

## DEBT MANAGEMENT

CITY OF BRISTOL, CONNECTICUT

2015-2016 BUDGET

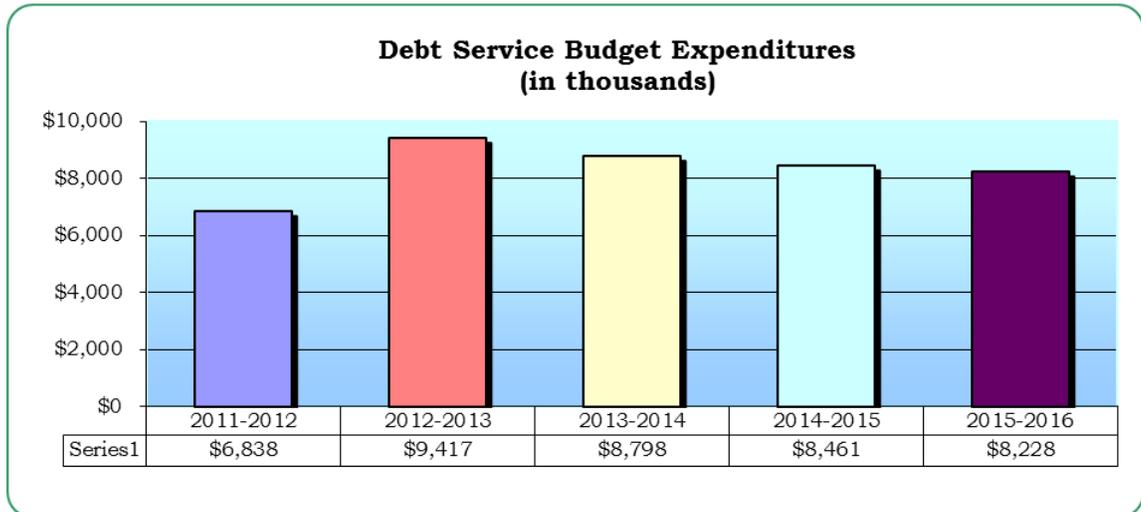
### GENERAL FUND EXPENDITURE SUMMARY FOR DEBT SERVICE

ORGCODE	DESCRIPTION	PRIOR YEAR ACTUAL 2013-2014	ORIGINAL BUDGET 2014-2015	REVISED BUDGET 2014-2015	BUDGET REQUEST 2015-2016	JOINT BOARD 2015-2016
DEBT8010	LONG TERM DEBT PRINCIPAL PAYMENT	\$6,275,375	\$6,186,000	\$6,186,000	\$6,177,000	\$6,177,000
DEBT8020	LONG TERM DEBT INTEREST PAYMENT	2,653,180	2,400,019	2,400,019	2,170,404	2,170,404
DEBT8030	SHORT TERM DEBT PRINCIPAL PAYMENT	0	250,000	0	0	0
DEBT8040	SHORT TERM DEBT INTEREST PAYMENT	100,000	100,000	100,000	100,000	100,000
TOTAL DEBT SERVICE		<b>\$9,028,555</b>	<b>\$8,936,019</b>	<b>\$8,686,019</b>	<b>\$8,447,404</b>	<b>\$8,447,404</b>

### Program Summary

This series of line items reflects those expenditures made by the City for principal and interest payments for short and long-term debt. A debt service fund was created for the payments made to service this type of debt. The debt service fund is not a budgetary fund. Deposits to the debt service fund are in the form of operating transfers out from the general fund.

Shown below are the budget expenditures in the debt service fund during the past five fiscal years excluding Water Pollution payments.



**Debt Management (continued)**

**Program Commentary**

Capital infrastructure is essential to all municipalities large and small. The amounts budgeted and expended for debt service have a direct relationship to the City's strategies for financing capital improvements. It is important to prepare a short-term and a long-term plan for the replacement and/or addition of City fixed assets and to estimate the available funding sources. To implement both plans (short and long-term), the City prepares a Capital Improvement Program (CIP). The CIP is a multi-year plan that identifies capital projects to be funded during the planning period. This represents the City's long-term infrastructure plan. The City also approves a Capital Budget, which represents the first year of the CIP. The Capital Budget, described beginning on page 337, is the City's annual appropriation for capital spending and is legally adopted by the City.

The City uses a policy of providing a mix of current revenues, state and federal grants, intergovernmental contributions, and bond proceeds to fund its capital projects. However, given the advantageously low long-term debt rate environment during the past few years, the City has consciously chosen to issue long-term general obligation debt for its larger capital projects.

**Bond Rating**

The Government Finance Officers Association (GFOA) Elected Official's Guide to Rating Agency Presentations describes a **bond rating** as an independent assessment of the relative credit risk associated with purchasing and holding a particular bond, and the likelihood that the obligation will be repaid. The rating focuses on the City's ability and willingness to make full and timely payments. The City of Bristol uses the services of three rating agencies.

There are three primary agencies that rate debt issuances of private and for-profit entities. They are: Moody's Investors Service, Standard & Poor's Ratings Service, and Fitch Inc.

Bond ratings are public information, and the rating agencies use a number of means to distribute their ratings to a wide audience. Investors are the most common users of bond ratings. But because ratings are so accessible and easy to understand, the media, policy makers, and taxpayers also use them and often consider the rating an indication of a municipality's, like Bristol's, overall fiscal health.

A credit rating does affect the cost of borrowing. A high bond rating indicates low credit risk to the investor; low credit risk results in a higher sale price and lower coupon interest rates for the bond's issuer (the City). When all other factors are held constant, borrowing will be more costly for an issuer with a lower bond rating.

In assigning a credit rating, the rating agency's primary concern is the issuer's willingness and ability to repay the debt on time and in full. Different factors are then analyzed. The credit analyst will focus on four primary factors:

- ✓ **Debt management** – An assessment of the community's ability to support existing and planned debt obligations, using key financial ratios as indicators such as debt per capita and overall debt burden.
- ✓ **Administrative issues** – A review of the organization and authority of the government's administration and services for which it is directly responsible. Also included in this category is an assessment of the goals and philosophies of management and the type of budgeting used.

**Debt Management (continued)**

- ✓ **Financial performance** – An analysis of revenue and expenditure trends and the adequacy, dependability, and scope of revenues, including the issuer’s ability to tap into additional revenue sources for debt service. This category also includes financial position and the size and composition of fund balance.
- ✓ **Economic base** – An evaluation of the jurisdiction’s economic outlook focusing on the tax base, income, population, employment, diversity and composition of employers, building permits, vacancy rates, and real estate values.

Of all the factors, the economic base tends to carry the most weight in rating, but it is also the category over which issuers have the least amount of control. Also of prime importance is financial performance. The other two factors – administrative factors and debt management – considered “lesser” factors in the past, have been brought to the forefront by the rating agencies. In fact, all three agencies have cited that: “Bristol’s experienced and capable fiscal management has contributed to its consistent financial performance.”

