CITY OF TRUTH OR CONSEQUENCES
PUBLIC UTILITY ADVISORY BOARD
MONDAY, OCTOBER 19, 2026

AGENDA

REGULAR MEETING

Regular meeting of the Public Utility Advisory Board of the City of Truth or Consequences, New Mexico to be held in the City Commission Chambers, 405 W. Third, Truth or Consequences, New Mexico, on Monday, October 19, 2026 at 3:30 pm.

CALL TO ORDER

ROLL CALL:

Don Armijo, Vice-Chairman
Gil Avelar, Member
Chris Sisney, Member
Andrew Curry, Member

1. **APPROVAL OF AGENDA**

2. **APPROVAL OF MINUTES**:
   a. **Regular meeting of July 20, 2026.**

3. **COMMENTS FROM THE PUBLIC: (3 Minute rule applies)**

4. **NEW BUSINESS**

   a. **Discussion/Action:** Re-Organization of Chairman and Vice-Chairman
   b. **Discussion/Update:** Water/Wastewater Rate Study
   c. **Discussion/Update:** Public Works
   d. **Discussion/Update:** Project Update

5. **REPORTS FROM THE BOARD**

6. **REPORTS FROM STAFF**

7. **ADJOURNMENT**

CITY OF TRUTH OR CONSEQUENCES
PUBLIC UTILITY ADVISORY BOARD
MONDAY, JULY 20, 2026

REGULAR MEETING MINUTES

Regular meeting of the Public Utility Advisory Board of the City of Truth or Consequences, New Mexico to be held in the City Commission Chambers, 405 W. Third, Truth or Consequences, New Mexico, on Monday, July 20, 2026 at 3:30 pm.

CALL TO ORDER:

The meeting was called to order by Vice-Chairman Armijo.

ROLL CALL:

Don Armijo, Vice-Chairman
Gil Avelar, Member
Chris Sisney, Member

ALSO PRESENT:

Traci Alvarez, Assistant City Manager
Bo Easly, Public Works Director
Katy Martinez, Deputy Clerk

1. **APPROVAL OF AGENDA**

Member Sisney made a motion to approve the agenda.
Member Avelar seconded the motion.
Motion carried unanimously.

2. **APPROVAL OF MINUTES**:
    a. Regular meeting of June 15, 2026.

Member Sisney made a motion to approve the minutes.
Member Avelar seconded the motion.
Motion carried unanimously.

3. **COMMENTS FROM THE PUBLIC: (3 Minute rule applies)**

There were no comments at this time.

4. **NEW BUSINESS:**
    a. Discussion/Action: Recommendation to appoint Andrew Curry to serve as a member on the board.

Andrew Curry Applicant: I would like the opportunity to really make a difference in this town. I live here. I have grown roots here. The utilities affect every resident and small businesses in town. I think its an opportunity to represent my community.

Member Sisney made a motion to approve the Appointment of member Andrew Curry.

Member Avelar seconded the motion.

Motion carried unanimously.

b. Discussion/Action: Re-Organization of Chairman and Vice-Chairman

Member Sisney made a motion to table the recommendation of Chairman and as Vice-Chairman until the next meeting.

Member Avelar seconded the motion.

Motion carried unanimously.

5. REPORTS FROM THE BOARD:

There were no reports from the board at this time.

6. REPORTS FROM STAFF:

Bo Easly Public Works Director: The electric car charging station has proceed with ground breaking and is moving along pretty good. The water line replacement with Smith Co and J&H is moving along pretty good. As far as the department of Sanitation they are doing a good job of picking up trash. The service center is doing with repairs and oil changes. Water department is moving along with the water leaks. Their biggest problem right now is the vac station. They are working in that constantly trying to keep it going. The electric department is busy doing multiple things. They where outlast week putting the blades on the helicopter. They have been replacing poles and doing services. The streets department has been busy taking care of weeds and working on the streets. The utility side Sonya is doing a good job of getting the bills sent out.

Member Avelar: How are the substation transformers doing?

Bo Easly Public Works Director: Good. Just problems with birds. As much bird protection they put on we are still getting birds up there finding a way to blow a cut out. The sub station transformers are doing good they where here in March and they tested the transformers.

Member Avelar: What was that big water leak they had over there off ninth or seventh?

Bo Easly Public Works Director: We had 2. We had one on Yucca and Marie a 6-inch water main leak. We had one on Monday on Kopra between 9th and Marie an old cast iron pipe.

Member Avelar: I saw the water all over the place. They got to have a valve somewhere closer to close that off.

Bo Easly Public Works Director: We couldn't find the one valve on Kopra so we had to go back further and close valves. We even had to open up a fire hydrant to relieve pressure so we could fix the leak. We had to cut out a 6-foot section of that cast iron and put in a PVC pipe in there.

Member Avelar: Do you have any idea how the statics levels are doing?

Bo Easly Public Works Director: I do not.

Assistant City Manager Alvarez: Not off the top of my head. That is a good Jamie question.

Member Sisney: I would like to say that my interest when I joined the board was to learn where all the valves are so that when people turn that I would hopefully still be alive and I would hopefully remember where those valves where. Im still interested in learning where all these valves are.

Bo Easly Public Works Director: Over the years when they have patched holes and relayed pavement on the streets sometimes they over lay them. With this new water line projects that are coming in they are replacing valves and they are doing a GIS so they will know where all these valves are.

Member Sisney: With the new system it will be all new?

Bo Easly Public Works Director: Yes, sir.

Member Sisney: Ok thank you. I wont bother learning the old stuff then. Ill wait for the new stuff.

Vice-Chairman Armijo: Before when we redid a street we had to go out and mark everything and dig them back up and lift them up to make sure they where even with the street. Has that fallen off or?

Bo Easly Public Works Director: Its hard to say what has happened over the years.

Vice-Chairman Armijo: How about Foch Street.

Bo Easly Public Works Director: Foch Street looks like its handling up pretty good.

Vice-Chairman Armijo: I seen on Facebook with the rain its crating a mess.

Assistant City Manager Alvarez: For the new construction?

Bo Easly Public Works Director: I have been working with Brendan and Manger Whitehead we are going out for a lot for grants to fix a lot of streets. Hopefully we can start getting more money into repair streets and start cleaning them up.

Assistant City Manager Alvarez: To tie in on Foch Street. The current construction has some water diversion so once they are done with the paving hopefully in the next 2 weeks and by the end of the month that road should be open. You will be able to walk it and you will see that a lot of those bump outs there is cut outs so that is going to help direct the flow into those cut outs. Then there is the landscaping in there that will slow the flow before it gets all the way down to Broadway. They did design that to help slow the flow from that water that is coming flying down Foch Street.

Vice-Chairman Armijo: That's good to see. I know back in the day they had they guy come up from Silver City and started showing us how to get the water off of the street.

Assistant City Manager Alvarez: There is some really cool channel areas. I was out there looking at it today because they finished some of the landscaping. They have some plants in there. They have irrigation in there to water them but they will also water during monsoon season when that water is coming through. Its going to look nice.

Member Avelar: I'm surprised how many people I still see trying to walk across that.

Assistant City Manager Alvarez: Yes all the time. It slowed down a little bit but we have our shovel ready project that is in the works. I think they are over by Second Street and we have our Wispi1 project which is up there by the schools right now both big water projects. People don't care they drive and walk through the construction areas. We have had to get some extra police patrol to help keep an eye with the contractors and direct the contractors that if it's a repeat person that keeps driving through. We did

have somebody doing that. But we advised the contractors to reach out to the PD. Im thinking if the board is ok with it especially with a new member coming on. You guys haven't had a really good project update on all of them. Especially the water and wastewater ones. We have 2 big water projects that are going on right now. We have our Wispi2 project that is ready to go to bid. As soon as USDA approves the bid documents. Because they are our funder they have final concurrence. Unfortunately there is 1 man in Utah their engineer for USDA that oversees the entire southwest region so he is pretty busy. We are trying to get that pushed through right away. We also have what we call our Critical Water Line project which is going to address all of the metal streets over there by Veater. That one there is about ready to go to bid but because Wispi1 is going to attack Veater Street we need Wispi1 to go out to bid first so they can get Veater Street taken care of. So then when we go to Critical Water Line and all those metal streets are tying in to a new line at Veater. Those 2 are right around the corner to go out to bid and be in construction here really soon. We have also got more funding both on the water line as well as the waste water projects going on. I'm going to reach out to our engineers and maybe see if they can do an in person presentation or an online presentation to you guys at the next meeting and talk to you especially with the water lines. Mark with our water lines can really talk to you guys about all this replacement stuff and how its going to impact the city. The funding areas and everything. He is extremely knowledgeable in our water system. He has been working really closely with myself, the water department, City Manager and now Bo as well. We have been identifying high priority lines for the funding sources.

Member Avelar: Is the funding time sensitive?

Assistant City Manager Alvarez: Some of it is but like USDA recognizes that its their fault that they haven't gone through so extensions can be processed through as needed. It's the same with Colonias Water Trust Board as long as you actively spending the money then you can request extensions and they are usually granted. I think about the only time they wouldn't grant us an extension is if you haven't moved on a project and the project is just sitting there. We are sitting right around 50 million dollars worth of water projects that are either going on now or getting ready to go hopefully by the end of the calendar year they will all be in construction. Then we will be designing and preparing for the next spot.

Member Avelar: Are we finished with waste water?

Assistant City Manager Alvarez: No we have some waste water funding. We recently received some for our Clancy lift station and force main improvements. We are working with EPA right now on that grant agreement. That will be coming down the line. That is a little over a million dollars and that is the main line that pumps everything from the north end of town over the hill behind the Veterans center and sends it to our waste water treatment plant. That's a main transmission line. That is going to get some work. We have received over a million dollars through a couple different pots of money for some improvements at the waste water treatment plant. That is going to address our wears. We are going to address the bar screen. Some of the issues that we had when we received the compliance order through NMED. Its going to address all those issues. All that stuff is being worked on right now. We just started kick off and design with Bohan and Houston to start on that stuff.

Member Avelar: Do we need more work at the lift station also for this project to proceed?

Assistant City Manager Alvarez: They will asses that when they get over that way. The main thing was getting that force main because its so old. I think Clancy lift station for the most part is operating fine but with some of the other funding we got with the Waste Water Improvements its broad enough that we can kind of combine funds were we need. If we replace that force main and we see something that needs to be at the lift station it self. If there is not enough funding in the funding for the force main than we can potentially look at funding in one of the other Waste Water pots or remember we do have the GO Bonds that we are trying to use for cash match for some of these. There is some other options for funding.

7. ADJOURNMENT:

Member Sisney made a motion to adjourn the meeting.
Member Avelar seconded the motion.
Motion carried unanimously.

PASSED AND APPROVED ON THIS 19th DAY OF OCTOBER 2026.

_____

Don Armijo, Vice-Chairman

NewGen Strategies & Solutions

www.newgenstrategies.net



FINAL REPORT

WATER AND WASTEWATER COST OF SERVICE AND RATE DESIGN STUDY

FEBRUARY 2026

Prepared for:
City of Truth or Consequences
505 Sims
Truth or Consequences NM, 87901

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NewGen Strategies & Solutions

8140 North Mopac Expressway
Suite 1-240
Austin, TX 78759
(512) 806-7713

February 2, 2026

Ms. Traci Alvarez
Assistant City Manager
City of Truth or Consequences
505 Sims
Truth or Consequences NM, 87901

Re: Water & Wastewater Cost of Service and Rate Design Study

Ms. Alvarez:

NewGen Strategies and Solutions, LLC is pleased to provide the City of Truth or Consequences (City) with the enclosed report summarizing our findings and recommendations from the water and wastewater cost of service and rate design study.

We appreciate the opportunity to assist the City in this engagement. In addition, we would like to acknowledge the excellent assistance we received from your staff. Without their support, this project could not have been completed. Please contact us if you have any questions concerning this report.

Sincerely,

NewGen Strategies and Solutions, LLC

Signed by:
500E94C76CC84BC...

Dave Yanke
President

Signed by:
EDA923962A5B457...

Cari Anderson
Senior Consultant

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SECTION 1
INTRODUCTION

The City of Truth or Consequences (City) retained NewGen Strategies and Solutions, LLC (NewGen) to perform an independent water and wastewater cost of service and rate design study (Study). As part of this Study, NewGen's Project Team (the "Project Team") was tasked with forecasting revenue requirements and rates for Fiscal Years (FY) 2026 through 2029. This report outlines the analysis conducted for the City and provides recommendations regarding the rates to be charged to the City's water and wastewater customers.

Regular evaluations of the City's water and wastewater rates is an essential component to maintaining the financial health of the utility. Failure to periodically review and monitor these rates can lead to the need for significant rate adjustments in the future. The Project Team recommends that the City continue its practice of routinely assessing rate performance and implementing adjustments, as needed, to maintain the financial stability of its water and wastewater utilities. As with any forecast, certain assumptions are required, and actual rate requirements may differ from those projected in this Study due to unforeseen changes in key factors such as system growth, inflation, and other variables.

Background

The City was projected to have a population of approximately 6,052[1] in 2020. While Sierra County is anticipating a slightly negative growth rate[2], developers have expressed interest in projects that could bring both residential and commercial expansion. To maintain a conservative approach in revenue forecasting, 0% growth was assumed in the proposed rate revenue scenarios discussed in a later section of the Study. The City provides essential water and wastewater services to roughly 3,341 customers across its service area. These customers include residential, commercial, industrial, and city accounts from both the City and the Village of Williamsburg, which consists of approximately 235 residential and 21 commercial customers.

The City is actively pursuing several water and wastewater capital improvement projects, the majority of which are supported by grant funding. More than $50 million in grants are being used to plan and design system upgrades, meter replacements, and waterline improvements. Some of these grants require a cash or loan match. Improvements to the wastewater treatment plant are anticipated toward the end of the forecast period and are expected to be financed through loan financing.

[1] United States Census Bureau. (n.d.). *QuickFacts: Truth or Consequences city, New Mexico* [Data table]. From https://www.census.gov/quickfacts/fact/table/truthorconsequencescitynewmexico/PST045223

[2] University of New Mexico, Geospatial & Population Studies. (2024). *Population projections 2010-2050* [Data table]. From https://gps.unm.edu/pop/population-projections.html

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SECTION 2
REVENUE REQUIREMENT

For this analysis, the Project Team utilized the cash basis approach to develop the City's water and wastewater revenue requirements. This method is most commonly used by municipalities and includes debt service but excludes depreciation and return on invested capital when determining revenue requirements. The ultimate goal is to match revenues with actual expenditures as outlined in the following section.

Test Year Revenue Requirement

NewGen reviewed historical financial actuals for prior fiscal years and developed a "Test Year" for the Study based on the FY 2026[3] Budget. A Test Year is a common term in rate studies that refers to an adjusted fiscal year budget that is used as a basis for setting rates. The Test Year should be representative of "typical" conditions, with adjustments for any unusual or one-time revenues or expenses. Costs were allocated to either water or wastewater. The development of the Test Year for water and wastewater is shown in Schedule 1.

The Test Year was used to develop a four-year revenue requirement forecast for FY 2026 through FY 2029. The revenue requirement identifies the amount that should be recovered from rates in order to fully recover the cost of providing service. To ensure the City's budget accurately reflects the cost of providing water and wastewater service, several adjustments were made to operation and maintenance (O&M) expenses, capital costs, and revenue offsets (i.e., miscellaneous revenues received by the utility other than through rates).

In addition to the Test Year, the revenue requirement forecast incorporates existing and proposed debt service (as shown in Schedules 2 and 3 respectively) and pay as you go contributions to reserves to fund future capital projects. The following sections summarize the notable factors affecting the projected revenue requirement.

Capital Improvement Plan & Debt Service

The City has secured over $50 million in grant funding for capital improvement projects. This grant funding had required cash and loan matches of approximately $16 million by the City. In FY 2026, existing debt service was $372,650 for water and $78,239 for wastewater as shown in Schedule 2. A proposed bond issue of $5 million for wastewater treatment plant improvements was calculated by the Project Team using 2.125% interest rate for a 20-year term. This is detailed in Schedule 3. Table 2-1 shows the breakdown of existing debt and the projected debt service schedule.

[3] The City's fiscal year starts July 1 and ends June 30; the year cited is the year in which the fiscal year ends. For instance, July 1, 2025 – June 30, 2026 is FY 2026.

Table 2-1
Existing & Proposed Debt

	Year 1 FY 2026	Year 2 FY 2027	Year 3 FY 2028	Year 4 FY 2029
Existing Debt				
Water	$372,650	$473,432	$473,431	$473,431
Wastewater	78,239	107,172	106,767	107,363
Total Existing Debt	$450,889	$580,605	$580,198	$580,793
Proposed Debt	$-	$-	$-	$315,674
Total Debt Service	$450,889	$580,605	$580,198	$896,468

Revenue Offsets

In order to calculate the rate revenues that are required to recover expenses associated with providing water and wastewater service, it is necessary to isolate the cost of service by subtracting utility-related non-rate revenues from operating expenses. The revenue offsets are shown in Schedule 1 and correlate with the budgeted values and adjustments made in the Test Year. They remain constant throughout the five-year forecast, to be conservative. A more detailed summary of the revenue offsets can be found in Schedules 4 and 5 for the water and wastewater utilities, respectively.

Table 2-2 and 2-3 show the key elements of the test year for water and wastewater, respectively, while detail for these values are provided in Schedule 1.

Table 2-2
Test Year - Water

Description	FY 2026 Budget	Adjustments		Test Year - Water
Water Expenses	$1,953,442	$(372,650)	1	$1,580,792
Existing Debt – Water	-	372,650		372,650
Pay as You Go	-	50,000		50,000
Total Expenditures	$1,953,442	$50,000		$2,003,442
Revenues	$1,884,600	$(1,700,000)	2	$184,600
Water Net Revenue Requirement	$68,842	$1,750,000		$1,818,842

1. Existing Debt broken out from transfer to general fund.
2. Service revenue to be calculated in revenue reconciliation.

Table 2-3
Test Year - Wastewater

Description	FY 2026 Budget	Adjustments		Test Year - Water
Wastewater Expenses	1,500,247	(78,239)	[1]	1,422,008
Existing Debt – Wastewater	-	78,239		78,239
Pay as You Go	-	50,000		50,000
Total Expenditures	$1,500,247	$50,000		$1,550,247
Revenues	$1,404,000	$(1,300,000)	[2]	$104,000
Wastewater Net Revenue Requirement	$96,247	$1,350,000		$1,446,247

1. Existing Debt broken out from transfer to general fund.
2. Service revenue to be calculated in revenue reconciliation.

Forecasted Revenue Requirement

The test year revenue requirement was used as the basis for the four-year financial forecast. Certain expenses were projected based on contractual terms, such as debt service payments, however, most expenses were O&M related costs and were assigned one of the inflation factors listed in Table 2-4.

Table 2-4
Inflation Factors

	FY 2026 [1]	FY 2027	FY 2028	FY 2029
Labor	0.0%	4.0%	4.0%	4.0%
Benefits	0.0%	4.0%	4.0%	4.0%
General	0.0%	2.5%	2.5%	2.5%
Capital	0.0%	5.0%	5.0%	5.0%
Utilities	0.0%	5.0%	5.0%	5.0%
Chemicals	0.0%	4.0%	4.0%	4.0%
None	0.0%	0.0%	0.0%	0.0%

1. Inflation factors in FY 2026 are 0.0% because NewGen is beginning with the FY 2026 Proposed Budget.

Table 2-5 shows the projected revenue requirement for the four-year forecast period and is shown in greater detail for the water and wastewater utilities in Schedules 4 and 5, respectively.

Table 2-5
Revenue Requirement Forecast

	FY 2026	FY 2027	FY 2028	FY 2029
Water				
Expenses	$2,003,442	$2,161,399	$2,220,780	$2,282,462
Revenue	$184,600	$184,600	$184,600	$184,600
Revenue Requirement	$1,818,842	$1,976,799	$2,036,180	$2,097,862
Wastewater				
Expenses	$1,550,247	$1,630,548	$1,683,517	$2,055,250
Revenue	$104,000	$104,000	$104,000	$104,000
Revenue Requirement	$1,446,247	$1,526,548	$1,579,517	$1,951,250

SECTION 3
RATES

In evaluating the performance of existing water and wastewater rates, and to project future rates, some estimation of billed water consumption is required. NewGen reviewed customer billing data from FY 2019 through FY 2023. Additionally, assumptions were made regarding the meter count and types of customers, and their associated meter size. There were a number of accounts with an unknown meter size. To be conservative, the Project Team assumed any unknown meter to be the smallest meter size (3/4") offered by the City. No growth in the number of customers served was assumed in the proposed rate revenue scenarios to maintain a conservative approach in revenue forecasting. **The utility's actual water sales and customer counts should be compared annually to the figures utilized within this Study. To the extent significant variances exist, then the rates forecasted herein may need to be amended.**

Revenue Recovery from Current Rates

The current water rate structure consists of a monthly minimum charge for each retail customer unit and a volumetric charge for all gallons used. The rates for water and wastewater are shown in tables 3-1 and 3-2, respectively. The City currently has annual adjustments to rates for both water and wastewater. Water has an annual increase based on the Consumer Price Index (CPI). This varies from year to year, but for the purpose of this study, 3% was used as this was the amount of the most recent increase in September of 2025. Wastewater has an annual increase in January of each year of 5%.

Charges for wastewater are based on each customer's water consumption. For commercial customers charges are based on exact water usage while residential customer charges are based on a winter average. This is calculated by taking the average water used in the three lowest months from December through March.

