

# City of Truth or Consequences, NM

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September 10, 2025

## 2025 Tax Rates and Impacts to Bond Program

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## General Obligation (GO) Bond Financings

Municipalities are granted the authority from State Constitution to issue debt paid from property taxes based on assessed value (AV):

Truth or Consequences NM AV (2025): \$ 124,503,930  
Gross Bonding Capacity (2025): \$ 4,980,157

- Bonding Capacity - Constitutional limit is based on assessed values (AV) within municipal boundaries
  - Public Schools: 6% of AV
  - **Cities: 4% of AV**
  - Counties: 4% of AV
  - Community Colleges: 3% of AV
  - Hospital Districts: 3% of AV
- Bonds must be approved via a ballot question placed on a local general election or a mail special election.
- Cities can request voters authorize an amount up to the available bonding capacity. Tax rates are set on the financial requirements to satisfy upcoming debt payments.
- Bond Cycle Program: Routine Elections, annual bond issuance to provide match funds for funding programs.

### 2022 Election Questions

CITY OF TRUTH OR CONSEQUENCES General Obligation - Roads: Shall the City of Truth or Consequences, New Mexico be authorized to issue up to \$1,000,000 of general obligation bonds for the purpose of laying off, opening, constructing, repairing, and otherwise improving municipal alleys, streets, public roads and bridges, or any combination thereof?

For 81 percent  
Against 19 percent

CITY OF TRUTH OR CONSEQUENCES General Obligation - Water: Shall the City of Truth or Consequences, New Mexico be authorized to issue up to \$2,000,000 of general obligation bonds for the purpose of enlarging, improving or extending the City's water and wastewater system?

For 84 percent  
Against 16 percent



## Local Government

City of Truth or Consequences, NM

Tax Year: 2025

Assessed Valuation: \$ 124,503,930

Current Year Tax Rate 4.5350

LGD Proposed Rate 5.2600

Bosque Recommendation 3.5000

### Revenue Produced

564,625.32

654,890.67

435,763.76

**Outcome:** LGD approved the City Request at 3.5 mills, which is a slight reduction in tax rate for the community.

## LOCAL GOVERNMENT DIVISION REC - Initial Review

City of Truth or Consequences - General Obligation Bond Program

	FY26	FY27	FY28
	Cash Reconciliation	Cash Estimate	Cash Estimate
End Cash Balance June 30 (audit)	\$ 300,000.00	553,257.87	809,646.70
Tax Revenue (0.5% growth year over year) est.	654,890.67	658,165.13	661,455.95
	954,890.67	1,211,423.00	1,471,102.65
July to December Bond Payments	262,820.15	73,812.65	67,963.65
January to June Bond Payments	13,812.65	12,963.65	12,191.15
New Debt Payments Series 2026	125,000.00	315,000.00	315,000.00
	401,632.80	401,776.30	395,154.80
Ending Cash Balance (estimated)	553,257.87	809,646.70	1,075,947.85

## BOSQUE ADVISORS REC BASED ON CITY DIRECTION

City of Truth or Consequences - General Obligation Bond Program

	FY26	FY27	FY28
	Cash Reconciliation	Cash Estimate	Cash Estimate
End Cash Balance June 30 (audit)	\$ 300,000.00	334,130.96	370,297.23
Tax Revenue (0.5% growth year over year) est.	435,763.76	437,942.57	440,132.29
	735,763.76	772,073.53	810,429.52
July to December Bond Payments	262,820.15	73,812.65	67,963.65
January to June Bond Payments	13,812.65	12,963.65	12,191.15
New Debt Payments Series 2026	125,000.00	315,000.00	315,000.00
	401,632.80	401,776.30	395,154.80
Ending Cash Balance (estimated)	334,130.96	370,297.23	415,274.72