The City issued \$40.4 million of tax-exempt general obligation bonds in June 2011. Taxable notes in the amount of \$5.0 million were issued on January 28, 2015. The taxable notes will mature July 23, 2015 and will be re-issued (rolled over) at \$4.7 million with a \$300,000 pay down.

Standard and Poor’s upgraded the City’s bond rating from AA to AA+, the Moody’s Investors Service rating remained at Aa3 and the Fitch ratings remained at AA.

Standard and Poor’s and Fitch assigned ratings of “SP-1+” and “F1+”, respectively to the taxable notes.

The bonds were issued to permanently finance various general purpose and school projects. The taxable notes were issued to provide temporary financing for general purpose projects (mall site and related expenses).

**Rating Methodology: Recalibration of Moody’s U.S. Municipal Ratings to its Global Rating Scale.**

In April 2010, Moody’s recalibrated its long-term U.S. municipal ratings to its global rating scale. The benchmarking analysis of municipal credits against global scale ratings across the Moody’s rated universe will result in an upward shift for most state and local government long-term municipal ratings- Moody’s Investors Service. Due to the recalibration of the ratings, the City rating was raised from Aa3 to Aa2.

**Program Summaries-  
Debt Management**

**Debt Management (continued)**

The following is a Ratings Guide to the three public rating agencies.

<b>Rating</b>	<b>Description</b>
<b>Fitch IBCA</b>	
AAA	Highest credit quality
AA (+ or -)*	Very high credit quality
A (+ or -)	High credit quality
BBB (+ or -)	Good credit quality
BB (+ or -)	Speculative
B (+ or -)	Highly speculative
CCC,CC,C (+ or -)	High default risk
D	In default
<b>Moody's</b>	
Aaa	Best quality
Aa1, Aa2, Aa3	High quality by all standards
A1, A2, A3	Upper medium grade
Baa1, Baa2, Baa3	Medium grade
Ba1, Ba2, Ba3	Has speculative elements
B1, B2, B3	Generally lacks characteristics of a desirable investment
Caa	Poor standing; may be in default
Ca	Speculative in a high degree; often in default
C	Lowest rated class of bonds; extremely poor prospects
<b>Standard &amp; Poor's</b>	
AAA	Highest quality; extremely strong capacity to pay
AA (+ or -)	High quality; very strong capacity to pay
A (+ or -)	Strong capacity to pay principal and interest
BBB (+ or -)	Adequate capacity to pay principal and interest
BB (+ or -)	Low speculative
B (+ or -)	Speculative
CCC,CC (+ or -)	High speculation
C	Income bonds on which no interest is being paid
D	In default
* "+" or "-" may be added to Fitch IBCA and Standard & Poor's ratings to indicate the relative positions of a credit within a rating category. The digits 1-3 appended to Moody's ratings perform the same function.	

**The Past (Debt Issuances)**

The City's most recent long term debt issuance was on June 15, 2011, with a total of \$40,400,000 issued.

On July 23, 2015, the taxable notes of \$5,000,000 will be rolled over for \$4,700,000. The chart below illustrates the projects covered by the taxable notes:

<b>Project</b>	<b>The Notes to Mature</b>
Mall Purchase/Legal.....	\$4,482,000
Mall Demolition/Abatement.....	<u>\$818,000</u>
	<u>\$5,300,000</u>

**Program Summaries-  
Debt Management**

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**Debt Management (continued)**

**Current Budget (Debt Service)**

The City has budgeted \$8,228,540 for existing debt service obligations in the 2014-2015 general fund budget. This amount fully funds the City of Bristol's debt service principal and interest payments on outstanding obligations. The Water Pollution Control budget found in the Special Revenue tab of this document contains the remaining funds of \$218,864 for its portion of debt service from the June 2011 issue. A listing of projects and outstanding bonds as of July 1, 2015 can be found on page 366.

**Capital Project Loan Obligations**

The City entered into Project Loan and Project Grant Agreements from 2002 and 2006 between the State of Connecticut and the City of Bristol at an annual rate of 2%. The purpose of the loans was for Water Pollution Control upgrades to existing sewer lines to reduce flow volume into the wastewater treatment plant.

These obligations are being repaid monthly through sewer user fees within the Water Pollution Control Capital Non-recurring fund.

Shown below are the Clean Water Loans that were received by the City of Bristol. A schedule of the remaining balances can be found on page 365.

<b>Contract #</b>	<b>Date of Issuance</b>	<b>Amount Issued</b>
415 D/C	6/30/2002	\$ 1,409,533.19
498 D/C	6/30/2002	\$ 1,483,380.00
504 C	12/31/2003	\$ 1,488,101.08
562 C	11/30/2004	\$ 693,527.00
464 C	5/31/2006	\$ 470,225.00
<b>Total Cleanwater</b>		<b>\$ 5,544,766.27</b>

**Capital Projects**

A detailed explanation of approved Capital Projects for the upcoming year to be funded, in part, by debt issuance may be found behind the Capital Budget Summary tab of this document. The City issued \$40,400,000 in long-term bonds on June 15, 2011. The majority of this issue was for the two new K-8 schools, with the remainder for various citywide infrastructure improvements. On page 366 of this document is a listing of bonding appropriations the City has made within the Capital Projects Funds. A \$50,000,000 general obligation tax-exempt bond issuance is planned for April 2016.

**The Future (Debt Policy)**

In keeping with its debt policy and long-term goals, the City will strive not to issue bonds more frequently than once every two fiscal years. The City will also try to ensure its bonded debt per capita does not exceed \$1,000. The City adopted a debt policy on May 22, 2001 that can be found behind the Policy Initiatives tab of this document.

The City issues debt only for projects included in the Capital Improvement Program and approved in the capital improvement budget. Before doing so, the City reviews the status of previously approved projects, develops information for new projects, and examines capital project alternatives. Debt levels are carefully analyzed to assess how much borrowing capacity to allow. Taken into consideration are

