OFFERING CIRCULAR DATED APRIL 12, 2021

NEW ISSUE
SERIAL BONDS **Rating: See "Rating" herein**

In the opinion of Hawkins Delafield & Wood LLP, Bond Counsel to the Village, under existing statutes and court decisions and assuming continuing compliance with certain tax certifications described herein, (i) interest on the Bonds is excluded from gross income for federal income tax purposes pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), and (ii) interest on the Bonds is not treated as a preference item in calculating the alternative minimum tax under the Code. In addition, in the opinion of Bond Counsel to the Village, under existing statutes, interest on the Bonds is exempt from personal income taxes of New York State and its political subdivisions, including The City of New York. See "Tax Matters for the Bonds" herein.

The Village will NOT designate the Bonds as "qualified tax-exempt obligations" pursuant to the provisions of Section 265(b)(3) of the Code.

VILLAGE OF KIRYAS JOEL
ORANGE COUNTY, NEW YORK
$4,250,000
VARIOUS PURPOSES SERIAL BONDS – 2021 SERIES A

(the "Bonds")

Dated Date: Date of Delivery **Maturity Dates: April 15, 2022-2048**

The Bonds are general obligations of the Village of Kiryas Joel, Orange County, New York (the "Village"), and will contain a pledge of the faith and credit of the Village for the payment of the principal thereof and interest thereon and, unless paid from other sources, the Bonds are payable from ad valorem taxes which may be levied upon all the taxable real property within the Village, subject to certain statutory limitations imposed by Chapter 97 of the New York Laws of 2011, as amended (the "Tax Levy Limit Law"). (See "*Tax Levy Limit Law*" herein.)

The Bonds are dated their Date of Delivery and will bear interest from that date until maturity at the annual rate or rates as specified by the purchaser of the Bonds, payable on April 15, 2022, October 15, 2022 and semi-annually thereafter in each year until maturity and shall mature on April 15 in the years and the principal amounts specified on the inside cover page hereof. The Bonds maturing on or after April 15, 2030 will be subject to optional redemption prior to maturity as stated herein. (See "*Optional Redemption*," herein.)

The Bonds will be issued as fully registered bonds in denominations of not less than $100,000 and, when issued, will be registered in the name of the purchaser. Principal of and interest on the Bonds will be payable at the office of NorthEast Community Bank, White Plains, New York (the "Bank").

The Bonds are offered when, as and if issued and received by the purchaser and subject to the receipt of the final approving opinion of Hawkins Delafield & Wood LLP, New York, New York, Bond Counsel. Capital Markets Advisors, LLC has served as Municipal Advisor to the Village in connection with the issuance of the Bonds. It is anticipated that the Bonds will be available for delivery on or about April __, 2021.

Dated: April __, 2021

NORTHEAST COMMUNITY BANK

The Bonds will mature on April 15 in the years, subject to prior redemption, as set forth below:

Year	Amount	Interest Rate	Yield	Date	Amount	Interest Rate	Yield
2022	$125,000	%	%	2036*	$160,000	%	%
2023	125,000			2037*	160,000		
2024	125,000			2038*	165,000		
2025	130,000			2039*	170,000		
2026	130,000			2040*	170,000		
2027	135,000			2041*	175,000		
2028	135,000			2042*	175,000		
2029	140,000			2043*	180,000		
2030*	140,000			2044*	185,000		
2031*	145,000			2045*	185,000		
2032*	150,000			2046*	190,000		
2033*	150,000			2047*	195,000		
2034*	155,000			2048*	200,000		
2035*	155,000						

* Subject to optional redemption prior to maturity, as discussed herein. See "*Optional Redemption*" herein.

VILLAGE OF KIRYAS JOEL
ORANGE COUNTY, NEW YORK

ABRAHAM WIEDER
Mayor

BOND COUNSEL

HAWKINS DELAFIELD & WOOD LLP
New York, New York

FINANCIAL ADVISOR

CAPITAL MARKETS ADVISORS, LLC
Great Neck and New York, New York
(516) 487-9817

No dealer, broker, salesman or other person has been authorized by the Village to give any information or to make any representations, other than those contained in this Offering Circular and if given or made, such other information or representations must not be relied upon as having been authorized by the Village. This Offering Circular does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Bonds by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. The information set forth herein has been obtained by the Village from sources which are believed to be reliable but it is not guaranteed as to accuracy or completeness. The information and expressions of opinion herein are subject to change without notice and neither the delivery of this Offering Circular nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the Village since the date hereof.

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APPENDIX A

OFFERING CIRCULAR
of the
VILLAGE OF KIRYAS JOEL
ORANGE COUNTY, NEW YORK

relating to

$4,250,000
VARIOUS PURPOSES SERIAL BONDS – 2021 SERIES A

This Offering Circular, which includes the cover page, inside cover page and appendices hereto, presents certain information relating to the Village of Kiryas Joel, which is coterminous with the Town of Palm Tree, in the County of Orange, in the State of New York (the "Village", "Town", "County" and "State," respectively) in connection with the sale of $4,250,000 Various Purposes Serial Bonds – 2021 Series A (the "Bonds").

All quotations from and summaries and explanations of provisions of the Constitution and laws of the State and acts and proceedings of the Village contained herein do not purport to be complete and are qualified in their entirety by reference to the official compilations thereof and all references to the Bonds and the proceedings of the Village relating thereto are qualified in their entirety by reference to the definitive form of the Bonds and such proceedings.

This Offering Circular should be read with the understanding that the ongoing COVID-19 global pandemic has created prevailing economic conditions (at the global, national, State and local levels) that are highly uncertain, generally negative, and rapidly changing, and these conditions are expected to continue for an indefinite period of time. Accordingly, the Village's overall economic situation and outlook (and all of the specific Village-related information contained herein) should be carefully reviewed, evaluated and understood in the full light of this unprecedented world-wide event, the effects of which are extremely difficult to predict and quantify. (See "*Risk Factors*" herein.)

THE BONDS

Description of the Bonds

The Bonds are dated their Date of Delivery and will bear interest from that date until maturity at the annual rate or rates as specified by the purchaser, payable on April 15, 2022, October 15, 2022 and semi-annually thereafter in each year until maturity and shall mature on April 15 in the years and the principal amounts specified on the inside cover page hereof. The Bonds maturing on or after April 15, 2030 will be subject to optional redemption prior to their stated maturity. (See "*Optional Redemption*" herein).

