



YORKTOWN CENTRAL SCHOOL DISTRICT

For Immediate Release

News Release

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**Standard & Poor's Rates YCSD "AA"
*Upgrade Reflects District's Consistent Financial Position***

Yorktown Heights, New York, September 24, 2008

Standard & Poor's, one of the foremost providers of independent credit ratings and risk assessment, last week raised the rating on the district's debt outstanding to 'AA' from 'A+'. The AA rating determines YCSD's outlook to be "stable" and its overall financial position to be "good."

Yorktown's Assistant Superintendent for Business, Tom Cole said, "In an environment where so many companies and municipalities are facing downgraded credit ratings, this is quite an accomplishment. The upgrade to AA status will save our taxpayers a significant amount of money on debt interest expense over the next fifteen years."

The report notes Yorktown's fiscal diligence in "consistently maintained sizable reserves in its general fund for tax certioraris and accrued employee health benefits." Additionally, the report favors the district's 2007 decision to institute an informal policy to keep general fund reserves around 2.5% of expenditures. The reserves have served to provide tax levy relief while maintaining enough liquidity on hand in the event of an emergency.

Standard and Poor's considers "the district's management practices to be "good" and expects that the district will be in sound financial health for the near future as Yorktown's "debt burden remains low, due to the large amount of state building aid."

Investment Grades:

AAA:

The best quality borrowers, reliable and stable

AA:

Quality borrowers, a bit higher risk than AAA

A:

Economic situation can affect finance

BBB:

Medium class borrowers, which are satisfactory at the moment