**Program Summaries-  
Debt Management**

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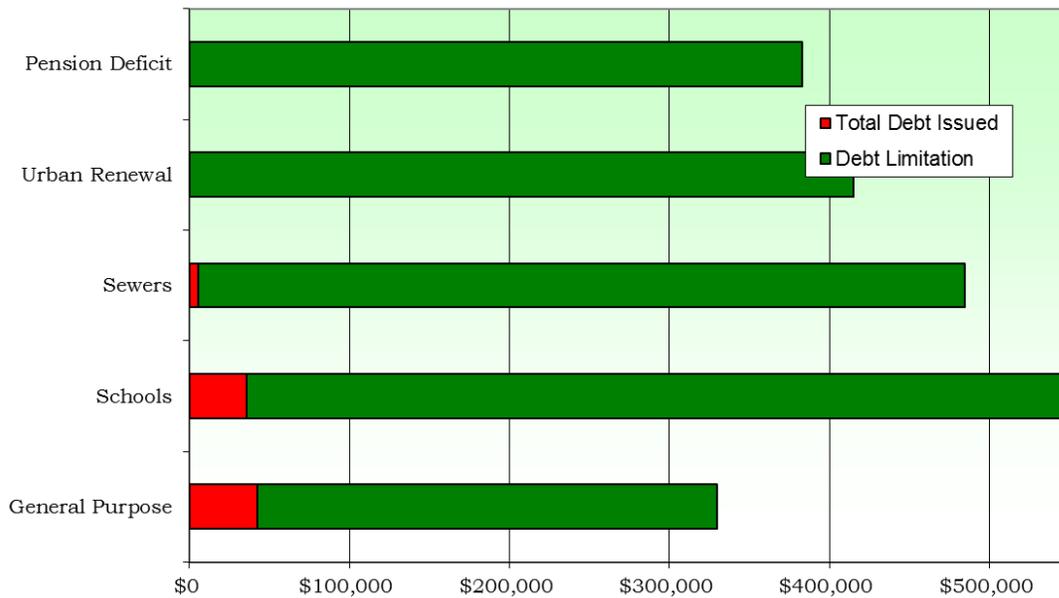
**Debt Management (continued)**

environmental factors such as community needs and resources, external economic conditions, financial factors, such as expected year-end operating position, financial condition, proposed debt structure, market conditions, fund balance levels, as well as statistical benchmarks known to be considered by rating agencies. Used in combination, these factors help aid the current debt service decision-making process and also keep debt within manageable bounds for future debt issuance considerations.

The City prefers its debt structure to be level and to have a relatively rapid payback period which keeps the bond year short. Again, this strategy is viewed positively by rating agencies and allows the community to take advantage of the year-to-year reduction of debt service for other purposes.

Finally, Connecticut municipalities fall under state laws to keep debt issuances within statute-provided limits. While these authorized versus issued limits are set reasonably high, the City of Bristol is conscious of these limits and the City's total debt outstanding is well below these limits. Shown below is a graphical representation of the debt limitation imposed by the State of Connecticut and the actual debt authorized by the City of Bristol.

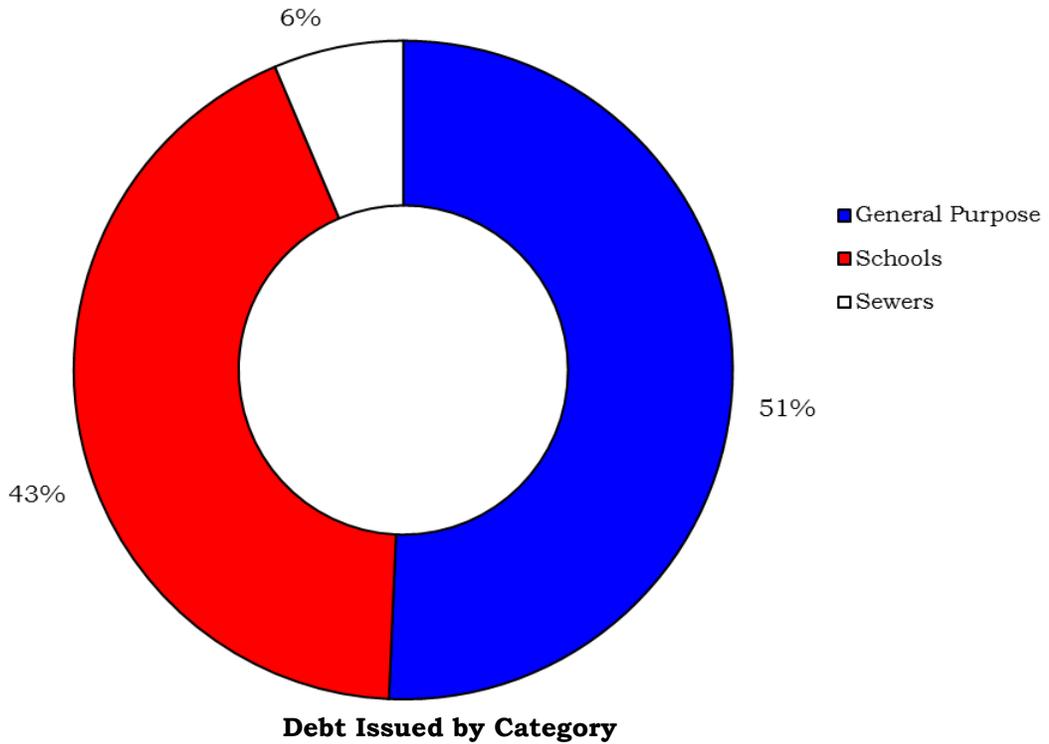
**Debt Limitation vs. Actual Debt Issued  
(in thousands)**



**Program Summaries-  
Debt Management**

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**Debt Management (continued)**



**The chart above and on the preceding page are from the Schedule of Debt Limitation as of June 30, 2014 found on the next page.**

**SCHEDULE OF LEGAL DEBT LIMITATION**

State of Connecticut general statutes indicate that ***in no case shall total indebtedness exceed seven times annual receipts from taxation.***

The table on the following page shows the City of Bristol Debt Limitation and actual debt authorized in the five major categories: General Purpose, Schools, Sewers, Urban Renewal and Pension Deficit. The chart clearly indicates that Bristol is well below the statutory requirements for debt issuance.

**Program Summaries-  
Debt Management**

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**Debt Management (continued)**

**Schedule of Debt Limitation  
June 30, 2014  
(In Thousands)**

Total tax collections, including interest and lien fees	\$ 127,757
Reimbursement for loss of revenues:	
Tax relief for elderly - freeze	6
Base	\$ 127,763

	<b>General Purpose</b>	<b>Schools</b>	<b>Sewers</b>	<b>Urban Renewa</b>	<b>Pension Deficit</b>
Debt limitation:					
2-1/4 times base	\$ 287,467	\$	\$	\$	\$
4-1/2 times base		574,934			
3-3/4 times base			479,111		
3-1/4 times base				415,230	
3 times base					383,289
Total	287,467	574,934	479,111	415,230	383,289
Indebtedness:					
Bonds and notes payable	29,156	34,159	4,830		
Bond anticipation notes	5,300				
Bonds authorized and unissued	8,033	102,436	510		
State Grant		(100,613)			
Total	42,489	35,982	5,340		
Debt Limitation in Excess of Outstanding and Authorized Debt					
	\$ 244,978	\$ 538,952	\$ 473,771	\$ 415,230	\$ 383,289

