Research Update:

Dodge City, KS Series 2026A GO Bonds Rated 'A+'; Outlook Negative

November 19, 2026

Overview

- S&P Global Ratings assigned its 'A+' rating to Dodge City, Kansas' $16.7 million series 2026A general obligation (GO) bonds and $4.6 million 2026-1 GO temporary notes.
- At the same time, S&P Global Ratings affirmed its 'A+' rating on the city's existing GO debt, 'A' rating on the city's 2026 STAR bonds, and 'SP-1+' short-term rating on the city's existing notes.
- The negative outlook reflects a decline in general fund cash reserves over the past two years.

Primary Contact

Alex Louie
Englewood
1-303-721-4559
alex.louie
@spglobal.com

Secondary Contact

Lauren Levy
Englewood
+ 1303 721 4956
lauren.levy
@spglobal.com

Rationale

Security

Dodge City's GO bonds outstanding, including the 2026A bonds, are secured by its full-faith-and-credit pledge, which are a GO of the city. Certain GO bonds and notes, including the 2026-1 series, are also payable from special assessment taxes levied for improvements financed with bond and note proceeds. Despite the dual pledge, we rate the bonds and notes to the strength of the city's GO pledge.

The short-term rating reflects our investment-grade long-term rating on Dodge City and its low market risk profile. In our view, and pursuant to our bond anticipation notes criteria, we have assessed the city's market risk as low, due to Dodge City's strong market access, information availability, and takeout authorization.

For more information on the city's STAR bonds, please see our report, Nov. 4, 2026.

Officials intend to use proceeds for various capital projects.

Credit highlights

The rating reflects the city's declining cash position in the general fund. After performing a salary survey in 2022, the city raised compensation between 3% and 5%, depending on the position, for fiscal year ended Dec. 31, 2023, which improved staffing recruitment. This resulted in a deficit in 2023 and in fiscal year 2024, the general fund reported a significant deficit attributed to cash used to defend the city against a lawsuit. In fiscal 2025, the city reported a small surplus. The city has increased transfers from its utility funds to help offset the increase in expenditures and

S&P Global Ratings. All rights reserved. No reprint or dissemination without S&P Global Ratings permission.
See terms of use/disclaimer on last page.

expect operations to remain balanced in fiscal 2026 and 2027. In addition, the city has been transferring cash to the general fund from a variety of other funds, with transfers increasing significantly in fiscal 2025 to over $6 million, from about $2 million in 2024. Cash balances in the funds that are sources of general fund transfers have remained stable in the past three years. However, cash in the general and special purpose funds has declined to $9.5 million from $12.9 million in the past three years indicating a decline in available cash.

Management states it plans to maintain between $1.7 million to $2 million in contingency funds and has no plans to go below that amount; however, in our view, growth pressures and the trend of declining cash in the last two years mean there is at least a one-in-three chance that we could lower the rating in the next two years if cash balances continue to decline and the city does not show a recovery in future years. For 2026 and 2027, the city expects to improve its cash position as it manages increasing costs and expects significant revenue from the biogas utility operations to help assist with growth.

Dodge City, in Ford County, is a 14 square mile rural city with accelerating growth prospects, buoyed by the November 2024 opening of the Hilmar Cheese processing plant. Officials report housing growth and no expected changes to major employers in the area, which includes multiple major agricultural facilities.

The long-term rating reflects our view of the following credit factors:

- Dodge City's employment base is stable but concentrated in agriculture, with ongoing developments that will drive job and population growth.
- The city reported a small surplus in fiscal 2025, and in fiscal years 2026 and 2027, it aims to maintain cash balances and the contingency reserve. Negatively affecting our view of liquidity is the city's use of cash accounting, which reduces clarity on the amount of funds that are truly available.
- We consider budgeting practices conservative in nature, with long-term capital planning in place. Dodge City does not have formalized long-term financial planning. Officials provide monthly budget reports and have an informal goal of maintaining 15% of operating expenditures in reserve. Management is also taking measures to mitigate cyber risk.
- The debt profile is elevated, with recurring annual debt plans to support road and utility improvements. The city expects to issue additional debt either at the end of this year or the beginning of next year. Capital needs are partially supported by a half cent sales tax dedicated to streets. In addition, the city has loans outstanding through the Kansas Department of Health and Environment with what we view as permissive provisions that could be a liquidity risk if triggered by an event of default. However, annual payments represent about 10% of combined general fund and wastewater fund annual revenue, and it is with a state agency, so we believe the state is unlikely to enforce those provisions. We do not currently view retiree benefits as a source of budget pressure.
- Although physical risks are relevant for the local government sector, we consider Dodge City's exposure to natural hazards, including drought and extreme heat, low compared with that of national peers, and, therefore, it is not a material factor in our analysis.
- In our view, financial transparency for most Kansas cities, including Dodge City, is weak due to the use of cash-based accounting, which is a credit weakness. For more information on our institutional framework assessment for Kansas, see "Institutional Framework Assessment: Kansas Local Governments," Sept. 9, 2024.

