City Commission Approves FY 2025 Audit, Addresses Findings

At its May 13, 2026 meeting, the Truth or Consequences City Commission received and approved the FY 2025 audit results presented by JAG Audit Firm through Resolution No. 53 25/26. The auditors reported that while the City's financial statements were generally in proper order, several findings were identified, including an accounting error in which two separate revenue sources were incorrectly posted to different enterprise funds. City finance staff acknowledged the issue and committed to correcting it. Auditors also noted concerns related to purchase orders being issued after work had already begun, including one major transaction of approximately $1 million where contract work started prior to the formal purchase order due to timing delays in processing funding sources. Auditors noted that the City's financial activity is complex and comparable to that of a larger municipality.

In response, new procedures have been implemented to ensure purchase orders are completed before work begins, with strengthened internal controls now in place. Additional areas of focus include improving capital asset tracking and transitioning from cash-based to accrual-based accounting practices, both of which will require further staff training and system updates. City officials indicated that the findings were not unexpected given the presence of a relatively new finance team and a new auditing firm, and emphasized that corrective steps are already underway, including exploring upgraded software tools and refining internal processes. Commissioners expressed support for these improvements, noting that the goal is to achieve a clean audit in future years while continuing to improve accuracy, timeliness, and financial transparency.

Critical Water Lines Project Reaches 90% Design Milestone

The City's infrastructure project is nearing the 90% design stage, a major milestone where plans are essentially complete and ready for final review. Wilson & Company is finishing required permits, with the design package expected to be submitted to the City and The New Mexico Environment Department (NMED) by the end of May. Final plans are anticipated by the end of July, with construction estimated to begin in November and continuing through 2028. Learn more at **torcnm.gov/blueprint**.

City Evaluates Infrastructure Needs Ahead of Final ICIP Ranking

Despite expanded outreach, including multiple public meetings, social media posts, and QR code submissions, 14 public comments were received on the City's Infrastructure Capital Improvement Plan (ICIP). During the meetings, South Central Council of Governments representative Yvette Bayless emphasized the importance of "shovel-ready" projects with defined costs, timelines, and maintenance plans to compete for funding. Commissioners discussed potential projects using this input, along with prior planning efforts, with key initiatives like Lee Belle Johnson, Marie Street improvements, and the Clancy lift station remaining priorities. The final list of ten projects, of which the top five will be presented to legislators, will be finalized and ranked at a future meeting.