**Program Summaries-  
Debt Management**

**Debt Management (continued)**

**Budget Highlights**

**DEBT8010 LONG TERM DEBT- PRINCIPAL**

OBJECT	PROJECT	DESCRIPTION	PRIOR YEAR ACTUAL 2013-2014	ORIGINAL BUDGET 2014-2015	REVISED BUDGET 2014-2015	BUDGET REQUEST 2015-2016	JOINT BOARD 2015-2016
<b>LONG TERM DEBT- PRINCIPAL</b>							
588111		SCHOOL DEBT	\$3,060,000	\$3,035,000	\$3,035,000	\$3,028,000	\$3,028,000
588112		GENERAL IMPROVEMENT	2,930,375	2,866,000	2,866,000	2,864,000	2,864,000
588115		SEWER OPERATING DEBT	285,000	285,000	285,000	285,000	285,000
<b>TOTAL LONG TERM DEBT PRINCIPAL</b>			<b>\$6,275,375</b>	<b>\$6,186,000</b>	<b>\$6,186,000</b>	<b>\$6,177,000</b>	<b>\$6,177,000</b>
<b>TOTAL LONG TERM DEBT PRINCIPAL</b>			<b>\$6,275,375</b>	<b>\$6,186,000</b>	<b>\$6,186,000</b>	<b>\$6,177,000</b>	<b>\$6,177,000</b>

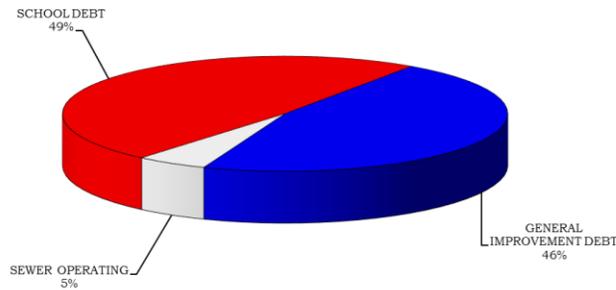
**DEBT8020 LONG TERM DEBT- INTEREST**

OBJECT	PROJECT	DESCRIPTION	PRIOR YEAR ACTUAL 2013-2014	ORIGINAL BUDGET 2014-2015	REVISED BUDGET 2014-2015	BUDGET REQUEST 2015-2016	JOINT BOARD 2015-2016
<b>LONG TERM DEBT INTEREST</b>							
588121		SCHOOL DEBT	\$1,325,780	\$1,192,542	\$1,192,542	\$1,070,184	\$1,070,184
588122		GENERAL IMPROVEMENT	1,068,020	1,043,349	1,043,349	947,492	947,492
588125		SEWER OPERATING DEBT	259,380	164,128	164,128	152,728	152,728
<b>TOTAL LONG TERM DEBT INTEREST</b>			<b>\$2,653,180</b>	<b>\$2,400,019</b>	<b>\$2,400,019</b>	<b>\$2,170,404</b>	<b>\$2,170,404</b>
<b>TOTAL LONG TERM DEBT INTEREST</b>			<b>\$2,653,180</b>	<b>\$2,400,019</b>	<b>\$2,400,019</b>	<b>\$2,170,404</b>	<b>\$2,170,404</b>

**DEBT8040 SHORT TERM DEBT INTEREST**

OBJECT	PROJECT	DESCRIPTION	PRIOR YEAR ACTUAL 2013-2014	ORIGINAL BUDGET 2014-2015	REVISED BUDGET 2014-2015	BUDGET REQUEST 2015-2016	JOINT BOARD 2015-2016
<b>DEBT SERVICE TRANSFER OUT</b>							
588122		GENERAL IMPROVEMENT DEBT- INTEREST	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000
<b>TOTAL DEBT SERVICE TRANSFER OUT</b>			<b>\$100,000</b>	<b>\$100,000</b>	<b>\$100,000</b>	<b>\$100,000</b>	<b>\$100,000</b>
<b>TOTAL DEBT SERVICE TRANSFER OUT</b>			<b>\$100,000</b>	<b>\$100,000</b>	<b>\$100,000</b>	<b>\$100,000</b>	<b>\$100,000</b>

DEBT SUMMARY (PRINCIPAL AND INTEREST) 2015-2016



The graph illustrates three categories for long-term debt service for FY 2015-2016. As shown to the left, long-term debt service for schools will account for 49% or \$4,098,184 of the long-term debt service payments; general improvement debt is 46% or \$3,911,492 and debt service relating to sewer system upgrades is 5% or \$437,728.

**Program Summaries-  
Debt Management**

**Debt Management (continued)**

Shown below and on the following page are the debt service schedules provided by the Treasurer's Office. These schedules indicate each principal and interest payment by bond issuance year.

DEBT CITY OF BRISTOL, CONNECTICUT							
FISCAL YEAR 2015-16 BUDGET							
8010 EXPENDITURE ESTIMATE DETAIL -- GENERAL FUND							
FUNCTION: DEBT SERVICE							
LONG TERM DEBT PRINCIPAL PAYMENTS							
1	2	3	4	5	6	7	8
INT. RATE	PRINCIPAL PAYMENTS: DESCRIPTION	PMT/ #TTL 2015-16	PRIOR YEAR EXPENDED 2013-14	ADOPTED BUDGET 2014-15	REVISED ESTIMATE 2014-15	BUDGET REQUEST 2015-16	APPROVED BUDGET 2015-16
3.74	SCHOOL BONDS - '05	19/27	\$ 970,000	\$ 980,000	\$ 980,000	\$ 975,000	\$ 975,000
3.75	SCHOOL BONDS - '06	4/4	725,000	-	-	-	-
3.12	SCHOOL BONDS - '09	10/24	20,000	20,000	20,000	20,000	20,000
3.45	SCHOOL BONDS - '11	5/29	1,345,000	1,345,000	1,345,000	1,345,000	1,345,000
	SCHOOL REFUNDING '11	1/		690,000	690,000	688,000	688,000
588111	TOTAL SCHOOL BONDS		\$ 3,060,000	\$ 3,035,000	\$ 3,035,000	\$ 3,028,000	\$ 3,028,000
3.84	IMPROVEMENT - '04	5/5	\$ 1,315,000	\$ -	\$ -	\$ -	\$ -
3.93	IMPROVEMENT - '06	4/4	625,375	-	-	-	-
3.12	IMPROVEMENT - '09	11/24	535,000	535,000	535,000	535,000	535,000
3.45	IMPROVEMENT - '11	6/28	455,000	455,000	455,000	455,000	455,000
	IMPROVEMENT REFUNDING '11	1/		1,876,000	1,876,000	1,874,000	1,874,000
588112	TOTAL GEN'L IMPROVEMENT		\$ 2,930,375	\$ 2,866,000	\$ 2,866,000	\$ 2,864,000	\$ 2,864,000
588113	TOTAL URBAN RENEWAL		\$ -	\$ -	\$ -	\$ -	\$ -
588114	SEWER-ASSESSABLE PROJECTS		\$ -	\$ -	\$ -	\$ -	\$ -
5.05	SEWER REFUNDING - '93		\$ -	\$ -	\$ -	\$ -	\$ -
3.45	SEWER BONDS - '11	2/19	285,000	285,000	285,000	285,000	285,000
	SEWER REFUNDING - '11						
588115	SEWER-OPERATING		\$ 285,000	\$ 285,000	\$ 285,000	\$ 285,000	\$ 285,000
8010	SUBTOTAL LONGTERM DEBT PRINCIPAL		\$ 6,275,375	\$ 6,186,000	\$ 6,186,000	\$ 6,177,000	\$ 6,177,000
588310	LEASE PURCHASE PRINCIPAL		\$ -	\$ -	\$ -	\$ -	\$ -

