



**City of Dodgeville, WI**  
**2024 Financial Management Plan**  
**Governmental Section**

February 25, 2025

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# Objectives

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Review

Financial metrics identified in the City's financial policies.

Illustrate

Long-range levy forecast that incorporates General Fund, Library Fund, Capital Improvement and Debt Service. TIF Districts projected cashflows.

Plan

Provides framework for 2026 budget and beyond.

Discuss

Preliminary findings of the plan and provide the City Council an opportunity to make changes prior to drafting and completion of the final report.

# S&P (AA-/Stable) Rating 11/16/23 Report

1. Modestly improving economy with additional development underway.

2. Finances are steady.

3. Adequate financial management with limited monitoring, no long-term planning.

4. Manageable debt.

See Appendix A for most recent credit report

# S&P (AA-/Stable) Rating 11/16/23 Report

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Could lower rating if budget performance weakens

Could raise the rating if wealth/income are more comparable to higher rated peers.

Could raise rating if City were to bolster financial management policies and practices.

# Financial Policies

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General  
Fund  
Balance

Debt  
Management  
(No Policy)

Investments

# Unassigned General Fund Balance Policy

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Unassigned fund balance will be maintained at 15% of General Fund operating expenditures.

No policy that addresses excess amounts used for one-time purposes and not ongoing activities.







No policy that addresses what must be done to restore the fund balance if it drops below the policy.

# Fund Balance

	Category	Description	Controlled by	Examples
	Nonspendable	Not in spendable form	Nature of asset, or legal requirement	Inventories, pre-paid amounts & land
	Restricted	May only be spent for the purpose for which restricted	Creditor or grantors, applicable laws & regulations	Debt service funds, grant funds, impact fees
Unrestricted	Committed	Funds the municipality has committed for a specific purpose	Governing body must act to commit or un-commit funds	A capital project under contract
	Assigned	Funds the municipality intends to use for specific purposes	Governing body or designee	Future capital projects or equipment purchases
	Unassigned	All other funds not otherwise designated	Governing body or designee	Funds held as working capital and for emergencies

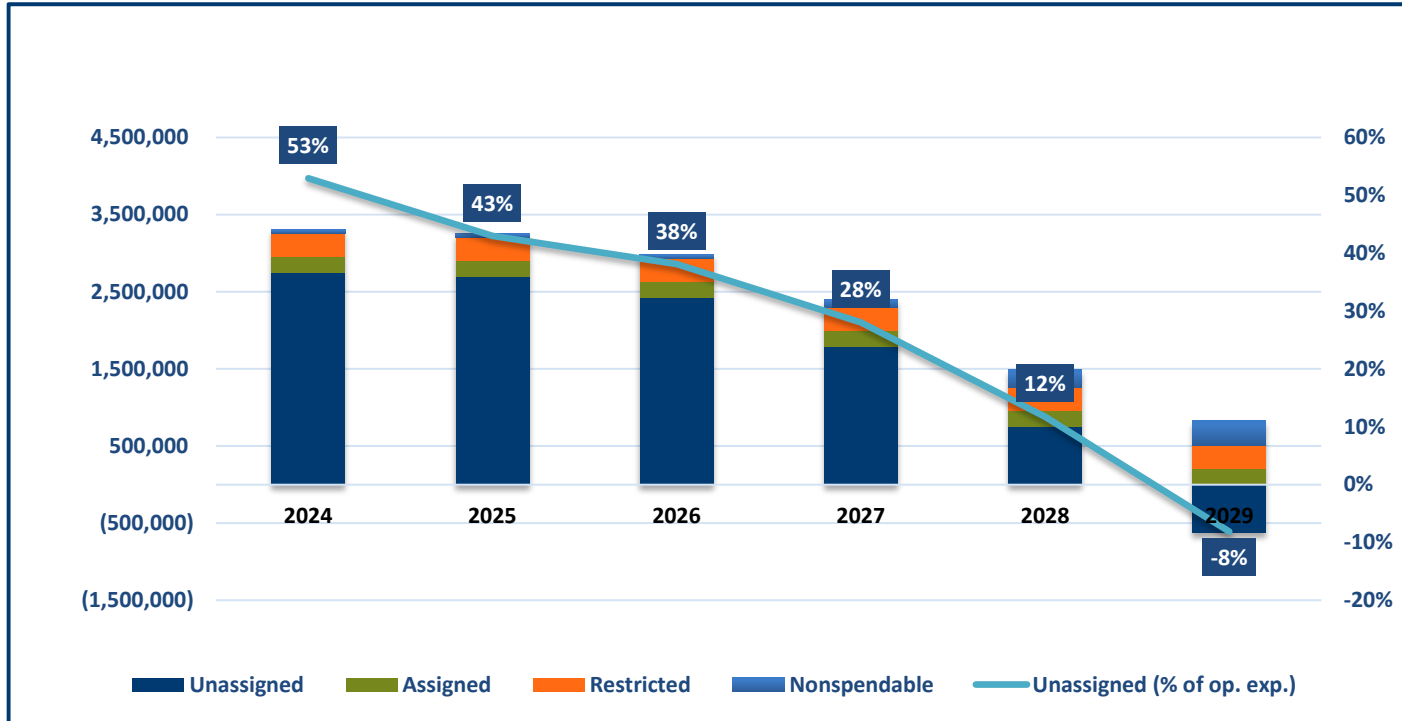
# Fund Balance: Uses

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-  Provide working capital & address cash flow needs
-  Cover unanticipated revenue shortfalls or cost overruns
-  Pay emergency expenses
-  Fund future capital projects or equipment purchases
-  Payoff debt service, debt reduction
-  Fund limited duration programs or non-recurring expenditures









# Unassigned Fund Balance as % of expenditures



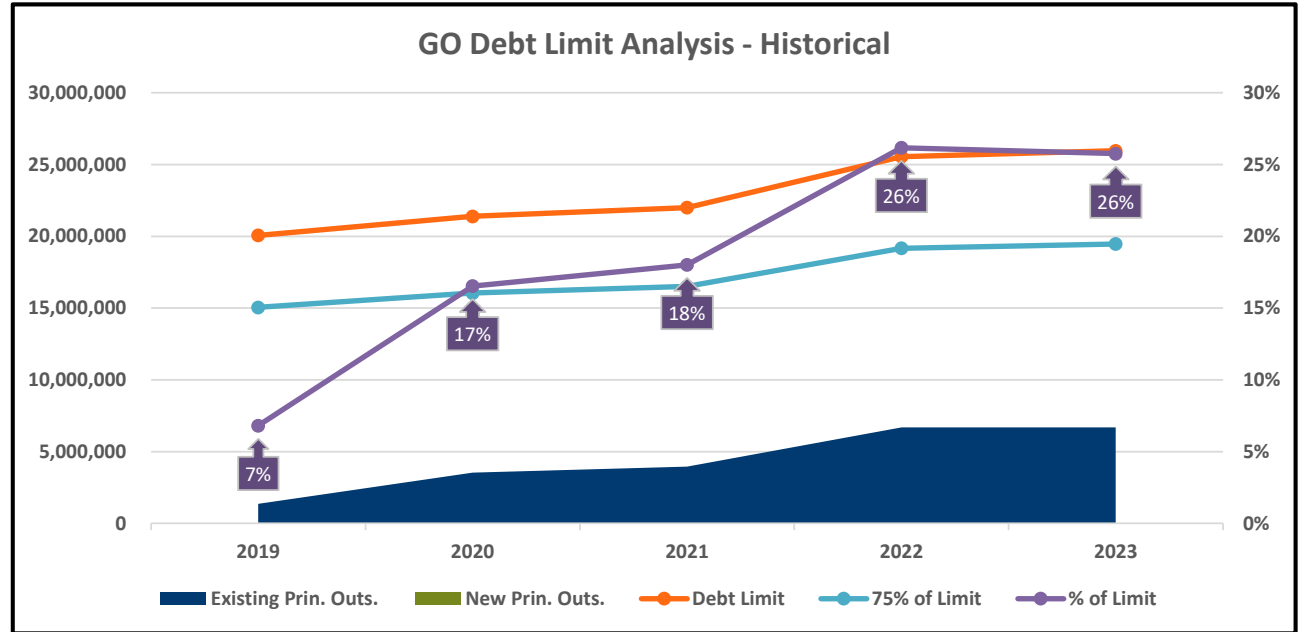
# Investments

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-  Safety – investments will be made seeking to insure that capital losses are avoided.
-  Legality – Allowed investments include investments as defined by state and local laws.
-  Liquidity – Investments will be made to provide sufficient liquidity to meet all operating requirements.
-  Return on Investments – Obtain market rate of return taking into account risk constraints and cash flow.
-  Authority to Manage & Invest – Delegated to the Clerk Treasurer
-  The City currently invests mostly in variable types of accounts which could be improved by utilizing more fixed types of investments.

# Debt Capacity

- The City does not currently have a debt management policy.
- Suggested policy = 75% of the statutory debt limit.
- Per State Law, principal outstanding cannot exceed 5% of the City's total equalized value.



# Equalized Value Projections – TID OUT

- Used to calculate tax rates
- Minimal growth outside of a Tax Increment District is projected.

