Incorporated County of Los Alamos Series 2026 Gross Receipts Tax Revenue Bonds

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Ordinance 750 Basics

- Authorizes issuance of up to $40M in GRT Improvement Revenue Bonds
- Funds Broadband construction + other public facility needs
- Prepares County for 2026 bond sale and investor disclosures
- Delegates pricing approval to Council Chair & County Manager, and authority to the County Manager to determine whether the Bonds will be sold competitively or in a negotiated sale to an underwriter, based on market conditions prior to pricing

Why GRT Revenue Bonds

- Repaid from Gross Receipts Tax revenues, not property taxes
- County has a small property tax base; GOB debt not practical
- GRT bonds maintain affordability and stability for taxpayers

Pledged GRT Revenues (Existing)

- State-Shared GRT (1.225%)
- Municipal GRT (1.25%)
- Infrastructure GRT (0.125%)
- County Local Option GRT (0.125%)
- All pledged for bond repayment; no new tax pledged

Broadband Project Overview

- County-wide fiber-to-the-home broadband network
- Design in progress; construction begins 2026
- 3–4 year phased buildout reaching all homes and businesses
- Open-access model with multiple ISPs and competitive pricing
- Future-proof, redundant, community-owned infrastructure

Market & Debt Service

- Bonds planned for level annual debt service payments
  - County's existing 2013 bonds mature in less than 3 years
  - Proposed bonds expected to have a 25 year final maturity
- Stable GRT revenues support strong debt coverage ratios
- County maintains high credit ratings for favorable interest costs
  - S&P (AA+), Moody's (Aa2)

Timeline & Next Steps

- Nov 18, 2025: Public hearing & potential adoption
- Jan/Feb 2026: Preliminary Official Statement approval
- Feb 2026: Bond sale and pricing
- 2026: Begin broadband construction

Summary

- Supports critical broadband and capital facility investments
- Uses existing GRT revenue; no new tax for this bond issue
- Requires super majority of Council (6 of 7) for adoption
- Ensures long-term community infrastructure and connectivity