DEBT CITY OF BRISTOL, CONNECTICUT							
FISCAL YEAR 2015-16 BUDGET							
8020 EXPENDITURE ESTIMATE DETAIL -- GENERAL FUND							
FUNCTION: DEBT SERVICE							
LONG TERM DEBT INTEREST PAYMENTS							
1	2	3	4	5	6	7	8
INT. RATE	INTEREST PAYMENTS: DESCRIPTION	PRIOR YEAR EXPENDED 2013-14	ADOPTED BUDGET 2014-15	REVISED ESTIMATE 2014-15	BUDGET REQUEST 2015-16	APPROVED BUDGET 2015-16	
3.74	SCHOOL BONDS - '05	\$ 219,383	\$ 170,632	\$ 170,632	\$ 219,383	\$ 126,634	
3.75	SCHOOL BONDS - '06	19,937	0	0	19,938	0	
3.12	SCHOOL BONDS - '09	9,000	8,600	8,600	9,000	8,150	
3.45	SCHOOL BONDS - '11	830,340	776,540	776,540	830,340	722,740	
	SCHOOL REFUNDING '11	217,120	236,770	236,770	247,120	212,660	
588121	TOTAL SCHOOL BONDS	\$ 1,295,780	\$ 1,192,542	\$ 1,192,542	\$ 1,325,780	\$ 1,070,184	
3.84	IMPROVEMENT - '04	\$ 23,015	\$ -	\$ -	\$ 23,013	\$ -	
3.93	IMPROVEMENT - '06	17,190	0	0	17,198	0	
3.12	IMPROVEMENT - '09	125,580	187,455	187,455	125,577	175,417	
3.45	IMPROVEMENT - '11	280,665	262,465	262,465	280,665	244,265	
	IMPROVEMENT REFUNDING '11	621,570	593,430	593,430	621,570	527,810	
588122	TOTAL GEN'L IMPROVEMENT	\$ 1,068,020	\$ 1,043,350	\$ 1,043,350	\$ 1,068,023	\$ 947,492	
588123	TOTAL URBAN RENEWAL	\$ -	\$ -	\$ -	\$ -	\$ -	
588124	SEWER-ASSESSABLE PROJ	\$ -	\$ -	\$ -	\$ -	\$ -	
5.05	SEWER REFUNDING - '93	\$ -	\$ -	\$ -	\$ -	\$ -	
3.45	SEWER BONDS - '11	175,520	164,128	164,128	175,528	152,728	
	SEWER REFUNDING - '11	83,860	0	0	83,860	0	
588125	SEWER-OPERATING	\$ 259,380	\$ 164,128	\$ 164,128	\$ 259,388	\$ 152,728	
8020	SUBTOTAL LONG TERM DEBT INTEREST	\$ 2,623,180	\$ 2,400,020	\$ 2,400,020	\$ 2,653,190	\$ 2,170,404	
588320	LEASE PURCHASE INT	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	
8020	LONG TERM DEBT INTEREST	\$ 2,623,180	\$ 2,400,020	\$ 2,400,020	\$ 2,653,190	\$ 2,170,404	

**Program Summaries-  
Debt Management**

**Debt Management (continued)**

Shown below is a chart summarizing the long-term obligations of the City of Bristol, including the self-supporting water (enterprise fund) debt. Displayed on the chart is the original issue amount of the long-term obligation as well as the present balance and maturity year.

<b>Debt Summary Long-Term Bonded Debt As of July 1, 2015 (Pro-Forma)</b>					
<b>Issue</b>	<b>Purpose</b>	<b>Rate</b>	<b>Original Issue</b>	<b>Balance Outstanding</b>	<b>Fiscal Year Maturity</b>
9/1/1996	Water	5.35	4,260,000	630,000	2017
	(6/15/05 PARTIAL REFUND 9/1/1996-Water)		(2,325,000)	(630,000)	2017
10/15/1998	School	4.33	17,440,000	4,820,000	2019
	(6/15/05 PARTIAL REFUND 10/15/1998-School)		(10,625,000)	(4,820,000)	2019
6/30/2002	Cleanwater Loan 415 D/C	2.00	1,409,533	478,919	2021
6/30/2002	Cleanwater Loan 498 D/C	2.00	1,483,380	504,010	2021
12/31/2003	Cleanwater Loan 504 C	2.00	1,488,101	622,826	2023
8/24/2011	Refunding of 2004 General Improvement Bonds	3.84	15,589,000	13,713,000	2023
11/30/2004	Cleanwater Loan 562 C	2.00	693,527	322,853	2024
6/15/2005	Refunding of 1996 Water Bonds	3.74	2,315,000	395,000	2019
6/15/2005	Refunding of 1998 School Bonds	3.74	10,635,000	3,820,000	2019
5/31/2006	Cleanwater 464 C	2.00	470,225	276,852	2026
8/24/2011	Refunding of 2006 School Bonds	3.93	6,234,000	5,544,000	2023
8/24/2011	Refunding of 2006 Water Bonds	3.93	2,112,000	1,878,000	2023
2/15/2009	Schools	2.23	385,000	245,000	2025
2/15/2009	General Improvement	2.23	8,515,000	5,305,000	2025
6/15/2011	Water	4.00	813,000	678,000	2031
6/15/2011	Schools	4.00	25,550,000	21,515,000	2031
6/15/2011	General Improvement	4.00	8,637,000	7,272,000	2031
6/15/2011	Sewer	4.00	5,400,000	4,545,000	2031
6/15/2011	Water 2014	2.00	501,000	465,601	2033
<b>Sub-total</b>			<b>\$100,479,766</b>	<b>\$67,581,061</b>	

Below is a chart showing the City of Bristol's bond ratings for bonds issued since 1988.

<b>CITY OF BRISTOL BOND ISSUE RATINGS</b>				
<b>Issue Date</b>	<b>Amount</b>	<b>Moody's Rating</b>	<b>Standard &amp; Poor's Rating</b>	<b>Fitch</b>
June 15, 2011	\$40,400,000	Aa2	AA+	AA+
February 4, 2009	\$8,900,000	Aa3	AA+	AA
December 1, 2006	\$25,000,000	Aa3	AA	AA
June 15, 2005	\$13,055,000	Aa3	AA	AA
October 15, 2004	\$22,965,000	Aa3	AA	AA
September 1, 2000	\$6,440,000	Aa3	AA-	
October 15, 1998	\$17,765,000	A1	AA-	
September 1, 1996	\$4,260,000	A1	AA-	
May 15, 1995	\$2,790,000	A1	AA-	
December 15, 1993	\$6,775,000	A1	AA-	
March 1, 1992	\$23,435,000	A1	AA-	
March 1, 1991	\$9,295,000	A1	AA	
December 15, 1988	\$17,970,000	A1	AA	
February 15, 1988	\$8,765,000	A1	AA	

Below is a chart illustrating the City of Bristol's outstanding debt. The chart shows the beginning principal balance, principal payments, interest payments and the ending debt balance as well as the cumulative principal percent of debt retired. All debt types (general improvement, school, sewer and water (enterprise fund) and Cleanwater Loans are shown independently on the next few pages with the same information.

