



Mayor's Office | Phone: 860.584.6250 | Fax: 860-584-3835

## NEWS RELEASE

**FOR IMMEDIATE RELEASE:** (Bristol CT) March 24, 2022

### ***THE CITY OF ANNOUNCES FITCH AND S&P GLOBAL RATINGS RESULTS Receives AAA Fitch Rating and AA+ S&P Global Rating with a Stable Outlook.***

Recently City officials met with Fitch Ratings and S & P Global to obtain ratings for the City's \$25.5 million series 2022 general obligation bond issue. The proceeds from these bonds will finance various City and school capital improvement projects currently in process.

Fitch assigned a Triple "A" (AAA) rating to the City of Bristol on this general obligation (GO) bond offering. A Fitch rating was first established in 2006 with an upgrade to AAA, the highest rating possible, in 2016. In addition, Fitch has affirmed the City's Issuer Default Rating (IDR) and outstanding GO bonds at Triple "A" with a stable outlook.

S&P Global Ratings has assigned its 'AA+' rating to the City of Bristol's series 2022 GO bonds and affirmed its AA+ on the City's existing GO debt with a stable outlook. S&P Global's rating is a forward-looking opinion about the creditworthiness of an issue with respect to a specific financial obligation, a specific class of financial obligations, or a specific financial program (including ratings on medium-term note programs and commercial paper programs).

These ratings put the City of Bristol in the same category as cities like Stamford and Groton and better than most cities including, Bridgeport, Hartford, New Haven and West Haven that all have B ratings.

Credit ratings are indications of the likelihood of repayment in accordance with the terms of the issuance and are an indication of the fiscal health of a community. While annual financial updates are provided to the rating agencies a formal rating review is typically performed when the City issues debt. The last formal review was in October 2019 when the City issued \$25 million in general obligation bonds. Those were also rated AAA by Fitch and AA+ by S&P.

The competitive sale of these bonds occurred on March 16, 2022. The City received 10 bids with the winning bid at an interest rate of 2.680351%. RBC Capital Markets was the winning bidder with Raymond James & Associates as the next lowest bid at 2.687545%. These are 20 year bonds with the first principal payment due March 2024.

#### **City of Bristol**

111 North Main Street  
Bristol, CT 06010  
[www.bristolct.gov](http://www.bristolct.gov)

“What that means is that at a time when interest rates for bonds is low, Bristol is going to be able to borrow money much more inexpensively. We are in a position to maintain a modest but stable debt service for taxpayers. This \$25 million “HELOC” will allow us to pay for the projects that are currently underway. We will maintain a fiscally responsible spending policy, but are encouraged by near term growth of our tax base and the rating agencies agree with us, hence the maintenance of our ratings,” stated Mayor Caggiano.

“The City did very well with this sale. The fact that there were 10 bids indicates there was a very high demand for these bonds. And, the results are indicative of a very competitive market as well as the City’s strong credit ratings with Fitch and S&P, low financial debt burden, and prudent fiscal management. Major capital improvements financed with these bonds include the Memorial Boulevard IntraDistrict Arts Magnet School, Memorial Bridge, City Hall renovations, fire headquarters, and the purchase of the Shrub Road open space property,” stated City of Bristol Comptroller, Diane Waldron.

To read the full reports, please visit the City’s website: [www.bristolct.gov](http://www.bristolct.gov)

###