II. Five-Year Historical TID OUT Growth by Category (Data Per Wis. Dept. of Revenue - Breakdown Assumes Same Ratios as TID IN)										
Vaulation Year	Budget Year	Historical TID OUT Equalized Value		Economic Change		New Construction		Other & Personal Property		
2020	2021	408,745,700	6.64%	24,316,905	6.34%	2,079,220	0.54%	-959,625	-0.25%	
2021	2022	440,116,100	7.67%	24,107,440	5.90%	10,963,918	2.68%	-3,700,958	-0.91%	
2022	2023	510,008,500	15.88%	65,683,645	14.92%	5,189,734	1.18%	-980,979	-0.22%	
2023	2024	513,436,800	0.67%	1,658,397	0.33%	3,761,204	0.74%	-1,991,300	-0.39%	
2024	2025	574,096,000	11.81%	63,676,121	12.40%	3,979,585	0.78%	-6,996,506	-1.36%	
<b>AVERAGE CHANGE</b>			<b>8.54%</b>	<b>35,888,501</b>	<b>7.98%</b>	<b>5,194,732</b>	<b>1.18%</b>	<b>-2,925,874</b>	<b>-0.63%</b>	
IV. Projection of TID OUT Equalized Value										
Vaulation Year	Budget Year	Projected TID OUT Equalized Value		Economic Change		New Construction		TID Closure or Other Adjustment		
2025	2026	576,966,480	0.50%	0	0.00%	0	0.00%	2,870,480	0.50%	
2026	2027	579,851,312	0.50%	0	0.00%	0	0.00%	2,884,832	0.50%	
2027	2028	582,750,569	0.50%	0	0.00%	0	0.00%	2,899,257	0.50%	
2028	2029	585,664,322	0.50%	0	0.00%	0	0.00%	2,913,753	0.50%	
2029	2030	588,592,643	0.50%	0	0.00%	0	0.00%	2,928,322	0.50%	
2030	2031	591,535,607	0.50%	0	0.00%	0	0.00%	2,942,963	0.50%	
2031	2032	594,493,285	0.50%	0	0.00%	0	0.00%	2,957,678	0.50%	
2032	2033	597,465,751	0.50%	0	0.00%	0	0.00%	2,972,466	0.50%	
2033	2034	600,453,080	0.50%	0	0.00%	0	0.00%	2,987,329	0.50%	
2034	2035	603,455,345	0.50%	0	0.00%	0	0.00%	3,002,265	0.50%	

# Equalized Value Projections – TID IN

- Includes all growth inside and outside of the City's TIDs.
- This is important for calculating Debt Capacity

I. Five-Year Historical TID IN Growth by Category (Data Per Wis. Dept. of Revenue)										
Valuation Year	Budget Year	Historical TID IN Value	Equalized	Economic Change		New Construction		Other & Personal Property		
2020	2021	427,892,300	6.60%	25,309,600	6.31%	2,164,100	0.54%	-998,800	-0.25%	
2021	2022	440,173,600	2.87%	9,437,900	2.21%	4,292,300	1.00%	-1,448,900	-0.34%	
2022	2023	511,136,200	16.12%	66,689,400	15.15%	5,269,200	1.20%	-996,000	-0.23%	
2023	2024	519,200,700	1.58%	3,901,100	0.76%	8,847,600	1.73%	-4,684,200	-0.92%	
2024	2025	580,788,400	11.86%	64,650,800	12.45%	4,040,500	0.78%	-7,103,600	-1.37%	
<b>AVERAGE CHANGE</b>			<b>7.81%</b>	<b>33,997,760</b>	<b>7.38%</b>	<b>4,922,740</b>	<b>1.05%</b>	<b>-3,046,300</b>	<b>-0.62%</b>	
V. Projection of TID IN Equalized Value										
Valuation Year	Budget Year	Projected TID IN Value	Equalized	Economic Change		New Construction		Manual Adjustment		
2025	2026	598,212,052	3.00%	0	0.00%	0	0.00%	17,423,652	3.00%	
2026	2027	616,158,414	3.00%	0	0.00%	0	0.00%	17,946,362	3.00%	
2027	2028	634,643,166	3.00%	0	0.00%	0	0.00%	18,484,752	3.00%	
2028	2029	653,682,461	3.00%	0	0.00%	0	0.00%	19,039,295	3.00%	
2029	2030	673,292,935	3.00%	0	0.00%	0	0.00%	19,610,474	3.00%	
2030	2031	693,491,723	3.00%	0	0.00%	0	0.00%	20,198,788	3.00%	
2031	2032	714,296,475	3.00%	0	0.00%	0	0.00%	20,804,752	3.00%	
2032	2033	735,725,369	3.00%	0	0.00%	0	0.00%	21,428,894	3.00%	
2033	2034	757,797,130	3.00%	0	0.00%	0	0.00%	22,071,761	3.00%	
2034	2035	780,531,044	3.00%	0	0.00%	0	0.00%	22,733,914	3.00%	

# General Fund Revenue Projections

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2024 Added \$235K  
in Shared Revenue.  
No significant  
increase in 2025.

All other non-levy  
revenue sources  
remain flat.

Transportation aid  
revenue increased  
approx. \$43K in  
2024. No significant  
increase in 2025.

Interest earnings  
have increased due  
to higher rates.

**Model shows increases to the levy limit as an increase to the General Fund levy. All other levy funded funds levy are shown as no change.**

# General Fund Expenditure Methodology

GENERAL CODES			
CODE	DEFINITION		EXPLANATION
Z	Zero		Sets the value in all five years of the forecast period to zero.
L	Last		Sets the value in all five years of the forecast period to the value in the most recent budget or actual column.
5YRAV	Average		Sets the value in all five years of the forecast period to the average of the prior five year's values.
ACTUAL AV	Average		Sets the value in all five years of the forecast period to the average of the prior three year actual results values.
T	Trend		Sets the value to trend year over year
EXPENDITURE CODES			
CODE	DEFINITION	INCREASE	EXPLANATION
C	Commodities	3.00%	Fuel & Mileage, Office Supplies, Operating Supplies, Utilities, Uniforms, Office Furniture & Equipment
E	Employee Insurance	14.00%	Health, Dental & Life Insurance, Post Employment Health Plan, Long Term Disability
I	Insurance	3.00%	Property & Liability
S	Services	3.00%	Advertising & Printing, Communications, Contractual Services, Dues & Memberships, Janitorial Services, Maintenance Agreements, Meetings & Training, Professional Services, Publications & Subscriptions, Repairs & Maintenance
W	Wages	3.00%	Regular & Seasonal Wages, Overtime, Holiday & Misc. Compensation, Longevity, Premium Pay, Social Security, Retirement, Unemployment Compensation

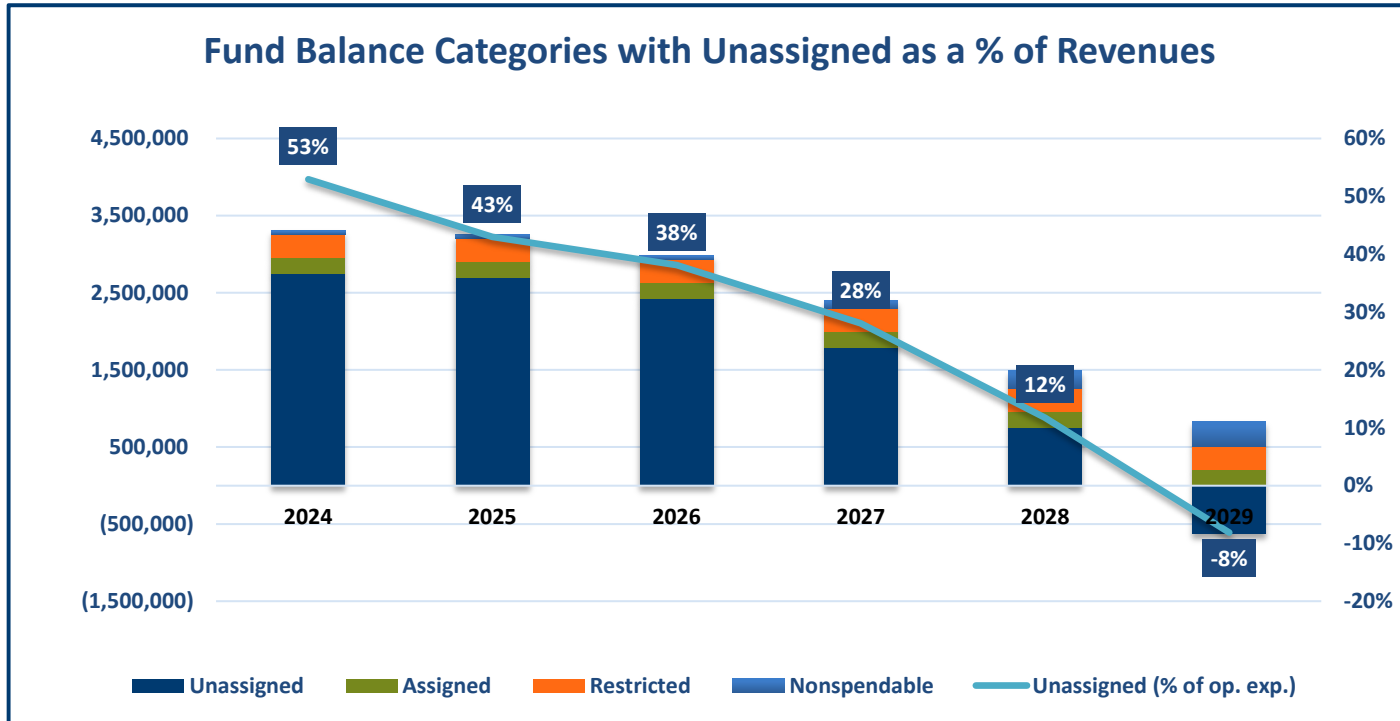
# General Fund Summary

- Model illustrates impact of levy increases tied to projected net new construction (0.50%). (Defined as new development less demolition as reported by the assessor annually)