**Program Summaries-  
Debt Management**

**Debt Management (continued)**

<b>All City Long-term Debt (including Water &amp; Cleanwater Loans)</b>						
<b>As of July 1, 2015</b>						
<b>(Pro-Forma)</b>						
<b>Fiscal Year Ended</b>	<b>Principal</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>	<b>Principal</b>	<b>Cumulative %</b>
<b>June 30</b>	<b>Beginning Balance</b>	<b>Payments</b>	<b>Payments</b>	<b>Payments</b>	<b>Ending Balance</b>	<b>Principal Retired</b>
2015					\$ 67,581,393	26.7
2016	\$ 67,581,393	\$ 6,973,346	\$ 2,322,476	\$ 9,295,822	\$ 60,608,047	34.3
2017	\$ 60,608,047	\$ 6,969,669	\$ 2,063,943	\$ 9,033,612	\$ 53,638,378	41.8
2018	\$ 53,638,378	\$ 6,756,122	\$ 1,830,741	\$ 8,586,863	\$ 46,882,256	49.2
2019	\$ 46,882,256	\$ 6,747,705	\$ 1,606,484	\$ 8,354,189	\$ 40,134,551	56.5
2020	\$ 40,134,551	\$ 5,819,420	\$ 1,374,242	\$ 7,193,662	\$ 34,315,131	62.8
2021	\$ 34,315,131	\$ 5,836,271	\$ 1,157,535	\$ 6,993,806	\$ 28,478,860	69.1
2022	\$ 28,478,860	\$ 5,677,673	\$ 949,842	\$ 6,627,515	\$ 22,801,187	75.3
2023	\$ 22,801,187	\$ 4,311,325	\$ 770,870	\$ 5,082,195	\$ 18,489,862	80.0
2024	\$ 18,489,862	\$ 2,752,748	\$ 650,265	\$ 3,403,013	\$ 15,737,114	82.9
2025	\$ 15,737,114	\$ 2,733,063	\$ 557,832	\$ 3,290,895	\$ 13,004,051	85.9
2026	\$ 13,004,051	\$ 2,169,363	\$ 461,526	\$ 2,630,889	\$ 10,834,688	88.3
2027	\$ 10,834,688	\$ 2,151,176	\$ 383,800	\$ 2,534,976	\$ 8,683,512	90.6
2028	\$ 8,683,512	\$ 2,151,704	\$ 300,927	\$ 2,452,631	\$ 6,531,808	92.9
2029	\$ 6,531,808	\$ 2,152,243	\$ 215,388	\$ 2,367,631	\$ 4,379,565	95.3
2030	\$ 4,379,565	\$ 2,152,794	\$ 129,837	\$ 2,282,631	\$ 2,226,771	97.6
2031	\$ 2,226,771	\$ 2,153,354	\$ 44,277	\$ 2,197,631	\$ 73,417	99.9
2032	\$ 73,417	\$ 28,927	\$ 1,204	\$ 30,131	\$ 44,490	100.0
2033	\$ 44,490	\$ 29,512	\$ 619	\$ 30,131	\$ 14,978	99.9
2034	\$ 14,978	\$ 14,978	\$ 85	\$ 15,063	\$ -	100.0
<b>Totals:</b>		<b>\$ 67,581,393</b>	<b>\$ 14,821,893</b>	<b>\$ 82,403,286</b>		

<b>General Improvement Long-term Debt</b>						
<b>As of July 1, 2015</b>						
<b>(Pro-Forma)</b>						
<b>Fiscal Year Ended</b>	<b>Principal</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>	<b>Principal</b>	<b>Cumulative %</b>
<b>June 30</b>	<b>Beginning Balance</b>	<b>Payments</b>	<b>Payments</b>	<b>Payments</b>	<b>Ending Balance</b>	<b>Principal Retired</b>
2015					\$ 26,290,000	19.7
2016	\$ 26,290,000	\$ 2,864,000	\$ 947,090	\$ 3,811,090	\$ 23,426,000	28.5
2017	\$ 23,426,000	\$ 2,856,000	\$ 841,695	\$ 3,697,695	\$ 20,570,000	37.2
2018	\$ 20,570,000	\$ 2,858,000	\$ 739,916	\$ 3,597,916	\$ 17,712,000	45.9
2019	\$ 17,712,000	\$ 2,858,000	\$ 637,524	\$ 3,495,524	\$ 14,854,000	54.6
2020	\$ 14,854,000	\$ 2,853,000	\$ 528,084	\$ 3,381,084	\$ 12,001,000	63.3
2021	\$ 12,001,000	\$ 2,860,000	\$ 416,497	\$ 3,276,497	\$ 9,141,000	72.1
2022	\$ 9,141,000	\$ 2,867,000	\$ 304,216	\$ 3,171,216	\$ 6,274,000	80.8
2023	\$ 6,274,000	\$ 1,582,000	\$ 217,998	\$ 1,799,998	\$ 4,692,000	85.7
2024	\$ 4,692,000	\$ 984,000	\$ 170,371	\$ 1,154,371	\$ 3,708,000	88.7
2025	\$ 3,708,000	\$ 984,000	\$ 134,416	\$ 1,118,416	\$ 2,724,000	91.7
2026	\$ 2,724,000	\$ 454,000	\$ 97,610	\$ 551,610	\$ 2,270,000	93.1
2027	\$ 2,270,000	\$ 454,000	\$ 81,153	\$ 535,153	\$ 1,816,000	94.5
2028	\$ 1,816,000	\$ 454,000	\$ 63,560	\$ 517,560	\$ 1,362,000	95.8
2029	\$ 1,362,000	\$ 454,000	\$ 45,400	\$ 499,400	\$ 908,000	97.2
2030	\$ 908,000	\$ 454,000	\$ 27,240	\$ 481,240	\$ 454,000	98.6
2031	\$ 454,000	\$ 454,000	\$ 9,080	\$ 463,080	\$ -	100.0
<b>Totals:</b>		<b>\$26,290,000</b>	<b>\$5,261,850</b>	<b>\$31,551,850</b>		

**Program Summaries-  
Debt Management**

**Debt Management (continued)**

The following debt management charts display the City of Bristol's long-term school and sewer debt.