Table 3-1
Current Water Rates

	Year 1 FY 2026	Year 2 FY 2027	Year 3 FY 2028	Year 4 FY 2029
Minimum Monthly Charge				
Residential	$19.48	$20.06	$20.66	$21.28
Commercial	19.48	20.06	20.66	21.28
City – Landscaping	-	-	-	-
Industrial	109.56	112.85	116.23	119.72
WMBG Residential	19.48	20.06	20.66	21.28
WMBG Commercial	19.48	20.06	20.66	21.28
City Water	19.48	20.06	20.66	21.28

	Year 1 FY 2026	Year 2 FY 2027	Year 3 FY 2028	Year 4 FY 2029
Volumetric Charge[1]				
Residential, Commercial, City Water, WMBG Residential, WMBG Commercial				
0-2,000 gallons	$-	$-	$-	$-
2,001-7,000 gallons	3.41	3.51	3.62	3.73
7,001-15,000 gallons	3.86	3.98	4.10	4.22
15,001-29,000 gallons	4.34	4.47	4.60	4.74
29,001-50,000 gallons	4.87	5.02	5.17	5.32
50,000+ gallons	5.30	5.46	5.62	5.79
Industrial				
0-50,000 gallons	$3.86	$3.98	$4.10	$4.22
50,001-100,000 gallons	4.34	4.47	4.60	4.74
100,001-150,000 gallons	4.87	5.02	5.17	5.32
150,000+ gallons	5.30	5.46	5.62	5.79
City - Landscaping	$0.74	$0.76	$0.79	$0.81

1. Volumetric Rate per 1,000 gallons

Table 3-2
Current Wastewater Rates

	Year 1 FY 2026	Year 2 FY 2027	Year 3 FY 2028	Year 4 FY 2029
Minimum Monthly Charge				
SW Residential Averaged	$14.46	$15.18	$15.94	$16.74
Commercial	14.46	15.18	15.94	16.74
SW WMBG - Residential Average	23.98	25.18	26.44	27.76
SW WMBG Commercial	23.98	25.18	26.44	27.76
SW Residential Bathouse	16.30	17.11	17.97	18.86
SW Bathouse Commercial	50.09	52.59	55.22	57.98
Volumetric Charge[1]				
SW Residential Averaged	$5.08	$5.34	$5.60	$5.88
Commercial	5.08	5.34	5.60	5.88
SW WMBG - Residential Average	5.08	5.34	5.60	5.88
SW WMBG Commercial	5.08	5.34	5.60	5.88
SW Residential Bathouse	-	-	-	-
SW Bathouse Commercial	-	-	-	-

1. Volumetric Rate per 1,000 gallons

Under the current forecasted rates, as shown in Table 3-3 and detailed in Schedule 6 for water and Schedule 8 for wastewater, the City is not anticipated to generate sufficient revenue to recover the cost of providing water and wastewater service.

Table 3-3
Projected Revenue Under Current Rates

	Year 1 FY 2026	Year 2 FY 2027	Year 3 FY 2028	Year 4 FY 2029
Water – Under Current				
Revenue	$1,639,003	$1,688,173	$1,738,818	$1,790,983
Revenue Requirement	1,818,842	1,976,799	2,036,180	2,097,862
Water Over / (Under)[1]	(179,839)	(288,626)	(297,362)	(306,879)
Cumulative Over / (Under)	(179,839)	(468,465)	(765,827)	(1,072,706)
Wastewater – Under Current				
Revenue	$1,133,031	$1,189,682	$1,249,167	$1,311,625
Revenue Requirement	1,446,247	1,526,548	1,579,517	1,951,250
Wastewater Over / (Under) [1]	(313,216)	(336,865)	(330,350)	(639,625)
Cumulative Over / (Under)	(313,216)	(650,082)	(980,432)	(1,620,056)

1. Any minor arithmetic deviation is due to rounding.

Changes to rates are recommended to ensure proper recovery of the cost associated with water and wastewater service. These changes will be discussed in the following sections.

Proposed Water Rates

Two scenarios were designed for proposed water rate increases. The rate increases outlined in the following section are proposed to take effect at the beginning of each fiscal year (July 1) for FY 2027 through FY 2029. Each scenario includes the phase-in of meter equivalent minimum bills over ten years (described below) and a phase-out of 2,000 gallons included in minimum bills over two years. The phasing out of the 2,000 gallons in the minimum bill for "free", encourages conservation by customers and follows best management practices with regard to the establishment of water rate structures by water utilities, as endorsed by the American Water Works Association (AWWA). Additionally, the Project Team proposes a 1.25x multiplier on outside customer rates. This reflects the higher cost of providing service to customers located outside the City limits. Proposed water rates are outlined in detail in Schedules 7-1 and 7-2. In Water Rate Scenario 1, NewGen proposes 3% increases for Residential and City, 5% for Commercial and Industrial. In Water Rate Scenario 2, the proposed increases are 6% for Residential and City, 8% Commercial and Industrial.

Water Minimum Bills

Larger water meters can place proportionally greater demands on the water distribution system.[4] Because of this, it is appropriate for customers with larger meters to pay a higher fixed service charge (i.e., minimum bill). This charge compensates the utility for the additional infrastructure capacity—such as larger water lines, pumps, and storage facilities—required to accommodate higher potential demands associated with larger meters regardless of actual water use. Meter equivalents, which express the relative capacity of different meter sizes compared to a standard meter[5] or the minimum meter size for residential customers, are summarized in Table 3-4.

Table 3-4
Proposed Water Meter Equivalents

Meter Size (inches)	Meter Equivalent
¾"	1
1"	2.5
1 ½"	5
2"	8
3"	16
4"	25

NewGen recommends phasing in meter equivalent-based minimum bills over a 10-year period. Gradually implementing the new rates, rather than adopting them all at once, will assist in minimizing "rate shock" for customers as they move toward a cost based minimum bill, based on meter size. It should be emphasized that this is a standard industry practice in water rate setting and endorsed by the American Water Works Association. Proposed minimum bill rates for Water Rate Scenario 1 and 2 are outlined in Table 3-5 and Table 3-6, respectively.

Table 3-5
Proposed Minimum Bill Rates: Water – Scenario 1

Meter Size (inches)	Year 1 FY 2026	Year 2 FY 2027	Year 3 FY 2028	Year 4 FY 2029
Residential, City				
3/4"	$19.48	$20.06	$20.66	$21.28
1"	19.48	22.85	26.22	29.60
1 1/2"	19.48	28.17	36.87	45.56
2"	19.48	34.56	49.64	64.71
3"	19.48	51.58	83.69	115.79
4"	19.48	70.74	122.00	173.26

[4] American Water Works Association, *M1: Principles of Water Rates, Fees, and Charges*, 7th ed., Appendix B – Equivalent Meter Ratios (Denver, CO: American Water Works Association, 2017).
[5] The standard meter size used for the meter equivalent calculations is a ¾" meter.

Meter Size (inches)	Year 1 FY 2026	Year 2 FY 2027	Year 3 FY 2028	Year 4 FY 2029
Commercial				
3/4"	$19.48	$20.45	$21.47	$22.55
1"	19.48	23.17	26.86	30.54
1 1/2"	19.48	28.80	38.13	47.46
2"	19.48	35.57	51.66	67.75
3"	19.48	53.61	87.73	121.86
4"	19.48	73.90	128.32	182.74
City – Landscaping				
All Sizes	$-	$-	$-	$-
Industrial				
3/4"	$109.56	$20.45	$21.47	$22.55
1"	109.56	109.56	109.56	109.56
1 1/2"	109.56	109.56	109.56	109.56
2"	109.56	109.56	109.56	109.56
3"	109.56	109.56	109.56	121.86
4"	109.56	109.56	128.32	182.74
WMBG Residential				
3/4"	$19.48	$25.08	$25.83	$26.60
1"	19.48	28.56	32.78	37.00
1 1/2"	19.48	35.21	46.08	56.95
2"	19.48	43.20	62.04	80.89
3"	19.48	64.48	104.61	144.74
4"	19.48	88.42	152.50	216.57
WMBG Commercial				
3/4"	$19.48	$25.56	$26.84	$28.18
1"	19.48	28.96	33.57	38.18
1 1/2"	19.48	36.00	47.66	59.32
2"	19.48	44.46	64.57	84.68
3"	19.48	67.01	109.67	152.33
4"	19.48	92.37	160.40	228.42

Table 3-6
Proposed Minimum Bill Rates: Water – Scenario 2

Meter Size (inches)	Year 1 FY 2026	Year 2 FY 2027	Year 3 FY 2028	Year 4 FY 2029
Residential, City				
3/4"	$19.48	$20.65	$21.88	$23.20
1"	19.48	23.33	27.18	31.03
1 1/2"	19.48	29.13	38.78	48.43
2"	19.48	36.09	52.70	69.31
3"	19.48	54.65	89.81	124.98
4"	19.48	75.52	131.57	187.62
Commercial				
3/4"	$19.48	$21.04	$22.72	$24.54
1"	19.48	23.66	27.85	32.04
1 1/2"	19.48	29.80	40.12	50.44
2"	19.48	37.16	54.84	72.52
3"	19.48	56.79	94.10	131.41
4"	19.48	78.87	138.26	197.65
City – Landscaping				
All Sizes	$-	$-	$-	$-
Industrial				
3/4"	$109.56	$21.04	$22.72	$24.54
1"	109.56	109.56	109.56	109.56
1 1/2"	109.56	109.56	109.56	109.56
2"	109.56	109.56	109.56	109.56
3"	109.56	109.56	109.56	131.41
4"	109.56	109.56	138.26	197.65
WMBG Residential				
3/4"	$19.48	$25.81	$27.36	$29.00
1"	19.48	29.16	33.98	38.79
1 1/2"	19.48	36.41	48.47	60.54
2"	19.48	45.11	65.87	86.64
3"	19.48	68.31	112.27	156.23
4"	19.48	94.41	164.46	234.52
WMBG Commercial				
3/4"	$19.48	$26.29	$28.40	$30.67
1"	19.48	29.58	34.81	40.04
1 1/2"	19.48	37.25	50.15	63.05
2"	19.48	46.45	68.55	90.65
3"	19.48	70.98	117.62	164.26
4"	19.48	98.59	172.83	247.07

Volumetric Rates

The volumetric rates charged to all residential, commercial, and industrial customers are based on an inclining block rate structure and the Project Team recommends maintaining this rate structure. As mentioned earlier, NewGen recommends a phase-out of the 2,000 gallons of "free" water currently included in the minimum bill over a two year timeframe. Similar to the minimum bills, proposed volumetric rates for outside-city customers are subject to a 1.25x multiplier. The multiplier accounts for the higher cost of serving customers located outside the city limits. Proposed volumetric rates for Water Rate Scenarios 1 and 2 are shown in Table 3-7 and Table 3-8, respectively.

Table 3-7
Proposed Volumetric Rates: Water – Scenario 1

Volumetric Rate[1]	Year 1 FY 2026	Year 2 FY 2027	Year 3 FY 2028	Year 4 FY 2029
Residential, City				
0-1,000 gallons	$-	$-	$3.62	$3.73
1,001-2,000 gallons	-	3.51	3.62	3.73
2,001-7,000 gallons	3.41	3.51	3.62	3.73
7,001-15,000 gallons	3.86	3.98	4.10	4.22
15,001-29,000 gallons	4.34	4.47	4.60	4.74
29,001-50,000 gallons	4.87	5.02	5.17	5.32
50,000+ gallons	5.30	5.46	5.62	5.79
Commercial				
0-1,000 gallons	$-	$-	$3.76	3.95
1,001-2,000 gallons	-	3.58	3.76	3.95
2,001-7,000 gallons	3.41	3.58	3.76	3.95
7,001-15,000 gallons	3.86	4.06	4.26	4.47
15,001-29,000 gallons	4.34	4.55	4.78	5.02
29,001-50,000 gallons	4.87	5.12	5.37	5.64
50,000+ gallons	5.30	5.57	5.84	6.14
Industrial				
0-50,000 gallons	$3.86	$4.06	$4.26	$4.47
50,001-100,000 gallons	4.34	4.55	4.78	5.02
100,001-150,000 gallons	4.87	5.12	5.37	5.64
150,000+ gallons	5.30	5.57	5.84	6.14
WMBG Residential				
0-1,000 gallons	-	$-	$4.52	$4.66
1,001-2,000 gallons	-	4.39	4.52	4.66
2,001-7,000 gallons	3.41	4.39	4.52	4.66
7,001-15,000 gallons	3.86	4.97	5.12	5.28
15,001-29,000 gallons	4.34	5.58	5.75	5.92

Volumetric Rate[1]	Year 1 FY 2026	Year 2 FY 2027	Year 3 FY 2028	Year 4 FY 2029
29,001-50,000 gallons	4.87	6.27	6.46	6.65
50,000+ gallons	5.30	6.82	7.03	7.24
WMBG Commercial				
0-1,000 gallons	$-	$-	$4.70	$4.93
1,001-2,000 gallons	-	4.47	4.70	4.93
2,001-7,000 gallons	3.41	4.47	4.70	4.93
7,001-15,000 gallons	3.86	5.07	5.32	5.59
15,001-29,000 gallons	4.34	5.69	5.98	6.27
29,001-50,000 gallons	4.87	6.39	6.71	7.05
50,000+ gallons	5.30	6.96	7.30	7.67
City - Landscaping				
0+ gallons	$0.74	$0.76	$0.79	$0.81

1. Volumetric rate per 1,000 gallons.

Table 3-8
Proposed Volumetric Rates: Water – Scenario 2

Volumetric Rate[1]	Year 1 FY 2026	Year 2 FY 2027	Year 3 FY 2028	Year 4 FY 2029
Residential				
0-1,000 gallons	$-	$-	$3.83	$4.06
1,001-2,000 gallons	-	3.61	3.83	4.06
2,001-7,000 gallons	3.41	3.61	3.83	4.06
7,001-15,000 gallons	3.86	4.09	4.34	4.60
15,001-29,000 gallons	4.34	4.60	4.87	5.16
29,001-50,000 gallons	4.87	5.16	5.47	5.80
50,000+ gallons	5.30	5.62	5.96	6.31
Commercial				
0-1,000 gallons	$-	$-	$3.98	4.29
1,001-2,000 gallons	-	3.68	3.98	4.29
2,001-7,000 gallons	3.41	3.68	3.98	4.29
7,001-15,000 gallons	3.86	4.17	4.51	4.87
15,001-29,000 gallons	4.34	4.68	5.06	5.46
29,001-50,000 gallons	4.87	5.26	5.68	6.14
50,000+ gallons	5.30	5.72	6.18	6.68
Industrial				
0-50,000 gallons	$3.86	$4.17	$4.51	$4.87
50,001-100,000 gallons	4.34	4.68	5.06	5.46

Volumetric Rate[1]	Year 1 FY 2026	Year 2 FY 2027	Year 3 FY 2028	Year 4 FY 2029
100,001-150,000 gallons	4.87	5.26	5.68	6.14
150,000+ gallons	5.30	5.72	6.18	6.68
WMBG Residential				
0-1,000 gallons	-	$-	$4.79	$5.08
1,001-2,000 gallons	-	4.52	4.79	5.08
2,001-7,000 gallons	3.41	4.52	4.79	5.08
7,001-15,000 gallons	3.86	5.12	5.42	5.75
15,001-29,000 gallons	4.34	5.75	6.09	6.46
29,001-50,000 gallons	4.87	6.46	6.84	7.25
50,000+ gallons	5.30	7.02	7.44	7.89
WMBG Commercial				
0-1,000 gallons	-	$-	$4.97	$5.37
1,001-2,000 gallons	-	4.60	4.97	5.37
2,001-7,000 gallons	3.41	4.60	4.97	5.37
7,001-15,000 gallons	3.86	5.21	5.63	6.08
15,001-29,000 gallons	4.34	5.85	6.32	6.83
29,001-50,000 gallons	4.87	6.58	7.10	7.67
50,000+ gallons	5.30	7.16	7.73	8.35
City - Landscaping				
0+ gallons	$0.74	$0.78	$0.83	$0.88

1. Volumetric rate per 1,000 gallons.

Proposed Wastewater Rates

Two scenarios were designed for proposed wastewater rate increases. Similar to the proposed water rate increases, the rate increases outlined in the following section are proposed to take effect at the beginning of each fiscal year (July 1) for FY 2027 through FY 2029. In Rate Scenario 1, NewGen proposes an annual 15% increase in the minimum bill and volumetric rates for FY 2027 through FY 2029. In Rate Scenario 2, NewGen proposes an annual 25% increase in the minimum bill and volumetric rates for FY 2027 through FY 2029. Proposed wastewater rates for Scenarios 1 and 2 are shown in Table 3-9 and 3-10, respectively. They are outlined in detail in Schedules 9-1 and 9-2.

Table 3-9
Proposed Minimum Bill: Wastewater – Scenario 1

	Year 1 FY 2026	Year 2 FY 2027	Year 3 FY 2028	Year 4 FY 2029
Minimum Monthly Charge				
SW Residential Averaged	$14.46	$16.63	$19.12	$21.99
Commercial	14.46	16.63	19.12	21.99
SW WMBG - Residential Average	23.98	27.58	31.72	36.47

	Year 1 FY 2026	Year 2 FY 2027	Year 3 FY 2028	Year 4 FY 2029
SW WMBG Commercial	23.98	27.58	31.72	36.47
SW Residential Bathouse	16.30	18.74	21.55	24.78
SW Bathouse Commercial	50.09	57.60	66.24	76.17
Volumetric Charge[1]				
SW Residential Averaged	$5.08	$5.84	$6.72	$7.73
Commercial	5.08	5.84	6.72	7.73
SW WMBG - Residential Average	5.08	5.84	6.72	7.73
SW WMBG Commercial	5.08	5.84	6.72	7.73
SW Residential Bathouse	-	-	-	-
SW Bathouse Commercial	-	-	-	-

1. Volumetric Rate per 1,000 gallons

Table 3-10
Proposed Minimum Bill: Wastewater – Scenario 2

	Year 1 FY 2026	Year 2 FY 2027	Year 3 FY 2028	Year 4 FY 2029
Minimum Monthly Charge				
SW Residential Averaged	$14.46	$18.07	$22.59	$28.24
Commercial	14.46	18.07	22.59	28.24
SW WMBG - Residential Average	23.98	29.98	37.47	46.84
SW WMBG Commercial	23.98	29.98	37.47	46.84
SW Residential Bathouse	16.30	20.37	25.46	31.83
SW Bathouse Commercial	50.09	62.61	78.26	97.82
Volumetric Charge[1]				
SW Residential Averaged	$5.08	$6.35	$7.94	$9.93
Commercial	5.08	6.35	7.94	9.93
SW WMBG - Residential Average	5.08	6.35	7.94	9.93
SW WMBG Commercial	5.08	6.35	7.94	9.93
SW Residential Bathouse	-	-	-	-
SW Bathouse Commercial	-	-	-	-

1. Volumetric Rate per 1,000 gallons

Table 3-11 summarizes the projected revenue recovery under the proposed water rate and wastewater rate scenarios. Schedules 7-1 and 7-2 provide the detailed rates and revenue recovery calculations for water. Schedules 9-1 and 9-2 provide the same for wastewater.

Table 3-11
Projected Revenue Under Proposed Rates

	Year 1 FY 2026	Year 2 FY 2027	Year 3 FY 2028	Year 4 FY 2029
Water – Scenario 1				
Revenue	$1,639,003	$1,818,023	$2,008,400	$2,085,827
Revenue Requirement	1,818,842	1,976,799	2,036,180	2,097,862
Water Over / (Under)[1]	(179,839)	(158,775)	(27,781)	(12,035)
Cumulative Over / (Under)	(179,839)	(338,615)	(366,395)	(378,431)
Water – Scenario 2				
Revenue	$1,639,003	$1,870,809	$2,126,190	$2,271,410
Revenue Requirement	1,818,842	1,976,799	2,036,180	2,097,862
Wastewater Over / (Under) [1]	(179,839)	(105,989)	90,009	173,548
Cumulative Over / (Under)	(179,839)	(285,829)	(195,819)	(22,271)
Wastewater – Scenario 1				
Revenue	$1,133,031	$1,334,766	$1,534,981	$1,765,228
Revenue Requirement	1,446,247	1,526,548	1,579,517	1,951,250
Wastewater Over / (Under) [1]	(313,216)	(191,782)	(44,536)	(186,022)
Cumulative Over / (Under)	(313,216)	(504,998)	(549,534)	(735,557)
Wastewater – Scenario 2				
Revenue	$1,133,031	$1,450,832	$1,813,540	$2,266,925
Revenue Requirement	1,446,247	1,526,548	1,579,517	1,951,250
Wastewater Over / (Under) [1]	(313,216)	(75,716)	234,024	315,676
Cumulative Over / (Under)	(313,216)	(388,932)	(154,908)	160,768

1. Any minor arithmetic deviation is due to rounding.

Reserves

As of September 2025, the water and wastewater utilities maintain approximately $1,823,433 in cash across their respective repair and maintenance reserves. In addition, the City holds an emergency cash balance of $575,000. The shortfall in revenue requirements under both scenarios is offset by drawing from these reserves. Under Scenario 2, rate revenues begin to generate an over-recovery in FY 2028, which is then allocated to further strengthen the reserve balances. Scenarios 1 and 2 are presented in Schedules 10-1 and 10-2, respectively.

Recommendations

Based on NewGen's experience and the analysis herein, we suggest following recommendations:

1. The City should implement the Proposed Water Rate Scenario 2 rate increases as developed by NewGen. This would ensure the water utility is generating a positive cash flow by FY 2029.
2. The City should implement the Proposed Wastewater Rate Scenario 2 rate increases as developed by NewGen. This would ensure the wastewater utility is generating a positive cash flow by FY 2029.
3. Currently, the City does not have any customers subject to wastewater strength monitoring. NewGen recommends implementing strength monitoring for any large industrial wastewater users to ensure that they are not introducing higher concentration of pollutants into the system. By monitoring these customers, the utility can track pollutant loading trends to ensure the plant stays within its strength loading limits from both a regulatory compliance standpoint, as well as to ensure a fair and equitable cost recovery from customers with higher strength wastewater.
4. There were a number of accounts with an unknown meter size. While the Project Team assumed any unknown meter to be the smallest meter size provided by the City (a ¾" meter) to be conservative, NewGen recommends identifying unknown meter sizes to more accurately project revenue recovery and ensure that the proper rates are being charged to each customer under the proposed minimum bills.
5. NewGen recommends at some point in the future the City consider consolidating the current tiers of the inclining block water rate structure. Rather than the six tiers as shown in the current water rate structure, NewGen would recommend the City consider consolidating down to three or four tiers with larger rate increases between the blocks. This would aid in ease of billing and send clearer pricing signals to the customer as they increase their water consumption. This has become a more common practice within the water industry for the reasons just described. This is a lower priority and should only be considered once Recommendations 1 and 2 are addressed.

