

Answers to Board Member Questions

Regarding April 19, 2023, Regular Meeting

Corrections to Minutes

April 5, 2023, Regular Board Meeting

Question (page 4 of the digital packet): Bullet 10 under Discussion – Is it correct that K-8 would have 175 days as I thought all students were at 182?

Answer: The calendar has 182 instructional days, but elementary, middle, and K-8 schools include seven professional development days (instead of early dismissal Wednesdays.) That makes 175 instructional days, with K-5 adding 60 hours of professional development towards instructional hours and 6-8th grades adding 30 hours of professional development towards instructional hours.

Question (page 8): Bullet 4 under Discussion – correct the spelling: succeeds not "succeeds":

Answer: Thank you for catching this typo. It will be corrected.

Question (page 10): Under Action – No justification noted for the board members who opposed the motion. There was no note about the harm that would come to our children as a result of approval of El Camino Real 5 yr. Renewal.

Answer: APS policy says that minutes must include

- the date, time, and place of the meeting
- the names of members in attendance and those absent
- the substance of the proposals considered
- a record of any decisions and votes taken that show how each member voted

While we highlight topics, the entire discussion is captured on video and posted on the APS YouTube Channel: [Watch the April 5, 2023, Board of Education meeting on the APS Board of Education YouTube Channel.](#)

April March 29, 2023, Special Board of Education Meeting

Question (page 16): ELA Action- Nothing noted about the discussion and the opposition to the motion.

Answer: There was no discussion on this agenda item during the special board meeting. The discussion took place during the Finance Committee meeting that preceded the special: [Watch the March 29, 2023, Board of Education Finance Committee meeting on the APs Board of Education YouTube Channel.](#)

Item V.A: Consideration for Review and Approval of the 2023-2024 Work Calendars and Pay Schedules

Question: Could you clarify which employee groups are included on which schedules, e.g., which group is A Schedule and TAN Schedule? Who is C Schedule, etc.?

Answer:

- A schedule - employees covered by the Albuquerque Teachers Federation. This group included Teachers and Essential and Related Service Educators
- B schedule - Secretaries, Clerks, Bookkeepers, and Registrars
- C schedule - Food Service Employees - Cooks/Bakers and General Helpers
- D schedule - Maintenance and Operations Staff, excluding Supervisors and Managers
- E schedule - School Police Staff, excluding Supervisors and Managers
- FSN - Food Service Supervisors
- G1, G2, and H schedule - Educational Assistants, Health Assistants, Behavior Redirectors, Library Assistants, and Community Support Liaisons
- J schedule - Bus Drivers and Bus Attendants
- SPE - Principals and Assistant Principals
- TAN - Therapist Assistants, Vocational Teachers, and Associate Degree Nurses
- X - ROTC Instructors and Middle School Leadership Instructors

The following designations are for employees who are paid on the District Support Schedule:

- CSN - Non-exempt Computer Support Staff
- CSE - Exempt Computer Support Staff
- ESN - Executive Administrative Assistants
- ESE - Executive Directors, Chiefs, Associate Superintendents, and the Superintendent fall in this designation
- MSN - Non-exempt Management Support Staff
- MSE - Exempt Management Support Staff
- PSN - Non-exempt Professional Support Staff
- PSE - Exempt Professional Support Staff

Item VI.A: Consideration for Approval of the Preliminary Official Statement Relating to the District's General Obligation Bonds, Series 2023

Questions (page 58 of the digital packet): What is the current interest rate, for the refunding GO Bonds and do you have an idea what the new rate might be? Will you be reissuing the new debt at a lower rate? We're refunding the older & higher interest rate, correct, as there would not be a good reason to refund at a higher interest rate?

Answers:

- The 2014A Bonds have an interest rate of 4%.

- Yes, the 2014A Bonds are being refunded for interest rate savings. Under current market conditions, the refunding generates \$1.6 million in interest rate savings or approximately 3.67%. Should rates rise between now and pricings next week and refunding savings drop below 3%, the refunding would not be done.
- The 2014A Bonds have an interest rate of 4.000%. The refunding interest rate is projected at 2.76%

Question (page 54): I see that it says that we have an enrollment of 70,510, but there are different enrollment numbers in this document that I don't believe are correct. Please double check the enrollment numbers and number of schools throughout the document and make sure they are all the same.

Answer: See the revised the official statement. The first statement posted did not include the District's updates.

Question (page 57): 1st paragraph Does the "statewide public health emergency proclaimed by the Governor due to COVID-19 remain in place"? I believe this sentence should be removed.

Answer: See the revised the official statement. The first statement posted did not include the District's updates.

Question (page 61): "The Series 2023 will bear interest" at what estimated rate?

Answer: Projected interest rate for the Series 2023 Bonds is expected to be 3.92%

Questions (page: 64): What is the current enhancement rating Moodys gave us? There isn't an answer after "CURRENT RATING?" And why is APS, "not seeking a rating from Moody's in connection therewith?"

Answers:

- Aa3
- Beginning in 2022, APS no longer applies for ratings from Moody's as the Moody's underlying rating and enhanced rating are lower than the S&P's current rating of AA. Given the lower rating, it does not provide benefit to the District to incur the additional cost of having a Moody's rating which would run approx. \$70,000 and would not improve the interest rate that the District would receive.

Question (page 68): Don't we already have a "high level of taxation? So how will that impact our ability to pay this debt? Historically our city, county, state keep raising rates, correct? One of the reasons that the legislation to lower taxes, (which passed but was vetoed by the Governor) because she thought governmental entities may need that revenue rather than live within their means. Do you feel that a consolidated city/county government would help with our "high level of taxation"?