<b>School Long-term Debt As of July 1, 2015 (Pro-Forma)</b>						
<b>Fiscal Year Ended June 30</b>	<b>Principal Beginning Balance</b>	<b>Principal Payments</b>	<b>Interest Payments</b>	<b>Total Payments</b>	<b>Principal Ending Balance</b>	<b>Cumulative % Principal Retired</b>
2015					\$ 31,124,000	27.3
2016	\$ 31,124,000	\$ 3,028,000	\$ 1,066,866	\$ 4,094,866	\$ 28,096,000	34.4
2017	\$ 28,096,000	\$ 3,031,000	\$ 949,771	\$ 3,980,771	\$ 25,065,000	41.4
2018	\$ 25,065,000	\$ 3,008,000	\$ 847,304	\$ 3,855,304	\$ 22,057,000	48.5
2019	\$ 22,057,000	\$ 2,993,000	\$ 749,730	\$ 3,742,730	\$ 19,064,000	55.5
2020	\$ 19,064,000	\$ 2,063,000	\$ 655,003	\$ 2,718,003	\$ 17,001,000	60.3
2021	\$ 17,001,000	\$ 2,065,000	\$ 578,115	\$ 2,643,115	\$ 14,936,000	65.1
2022	\$ 14,936,000	\$ 2,068,000	\$ 507,890	\$ 2,575,890	\$ 12,868,000	69.9
2023	\$ 12,868,000	\$ 2,063,000	\$ 437,615	\$ 2,500,615	\$ 10,805,000	74.8
2024	\$ 10,805,000	\$ 1,370,000	\$ 380,924	\$ 1,750,924	\$ 9,435,000	78.0
2025	\$ 9,435,000	\$ 1,370,000	\$ 336,212	\$ 1,706,212	\$ 8,065,000	81.2
2026	\$ 8,065,000	\$ 1,345,000	\$ 288,978	\$ 1,633,978	\$ 6,720,000	84.3
2027	\$ 6,720,000	\$ 1,344,000	\$ 240,240	\$ 1,584,240	\$ 5,376,000	87.4
2028	\$ 5,376,000	\$ 1,344,000	\$ 188,160	\$ 1,532,160	\$ 4,032,000	90.6
2029	\$ 4,032,000	\$ 1,344,000	\$ 134,400	\$ 1,478,400	\$ 2,688,000	93.7
2030	\$ 2,688,000	\$ 1,344,000	\$ 80,640	\$ 1,424,640	\$ 1,344,000	96.9
2031	\$ 1,344,000	\$ 1,344,000	\$ 26,880	\$ 1,370,880	\$ -	100.0
<b>Totals:</b>		<b>\$ 31,124,000</b>	<b>\$ 7,468,728</b>	<b>\$ 38,592,728</b>		

<b>Sewer Long-term Debt As of July 1, 2015 (Pro-Forma)</b>						
<b>Fiscal Year Ended June 30</b>	<b>Principal Beginning Balance</b>	<b>Principal Payments</b>	<b>Interest Payments</b>	<b>Total Payments</b>	<b>Principal Ending Balance</b>	<b>Cumulative % Principal Retired</b>
2015					\$ 4,545,000	15.8
2016	\$ 4,545,000	\$ 285,000	\$ 152,728	\$ 437,728	\$ 4,260,000	21.1
2017	\$ 4,260,000	\$ 285,000	\$ 141,328	\$ 426,328	\$ 3,975,000	26.4
2018	\$ 3,975,000	\$ 283,000	\$ 132,798	\$ 415,798	\$ 3,692,000	31.6
2019	\$ 3,692,000	\$ 283,000	\$ 125,723	\$ 408,723	\$ 3,409,000	36.9
2020	\$ 3,409,000	\$ 283,000	\$ 115,818	\$ 398,818	\$ 3,126,000	42.1
2021	\$ 3,126,000	\$ 283,000	\$ 105,913	\$ 388,913	\$ 2,843,000	47.4
2022	\$ 2,843,000	\$ 283,000	\$ 97,423	\$ 380,423	\$ 2,560,000	52.6
2023	\$ 2,560,000	\$ 283,000	\$ 88,933	\$ 371,933	\$ 2,277,000	57.8
2024	\$ 2,277,000	\$ 284,000	\$ 80,250	\$ 364,250	\$ 1,993,000	63.1
2025	\$ 1,993,000	\$ 284,000	\$ 71,020	\$ 355,020	\$ 1,709,000	68.4
2026	\$ 1,709,000	\$ 284,000	\$ 61,258	\$ 345,258	\$ 1,425,000	73.6
2027	\$ 1,425,000	\$ 285,000	\$ 50,944	\$ 335,944	\$ 1,140,000	78.9
2028	\$ 1,140,000	\$ 285,000	\$ 39,900	\$ 324,900	\$ 855,000	84.2
2029	\$ 855,000	\$ 285,000	\$ 28,500	\$ 313,500	\$ 570,000	89.4
2030	\$ 570,000	\$ 285,000	\$ 17,100	\$ 302,100	\$ 285,000	94.7
2031	\$ 285,000	\$ 285,000	\$ 5,700	\$ 290,700	\$ -	100.0
<b>Totals:</b>		<b>\$ 4,545,000</b>	<b>\$1,315,336</b>	<b>\$ 864,056</b>		

**Program Summaries-  
Debt Management**

**Debt Management (continued)**

<b>Self-Supporting Water Debt As of July 1, 2015 (Pro-Forma)</b>							
<b>Fiscal Year Ended June 30</b>	<b>Principal Beginning Balance</b>	<b>Principal Payments</b>	<b>Interest Payments</b>	<b>Total Payments</b>	<b>Principal Ending Balance</b>	<b>Cumulative % Principal Retired</b>	
2015					\$ 3,416,601	40.5	
2016	\$ 3,416,601	\$ 504,011	\$ 114,294	\$ 618,305	\$ 2,912,590	49.3	
2017	\$ 2,912,590	\$ 499,434	\$ 95,552	\$ 594,986	\$ 2,413,156	58.0	
2018	\$ 2,413,156	\$ 302,867	\$ 81,145	\$ 384,012	\$ 2,110,289	63.2	
2019	\$ 2,110,289	\$ 303,309	\$ 70,071	\$ 373,380	\$ 1,806,980	68.5	
2020	\$ 1,806,980	\$ 303,759	\$ 58,166	\$ 361,925	\$ 1,503,221	73.8	
2021	\$ 1,503,221	\$ 305,218	\$ 46,230	\$ 351,448	\$ 1,198,003	79.1	
2022	\$ 1,198,003	\$ 305,687	\$ 34,450	\$ 340,137	\$ 892,316	84.5	
2023	\$ 892,316	\$ 271,166	\$ 23,383	\$ 294,549	\$ 621,150	89.2	
2024	\$ 621,150	\$ 66,653	\$ 17,317	\$ 83,970	\$ 554,497	90.3	
2025	\$ 554,497	\$ 67,150	\$ 15,455	\$ 82,605	\$ 487,347	91.5	
2026	\$ 487,347	\$ 67,659	\$ 13,502	\$ 81,161	\$ 419,688	92.7	
2027	\$ 419,688	\$ 68,176	\$ 11,463	\$ 79,639	\$ 351,512	93.9	
2028	\$ 351,512	\$ 68,704	\$ 9,307	\$ 78,011	\$ 282,808	95.1	
2029	\$ 282,808	\$ 69,243	\$ 7,088	\$ 76,331	\$ 213,565	96.3	
2030	\$ 213,565	\$ 69,794	\$ 4,857	\$ 74,651	\$ 143,771	97.5	
2031	\$ 143,771	\$ 70,354	\$ 2,617	\$ 72,971	\$ 73,417	98.7	
2032	\$ 73,417	\$ 28,927	\$ 1,204	\$ 30,131	\$ 44,490	99.2	
2033	\$ 44,490	\$ 29,512	\$ 619	\$ 30,131	\$ 14,978	99.7	
2034	\$ 14,978	\$ 14,978	\$ 85	\$ 15,063	\$ -	100.0	
<b>Totals:</b>		<b>\$ 3,416,601</b>	<b>\$ 606,805</b>	<b>\$ 4,023,406</b>			