NewGen Strategies & Solutions



APPENDIX A
SCHEDULES

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Appendix A
List of Schedules

Schedule 1	Test Year
Schedule 2	Existing Debt
Schedule 3	Proposed Debt
Schedule 4	Water Five-Year Forecast
Schedule 5	Wastewater Five-Year Forecast
Schedule 6	Water Over/(Under) Current Rates – CPI Adjusted
Schedule 7-1	Water Over/(Under) Under Proposed Rates – Scenario 1
Schedule 7-2	Water Over/(Under) Under Proposed Rates – Scenario 2
Schedule 8	Wastewater Over/(Under) Current Rates
Schedule 9-1	Wastewater Over/(Under) Under Proposed Rates – Scenario 1
Schedule 9-2	Wastewater Over/(Under) Under Proposed Rates – Scenario 2
Schedule 10-1	Reserves – Scenario 1
Schedule 10-2	Reserves – Scenario 2

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City of Truth or Consequences, New Mexico
Water-Wastewater Cost of Service Study
Test Year

Line No.	Account Number	Description	FY 2024 Actual	FY 2025 Budget	FY 2025 Actual	FY 2026 Budget	Adjustments	Test Year	Allocation Water	Allocation WW	Test Year Water	Test Year WW	Inflation Factor	
Expenses														
	Water													
1	504-3803-40110	FULL TIME WAGES-WATER DIVISION	$ 228,669	$ 353,725	$ 301,488	$ 365,591		$ 365,591	100%	0%	$ 365,591	$ -	Labor	
2	504-3803-40120	TEMPORARY POSITION						-	100%	0%	-	-	Labor	
3	504-3803-40125	OVERTIME WAGES-WATER DIVISION	27,992	67,600	51,877	26,000		26,000	100%	0%	26,000	-	Labor	
4	504-3803-40135	STANDBY WAGES-WATER DIVISION	1,757	9,000	3,726	5,000		5,000	100%	0%	5,000	-	Labor	
5	504-3803-40140	DELAYED COMPENSATION-WATER DIV	993	5,000	-	5,000		5,000	100%	0%	5,000	-	Labor	
6	504-3803-41205	FICA-REGULAR-WATER DIVISION	15,866	25,300	21,669	25,085		25,085	100%	0%	25,085	-	Benefits	
7	504-3803-41210	FICA-MEDICARE-WATER DIVISION	3,711	5,925	5,068	5,867		5,867	100%	0%	5,867	-	Benefits	
8	504-3803-41215	PERA-WATER DIVISION	24,127	41,710	33,047	43,140		43,140	100%	0%	43,140	-	Benefits	
9	504-3803-41225	HEALTH INSURANCE-WATER DIVISION	27,435	71,115	38,100	85,351		85,351	100%	0%	85,351	-	Benefits	
10	504-3803-41226	RETIREE INSURANCE	9,221	11,075	9,691	10,968		10,968	100%	0%	10,968	-	Benefits	
11	504-3803-41235	UNEMPLOYMENT INSURANCE-WATER...	-	2,302	2,302	700		700	100%	0%	700	-	Benefits	
12	504-3803-41240	WORKER'S COMP ASSESSMENT	54	85	72	90		90	100%	0%	90	-	Benefits	
13	504-3803-41785	WORKER'S COMP. PREMIUMS	1,684	3,500	2,287	-		-	100%	0%	-	-	Benefits	
14	504-3803-42305	MILEAGE REIMBURSEMENT	-	-	-	-		-	100%	0%	-	-	General	
15	504-3803-42310	PER DIEM-WATER DIVISION	225	-	-	6,000		6,000	100%	0%	6,000	-	General	
16	504-3803-42620	UNIFORM/LINEN-WATER DIVISION	2,625	4,500	3,267	3,750		3,750	100%	0%	3,750	-	General	
17	504-3803-42720	EMPLOYEE TRAINING-WATER DIVISI...	2,921	3,000	1,212	27,000		27,000	100%	0%	27,000	-	General	
18	504-3803-43316	FUEL	29,413	40,750	27,646	25,000		25,000	100%	0%	25,000	-	General	
19	504-3803-43317	DIESEL-WATER DIVISION						-	100%	0%	-	-	General	
20	504-3803-43465	RENT OF EQUIPMENT	850	1,200	596	1,200		1,200	100%	0%	1,200	-	General	
21	504-3803-43466	RENT OF LAND/BUILDING	2,153	2,500	-	2,200		2,200	100%	0%	2,200	-	General	
22	504-3803-43740	PRINTING/PUBLISHING	798	1,500	813	1,500		1,500	100%	0%	1,500	-	General	
23	504-3803-43770	SUBSCRIPTION/DUES	1,449	7,000	6,317	10,000		10,000	100%	0%	10,000	-	General	
24	504-3803-43775	TELEPHONE	2,613	8,000	3,452	4,500		4,500	100%	0%	4,500	-	General	
25	504-3803-43780	UTILITIES	140,352	179,500	172,649	-		-	100%	0%	-	-	Utilities	
26	504-3803-43797	WATER CONSERVATION-WATER DIVIS...	14,906	20,000	17,191	22,000		22,000	100%	0%	22,000	-	General	
27	504-3803-43815	SOFTWARE LIC/SOFTWARE UPDATE	16,426	27,500	25,467	30,000		30,000	100%	0%	30,000	-	General	
28	504-3803-44605	CHEMICALS/LABORATORY TESTING	911	15,000	7,378	15,000		15,000	100%	0%	15,000	-	Chemicals	
29	504-3803-44606	OFFICE SUPPLIES	1,533	3,800	2,594	3,000		3,000	100%	0%	3,000	-	General	
30	504-3803-44607	FIELD SUPPLIES-WATER DIVISION	125,741	170,642	94,373	100,000		100,000	100%	0%	100,000	-	Chemicals	
31	504-3803-44613	NON-CAPITAL ITEMS	1,428	-	-	-		-	100%	0%	-	-	General	
32	504-3803-44615	SAFETY EQUIPMENT	5,128	10,000	9,621	10,000		10,000	100%	0%	10,000	-	General	
33	504-3803-44810	EQUIPMENT & MACHINERY-WATER DIV	-	4,000	3,644	4,000		4,000	100%	0%	4,000	-	Capital	
34	504-3803-45796	FRANCHISE TAX-WATER DIVISION	4,793	4,905	4,904	6,000		6,000	100%	0%	6,000	-	General	
35	504-3803-46731	PROPERTY INSURANCE-WATER DIVIS...	2,346	2,500	2,500	-		-	100%	0%	-	-	General	
36	504-3803-46732	GENERAL LIABILITY INSURANCE	4,576	7,000	7,000	-		-	100%	0%	-	-	General	
37	504-3803-46733	VEHICLE INSURANCE	2,515	3,000	3,000	-		-	100%	0%	-	-	General	
38	504-3803-46794	GOVT GROSS RECEIPTS TAX	70,404	71,291	71,291	150,000		150,000	100%	0%	150,000	-	General	
39	504-3803-47415	MAINTENANCE--REPAIRS GROUNDS -...	59,841	80,000	21,670	40,000		40,000	100%	0%	40,000	-	General	
40	504-3803-47420	MAINTENANCE-VEHICLE/EQUIP-WAT...	17,594	17,073	16,112	13,000		13,000	100%	0%	13,000	-	General	
41	504-3803-47421	MAINTENANCE EQUIPMENT	141,036	62,190	8,793	50,000		50,000	100%	0%	50,000	-	General	
42	504-3803-47425	OTHER MAINT-WATER METERS-WAT...	-	-	-	-		-	100%	0%	-	-	General	
43	504-3803-47430	EMERGENCY REPAIRS	-	-	-	-		-	100%	0%	-	-	General	
44	504-3803-48596	AUDIT CONTRACT	9,710	9,710	9,710	-		-	100%	0%	-	-	General	
45	504-3803-48598	PROFESSIONAL SERVICES	86,386	100,000	60,370	50,000		50,000	100%	0%	50,000	-	General	
46	504-3803-48599	OTHER CONTRACTUAL SERVICES	-	-	-	-		-	100%	0%	-	-	General	
47	504-3803-49930	TRANSFER OUT	681,276	5,212,518	812,517	517,000	(372,650)	144,350	100%	0%	144,350	-	General	1,2
48	504-3803-80810	OTHER CAPITAL EQUIPMENT-VEHICL...	22,580	-	-	60,000		60,000	100%	0%	60,000	-	Capital	

City of Truth or Consequences, New Mexico
Water-Wastewater Cost of Service Study
Test Year

Line No.	Account Number	Description	FY 2024 Actual	FY 2025 Budget	FY 2025 Actual	FY 2026 Budget	Adjustments	Test Year	Allocation Water	Allocation WW	Test Year Water	Test Year WW	Inflation Factor	
49	504-3803-80845	CAPITAL IMPROVEMENTS EQUIPM.	-	30,000	28,724	-		-	100%	0%	-	-	Capital	
50	504-3803-43595	INSURACE, UTILITY, & MAINT	-	-	-	229,500		229,500	100%	0%	229,500	-	Capital	
51	504-3803-43403	REGULAR BUILDING MAINTEN	206	-	-	-		-	100%	0%	-	-	None	
52	**Total Water Expense**		**$ 1,794,245**	**$ 6,695,416**	**$ 1,892,136**	**$ 1,953,442**	**$ (372,650)**	**$ 1,580,792**			**$ 1,580,792**	**$ -**		
	Wastewater													
53	506-4005-40110	FULL TIME WAGES-WASTEWATER DIV...	$ 249,173	$ 168,415	$ 164,938	$ 230,558		$ 230,558	0%	100%	$ -	$ 230,558	Labor	
54	506-4005-40115	PART TIME WAGES-WASTEWATER DI...	-	-	-	-		-	0%	100%	-	-	Labor	
55	506-4005-40125	OVERTIME WAGES-WASTEWATER DIV...	34,813	25,000	11,225	25,000		25,000	0%	100%	-	25,000	Labor	
56	506-4005-40135	STANDBY WAGES-WASTEWATER DIVI...	3,624	10,000	1,774	10,000		10,000	0%	100%	-	10,000	Labor	
57	506-4005-40140	DELAYED COMPENSATION-WASTEW...	1,977	2,090	2,090	1,000		1,000	0%	100%	-	1,000	Labor	
58	506-4005-41205	FICA-REGULAR-WASTEWATER DIVISI...	17,432	18,625	10,766	16,527		16,527	0%	100%	-	16,527	Benefits	
59	506-4005-41210	FICA-MEDICARE-WASTEWATER DIVIS...	4,077	4,355	2,518	3,865		3,865	0%	100%	-	3,865	Benefits	
60	506-4005-41215	PERA-WASTEWATER DIVISION	26,278	29,765	18,109	27,206		27,206	0%	100%	-	27,206	Benefits	
61	506-4005-41225	HEALTH INSURANCE-WASTEWATER D...	47,443	64,786	33,790	87,258		87,258	0%	100%	-	87,258	Benefits	
62	506-4005-41226	RETIREE INSURANCE	4,796	8,650	3,926	6,917		6,917	0%	100%	-	6,917	Benefits	
63	506-4005-41235	UNEMPLOYMENT INSURANCE-WAST...	-	3,598	3,597	1,100		1,100	0%	100%	-	1,100	Benefits	
64	506-4005-41240	WORKER'S COMP ASSESSMENT	54	80	36	65		65	0%	100%	-	65	Benefits	
65	506-4005-41785	WORKER'S COMP. PREMIUMS	2,731	3,000	1,143	-		-	0%	100%	-	-	Benefits	
66	506-4005-42305	MILEAGE REIMBURSEMENT	-	-	-	-		-	0%	100%	-	-	General	
67	506-4005-42310	PER DIEM-WASTEWATER DIVISION	320	-	-	-		-	0%	100%	-	-	General	
68	506-4005-42620	UNIFORM/LINEN-WASTEWATER DIVIS...	3,354	2,500	1,930	4,375		4,375	0%	100%	-	4,375	General	
69	506-4005-42720	EMPLOYEE TRAINING-WASTEWATER ...	2,191	1,547	1,547	12,300		12,300	0%	100%	-	12,300	General	
70	506-4005-43316	FUEL	11,738	12,000	8,855	12,000		12,000	0%	100%	-	12,000	General	
71	506-4005-43317	DIESEL FUEL-WASTEWATER DIVISION	-	-	-			-	0%	100%	-	-	General	
72	506-4005-43416	O & M PURCHASES-WASTEWATER DIV	-	-	-			-	0%	100%	-	-	General	
73	506-4005-43465	RENT OF EQUIPMENT	4,508	7,600	6,078	8,000		8,000	0%	100%	-	8,000	General	
74	506-4005-43735	POSTAGE & MAIL SERVICES	-	-	-			-	0%	100%	-	-	General	
75	506-4005-43740	PRINTING/PUBLISHING	798	2,000	41	2,000		2,000	0%	100%	-	2,000	General	
76	506-4005-43770	SUBSCRIPTION & DUES	278	6,164	5,001	6,000		6,000	0%	100%	-	6,000	General	
77	506-4005-43775	TELEPHONE	4,951	5,150	4,895	5,500		5,500	0%	100%	-	5,500	General	
78	506-4005-43780	UTILITIES	151,672	195,524	193,212	-		-	0%	100%	-	-	General	
79	506-4005-43815	SOFTWARE LIC/SOFTWARE UPDATE	13,095	17,000	14,478	17,000		17,000	0%	100%	-	17,000	Utilities	
80	506-4005-44605	CHEMICALS/LABORATORY TESTING	16,741	93,122	57,085	50,000		50,000	0%	100%	-	50,000	Chemicals	
81	506-4005-44606	OFFICE SUPPLIES	3,118	3,500	2,096	3,500		3,500	0%	100%	-	3,500	General	
82	506-4005-44607	FIELD SUPPLIES-WASTEWATER DIVISI...	53,811	40,000	30,319	30,000		30,000	0%	100%	-	30,000	General	
83	506-4005-44613	NON-CAPITAL ITEMS	1,193	5,000	1,921	5,000		5,000	0%	100%	-	5,000	General	
84	506-4005-44615	SAFETY EQUIPMENT	4,257	8,000	7,426	8,000		8,000	0%	100%	-	8,000	General	
85	506-4005-46731	PROPERTY INSURANCE-WASTERWAT...	4,009	4,500	4,500	-		-	0%	100%	-	-	General	
86	506-4005-46732	GENERAL LIABILITY INSURANCE	4,254	6,000	6,000	-		-	0%	100%	-	-	General	
87	506-4005-46733	VEHICLE INSURANCE	1,881	2,500	2,500	-		-	0%	100%	-	-	General	
88	506-4005-46794	GOVT GROSS RECEIPTS TAX	57,341	59,387	59,386	70,000		70,000	0%	100%	-	70,000	General	
89	506-4005-47415	MAINTENANCE--REPAIRS GROUNDS -...	37,106	40,000	33,470	40,000		40,000	0%	100%	-	40,000	General	
90	506-4005-47420	MAINTENANCE-VEHICLE/EQUIP-WAS...	29,964	28,022	26,362	25,000		25,000	0%	100%	-	25,000	General	
91	506-4005-47425	OTHER MAINTENANCE-WASTEWATER...	15,298	44,000	16,415	20,000		20,000	0%	100%	-	20,000	General	
92	506-4005-47430	EMERGENCY REPAIRS	-	-	-	-		-	0%	100%	-	-	General	
93	506-4005-48596	AUDIT CONTRACT	9,710	9,710	9,710	10,000		10,000	0%	100%	-	10,000	General	
94	506-4005-48598	PROFESSIONAL SERVICES	134,061	99,377	63,326	75,000		75,000	0%	100%	-	75,000	General	
95	506-4005-48599	OTHER CONTRACTUAL SERVICES	51,259	11,365	-	60,000		60,000	0%	100%	-	60,000	General	
96	506-4005-48798	VILLAGE OF WILLIAMSBURG-WASTE...	49,567	50,000	46,071	45,000		45,000	0%	100%	-	45,000	General	
97	506-4005-49930	TRANSFER OUT	121,450	624,865	288,924	242,076	(78,239)	163,837	0%	100%	-	163,837	General	3
98	506-4005-80810	OTHER CAPITAL EQUIPMENT-VEHICL...	47,494	-	-	35,000		35,000	0%	100%	-	35,000	Capital	

City of Truth or Consequences, New Mexico
Water-Wastewater Cost of Service Study
Test Year

Line No.	Account Number	Description	FY 2024 Actual	FY 2025 Budget	FY 2025 Actual	FY 2026 Budget	Adjustments	Test Year	Allocation Water	Allocation WW	Test Year Water	Test Year WW	Inflation Factor	
99	506-4005-80845	CAPITAL IMPROVEMENTS EQUIPMENT	-	95,455	95,454	30,000		30,000	0%	100%	-	30,000	Capital	
100	506-4005-44810	EQUIPMENT & MACHINERY	2,427	3,443	3,253	5,000		5,000	0%	100%	-	5,000	Capital	
101	506-4005-43595	INSURANCE, UTILTY, & MAINT	-	-	-	270,000		270,000	0%	100%	-	270,000	Capital	
102	**Total Sewer Expense**		**$ 1,230,242**	**$ 1,816,095**	**$ 1,244,167**	**$ 1,500,247**	**$ (78,239)**	**$ 1,422,008**			**$ -**	**$ 1,422,008**		
103	**Existing Debt Service**													
104		Water	$ -	$ -	$ -		$ 372,650	$ 372,650	100%	0%	$ 372,650	$ -	None	
105		Wastewater	-	-	-		78,239	78,239	0%	100%	-	78,239	None	
106	**Total Existing Debt**		**$ -**	**$ -**	**$ -**	**$ -**	**$ 450,889**	**$ 450,889**			**$ 372,650**	**$ 78,239**		
107	**Proposed Debt Service**													
108		Water	$ -	$ -	$ -			$ -	100%	0%	$ -	$ -	None	
109		Wastewater	-	-	-			-	0%	100%	-	-	None	
110	**Total Proposed Debt**		**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**			**$ -**	**$ -**		
111	**Capital Improvement Plan**													
112		Water	$ -	$ -	$ -		$ -	$ -	100%	0%	$ -	$ -	None	
113		Wastewater	-	-	-		-	-	0%	100%	-	-	None	
114	**Total CIP**		**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**			**$ -**	**$ -**		
115	**Pay As You Go**													
116		Water	$ -	$ -	$ -		$ 50,000	$ 50,000	100%	0%	$ 50,000	$ -	None	4
117		Wastewater	-	-	-		50,000	50,000	0%	100%	-	50,000	None	4
118	**Total PAYG**		**$ -**	**$ -**	**$ -**	**$ -**	**$ 100,000**	**$ 100,000**			**$ 50,000**	**$ 50,000**		
119	**TOTAL EXPENSES**		**$ 3,024,487**	**$ 8,511,511**	**$ 3,136,304**	**$ 3,453,689**	**$ 100,000**	**$ 3,553,689**			**$ 2,003,442**	**$ 1,550,247**		
Revenues														
	Water													
120	504-3803-30153	GOVERNMENTAL GROSS RECEIPTS-WA	$ 70,009	$ 65,000	$ 70,769	$ 150,000		$ 150,000	100%	0%	$ 150,000	$ -	None	
121	504-3803-34523	UTILITIES SERVICES-WATER DIVISION	1,654,870	1,500,500	1,631,784	1,700,000	(1,700,000)	-	100%	0%	-	-	None	5
122	504-3803-34533	UTILITIES SVC CONN-WATER DIVISION	9,328	10,000	8,641	10,000		10,000	100%	0%	10,000	-	None	
123	504-3803-34553	NEW INSTALLATIONS-WATER DIVISI...	48,389	20,000	14,712	20,000		20,000	100%	0%	20,000	-	None	
124	504-3803-34773	M&J CONSTRUCTION WATER DIVISION	19,629	-	1,586	100		100	100%	0%	100	-	None	
125	504-3803-35543	NON-PAYMENT PENALTY 8%-WATER ...	5,356	4,500	5,249	4,500		4,500	100%	0%	4,500	-	None	
126	504-3803-37374	SURPLUS AUCTION PROCEEDS	-	-	-	-		-	100%	0%	-	-	None	
127	504-3803-39935	TRANSFER IN	-	4,400,000	-	-		-	100%	0%	-	-	None	
128	504-3803-37390	PROPERTY SALES	2,256	-	-	-		-	100%	0%	-	-	None	
129	504-3803-38372	INSURANCE RECOVERIES	22,395	573	573	-		-	100%	0%	-	-	None	
130	**Total Water Revenue**		**$ 1,832,234**	**$ 6,000,573**	**$ 1,733,314**	**$ 1,884,600**	**$ (1,700,000)**	**$ 184,600**			**$ 184,600**	**$ -**		
	Wastewater													
131	506-4005-30155	GOVT. GROSS RECEIPTS-SW-JT UTILITY	$ 56,639	$ 50,000	$ 58,927	$ 70,000		$ 70,000	0%	100%	$ -	$ 70,000	None	
132	506-4005-34355	OTHER CHARGES FOR SERVICE	27,820	15,000	34,162	26,000		26,000	0%	100%	-	26,000	None	
133	506-4005-34525	UTILITIES SERVICES-SW-WASTEWATER	1,296,112	1,175,000	1,333,544	1,300,000	(1,300,000)	-	0%	100%	-	-	None	5
134	506-4005-34555	NEW INSTALLATIONS-SEWER-WAST...	8,997	7,500	6,502	5,000		5,000	0%	100%	-	5,000	None	
135	506-4005-35545	NON-PAYMENT PENALTY 8%-WASTE...	3,083	3,500	2,493	3,000		3,000	0%	100%	-	3,000	None	
136	506-4005-37374	SURPLUS AUCTION PROCEEDS	-	-	-	-		-	0%	100%	-	-	None	
137	506-4005-37385	JOINT POWER AGREEMENTS INCOME	-	-	-	-		-	0%	100%	-	-	None	
138	506-4005-38372	REIMBURSEMENTS/REFUNDS	-	-	-	-		-	0%	100%	-	-	None	
139	506-4005-39935	TRANSFER IN	-	305,400	-	-		-	0%	100%	-	-	None	
140	506-4005-37381	COMPOST REVENUE	75	-	-	-		-	0%	100%	-	-	None	
141	**Total Sewer Revenue**		**$ 1,392,726**	**$ 1,556,400**	**$ 1,435,629**	**$ 1,404,000**	**$ (1,300,000)**	**$ 104,000**			**$ -**	**$ 104,000**		

City of Truth or Consequences, New Mexico
Water-Wastewater Cost of Service Study
Test Year

Line No.	Account Number	Description	FY 2024 Actual	FY 2025 Budget	FY 2025 Actual	FY 2026 Budget	Adjustments	Test Year	Allocation Water	Allocation WW	Test Year Water	Test Year WW	Inflation Factor
142	**TOTAL Revenue**		$ 3,224,960	$ 7,556,973	$ 3,168,943	$ 3,288,600	$ (3,000,000)	$ 288,600			$ 184,600	$ 104,000	
143	**REVENUE REQUIRMENT**		$ (200,473)	$ 954,538	$ (32,639)	$ 165,089	$ 3,100,000	$ 3,265,089			$ 1,818,842	$ 1,446,247	

Footnotes:

1 Transfer out broken out between water debt and general fund. Water debt adjusted out and input on line 104.
2 FY 2026 Budget value adjusted to include transfer for exisiting debt service.
3 Transfer out broken out between wastewater debt and general fund. Wastewater debt adjusted out and input on line 105.
4 $50,000 included to be put aside for pay as you go projects.
5 To be calculated in revenue reconciliation.