	2024 PROJECTED	2025 PROJECTED	2026 PROJECTED	2027 PROJECTED	2028 PROJECTED	2029 PROJECTED
<b>REVENUES</b>						
Property Taxes	2,234,787	2,692,298	2,779,783	2,796,953	2,814,209	2,831,551
Other Taxes	94,500	134,500	134,500	134,500	134,500	134,500
Intergovernmental	1,256,038	1,383,203	1,383,203	1,383,203	1,383,203	1,383,203
Licenses and Permits	143,383	108,175	108,175	108,175	108,175	108,175
Fines, Forfeits, and Penalties	21,000	20,000	20,000	20,000	20,000	20,000
Public Charges for Services	502,536	281,720	281,720	281,720	281,720	281,720
Intergovernmental Charges for Services	588,940	597,440	597,440	597,440	597,440	597,440
Interest Income	125,000	125,000	125,000	125,000	125,000	125,000
Miscellaneous Income	38,467	738,000	738,000	738,000	738,000	738,000
Other Financing Sources	189,491	190,000	190,000	190,000	190,000	190,000
<b>TOTAL REVENUES</b>	<b>5,194,142</b>	<b>6,270,336</b>	<b>6,357,821</b>	<b>6,374,991</b>	<b>6,392,247</b>	<b>6,409,589</b>
<b>EXPENDITURES</b>						
General Government	672,337	1,436,695	1,487,988	1,541,968	1,598,875	1,658,979
Public Safety	2,591,133	2,973,238	3,104,062	3,244,638	3,396,075	3,559,629
Public Works	654,940	740,150	802,318	871,945	950,039	1,037,747
Sanitation	273,710	273,900	298,084	325,228	355,735	390,062
Health and human services	110,000	119,710	124,842	130,345	136,258	142,629
Culture, Recreation and Education	418,952	492,210	511,608	532,237	554,224	577,714
Conservation and Development	154,347	229,350	236,808	244,571	252,658	261,094
Capital outlay	43,225	60,000	61,800	63,654	65,564	67,531
Transfers Out	-	-	-	-	-	-
<b>TOTAL EXPENDITURES</b>	<b>4,918,644</b>	<b>6,325,253</b>	<b>6,627,510</b>	<b>6,954,586</b>	<b>7,309,428</b>	<b>7,695,385</b>
<b>Percentage change</b>	<b>-9.93%</b>	<b>28.60%</b>	<b>4.78%</b>	<b>4.94%</b>	<b>5.10%</b>	<b>5.28%</b>
<b>Net Change</b>	<b>275,498</b>	<b>(54,917)</b>	<b>(269,689)</b>	<b>(579,595)</b>	<b>(917,181)</b>	<b>(1,285,796)</b>
<b>FUND BALANCE</b>						
Beginning Fund Balance	3,034,192	3,309,690	3,254,773	2,985,084	2,405,489	1,488,308
Year End Balance	<b>3,309,690</b>	<b>3,254,773</b>	<b>2,985,084</b>	<b>2,405,489</b>	<b>1,488,308</b>	<b>202,512</b>
<b>COMPONENTS OF FUND BALANCE</b>						
Nonspendable	50,000	50,000	50,000	107,923	226,512	318,593
Restricted	310,475	310,475	310,475	310,475	310,475	310,475
Assigned	200,000	200,000	200,000	200,000	200,000	200,000
Unassigned	2,749,215	2,694,298	2,424,609	1,787,091	751,321	(626,556)
<b>Total Fund Balance</b>	<b>3,309,690</b>	<b>3,254,773</b>	<b>2,985,084</b>	<b>2,405,489</b>	<b>1,488,308</b>	<b>202,512</b>
Unassigned fund balance as a % of operating expenditures (Policy = 15% )	53%	43%	38%	28%	12%	-8%
15% is the equivalent of this much each year	779,121	940,550	953,673	956,249	958,837	961,438
<b>Percentage change in levy</b>	<b>-7.99%</b>	<b>20.47%</b>	<b>3.25%</b>	<b>0.62%</b>	<b>0.62%</b>	<b>0.62%</b>



# General Fund Summary



# Operating Fund Observations

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- In 2024, the State Legislature provided municipalities with an increase in Shared Revenue, which was a short run fix. The levy limit formula needs to be changed to help municipalities in the future. The City may experience deficits as soon as 2026 unless it can adjust the budget to cover City services.
- Alternative revenues could be considered. Options are listed starting on slide 38.
- Evaluating expenditure budgets and services provided may be necessary unless a successful levy limit referendum can be accomplished.

# Operating Fund Observations

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- The fund balance policy calls for maintaining a reserve of at least 15% of total General Fund operating expenditures (excluding other financing uses). We recommend increasing the reserve to at least 20% to 25%.
- The fund balance policy should be expanded to dictate what should be done if the fund balance falls below the minimum fund balance policy, as well as how fund balance in excess of the minimum fund balance can be used.

# Capital/Debt Planning

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- This section demonstrates the impact of financing the City's current capital improvement plan (CIP).

# Capital/Debt Planning (Base Case)

Year Ending	Existing Debt												Year Ending
	Total G.O. Debt Payments	G.O. Debt Expense	Less: Water	Less: Sewer	Less: TID 2	Less: TID 3	Less: Misc.	Less: Interest Income	Net Tax Levy	Equalized Value (TID OUT)	Tax Rate Per \$1,000	Annual Taxes \$250,000 Home	
2024	581,858	400	(70,135)	(52,117)	(37,580)	(106,831)	(30,072)	(1,000)	284,523	513,436,800	\$0.55	\$138.54	2024
2025	516,553	400	(50,052)	(50,052)		(105,944)		(1,000)	309,905	576,966,480	\$0.54	\$134.28	2025
2026	565,061	400	(50,052)	(50,052)		(154,856)		(1,000)	309,501	579,851,312	\$0.53	\$133.44	2026
2027	672,504	400	(50,052)	(50,052)		(290,494)		(1,000)	281,306	582,750,569	\$0.48	\$120.68	2027
2028	645,386	400	(50,052)	(50,052)		(318,681)		(1,000)	226,000	585,664,322	\$0.39	\$96.47	2028
2029	637,698	400	(50,052)	(50,052)		(310,994)		(1,000)	226,000	588,592,643	\$0.38	\$95.99	2029
2030	639,911	400	(50,052)	(50,052)		(313,206)		(1,000)	226,000	591,535,607	\$0.38	\$95.51	2030
2031	641,923	400	(50,052)	(50,052)		(315,219)		(1,000)	226,000	594,493,285	\$0.38	\$95.04	2031
2032	638,776	400	(50,052)	(50,052)		(312,081)		(1,000)	225,991	597,465,751	\$0.38	\$94.56	2032
2033	560,404	400	(50,052)	(50,052)		(308,844)		(1,000)	150,856	600,453,080	\$0.25	\$62.81	2033
2034	305,913		0	0		(305,913)			0	603,455,345	\$0.00	\$0.00	2034
2035	308,238					(308,238)			0	606,472,622	\$0.00	\$0.00	2035
2036	305,413					(305,413)			0	609,504,985	\$0.00	\$0.00	2036
2037	302,469					(302,469)			0	612,552,510	\$0.00	\$0.00	2037
2038	206,281					(206,281)			0	615,615,273	\$0.00	\$0.00	2038
2039	211,819					(211,819)			0	618,693,349	\$0.00	\$0.00	2039
2040	217,138					(217,138)			0	621,786,816	\$0.00	\$0.00	2040
2041	207,369					(207,369)			0	624,895,750	\$0.00	\$0.00	2041
Total	8,164,712	4,000	(520,604)	(502,585)	(37,580)	#####	(30,072)		2,466,083				Total

**Notes:**

**Legend:**

Represents +/- 25% Change over previous year

# Capital Improvement Plan (CIP)

Projects	Purpose/Dept.	Plan Issue	Funding	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	Totals
Ambulance Replacement	Ambulance / EMS	General Obligation Notes	G.O. Debt	422,000			430,000			437,000			445,000	1,734,000
Window Replacement	Ambulance / EMS	General Obligation Notes	G.O. Debt	35,000										35,000
Pager Replacement	Ambulance / EMS	None	Funds on Hand	9,000										9,000
Pager Replacement	Ambulance / EMS	General Obligation Notes	G.O. Debt		10,000									10,000
Rescue Task Force Updates	Ambulance / EMS	General Obligation Notes	G.O. Debt	30,000										30,000
Training Equipment Updates	Ambulance / EMS	None	Funds on Hand	13,979										13,979
RAD57 CO Detector	Ambulance / EMS	General Obligation Notes	G.O. Debt	12,000										12,000
Unknown Equipment Replacement	Ambulance / EMS	General Obligation Notes	G.O. Debt		50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	450,000
Zoll AED Monitor	Ambulance / EMS	General Obligation Notes	G.O. Debt					240,000						240,000
Server Replacement	Ambulance / EMS	General Obligation Notes	G.O. Debt						10,000					10,000
Express Vote Equipment - Elections	Clerk / Finance / Admin	None	Funds on Hand	7,900										7,900
Server Replacement	Clerk / Finance / Admin	General Obligation Notes	G.O. Debt					12,000						12,000
Engine 1 Rehab (Approved in 2024 Budget)	Fire	None	Funds on Hand	40,000										40,000
Door & Floor Replacement	Fire	General Obligation Notes	G.O. Debt	18,000										18,000
Blacktop Repair/Replacement	Fire	General Obligation Notes	G.O. Debt	15,000										15,000
New Storage Building	Fire	General Obligation Notes	G.O. Debt		60,000									60,000
Training Tower Construction	Fire	None	Donations		50,000									50,000
Training Tower Construction	Fire	General Obligation Notes	G.O. Debt	200,000										200,000
Refurbish/Replace Tender 9	Fire	General Obligation Notes	G.O. Debt		160,000									160,000
Ladder Truck (Full replacement cost)	Fire	General Obligation Notes	G.O. Debt						2,000,000					2,000,000
Replace Expiring SCBA bottles	Fire	General Obligation Notes	G.O. Debt			50,000								50,000
Station Maintenance & Efficiency Upgrades	Fire	General Obligation Notes	G.O. Debt			20,000								20,000
Brush 4 Replacement	Fire	2033 G.O. Notes	G.O. Debt									50,000		50,000
Library Renovation	Library	None	Grants/Aids	3,825,000	425,000									4,250,000
Library Renovation	Library	None	Donations	1,000,000										1,000,000
Library Renovation	Library	General Obligation Notes	G.O. Debt	3,700,000										3,700,000
Parks Mower	Parks / Recreation	General Obligation Notes	G.O. Debt	16,000		17,000		18,000		19,000		20,000		90,000
Lay Pavilion Maintenance	Parks / Recreation	General Obligation Notes	G.O. Debt			1,000,000						1,000,000		2,000,000
Lay Pavilion Maintenance	Parks / Recreation	None	Funds on Hand			420,000								420,000
Parks Truck	Parks / Recreation	General Obligation Notes	G.O. Debt				60,000							60,000
New Shelter at Harris Park	Parks / Recreation	General Obligation Notes	G.O. Debt			50,000								50,000
Harris Park Trail Resurface	Parks / Recreation	2034 G.O. Notes	G.O. Debt										12,000	12,000
Wilson Park Batting Cages	Parks / Recreation	None	Grants/Aids	25,000										25,000
Cemetery Road Paving	Parks / Recreation	General Obligation Notes	G.O. Debt	65,000	65,000	70,000	70,000	70,000						340,000
Cemetery Mower	Parks / Recreation	General Obligation Notes	G.O. Debt	7,500		8,000		8,500		9,000		9,500		42,500
Cemetery Truck	Parks / Recreation	General Obligation Notes	G.O. Debt						75,000					75,000
Recreation Gator	Parks / Recreation	General Obligation Notes	G.O. Debt		10,000	10,000								20,000
Dog Park	Parks / Recreation	None	Grants/Aids	30,000										30,000
Pool Heater	Parks / Recreation	2034 G.O. Notes	G.O. Debt										40,000	40,000
Pool Shade Items	Parks / Recreation	General Obligation Notes	G.O. Debt	20,000	20,000									40,000
Replaster Pool	Parks / Recreation	General Obligation Notes	G.O. Debt							150,000				150,000
Aluminum Picnic Tables	Parks / Recreation	None	Grants/Aids		7,000									7,000
Police Squad	Police	General Obligation Notes	G.O. Debt	68,000		57,000		68,000						193,000
Police Squad	Police	None	Funds on Hand	7,000		8,000								15,000