The Bonds will be issued as fully registered bonds in denominations of not less than $100,000 and, when issued, will be registered in the name of the purchaser. Principal of and interest on the Bonds will be payable at the office of NorthEast Community Bank. The Bonds may be transferred in the manner described on the Bonds and as referenced in certain proceedings of the Village referred to therein.

The record date for payment of principal and interest on the Bonds is the last business day of the calendar month preceding each interest payment date.

Authority for and Purpose of the Bonds

The Bonds are issued pursuant to the Constitution and the Laws of the State, including among others, the Village Law and Local Finance Law, and various bond resolutions duly adopted by the Village Board of Trustees on February 19, 2021, authorizing the issuance of bonds or notes for the purposes listed below. The proceeds from the sale of the Bonds will be used to provide original financing pursuant to these resolutions.

Purpose	Amount Authorized	Amount to Bonds
Construction of Improvements to Drainage Systems	$1,000,000	$1,000,000
Construction of Highway Department Garage	1,500,000	1,500,000
Construction of Justice Court Building	1,000,000	1,000,000
Acquisition of and Improvements to Security Systems	750,000	750,000
Totals:	$4,250,000	$4,250,000

Optional Redemption

The Bonds maturing on or before April 15, 2029, are not subject to redemption prior to maturity. The Bonds maturing on or after April 15, 2030 will be subject to redemption prior to maturity at the option of the Village on any date on or after April 15, 2029, in whole or in part, and if in part in any order of their maturity and in any amount within a maturity (selected by lot within a maturity), at the redemption price equal to the principal amount of the onds to be redeemed plus accrued interest to the date of redemption.

The Village may select the maturities of the Bonds to be redeemed and the amount to be redeemed of each maturity selected, as the Village shall determine to be in the best interest of the Village at the time of such redemption. If less than all of the Bonds of any maturity are to be redeemed prior to maturity, the particular Bonds of such maturity to be redeemed shall be selected by the Village by lot in any customary manner of selection as determined by the Village. Notice of such call for redemption shall be given by mailing such notice to the registered owner more than sixty (60) days, nor less than thirty (30) days prior to such date. Notice of redemption having been given as aforesaid, the Bonds so called for redemption shall, on the date of redemption set forth in such call for redemption, become due and payable, together with accrued interest to such redemption date, and interest shall cease to be paid thereon after such redemption date.

Nature of Obligation

The Bonds when duly issued and paid for will constitute a contract between the Village and the holder thereof.

The Bonds will be general obligations of the Village and will contain a pledge of the faith and credit of the Village for the payment of the principal thereof and the interest thereon. For the payment of such principal of and interest on the Bonds, the Village has the power and statutory authorization to levy ad valorem taxes on all taxable real property in the Village, subject to certain statutory limitations imposed by the Tax Levy Limit Law. (See "*Tax Levy Limit Law*" herein.)

Under the Constitution of the State, the Village is required to pledge its faith and credit for the payment of the principal of and interest on the Bonds, and the State is specifically precluded from restricting the power of the Village to levy taxes on real estate for the payment of interest on or principal of indebtedness theretofore contracted. However, the Tax Levy Limit Law imposes a statutory limitation on the Village's power to increase its annual tax levy. As a result, the power of the Village to levy real estate taxes on all the taxable real property within the Village is subject to statutory limitations set forth in Tax Levy Limit Law, unless the Village complies with certain procedural requirements to permit the Village to levy certain year-to-year increases in real property taxes. (See "*Tax Levy Limit Law*" herein.)

REMEDIES UPON DEFAULT

Neither the Bonds, nor the proceedings with respect thereto, specifically provide any remedies which would be available to owners of the Bonds should the Village default in the payment of principal of or interest on the Bonds, nor do they contain any provisions for the appointment of a trustee to enforce the interests of the owners of the Bonds upon the occurrence of any such default. The Bonds are general obligation contracts between the Village and the owners for which the faith and credit of the Village are pledged and while remedies for enforcement of payment are not expressly included in the Village's contract with such owners, any permanent repeal by statute or constitutional amendment of a bondholder's and/or noteholder's remedial right to judicial enforcement of the contract should, in the opinion of Bond Counsel, be held unconstitutional.

Upon default in the payment of principal of or interest on the Bonds at the suit of the owner, a Court has the power, in proper and appropriate proceedings, to render judgment against the Village. The present statute limits interest on the amount adjudged due to contract creditors to nine per centum per annum from the date due to the date of payment. As a general rule, property and funds of a municipal corporation serving the public welfare and interest have not been judicially subjected to execution or attachment to satisfy a judgment. A Court also has the power, in proper and appropriate proceedings, to order payment of a judgment on such bonds or notes from funds lawfully available therefor or, in the absence thereof, to order the Village to take all lawful action to obtain the same, including the raising of the required amount in the next annual tax levy. In exercising its discretion as to whether to issue such an order, the Court may take into account all relevant factors, including the current operating needs of the Village and the availability and adequacy of other remedies. Upon any default in the payment of the principal of or interest on the Bonds, the owners of such Bonds could, among other remedies, seek to obtain a writ of mandamus from a Court ordering the governing body of the Village to assess, levy and collect an ad valorem tax, upon all taxable property of the Village subject to taxation by the Village sufficient to pay the principal of and interest on the Bonds as the same shall come due and payable (and interest from the due date to date of payment) and otherwise to observe the covenants contained in the Bonds and the proceedings with respect thereto all of which are included in the contract with the owners of the Bonds. The mandamus remedy, however, may be impracticable and difficult to enforce. Further, the right to enforce payment of the principal of or interest on the Bonds may be limited by bankruptcy, insolvency, reorganization, moratorium and similar laws and equitable principles, which may limit the specific enforcement of certain remedies.

In 1976, the New York Court of Appeals, the State's highest court, held in *Flushing National Bank* v. *Municipal Assistance Corporation for the City of New York*, 40 N.Y.2d 731 (1976), that the New York State legislation purporting to postpone the payment of debt service on New York City obligations was an unconstitutional moratorium in violation of the New York State constitutional faith and credit mandate included in all municipal debt obligations. While that case can be viewed as a precedent for protecting the remedies of Noteholders, there can be no assurance as to what a Court may determine with respect to future events, including financial crises as they may occur in the State and in municipalities of the State, that require the exercise by the State of its emergency and police powers to assure the continuation of essential public services. (See also, *Flushing National Bank* v. *Municipal Assistance Corporation for the City of New York*, 40 N.Y.2d 1088 (1977), where the Court of Appeals described the pledge as a direct Constitutional mandate.)