City of Truth or Consequences, New Mexico
Water Wastewater Cost of Service Study
Existing Debt

Line No.	Item Description	FY 2025	Year 1 FY 2026	Year 2 FY 2027	Year 3 FY 2028	Year 4 FY 2029	Allocation W	Allocation WW
1	**Water**							
2	**Ground Storage Tanks: TorC 17 WPF-829**							
3	Principal	$ 12,911	$ 12,943	$ 12,976	$ 13,008	$ 13,041	100%	0%
4	Interest	228	195	163	131	98	100%	0%
5	**Subtotal**	**$ 13,139**	**$ 13,138**	**$ 13,139**	**$ 13,139**	**$ 13,139**		
6	**Ground Storage Tanks: TorC 18 PPRF-2613**							
7	Principal	$ 8,287	$ 8,287	$ 8,287	$ 8,287	$ 8,287	100%	0%
8	Interest	-	-	-	-	-	100%	0%
9	**Subtotal**	**$ 8,287**	**$ 8,287**	**$ 8,287**	**$ 8,287**	**$ 8,287**		
10	**Refinanced Util Bonds 95, 96, 98: TorC 19 PPRF-2737**							
11	Principal	$ 68,240	$ 70,239	$ 72,371	$ 74,639	$ 77,078	100%	0%
12	Interest	22,945	20,946	18,814	16,546	14,107	100%	0%
13	**Subtotal**	**$ 91,185**	**$ 91,185**	**$ 91,185**	**$ 91,185**	**$ 91,185**		
14	**Per & Asset Management Plan: TorC 22 WPF-892**							
15	Principal	$ 3,305	$ 3,313	$ 3,322	$ 3,330	$ 3,338	100%	0%
16	Interest	75	67	59	50	42	100%	0%
17	**Subtotal**	**$ 3,380**	**$ 3,380**	**$ 3,381**	**$ 3,380**	**$ 3,380**		
18	**Waterline Replacement: CIF-6441**							
19	Principal	$ -	$ -	$ 19,972	$ 21,613	$ 21,667	100%	0%
20	Interest	-	-	2,692	1,050	996	100%	0%
21	**Subtotal**	**$ -**	**$ -**	**$ 22,664**	**$ 22,663**	**$ 22,663**		
22	**Municipal Water System PER: CIF-4927**							
23	Principal	$ 458	$ 458	$ 458	$ 458	$ 458	100%	0%
24	Interest	-	-	-	-	-	100%	0%
25	**Subtotal**	**$ 458**	**$ 458**	**$ 458**	**$ 458**	**$ 458**		
26	**Waterline Replacement: CIF-6323**							
27	Principal	$ -	$ -	$ 78,116	$ 78,312	$ 78,508	100%	0%
28	Interest	1,267	4,000	4,000	3,805	3,609	100%	0%
29	**Subtotal**	**$ 1,267**	**$ 4,000**	**$ 82,116**	**$ 82,117**	**$ 82,117**		
30	**Booster System Improvements: WPF-5089**							
31	Principal	$ 13,058	$ 13,026	$ 12,994	$ 12,962	$ 12,930	100%	0%
32	Interest	150	182	214	246	278	100%	0%
33	**Subtotal**	**$ 13,208**	**$ 13,208**	**$ 13,208**	**$ 13,208**	**$ 13,208**		
34	**Water System Improvements PH2: CIF-5550**							
35	Principal	$ 2,500	$ 2,500	$ 2,500	$ 2,500	$ 2,500	100%	0%
36	Interest	-	-	-	-	-	100%	0%
37	**Subtotal**	**$ 2,500**	**$ 2,500**	**$ 2,500**	**$ 2,500**	**$ 2,500**		
38	**MSD Water System Improvements: USDA WSI-MSD 5,487,000**							
39	Principal	$ 90,265	$ 92,043	$ 94,018	$ 95,887	$ 98,241	100%	0%
40	Interest	113,855	112,077	110,102	108,233	$ 105,879	100%	0%
41	**Subtotal**	**$ 204,120**	**$ 204,120**	**$ 204,120**	**$ 204,120**	**$ 204,120**		
42	**Construction & Operation of Drinking Water Systems: DW-4794**							
43	Principal	$ 25,657	$ 30,887	$ 30,965	$ 31,042	$ 31,119	100%	0%
44	Interest	1,363	1,487	1,410	1,333	1,255	100%	0%
45	**Subtotal**	**$ 27,021**	**$ 32,374**	**$ 32,375**	**$ 32,374**	**$ 32,374**		
46	**Total Water Debt**	**$ 364,564**	**$ 372,650**	**$ 473,432**	**$ 473,431**	**$ 473,431**		

City of Truth or Consequences, New Mexico
Water Wastewater Cost of Service Study
Existing Debt

Line No.	Item Description	FY 2025	Year 1 FY 2026	Year 2 FY 2027	Year 3 FY 2028	Year 4 FY 2029	Allocation W	Allocation WW
47	**Wastewater**							
48	**Waste Water System Improvements: TorC 24 CIF-3171**							
49	Principal	$ 3,846	$ 3,846	$ 3,846	$ 3,846	$ 3,846	0%	100%
50	Interest	-	-	-	-	-	0%	100%
51	**Subtotal**	**$ 3,846**	**$ 3,846**	**$ 3,846**	**$ 3,846**	**$ 3,846**		
52	**WWTP Phase 2B: USDA 92-12 715000**							
53	Principal	$ 13,910	$ 14,136	$ 14,366	$ 14,573	$ 14,836	0%	100%
54	Interest	10,543	10,317	10,087	9,880	9,617	0%	100%
55	**Subtotal**	**$ 24,453**	**$ 24,453**	**$ 24,453**	**$ 24,453**	**$ 24,453**		
56	**USDA WWTP Phase 2B: USDA 92-19 315000**							
57	Principal	$ 5,640	$ 5,760	$ 5,883	$ 5,992	$ 6,135	0%	100%
58	Interest	6,132	6,012	5,889	5,780	5,637	0%	100%
59	**Subtotal**	**$ 11,772**	**$ 11,772**	**$ 11,772**	**$ 11,772**	**$ 11,772**		
60	**WW Design & Construction Phase 2A: TorC 27 CIF-3364**							
61	Principal	$ 3,867	$ 3,866	$ 3,866	$ 3,866	$ 3,866	0%	100%
62	Interest	-	-	-	-	-	0%	100%
63	**Subtotal**	**$ 3,867**	**$ 3,866**	**$ 3,866**	**$ 3,866**	**$ 3,866**		
64	**Joint Utility System Improvement: USDA 910000**							
65	Principal	$ 17,000	$ 17,000	$ 18,000	$ 18,000	$ 19,000	0%	100%
66	Interest	17,685	17,302	16,920	16,515	16,110	0%	100%
67	**Subtotal**	**$ 34,685**	**$ 34,302**	**$ 34,920**	**$ 34,515**	**$ 35,110**		
68	**WWTP Bar Screen Replace: CIF-6442**							
69	Principal	$ -	$ -	$ 1,386	$ 1,500	$ 1,504	0%	100%
70	Interest	-	-	187	73	69	0%	100%
71	**Subtotal**	**$ -**	**$ -**	**$ 1,573**	**$ 1,573**	**$ 1,573**		
72	**WWTP Facility Construction: NMED 473,000**							
73	Principal			$ 21,066	$ 21,319	$ 21,575	0%	100%
74	Interest			5,676	5,423	5,167	0%	100%
75	**Subtotal**	**$ -**	**$ -**	**$ 26,742**	**$ 26,742**	**$ 26,742**		
76	**Total WW Debt**	**$ 78,623**	**$ 78,239**	**$ 107,172**	**$ 106,767**	**$ 107,363**		
77	**Total DEBT**	**$ 443,187**	**$ 450,889**	**$ 580,605**	**$ 580,198**	**$ 580,793**		
78	**DEBT SUMMARY**							
79	Water	$ 364,564	$ 372,650	$ 473,432	$ 473,431	$ 473,431		
80	Wastewater	78,623	78,239	107,172	106,767	107,363		
81	**Total Debt**	**$ 443,187**	**$ 450,889**	**$ 580,605**	**$ 580,198**	**$ 580,793**		

City of Truth or Consequences, New Mexico
Water and Wastewater Cost of Service and Rate Design Study
Proposed Debt

Line No.	Description		Year 1 FY 2026	Year 2 FY 2027	Year 3 FY 2028	Year 4 FY 2029
1	**Wastewater Debt Funded Projects**					
2	Wastewater Treatment Plant Improvements					$ 5,000,000
3	**Total WW-Debt Funding**		**$ -**	**$ -**	**$ -**	**$ 5,000,000**
4	**Wastewater Treatment Plant Improvements**					
5	Year of Issue	FY 2029	$ -	$ -	$ -	$ 315,674
6	Issue Amount	$ 5,000,000				
7	Bond Issuance & Fees	$ 100,000				
8	Total Issue Amount	$ 5,100,000				
9	Issuance Cost	2.00%				
10	Interest Rate	2.125%				
11	Term (Years)	20				
12	Annual Payment	$ 315,674				
13	First Payment in Year of Issue?	Yes				
14	**Total Annual Wastewater Proposed Debt**		**$ -**	**$ -**	**$ -**	**$ 315,674**
15	**Total Annual W-WW Proposed Debt**		**$ -**	**$ -**	**$ -**	**$ 315,674**

City of Truth or Consequences, New Mexico
Water-Wastewater Cost of Service Study
Water Five-Year Forecast

Line No.	Account Number	Description	Test Year	Year 1 FY 2026	Year 2 FY 2027	Year 3 FY 2028	Year 4 FY 2029	Inflation Factor
Expenses								
	Water							
1	504-3803-40110	FULL TIME WAGES-WATER DIVISION	$ 365,591	$ 365,591	$ 380,215	$ 395,423	$ 411,240	Labor
2	504-3803-40120	TEMPORARY POSITION	-	-	-	-	-	Labor
3	504-3803-40125	OVERTIME WAGES-WATER DIVISION	26,000	26,000	27,040	28,122	29,246	Labor
4	504-3803-40135	STANDBY WAGES-WATER DIVISION	5,000	5,000	5,200	5,408	5,624	Labor
5	504-3803-40140	DELAYED COMPENSATION-WATER DIV	5,000	5,000	5,200	5,408	5,624	Labor
6	504-3803-41205	FICA-REGULAR-WATER DIVISION	25,085	25,085	26,088	27,132	28,217	Benefits
7	504-3803-41210	FICA-MEDICARE-WATER DIVISION	5,867	5,867	6,102	6,346	6,600	Benefits
8	504-3803-41215	PERA-WATER DIVISION	43,140	43,140	44,866	46,660	48,527	Benefits
9	504-3803-41225	HEALTH INSURANCE-WATER DIVISION	85,351	85,351	88,765	92,316	96,008	Benefits
10	504-3803-41226	RETIREE INSURANCE	10,968	10,968	11,407	11,863	12,338	Benefits
11	504-3803-41235	UNEMPLOYMENT INSURANCE-WATER…	700	700	728	757	787	Benefits
12	504-3803-41240	WORKER'S COMP ASSESSMENT	90	90	94	97	101	Benefits
13	504-3803-41785	WORKER'S COMP. PREMIUMS	-	-	-	-	-	Benefits
14	504-3803-42305	MILEAGE REIMBURSEMENT	-	-	-	-	-	General
15	504-3803-42310	PER DIEM-WATER DIVISION	6,000	6,000	6,150	6,304	6,461	General
16	504-3803-42620	UNIFORM/LINEN-WATER DIVISION	3,750	3,750	3,844	3,940	4,038	General
17	504-3803-42720	EMPLOYEE TRAINING-WATER DIVISI…	27,000	27,000	27,675	28,367	29,076	General
18	504-3803-43316	FUEL	25,000	25,000	25,625	26,266	26,922	General
19	504-3803-43317	DIESEL-WATER DIVISION	-	-	-	-	-	General
20	504-3803-43465	RENT OF EQUIPMENT	1,200	1,200	1,230	1,261	1,292	General
21	504-3803-43466	RENT OF LAND/BUILDING	2,200	2,200	2,255	2,311	2,369	General
22	504-3803-43740	PRINTING/PUBLISHING	1,500	1,500	1,538	1,576	1,615	General
23	504-3803-43770	SUBSCRIPTION/DUES	10,000	10,000	10,250	10,506	10,769	General
24	504-3803-43775	TELEPHONE	4,500	4,500	4,613	4,728	4,846	General
25	504-3803-43780	UTILITIES	-	-	-	-	-	Utilities
26	504-3803-43797	WATER CONSERVATION-WATER DIVIS…	22,000	22,000	22,550	23,114	23,692	General
27	504-3803-43815	SOFTWARE LIC/SOFTWARE UPDATE	30,000	30,000	30,750	31,519	32,307	General
28	504-3803-44605	CHEMICALS/LABORATORY TESTING	15,000	15,000	15,600	16,224	16,873	Chemicals
29	504-3803-44606	OFFICE SUPPLIES	3,000	3,000	3,075	3,152	3,231	General
30	504-3803-44607	FIELD SUPPLIES-WATER DIVISION	100,000	100,000	104,000	108,160	112,486	Chemicals
31	504-3803-44613	NON-CAPITAL ITEMS	-	-	-	-	-	General
32	504-3803-44615	SAFETY EQUIPMENT	10,000	10,000	10,250	10,506	10,769	General
33	504-3803-44810	EQUIPMENT & MACHINERY-WATER DIV	4,000	4,000	4,200	4,410	4,631	Capital
34	504-3803-45796	FRANCHISE TAX-WATER DIVISION	6,000	6,000	6,150	6,304	6,461	General
35	504-3803-46731	PROPERTY INSURANCE-WATER DIVIS…	-	-	-	-	-	General
36	504-3803-46732	GENERAL LIABILITY INSURANCE	-	-	-	-	-	General
37	504-3803-46733	VEHICLE INSURANCE	-	-	-	-	-	General
38	504-3803-46794	GOVT GROSS RECEIPTS TAX	150,000	150,000	153,750	157,594	161,534	General
39	504-3803-47415	MAINTENANCE--REPAIRS GROUNDS -…	40,000	40,000	41,000	42,025	43,076	General
40	504-3803-47420	MAINTENANCE-VEHICLE/EQUIP-WAT…	13,000	13,000	13,325	13,658	14,000	General
41	504-3803-47421	MAINTENANCE EQUIPMENT	50,000	50,000	51,250	52,531	53,845	General
42	504-3803-47425	OTHER MAINT-WATER METERS-WAT…	-	-	-	-	-	General
43	504-3803-47430	EMERGENCY REPAIRS	-	-	-	-	-	General
44	504-3803-48596	AUDIT CONTRACT	-	-	-	-	-	General
45	504-3803-48598	PROFESSIONAL SERVICES	50,000	50,000	51,250	52,531	53,845	General
46	504-3803-48599	OTHER CONTRACTUAL SERVICES	-	-	-	-	-	General
47	504-3803-49930	TRANSFER OUT	144,350	144,350	147,959	151,658	155,449	General
48	504-3803-80810	OTHER CAPITAL EQUIPMENT-VEHICL…	60,000	60,000	63,000	66,150	69,458	Capital
49	504-3803-80845	CAPITAL IMPROVEMENTS EQUIPM.	-	-	-	-	-	Capital
50	504-3803-43595	INSURACE, UTILITY, & MAINT	229,500	229,500	240,975	253,024	265,675	Capital
52	**Total Water Expense**		**$ 1,580,792**	**$ 1,580,792**	**$ 1,637,966**	**$ 1,697,349**	**$ 1,759,031**	
103	**Existing Debt Service**							
104		Water	$ 372,650	$ 372,650	$ 473,432	$ 473,431	$ 473,431	None
105		Wastewater	-	-	-	-	-	None
106	**Total Existing Debt**		**$ 372,650**	**$ 372,650**	**$ 473,432**	**$ 473,431**	**$ 473,431**	
107	**Proposed Debt Service**							
108		Water	$ -	$ -	$ -	$ -	$ -	None
109		Wastewater						None
110	**Total Proposed Debt**		**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	

City of Truth or Consequences, New Mexico
Water-Wastewater Cost of Service Study
Water Five-Year Forecast

Line No.	Account Number	Description	Test Year	Year 1 FY 2026	Year 2 FY 2027	Year 3 FY 2028	Year 4 FY 2029	Inflation Factor
111	**Capital Improvement Plan**							
112		Water	$ -	$ -	$ -	$ -	$ -	None
113		Wastewater	-					None
114	**Total CIP**		**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	
115	**Pay As You Go**							
116		Water	$ 50,000	$ 50,000	$ 50,000	$ 50,000	$ 50,000	None
117		Wastewater	-	-	-	-	-	None
118	**Total PAYG**		**$ 50,000**	**$ 50,000**	**$ 50,000**	**$ 50,000**	**$ 50,000**	
119	**TOTAL EXPENSES**		**$ 2,003,442**	**$ 2,003,442**	**$ 2,161,399**	**$ 2,220,780**	**$ 2,282,462**	
Revenues								
	Water							
120	504-3803-30153	GOVERNMENTAL GROSS RECEIPTS-WA	$ 150,000	$ 150,000	$ 150,000	$ 150,000	$ 150,000	None
121	504-3803-34523	UTILITIES SERVICES-WATER DIVISION	-	-	-	-	-	None
122	504-3803-34533	UTILITIES SVC CONN-WATER DIVISION	10,000	10,000	10,000	10,000	10,000	None
123	504-3803-34553	NEW INSTALLATIONS-WATER DIVISI…	20,000	20,000	20,000	20,000	20,000	None
124	504-3803-34773	M&J CONSTRUCTION WATER DIVISION	100	100	100	100	100	None
125	504-3803-35543	NON-PAYMENT PENALTY 8%-WATER …	4,500	4,500	4,500	4,500	4,500	None
126	504-3803-37374	SURPLUS AUCTION PROCEEDS	-	-	-	-	-	None
127	504-3803-39935	TRANSFER IN	-	-	-	-	-	None
128	504-3803-37390	PROPERTY SALES	-	-	-	-	-	None
130	**Total Water Revenue**		**$ 184,600**	**$ 184,600**	**$ 184,600**	**$ 184,600**	**$ 184,600**	
142	**TOTAL Revenue**		**$ 184,600**	**$ 184,600**	**$ 184,600**	**$ 184,600**	**$ 184,600**	
143	**REVENUE REQUIRMENT**		**$ 1,818,842**	**$ 1,818,842**	**$ 1,976,799**	**$ 2,036,180**	**$ 2,097,862**	

City of Truth or Consequences, New Mexico
Water-Wastewater Cost of Service Study
Wastewater Five-Year Forecast