# Capital Improvement Plan (CIP)

Projects	Purpose/Dept.	Plan Issue	Funding	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	Totals
Duty Firearm and Red Dot Sight Transition	Police	None	Funds on Hand	16,370										16,370
Duty Firearm and Red Dot Sight Transition	Police	General Obligation Notes	G.O. Debt											0
Server/Computer Replacement	Police	General Obligation Notes	G.O. Debt			20,000								20,000
Armory Building - Phase 1	Public Works	General Obligation Notes	G.O. Debt	2,500,000										2,500,000
Public Works Truck	Public Works	General Obligation Notes	G.O. Debt			45,000								45,000
GPS Unit	Public Works	General Obligation Notes	G.O. Debt	10,000										10,000
Streets Plow Truck - Large	Public Works	General Obligation Notes	G.O. Debt				290,000				300,000			590,000
Streets Plow Truck Accessories	Public Works	General Obligation Notes	G.O. Debt	118,000										118,000
Streets Plow Truck - Small	Public Works	General Obligation Notes	G.O. Debt	85,000										85,000
Streets Pickup	Public Works	General Obligation Notes	G.O. Debt			45,000								45,000
Streets Fuel Truck	Public Works	General Obligation Notes	G.O. Debt					75,000						75,000
Streets Bucket Truck	Public Works	2034 G.O. Notes	G.O. Debt										100,000	100,000
Streets Dump Box	Public Works	General Obligation Notes	G.O. Debt	30,000										30,000
Streets Skidloader Lease	Public Works	General Obligation Notes	G.O. Debt	21,600	3,000	3,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	62,600
Streets Backhoe Lease	Public Works	General Obligation Notes	G.O. Debt	13,650	13,200									26,850
Street Sweeper	Public Works	General Obligation Notes	G.O. Debt		200,000									200,000
New Street Dept Shop	Public Works	General Obligation Notes	G.O. Debt								3,000,000			3,000,000
Reconstruction - Washington/Johnson	Public Works	General Obligation Notes	G.O. Debt	1,815,000										1,815,000
Reconstruction - W Merrimac	Public Works	General Obligation Notes	G.O. Debt		396,000									396,000
Reconstruction - Virginia Terrace	Public Works	General Obligation Notes	G.O. Debt		165,000									165,000
Reconstruction - E Walnut St	Public Works	General Obligation Notes	G.O. Debt		341,000									341,000
Reconstruction - W Division St	Public Works	General Obligation Notes	G.O. Debt			1,650,000								1,650,000
Reconstruction - E Chapel St	Public Works	General Obligation Notes	G.O. Debt				310,750							310,750
Reconstruction - N Dacotah St	Public Works	General Obligation Notes	G.O. Debt				310,750							310,750
Reconstruction - Douglas St	Public Works	General Obligation Notes	G.O. Debt				412,500							412,500
Reconstruction - S Union St	Public Works	General Obligation Notes	G.O. Debt					852,500						852,500
Reconstruction - S Linn St	Public Works	General Obligation Notes	G.O. Debt					852,500						852,500
Reconstruction - W Spring St	Public Works	General Obligation Notes	G.O. Debt						1,210,000					1,210,000
Reconstruction - E Church St	Public Works	General Obligation Notes	G.O. Debt							467,500				467,500
Reconstruction - E Dodge St	Public Works	General Obligation Notes	G.O. Debt							467,500				467,500
Reconstruction - W Madison St	Public Works	General Obligation Notes	G.O. Debt							206,250				206,250
Reconstruction - W Chapel St	Public Works	2032 G.O. Notes	G.O. Debt								1,485,000			1,485,000
Reconstruction - Center St	Public Works	2033 G.O. Notes	G.O. Debt									154,000		154,000
Reconstruction - Johnson St	Public Works	2033 G.O. Notes	G.O. Debt									935,000		935,000
Reconstruction - N Bequette St/Ohio St	Public Works	2034 G.O. Notes	G.O. Debt										154,000	154,000
Reconstruction - E Madison St	Public Works	2034 G.O. Notes	G.O. Debt										880,000	880,000
Gas/Electric to Mixed Use Lots	TID 3	General Obligation Notes	G.O. Debt				50,000							50,000
Reconstruction - Bennett Rd/Leffler St	TID 3	General Obligation Notes	G.O. Debt					1,500,000						1,500,000
<b>Actual CIP Costs</b>				<b>4,609,620</b>	<b>1,118,200</b>	<b>1,763,000</b>	<b>1,379,000</b>	<b>3,285,000</b>	<b>1,215,000</b>	<b>1,146,250</b>	<b>4,790,000</b>	<b>1,094,000</b>	<b>1,139,000</b>	<b>21,539,070</b>
<b>Sources of Funding</b>				<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>	<b>2030</b>	<b>2031</b>	<b>2032</b>	<b>2033</b>	<b>2034</b>	<b>Totals</b>
G.O. Debt				9,001,750	1,693,200	3,095,000	1,989,000	3,751,500	3,350,000	1,811,250	4,840,000	2,223,500	1,686,000	24,691,700
Grants/Aids				3,680,000	432,000	0	0	0	0	0	0	0	0	4,112,000
Donations				1,000,000	50,000	0	0	0	0	0	0	0	0	1,050,000
Funds on Hand				94,249	0	428,000	0	0	0	0	0	0	0	522,249
<b>Total</b>				<b>13,975,999</b>	<b>2,175,200</b>	<b>3,523,000</b>	<b>1,989,000</b>	<b>3,751,500</b>	<b>3,350,000</b>	<b>1,811,250</b>	<b>4,840,000</b>	<b>2,223,500</b>	<b>1,686,000</b>	<b>30,575,949</b>

# Tax Impact of proposed debt

Year Ending	Existing Debt					Proposed Debt							Year Ending	
	Net Debt Service Levy	Change From Prior Year Levy	Equalized Value (TID OUT)	Tax Rate Per \$1,000	Annual Taxes \$250,000 Home	Total Proposed Debt Service	Abatements		Debt Service Levy		Taxes			
							Less: TID 3	Total Net Debt Service Levy	Levy Change from Prior Year	Total Tax Rate for Debt Service	Annual Taxes \$250,000 Home	Annual Taxes Change		
2024	284,523		513,436,800	\$0.55	\$138.54	0	0	0	284,523		\$0.55	\$139	2024	
2025	309,905	25,382	576,966,480	\$0.54	\$134.28	0	0	0	309,905	25,382	\$0.54	\$134	2025	
2026	309,501	(404)	579,851,312	\$0.53	\$133.44	532,652	0	0	842,153	532,248	\$1.45	\$363	2026	
2027	281,306	(28,195)	582,750,569	\$0.48	\$120.68	791,226	0	0	1,072,532	230,379	\$1.84	\$460	2027	
2028	226,000	(55,306)	585,664,322	\$0.39	\$96.47	1,077,011	0	0	1,303,011	230,479	\$2.22	\$556	2028	
2029	226,000	(0)	588,592,643	\$0.38	\$95.99	1,306,474	0	0	1,532,475	229,464	\$2.60	\$651	2029	
2030	226,000	0	591,535,607	\$0.38	\$95.51	1,733,567	(198,472)	0	1,761,096	228,621	\$2.98	\$744	2030	
2031	226,000	0	594,493,285	\$0.38	\$95.04	1,957,772	(193,387)	0	1,990,386	229,290	\$3.35	\$837	2031	
2032	225,991	(9)	597,465,751	\$0.38	\$94.56	2,184,220	(188,392)	0	2,221,820	231,434	\$3.72	\$930	2032	
2033	150,856	(75,135)	600,453,080	\$0.25	\$62.81	2,486,258	(183,509)	0	2,453,605	231,785	\$4.09	\$1,022	2033	
2034	0	(150,856)	603,455,345	\$0.00	\$0.00	2,863,041	(178,672)	0	2,684,369	230,764	\$4.45	\$1,112	2034	
2035	0	0	606,472,622	\$0.00	\$0.00	3,085,919	(173,752)	0	2,912,167	227,798	\$4.80	\$1,200	2035	
2036	0	0	609,504,985	\$0.00	\$0.00	2,774,310	(168,727)	0	2,605,584	(306,584)	\$4.27	\$1,069	2036	
2037	0	0	612,552,510	\$0.00	\$0.00	2,707,968	(163,702)	0	2,544,266	(61,317)	\$4.15	\$1,038	2037	
2038	0	0	615,615,273	\$0.00	\$0.00	2,636,059	(158,684)	0	2,477,375	(66,892)	\$4.02	\$1,006	2038	
2039	0	0	618,693,349	\$0.00	\$0.00	2,602,573	(188,090)	0	2,414,484	(62,891)	\$3.90	\$976	2039	
2040	0	0	621,786,816	\$0.00	\$0.00	2,350,601	0	0	2,350,601	(63,883)	\$3.78	\$945	2040	
2041	0	0	624,895,750	\$0.00	\$0.00	2,280,572	0	0	2,280,572	(70,029)	\$3.65	\$912	2041	
2042	0	0	628,020,228	\$0.00	\$0.00	2,214,390	0	0	2,214,390	(66,182)	\$3.53	\$881	2042	
2043	0	0	631,160,330	\$0.00	\$0.00	2,142,036	0	0	2,142,036	(72,354)	\$3.39	\$848	2043	
2044	0	0	634,316,131	\$0.00	\$0.00	1,936,233	0	0	1,936,233	(205,804)	\$3.05	\$763	2044	
2045	0	0	637,487,712	\$0.00	\$0.00	1,871,944	0	0	1,871,944	(64,289)	\$2.94	\$734	2045	
2046	0	0	640,675,150	\$0.00	\$0.00	1,106,085	0	0	1,106,085	(765,859)	\$1.73	\$432	2046	
2047	0	0	643,878,526	\$0.00	\$0.00	1,069,038	0	0	1,069,038	(37,047)	\$1.66	\$415	2047	
2048	0	0	647,097,919	\$0.00	\$0.00	874,738	0	0	874,738	(194,300)	\$1.35	\$338	2048	
2049	0	0	650,333,408	\$0.00	\$0.00	725,762	0	0	725,762	(148,976)	\$1.12	\$279	2049	
2050	0	0	653,585,076	\$0.00	\$0.00	586,269	0	0	586,269	(139,493)	\$0.90	\$224	2050	
2051	0	0	656,853,001	\$0.00	\$0.00	392,593	0	0	392,593	(193,677)	\$0.60	\$149	2051	
2052	0	0	660,137,266	\$0.00	\$0.00	377,437	0	0	377,437	(15,156)	\$0.57	\$143	2052	
2053	0	0	663,437,952	0	0	117,409	0	0	117,409	(260,027)	0	44	2053	
Total	2,466,083					46,784,154	(1,795,383)	0	57,181,288				Total	



