



City of Bristol

NEWS RELEASE

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FOR IMMEDIATE RELEASE

Bristol Receives Top Bond Rating from Fitch Ratings

(BRISTOL, CT – May 9, 2017) New York-based Fitch Ratings Inc. has reaffirmed the City of Bristol's bonding rate of 'AAA'. The rating is the highest possible bond rate for a municipality and reflects its confidence in the City's management and financial stability. Key drivers of the rating include a healthy financial profile, low debt levels, strong management of other long-term obligations, and mixed socioeconomic indicators. Like credit scores for an individual, bond ratings serve as a credit score for the fiscal strength of a city. Bonds are used to pay for large-ticket items and other municipal infrastructure.

Fitch upgraded Bristol early last fall with the 'AAA' from a 'AA+' rating. The ongoing rating affirms the expectation that Bristol continues to maintain strong reserve levels and a high rating because of its unlimited taxing authority. Evaluations by the major bond ratings companies - Fitch, Moody's and Standard & Poor's - are the key factor in determining how much interest a town or city must pay for long-term debt.

"Our team led by comptroller Glenn Klocko worked very hard to get the rating last year and never stopped finding ways to ensure we kept this rating. Sound financial analysis and planning are going to benefit everyone in Bristol," said Bristol Mayor Ken Cockayne. "Economic development successes like partnering with Bristol Hospital in constructing a medical complex downtown combined with monitoring the City's spending and smart investments are positioning the City's future success regardless of any negative outside factors."

What does this mean for Bristol and for taxpayers? The Fitch report states property taxes in Bristol make up more than half of general fund revenues and Bristol has ample revenue raising capacity. The top 10 taxpayers in Bristol make up nearly 12% of taxable assessed value, with ESPN having the largest share. The rest of the top 10 tax payers are very diverse with retail, utilities, and Lake Compounce Theme Park all represented.

“This rating will save our citizens thousands of dollars because our rate of borrowing to operate the City will be lower,” said Bristol Comptroller Glenn Klocko. “We have managed our debt extremely well while funding our pension plans nicely. Our diverse tax base is another key factor for the favorable rating.”

The City also benefits from recent investments in manufacturing and the upcoming construction of a 60,000 square foot downtown medical facility by Bristol Hospital, already the city’s second largest employer. Steady population trends have allowed Bristol to keep up with service demands without considerable budgetary pressures. In addition, personal income levels mirror the nation as a whole.

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