum SACS Code 4127	No
Title IV, Part B 21st Century Community Learning Centers SACS Code 4124	No

*****Warning*****

The data in this report may be protected by the Family Educational Rights and Privacy Act (FERPA) and other applicable data privacy laws. Unauthorized access or sharing of this data may constitute a violation of both state and federal law.

TWO ROCK UNION SCHOOL CALENDAR FOR 2024/2025

Month	M	T	W	TH	F	Workdays / Holidays	Days of Instruction	Certificated Employees
July 2024	1	2	3	4	5	4 Independence Day Holiday	0	0
	8	9	10	11	12			
	15	16	17	18	19			
	22	23	24	25	26			
	29	30	31					
August				1	2	8 Teacher Workday 9 Teacher Workday 12 Professional Development Day 13 Professional Development Day 13 Classified PD Day 14 First Day of School (Early Release)	13	17
	5	6	7	8	9			
	12	13	14	15	16			
	19	20	21	22	23			
	26	27	28	29	30			
September	2	3	4	5	6	2 Labor Day Holiday 30 Parent Teacher Conferences Minimum Day Student Release at 12:00	20	20
	9	10	11	12	13			
	16	17	18	19	20			
	23	24	25	26	27			
	30							
October		1	2	3	4	1-4 Parent Teacher Conferences Minimum Day/Early Release 14 Professional Development Day No Students	22	23
	7	8	9	10	11			
	14	15	16	17	18			
	21	22	23	24	25			
	28	29	30	31				
November					1	11 Veterans Day Holiday Observed 25 - 29 Thanksgiving Break	15	15
	4	5	6	7	8			
	11	12	13	14	15			
	18	19	20	21	22			
	25	26	27	28	29			
December	2	3	4	5	6	20 End of 1st Semester 20 Minimum Day 23 - 31 Winter Break	15	15
	9	10	11	12	13			
	16	17	18	19	20			
	23	24	25	26	27			
	30	31						
January 2025			1	2	3	1 - 3 Winter Break Continued 20 Martin Luther King Jr. Holiday	19	19
	6	7	8	9	10			
	13	14	15	16	17			
	20	21	22	23	24			
	27	28	29	30	31			
February	3	4	5	6	7	17 Presidents' Day No School 18 Lincoln's Holiday Observed	18	18
	10	11	12	13	14			
	17	18	19	20	21			
	24	25	26	27	28			
March	3	4	5	6	7	10 Emergency Make Up Day 17-21 Parent Teacher Conferences Minimum Day 12:00 student Release	20	20
	10	11	12	13	14			
	17	18	19	20	21			
	24	25	26	27	28			
	31							
April		1	2	3	4	7 - 11 Spring Break Holiday	17	17
	7	8	9	10	11			
	14	15	16	17	18			
	21	22	23	24	25			
	28	29	30					
May				1	2	26 Memorial Day Holiday 30 Last Day of School (Early Release) at 12:00	21	21
	5	6	7	8	9			
	12	13	14	15	16			
	19	20	21	22	23			
	26	27	28	29	30			
June	2	3	4	5	6	2 Teacher Workday - 6* If Emergency days used 2-5 Emergency School Closure Make-up Days 19 Juneteenth Holiday	0	1
	9	10	11	12	13			
	16	17	18	19	20			
	23	24	25	26	27			
	30							

Start date for Teachers
August 8, 2024

Start date for Classified employees who work on a school year calendar
August 13, 2024

Start date for Students
August 14, 2024

Non-Student Days

September 2, 2024
October 14, 2024
November 11, 2024
Thanksgiving Break
November 25 - 29, 2024
Winter Break
December 23, 2024 - January 3, 2025
January 20, 2025
February 17, 2025
February 18, 2025
Spring Break
April 7 - 11, 2025
May 26, 2025
Emergency School Closure Make-up Days*
11/1/24, 3/10/25, 6/3/25, 6/4/25, 6/5/25

Teachers' Workdays
August 8, 2024
August 9, 2024
June 2, 2025

Professional Development Days
August 12, 2024
August 13, 2024
October 14, 2024

Semesters
End of 1st semester: 12/20/24 (85 days)
End of 2nd semester: 05/30/25 (95 days)

Report Cards Sent Home
December 20, 2024
May 30, 2025

*June 2-5, 2025 are designated as Emergency School Closure Make-up Days. If we have an emergency school closure during the year, these days will be used to replace any missed days of instruction. If we do not have an emergency school closure during the year, these days will be an extension of the school year. A decision whether days need to be made up or not will be announced no later than the first week of February.