As a result of the Court of Appeals decision, the constitutionality of that portion of Title 6-A of Article 2 of the Local Finance Law enacted at the 1975 Extraordinary Session of the State legislature authorizing any county, city, town or village with respect to which the State has declared a financial emergency to petition the State Supreme Court to stay the enforcement against such municipality of any claim for payment relating to any contract, debt or obligation of the municipality during the emergency period, is subject to doubt. In any event, no such emergency has been declared with respect to the Village.

Pursuant to Article VIII, Section 2 of the State Constitution, the Village is required to provide an annual appropriation of monies for the payment of due and payable principal of and interest on indebtedness. Specifically this constitutional provision states: "If at any time the respective appropriating authorities shall fail to make such appropriations, a sufficient sum shall be set apart from the first revenues thereafter received and shall be applied to such purposes. The fiscal officer of any county, city, town, village or school district may be required to set aside and apply such revenues as aforesaid at the suit of any holder of obligations issued for any such indebtedness." This constitutes a specific non-exclusive constitutional remedy against a defaulting municipality or school district; however, it does not apply in a context in which monies have been appropriated for debt service but the appropriating authorities decline to use such monies to pay debt service. However, Article VIII, Section 2 of the Constitution of the State also provides that the fiscal officer of any county, city, town, village or school district may be required to set apart and apply such revenues at the suit of any holder of any obligations of indebtedness issued with the pledge of the faith of the credit of such political subdivision. In *Quirk* v. *Municipal Assistance Corp*., 41 N.Y.2d 644 (1977), the Court of Appeals described this as a "first lien" on revenues, but one that does not give holders a right to any particular revenues. It should thus be noted that the pledge of the faith and credit of a political subdivision in the State is a pledge of an issuer of a general obligation bond or note to use its general revenue powers, including, but not limited to, its property tax levy, to pay debt service on such obligations, but that such pledge may or may not be interpreted by a court of competent jurisdiction to include a constitutional or statutory lien upon any particular revenues. The Constitutional provision providing for first revenue set asides does not apply to tax anticipation notes, revenue anticipation notes or bond anticipation notes.

While the courts in the State have historically been protective of the rights of holders of general obligation debt of political subdivisions, it is not possible to predict what a future court might hold.

In prior years, certain events and legislation affecting a holder's remedies upon default have resulted in litigation. While courts of final jurisdiction have generally upheld and sustained the rights of bondholders and/or noteholders, such courts might hold that future events, including a financial crisis as such may occur in the State or in political subdivisions of the State, may require the exercise by the State or its political subdivisions of emergency and police powers to assure the continuation of essential public services prior to the payment of debt service.

No Past Due Debt

No principal or interest payment on Village indebtedness is past due. The Village has never defaulted in the payment of the principal of and/or interest on any indebtedness.

MUNICIPAL BANKRUPTCY

The undertakings of the Village should be considered with reference, specifically, to Chapter IX of the Bankruptcy Act, 11 U.S.C. §401, et seq., as amended ("Chapter IX") and, in general, to other bankruptcy laws affecting creditors' rights and municipalities. Chapter IX permits any political subdivision, public agency or instrumentality that is insolvent or unable to meet its debts (i) to file a petition in a Court of Bankruptcy for the purpose of effecting a plan to adjust its debts provided such entity is authorized to do so by applicable state law; (ii) directs such a petitioner to file with the court a list of a petitioner's creditors; (iii) provides that a petition filed under such chapter shall operate as a stay of the commencement or continuation of any judicial or other proceeding against the petitioner; (iv) grants priority to debt owed for services or material actually provided within three (3) months of the filing of the petition; (v) directs a petitioner to file a plan for the adjustment of its debts; and (vi) provides that the plan must be accepted in writing by or on behalf of creditors holding at least two-thirds (2/3) in amount or more than one-half (1/2) in number of the listed creditors.

Bankruptcy proceedings by the Village could have adverse effects on holders of bonds or notes including (a) delay in the enforcement of their remedies, (b) subordination of their claims to those supplying goods and services to the Village after the initiation of bankruptcy proceedings and to the administrative expenses of bankruptcy proceedings and (c) imposition without their consent of a reorganization plan reducing or delaying payment of the Bonds. The Bankruptcy Code contains provisions intended to ensure that, in any reorganization plan not accepted by at least a majority of a class of creditors such as the holders of general obligation bonds, such creditors will have the benefit of their original claim or the "indubitable equivalent". The effect of these and other provisions of the Bankruptcy Code cannot be predicted and may be significantly affected by judicial interpretation.

Accordingly, enforceability of the rights and remedies of the owners of the Bonds, and the obligations incurred by the Village, may become subject to Chapter IX and applicable bankruptcy, insolvency, reorganization, moratorium, or similar laws relating to or affecting the enforcement of creditor's rights generally, now or hereafter in effect, equity principles which may limit the specific enforcement under State law of certain remedies, the exercise by the United States of America of the powers delegated to it by the Constitution, the reasonable and necessary exercise, in certain exceptional situations, of the police powers inherent in the sovereignty of the State and its governmental bodies in the interest of serving a significant and legitimate public purpose and the limitations on remedies against public agencies in the State. Bankruptcy proceedings, or the exercise of powers by the federal or State government, if initiated, could subject the owners of the Bonds to judicial discretion, interpretation and of their rights in bankruptcy or otherwise, and consequently may entail risks of delay, limitation, or modification of their rights.

The State has consented (see Title 6-A of the Local Finance Law) that any municipality in the State may file a petition with any United States district court or court of bankruptcy under any provision of the laws of the United States, now or hereafter in effect for the composition or adjustment of municipal indebtedness. However, it is noted that there is no record of any recent filings by a New York municipality. Since the New York City fiscal crisis in 1975, the State has legislated a finance control or review board and assistance corporations to monitor and restructure finance matters in addition to New York City, for the Cities of Yonkers, Troy and Buffalo and for the Counties of Nassau and Erie. Similar active intervention pursuant to State legislation to relieve fiscal stress for the Village in the future cannot be assured.

No current state law purports to create any priority for holders of the Bonds should the Village be under the jurisdiction of any court, pursuant to the laws of the United States, now or hereafter in effect, for the composition or adjustment of municipal indebtedness.