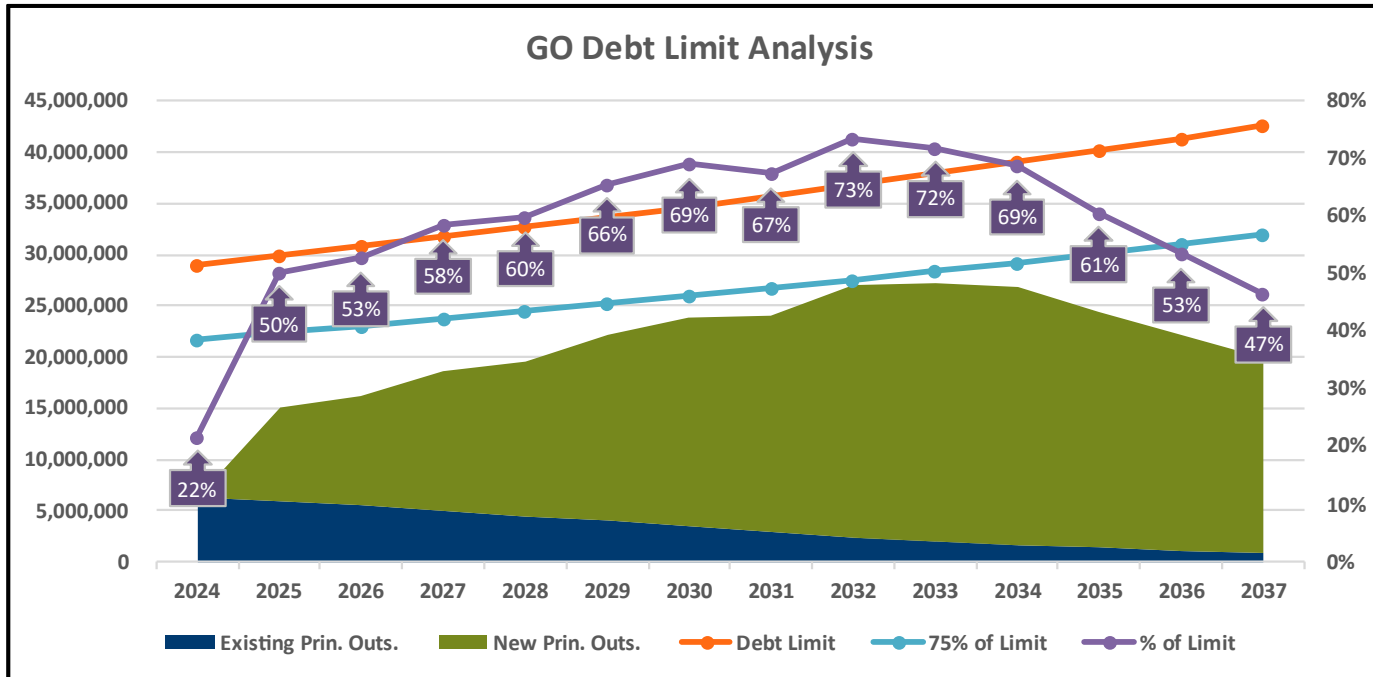
# General Obligation Debt Capacity Projection

Existing Debt						Proposed Debt				
Year Ending	Projected Equalized Value (TID IN) <sup>1</sup>	Debt Limit	75% of Limit	Existing Principal		Combined Principal			Residual Capacity	Year Ending
				Outstanding	% of Limit	Proposed Debt	Existing & Proposed	% of Limit		
2024	580,788,400	29,039,420	21,779,565	6,271,209	22%	0	6,271,209	22%	22,768,211	2024
2025	598,212,052	29,910,603	22,432,952	5,907,420	20%	9,120,000	15,027,420	50%	14,883,182	2025
2026	616,158,414	30,807,921	23,105,941	5,483,325	18%	10,780,000	16,263,325	53%	14,544,595	2026
2027	634,643,166	31,732,158	23,799,119	4,986,334	16%	13,570,000	18,556,334	58%	13,175,824	2027
2028	653,682,461	32,684,123	24,513,092	4,498,843	14%	15,020,000	19,518,843	60%	13,165,280	2028
2029	673,292,935	33,664,647	25,248,485	4,001,010	12%	18,100,000	22,101,010	66%	11,563,637	2029
2030	693,491,723	34,674,586	26,005,940	3,482,609	10%	20,455,000	23,937,609	69%	10,736,977	2030
2031	714,296,475	35,714,824	26,786,118	2,943,230	8%	21,135,000	24,078,230	67%	11,636,594	2031
2032	735,725,369	36,786,268	27,589,701	2,387,503	6%	24,645,000	27,032,503	73%	9,753,766	2032
2033	757,797,130	37,889,856	28,417,392	1,890,000	5%	25,380,000	27,270,000	72%	10,619,856	2033
2034	780,531,044	39,026,552	29,269,914	1,630,000	4%	25,190,000	26,820,000	69%	12,206,552	2034
2035	803,946,975	40,197,349	30,148,012	1,360,000	3%	23,010,000	24,370,000	61%	15,827,349	2035
2036	828,065,384	41,403,269	31,052,452	1,085,000	3%	21,055,000	22,140,000	53%	19,263,269	2036
2037	852,907,346	42,645,367	31,984,025	805,000	2%	19,100,000	19,905,000	47%	22,740,367	2037

**Notes:**

1) Projected TID IN EV based on 5-year average at 3.00% annual inflation.

# General Obligation Debt Capacity Projection



# Capital Planning Observations

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- The City has a complete long term capital plan that includes future road projects. This is a positive step forward for the City.
- Implementation of the current CIP plan and providing future flexibility to take on projects after 2034 will call for annual tax increases of approximately \$230,000 through 2035. The tax levy that was solved for to be able to fund the City's CIP in the future is approximately \$2.9 million.
- A debt capacity policy of at least 75% of statutory limit is recommended. This plan adheres to the recommendation but edges close to 75%, particularly in 2032 and 2033.