Two Rock Union School District

2023-2024 School Calendar

Board Approved

5/11/2023

Revised

8/9/2023

July

S	M	T	W	T	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

Calendar Dates and Events

- August 10-15 Certificated Work Day
- August 14-15..... All Staff Development Day
- August 16..... First Day of School
- September 4..... Labor Day Holiday
- October 9..... Certificated Work Day
- November 10..... Veteran's Day Holiday Observed
- November 20-24..... Fall Break
- December 22-29..... Winter Break

August

S	M	T	W	T	F	S
		1	2	3	4	5
6	7	8	9	W	W	12
13	W	W	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

September

S	M	T	W	T	F	S
					1	2
3	H	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30

October

S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	W	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

November

S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	H	11
12	13	14	15	16	17	18
19	V	V	V	H	V	25
26	27	28	29	30		

December

S	M	T	W	T	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	V	23
24	H	V	V	V	V	30
31						

January

S	M	T	W	T	F	S
	H	V	V	V	V	6
7	8	9	10	11	12	13
14	H	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

February

S	M	T	W	T	F	S
					1	2
3						
4	5	6	7	8	9	10
11	H	13	14	15	16	17
18	H	20	21	22	23	24
25	26	27	28	29		

March

S	M	T	W	T	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

April

S	M	T	W	T	F	S
		1	2	3	4	5
6						
7	V	V	V	V	V	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30				

May

S	M	T	W	T	F	S
					1	2
3						
4						
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	H	28	29	30	31	

June

S	M	T	W	T	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	28	28	29
30						

Regular Attendance Days180
 # Certificated Work Days186

Regular Attendance
Non Attendance Day
Emergency Closure Make Up Day
Parent/Teacher Conferences- Early Release



Two Rock Union School District
5001 Spring Hill Road • Petaluma, CA • 94952
Phone: (707) 762-6617 • Fax: (707) 762-1923
www.trusd.org

TWO ROCK UNION SCHOOL DISTRICT

EMPLOYMENT AGREEMENT

This agreement is between the Two Rock Union School District ("District") and **Susan Broderick**("Employee") who agree as follows:

1. **TERM OF AGREEMENT** : The term of this contract is for approximately ten months, commencing February 1, 2024 and terminating June 30, 2024.
2. **CLASSIFICATION AND SALARY**: Employee's salary will be at \$80.00 per hour for the position of Special Education Resource Specialist. Salary not to exceed \$1500 for the 2023-24 school year. A timesheet will be submitted at the end of each month and the Employee will be paid on or before the 10th of the subsequent month. The duties shall include assisting with IEPs, the substitute teacher with accommodations and goals.
3. **LAWS**: This Agreement is made subject to the laws of California, applicable rules of the state Board of Education and the Governing Board of the Two Rock Union School District.
4. **CREDENTIAL**: Employee certifies that she holds the appropriate credential, as required by law for the specific services provided, and is authorized to provide service in the classification stated.
5. **NO OTHER AGREEMENT** : Employee certifies that she has not entered into a valid contract with the Governing Board of another school district which will in any way conflict with the services to be provided to Two Rock Unified School District.
6. **RELEASE FROM AGREEMENT** : Regardless of term indicated in this contract, you may be released from service to the District at any time at the Governing Board's discretion pursuant to Education Code Section 44951.

TWO ROCK UNION SCHOOL DISTRICT:

Employee:

Board of Trustees

John Martin, President • Gayleen Maas, Clerk • Nick Noyes • Joel Ruiz • John Silvestrini

Stephen Owens, Superintendent/Principal