The above references to the Bankruptcy Act are not to be construed as an indication that the Village is currently considering or expects to resort to the provisions of the Bankruptcy Act.

Financial Control Boards

Pursuant to Article IX Section 2(b)(2) of the State Constitution, any municipality in the State may request the intervention of the State in its "property, affairs and government" by a two-thirds vote of the total membership of its legislative body or on request of its chief executive officer concurred in by a majority of such membership. This has resulted in the adoption of special acts for the establishment of public benefit corporations with varying degrees of authority to control the finances (including debt issuance) of the Cities of Buffalo, Troy and Yonkers and the County of Nassau. The specific authority, powers and composition of the financial control boards established by these acts varies based upon circumstances and needs. Generally, the State legislature has granted such boards the power to approve or disapprove budget and financial plans and to issue debt on behalf of the municipality, as well as to impose wage and/or hiring freezes and in certain cases approve or disapprove collective bargaining agreements. Implementation is generally left to the discretion of the board of the public benefit corporation. Such a State financial control board was first established for New York City in 1975. In addition, upon the issuance of a certificate of necessity of the Governor reciting facts which in the judgment of the Governor constitute an emergency requiring enactment of such laws, with the concurrences of two-thirds of the members elected in each house of the State legislature, the State is authorized to intervene in the "property, affairs and governments" of local government units. This occurred in the case of the County of Erie in 2005. The authority of the State to intervene in the financial affairs of a local government is further supported by Article VIII, Section 12 of the Constitution which declares it to be the duty of the State legislature to restrict, subject to other provisions of the Constitution, the power of taxation, assessment, borrowing money and contracting indebtedness and loaning the credit of counties, cities, towns and villages so as to prevent abuses in taxation and assessment and in contracting indebtedness by them.

In 2013, the State established a new state advisory board to assist counties, cities, towns and villages in financial distress. The Financial Restructuring Board for Local Governments (the "FRB"), is authorized to conduct a comprehensive review of the finances and operations of any such municipality deemed by the FRB to be fiscally eligible for its services upon request by resolution of the municipal legislative body and concurrence of its chief executive. The FRB is authorized to make recommendations for, but cannot compel improvement of fiscal stability, management and delivery of municipal services, including shared services opportunities and is authorized to offer grants and/or loans of up to $5,000,000 through a Local Government Performance and Efficiency Program to undertake certain recommendations. If a municipality agrees to undertake the FRB recommendations, it will be automatically bound to fulfill the terms in order to receive the aid.

The FRB is also authorized to serve as an alternative arbitration panel for binding arbitration.

Although from time to time there have been proposals for the creation of a statewide financial control board with broad authority over local governments in the State, the FRB does not have emergency financial control board powers to intervene in the finances and operations of entities such as the public benefit corporations established by special acts as described above.

Several municipalities in the State are presently working with the FRB. The Village has not applied to the FRB and does not reasonably anticipate submission of a request to the FRB for a comprehensive review of its finances and operations. School districts and fire districts are not eligible for FRB assistance.

RISK FACTORS

There are certain potential risks associated with an investment in the Bonds, and investors should be thoroughly familiar with this Offering Circular, including its appendices, in order to make an informed investment decision. Investors should consider, in particular, the following factors:

The Village's credit rating could be affected by circumstances beyond the Village's control. Economic conditions such as the rate of unemployment and inflation, termination of commercial operations by corporate taxpayers and employers, as well as natural catastrophes, could adversely affect the assessed valuation of Village property and its ability to maintain fund balances and other statistical indices commensurate with its current credit rating. As a consequence, a decline in the Village's credit rating could adversely affect the market value of the Bonds.

If and when an owner of any of the Bonds should elect to sell all or a part of the Bonds prior to maturity, there can be no assurance that a market will have been established, maintained and continue in existence for the purchase and sale of any of those Bonds. The market value of the Bonds is dependent upon the ability of holder to potentially incur a capital loss if such Bonds are sold prior to its maturity.

There can be no assurance that adverse events including, for example, the seeking by another municipality in the State or elsewhere of remedies pursuant to the Federal Bankruptcy Act or otherwise, will not occur which might affect the market price of and the market for the Bonds. In particular, if a significant default or other financial crisis should occur in the affairs of the State or any of its municipalities, public authorities or other political subdivisions thereby possibly further impairing the acceptability of obligations issued by those entities, both the ability of the Village to arrange for additional borrowing(s) as well as the market for and market value of outstanding debt obligations, including the Bonds, could be adversely affected.

The Village relies in part on State aid to fund its operations. There can be no assurance that the State appropriation for State aid to municipalities will be continued in future years, either pursuant to existing formulas or in any form whatsoever. State aid appropriated and apportioned to the Village can be paid only if the State has such monies available therefor. The availability of such monies and the timeliness of such payment may also be affected by a delay in the adoption of the State budget, the impact to the State's economy and financial condition due to the COVID-19 outbreak and other circumstances, including State fiscal stress. (See "*State Aid*" herein). Should the Village fail to receive State aid expected from the State in the amounts or at the times expected, occasioned by a delay in the payment of such monies, the Village is authorized by the Local Finance Law to provide operating funds by borrowing on account of the uncollected State aid.

Cybersecurity

The Village, like many other public and private entities, relies on technology to conduct its operations. As a recipient and provider of personal, private, or sensitive information, the Village faces multiple cyber threats including, but not limited to, hacking, viruses, malware and other attacks on computer and other sensitive digital networks and systems. To mitigate the risk of business operations impact and/or damage from cyber incidents or cyber-attacks, the Village invests in various forms of cybersecurity and operational controls; however, no assurances can be given that such security and operational control measures will be completely successful to guard against cyber threats and attacks. The results of any such attack could impact business operations and/or damage Village digital networks and systems and the costs of remedying any such damage could be substantial.