# Overall Impact

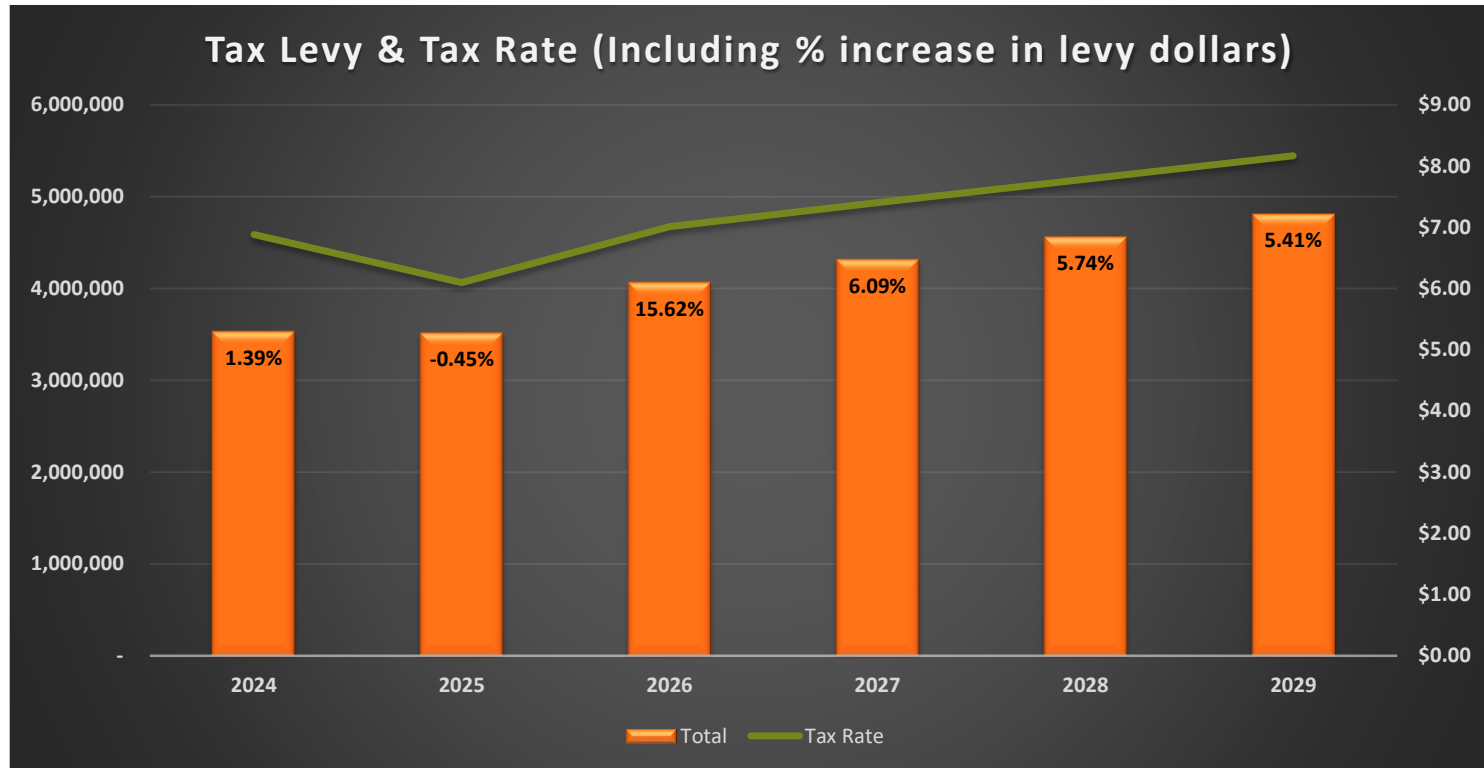
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- This section demonstrates the impact of the financial management plan.

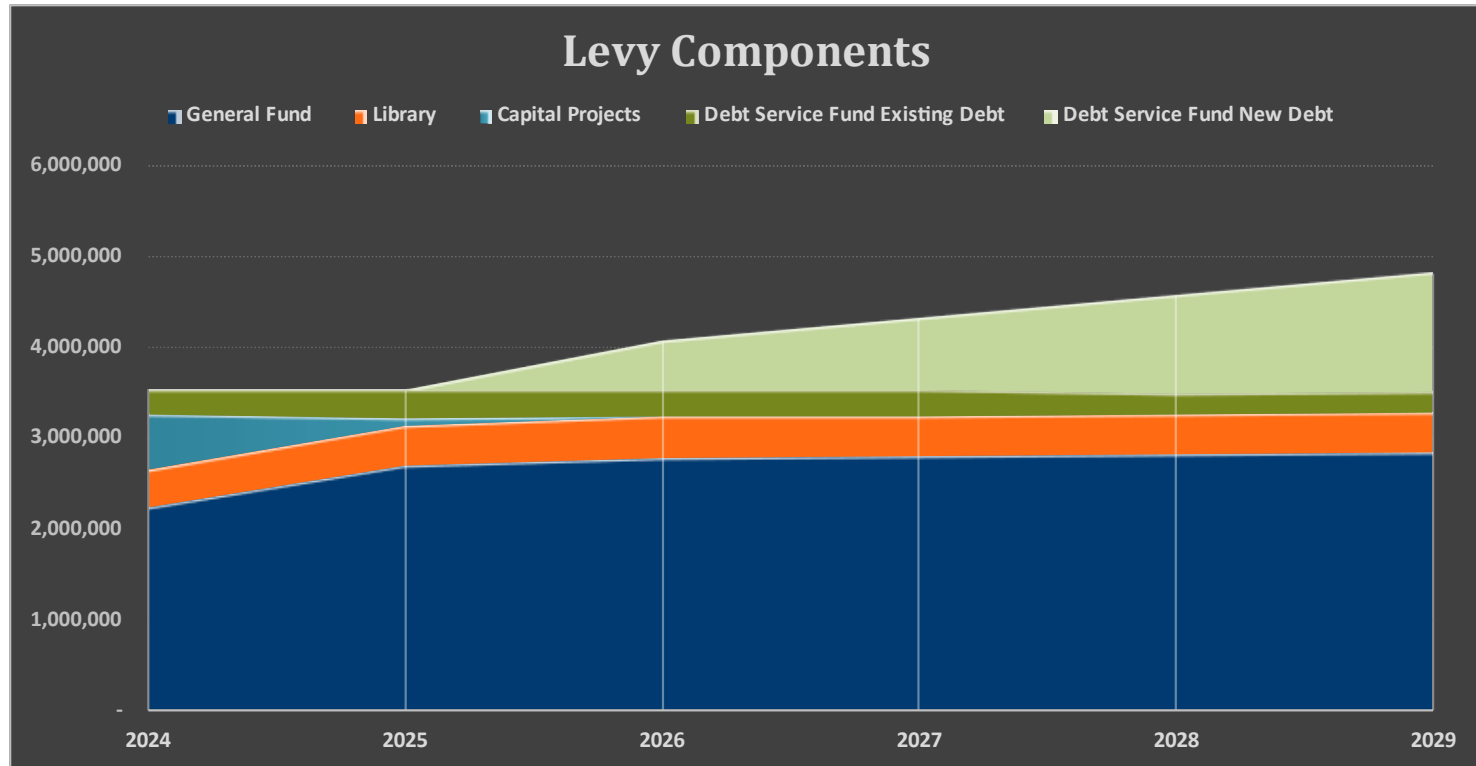
# Tax Levy & Rate Impact

	Projected					
	2024	2025	2026	2027	2028	2029
<b>LEVY FUNDS</b>						
<b>FUND</b>						
General Fund	2,234,787	2,692,298	2,779,783	2,796,953	2,814,209	2,831,551
Library	421,039	443,916	443,916	443,916	443,916	443,916
Capital Projects	591,972	70,401	-	-	-	-
Debt Service Fund Existing Debt	284,523	309,905	309,501	281,306	226,000	226,000
Debt Service Fund New Debt	-	-	532,652	791,226	1,077,011	1,306,474
<b>TOTAL LEVIED FUNDS</b>	<b>3,532,321</b>	<b>3,516,520</b>	<b>4,065,852</b>	<b>4,313,401</b>	<b>4,561,136</b>	<b>4,807,942</b>
<b>Change in Levy</b>	<b>1%</b>	<b>-0.45%</b>	<b>15.62%</b>	<b>6.09%</b>	<b>5.74%</b>	<b>5.41%</b>
EQUALIZED VALUE (TID OUT)	513,436,800	576,966,480	579,851,312	582,750,569	585,664,322	588,592,643
TAX RATE	\$6.88	\$6.09	\$7.01	\$7.40	\$7.79	\$8.17
TAX RATE DELTA (\$)	\$0.05	(\$0.78)	\$0.92	\$0.39	\$0.39	\$0.38
<b>Taxes on \$250,000 property</b>	<b>\$ 1,719.94</b>	<b>\$ 1,523.71</b>	<b>\$ 1,752.97</b>	<b>\$ 1,850.45</b>	<b>\$ 1,946.99</b>	<b>\$ 2,042.13</b>
<b>Taxes Delta (\$)</b>	<b>\$ 12.21</b>	<b>\$ (196.23)</b>	<b>\$ 229.26</b>	<b>\$ 97.48</b>	<b>\$ 96.54</b>	<b>\$ 95.14</b>

# Tax Rate and Levy



# Levy Allocation by purpose



# Summary

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1. Average annual total levy increase from projected 2025 to projected 2029 is 6.48%.

2. Model works towards a stabilized debt service tax levy.

3. Levy Limit pressure resumes after receiving additional shared revenue in 2024.



# Levy Limits “At-a-Glance”

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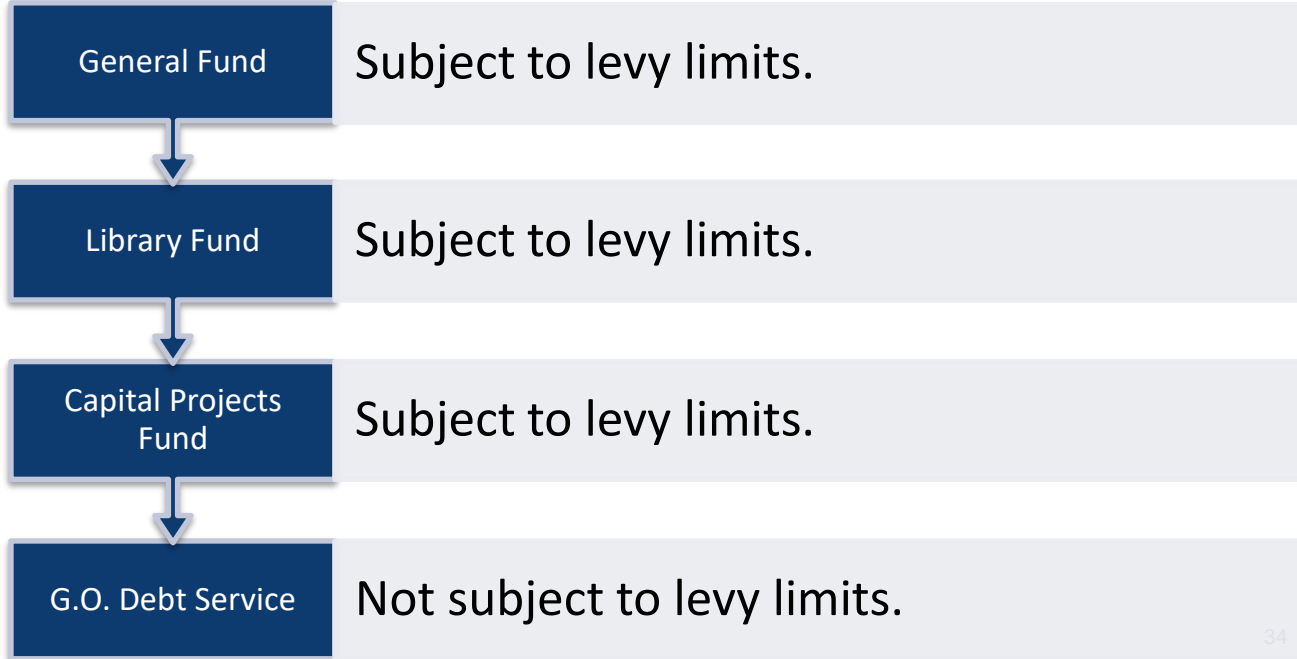
- Current limit (Sec. 66.0602, Wis. Stats.):