S&P Global Ratings. All rights reserved. No reprint or dissemination without S&P Global Ratings permission.
See terms of use/disclaimer on last page.

Outlook

The negative outlook reflects our view that Dodge City's cash position has declined in the past two years as it deals with growth in the area, as well as a one-in-three chance we could lower the rating if the city does not stabilize its cash position.

Downside scenario

We could lower the rating if budgetary imbalance persists such that reserves are no longer comparable with peers' or if significant debt issuances were to materially increase already elevated carrying costs, pressuring the budget.

Upside scenario

We could revise the outlook to stable if the city is able to report improved cash levels in the fiscal years' 2026 and 2027 audits, reversing the recent trend.

Dodge City, Kansas--credit summary

Institutional framework (IF)	2
Individual credit profile (ICP)	3.43
Economy	4.0
Financial performance	4
Reserves and liquidity	3
Management	2.65
Debt and liabilities	3.50

Dodge City, Kansas--key credit metrics

	Most recent	2025	2024	2023
Economy				
Real GCP per capita % of U.S.	--	--	109	114
County PCPI % of U.S.	--	--	66	68
Market value ($000s)	--	1,614,631	1,504,000	1,561,365
Market value per capita ($)	--	58,661	55,031	56,502
Top 10 taxpayers % of taxable value	--	21.4	16.9	16.1
County unemployment rate (%)	--	3.0	2.8	2.4
Local median household EBI % of U.S.	--	93	93	92
Local per capita EBI % of U.S.	--	70	76	72
Local population	--	27,525	27,330	27,634
Financial performance				
Operating fund revenues ($000s)	--	15,509	15,260	16,570
Operating fund expenditures ($000s)	--	21,185	20,786	19,770
Net transfers and other adjustments ($000s)	--	6,081	2,347	1,311
Operating result ($000s)	--	405	(3,179)	(1,889)
Operating result % of revenues	--	2.6	(20.8)	(11.4)
Operating result three-year average %	--	(9.9)	(10.5)	(4.5)

S&P Global Ratings. All rights reserved. No reprint or dissemination without S&P Global Ratings permission.
See terms of use/disclaimer on last page.

Dodge City, Kansas--key credit metrics

	Most recent	2025	2024	2023
Reserves and liquidity				
Available reserves % of operating revenues	--	4.6	1.5	20.5
Available reserves ($000s)	--	711	225	3,405
Debt and liabilities				
Debt service cost % of revenues	--	11.4	7.2	14.5
Net direct debt per capita ($)	4,977	3,846	3,736	3,553
Net direct debt ($000s)	136,988	105,863	102,100	98,188
Direct debt 10-year amortization (%)	78	79	85	80
Pension and OPEB cost % of revenues	--	3.0	2.0	4.0
NPLs per capita ($)	--	678	668	630
Combined NPLs ($000s)	--	18,674	18,252	17,404

Financial data may reflect analytical adjustments and are sourced from issuer audit reports or other annual disclosures. Economic data is generally sourced from S&P Global Market Intelligence, the Bureau of Labor Statistics, Claritas, and issuer audits and other disclosures. Local population is sourced from Claritas. Claritas estimates are point in time and not meant to show year-over-year trends. GCP--Gross county product. PCPI--Per capita personal income. EBI--Effective buying income. OPEB--Other postemployment benefits. NPLs--Net pension liabilities.

Ratings List	
New Issue Ratings	
US$16.700 mil GO bnds ser 2026-A dtd 12/22/2026 due 09/01/2046	
Long Term Rating	A+/Negative
US$4.600 mil GO temp nts ser 2026-1 dtd 12/22/2026 due 03/01/2030	
Long Term Rating	A+/Negative
Ratings Affirmed	
Local Government	
Dodge City, KS General Obligation Appropriation (Local Tax Revenue STAR Bond)	A/Negative
Dodge City, KS Unlimited Tax General Obligation	A+/Negative
Dodge City, KS Unlimited Tax General Obligation and Special Assessments	A+/Negative
Dodge City, KS Unlimited Tax General Obligation and Special Assessments BAN	SP-1+

The ratings appearing below the new issues represent an aggregation of debt issues (ASID) associated with related maturities. The maturities similarly reflect our opinion about the creditworthiness of the U.S. Public Finance obligor's legal pledge for payment of the financial obligation. Nevertheless, these maturities may have different credit ratings than the rating presented next to the ASID depending on whether or not additional legal pledge(s) support the specific maturity's payment obligation, such as credit enhancement, as a result of defeasance, or other factors.