IMPACTS OF COVID-19

An outbreak of disease or similar public health threat, such as the COVID-19 outbreak, or fear of such an event, could have an adverse impact on the Village's financial condition and operating results by potentially delaying the receipt of real property taxes or resulting in a delay or reduction by the State in the payment of State aid. Currently, the COVID-19 outbreak has spread globally, including to the United States, and has been declared a pandemic by the World Health Organization. The outbreak of the disease has affected travel, commerce and financial markets globally and is widely expected to continue to affect economic growth worldwide. The outbreak caused the Federal government to declare a national state of emergency, which was followed by the enactment of a variety of stimulus measures designed to address financial stability and liquidity issues caused by the outbreak. The State also declared a state of emergency and the Governor has taken steps designed to mitigate the spread and impacts of COVID-19, including closing schools and non-essential businesses. Efforts to contain the spread of COVID-19 has reduced the spread of the virus in some areas and there have been recent efforts to relax some of the restrictions put in place following the initial outbreak. Nevertheless, the outbreak of COVID-19 and the dramatic steps taken by the Federal government and State to address it are expected to negatively impact federal and local economies, including the economy of the State. The full impact of COVID-19 on the State's operations and financial condition is not expected to be known for some time. Similarly, the degree of the impact to the Village's operations and finances as a result of COVID-19 is extremely difficult to predict due to the uncertainties relating to its (i) duration, and (ii) severity, as well as with regard to what actions have been or may continue to be taken by governmental and other health care authorities, including the State, to contain or mitigate its impact. The spread of the outbreak or resurgence at any time could have a material adverse effect on the State and municipalities and school districts located in the State, including the Village. The Village is monitoring the situation and will take such proactive measures as may be required to maintain its operations and meet its obligations. (See "*State Aid*" herein).

LITIGATION

Various notices of claim have been filed with the Village. The allegations set forth in the claims may relate to various circumstances including personal injury, condemnation proceedings, civil rights violations and/or administrative determinations by Village officials. Certain claims may assert money damages while others may seek a specific action or forbearance on the part of the Village.

In the opinion of the Attorney for the Village, the resolution of such various claims presently pending against the Village will not have a material adverse effect on the Village's financial position. Such matters are generally either of immaterial amount or adequately covered by budgetary appropriations or insurance. Pursuant to the Local Finance Law, the Village is authorized to issue debt to finance judgments and claims, if necessary.

TAX MATTERS

Opinion of Bond Counsel

In the opinion of Hawkins Delafield & Wood LLP, Bond Counsel to the Village, under existing statutes and court decisions and assuming continuing compliance with certain tax certifications described herein, (i) interest on the Bonds is excluded from gross income for federal income tax purposes pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), and (ii) interest on the Bonds is not treated as a preference item in calculating the alternative minimum tax under the Code. The Tax Certificate of the Village (the "Tax Certificate"), which will be delivered concurrently with the delivery of the Bonds, will contain provisions and procedures relating to compliance with applicable requirements of the Code. In rendering its opinion, Bond Counsel has relied on certain representations, certifications of fact, and statements of reasonable expectations made by the Village and others in connection with the Bonds, and Bond Counsel has assumed compliance by the Village with certain ongoing provisions and procedures set forth in the Tax Certificate relating to compliance with applicable requirements of the Code to assure the exclusion of interest on the Bonds from gross income under Section 103 of the Code.

In addition, in the opinion of Bond Counsel to the Village, under existing statutes, interest on the Bonds is exempt from personal income taxes of New York State and its political subdivisions, including The City of New York.

Bond Counsel expresses no opinion as to any other federal, state or local tax consequences arising with respect to the Bonds, or the ownership or disposition thereof, except as stated above. Bond Counsel renders its opinion under existing statutes and court decisions as of the issue date, and assumes no obligation to update, revise or supplement its opinion to reflect any action thereafter taken or not taken, any fact or circumstance that may thereafter come to its attention, any change in law or interpretation thereof that may thereafter occur, or for any other reason. Bond Counsel expresses no opinion as to the consequence of any of the events described in the preceding sentence or the likelihood of their occurrence. In addition, Bond Counsel expresses no opinion on the effect of any action taken or not taken in reliance upon an opinion of other counsel regarding federal, state or local tax matters, including, without limitation, exclusion from gross income for federal income tax purposes of interest on the Bonds.

Certain Ongoing Federal Tax Requirements and Certifications

The Code establishes certain ongoing requirements that must be met subsequent to the issuance and delivery of the Bonds in order that interest on such Bonds be and remain excluded from gross income under Section 103 of the Code. These requirements include, but are not limited to, requirements relating to use and expenditure of gross proceeds of the Bonds, yield and other restrictions on investments of gross proceeds, and the arbitrage rebate requirement that certain excess earnings on gross proceeds be rebated to the federal government. Noncompliance with such requirements may cause interest on the Bonds to become included in gross income for federal income tax purposes retroactive to their issue date, irrespective of the date on which such noncompliance occurs or is discovered. The Village, in executing the Tax Certificate, will certify to the effect that the Village will comply with the provisions and procedures set forth therein and that it will do and perform all acts and things necessary or desirable to assure the exclusion of interest on the Bonds from gross income under Section 103 of the Code.

Certain Collateral Federal Tax Consequences

The following is a brief discussion of certain collateral federal income tax matters with respect to the Bonds. It does not purport to address all aspects of federal taxation that may be relevant to a particular owner of a Bonds. Prospective investors, particularly those who may be subject to special rules, are advised to consult their own tax advisors regarding the federal tax consequences of owning and disposing of the Bonds.

Prospective owners of the Bonds should be aware that the ownership of such obligations may result in collateral federal income tax consequences to various categories of persons, such as corporations (including S corporations and foreign corporations), financial institutions, property and casualty and life insurance companies, individual recipients of Social Security and railroad retirement benefits, individuals otherwise eligible for the earned income tax credit, and taxpayers deemed to have incurred or continued indebtedness to purchase or carry obligations the interest on which is excluded from gross income for federal income tax purposes. Interest on the Bonds may be taken into account in determining the tax liability of foreign corporations subject to the branch profits tax imposed by Section 884 of the Code.

Original Issue Discount

"Original issue discount" ("OID") is the excess of the sum of all amounts payable at the stated maturity of a Bond (excluding certain "qualified stated interest" that is unconditionally payable at least annually at prescribed rates) over the issue price of that maturity. In general, the "issue price" of a maturity (a bond with the same maturity date, interest rate, and credit terms) means the first price at which at least 10 percent of such maturity was sold to the public, i.e., a purchaser who is not, directly or indirectly, a signatory to a written contract to participate in the initial sale of the Bonds. In general, the issue price for each maturity of Bonds is expected to be the initial public offering price set forth on the cover page of the Offering Circular. Bond Counsel further is of the opinion that, for any Bond having OID (a "Tax-Exempt Discount Bond"), OID that has accrued and is properly allocable to the owners of the Tax-Exempt Discount Bonds under Section 1288 of the Code is excludable from gross income for federal income tax purposes to the same extent as other interest on the Bonds.