<b>Cleanwater (SEWER) Loans As of July 1, 2015 (Pro-Forma)</b>							
<b>Fiscal Year Ended June 30</b>	<b>Principal Beginning Balance</b>	<b>Principal Payments</b>	<b>Interest Payments</b>	<b>Total Payments</b>	<b>Principal Ending Balance</b>	<b>Cumulative % Principal Retired</b>	
2015					\$ 2,205,460	60.2	
2016	\$ 2,205,460	\$ 292,335	\$ 41,498	\$ 333,833	\$ 1,913,125	65.5	
2017	\$ 1,913,125	\$ 298,235	\$ 35,597	\$ 333,832	\$ 1,614,890	70.9	
2018	\$ 1,614,890	\$ 304,255	\$ 29,578	\$ 333,833	\$ 1,310,635	76.4	
2019	\$ 1,310,635	\$ 310,396	\$ 23,436	\$ 333,832	\$ 1,000,239	82.0	
2020	\$ 1,000,239	\$ 316,661	\$ 17,171	\$ 333,832	\$ 683,578	87.7	
2021	\$ 683,578	\$ 323,053	\$ 10,780	\$ 333,833	\$ 360,525	93.5	
2022	\$ 360,525	\$ 153,986	\$ 5,863	\$ 159,849	\$ 206,539	96.3	
2023	\$ 206,539	\$ 112,159	\$ 2,941	\$ 115,100	\$ 94,380	98.3	
2024	\$ 94,380	\$ 48,095	\$ 1,403	\$ 49,498	\$ 46,285	99.2	
2025	\$ 46,285	\$ 27,913	\$ 729	\$ 28,642	\$ 18,372	99.7	
2026	\$ 18,372	\$ 18,372	\$ 178	\$ 18,550	\$ -	100.0	
<b>Totals:</b>		<b>\$ 2,205,460</b>	<b>\$ 169,174</b>	<b>\$ 2,374,634</b>			

**Program Summaries-  
Debt Management**

**Debt Management (continued)**

The chart below shows all the Capital Projects that have been approved by the City of Bristol that have not had long-term obligations issued at this time. It is anticipated that the next long-term bond issuance will be taking place in the Spring of 2015-2016 fiscal year.

<b>BONDING APPROPRIATIONS OUTSTANDING</b>			
<b>AS OF JULY 1, 2015</b>			
<b>BONDING TYPE</b>	<b>PROJECT</b>	<b>BONDING AMOUNT OUTSTANDING</b>	
SCHOOL	West Bristol K-8 School	\$ 39,100,000	**
SCHOOL	Forestville K-8 School	\$ 40,350,000	**
SCHOOL	Roof Replacement- Administration Buildings	\$ 297,500	
SCHOOL	Northeast Middle School Roof Replacement	\$ 1,196,650	
SCHOOL	Bristol Central High School Running Track	\$ 750,000	
GENERAL	Birch Sytreet-Roadway Reclamation (Redstone to Pine)	\$ 480,000	
GENERAL	Casey Field Improvements	\$ 208,000	
GENERAL	Coppermine Brook- Removal of private bridge	\$ 380,000	
GENERAL	Divinity Street Culvert Replacement	\$ 350,000	
GENERAL	Dorset Horn & Great Pyrenees Way Reconstruction	\$ 400,000	
GENERAL	Fern Hill Road Reclamation (Nelson Farm-Oakridge)	\$ 690,000	
GENERAL	Fire Department- Engine 4	\$ 6,000,000	
GENERAL	Fire Department- Engine 5	\$ 600,000	
SEWER	Forestville SSO Reduction Relief- Force Main	\$ 60,000	(2)
GENERAL	Frederick Street Bridge/ Channel Improvements	\$ 1,572,000	
GENERAL	Hillside Place Intersection Improvements	\$ 540,000	
GENERAL	HJ Mills Parking Lot Construction	\$ 880,000	
GENERAL	Mall Demolition/Abatement	\$ 3,500,000	
GENERAL	Mall Purchase/Legal	\$ 6,275,000	
GENERAL	Mountain Road Rock Face Stabilization	\$ 320,000	
GENERAL	Munchausen & Bartholomew Street Reconstruction	\$ 310,000	
GENERAL	Muzzy Field Improvements	\$ 2,500,000	
GENERAL	Pequabuck River Stablization Wall	\$ 420,912	
SEWER	Phosphorus Removal Upgrade	\$ 17,000,000	
GENERAL	Purchase Street Lights	\$ 731,720	
GENERAL	PW Garage Architectural	\$ 400,000	
GENERAL	Roadway Reclamation- Various Roads	\$ 420,428	
GENERAL	Senior Center Roof Replacement	\$ 600,000	
GENERAL	Senior Center Utility Upgrades	\$ 2,360,700	
GENERAL	Single Stream Recycling Program	\$ 800,000	
GENERAL	Stevens Street Bridge- Richard Court Berm	\$ 550,000	
WATER	Water Storage Tank Replacement	\$ 8,000	(1)
GENERAL	Waterbury Road Reconstruction	\$ 2,537,314	
GENERAL	Willis Street Reconstruction- Phase 2	\$ 364,823	
<b>Total</b>		<b>\$ 132,953,047</b>	
(1)	<b>Self-supporting Water Debt</b>		
(2)	<b>WPC User Fees will support 1/2 and 1/2 with tax funded</b>		
<b>BONDING APPROPRIATIONS BY TYPE</b>			
	GENERAL IMPROVEMENT	\$ 48,348,760	
	SCHOOLS	81,694,150	
	SEWER	2,545,314	
	WATER (SELF-SUPPORTING)	364,823	
	<b>Total</b>	<b>\$ 132,953,047</b>	
**	These appropriated amounts to be offset by State Grants for 73.93% or \$77,626,500 in State Grants.		