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 https://disclosure.spglobal.com/ratings/en/regulatory/ratings-criteria for further information. A description of each of S&P Global Ratings' rating categories is contained in "S&P Global Ratings Definitions" at https://disclosure.spglobal.com/ratings/en/regulatory/article/-/view/sourceId/504352. Complete ratings information is available to RatingsDirect subscribers at www.capitaliq.com. All ratings referenced herein can be found on S&P Global Ratings' public website at www.spglobal.com/ratings.

S&P Global Ratings. All rights reserved. No reprint or dissemination without S&P Global Ratings permission.
See terms of use/disclaimer on last page.

Copyright ©2026 by Standard & Poor's Financial Services LLC. All rights reserved.

No content (including ratings, credit-related analyses and data, valuations, model, software, or other application or output therefrom) or any part thereof (Content) may be modified, reverse engineered, reproduced, or distributed in any form by any means, or stored in a database or retrieval system, without the prior written permission of Standard & Poor's Financial Services LLC or its affiliates (collectively, S&P). The Content shall not be used for any unlawful or unauthorized purposes. S&P and any third-party providers, as well as their directors, officers, shareholders, employees, or agents (collectively S&P Parties) do not guarantee the accuracy, completeness, timeliness, or availability of the Content. S&P Parties are not responsible for any errors or omissions (negligent or otherwise), regardless of the cause, for the results obtained from the use of the Content, or for the security or maintenance of any data input by the user. The Content is provided on an "as is" basis. S&P PARTIES DISCLAIM ANY AND ALL EXPRESS OR IMPLIED WARRANTIES, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE, FREEDOM FROM BUGS, SOFTWARE ERRORS OR DEFECTS, THAT THE CONTENT'S FUNCTIONING WILL BE UNINTERRUPTED, OR THAT THE CONTENT WILL OPERATE WITH ANY SOFTWARE OR HARDWARE CONFIGURATION. In no event shall S&P Parties be liable to any party for any direct, indirect, incidental, exemplary, compensatory, punitive, special or consequential damages, costs, expenses, legal fees, or losses (including, without limitation, lost income or lost profits and opportunity costs or losses caused by negligence) in connection with any use of the Content even if advised of the possibility of such damages.

Some of the Content may have been created with the assistance of an artificial intelligence (AI) tool. Published Content created or processed using AI is composed, reviewed, edited, and approved by S&P personnel.

Credit-related and other analyses, including ratings, and statements in the Content are statements of opinion as of the date they are expressed and not statements of fact. S&P's opinions, analyses, and rating acknowledgment decisions (described below) are not recommendations to purchase, hold, or sell any securities or to make any investment decisions, and do not address the suitability of any security. S&P assumes no obligation to update the Content following publication in any form or format. The Content should not be relied on and is not a substitute for the skill, judgment, and experience of the user, its management, employees, advisors, and/or clients when making investment and other business decisions. S&P does not act as a fiduciary or an investment advisor except where registered as such. While S&P has obtained information from sources it believes to be reliable, S&P does not perform an audit and undertakes no duty of due diligence or independent verification of any information it receives. Rating-related publications may be published for a variety of reasons that are not necessarily dependent on action by rating committees, including, but not limited to, the publication of a periodic update on a credit rating and related analyses.

To the extent that regulatory authorities allow a rating agency to acknowledge in one jurisdiction a rating issued in another jurisdiction for certain regulatory purposes, S&P reserves the right to assign, withdraw, or suspend such acknowledgement at any time and in its sole discretion. S&P Parties disclaim any duty whatsoever arising out of the assignment, withdrawal, or suspension of an acknowledgment as well as any liability for any damage alleged to have been suffered on account thereof.

S&P keeps certain activities of its business units separate from each other in order to preserve the independence and objectivity of their respective activities. As a result, certain business units of S&P may have information that is not available to other S&P business units. S&P has established policies and procedures to maintain the confidentiality of certain nonpublic information received in connection with each analytical process.

S&P may receive compensation for its ratings and certain analyses, normally from issuers or underwriters of securities or from obligors. S&P reserves the right to disseminate its opinions and analyses. S&P's public ratings and analyses are made available on its Web sites, www.spglobal.com/ratings (free of charge) and www.ratingsdirect.com (subscription) and may be distributed through other means, including via S&P publications and third-party redistributors. Additional information about our ratings fees is available at www.spglobal.com/usratingsfees.

S&P Global Ratings. All rights reserved. No reprint or dissemination without S&P Global Ratings permission.
See terms of use/disclaimer on last page.