In general, under Section 1288 of the Code, OID on a Tax-Exempt Discount Bond accrues under a constant yield method, based on periodic compounding of interest over prescribed accrual periods using a compounding rate determined by reference to the yield on that Tax-Exempt Discount Bond. An owner's adjusted basis in a Tax-Exempt Discount Bond is increased by accrued OID for purposes of determining gain or loss on sale, exchange, or other disposition of such Bond. Accrued OID may be taken into account as an increase in the amount of tax-exempt income received or deemed to have been received for purposes of determining various other tax consequences of owning a Tax-Exempt Discount Bond even though there will not be a corresponding cash payment.

Owners of Tax-Exempt Discount Bonds should consult their own tax advisors with respect to the treatment of original issue discount for federal income tax purposes, including various special rules relating thereto, and the state and local tax consequences of acquiring, holding, and disposing of Tax-Exempt Discount Bonds.

Bond Premium

In general, if an owner acquires a bond for a purchase price (excluding accrued interest) or otherwise at a tax basis that reflects a premium over the sum of all amounts payable on the bond after the acquisition date (excluding certain "qualified stated interest" that is unconditionally payable at least annually at prescribed rates), that premium constitutes "bond premium" on that bond (a "Tax-Exempt Premium Bond"). In general, under Section 171 of the Code, an owner of a Tax-Exempt Premium Bond must amortize the bond premium over the remaining term of the Tax-Exempt Premium Bond, based on the owner's yield over the remaining term of the Tax-Exempt Premium Bond, determined based on constant yield principles (in certain cases involving a Tax-Exempt Premium Bond callable prior to its stated maturity date, the amortization period and yield may be required to be determined on the basis of an earlier call date that results in the lowest yield on such Tax-Exempt Bond). An owner of a Tax-Exempt Premium Bond must amortize the bond premium by offsetting the qualified stated interest allocable to each interest accrual period under the owner's regular method of accounting against the bond premium allocable to that period. In the case of a Tax-Exempt Premium Bond, if the bond premium allocable to an accrual period exceeds the qualified stated interest allocable to that accrual period, the excess is a nondeductible loss. Under certain circumstances, the owner of a Tax-Exempt Premium Bond may realize a taxable gain upon disposition of the Tax-Exempt Premium Bond even though it is sold or redeemed for an amount less than or equal to the owner's original acquisition cost. Owners of any Tax-Exempt Premium Bonds should consult their own tax advisors regarding the treatment of bond premium for federal income tax purposes, including various special rules relating thereto, and state and local tax consequences, in connection with the acquisition, ownership, amortization of bond premium on, sale, exchange, or other disposition of Tax-Exempt Premium Bonds.

Information Reporting and Backup Withholding

Information reporting requirements will apply to interest on tax-exempt obligations, including the Bonds. In general, such requirements are satisfied if the interest recipient completes, and provides the payor with, a Form W-9, "Request for Taxpayer Identification Number and Certification," or if the recipient is one of a limited class of exempt recipients. A recipient not otherwise exempt from information reporting who fails to satisfy the information reporting requirements will be subject to "backup withholding," which means that the payor is required to deduct and withhold a tax from the interest payment, calculated in the manner set forth in the Code. For the foregoing purpose, a "payor" generally refers to the person or entity from whom a recipient receives its payments of interest or who collects such payments on behalf of the recipient.

If an owner purchasing a Tax-Exempt Obligation through a brokerage account has executed a Form W-9 in connection with the establishment of such account, as generally can be expected, no backup withholding should occur. In any event, backup withholding does not affect the excludability of the interest on the Bonds from gross income for federal income tax purposes. Any amounts withheld pursuant to backup withholding would be allowed as a refund or a credit against the owner's federal income tax once the required information is furnished to the Internal Revenue Service.

Miscellaneous

Tax legislation, administrative actions taken by tax authorities, or court decisions, whether at the federal or state level, could adversely affect the tax-exempt status of interest on the Bonds under federal or state law or otherwise prevent beneficial owners of the Bonds from realizing the full current benefit of the tax status of such interest. In addition, such legislation or actions (whether currently proposed, proposed in the future, or enacted) or such decisions could affect the market price or marketability of the Bonds.

Prospective purchasers of the Bonds should consult their own tax advisors regarding the foregoing matters.

LEGAL MATTERS

Legal matters incident to the authorization, issuance and sale of the Bonds are subject to the approving legal opinion of Hawkins Delafield & Wood LLP, New York, New York, Bond Counsel in substantially the form attached hereto in Appendix D.

NO CONTINUING DISCLOSURE

The offering and sale of the Bonds are exempt from the rules of the United States Securities and Exchange Commission relating to the disclosure of annual financial and operating information and certain listed events specified under Rule 15c2-12 promulgated pursuant to the Securities Exchange Act of 1934 ("Rule 15c2-12"). The Village and the Bank are not obligated to provide and do not expect to provide updates of annual financial and operating information and notices of certain listed events.

Notwithstanding the foregoing, the Village has entered into continuing disclosure agreements in connection with other bond offerings to which Rule 15c2-12 applies. Under such agreements, the Village provides annual updates to financial and operating information and notices of certain listed events. Such updates and notices can be found on the Electronic Municipal Market Access (EMMA) system established by the Municipal Securities Rulemaking Board at emma.msrb.org.

RATING

The Village has applied to S&P Global Ratings ("S&P") for a rating on the Bonds. Such application is pending at this time.

On February 8, 2019, S&P downgraded the Village's long-term underlying credit rating to "A-" from "A" with a negative outlook.

With respect to the S&P's rating applicable to uninsured debt, such rating reflects only the views of such organization and any desired explanation of the significance of such rating should be obtained from the rating agency furnishing the same, at the following address: Standard & Poor's Corporation, 25 Broadway, New York, New York 10004. There can be no assurance that such rating will continue for any specified period of time or that such rating will not be revised or withdrawn, if in the judgment of S&P circumstances so warrant. Any such change or withdrawal of such rating may have an adverse effect on the market price of such bonds or the availability of a secondary market for those bonds.

MUNICIPAL ADVISOR

Capital Markets Advisors, LLC, Great Neck and New York, New York, (the "Municipal Advisor") is an independent municipal advisor registered with the United States Securities and Exchange Commission and the Municipal Securities Rulemaking Board. The Municipal Advisor has served as the independent financial advisor to the Village in connection with this transaction.