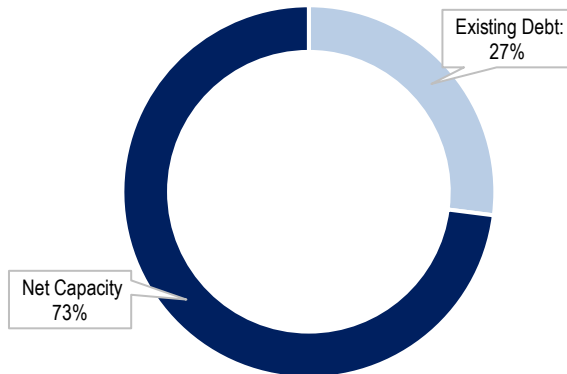


## City of Truth or Consequences, Sierra County, NM

Year	County Assessed Value	Residential	Nonresidential	City Total Assessed Valuation	Debt Service Mill Levy	Debt Service Revenue Produced	Bond Capacity
2020	320,888,780	64,466,452	39,378,007	103,844,459	-	-	4,153,778
2021	333,793,084	65,597,826	39,290,088	104,887,914	-	-	4,195,517
2022	351,936,213	68,921,991	38,435,762	107,357,753	-	-	4,294,310
2023	352,005,616	73,714,865	38,830,727	112,545,592	-	-	4,501,824
2024	338,703,151	78,928,926	43,660,059	122,588,985	4.535	555,941	4,903,559
2025*	338,703,151	81,177,878	43,326,052	124,503,930	3.500	435,764	4,980,157
Existing Debt:							1,325,000
<b>Net Capacity</b>							<b>3,655,157</b>

\* To be approved at September County Commission Meeting.

Truth or Consequences, NM:  
Bonding Capacity



- The City's gross bonding capacity is \$4.98 million.
- The City currently has \$1,325,000 of outstanding General Obligation debt. The two bonds were financed by the New Mexico Finance Authority and will be paid off in 2036 and 2040.
- The City had a bond election in 2022 and got approval from voters to issue \$3 million of general obligation bonds. The City has issued \$1.58 million with \$1.42 million remaining.



## Original Finance Plan - \$3 million voter approved

- Series 2023: \$790,000
- Series 2024: \$790,000
- Series 2025: \$790,000 – Projected
- Series 2026: \$630,000 – Projected

## Current General Obligation Debt

Total Existing Principal: \$ 1,325,000  
 Total Existing Interest: 238,658  
 Total Payments To Date: \$ 1,563,658

City of Truth or Consequences - Long Term Bond Program								
Number of Years      Calendar Year		Revenue for Debt		2022 Election: \$3 Million			Total Debt Service	Excess Revenue
		Mill Levy	Property Tax Revenue	Existing Debt Payments	Series 2025	Series 2026		
0	2024	4.535	555,941	288,974	-	-	288,974	266,967
1	2025	3.500	435,764	280,643	-	-	280,643	155,120
2	2026	3.500	435,764	87,628	287,000	-	374,628	61,135
3	2027	3.500	435,764	80,930	54,500	308,250	443,680	(7,917)
4	2028	3.500	435,764	99,385	53,000	39,250	191,635	244,128
5	2029	3.500	435,764	102,387	51,500	38,000	191,887	243,876
6	2030	3.500	435,764	100,228	45,000	36,750	181,978	253,786
7	2031	3.500	435,764	98,063	43,750	35,500	177,313	258,451
8	2032	3.500	435,764	95,889	42,500	34,250	172,639	263,125
9	2033	3.500	435,764	103,693	41,250	33,000	177,943	257,820
10	2034	3.500	435,764	101,118	40,000	31,750	172,868	262,896
11	2035	3.500	435,764	98,370	38,750	30,500	167,620	268,143
12	2036	3.500	435,764	101,196	37,500	29,250	167,946	267,818
13	2037	3.500	435,764	49,784	36,250	18,000	104,034	331,730
14	2038	3.500	435,764	53,123	35,000	17,250	105,373	330,390
15	2039	3.500	435,764	56,218	33,750	16,500	106,468	329,295
16	2040	3.500	435,764	55,000	32,500	15,750	103,250	332,514
17	2041	3.500	435,764	-	31,250	-	31,250	404,514
18	2042	3.500	435,764	-	30,000	-	30,000	405,764
19	2043	3.500	435,764	-	28,750	-	28,750	407,014
20	2044	3.500	435,764	-	27,500	-	27,500	408,264
21	2045	3.500	435,764	-	26,250	-	26,250	409,514
22	2046	3.500	435,764	-	-	-	-	435,764
23	2047	3.500	435,764	-	-	-	-	435,764
24	2048	3.500	435,764	-	-	-	-	435,764
			\$ 11,014,271	\$ 1,852,631	\$ 1,016,000	\$ 684,000	\$ 3,552,631	\$ 7,461,640

\*Preliminary, subject to changing market conditions.

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