Line No.	Account Number	Description	Test Year	Year 1 FY 2026	Year 2 FY 2027	Year 3 FY 2028	Year 4 FY 2029	Inflation Factor
Expenses								
	Wastewater							
53	506-4005-40110	FULL TIME WAGES-WASTEWATER DIV…	$ 230,558	$ 230,558	$ 239,780	$ 249,372	$ 259,346	Labor
54	506-4005-40115	PART TIME WAGES-WASTEWATER DI…	-	-	-	-	-	Labor
55	506-4005-40125	OVERTIME WAGES-WASTEWATER DIV…	25,000	25,000	26,000	27,040	28,122	Labor
56	506-4005-40135	STANDBY WAGES-WASTEWATER DIVI…	10,000	10,000	10,400	10,816	11,249	Labor
57	506-4005-40140	DELAYED COMPENSATION-WASTEW…	1,000	1,000	1,040	1,082	1,125	Labor
58	506-4005-41205	FICA-REGULAR-WASTEWATER DIVISI…	16,527	16,527	17,188	17,876	18,591	Benefits
59	506-4005-41210	FICA-MEDICARE-WASTEWATER DIVIS…	3,865	3,865	4,020	4,180	4,348	Benefits
60	506-4005-41215	PERA-WASTEWATER DIVISION	27,206	27,206	28,294	29,426	30,603	Benefits
61	506-4005-41225	HEALTH INSURANCE-WASTEWATER D…	87,258	87,258	90,748	94,378	98,153	Benefits
62	506-4005-41226	RETIREE INSURANCE	6,917	6,917	7,194	7,481	7,781	Benefits
63	506-4005-41235	UNEMPLOYMENT INSURANCE-WAST…	1,100	1,100	1,144	1,190	1,237	Benefits
64	506-4005-41240	WORKER'S COMP ASSESSMENT	65	65	68	70	73	Benefits
65	506-4005-41785	WORKER'S COMP. PREMIUMS	-	-	-	-	-	Benefits
66	506-4005-42305	MILEAGE REIMBURSEMENT	-	-	-	-	-	General
67	506-4005-42310	PER DIEM-WASTEWATER DIVISION	-	-	-	-	-	General
68	506-4005-42620	UNIFORM/LINEN-WASTEWATER DIVIS…	4,375	4,375	4,484	4,596	4,711	General
69	506-4005-42720	EMPLOYEE TRAINING-WASTEWATER …	12,300	12,300	12,608	12,923	13,246	General
70	506-4005-43316	FUEL	12,000	12,000	12,300	12,608	12,923	General
71	506-4005-43317	DIESEL FUEL-WASTEWATER DIVISION	-	-	-	-	-	General
72	506-4005-43416	O & M PURCHASES-WASTEWATER DIV	-	-	-	-	-	General
73	506-4005-43465	RENT OF EQUIPMENT	8,000	8,000	8,200	8,405	8,615	General
74	506-4005-43735	POSTAGE & MAIL SERVICES	-	-	-	-	-	General
75	506-4005-43740	PRINTING/PUBLISHING	2,000	2,000	2,050	2,101	2,154	General
76	506-4005-43770	SUBSCRIPTION & DUES	6,000	6,000	6,150	6,304	6,461	General
77	506-4005-43775	TELEPHONE	5,500	5,500	5,638	5,778	5,923	General
78	506-4005-43780	UTILITIES	-	-	-	-	-	General
79	506-4005-43815	SOFTWARE LIC/SOFTWARE UPDATE	17,000	17,000	17,850	18,743	19,680	Utilities
80	506-4005-44605	CHEMICALS/LABORATORY TESTING	50,000	50,000	52,000	54,080	56,243	Chemicals
81	506-4005-44606	OFFICE SUPPLIES	3,500	3,500	3,588	3,677	3,769	General
82	506-4005-44607	FIELD SUPPLIES-WASTEWATER DIVISI…	30,000	30,000	30,750	31,519	32,307	General
83	506-4005-44613	NON-CAPITAL ITEMS	5,000	5,000	5,125	5,253	5,384	General
84	506-4005-44615	SAFETY EQUIPMENT	8,000	8,000	8,200	8,405	8,615	General
85	506-4005-46731	PROPERTY INSURANCE-WASTERWAT…	-	-	-	-	-	General
86	506-4005-46732	GENERAL LIABILITY INSURANCE	-	-	-	-	-	General
87	506-4005-46733	VEHICLE INSURANCE	-	-	-	-	-	General
88	506-4005-46794	GOVT GROSS RECEIPTS TAX	70,000	70,000	71,750	73,544	75,382	General
89	506-4005-47415	MAINTENANCE--REPAIRS GROUNDS -…	40,000	40,000	41,000	42,025	43,076	General
90	506-4005-47420	MAINTENANCE-VEHICLE/EQUIP-WAS…	25,000	25,000	25,625	26,266	26,922	General
91	506-4005-47425	OTHER MAINTENANCE-WASTEWATER…	20,000	20,000	20,500	21,013	21,538	General
92	506-4005-47430	EMERGENCY REPAIRS	-	-	-	-	-	General
93	506-4005-48596	AUDIT CONTRACT	10,000	10,000	10,250	10,506	10,769	General
94	506-4005-48598	PROFESSIONAL SERVICES	75,000	75,000	76,875	78,797	80,767	General
95	506-4005-48599	OTHER CONTRACTUAL SERVICES	60,000	60,000	61,500	63,038	64,613	General
96	506-4005-48798	VILLAGE OF WILLIAMSBURG-WASTE…	45,000	45,000	46,125	47,278	48,460	General
97	506-4005-49930	TRANSFER OUT	163,837	163,837	167,933	172,131	176,435	General
98	506-4005-80810	OTHER CAPITAL EQUIPMENT-VEHICL…	35,000	35,000	36,750	38,588	40,517	Capital
99	506-4005-80845	CAPITAL IMPROVEMENTS EQUIPMENT	30,000	30,000	31,500	33,075	34,729	Capital
100	506-4005-44810	EQUIPMENT & MACHINERY	5,000	5,000	5,250	5,513	5,788	Capital
101	506-4005-43595	INSURANCE, UTILTY, & MAINT	270,000	270,000	283,500	297,675	312,559	Capital
102	**Total Sewer Expense**		**$ 1,422,008**	**$ 1,422,008**	**$ 1,473,376**	**$ 1,526,749**	**$ 1,582,213**	
103	**Existing Debt Service**							
104		Water	$ -	$ -	$ -	$ -	$ -	None
105		Wastewater	78,239	78,239	107,172	106,767	107,363	None
106	**Total Existing Debt**		**$ 78,239**	**$ 78,239**	**$ 107,172**	**$ 106,767**	**$ 107,363**	
107	**Proposed Debt Service**							
108		Water	$ -	$ -	$ -	$ -	$ -	None
109		Wastewater	-	-	-	-	315,674	None
110	**Total Proposed Debt**		**$ -**	**$ -**	**$ -**	**$ -**	**$ 315,674**	

City of Truth or Consequences, New Mexico
Water-Wastewater Cost of Service Study
Wastewater Five-Year Forecast

Line No.	Account Number	Description	Test Year	Year 1 FY 2026	Year 2 FY 2027	Year 3 FY 2028	Year 4 FY 2029	Inflation Factor
111	**Capital Improvement Plan**							
112		Water	$ -	$ -	$ -	$ -	$ -	None
113		Wastewater	-	-	-	-	-	None
114	**Total CIP**		**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	
115	**Pay As You Go**							
116		Water	$ -	$ -	$ -	$ -	$ -	None
117		Wastewater	50,000	50,000	50,000	50,000	50,000	None
118	**Total PAYG**		**$ 50,000**	**$ 50,000**	**$ 50,000**	**$ 50,000**	**$ 50,000**	
119	**TOTAL EXPENSES**		**$ 1,550,247**	**$ 1,550,247**	**$ 1,630,548**	**$ 1,683,517**	**$ 2,055,250**	
Revenues								
	Wastewater							
131	506-4005-30155	GOVT. GROSS RECEIPTS-SW-JT UTILITY	$ 70,000	$ 70,000	$ 70,000	$ 70,000	$ 70,000	None
132	506-4005-34355	OTHER CHARGES FOR SERVICE	26,000	26,000	26,000	26,000	26,000	None
133	506-4005-34525	UTILITIES SERVICES-SW-WASTEWATER	-	-	-	-	-	None
134	506-4005-34555	NEW INSTALLATIONS-SEWER-WAST…	5,000	5,000	5,000	5,000	5,000	None
135	506-4005-35545	NON-PAYMENT PENALTY 8%-WASTE…	3,000	3,000	3,000	3,000	3,000	None
136	506-4005-37374	SURPLUS AUCTION PROCEEDS	-	-	-	-	-	None
137	506-4005-37385	JOINT POWER AGREEMENTS INCOME	-	-	-	-	-	None
138	506-4005-38372	REIMBURSEMENTS/REFUNDS	-	-	-	-	-	None
139	506-4005-39935	TRANSFER IN	-	-	-	-	-	None
141	**Total Sewer Revenue**		**$ 104,000**	**$ 104,000**	**$ 104,000**	**$ 104,000**	**$ 104,000**	
142	**TOTAL Revenue**		**$ 104,000**	**$ 104,000**	**$ 104,000**	**$ 104,000**	**$ 104,000**	
143	**REVENUE REQUIRMENT**		**$ 1,446,247**	**$ 1,446,247**	**$ 1,526,548**	**$ 1,579,517**	**$ 1,951,250**	

City of Truth or Consequences, New Mexico
Water Wastewater Cost of Service Study
Water Over/(Under) Under Current Rates - CPI Adjusted

Line No.			Year 1 FY 2026	Year 2 FY 2027	Year 3 FY 2028	Year 4 FY 2029
1	**Net Revenue Requirement**		**$ 1,818,842**	**$ 1,976,799**	**$ 2,036,180**	**$ 2,097,862**
2	**Water Billing Units**	**Current[1]**				
3	**City (not landscape)**					
4	3/4"	2	31	31	31	31
5	Unknown	29	-	-	-	-
6	**City (not landscape) Total**	**31**	**31**	**31**	**31**	**31**
7	**City (landscape)**					
8	3/4"	5	15	15	15	15
9	2"	1	1	1	1	1
10	Unknown	10	-	-	-	-
11	**City (landscape) Total**	**16**	**16**	**16**	**16**	**16**
12	**Industrial**					
13	3/4"	3	5	5	5	5
14	2"	2	2	2	2	2
15	3"	2	2	2	2	2
16	Unknown	2	-	-	-	-
17	**Industrial Total**	**9**	**9**	**9**	**9**	**9**
18	**Residential**					
19	3/4"	950	2,683	2,683	2,683	2,683
20	1"	20	20	20	20	20
21	2"	17	17	17	17	17
22	3"	1	1	1	1	1
23	Unknown	1,733	-	-	-	-
24	**Resdential Total**	**2,721**	**2,721**	**2,721**	**2,721**	**2,721**
25	**Commercial**					
26	3/4"	69	290	290	290	290
27	1"	4	4	4	4	4
28	1 1/2"	1	1	1	1	1
29	2"	11	11	11	11	11
30	4"	2	2	2	2	2
31	Unknown	221	-	-	-	-
32	**Commercial Total**	**308**	**308**	**308**	**308**	**308**
33	**Williamsburg Residential**					
34	3/4"	78	235	235	235	235
35	Unknown	157	-	-	-	-
36	**WMBG Res Total**	**235**	**235**	**235**	**235**	**235**
37	**Williamsburg Commercial**					
38	3/4"	5	19	19	19	19
39	2"	2	2	2	2	2
40	Unknown	14	-	-	-	-
41	**WMBG Comm Total**	**21**	**21**	**21**	**21**	**21**

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Line No.			Year 1 FY 2026	Year 2 FY 2027	Year 3 FY 2028	Year 4 FY 2029
42	**TOTAL**	**3,341**	**3,341**	**3,341**	**3,341**	**3,341**
43	**Minimum Bill**[1]					
44	**City (not landscape)**					
45	3/4"	$ 18.91	$ 19.48	$ 20.06	$ 20.66	$ 21.28
46	1"	18.91	19.48	20.06	20.66	21.28
47	1 1/2"	18.91	19.48	20.06	20.66	21.28
48	2"	18.91	19.48	20.06	20.66	21.28
49	3"	18.91	19.48	20.06	20.66	21.28
50	4"	18.91	19.48	20.06	20.66	21.28
51	Unknown	18.91	19.48	20.06	20.66	21.28
52	**City (landscape)**					
53	3/4"	$ -	$ -	$ -	$ -	$ -
54	1"	-	-	-	-	-
55	1 1/2"	-	-	-	-	-
56	2"	-	-	-	-	-
57	3"	-	-	-	-	-
58	4"	-	-	-	-	-
59	Unknown	-	-	-	-	-
60	**Industrial**					
61	3/4"	$ 106.37	$ 109.56	$ 112.85	$ 116.23	$ 119.72
62	1"	106.37	109.56	112.85	116.23	119.72
63	1 1/2"	106.37	109.56	112.85	116.23	119.72
64	2"	106.37	109.56	112.85	116.23	119.72
65	3"	106.37	109.56	112.85	116.23	119.72
66	4"	106.37	109.56	112.85	116.23	119.72
67	Unknown	106.37	109.56	112.85	116.23	119.72
68	**Residential**					
69	3/4"	$ 18.91	$ 19.48	$ 20.06	$ 20.66	$ 21.28
70	1"	18.91	19.48	20.06	20.66	21.28
71	1 1/2"	18.91	19.48	20.06	20.66	21.28
72	2"	18.91	19.48	20.06	20.66	21.28
73	3"	18.91	19.48	20.06	20.66	21.28
74	4"	18.91	19.48	20.06	20.66	21.28
75	Unknown	18.91	19.48	20.06	20.66	21.28
76	**Commercial**					
77	3/4"	$ 18.91	$ 19.48	$ 20.06	$ 20.66	$ 21.28
78	1"	18.91	19.48	20.06	20.66	21.28
79	1 1/2"	18.91	19.48	20.06	20.66	21.28
80	2"	18.91	19.48	20.06	20.66	21.28
81	3"	18.91	19.48	20.06	20.66	21.28
82	4"	18.91	19.48	20.06	20.66	21.28
83	Unknown	18.91	19.48	20.06	20.66	21.28
84	**Williamsburg Residential**					

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Line No.		Year 1 FY 2026	Year 2 FY 2027	Year 3 FY 2028	Year 4 FY 2029
85	3/4"	$ 18.91	$ 19.48	$ 20.06	$ 20.66	$ 21.28
86	1"	18.91	19.48	20.06	20.66	21.28
87	1 1/2"	18.91	19.48	20.06	20.66	21.28
88	2"	18.91	19.48	20.06	20.66	21.28
89	3"	18.91	19.48	20.06	20.66	21.28
90	4"	18.91	19.48	20.06	20.66	21.28
91	Unknown	18.91	19.48	20.06	20.66	21.28
92	**Williamsburg Commercial**					
93	3/4"	$ 18.91	$ 19.48	$ 20.06	$ 20.66	$ 21.28
94	1"	18.91	19.48	20.06	20.66	21.28
95	1 1/2"	18.91	19.48	20.06	20.66	21.28
96	2"	18.91	19.48	20.06	20.66	21.28
97	3"	18.91	19.48	20.06	20.66	21.28
98	4"	18.91	19.48	20.06	20.66	21.28
99	Unknown	18.91	19.48	20.06	20.66	21.28
100	**Minimum Bill Revenue**					
101	**City (not landscape)**					
102	3/4"	$ 454	$ 7,246	$ 7,463	$ 7,687	$ 7,917
103	Unknown	6,581	-	-	-	-
104	**City (not landscape) Total**	**$ 7,035**	**$ 7,246**	**$ 7,463**	**$ 7,687**	**$ 7,917**
105	**City (landscape)**					
106	3/4"	$ -	$ -	$ -	$ -	$ -
107	2"	-	-	-	-	-
108	Unknown	-	-	-	-	-
109	**City (landscape) Total**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
110	**Industrial**					
111	3/4"	$ 3,829	$ 6,574	$ 6,771	$ 6,974	$ 7,183
112	2"	2,553	2,629	2,708	2,790	2,873
113	3"	2,553	2,629	2,708	2,790	2,873
114	Unknown	2,553	-	-	-	-
115	**Industrial Total**	**$ 11,488**	**$ 11,833**	**$ 12,188**	**$ 12,553**	**$ 12,930**
116	**Residential**					
117	3/4"	$ 215,574	$ 627,091	$ 645,904	$ 665,281	$ 685,239
118	1"	4,538	4,675	4,815	4,959	5,108
119	2"	3,858	3,973	4,093	4,215	4,342
120	3"	227	234	241	248	255
121	Unknown	393,252	-	-	-	-
122	**Resdential Total**	**$ 617,449**	**$ 635,973**	**$ 655,052**	**$ 674,704**	**$ 694,945**
123	**Commercial**					
124	3/4"	$ 15,657	$ 67,781	$ 69,814	$ 71,909	$ 74,066
125	1"	908	935	963	992	1,022
126	1 1/2"	227	234	241	248	255
127	2"	2,496	2,571	2,648	2,728	2,809
128	4"	454	467	481	496	511

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Line No.			Year 1 FY 2026	Year 2 FY 2027	Year 3 FY 2028	Year 4 FY 2029
129	Unknown	50,149	-	-	-	-
130	**Commercial Total**	**$ 69,891**	**$ 71,988**	**$ 74,148**	**$ 76,372**	**$ 78,663**
131	**Williamsburg Residential**					
132	3/4"	$ 17,700	$ 54,926	$ 56,574	$ 58,271	$ 60,019
133	Unknown	35,626	-	-	-	-
134	**WMBG Res Total**	**$ 53,326**	**$ 54,926**	**$ 56,574**	**$ 58,271**	**$ 60,019**
135	**Williamsburg Commercial**					
136	3/4"	$ 1,135	$ 4,441	$ 4,574	$ 4,711	$ 4,853
137	2"	454	467	481	496	511
138	Unknown	3,177	-	-	-	-
139	**WMBG Comm Total**	**$ 4,765**	**$ 4,908**	**$ 5,056**	**$ 5,207**	**$ 5,363**
140	**TOTAL Minimum Bill Revenue**	**$ 763,955**	**$ 786,873**	**$ 810,480**	**$ 834,794**	**$ 859,838**
141	**Volumetric Bill[1]**					
142	RR to be recovered from Volumetric Rates		$ 1,031,969	$ 1,166,319	$ 1,201,386	$ 1,238,024
143	**Volumetric Rate (per 1,000 gallons)**					
144	**Class Description**					
145	Residential					
146	Tier 0 (0-1,000) Gals	$ -	$ -	$ -	$ -	$ -
147	Tier 1 (1,001-2,000) Gals	-	-	-	-	-
148	Tier 2 (2,001-7,000) Gals	3.31	3.41	3.51	3.62	3.73
149	Tier 3 (7,001-15,000) Gals	3.75	3.86	3.98	4.10	4.22
150	Tier 4 (15,001-29.000) Gals	4.21	4.34	4.47	4.60	4.74
151	Tier 5 (29,001-50,000) Gals	4.73	4.87	5.02	5.17	5.32
152	Tier 6 (50,000+) Gals	5.12	5.30	5.46	5.62	5.79
153	Commercial					
154	Tier 0 (0-1,000) Gals	$ -	$ -	$ -	$ -	$ -
155	Tier 1 (1,001-2,000) Gals	-	-	-	-	-
156	Tier 2 (2,001-7,000) Gals	3.31	3.41	3.51	3.62	3.73
157	Tier 3 (7,001-15,000) Gals	3.75	3.86	3.98	4.10	4.22
158	Tier 4 (15,001-29.000) Gals	4.21	4.34	4.47	4.60	4.74
159	Tier 5 (29,001-50,000) Gals	4.73	4.87	5.02	5.17	5.32
160	Tier 6 (50,000+) Gals	5.12	5.30	5.46	5.62	5.79
161	City - Landscaping					
162	All Consumption	$ 0.74	$ 0.74	$ 0.76	$ 0.79	$ 0.81
163	Industrial					
164	Tier 1 (0-50,000) Gals	$ 3.75	$ 3.86	$ 3.98	$ 4.10	$ 4.22
165	Tier 2 (50,001-100,000) Gals	4.21	4.34	4.47	4.60	4.74
166	Tier 3 (100,001-150,000) Gals	4.73	4.87	5.02	5.17	5.32
167	Tier 4 (150,000+ Gals)	5.12	5.30	5.46	5.62	5.79
168	WMBG Residential					
169	Tier 0 (0-1,000) Gals	$ -	$ -	$ -	$ -	$ -

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Line No.			Year 1 FY 2026	Year 2 FY 2027	Year 3 FY 2028	Year 4 FY 2029
170	Tier 1 (1,001-2,000) Gals	-	-	-	-	-
171	Tier 2 (2,001-7,000) Gals	3.31	3.41	3.51	3.62	3.73
172	Tier 3 (7,001-15,000) Gals	3.75	3.86	3.98	4.10	4.22
173	Tier 4 (15,001-29.000) Gals	4.21	4.34	4.47	4.60	4.74
174	Tier 5 (29,001-50,000) Gals	4.73	4.87	5.02	5.17	5.32
175	Tier 6 (50,000+) Gals	5.12	5.30	5.46	5.62	5.79
176	WMBG Commerial					
177	Tier 0 (0-1,000) Gals	$ -	$ -	$ -	$ -	$ -
178	Tier 1 (1,001-2,000) Gals	-	-	-	-	-
179	Tier 2 (2,001-7,000) Gals	3.31	3.41	3.51	3.62	3.73
180	Tier 3 (7,001-15,000) Gals	3.75	3.86	3.98	4.10	4.22
181	Tier 4 (15,001-29.000) Gals	4.21	4.34	4.47	4.60	4.74
182	Tier 5 (29,001-50,000) Gals	4.73	4.87	5.02	5.17	5.32
183	Tier 6 (50,000+) Gals	5.12	5.30	5.46	5.62	5.79
184	City Water					
185	Tier 0 (0-1,000) Gals	$ -	$ -	$ -	$ -	$ -
186	Tier 1 (1,001-2,000) Gals	-	-	-	-	-
187	Tier 2 (2,001-7,000) Gals	3.31	3.41	3.51	3.62	3.73
188	Tier 3 (7,001-15,000) Gals	3.75	3.86	3.98	4.10	4.22
189	Tier 4 (15,001-29.000) Gals	4.21	4.34	4.47	4.60	4.74
190	Tier 5 (29,001-50,000) Gals	4.73	4.87	5.02	5.17	5.32
191	Tier 6 (50,000+) Gals	5.12	5.30	5.46	5.62	5.79
192	**Volumetric Revenue**					
193	**Class Description**					
194	Residential					
195	Tier 0 (0-1,000) Gals	$ -	$ -	$ -	$ -	$ -
196	Tier 1 (1,001-2,000) Gals	-	-	-	-	-
197	Tier 2 (2,001-7,000) Gals	175,092	180,345	185,756	191,328	197,068
198	Tier 3 (7,001-15,000) Gals	103,504	106,609	109,807	113,101	116,494
199	Tier 4 (15,001-29.000) Gals	65,878	67,854	69,890	71,987	74,146
200	Tier 5 (29,001-50,000) Gals	35,607	36,676	37,776	38,909	40,076
201	Tier 6 (50,000+) Gals	72,346	74,889	77,136	79,450	81,833
202	**Total**	**$ 452,427**	**$ 466,373**	**$ 480,364**	**$ 494,775**	**$ 509,618**
203	Commercial					
204	Tier 0 (0-1,000) Gals	$ -	$ -	$ -	$ -	$ -
205	Tier 1 (1,001-2,000) Gals	-	-	-	-	-
206	Tier 2 (2,001-7,000) Gals	25,040	25,791	26,565	27,362	28,183
207	Tier 3 (7,001-15,000) Gals	28,804	29,668	30,558	31,475	32,419
208	Tier 4 (15,001-29.000) Gals	35,676	36,746	37,848	38,984	40,153
209	Tier 5 (29,001-50,000) Gals	37,419	38,542	39,698	40,889	42,115
210	Tier 6 (50,000+) Gals	169,667	175,631	180,900	186,327	191,917
211	**Total**	**$ 296,605**	**$ 306,378**	**$ 315,569**	**$ 325,036**	**$ 334,788**
212	City - Landscaping					
213	**All Consumption**	**$ 11,312**	**$ 11,312**	**$ 11,651**	**$ 12,001**	**$ 12,361**