**The prior year’s actual levy may be increased by a percentage equal to net new construction in the preceding year (or zero, if none)**

- ✓ Subject to numerous adjustments that may reduce or increase allowable levy

# City Levy Components

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# Current levy limit parameters

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Net New Construction		Allowable Levy Increase
2019	1.225%	\$38,572
2020	0.523%	\$16,698
2021*	0.959%	\$30,779
2022	1.049%	\$34,780
2023	1.202%	\$40,270
2024	0.778%	\$26,379

**\*Closure of Tax Incremental District No. 2 added an additional \$75,167 (2.342%) to the levy limit.**

# Levy Limit Worksheet Forecast Model

Levy Year	2024	2025	2026	2027	2028
Calendar/Budget Year	2025	2026	2027	2028	2029
Line	Actual	Projected	Projected	Projected	Projected
Prior Year's Actual Levy	3,532,321	3,516,520	4,065,852	4,313,401	4,561,136
Prior Year's Personal Property Aid	142,325	210,288	210,288	210,288	210,288
1 Prior Year's Actual Levy plus Personal Property Aid	3,674,646	3,726,808	4,276,140	4,523,689	4,771,424
2 Exclude Prior Year Levy for Unreimbursed Emergency Expenses	0	0	0	0	0
3 Exclude Prior Year Levy for G.O. Debt Authorized After July 1, 2005	(284,123)	(309,905)	(842,153)	(1,072,532)	(1,303,011)
<b>4 Adjusted Actual Levy</b>	<b>3,390,523</b>	<b>3,416,903</b>	<b>3,433,987</b>	<b>3,451,157</b>	<b>3,468,413</b>
Net New Construction					
Enter Assumed Net New Construction Percentage	0.778%	0.500%	0.500%	0.500%	0.500%
Applied to Prior Year Adjusted Actual Levy	26,379	17,085	17,170	17,256	17,342
Less: Next Year's Personal Property Aid	(210,288)	(210,288)	(210,288)	(210,288)	(210,288)
<b>Levy Limit Before Adjustments</b>	<b>3,206,614</b>	<b>3,223,699</b>	<b>3,240,869</b>	<b>3,258,125</b>	<b>3,275,467</b>
A Increase for Unused Prior Year Levy (Carry Over)	1	0	0	0	0
Accept Carryover Amount?	No	No	No	No	No
D Increase for Local Share of Refunded or Rescinded Taxes					
E Debt Service for G.O. Debt Authorized After July 1, 2005	309,905	842,153	1,072,532	1,303,011	1,532,475
F Increase Approved by Referendum					
M Increase for Annexed Lands (Villages and Cities only)					
R Increase for unused levy carryforward from prior years					
Q Total Adjustments	309,905	842,153	1,072,532	1,303,011	1,532,475
<b>9 Total Adjustments</b>	<b>309,905</b>	<b>842,153</b>	<b>1,072,532</b>	<b>1,303,011</b>	<b>1,532,475</b>
<b>10 Allowable Levy</b>	<b>3,516,520</b>	<b>4,065,852</b>	<b>4,313,401</b>	<b>4,561,136</b>	<b>4,807,942</b>
<b>Actual or Projected levy</b>	<b>3,516,520</b>	<b>4,065,852</b>	<b>4,313,401</b>	<b>4,561,136</b>	<b>4,807,942</b>

Line 5 - 9 Adjustments

# Things To Consider at Budget Time

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Tax levy & rate objectives (impact on taxpayers)

How to fund new services / initiatives or how to decrease service levels

Investment Income stabilization

Capital project prioritization to aid in stabilizing the debt service tax levy

Acceptable debt financing levels / debt capacity usage

Use of fund balances for one-time items or maintenance to help with future levy limit issues.

# Alternative Revenue Options

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Wheel Tax



Street Light Expenditure Recovery Fee



Convert other services to fees



Levy Limit Referendum

# Wheel Tax (Vehicle Registration Fee)

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- Annual municipal or county vehicle registration fee in addition to State registration fee
- Applies to:
  - ✓ Autocycle registration
  - ✓ Automobile registration
  - ✓ Truck registration (<8,000 lbs. except dual purpose farm)
- Exemptions for antique, collector, historic, military, hobbyist, farm truck, dual purpose farm truck or motor home
- All revenue must be used for transportation related purposes
- WisDOT collects the fee and sends proceeds (less 17¢ per vehicle administrative fee)



# Wheel Tax

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## Pro's

Authorized by statute

Easy to set up & administer

Stable annual revenue

Established by Common Council

## Cons

Limited revenue potential

Disproportionate impact on residential properties

Generates sense of fixing the problem - but often inadequate.



# Street Light Expenditure Recovery Fee

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## What is it?

- A user charge to recover annual cost for electricity used to operate street lighting system.

## How does the charge work?

1. Per unit billing charge: Residential parcels assigned one unit and non-residential assigned two units. Charge determined by dividing cost to be recovered by number of units.
2. Flat residential charge with a frontage footage charge for non-residential. This method is more meaningful to a municipality that is an economic hub for surrounding municipalities.

# Convert Other Services to Fees

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Examples:

- Forestry costs related to the Emerald Ash Borer
- Fire services

# Tax Increment District

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- Tax Increment District No. 3 Review

# TID No. 3

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Purpose of the District is to promote the orderly development by promoting mixed use development. TID No. 3 is located on the northeast side of the City and includes industrial, commercial and residential property.

- Created in 2020 as a Mixed-Use District (20-year district), the District is able to make expenditures planned for in the project plan until 2035. The District has a mandatory termination date of July 21, 2040 but can collect a final tax increment in 2041.
- The majority of development to date has been housing including a multi-phased apartment complex and multiple duplexes.
- Commercial development has entailed storage units and lot sales for future retail and multi-use space.

# TID 3 Financial Schedules

City of Dodgeville, Wisconsin							
Tax Increment District No. 3							
Development Assumptions							
Construction Year	Actual	Limestone Hills Ph 2		Fowler Condos		Annual Total	
		Units	Total Value	Units	Total Value		
Estimated Value per						\$300,000	
1	2020	57,500				57,500	
2	2021	1,070,200				1,070,200	
3	2022	4,636,200				4,636,200	
4	2023	928,500				928,500	
5	2024		1,587,200	11	3,300,000	4,887,200	
6	2025		5,250,000			5,250,000	
7	2026					0	
8	2027					0	
9	2028					0	
10	2029					0	
11	2030					0	
12	2031					0	
13	2032					0	
14	2033					0	
15	2034					0	
16	2035					0	
17	2036					0	
18	2037					0	
19	2038					0	
20	2039					0	
<b>Totals</b>		<b>6,692,400</b>	<b>0</b>	<b>6,837,200</b>	<b>11</b>	<b>3,300,000</b>	<b>16,829,600</b>

# TID 3 Financial Schedules

## City of Dodgeville, Wisconsin

### Tax Increment District No. 3

#### Tax Increment Projection Worksheet

Type of District	Mixed Use	Base Value	1,867,900
District Creation Date	July 21, 2020	Economic Change Factor	2.00%
Valuation Date	Jan 1, 2020	Apply to Base Value	No
Max Life (Years)	20	Base Tax Rate	\$20.66
Expenditure Period/Termination	15   7/21/2035	Rate Adjustment Factor	0.00%
Revenue Periods/Final Year	20   2041		
Extension Eligibility/Years	Yes   3		
Eligible Recipient District	No		

Construction Year	Value Added	Valuation Year	Economic Change	Total Increment	Revenue Year	Tax Rate <sup>1</sup>	Tax Increment
1 2020	57,500	2021	0	57,500	2022	\$24.35	1,400
2 2021	1,070,200	2022	1,150	1,128,850	2023	\$21.78	24,556
3 2022	4,636,200	2023	22,577	5,787,627	2024	\$20.66	119,565
4 2023	928,500	2024	115,753	6,831,880	2025	\$20.66	141,138
5 2024	4,887,200	2025	136,638	11,855,717	2026	\$20.66	244,924
6 2025	5,250,000	2026	237,114	17,342,831	2027	\$20.66	358,281
7 2026	0	2027	346,857	17,689,688	2028	\$20.66	365,447
8 2027	0	2028	353,794	18,043,482	2029	\$20.66	372,756
9 2028	0	2029	360,870	18,404,352	2030	\$20.66	380,211
10 2029	0	2030	368,087	18,772,439	2031	\$20.66	387,815
11 2030	0	2031	375,449	19,147,887	2032	\$20.66	395,571
12 2031	0	2032	382,958	19,530,845	2033	\$20.66	403,483
13 2032	0	2033	390,617	19,921,462	2034	\$20.66	411,553
14 2033	0	2034	398,429	20,319,891	2035	\$20.66	419,784
15 2034	0	2035	406,398	20,726,289	2036	\$20.66	428,179
16 2035	0	2036	414,526	21,140,815	2037	\$20.66	436,743
17 2036	0	2037	422,816	21,563,631	2038	\$20.66	445,478
18 2037	0	2038	431,273	21,994,904	2039	\$20.66	454,387
19 2038	0	2039	439,898	22,434,802	2040	\$20.66	463,475
20 2039	0	2040	448,696	22,883,498	2041	\$20.66	472,745
<b>Totals</b>	<b>16,829,600</b>		<b>6,053,898</b>		<b>Future Value of Increment</b>		<b>6,727,492</b>