Answer: The District's debt service tax rate is set annually at a level to pay the principal and interest on all of the District's outstanding GO Bonds. The issuance of the proposed Series 2023 Bonds will continue to maintain the District's historical debt service tax rate of 4.48 mills. Property tax rates within the City of Albuquerque have been very stable over the past 5 years. 5 Years ago the total property tax rate for a residential owner was 42.533 mills compared to 42.598 for the current tax year.

Question (page 72): 3rd paragraph-I believe there are some misstatements here: Are we the 35th largest school district? APS does not have over "89,000 students in the Albuquerque metropolitan area" do we? Even if you add the enrollment number on Pg. 54 of 70,510 and the charter school number of over 16,000 on pg. 72 you still don't have over 89,000 students. Fill in the missing number "___ students attending District schools."

Answer: See the revised the official statement. The first statement posted did not include the District's updates.

Question (page 73): 2nd paragraph-Why are there only 3 listed as current administrative staff?

Answer: The three administrative staff represent Operations, Finance, and Capital and are the only staff required to be referenced per the underwriters.

Question (page 74): Under School Property why do some of these numbers not match the numbers on Pg. 72? On Table 8 are the enrollment numbers inclusive of charter schools? If so that should be made clear! I can't remember a time since I've been on the board that we had 90,000+ students. On pg. 54 it says in 22/23 we had a 40th day enrollment of 70,510+16,258 in charters so added together that is only 86,768 so not over 89,000 students. On pg. 79 it's stated that APS enrollment dropped by almost 6,000 & as we were told these students never did return so we need to check our enrollment numbers in this entire document.

Answer: See the revised the official statement. The first statement posted did not include the District's updates.

Question (page 77): last paragraph-How much did the district receive in FY 2021-22 for transportation purposes? That number needs to be added.

Answer: See the revised the official statement. The first statement posted did not include the District's updates.

Question (page 81): Under Investments & Employment Retirement Plan & Other Post-Employment Benefits it says there should be an update so will that be updated? As far as number of employees that number needs to be the same on every page that gives the number of employees.

Answer: See the revised the official statement. The first statement posted did not include the District's updates.

Question (page 85): So what is the current rate of the district's indebtedness? If "the issuance of refunding bonds is not subject to the 6% debt limitation", is it possible for APS to be above the statutory 6% debt limitation?

Answers:

- The District total GO debt, including the proposed Series 2023 Bonds, will be 2.83% which is less than the 6% debt limitation. This translates to 47% bonded to capacity.
- No.

Question (page 86): What is the interest rate for the 2014A Bonds? Under Outstanding Debt it says UPDATE, so is there an update needed here?

Answer: See the revised the official statement. The first statement posted did not include the District's updates.

Question (page 93): "S&P Global Ratings has assigned the Series 2023 Bonds a rating of ____ what?

Answer: The District has requested a bond rating from S&P. The District's current bond rating from S&P is AA with a stable outlook, which is not anticipated to change.

Question Every time a bond issue comes up, all the complexities of the bonds are even more apparent! My question for this time is, what are the Refunding Bonds?

Answer: Refunding bonds are similar to refinancing a mortgage, prior bonds that the district have issued or refinanced to reduce the interest rate and annual debt service payments due to the lower rates.

VI.B. Government Affairs Update

Question: With the Government Affairs, with the governor vetoing SB 521, what is the final salary increase that is funded?

Answer: The final salary increase is 6% for all school employees. Although SB 521 was pocket vetoed, the funding for the bill was included in the budget:

The general fund appropriation to the state equalization guarantee distribution includes one hundred thirty-nine million one hundred fifty-seven thousand five hundred dollars (\$139,157,500) to provide an average five percent salary increase to all public school personnel. The secretary of public education shall not approve the operating budget of a school district or charter school that does not provide an average five percent salary increase for all public school personnel.

*The general fund appropriation to the state equalization guarantee distribution includes twenty seven million eight hundred thirty-one thousand five hundred dollars (\$27,831,500) to provide a **one percent salary** increase to all public school personnel to address inflation and health premium costs.*

Question: Regarding the Capital Outlay Projects, how will SB 131 affect our bottom line with those projects?

Answer: The bill attempts to restore demand for standards and systems-based projects vs. large-scale school renovation projects in the short term by reducing the state match for all school districts by one-third. We had a \$37 million offset before the bill was passed, so we should see that reduced by \$12.21 million (approximately). Additionally, we do not have to take an offset for capital appropriations tied to CTE, Pre-K, and Safety/Security, which will help in the future as well.

Question: I don't see an update in the packet on HB7 - Reproductive and Gender-Affirming Healthcare. I would like to see an analysis of how HB7 affects any current policies within APS, for example the Parent's Rights Policy, as well as how it overlaps with the Children's Code.

Answer:

House Bill 7: Reproductive and Gender-Affirming Health Care Freedom Act

This legislation requires publicly funded entities to provide gender-affirming healthcare services in accordance with state law. Under HB7, healthcare providers are not required to provide any services they do not already have an obligation to provide under current state and federal statutes. This legislation does not impact Albuquerque Public Schools, as APS Counseling and Nursing Services provide services to students under FERPA guidelines and not HIPAA. This Act outlines discrimination, not what can or cannot be taught or discussed in a school about pregnancy prevention.

With regard to School-Based Health Centers, these providers are not APS employees and follow the guidelines provided by their provider organizations. Although School-Based Health Centers (SBHC) are subject to the provisions in the Act, SBHCs are not considered an entity of APS. (Board Policy JL4)

As school districts do not provide reproductive health care, the only area in the Act that is pertinent to school districts is pregnancy prevention, which is limited to education.