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Line No.		Year 1 FY 2026	Year 2 FY 2027	Year 3 FY 2028	Year 4 FY 2029
214	Industrial				
215	Tier 1	$ 6,049	$ 6,230	$ 6,417	$ 6,610	$ 6,808
216	Tier 2	7,119	7,333	7,553	7,779	8,013
217	Tier 3	4,380	4,511	4,647	4,786	4,930
218	Tier 4	3,773	3,906	4,023	4,144	4,268
219	**Total**	**$ 21,321**	**$ 21,980**	**$ 22,640**	**$ 23,319**	**$ 24,019**
220	WMBG Residential				
221	Tier 0 (0-1,000) Gals	$ -	$ -	$ -	$ -	$ -
222	Tier 1 (1,001-2,000) Gals	-	-	-	-	-
223	Tier 2 (2,001-7,000) Gals	15,461	15,925	16,403	16,895	17,402
224	Tier 3 (7,001-15,000) Gals	8,516	8,772	9,035	9,306	9,585
225	Tier 4 (15,001-29.000) Gals	5,103	5,256	5,413	5,576	5,743
226	Tier 5 (29,001-50,000) Gals	2,133	2,197	2,263	2,331	2,401
227	Tier 6 (50,000+) Gals	1,884	1,950	2,009	2,069	2,131
228	**Total**	**$ 33,097**	**$ 34,100**	**$ 35,123**	**$ 36,176**	**$ 37,262**
229	WMBG Commerial				
230	Tier 0 (0-1,000) Gals	$ -	$ -	$ -	$ -	$ -
231	Tier 1 (1,001-2,000) Gals	-	-	-	-	-
232	Tier 2 (2,001-7,000) Gals	1,344	1,384	1,426	1,468	1,513
233	Tier 3 (7,001-15,000) Gals	1,301	1,340	1,380	1,422	1,465
234	Tier 4 (15,001-29.000) Gals	1,402	1,444	1,487	1,532	1,578
235	Tier 5 (29,001-50,000) Gals	1,466	1,510	1,556	1,602	1,650
236	Tier 6 (50,000+) Gals	2,330	2,412	2,484	2,558	2,635
237	**Total**	**$ 7,843**	**$ 8,090**	**$ 8,333**	**$ 8,583**	**$ 8,840**
238	City Water				
239	Tier 0 (0-1,000) Gals	$ -	$ -	$ -	$ -	$ -
240	Tier 1 (1,001-2,000) Gals	-	-	-	-	-
241	Tier 2 (2,001-7,000) Gals	1,483	1,527	1,573	1,620	1,669
242	Tier 3 (7,001-15,000) Gals	848	873	899	926	954
243	Tier 4 (15,001-29.000) Gals	1,452	1,496	1,541	1,587	1,635
244	Tier 5 (29,001-50,000) Gals	-	-	-	-	-
245	Tier 6 (50,000+) Gals	-	-	-	-	-
246	**Total**	**$ 3,783**	**$ 3,896**	**$ 4,013**	**$ 4,134**	**$ 4,258**
247	**Total Volumetric Bill Revenue**	**$ 826,388**	**$ 852,129**	**$ 877,693**	**$ 904,024**	**$ 931,145**

City of Truth or Consequences, New Mexico
Water Wastewater Cost of Service Study
Water Over/(Under) Under Current Rates - CPI Adjusted

Line No.		Year 1 FY 2026	Year 2 FY 2027	Year 3 FY 2028	Year 4 FY 2029
248					
249	**Minimum Bill Revenue**				
250	Residential	$ 617,449	$ 635,973	$ 655,052	$ 674,704	$ 694,945
251	Commercial	69,891	71,988	74,148	76,372	78,663
252	City (not landscape)	7,035	7,246	7,463	7,687	7,917
253	City (landscape)	-	-	-	-	-
254	Industrial	11,488	11,833	12,188	12,553	12,930
255	Williamsburg Residential	53,326	54,926	56,574	58,271	60,019
256	Williamsburg Commercial	4,765	4,908	5,056	5,207	5,363
257	**Total Minimum Bill Revenue**	$ 763,955	$ 786,873	$ 810,480	$ 834,794	$ 859,838
258	**Volumetric Revenue**				
259	Residential	$ 452,427	$ 466,373	$ 480,364	$ 494,775	$ 509,618
260	Commercial	296,605	306,378	315,569	325,036	334,788
261	City Water	3,783	3,896	4,013	4,134	4,258
262	City - Landscaping	11,312	11,312	11,651	12,001	12,361
263	Industrial	21,321	21,980	22,640	23,319	24,019
264	WMBG Residential	33,097	34,100	35,123	36,176	37,262
265	WMBG Commerial	7,843	8,090	8,333	8,583	8,840
266	**Total Volumetric Revenue**	$ 826,388	$ 852,129	$ 877,693	$ 904,024	$ 931,145
267	**Total Water Revenue**	**$ 1,590,343**	**$ 1,639,003**	**$ 1,688,173**	**$ 1,738,818**	**$ 1,790,983**
268	**Water Revenue Requirement**		**$ 1,818,842**	**$ 1,976,799**	**$ 2,036,180**	**$ 2,097,862**
269	**Total Over/(Under) Recovery**		**$ (179,839)**	**$ (288,626)**	**$ (297,362)**	**$ (306,879)**
270	**Cumulative Over/(Under)**		**$ (179,839)**	**$ (468,465)**	**$ (765,827)**	**$ (1,072,706)**

Footnotes

1 Current rates listed are as of FY 2025

City of Truth or Consequences, New Mexico
Water Wastewater Cost of Service Study
Water Over/(Under) Under Proposed Rates - Scenario 1

Line No.			Year 1 FY 2026	Year 2 FY 2027	Year 3 FY 2028	Year 4 FY 2029
1	**Net Revenue Requirement**		**$ 1,818,842**	**$ 1,976,799**	**$ 2,036,180**	**$ 2,097,862**
	Water Billing Units	**Current[1]**				
2	**City (not landscape)**					
3	3/4"	2	31	31	31	31
4	Unknown	29	-	-	-	-
5	**City (not landscape) Total**	**31**	**31**	**31**	**31**	**31**
6	**City (landscape)**					
7	3/4"	5	15	15	15	15
8	2"	1	1	1	1	1
9	Unknown	10	-	-	-	-
10	**City (landscape) Total**	**16**	**16**	**16**	**16**	**16**
11	**Industrial**					
12	3/4"	3	5	5	5	5
13	2"	2	2	2	2	2
14	3"	2	2	2	2	2
15	Unknown	2	-	-	-	-
16	**Industrial Total**	**9**	**9**	**9**	**9**	**9**
17	**Residential**					
18	3/4"	950	2,683	2,683	2,683	2,683
19	1"	20	20	20	20	20
20	2"	17	17	17	17	17
21	3"	1	1	1	1	1
22	Unknown	1,733	-	-	-	-
23	**Resdential Total**	**2,721**	**2,721**	**2,721**	**2,721**	**2,721**
24	**Commercial**					
25	3/4"	69	290	290	290	290
26	1"	4	4	4	4	4
27	1 1/2"	1	1	1	1	1
28	2"	11	11	11	11	11
29	4"	2	2	2	2	2
30	Unknown	221	-	-	-	-
31	**Commercial Total**	**308**	**308**	**308**	**308**	**308**
32	**Williamsburg Residential**					
33	3/4"	78	235	235	235	235
34	Unknown	157	-	-	-	-
35	**WMBG Res Total**	**235**	**235**	**235**	**235**	**235**
36	**Williamsburg Commercial**					
37	3/4"	5	19	19	19	19
38	2"	2	2	2	2	2
39	Unknown	14	-	-	-	-
40	**WMBG Comm Total**	**21**	**21**	**21**	**21**	**21**

City of Truth or Consequences, New Mexico
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Line No.			Year 1 FY 2026	Year 2 FY 2027	Year 3 FY 2028	Year 4 FY 2029
41	**TOTAL**	**3,341**	**3,341**	**3,341**	**3,341**	**3,341**
	Minimum Bill					
42	**City (not landscape)**					
43	3/4"	$ 18.91	$ 19.48	$ 20.06	$ 20.66	$ 21.28
44	1"	18.91	19.48	22.85	26.22	29.60
45	1 1/2"	18.91	19.48	28.17	36.87	45.56
46	2"	18.91	19.48	34.56	49.64	64.71
47	3"	18.91	19.48	51.58	83.69	115.79
48	4"	18.91	19.48	70.74	122.00	173.26
49	Unknown	18.91	19.48	20.06	20.66	21.28
50	**City (landscape)**					
51	3/4"	$ -	$ -	$ -	$ -	$ -
52	1"	-	-	-	-	-
53	1 1/2"	-	-	-	-	-
54	2"	-	-	-	-	-
55	3"	-	-	-	-	-
56	4"	-	-	-	-	-
57	Unknown	-	-	-	-	-
58	**Industrial**					
59	3/4"	$ 106.37	$ 109.56	$ 20.45	$ 21.47	$ 22.55
60	1"	106.37	109.56	109.56	109.56	109.56
61	1 1/2"	106.37	109.56	109.56	109.56	109.56
62	2"	106.37	109.56	109.56	109.56	109.56
63	3"	106.37	109.56	109.56	109.56	121.86
64	4"	106.37	109.56	109.56	128.32	182.74
65	Unknown	106.37	109.56	20.45	21.47	22.55
66	**Residential**					
67	3/4"	$ 18.91	$ 19.48	$ 20.06	$ 20.66	$ 21.28
68	1"	18.91	19.48	22.85	26.22	29.60
69	1 1/2"	18.91	19.48	28.17	36.87	45.56
70	2"	18.91	19.48	34.56	49.64	64.71
71	3"	18.91	19.48	51.58	83.69	115.79
72	4"	18.91	19.48	70.74	122.00	173.26
73	Unknown	18.91	19.48	20.06	20.66	21.28
74	**Commercial**					
75	3/4"	$ 18.91	$ 19.48	$ 20.45	$ 21.47	$ 22.55
76	1"	18.91	19.48	23.17	26.86	30.54
77	1 1/2"	18.91	19.48	28.80	38.13	47.46
78	2"	18.91	19.48	35.57	51.66	67.75
79	3"	18.91	19.48	53.61	87.73	121.86
80	4"	18.91	19.48	73.90	128.32	182.74
81	Unknown	18.91	19.48	20.45	21.47	22.55
82	**Williamsburg Residential**					

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Line No.		Year 1 FY 2026	Year 2 FY 2027	Year 3 FY 2028	Year 4 FY 2029
83	3/4"	$ 18.91	$ 19.48	$ 25.08	$ 25.83	$ 26.60
84	1"	18.91	19.48	28.56	32.78	37.00
85	1 1/2"	18.91	19.48	35.21	46.08	56.95
86	2"	18.91	19.48	43.20	62.04	80.89
87	3"	18.91	19.48	64.48	104.61	144.74
88	4"	18.91	19.48	88.42	152.50	216.57
89	Unknown	18.91	19.48	25.08	25.83	26.60
90	**Williamsburg Commercial**					
91	3/4"	$ 18.91	$ 19.48	$ 25.56	$ 26.84	$ 28.18
92	1"	18.91	19.48	28.96	33.57	38.18
93	1 1/2"	18.91	19.48	36.00	47.66	59.32
94	2"	18.91	19.48	44.46	64.57	84.68
95	3"	18.91	19.48	67.01	109.67	152.33
96	4"	18.91	19.48	92.37	160.40	228.42
97	Unknown	18.91	19.48	25.56	26.84	28.18
	Minimum Bill Revenue					
98	**City (not landscape)**					
99	3/4"	$ 454	$ 7,246	$ 7,463	$ 7,687	$ 7,917
100	Unknown	6,581	-	-	-	-
101	**City (not landscape) Total**	**$ 7,035**	**$ 7,246**	**$ 7,463**	**$ 7,687**	**$ 7,917**
102	**City (landscape)**					
103	3/4"	$ -	$ -	$ -	$ -	$ -
104	2"	-	-	-	-	-
105	Unknown	-	-	-	-	-
106	**City (landscape) Total**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
107	**Industrial**					
108	3/4"	$ 3,829	$ 6,574	$ 1,227	$ 1,288	$ 1,353
109	2"	2,553	2,629	2,629	2,629	2,629
110	3"	2,553	2,629	2,629	2,629	2,925
111	Unknown	2,553	-	-	-	-
112	**Industrial Total**	**$ 11,488**	**$ 11,833**	**$ 6,486**	**$ 6,547**	**$ 6,907**
113	**Residential**					
114	3/4"	$ 215,574	$ 627,091	$ 645,904	$ 665,281	$ 685,239
115	1"	4,538	4,675	5,484	6,294	7,103
116	2"	3,858	3,973	7,049	10,126	13,202
117	3"	227	234	619	1,004	1,390
118	Unknown	393,252	-	-	-	-
119	**Resdential Total**	**$ 617,449**	**$ 635,973**	**$ 659,056**	**$ 682,704**	**$ 706,934**
120	**Commercial**					
121	3/4"	$ 15,657	$ 67,781	$ 71,170	$ 74,729	$ 78,465
122	1"	908	935	1,112	1,289	1,466
123	1 1/2"	227	234	346	458	569
124	2"	2,496	2,571	4,695	6,819	8,943
125	4"	454	467	1,774	3,080	4,386

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Line No.			Year 1 FY 2026	Year 2 FY 2027	Year 3 FY 2028	Year 4 FY 2029
126	Unknown	50,149	-	-	-	-
127	**Commercial Total**	**$ 69,891**	**$ 71,988**	**$ 79,096**	**$ 86,374**	**$ 93,829**
128	**Williamsburg Residential**					
129	3/4"	$ 17,700	$ 54,926	$ 70,717	$ 72,839	$ 75,024
130	Unknown	35,626	-	-	-	-
131	**WMBG Res Total**	**$ 53,326**	**$ 54,926**	**$ 70,717**	**$ 72,839**	**$ 75,024**
132	**Williamsburg Commercial**					
133	3/4"	$ 1,135	$ 4,441	$ 5,829	$ 6,120	$ 6,426
134	2"	454	467	1,067	1,550	2,032
135	Unknown	3,177	-	-	-	-
136	**WMBG Comm Total**	**$ 4,765**	**$ 4,908**	**$ 6,896**	**$ 7,670**	**$ 8,458**
137	**TOTAL Minimum Bill Revenue**	**$ 763,955**	**$ 786,873**	**$ 829,714**	**$ 863,821**	**$ 899,070**
	Volumetric Bill					
138	RR to be recovered from Volumetric Rates		$ 1,031,969	$ 1,147,084	$ 1,172,359	$ 1,198,792
139	**Volumetric Rate (per 1,000 gallons)**					
140	**Class Description**					
141	Residential					
142	Tier 0 (0-1,000) Gals	$ -	$ -	$ -	$ 3.62	$ 3.73
143	Tier 1 (1,001-2,000) Gals	-	-	3.51	3.62	3.73
144	Tier 2 (2,001-7,000) Gals	3.31	3.41	3.51	3.62	3.73
145	Tier 3 (7,001-15,000) Gals	3.75	3.86	3.98	4.10	4.22
146	Tier 4 (15,001-29.000) Gals	4.21	4.34	4.47	4.60	4.74
147	Tier 5 (29,001-50,000) Gals	4.73	4.87	5.02	5.17	5.32
148	Tier 6 (50,000+) Gals	5.12	5.30	5.46	5.62	5.79
149	Commercial					
150	Tier 0 (0-1,000) Gals	$ -	$ -	$ -	$ 3.76	$ 3.95
151	Tier 1 (1,001-2,000) Gals	-	-	3.58	3.76	3.95
152	Tier 2 (2,001-7,000) Gals	3.31	3.41	3.58	3.76	3.95
153	Tier 3 (7,001-15,000) Gals	3.75	3.86	4.06	4.26	4.47
154	Tier 4 (15,001-29.000) Gals	4.21	4.34	4.55	4.78	5.02
155	Tier 5 (29,001-50,000) Gals	4.73	4.87	5.12	5.37	5.64
156	Tier 6 (50,000+) Gals	5.12	5.30	5.57	5.84	6.14
157	City - Landscaping					
158	All Consumption	$ 0.74	$ 0.74	$ 0.76	$ 0.79	$ 0.81
159	Industrial					
160	Tier 1 (0-50,000) Gals	$ 3.75	$ 3.86	$ 4.06	$ 4.26	$ 4.47
161	Tier 2 (50,001-100,000) Gals	4.21	4.34	4.55	4.78	5.02
162	Tier 3 (100,001-150,000) Gals	4.73	4.87	5.12	5.37	5.64
163	Tier 4 (150,000+ Gals)	5.12	5.30	5.57	5.84	6.14
164	WMBG Residential					
165	Tier 0 (0-1,000) Gals	$ -	$ -	$ -	$ 4.52	$ 4.66

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Line No.			Year 1 FY 2026	Year 2 FY 2027	Year 3 FY 2028	Year 4 FY 2029
166	Tier 1 (1,001-2,000) Gals	-	-	4.39	4.52	4.66
167	Tier 2 (2,001-7,000) Gals	3.31	3.41	4.39	4.52	4.66
168	Tier 3 (7,001-15,000) Gals	3.75	3.86	4.97	5.12	5.28
169	Tier 4 (15,001-29.000) Gals	4.21	4.34	5.58	5.75	5.92
170	Tier 5 (29,001-50,000) Gals	4.73	4.87	6.27	6.46	6.65
171	Tier 6 (50,000+) Gals	5.12	5.30	6.82	7.03	7.24
172	WMBG Commerial					
173	Tier 0 (0-1,000) Gals	$ -	$ -	$ -	$ 4.70	$ 4.93
174	Tier 1 (1,001-2,000) Gals	-	-	4.47	4.70	4.93
175	Tier 2 (2,001-7,000) Gals	3.31	3.41	4.47	4.70	4.93
176	Tier 3 (7,001-15,000) Gals	3.75	3.86	5.07	5.32	5.59
177	Tier 4 (15,001-29.000) Gals	4.21	4.34	5.69	5.98	6.27
178	Tier 5 (29,001-50,000) Gals	4.73	4.87	6.39	6.71	7.05
179	Tier 6 (50,000+) Gals	5.12	5.30	6.96	7.30	7.67
180	City Water					
181	Tier 0 (0-1,000) Gals	$ -	$ -	$ -	$ 3.62	$ 3.73
182	Tier 1 (1,001-2,000) Gals	-	-	3.51	3.62	3.73
183	Tier 2 (2,001-7,000) Gals	3.31	3.41	3.51	3.62	3.73
184	Tier 3 (7,001-15,000) Gals	3.75	3.86	3.98	4.10	4.22
185	Tier 4 (15,001-29.000) Gals	4.21	4.34	4.47	4.60	4.74
186	Tier 5 (29,001-50,000) Gals	4.73	4.87	5.02	5.17	5.32
187	Tier 6 (50,000+) Gals	5.12	5.30	5.46	5.62	5.79
188	**Volumetric Revenue**					
189	**Class Description**					
190	Residential					
191	Tier 0 (0-1,000) Gals	$ -	$ -	$ -	$ 97,556	$ 100,482
192	Tier 1 (1,001-2,000) Gals	-	-	75,745	78,017	80,358
193	Tier 2 (2,001-7,000) Gals	175,092	180,345	185,756	191,328	197,068
194	Tier 3 (7,001-15,000) Gals	103,504	106,609	109,807	113,101	116,494
195	Tier 4 (15,001-29.000) Gals	65,878	67,854	69,890	71,987	74,146
196	Tier 5 (29,001-50,000) Gals	35,607	36,676	37,776	38,909	40,076
197	Tier 6 (50,000+) Gals	72,346	74,889	77,136	79,450	81,833
198	**Total**	**$ 452,427**	**$ 466,373**	**$ 556,109**	**$ 670,348**	**$ 690,459**
199	Commercial					
200	Tier 0 (0-1,000) Gals	$ -	$ -	$ -	$ 9,882	$ 10,376
201	Tier 1 (1,001-2,000) Gals	-	-	7,331	7,698	8,083
202	Tier 2 (2,001-7,000) Gals	25,040	25,791	27,081	28,435	29,857
203	Tier 3 (7,001-15,000) Gals	28,804	29,668	31,151	32,709	34,344
204	Tier 4 (15,001-29.000) Gals	35,676	36,746	38,583	40,512	42,538
205	Tier 5 (29,001-50,000) Gals	37,419	38,542	40,469	42,492	44,617
206	Tier 6 (50,000+) Gals	169,667	175,631	184,413	193,634	203,315
207	**Total**	**$ 296,605**	**$ 306,378**	**$ 329,028**	**$ 355,361**	**$ 373,130**
208	City - Landscaping					
209	**All Consumption**	**$ 11,312**	**$ 11,312**	**$ 11,651**	**$ 12,001**	**$ 12,361**

