

P R E S S R E L E A S E

For Immediate Release

Hempstead Village Earns ‘A-’ Rating From S&P Village Bond Rating Reaffirmed by Moody’s *Hempstead Village Maintains a Stable Fiscal Outlook*

In a report released this February, Standard & Poor’s (S&P) Rating Services assigned its ‘A-’ long-term rating, and stable outlook, to Hempstead Village, reflecting S&P’s expectation that the Village’s financial profile will continue to strengthen.

“We are moving forward,” said Mayor Hall. “We are working hard towards restoring fiscal strength to the Village. I’m pleased that S&P and Moody’s have recognized our accomplishments.”

According to S&P, “the Village’s financial performance has improved over the past two audited fiscal years (fiscal 2007 and 2008), largely due to deficit borrowing and the implementation of a financial recovery plan, which aims to improve tax and fee collections while holding the line on expenditure growth.”

Last spring, the independent Wall Street bond rating agency *Moody’s Investors Service* upgraded the Village’s bond rating from Baa3 to Baa2 (stable outlook). The upgrade reflected the *positive* fund balance in the Village’s general fund -- for the first time in at least eight years. Moody’s noted “the concrete steps management has taken to strengthen the Village’s financial position.” In February of 2009, the higher rating and stable outlook was reaffirmed.

According to the most recent report, “the Village’s financial recovery has begun, as evidenced by the surplus operations in the General Fund, the second consecutive fund balance in at least nine years and successful execution of a fiscal recovery plan, including revenue increases, improved property tax collection efforts and adopting a structurally balanced 2008 budget.” The financial recovery plan also includes controls and appropriate budgeting for tax certiorari liability, which were previously unrealistic.