In preparing the Offering Circular, the Municipal Advisor has relied upon governmental officials, and other sources, who have access to relevant data to provide accurate information for the Offering Circular. The Municipal Advisor has not been engaged, nor has it undertaken, to independently verify the accuracy of such information. The Municipal Advisor is not a public accounting firm and has not been engaged by the Village to compile, review, examine or audit any information in the Offering Circular in accordance with accounting standards. The Municipal Advisor is not a law firm and does not provide legal advice with respect to this or any debt offerings of the Village. The Municipal Advisor is an independent advisory firm and is not engaged in the business of underwriting, trading or distributing municipal securities or other public securities and therefore will not participate in the underwriting of the Bonds.

ADDITIONAL INFORMATION

Additional information may be obtained from Mr. Joel Mertz, Village Treasurer, (845) 783-8300, jmertz@vokj-ny.org or from the Village's Municipal Advisor, Capital Markets Advisors, LLC, 11 Grace Avenue, Suite 308, Great Neck, New York, (516) 487-9817. The Village Clerk will act as Paying Agent with respect to the Bonds. The Village Treasurer noted above is the Paying Agent contact.

So far as any statements made in this Offering Circular involve matters or estimates, whether or not expressly stated, they are set forth as such and not as representations of fact, and no representation is made that any of the statements will be realized. Neither this Offering Circular nor any other statement which may have been made orally or in writing is to be construed as a contract with the holders of the Bonds.

Estimates and Forecasts. The statements contained in this Offering Circular and the appendices hereto that are not purely historical are forward-looking statements. Such forward-looking statements can be identified, in some cases, by terminology such as “may,” “will,” “should,” “expects,” “intends,” “plans,” “anticipates,” “believes,” “estimates,” “predicts,” “potential,” “illustrate,” “example,” and “continue,” or the singular, plural, negative or other derivations of these or other comparable terms. Readers should not place undue reliance on forward-looking statements. All forward-looking statements included in this Offering Circular are based on information available to such parties on the date of this Offering Circular, and the Village assumes no obligation to update any such forward-looking statements. The forward-looking statements included herein are necessarily based on various assumptions and estimates and are inherently subject to various risks and uncertainties, including, but not limited to, risks and uncertainties relating to the possible invalidity of the underlying assumptions and estimates and possible changes or developments in various important factors. Accordingly, actual results may vary from the projections, forecasts and estimates contained in this Offering Circular and such variations may be material.

Capital Markets Advisors, LLC may place a copy of this Offering Circular on its website at www.capmark.org. Unless this Offering Circular specifically indicates otherwise, no statement on such website is included by specific reference or constitutes a part of this Offering Circular. Capital Markets Advisors, LLC has prepared such website information for convenience, but no decisions should be made in reliance upon that information. Typographical or other errors may have occurred in converting original source documents to digital format, and neither the Village nor Capital Markets Advisors, LLC assumes any liability or responsibility for errors or omissions on such website. Further, Capital Markets Advisors, LLC and the Village disclaim any duty or obligation either to update or to maintain that information or any responsibility or liability for any damages caused by viruses in the electronic files on the website. Capital Markets Advisors, LLC and the Village also assume no liability or responsibility for any errors or omissions or for any updates to dated website information.

This Offering Circular is submitted only in connection with the sale of the Bonds by the Village and may not be reproduced or used in whole or in part for any other purpose.

VILLAGE OF KIRYAS JOEL
ORANGE COUNTY, NEW YORK

By:____________________________
Joel Mertz
Village Treasurer

DATED: April __, 2021

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<u>APPENDIX A</u>

THE VILLAGE

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THE VILLAGE

General Information

The Village of Kiryas Joel is located in the Town of Palm Tree in Orange County, New York. The boundaries of the Village are coterminous with those of the Town. The estimated population of the Village was 26,813 in 2019 according to the U.S Census Bureau. The Village is primarily residential in nature and is located approximately 50 miles north of New York City.

Town of Palm Tree

On January 1, 2019, the Town of Palm Tree commenced municipal operations. The Town was created by the division of the Town of Monroe to consist of the entire Village of Kiryas Joel and an additional 64 acres of unincorporated land outside the Village. The 64 acres is composed of 30 separate tax lots. On June 14, 2019, the Village Board of Trustees adopted Local Law No. 2 of 2019, annexing the unincorporated 64-acre territory to the Village. As a result of the annexation, the municipal boundaries of the Village now encompass the entirety of the Town of Palm Tree and thus the Town and Village are coterminous. At the November 5, 2019 General Election, the electors of the Village approved a proposition presented by the Village Board that the local government of the coterminous Town/Village be operated principally as a Village. This took effect on January 1, 2020.

Form of Government

The Village was incorporated in 1977 as a municipal corporation by the State pursuant to the Village Law and is vested with such powers and has the responsibilities inherent in the operation of a municipal government, including the adoption of rules and regulations to govern its affairs. In addition, the Village may tax real property situated in its boundaries and incur debt subject to the provisions of the State's Local Finance Law. There is one independent school district operating in the Village that possesses the same powers with respect to taxation and debt issuance. Village residents also pay real property taxes to the Town and the County to support programs conducted by these two governmental entities.

Government operations of the Village are subject to the provisions of the State Constitution and various statutes affecting Village governments including the Village Law, the General Municipal Law and the Local Finance Law. Real property assessment, collection, and enforcement procedures are determined by the Real Property Tax Law.

Elected and Appointed Officials

The Village Board of Trustees (the "Board") is the legislative, appropriating, governing and policy determining body of the Village and consists of a mayor and four trustees, all of whom are elected at large to serve four-year terms. The number of terms which a Trustee may serve is not limited. It is the responsibility of the Board to enact, by resolution, all legislation including ordinances and local laws. Annual operating budgets for the Village must be approved by the Board; modifications and transfers between budgetary appropriations also must be authorized by the Board. The original issuance of all indebtedness is subject to approval by the Board.

The Mayor is the chief elected official of the Village and is elected for a four year term of office with the right to succeed himself. In addition, the Mayor is a full member of and the presiding officer of the Board.