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Line No.		Year 1 FY 2026	Year 2 FY 2027	Year 3 FY 2028	Year 4 FY 2029
210	Industrial				
211	Tier 1	$ 6,049	$ 6,230	$ 6,542	$ 6,869	$ 7,212
212	Tier 2	7,119	7,333	7,699	8,084	8,488
213	Tier 3	4,380	4,511	4,737	4,974	5,222
214	Tier 4	3,773	3,906	4,101	4,306	4,522
215	**Total**	**$ 21,321**	**$ 21,980**	**$ 23,079**	**$ 24,233**	**$ 25,445**
216	WMBG Residential				
217	Tier 0 (0-1,000) Gals	$ -	$ -	$ -	$ 11,018	$ 11,349
218	Tier 1 (1,001-2,000) Gals	-	-	8,735	8,997	9,267
219	Tier 2 (2,001-7,000) Gals	15,461	15,925	20,503	21,118	21,752
220	Tier 3 (7,001-15,000) Gals	8,516	8,772	11,294	11,632	11,981
221	Tier 4 (15,001-29.000) Gals	5,103	5,256	6,767	6,970	7,179
222	Tier 5 (29,001-50,000) Gals	2,133	2,197	2,829	2,914	3,001
223	Tier 6 (50,000+) Gals	1,884	1,950	2,511	2,586	2,664
224	**Total**	**$ 33,097**	**$ 34,100**	**$ 52,639**	**$ 65,236**	**$ 67,193**
225	WMBG Commerial				
226	Tier 0 (0-1,000) Gals	$ -	$ -	$ -	$ 719	$ 755
227	Tier 1 (1,001-2,000) Gals	-	-	546	573	602
228	Tier 2 (2,001-7,000) Gals	1,344	1,384	1,817	1,908	2,003
229	Tier 3 (7,001-15,000) Gals	1,301	1,340	1,759	1,847	1,939
230	Tier 4 (15,001-29.000) Gals	1,402	1,444	1,895	1,990	2,089
231	Tier 5 (29,001-50,000) Gals	1,466	1,510	1,982	2,081	2,185
232	Tier 6 (50,000+) Gals	2,330	2,412	3,165	3,323	3,490
233	**Total**	**$ 7,843**	**$ 8,090**	**$ 11,164**	**$ 12,441**	**$ 13,064**
234						
235	City Water				
236	Tier 0 (0-1,000) Gals	$ -	$ -	$ -	$ 181	$ 186
237	Tier 1 (1,001-2,000) Gals	-	-	625	644	663
238	Tier 2 (2,001-7,000) Gals	1,483	1,527	1,573	1,620	1,669
239	Tier 3 (7,001-15,000) Gals	848	873	899	926	954
240	Tier 4 (15,001-29.000) Gals	1,452	1,496	1,541	1,587	1,635
241	Tier 5 (29,001-50,000) Gals	-	-	-	-	-
242	Tier 6 (50,000+) Gals	-	-	-	-	-
243	**Total**	**$ 3,783**	**$ 3,896**	**$ 4,638**	**$ 4,958**	**$ 5,107**
244	**Total Volumetric Bill Revenue**	**$ 826,388**	**$ 852,129**	**$ 988,309**	**$ 1,144,579**	**$ 1,186,757**

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Line No.		Year 1 FY 2026	Year 2 FY 2027	Year 3 FY 2028	Year 4 FY 2029
245					
246	**Minimum Bill Revenue**				
247	Residential	$ 617,449	$ 635,973	$ 659,056	$ 682,704	$ 706,934
248	Commercial	69,891	71,988	79,096	86,374	93,829
249	City (not landscape)	7,035	7,246	7,463	7,687	7,917
250	City (landscape)	-	-	-	-	-
251	Industrial	11,488	11,833	6,486	6,547	6,907
252	Williamsburg Residential	53,326	54,926	70,717	72,839	75,024
253	Williamsburg Commercial	4,765	4,908	6,896	7,670	8,458
254	**Total Minimum Bill Revenue**	$ 763,955	$ 786,873	$ 829,714	$ 863,821	$ 899,070
255	**Volumetric Revenue**				
256	Residential	$ 452,427	$ 466,373	$ 556,109	$ 670,348	$ 690,459
257	Commercial	296,605	306,378	329,028	355,361	373,130
258	City Water	3,783	3,896	4,638	4,958	5,107
259	City - Landscaping	11,312	11,312	11,651	12,001	12,361
260	Industrial	21,321	21,980	23,079	24,233	25,445
261	WMBG Residential	33,097	34,100	52,639	65,236	67,193
262	WMBG Commerial	7,843	8,090	11,164	12,441	13,064
263	**Total Volumetric Revenue**	$ 826,388	$ 852,129	$ 988,309	$ 1,144,579	$ 1,186,757
264	**Total Water Revenue**	**$ 1,590,343**	**$ 1,639,003**	**$ 1,818,023**	**$ 2,008,400**	**$ 2,085,827**
265	**Water Revenue Requirement**		**$ 1,818,842**	**$ 1,976,799**	**$ 2,036,180**	**$ 2,097,862**
266	**Total Over/(Under) Recovery**		**$ (179,839)**	**$ (158,775)**	**$ (27,781)**	**$ (12,035)**
267	**Cumulative Over/(Under)**		**$ (179,839)**	**$ (338,615)**	**$ (366,395)**	**$ (378,431)**

Footnotes

1 Current rates listed are as of FY 2025

City of Truth or Consequences, New Mexico
Water Wastewater Cost of Service Study
Water Over/(Under) Under Proposed Rates - Scenario 2

Line No.			Year 1 FY 2026	Year 2 FY 2027	Year 3 FY 2028	Year 4 FY 2029
1	**Net Revenue Requirement**		**$ 1,818,842**	**$ 1,976,799**	**$ 2,036,180**	**$ 2,097,862**
	Water Billing Units	**Current[1]**				
2	**City (not landscape)**					
3	3/4"	2	31	31	31	31
4	Unknown	29	-	-	-	-
5	**City (not landscape) Total**	**31**	**31**	**31**	**31**	**31**
6	**City (landscape)**					
7	3/4"	5	15	15	15	15
8	2"	1	1	1	1	1
9	Unknown	10	-	-	-	-
10	**City (landscape) Total**	**16**	**16**	**16**	**16**	**16**
11	**Industrial**					
12	3/4"	3	5	5	5	5
13	2"	2	2	2	2	2
14	3"	2	2	2	2	2
15	Unknown	2	-	-	-	-
16	**Industrial Total**	**9**	**9**	**9**	**9**	**9**
17	**Residential**					
18	3/4"	950	2,683	2,683	2,683	2,683
19	1"	20	20	20	20	20
20	2"	17	17	17	17	17
21	3"	1	1	1	1	1
22	Unknown	1,733	-	-	-	-
23	**Resdential Total**	**2,721**	**2,721**	**2,721**	**2,721**	**2,721**
24	**Commercial**					
25	3/4"	69	290	290	290	290
26	1"	4	4	4	4	4
27	1 1/2"	1	1	1	1	1
28	2"	11	11	11	11	11
29	4"	2	2	2	2	2
30	Unknown	221	-	-	-	-
31	**Commercial Total**	**308**	**308**	**308**	**308**	**308**
32	**Williamsburg Residential**					
33	3/4"	78	235	235	235	235
34	Unknown	157	-	-	-	-
35	**WMBG Res Total**	**235**	**235**	**235**	**235**	**235**
36	**Williamsburg Commercial**					
37	3/4"	5	19	19	19	19
38	2"	2	2	2	2	2
39	Unknown	14	-	-	-	-
40	**WMBG Comm Total**	**21**	**21**	**21**	**21**	**21**

City of Truth or Consequences, New Mexico
Water Wastewater Cost of Service Study
Water Over/(Under) Under Proposed Rates - Scenario 2

Line No.			Year 1 FY 2026	Year 2 FY 2027	Year 3 FY 2028	Year 4 FY 2029
41	**TOTAL**	**3,341**	**3,341**	**3,341**	**3,341**	**3,341**
	Minimum Bill					
42	**City (not landscape)**					
43	3/4"	$ 18.91	$ 19.48	$ 20.65	$ 21.88	$ 23.20
44	1"	18.91	19.48	23.33	27.18	31.03
45	1 1/2"	18.91	19.48	29.13	38.78	48.43
46	2"	18.91	19.48	36.09	52.70	69.31
47	3"	18.91	19.48	54.65	89.81	124.98
48	4"	18.91	19.48	75.52	131.57	187.62
49	Unknown	18.91	19.48	20.65	21.88	23.20
50	**City (landscape)**					
51	3/4"	$ -	$ -	$ -	$ -	$ -
52	1"	-	-	-	-	-
53	1 1/2"	-	-	-	-	-
54	2"	-	-	-	-	-
55	3"	-	-	-	-	-
56	4"	-	-	-	-	-
57	Unknown	-	-	-	-	-
58	**Industrial**					
59	3/4"	$ 106.37	$ 109.56	$ 21.04	$ 22.72	$ 24.54
60	1"	106.37	109.56	109.56	109.56	109.56
61	1 1/2"	106.37	109.56	109.56	109.56	109.56
62	2"	106.37	109.56	109.56	109.56	109.56
63	3"	106.37	109.56	109.56	109.56	131.41
64	4"	106.37	109.56	109.56	138.26	197.65
65	Unknown	106.37	109.56	21.04	22.72	24.54
66	**Residential**					
67	3/4"	$ 18.91	$ 19.48	$ 20.65	$ 21.88	$ 23.20
68	1"	18.91	19.48	23.33	27.18	31.03
69	1 1/2"	18.91	19.48	29.13	38.78	48.43
70	2"	18.91	19.48	36.09	52.70	69.31
71	3"	18.91	19.48	54.65	89.81	124.98
72	4"	18.91	19.48	75.52	131.57	187.62
73	Unknown	18.91	19.48	20.65	21.88	23.20
74	**Commercial**					
75	3/4"	$ 18.91	$ 19.48	$ 21.04	$ 22.72	$ 24.54
76	1"	18.91	19.48	23.66	27.85	32.04
77	1 1/2"	18.91	19.48	29.80	40.12	50.44
78	2"	18.91	19.48	37.16	54.84	72.52
79	3"	18.91	19.48	56.79	94.10	131.41
80	4"	18.91	19.48	78.87	138.26	197.65
81	Unknown	18.91	19.48	21.04	22.72	24.54
82	**Williamsburg Residential**					

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Line No.		Year 1 FY 2026	Year 2 FY 2027	Year 3 FY 2028	Year 4 FY 2029
83	3/4"	$ 18.91	$ 19.48	$ 25.81	$ 27.36	$ 29.00
84	1"	18.91	19.48	29.16	33.98	38.79
85	1 1/2"	18.91	19.48	36.41	48.47	60.54
86	2"	18.91	19.48	45.11	65.87	86.64
87	3"	18.91	19.48	68.31	112.27	156.23
88	4"	18.91	19.48	94.41	164.46	234.52
89	Unknown	18.91	19.48	25.81	27.36	29.00
90	**Williamsburg Commercial**					
91	3/4"	$ 18.91	$ 19.48	$ 26.29	$ 28.40	$ 30.67
92	1"	18.91	19.48	29.58	34.81	40.04
93	1 1/2"	18.91	19.48	37.25	50.15	63.05
94	2"	18.91	19.48	46.45	68.55	90.65
95	3"	18.91	19.48	70.98	117.62	164.26
96	4"	18.91	19.48	98.59	172.83	247.07
97	Unknown	18.91	19.48	26.29	28.40	30.67
	Minimum Bill Revenue					
98	**City (not landscape)**					
99	3/4"	$ 454	$ 7,246	$ 7,680	$ 8,141	$ 8,630
100	Unknown	6,581	-	-	-	-
101	**City (not landscape) Total**	**$ 7,035**	**$ 7,246**	**$ 7,680**	**$ 8,141**	**$ 8,630**
102	**City (landscape)**					
103	3/4"	$ -	$ -	$ -	$ -	$ -
104	2"	-	-	-	-	-
105	Unknown	-	-	-	-	-
106	**City (landscape) Total**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
107	**Industrial**					
108	3/4"	$ 3,829	$ 6,574	$ 1,262	$ 1,363	$ 1,472
109	2"	2,553	2,629	2,629	2,629	2,629
110	3"	2,553	2,629	2,629	2,629	3,154
111	Unknown	2,553	-	-	-	-
112	**Industrial Total**	**$ 11,488**	**$ 11,833**	**$ 6,521**	**$ 6,622**	**$ 7,255**
113	**Residential**					
114	3/4"	$ 215,574	$ 627,091	$ 664,717	$ 704,600	$ 746,876
115	1"	4,538	4,675	5,599	6,523	7,448
116	2"	3,858	3,973	7,362	10,750	14,139
117	3"	227	234	656	1,078	1,500
118	Unknown	393,252	-	-	-	-
119	**Resdential Total**	**$ 617,449**	**$ 635,973**	**$ 678,333**	**$ 722,951**	**$ 769,962**
120	**Commercial**					
121	3/4"	$ 15,657	$ 67,781	$ 73,203	$ 79,060	$ 85,385
122	1"	908	935	1,136	1,337	1,538
123	1 1/2"	227	234	358	481	605
124	2"	2,496	2,571	4,905	7,239	9,573
125	4"	454	467	1,893	3,318	4,744

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Line No.			Year 1 FY 2026	Year 2 FY 2027	Year 3 FY 2028	Year 4 FY 2029
126	Unknown	50,149	-	-	-	-
127	**Commercial Total**	**$ 69,891**	**$ 71,988**	**$ 81,495**	**$ 91,435**	**$ 101,844**
128	**Williamsburg Residential**					
129	3/4"	$ 17,700	$ 54,926	$ 72,777	$ 77,144	$ 81,772
130	Unknown	35,626	-	-	-	-
131	**WMBG Res Total**	**$ 53,326**	**$ 54,926**	**$ 72,777**	**$ 77,144**	**$ 81,772**
132	**Williamsburg Commercial**					
133	3/4"	$ 1,135	$ 4,441	$ 5,995	$ 6,475	$ 6,993
134	2"	454	467	1,115	1,645	2,176
135	Unknown	3,177	-	-	-	-
136	**WMBG Comm Total**	**$ 4,765**	**$ 4,908**	**$ 7,110**	**$ 8,120**	**$ 9,168**
137	**TOTAL Minimum Bill Revenue**	**$ 763,955**	**$ 786,873**	**$ 853,916**	**$ 914,413**	**$ 978,631**
	Volumetric Bill					
138	RR to be recovered from Volumetric Rates		$ 1,031,969	$ 1,122,883	$ 1,121,767	$ 1,119,231
139	**Volumetric Rate (per 1,000 gallons)**					
140	**Class Description**					
141	Residential					
142	Tier 0 (0-1,000) Gals	$ -	$ -	$ -	$ 3.83	$ 4.06
143	Tier 1 (1,001-2,000) Gals	-	-	3.61	3.83	4.06
144	Tier 2 (2,001-7,000) Gals	3.31	3.41	3.61	3.83	4.06
145	Tier 3 (7,001-15,000) Gals	3.75	3.86	4.09	4.34	4.60
146	Tier 4 (15,001-29.000) Gals	4.21	4.34	4.60	4.87	5.16
147	Tier 5 (29,001-50,000) Gals	4.73	4.87	5.16	5.47	5.80
148	Tier 6 (50,000+) Gals	5.12	5.30	5.62	5.96	6.31
149	Commercial					
150	Tier 0 (0-1,000) Gals	$ -	$ -	$ -	$ 3.98	$ 4.29
151	Tier 1 (1,001-2,000) Gals	-	-	3.68	3.98	4.29
152	Tier 2 (2,001-7,000) Gals	3.31	3.41	3.68	3.98	4.29
153	Tier 3 (7,001-15,000) Gals	3.75	3.86	4.17	4.51	4.87
154	Tier 4 (15,001-29.000) Gals	4.21	4.34	4.68	5.06	5.46
155	Tier 5 (29,001-50,000) Gals	4.73	4.87	5.26	5.68	6.14
156	Tier 6 (50,000+) Gals	5.12	5.30	5.72	6.18	6.68
157	City - Landscaping					
158	All Consumption	$ 0.74	$ 0.74	$ 0.78	$ 0.83	$ 0.88
159	Industrial					
160	Tier 1 (0-50,000) Gals	$ 3.75	$ 3.86	$ 4.17	$ 4.51	$ 4.87
161	Tier 2 (50,001-100,000) Gals	4.21	4.34	4.68	5.06	5.46
162	Tier 3 (100,001-150,000) Gals	4.73	4.87	5.26	5.68	6.14
163	Tier 4 (150,000+ Gals)	5.12	5.30	5.72	6.18	6.68
164	WMBG Residential					
165	Tier 0 (0-1,000) Gals	$ -	$ -	$ -	$ 4.79	$ 5.08

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Line No.			Year 1 FY 2026	Year 2 FY 2027	Year 3 FY 2028	Year 4 FY 2029
166	Tier 1 (1,001-2,000) Gals	-	-	4.52	4.79	5.08
167	Tier 2 (2,001-7,000) Gals	3.31	3.41	4.52	4.79	5.08
168	Tier 3 (7,001-15,000) Gals	3.75	3.86	5.12	5.42	5.75
169	Tier 4 (15,001-29.000) Gals	4.21	4.34	5.75	6.09	6.46
170	Tier 5 (29,001-50,000) Gals	4.73	4.87	6.46	6.84	7.25
171	Tier 6 (50,000+) Gals	5.12	5.30	7.02	7.44	7.89
172	WMBG Commerial					
173	Tier 0 (0-1,000) Gals	$ -	$ -	$ -	$ 4.97	$ 5.37
174	Tier 1 (1,001-2,000) Gals	-	-	4.60	4.97	5.37
175	Tier 2 (2,001-7,000) Gals	3.31	3.41	4.60	4.97	5.37
176	Tier 3 (7,001-15,000) Gals	3.75	3.86	5.21	5.63	6.08
177	Tier 4 (15,001-29.000) Gals	4.21	4.34	5.85	6.32	6.83
178	Tier 5 (29,001-50,000) Gals	4.73	4.87	6.58	7.10	7.67
179	Tier 6 (50,000+) Gals	5.12	5.30	7.16	7.73	8.35
180	City Water					
181	Tier 0 (0-1,000) Gals	$ -	$ -	$ -	$ 3.83	$ 4.06
182	Tier 1 (1,001-2,000) Gals	-	-	3.61	3.83	4.06
183	Tier 2 (2,001-7,000) Gals	3.31	3.41	3.61	3.83	4.06
184	Tier 3 (7,001-15,000) Gals	3.75	3.86	4.09	4.34	4.60
185	Tier 4 (15,001-29.000) Gals	4.21	4.34	4.60	4.87	5.16
186	Tier 5 (29,001-50,000) Gals	4.73	4.87	5.16	5.47	5.80
187	Tier 6 (50,000+) Gals	5.12	5.30	5.62	5.96	6.31
189	**Volumetric Revenue**					
190	**Class Description**					
191	Residential					
192	Tier 0 (0-1,000) Gals	$ -	$ -	$ -	$ 103,321	$ 109,521
193	Tier 1 (1,001-2,000) Gals	-	-	77,951	82,628	87,586
194	Tier 2 (2,001-7,000) Gals	175,092	180,345	191,166	202,636	214,794
195	Tier 3 (7,001-15,000) Gals	103,504	106,609	113,005	119,786	126,973
196	Tier 4 (15,001-29.000) Gals	65,878	67,854	71,926	76,241	80,816
197	Tier 5 (29,001-50,000) Gals	35,607	36,676	38,876	41,209	43,681
198	Tier 6 (50,000+) Gals	72,346	74,889	79,382	84,145	89,194
199	**Total**	**$ 452,427**	**$ 466,373**	**$ 572,306**	**$ 709,966**	**$ 752,564**
200	Commercial					
201	Tier 0 (0-1,000) Gals	$ -	$ -	$ -	$ 10,455	$ 11,291
202	Tier 1 (1,001-2,000) Gals	-	-	7,541	8,144	8,796
203	Tier 2 (2,001-7,000) Gals	25,040	25,791	27,855	30,083	32,490
204	Tier 3 (7,001-15,000) Gals	28,804	29,668	32,041	34,605	37,373
205	Tier 4 (15,001-29.000) Gals	35,676	36,746	39,685	42,860	46,289
206	Tier 5 (29,001-50,000) Gals	37,419	38,542	41,625	44,955	48,551
207	Tier 6 (50,000+) Gals	169,667	175,631	189,682	204,856	221,245
208	**Total**	**$ 296,605**	**$ 306,378**	**$ 338,429**	**$ 375,958**	**$ 406,035**
209	City - Landscaping					
210	**All Consumption**	**$ 11,312**	**$ 11,312**	**$ 11,990**	**$ 12,710**	**$ 13,472**

