S&P Global
Ratings

RatingsDirect®

Research Update:

DRAFT: Bristol, RI Series 2026A GO Bonds Assigned 'AA+' Rating

July 20, 2026

Primary Contact

Anthony Polanco
Manchester
1-617-530-8234
anthony.polanco
@spglobal.com

Secondary Contact

Dylan Lindow
Chicago
+1 6175308033
dylan.lindow
@spglobal.com

Overview

- S&P Global Ratings assigned its 'AA+' rating to **Bristol Town**, Rhode Island's estimated $2.74 million series 2026A general obligation (GO) bonds.
- At the same time, S&P Global Ratings affirmed its 'AA+' rating on the town's existing GO debt.
- The outlook is stable.

Rationale

Security

Bristol's full-faith-and-credit pledge, with all taxable property in the town subject to taxation, without limitation as to rate or amount, to pay debt service secures the series 2026A bonds and existing debt.

Officials intend to use series 2026A bond proceeds to finance various capital improvement projects.

Credit highlights

The rating reflects Bristol's strong local economy with income indicators that are higher than the national average coupled with consistently positive financial performance leading to the continued maintenance of strong reserves. The town also maintains a favorable debt profile consisting of a low debt burden, manageable retirement liabilities, and moderate fixed costs.

The primarily residential community continues to benefit from strong housing demand in the region with various private development efforts underway on both the residential and commercial side . The town's income metrics are lower than county peers but stronger than the national average, although we believe these are somewhat understated due to a large collegiate student body presence (approximately 5,000) from Roger Williams University. The university also owns a considerable amount of tax-exempt property, but remits payments to the town annually to support general operations.

The town has consistently maintained balanced operations over the last three years. According to management, the fiscal 2025 general fund's positive performance was primarily due to higher-than-budgeted revenues, including property taxes, and lower-than-budgeted expenses. The town estimates it ended fiscal 2026 with another general fund surplus due to similar reasons as fiscal 2025. Property taxes account for 79% of general fund revenues.

The fiscal 2027 budget totals $74 million, which represents a 3.2% increase over the prior year. The budget includes a 3.6% increase in property taxes with most cost increases going toward education and health insurance. The budget also includes a $1 million fund balance appropriation although the town does not expect to realize a drawdown by fiscal year-end. The town is also anticipating an increase of $2 million in education costs in fiscal 2028 for its share of debt service toward a new high school being built by the Bristol-Warren Regional School District, which the town is a member of. Officials indicate the town plans to pull back on some of its future capital spending to offset the additional costs associated with the project.

With this issuance, the town will have about $70.6 million in total direct debt outstanding. Officials indicate the town plans to issue about $2.5 million annually in additional debt, although we don't expect this to have a material impact on the town's debt metrics. We do not view pension and other postemployment benefits (OPEB) liabilities as a credit pressure for Bristol due to its relatively low liabilities and high funding. The town participates in the Rhode Island Municipal Employees Retirement System for police, fire, and general employees as well as a locally administered police pension plan with a combined net pension liability of $11.2 million, which we view as manageable. The local plan maintains the lowest funded ratio of all at 76%. The town also provides OPEB to retirees, but the plan is more than 100% funded.

The rating further reflects our view of the following:

- Bristol's local economy is stable, with incomes that are on par with county peers but stronger than the national average and access to the Providence metro area. In addition, we believe Roger Williams University remains a stabilizing institutional factor for the town's local economy.
- Strong reserve levels are supported by continued positive financial operations and a stable revenue base. We understand the town has no plans to draw down on reserves and will continue to make the necessary budgetary adjustments to maintain positive financial results.
- Conservative revenue and expenditure assumptions are coupled with formal monthly budget-to-actual reporting, a five-year capital improvement plan with specified funding, formal investment management policy with monthly holdings and pension earnings reports, and adherence to adopted debt management and reserve requirements.
- Fixed costs are manageable with an overall low debt burden and limited capital needs. The town maintains two privately placed obligations although we do not believe they pose a continent liability risk due to standard events of default and no immediate accelerations as a remedy according to the loan documents. The town's retirement liabilities are also manageable in our view.
- The operating environment is stable and predictable, with some limits on revenue-raising ability. For more information on our institutional framework assessment for Rhode Island municipalities, see "Institutional Framework Assessment: Rhode Island Local Governments," Sept. 10, 2024.
- We view physical risks as somewhat elevated due to Bristol's coastal location and tax base exposure in certain low-lying areas, which is consistent with other coast communities in the

state, although management reports there have not been any major flooding or storm surges in the past few years. Management has implemented resiliency efforts to reduce potential effects on the town. Bristol received grants for various restoration, preservation, and climate risk mitigation projects. It adopted a hazard mitigation plan in 2016, and updates it every five years. Bristol also participates in the municipal resilience program, a consortium of Rhode Island municipalities to identify actions to address rising sea-level risk and resiliency, such as creating watershed management plans and improving infrastructure. We believe these efforts partially mitigate this overall risk.

Outlook

The stable outlook reflects S&P Global Ratings' expectation that Bristol will maintain its strong reserve levels through balanced operations.

Downside scenario

We could lower the rating if financial operations were to deteriorate, leading to a drawdown on reserves with no plan to restore them.

Upside scenario

We could raise the rating if income metrics were to improve to levels more in line with those of higher-rated peers, and the town strengthens its reserve position through positive performance.

Bristol Rhode Island--credit summary

Institutional framework (IF)	2
Individual credit profile (ICP)	1.99
Economy	2.5
Financial performance	2
Reserves and liquidity	1
Management	1.70
Debt and liabilities	2.75

Bristol, Rhode Island--key credit metrics

	Most recent	2025	2024	2023
Economy				
Real GCP per capita % of U.S.	--	--	61	58
County PCPI % of U.S.	--	--	137	135
Market value ($000s)	--	3,622,022	3,619,217	3,536,420
Market value per capita ($)	--	163,692	163,566	156,881
Top 10 taxpayers % of taxable value	--	2.6	2.5	2.6
County unemployment rate (%)	--	3.6	3.5	2.5
Local median household EBI % of U.S.	--	--	126	113
Local per capita EBI % of U.S.	--	--	134	122
Local population	--	--	22,127	22,542

Bristol, Rhode Island--key credit metrics

	Most recent	2025	2024	2023
Financial performance				
Operating fund revenues ($000s)	--	62,575	62,515	58,863
Operating fund expenditures ($000s)	--	62,255	60,025	58,633
Net transfers and other adjustments ($000s)	--	(101)	75	20
Operating result ($000s)	--	219	2,565	250
Operating result % of revenues	--	0.3	4.1	0.4
Operating result three-year average %	--	1.6	1.0	1.7
Reserves and liquidity				
Available reserves % of operating revenues	--	16.2	15.4	10.0
Available reserves ($000s)	--	10,163	9,614	5,884
Debt and liabilities				
Debt service cost % of revenues	--	7.6	7.9	7.4
Net direct debt per capita ($)	2,097	2,029	2,077	1,926
Net direct debt ($000s)	46,395	44,894	45,962	43,410
Direct debt 10-year amortization (%)	63	68	--	--
Pension and OPEB cost % of revenues	--	6.0	6.0	6.0
NPLs per capita ($)	--	507	613	695
Combined NPLs ($000s)	--	11,212	13,554	15,671

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$2.740 mil GO bnds ser 2026A due 08/01/2046	
Ratings Affirmed	
Local Government	
Bristol Twn, RI Unlimited Tax General Obligation	AA+/Stable

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.