# TID 3 Financial Schedules

City of Dodgeville, Wisconsin															
Tax Increment District No. 3															
Cash Flow Projection															
Year	Projected Revenues				Projected Expenditures							Balances			Year
	Tax Increments	Interest Earnings	Debt Proceeds	Total Revenues	Total Debt Service	MRO #1 Year Limestone Hills \$729,288	Upfront Capital	Developer Incentive	Interest on Advance	Financing Costs	Ongoing Planning & Administratio	Total Expenditures	Annual	Cumulative	
2020				0	0					17,529	17,529	(17,529)	(17,529)	0	2020
2021		185	2,629,858	2,630,043	0	0	1,638,220		79,716	150	1,718,086	911,957	894,428	3,309,288	2021
2022	1,400	935	770,000	772,335	729,129	0	516,516	700,000	35,282	3,294	1,984,221	(1,211,886)	(317,458)	3,379,288	2022
2023	24,556		1,138,355	1,162,911	66,921	0	647,360		14,679	69,113	813,284	349,627	32,169	4,444,288	2023
2024	119,565			119,565	142,127	40,124				2,500	184,751	(65,186)	(33,017)	4,354,164	2024
2025	141,138			141,138	155,194	34,876				2,500	192,570	(51,432)	(84,448)	4,269,288	2025
2026	244,924			244,924	204,106	29,272				2,500	235,878	9,046	(75,402)	4,140,016	2026
2027	358,281			358,281	290,494	81,606				2,500	374,600	(16,318)	(91,721)	3,868,410	2027
2028	365,447			365,447	318,681	92,488	50,000			2,500	463,669	(98,222)	(189,943)	3,550,922	2028
2029	372,756	20,000	1,500,000	1,892,756	310,994	81,022	1,500,000		51,509	2,500	1,946,025	(53,269)	(243,212)	3,244,900	2029
2030	380,211			380,211	511,678	69,327				2,500	583,505	(203,294)	(446,506)	2,940,573	2030
2031	387,815			387,815	508,605	57,870				2,500	568,975	(181,160)	(627,666)	2,637,703	2031
2032	395,571			395,571	500,473	52,013				2,500	554,986	(159,414)	(787,080)	2,335,690	2032
2033	403,483			403,483	492,353	46,039				2,500	540,892	(137,409)	(924,489)	2,034,651	2033
2034	411,553			411,553	484,584	39,945				2,500	527,029	(115,476)	(1,039,965)	1,734,706	2034
2035	419,784			419,784	481,989	33,730				2,500	518,219	(98,435)	(1,138,401)	1,430,976	2035
2036	428,179			428,179	474,139	27,390				2,500	504,029	(75,850)	(1,214,250)	1,128,586	2036
2037	436,743			436,743	466,170	20,923				2,500	489,593	(52,850)	(1,267,101)	827,663	2037
2038	445,478			445,478	364,965	14,327				2,500	381,792	63,686	(1,203,415)	623,336	2038
2039	454,387			454,387	399,908	7,599				2,500	410,007	44,380	(1,159,035)	415,737	2039
2040	463,475			463,475	217,138	737				2,500	220,375	243,101	(915,934)	205,000	2040
2041	472,745			472,745	207,369	0				5,000	212,369	260,376	(655,559)	0	2041
<b>Totals</b>	<b>6,727,492</b>	<b>21,120</b>	<b>6,038,213</b>	<b>12,786,825</b>	<b>7,327,017</b>	<b>729,288</b>	<b>4,352,096</b>	<b>700,000</b>	<b>14,679</b>	<b>235,620</b>	<b>83,684</b>	<b>13,442,384</b>			<b>Totals</b>

Notes:

PROJECTED CLOSURE YEAR

**LEGEND:**

- - - - - CALLABLE MATURITIES

- - - - - END OF EXP. PERIOD

# Questions?

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# RatingsDirect®

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## Summary:

# Dodgeville, Wisconsin; General Obligation

### Primary Credit Analyst:

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**Summary:****Dodgeville, Wisconsin; General Obligation**

Credit Profile		
US\$1.17 mil GO comnty dev bnds ser 2023C dtd 12/13/2023 due 03/01/2037		
<i>Long Term Rating</i>	AA-/Stable	New
Dodgeville GO rfdg bnds		
<i>Long Term Rating</i>	AA-/Stable	Affirmed

**Credit Highlights**

- S&P Global Ratings assigned its 'AA-' rating to Dodgeville, Wis.' \$1.17 million series 2023C general obligation (GO) community development bonds.
- At the same time, S&P Global Ratings affirmed its 'AA-' rating on the city's existing GO debt.
- The outlook is stable.

**Security**

Unlimited ad valorem property taxes secure the GO community development bonds.

Officials intend to use the bond proceeds for tax increment finance (TIF) district improvements.

**Credit overview**

Dodgeville's trend of operational balance continued in fiscal 2022 (year-end Dec. 31) with slight surplus results and maintenance of very strong reserves, despite an unpaid \$300,000 loan from the general fund to TIF3--which we deducted from the available fund balance for our analysis. The TIF has developments underway and is expected to repay the general fund in the medium term. In fiscal 2022, the general fund provided interim financing for a water utility project (\$697,000), which has been repaid. Fiscal 2023 projected general fund results show a \$360,000 surplus (7.5% of expenditures), primarily due to budgeted vehicle purchases that were not made. The preliminary fiscal 2024 budget has a \$269,000 deficit (5.6% of expenditures), which includes a 4.2% salary increase and 14.5% rise in insurance costs. The budget also includes the purchase of the vehicles, but management is uncertain if they will, once again, be unavailable. We believe that the city will maintain very strong reserves, likely above 30% of expenditures over, at least, the short-to-medium term.

The city has more than \$3.3 million of directly placed loans with Farmers Savings Bank. The terms of the loan include what we consider permissive events of default and acceleration of all principal and interest payments in the event of a default. With more than \$7 million of available cash, in our opinion, the city would have sufficient liquidity to cover a possible acceleration, in the short term, with ample access to capital markets to refinance the debt; we do not view this as a contingent liquidity risk. However, if the city's liquidity declined materially compared with the debt, we could lower the rating.

Dodgeville received \$500,000 in federal pandemic stimulus; it was not recognized as revenue until it was spent and is not inflating the fund balance or year-end results. Almost all of this has been spent and was used for one-time capital expenditures.

The primary limiting credit factor is a lack of robust financial management policies and practices, but we do not think this has negatively affected operations.

The rating reflects our view of the city's:

- Modestly improving economy during the past several years with additional developments underway; Dodgeville benefits from its access to Madison, the state capital, and the economy, which has improved recently, continues to benefit from the presence of the global headquarters of Lands' End's, with about 4,000 employees;
- Finances that remain steady, fueled by economic growth supporting taxes, permits, and fee revenue--with no plans to draw down general fund reserves; property taxes and state aid generated 41% and 27%, respectively, of general fund revenue;
- Adequate financial management with limited budget-monitoring practices, no long term financial or capital planning, but with robust budget planning and a fund balance policy that calls for 15% of expenditures, and a strong institutional framework score; and
- Manageable debt with no additional bond plans and participation in the Wisconsin Retirement System (WRS), which was 96% funded as of Dec. 31, 2022, and is among the nation's strongest pension plans.

### Environmental, social, and governance

We analyzed Dodgeville's environmental, social, and governance factors relative to the city's economy, management, financial measures, and debt and liability profile and consider them to be neutral in our credit analysis. The city uses outside contractors for its cybersecurity and trains employees in cybersecurity best practices.

## Outlook

The stable outlook reflects our expectation that the city will maintain stable operations and very strong reserves.

### Downside scenario

We could lower the rating if budget performance were to weaken, leading to materially worse available reserves or liquidity.

### Upside scenario

We could raise the rating if wealth and income were to improve to levels we consider comparable with those of higher-rated peers and if the city were to bolster its financial management policies and practices.

Dodgeville, Wisconsin--Key credit metrics			
	Most recent	Historical information	
		2022	2021
<b>Strong economy</b>			
Projected per capita EBI % of U.S.	92		

## Dodgeville, Wisconsin--Key credit metrics (cont.)

	Most recent	Historical information		
		2022	2021	2020
Market value per capita (\$)	104,974			
Population		4,946	4,905	4,939
County unemployment rate(%)		2.6		
Market value (\$000)	519,201	511,136	440,174	427,892
Ten largest taxpayers % of taxable value	14.1			
<b>Strong budgetary performance</b>				
Operating fund result % of expenditures		2.9	2.0	3.3
Total governmental fund result % of expenditures		1.4	(10.7)	36.0
<b>Very strong budgetary flexibility</b>				
Available reserves % of operating expenditures		46.7	59.4	61.2
Total available reserves (\$000)		2,455	2,709	2,602
<b>Very strong liquidity</b>				
Total government cash % of governmental fund expenditures		107	94	138
Total government cash % of governmental fund debt service		2159	1896	1556
<b>Adequate management</b>				
Financial Management Assessment	Standard			
<b>Adequate debt &amp; long-term liabilities</b>				
Debt service % of governmental fund expenditures		5.0	5.0	8.9
Net direct debt % of governmental fund revenue	101			
Overall net debt % of market value	4.4			
Direct debt 10-year amortization (%)	60			
Required pension contribution % of governmental fund expenditures		2.7		
OPEB actual contribution % of governmental fund expenditures		0.0		
<b>Strong institutional framework</b>				

EBI--Effective buying income. OPEB--Other postemployment benefits. Data points and ratios may reflect analytical adjustments.

## Related Research

Through The ESG Lens 3.0: The Intersection Of ESG Credit Factors And U.S. Public Finance Credit Factors, March 2, 2022

Certain terms used in this report, particularly certain adjectives used to express our view on rating relevant factors, have specific meanings ascribed to them in our criteria, and should therefore be read in conjunction with such criteria. Please see Ratings Criteria at [www.spglobal.com/ratings](http://www.spglobal.com/ratings) for further information. Complete ratings information is available to RatingsDirect subscribers at [www.capitaliq.com](http://www.capitaliq.com). All ratings affected by this rating action can be found on S&P Global Ratings' public website at [www.spglobal.com/ratings](http://www.spglobal.com/ratings).

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