

Research Update:

Trumbull, CT's Series 2025 GO Bonds Assigned 'AA+' Rating; Series 2025 BANs Rated 'SP-1+'

August 25, 2025

Overview

- S&P Global Ratings assigned its 'AA+' long-term rating to [Trumbull Town](#), Conn.'s roughly \$21.480 million series 2025 general obligation (GO) bonds.
- S&P Global Ratings also assigned its 'SP-1+' short-term rating to the town's roughly \$5 million series 2025 bond anticipation notes (BANs).
- At the same time, S&P Global Ratings affirmed its 'AA+' long-term rating on the town's existing GO debt and 'SP-1+' short-term rating on the town's existing BANs.
- The outlook on the long-term rating is stable.
- The rating is based on the application of our [Methodology For Rating U.S. Governments](#), Sept. 9, 2024.

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Rationale

Security

The town's full-faith-credit-and-resources pledge and agreement to levy ad valorem property taxes, without limitation as to rate or amount, secure the GO bonds.

Proceeds from the bonds will provide permanent financing of outstanding notes and new money for various capital improvements. Proceeds from the notes will finance the first phase of Hillcrest Middle School renovations.

Credit highlights

Our view of the town's creditworthiness is supported by strong incomes and a growing property tax base, record of stable performance and reserves, and limited pressure from debt and liabilities despite additional planned issuance.

While the town has a diverse tax base, among its largest taxpayers is the Trumbull Mall, which was recently placed into receivership after the owner defaulted on a loan. Town management

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notes that the new management has more proactively managed the property, and the town has been engaged in a study and rezoning process to allow for mixed-use redevelopment of the mall and surrounding property. The town has a track record of balanced operating results, but recent results have been affected by the settlement of an appeal from Digital, another leading taxpayer. The settlement includes \$6.4 million in payments and credits spread over fiscal years 2024, 2025, and 2026. This contributed to deficit results in 2024 and a projected deficit result in 2025, and combined with an appropriation of fund balance in fiscal 2026, will lead to a decline in available reserves. Aside from this settlement, we expect revenues and expenditures will be balanced and reserves will remain consistent with those of peers.

Following the series 2025 issuance, the town will have about \$149.2 million in net direct debt outstanding. The town will seek about \$137 million in additional debt to support the middle school project and will receive 44% reimbursement from the state for the project, and will be seeking voter authorization for as much as \$27 million in additional debt for a senior and community center project. Additionally, the town may issue up to \$10 million each year for additional capital improvements. We do not expect this debt will alter our view of the town's liabilities, as costs should remain affordable despite the elevated per capita debt burden. We do not view pension and other postemployment benefits (OPEB) liabilities as a source of credit pressure given the relatively low unfunded liabilities and annual costs. The town has also been proactive in its funding of OPEB liabilities; the net OPEB liability is \$18.1 million.

The rating also reflects our view of the following:

- This predominantly residential community benefits from participation in the robust Fairfield County regional economy. The town's personal income metrics are meaningfully higher than county and national levels and support the 'AA+' rating. The town has also seen steady grand list growth due to a diverse mix of commercial and residential development.
- The town has a record of positive financial performance, supported by stable general fund revenue primarily made up of property taxes (87%), and budget oversight and expenditure controls. We note that results from fiscal years 2024 through 2026 have been adversely affected by the tax appeal settlement with Digital, but expect that revenues and expenditures will broadly be balanced.
- The town's policies and planning include conservative revenue and expenditure assumptions as management factors recent performance into its budget estimate. The town maintains a five-year capital improvement plan that it reviews and updates annually but lacks formal long-term financial planning. Trumbull adheres to a policy that calls for maintenance of fund balance equal to at least 10% of the annual budget and for any exigent circumstance or emergency that would cause the town to reduce its fund balance below 10% to be subject to two-thirds majority council approval and plan to address and restore the fund balance decrease in the subsequent fiscal year. The town has also adopted a debt management policy that limits debt service to no more than 10% of expenditures, and the charter stipulates a voter referendum for debt above \$15 million. The investment policy formalizes the town's commitments to state requirements and guidelines. The town has taken steps to mitigate cybersecurity risk.
- Fixed costs are low and the overall debt burden is elevated on a per capita basis, while overall retirement liabilities are affordable. The town will issue additional debt to support the middle school renovation project.
- Connecticut municipalities' operating framework is generally stable with significant statutory flexibility to raise local-source revenue for operations. For more information on our

institutional framework assessment for Connecticut municipalities, see [Institutional Framework Assessment: Connecticut Local Governments](#), Sept. 9, 2024.

Environmental, social, and governance

We view Trumbull's environmental, social, and governance (ESG) factors as neutral in our credit rating analysis.

Outlook

The stable outlook reflects S&P Global Ratings' view that Trumbull will likely maintain, at least, balanced finances and sustained reserves and that the local economy will likely remain stable.

Downside scenario

We could lower the rating if finances were to weaken, resulting in sustained decreased available fund balance with no plan to restore reserves.

Upside scenario

We could raise the rating if the town were to reduce debt and liabilities substantially and maintain available reserves at levels we consider commensurate with those of 'AAA' rated peers.

Trumbull, Connecticut--credit summary

Institutional framework (IF)	1
Individual credit profile (ICP)	2.20
Economy	1.0
Financial performance	2
Reserves and liquidity	2
Management	2.00
Debt and liabilities	4.00

Trumbull, Connecticut--key credit metrics

	Most recent	2024	2023	2022
Economy				
Real GCP per capita % of U.S.	--	--	149	148
County PCPI % of U.S.	--	--	199	197
Market value (\$000s)	--	7,589,175	7,530,328	6,696,196
Market value per capita (\$)	--	204,626	204,512	182,026
Top 10 taxpayers % of taxable value	--	9.8	10.3	11.2
County unemployment rate (%)	--	2.8	3.9	4.1
Local median household EBI % of U.S.	--	173	169	162
Local per capita EBI % of U.S.	--	152	150	155
Local population	--	37,088	36,821	36,787
Financial performance				
Operating fund revenues (\$000s)	--	215,288	212,765	196,589
Operating fund expenditures (\$000s)	--	216,778	207,425	199,085

Trumbull, Connecticut--key credit metrics

	Most recent	2024	2023	2022
Net transfers and other adjustments (\$000s)	--	--	453	4,225
Operating result (\$000s)	--	(1,490)	5,793	1,729
Operating result % of revenues	--	(0.7)	2.7	0.9
Operating result three-year average %	--	1.0	1.4	0.5
Reserves and liquidity				
Available reserves % of operating revenues	--	15.1	15.7	14.2
Available reserves (\$000s)	--	32,414	33,317	27,860
Debt and liabilities				
Debt service cost % of revenues	--	5.9	3.1	5.7
Net direct debt per capita (\$)	4,024	3,677	3,626	3,898
Net direct debt (\$000s)	149,254	136,372	133,497	143,380
Direct debt 10-year amortization (%)	64	76	--	--
Pension and OPEB cost % of revenues	--	4.0	4.0	4.0
NPLs per capita (\$)	--	1,914	2,143	2,003
Combined NPLs (\$000s)	--	70,985	78,918	73,693

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\$21.48 mil GO bnds, issue of 2025 due 08/01/2045

Long Term Rating AA+/Stable

US\$5.0 mil GO BANs dtd 09/12/2025 due 09/11/2026

Short Term Rating SP-1+

Ratings Affirmed

Local Government

Trumbull, CT Unlimited Tax General Obligation AA+/Stable

Trumbull, CT Unlimited Tax General Obligation 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.

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