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Line No.		Year 1 FY 2026	Year 2 FY 2027	Year 3 FY 2028	Year 4 FY 2029
211	Industrial				
212	Tier 1	$ 6,049	$ 6,230	$ 6,729	$ 7,267	$ 7,848
213	Tier 2	7,119	7,333	7,919	8,553	9,237
214	Tier 3	4,380	4,511	4,872	5,262	5,683
215	Tier 4	3,773	3,906	4,219	4,556	4,921
216	**Total**	**$ 21,321**	**$ 21,980**	**$ 23,739**	**$ 25,638**	**$ 27,689**
217	WMBG Residential				
218	Tier 0 (0-1,000) Gals	$ -	$ -	$ -	$ 11,669	$ 12,369
219	Tier 1 (1,001-2,000) Gals	-	-	8,989	9,529	10,101
220	Tier 2 (2,001-7,000) Gals	15,461	15,925	21,100	22,366	23,708
221	Tier 3 (7,001-15,000) Gals	8,516	8,772	11,623	12,320	13,059
222	Tier 4 (15,001-29.000) Gals	5,103	5,256	6,964	7,381	7,824
223	Tier 5 (29,001-50,000) Gals	2,133	2,197	2,911	3,086	3,271
224	Tier 6 (50,000+) Gals	1,884	1,950	2,584	2,739	2,904
225	**Total**	**$ 33,097**	**$ 34,100**	**$ 54,172**	**$ 69,091**	**$ 73,237**
226	WMBG Commerial				
227	Tier 0 (0-1,000) Gals	$ -	$ -	$ -	$ 761	$ 821
228	Tier 1 (1,001-2,000) Gals	-	-	562	606	655
229	Tier 2 (2,001-7,000) Gals	1,344	1,384	1,869	2,018	2,180
230	Tier 3 (7,001-15,000) Gals	1,301	1,340	1,809	1,954	2,110
231	Tier 4 (15,001-29.000) Gals	1,402	1,444	1,949	2,105	2,274
232	Tier 5 (29,001-50,000) Gals	1,466	1,510	2,039	2,202	2,378
233	Tier 6 (50,000+) Gals	2,330	2,412	3,256	3,516	3,797
234	**Total**	**$ 7,843**	**$ 8,090**	**$ 11,483**	**$ 13,163**	**$ 14,216**
235						
236	City Water				
237	Tier 0 (0-1,000) Gals	$ -	$ -	$ -	$ 192	$ 203
238	Tier 1 (1,001-2,000) Gals	-	-	643	682	723
239	Tier 2 (2,001-7,000) Gals	1,483	1,527	1,619	1,716	1,819
240	Tier 3 (7,001-15,000) Gals	848	873	925	981	1,040
241	Tier 4 (15,001-29.000) Gals	1,452	1,496	1,586	1,681	1,782
242	Tier 5 (29,001-50,000) Gals	-	-	-	-	-
243	Tier 6 (50,000+) Gals	-	-	-	-	-
244	**Total**	**$ 3,783**	**$ 3,896**	**$ 4,773**	**$ 5,251**	**$ 5,566**
245	**Total Volumetric Bill Revenue**	**$ 826,388**	**$ 852,129**	**$ 1,016,893**	**$ 1,211,777**	**$ 1,292,779**

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Line No.		Year 1 FY 2026	Year 2 FY 2027	Year 3 FY 2028	Year 4 FY 2029
246					
247	**Minimum Bill Revenue**				
248	Residential	$ 617,449	$ 635,973	$ 678,333	$ 722,951	$ 769,962
249	Commercial	69,891	71,988	81,495	91,435	101,844
250	City (not landscape)	7,035	7,246	7,680	8,141	8,630
251	City (landscape)	-	-	-	-	-
252	Industrial	11,488	11,833	6,521	6,622	7,255
253	Williamsburg Residential	53,326	54,926	72,777	77,144	81,772
254	Williamsburg Commercial	4,765	4,908	7,110	8,120	9,168
255	**Total Minimum Bill Revenue**	$ 763,955	$ 786,873	$ 853,916	$ 914,413	$ 978,631
256	**Volumetric Revenue**				
257	Residential	$ 452,427	$ 466,373	$ 572,306	$ 709,966	$ 752,564
258	Commercial	296,605	306,378	338,429	375,958	406,035
259	City Water	3,783	3,896	4,773	5,251	5,566
260	City - Landscaping	11,312	11,312	11,990	12,710	13,472
261	Industrial	21,321	21,980	23,739	25,638	27,689
262	WMBG Residential	33,097	34,100	54,172	69,091	73,237
263	WMBG Commerial	7,843	8,090	11,483	13,163	14,216
264	**Total Volumetric Revenue**	$ 826,388	$ 852,129	$ 1,016,893	$ 1,211,777	$ 1,292,779
265	**Total Water Revenue**	**$ 1,590,343**	**$ 1,639,003**	**$ 1,870,809**	**$ 2,126,190**	**$ 2,271,410**
266	**Water Revenue Requirement**		**$ 1,818,842**	**$ 1,976,799**	**$ 2,036,180**	**$ 2,097,862**
267	**Total Over/(Under) Recovery**		**$ (179,839)**	**$ (105,989)**	**$ 90,009**	**$ 173,548**
268	**Cumulative Over/(Under)**		**$ (179,839)**	**$ (285,829)**	**$ (195,819)**	**$ (22,271)**

Footnotes

1 Current rates listed are as of FY 2025

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Water Wastewater Cost of Service Study
Wastewater Over/(Under) Under Current Rates

Line No.			Year 1 FY 2026	Year 2 FY 2027	Year 3 FY 2028	Year 4 FY 2029	
1	**Net Revenue Requirement**		**$ 1,446,247**	**$ 1,526,548**	**$ 1,579,517**	**$ 1,951,250**	
2	**Minimum Bill**						
3	Month on New Rate		6	6	6	6	
4	Rate Increase %		5%	5%	5%	5%	
5	Rate Increase $		$ -	$ -	$ -	$ -	
6	Minimum Bill	Current Rates					
7	SW Residential Averaged	$ 13.77	$ 14.46	$ 15.18	$ 15.94	$ 16.74	
8	Commercial	13.77	14.46	15.18	15.94	16.74	
9	SW WMBG - Residential Average	22.84	23.98	25.18	26.44	27.76	
10	SW WMBG Commercial	22.84	23.98	25.18	26.44	27.76	
11	SW Residential Bathouse	15.52	16.30	17.11	17.97	18.86	
12	SW Bathouse Commercial	47.70	50.09	52.59	55.22	57.98	
13	Minimum Bill Revenue						1
14	Commercial	$ 389,553	$ 399,292	$ 419,257	$ 440,220	$ 462,231	
15	SW Residential Averaged	78,338	80,296	84,311	88,526	92,953	
16	SW WMBG Commercial	61,257	62,788	65,928	69,224	72,685	
17	SW WMBG - Residential Average	5,367	5,502	5,777	6,065	6,369	
18	SW Bathouse Commercial	1,474	1,511	1,587	1,666	1,749	
19	SW Residential Bathouse	8,586	8,801	9,241	9,703	10,188	
20	**Total Minimum Bill Revenue**	**$ 544,576**	**$ 558,190**	**$ 586,099**	**$ 615,404**	**$ 646,175**	
21	% of RR Recovered From Min Bill Rev		39%	38%	39%	33%	
22	**Volumetric Bill**						
23	Revenue to be recovered from Volumetric Rates		$ 888,057	$ 940,448	$ 964,112	$ 1,305,075	
24	Month on New Rate		6	6	6	6	
25	Rate Increase %		5%	5%	5%	5%	
26	Rate Increase $		$ -	$ -	$ -	$ -	
27	Volumetric Bill (per kgals)	Current					
28	SW Residential Averaged	$ 4.84	$ 5.08	$ 5.34	$ 5.60	$ 5.88	
29	Commercial	4.84	5.08	5.34	5.60	5.88	
30	SW WMBG - Residential Average	4.84	5.08	5.34	5.60	5.88	
31	SW WMBG Commercial	4.84	5.08	5.34	5.60	5.88	
32	SW Residential Bathouse	-	-	-	-	-	
33	SW Bathouse Commercial	-	-	-	-	-	
34	Volumetric Bill Revenue	Current					1
35	SW Residential Averaged	$ 398,371	$ 408,330	$ 428,746	$ 450,184	$ 472,693	
36	Commercial	103,557	106,146	111,453	117,025	122,877	
37	SW WMBG - Residential Average	49,329	50,563	53,091	55,745	58,532	

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Water Wastewater Cost of Service Study
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Line No.			Year 1 FY 2026	Year 2 FY 2027	Year 3 FY 2028	Year 4 FY 2029
38	SW WMBG Commercial	9,564	9,803	10,293	10,808	11,348
39	SW Residential Bathouse	-	-	-	-	-
40	SW Bathouse Commercial	-	-	-	-	-
41	**Total Volumetric Bill Revenue**	**$ 560,820**	**$ 574,841**	**$ 603,583**	**$ 633,762**	**$ 665,450**
42	% of RR Recovered From Vol Bill Rev		40%	40%	40%	34%
43	**Over/(Under) Recovery**					
44	Total Revenue	$ 1,105,396	$ 1,133,031	$ 1,189,682	$ 1,249,167	$ 1,311,625
45	Revenue Requirment		$ 1,446,247	$ 1,526,548	$ 1,579,517	$ 1,951,250
46	Over/(Under)		$ (313,216)	$ (336,865)	$ (330,350)	$ (639,625)
47	Cumulative Over/(Under)		$ (313,216)	$ (650,082)	$ (980,432)	$ (1,620,056)

Footnotes

1. Assumes Rate Increase Take Effect in January

City of Truth or Consequences, New Mexico
Water Wastewater Cost of Service Study
Wastewater Over/(Under) Under Proposed Rates - Scenario 1

Line No.			Year 1 FY 2026	Year 2 FY 2027	Year 3 FY 2028	Year 4 FY 2029
1	**Net Revenue Requirement**		**$ 1,446,247**	**$ 1,526,548**	**$ 1,579,517**	**$ 1,951,250**
2	**Minimum Bill**					
3	Month on New Rate		6	12	12	12
4	Rate Increase %		5%	15%	15%	15%
5	Rate Increase $		$ -	$ -	$ -	$ -
6	Minimum Bill	Current Rates				
7	SW Residential Averaged	$ 13.77	$ 14.46	$ 16.63	$ 19.12	$ 21.99
8	Commercial	13.77	14.46	16.63	19.12	21.99
9	SW WMBG - Residential Average	22.84	23.98	27.58	31.72	36.47
10	SW WMBG Commercial	22.84	23.98	27.58	31.72	36.47
11	SW Residential Bathouse	15.52	16.30	18.74	21.55	24.78
12	SW Bathouse Commercial	47.70	50.09	57.60	66.24	76.17
13	Minimum Bill Revenue					[1]
14	Commercial	$ 389,553	$ 399,292	$ 470,386	$ 540,943	$ 622,085
15	SW Residential Averaged	78,338	80,296	94,593	108,781	125,099
16	SW WMBG Commercial	61,257	62,788	73,968	85,063	97,822
17	SW WMBG - Residential Average	5,367	5,502	6,481	7,453	8,571
18	SW Bathouse Commercial	1,474	1,511	1,780	2,047	2,354
19	SW Residential Bathouse	8,586	8,801	10,368	11,923	13,711
20	**Total Minimum Bill Revenue**	**$ 544,576**	**$ 558,190**	**$ 657,575**	**$ 756,211**	**$ 869,643**
21	% of RR Recovered From Min Bill Rev		39%	43%	48%	45%
22	**Volumetric Bill**					
23	Revenue to be recovered from Volumetric Rates		$ 888,057	$ 868,973	$ 823,305	$ 1,081,607
24	Month on New Rate		6	12	12	12
25	Rate Increase %		5%	15%	15%	15%
26	Rate Increase $		$ -	$ -	$ -	$ -
27	Volumetric Bill (per kgals)	Current				
28	SW Residential Averaged	$ 4.84	$ 5.08	$ 5.84	$ 6.72	$ 7.73
29	Commercial	4.84	5.08	5.84	6.72	7.73
30	SW WMBG - Residential Average	4.84	5.08	5.84	6.72	7.73
31	SW WMBG Commercial	4.84	5.08	5.84	6.72	7.73
32	SW Residential Bathouse	-	-	-	-	-
33	SW Bathouse Commercial	-	-	-	-	-
34	Volumetric Bill Revenue	Current				[1]
35	SW Residential Averaged	$ 398,371	$ 408,330	$ 481,033	$ 553,188	$ 636,166
36	Commercial	103,557	106,146	125,045	143,801	165,372
37	SW WMBG - Residential Average	49,329	50,563	59,565	68,500	78,775

City of Truth or Consequences, New Mexico
Water Wastewater Cost of Service Study
Wastewater Over/(Under) Under Proposed Rates - Scenario 1

Line No.			Year 1 FY 2026	Year 2 FY 2027	Year 3 FY 2028	Year 4 FY 2029
38	SW WMBG Commercial	9,564	9,803	11,548	13,281	15,273
39	SW Residential Bathouse	-	-	-	-	-
40	SW Bathouse Commercial	-	-	-	-	-
41	**Total Volumetric Bill Revenue**	**$ 560,820**	**$ 574,841**	**$ 677,191**	**$ 778,769**	**$ 895,585**
42	% of RR Recovered From Vol Bill Rev		40%	44%	49%	46%
43	**Over/(Under) Recovery**					
44	Total Revenue	$ 1,105,396	$ 1,133,031	$ 1,334,766	$ 1,534,981	$ 1,765,228
45	Revenue Requirment		$ 1,446,247	$ 1,526,548	$ 1,579,517	$ 1,951,250
46	Over/(Under)		$ (313,216)	$ (191,782)	$ (44,536)	$ (186,022)
47	Cumulative Over/(Under)		$ (313,216)	$ (504,998)	$ (549,534)	$ (735,557)

Footnotes

1. FY 2026 Assumes Rate Increase Take Effect in January

City of Truth or Consequences, New Mexico
Water Wastewater Cost of Service Study
Wastewater Over/(Under) Under Proposed Rates - Scenario 2

Line No.			Year 1 FY 2026	Year 2 FY 2027	Year 3 FY 2028	Year 4 FY 2029
1	**Net Revenue Requirement**		**$ 1,446,247**	**$ 1,526,548**	**$ 1,579,517**	**$ 1,951,250**
	Minimum Bill					
2	Month on New Rate		6	12	12	12
3	Rate Increase %		5%	25%	25%	25%
4	Rate Increase $		$ -	$ -	$ -	$ -
5	Minimum Bill	Current Rates				
6	SW Residential Averaged	$ 13.77	$ 14.46	$ 18.07	$ 22.59	$ 28.24
7	Commercial	13.77	14.46	18.07	22.59	28.24
8	SW WMBG - Residential Average	22.84	23.98	29.98	37.47	46.84
9	SW WMBG Commercial	22.84	23.98	29.98	37.47	46.84
10	SW Residential Bathouse	15.52	16.30	20.37	25.46	31.83
11	SW Bathouse Commercial	47.70	50.09	62.61	78.26	97.82
12	Minimum Bill Revenue					[1]
13	Commercial	$ 389,553	$ 399,292	$ 511,289	$ 639,111	$ 798,889
14	SW Residential Averaged	78,338	80,296	102,818	128,523	160,653
15	SW WMBG Commercial	61,257	62,788	80,400	100,500	125,624
16	SW WMBG - Residential Average	5,367	5,502	7,045	8,806	11,007
17	SW Bathouse Commercial	1,474	1,511	1,935	2,419	3,024
18	SW Residential Bathouse	8,586	8,801	11,269	14,086	17,608
19	**Total Minimum Bill Revenue**	**$ 544,576**	**$ 558,190**	**$ 714,755**	**$ 893,444**	**$ 1,116,805**
20	% of RR Recovered From Min Bill Rev		39%	47%	57%	57%
	Volumetric Bill					
21	Revenue to be recovered from Volumetric Rates		$ 888,057	$ 811,792	$ 686,072	$ 834,444
	Month on New Rate		6	12	12	12
22	Rate Increase %		5%	25%	25%	25%
23	Rate Increase $		$ -	$ -	$ -	$ -
24	Volumetric Bill (per kgals)	Current				
25	SW Residential Averaged	$ 4.84	$ 5.08	$ 6.35	$ 7.94	$ 9.93
26	Commercial	4.84	5.08	6.35	7.94	9.93
27	SW WMBG - Residential Average	4.84	5.08	6.35	7.94	9.93
28	SW WMBG Commercial	4.84	5.08	6.35	7.94	9.93
29	SW Residential Bathouse	-	-	-	-	-
30	SW Bathouse Commercial	-	-	-	-	-
31	Volumetric Bill Revenue	Current				[1]
32	SW Residential Averaged	$ 398,371	$ 408,330	$ 522,862	$ 653,577	$ 816,971
33	Commercial	103,557	106,146	135,918	169,898	212,372
34	SW WMBG - Residential Average	49,329	50,563	64,745	80,931	101,164

City of Truth or Consequences, New Mexico
Water Wastewater Cost of Service Study
Wastewater Over/(Under) Under Proposed Rates - Scenario 2

Line No.			Year 1 FY 2026	Year 2 FY 2027	Year 3 FY 2028	Year 4 FY 2029
35	SW WMBG Commercial	9,564	9,803	12,553	15,691	19,613
36	SW Residential Bathouse	-	-	-	-	-
37	SW Bathouse Commercial	-	-	-	-	-
38	**Total Volumetric Bill Revenue**	**$ 560,820**	**$ 574,841**	**$ 736,077**	**$ 920,096**	**$ 1,150,120**
39	% of RR Recovered From Vol Bill Rev		40%	48%	58%	59%
	Over/(Under) Recovery					
40	Total Revenue	$ 1,105,396	$ 1,133,031	$ 1,450,832	$ 1,813,540	$ 2,266,925
41	Revenue Requirment		$ 1,446,247	$ 1,526,548	$ 1,579,517	$ 1,951,250
42	Over/(Under)		$ (313,216)	$ (75,716)	$ 234,024	$ 315,676
43	Cumulative Over/(Under)		$ (313,216)	$ (388,932)	$ (154,908)	$ 160,768

Footnotes

1. FY 2026 Assumes Rate Increase Take Effect in January

City of Truth or Consequences, New Mexico
Water Wastewater Cost of Service Study
Reserves - Scenario 1

Line No.	Item Description	Year 1 FY 2026	Year 2 FY 2027	Year 3 FY 2028	Year 4 FY 2029
1	Interest %	2.00%	2.00%	2.00%	2.00%
2	Water Over/(Under)	$ (179,839)	$ (158,775)	$ (27,781)	$ (12,035)
3	Wastewater Over/(Under)	(313,216)	(191,782)	(44,536)	(186,022)
4	**Total Over/(Under)**	**$ (493,055)**	**$ (350,558)**	**$ (72,317)**	**$ (198,057)**
5	**Water Repair and Replacement**				
6	**Beginning Balance**	**$ 840,563**	**$ 677,535**	**$ 532,310**	**$ 515,176**
7	**Additions**				
8	Interest	$ 16,811	$ 13,551	$ 10,646	$ 10,304
9	Water Over/(Under)	(179,839)	(158,775)	(27,781)	(12,035)
10	**Ending Balance**	**$ 677,535**	**$ 532,310**	**$ 515,176**	**$ 513,444**
11	**Wastewater Repair and Replacement**				
12	**Beginning Balance**	**$ 982,870**	**$ 689,311**	**$ 511,315**	**$ 477,005**
13	**Additions**				
14	Interest	$ 19,657	$ 13,786	$ 10,226	$ 9,540
15	Wastewater Over/(Under)	(313,216)	(191,782)	(44,536)	(186,022)
16	**Ending Balance**	**$ 689,311**	**$ 511,315**	**$ 477,005**	**$ 300,524**
17	**Emergency Reserve**				
18	**Beginning Balance**	**$ 575,000**	**$ 686,500**	**$ 800,230**	**$ 916,235**
19	**Additions**				
20	W-PAYG	$ 50,000	$ 50,000	$ 50,000	$ 50,000
21	WW-PAYG	50,000	50,000	50,000	50,000
22	Interest	11,500	13,730	16,005	18,325
23	**Ending Balance**	**$ 686,500**	**$ 800,230**	**$ 916,235**	**$ 1,034,559**
24	**Total Reserves**	**2,053,346**	**1,843,856**	**1,908,416**	**1,848,527**

Footnotes

1 Beginning Balances updated per City on 9/9/25

City of Truth or Consequences, New Mexico
Water Wastewater Cost of Service Study
Reserves - Scenario 2

Line No.	Item Description	Year 1 FY 2026	Year 2 FY 2027	Year 3 FY 2028	Year 4 FY 2029
1	Interest %	2.00%	2.00%	2.00%	2.00%
2	Water Over/(Under)	$ (179,839)	$ (105,989)	$ 90,009	$ 173,548
3	Wastewater Over/(Under)	(313,216)	(75,716)	234,024	315,676
4	**Total Over/(Under)**	**$ (493,055)**	**$ (181,705)**	**$ 324,033**	**$ 489,224**
5	**Water Repair and Replacement**				
6	**Beginning Balance**	**$ 840,563**	**$ 677,535**	**$ 585,096**	**$ 686,808**
7	**Additions**				
8	Interest	$ 16,811	$ 13,551	$ 11,702	$ 13,736
9	Water Over/(Under)	(179,839)	(105,989)	90,009	173,548
10	**Ending Balance**	**$ 677,535**	**$ 585,096**	**$ 686,808**	**$ 874,092**
11	**Wastewater Repair and Replacement**				
12	**Beginning Balance**	**$ 982,870**	**$ 689,311**	**$ 627,382**	**$ 873,953**
13	**Additions**				
14	Interest	$ 19,657	$ 13,786	$ 12,548	$ 17,479
15	Wastewater Over/(Under)	(313,216)	(75,716)	234,024	315,676
16	**Ending Balance**	**$ 689,311**	**$ 627,382**	**$ 873,953**	**$ 1,207,108**
17	**Emergency Reserve**				
18	**Beginning Balance**	**$ 575,000**	**$ 686,500**	**$ 800,230**	**$ 916,235**
19	**Additions**				
20	W-PAYG	$ 50,000	$ 50,000	$ 50,000	$ 50,000
21	WW-PAYG	50,000	50,000	50,000	50,000
22	Interest	11,500	13,730	16,005	18,325
23	**Ending Balance**	**$ 686,500**	**$ 800,230**	**$ 916,235**	**$ 1,034,559**
24	**Total Reserves**	**2,053,346**	**2,012,708**	**2,476,995**	**3,115,759**

Footnotes

1 Beginning Balances updated per City on 9/9/25

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