The Village Treasurer is appointed by the Mayor, subject to the approval of the Board, to a term that runs concurrently with that of the Mayor and is the chief fiscal officer of the Village. Duties and responsibilities of the position include: collection of taxes, maintenance of the Village's accounting systems and records, which includes the responsibility to prepare and file an annual report with the State Comptroller, custody and investment of Village funds, and debt management. The Village Clerk, who also is appointed by the Mayor, subject to the approval of the Board, to a term that runs concurrently with that of the Mayor, has custody of the corporate seal, books, records, and papers of the Village, and all the official reports and communications of the Board and keeps the records of their proceedings. The Village Clerk is responsible for maintaining the Village Code of laws and ordinances as it relates to the codes for building, plumbing, electric, zoning, vehicle and traffic regulations, and general ordinances. In addition, the Village Clerk issues various licenses and permits. The Village Administrator is appointed by the Mayor to a ten year term and is responsible for the day-to-day management of the Village.

Services and Programs

The Village provides its residents with many of the services traditionally provided by municipal governments. In addition, the Town and County furnish certain other services. The services provided by the Village are as follows: highway and public facilities maintenance; cultural and recreational activities, building code enforcement and planning and zoning administration; and fire protection.

Pursuant to State law, the County, not the Village, is responsible for funding and providing various social service and health care programs such as Medicaid, aid to families with dependent children, home relief and mental health programs.

Employees

The Village employs 25 full-time and 55 part-time persons, none of whom are represented by unions.

Employee Pension Benefits

Substantially all employees of the Village are members of the New York State and Local Employees' Retirement System (the "Retirement System" or "ERS"). The Retirement System is a cost-sharing multiple public employer retirement system. The obligation of employers and employees to contribute and the benefits to employees are governed by the New York State Retirement and Social Security Law (the "NYSRSSL"). The Retirement System offers a wide range of plans and benefits which are related to years of service and final average salary, vesting of retirement benefits, death and disability benefits and optional methods of benefit payments. All benefits generally vest after five years of credited service.

NYSRSSL provides that all participating employers in each system are jointly and severally liable for any unfunded amounts. Such amounts are collected through annual billings to participating employers. All full-time employees and certain part-time employees, participate in the retirement system. The retirement system is non-contributory with respect to members hired prior to July 27, 1976. All members hired on or after July 27, 1976 through and including December 31, 2009, must contribute three percent of their gross annual salary toward the costs of retirement programs until they attain ten years in the Retirement System, at such time contributions become voluntary.

On December 12, 2009, a new Tier V pension level was signed into law. Key components of Tier V include: (1) raising the minimum age at which most civilians can retire without penalty from 55 to 62 and imposing a penalty of up to 38% for any civilian who retires prior to 62, (2) requiring employees to continue contributing 3% of their salaries toward pension costs so long as they accumulate additional pension credits, (3) increasing the minimum years of service required to draw a pension from 5 years to 10 years, and (4) capping the amount of overtime that can be considered in the calculation of pension benefits for civilians at $15,000 per year, and for police and firefighters at 15% of non-overtime wages. The foregoing provisions are applicable to employees hired after January 1, 2010.

Additionally, on March 16, 2012, the Governor signed into law the new Tier VI pension program, effective for new ERS and TRS employees hired after April 1, 2012. The Tier VI legislation provides for increased employee contribution rates of between 3% and 6%, an increase in the retirement age from 62 years to 63 years, a readjustment of the pension multiplier, and a change in the time period for final average salary calculation from 3 years to 5 years. Tier VI employees will vest in the system after 10 years of employment and will continue to make employee contributions throughout employment.

The billing cycle for employer contributions to the ERS retirement system do not match budget cycles of the Village; however, the Village is provided with an estimate of the required payment for the subsequent year before its budget is implemented. As a result, the Village is notified of and can include the estimated cost of the employer contribution in its budget. The Village is also required to make a minimum payment of 4.5% of payroll each year, including years in which investment performance of the fund would make a lower employer contribution possible.

The New York State Retirement System has advised the Village that municipalities can elect to make employer contribution payments in the December or the following February, as required. If such payments are made in the December prior to the scheduled payment date in February, such payments may be made at a discount amount.

Due to significant capital market declines in 2008 and 2009, the State's Retirement System portfolio has experienced negative investment performance and severe downward trends in market earnings in certain years. As a result of the foregoing, the employer contribution rate for the State's Retirement System continues to be higher than the minimum contribution rate established by applicable law. The State calculates contribution amounts based upon a five-year rolling average. As a result, contribution rates are expected to remain higher than the minimum contribution rates set by applicable law in the near-term. To mitigate the expected increases in the employer contribution rate, legislation has been enacted that would permit local governments and school districts to borrow a portion of their required payments from the State pension plan at an interest rate of 5%. The new legislation also requires those local governments and school districts, who decide to amortize their pension obligations pursuant to the new law, to establish reserve accounts to fund payment increases that are a result of fluctuations in pension plan performance.

Beginning July 1, 2013, a voluntary defined contribution plan option will be made available to all unrepresented employees of New York State public employers hired on or after that date, and who earn $75,000 or more on an annual basis.

In Spring 2013, the State and ERS approved a Stable Contribution Option ("SCO"), which modified its existing SCO adopted in 2010, that gives municipalities the ability to better manage the spikes in Actuarially Required Contribution rates ("ARCs"). The plan allows municipalities to pay the SCO amount in lieu of the ARC amount. The Village did not amortize any portion of its current pension contribution through the SCO and does not expect to amortize any portion of future pension contributions through the SCO.

Other Post Employment Benefits

The Village does not presently provide any post employment benefits other than pensions and thus, does not have any other post employment benefit liability.

FINANCIAL FACTORS

Budgetary Procedure

The Village Treasurer is the budget officer of the Village and submits the tentative budget for the next fiscal year to the Board on or before March 20 of each year. Public hearings on the budget are held on or before April 15. Members of the public may express their views on the budget, but there is no provision for a formal vote. Following the public hearing, and on or before May 1, the Board meets to adopt the final budget.

Budgetary control is the responsibility of the Village Treasurer, Village Administrator and Village Board. Formal integration of the budget with the accounting system is used during the year as a management tool for all governmental funds.

Chapter 97 of the Laws of 2011 (the "Tax Levy Limit Law") imposes a limitation on increases in the real property tax levy of the Village, subject to certain exceptions outlined in the new law. All budgets of the Village adopted in accordance with the procedure discussed herein must comply with the requirements of the new law. *(See "Tax Levy Limit Law," herein.)*

Independent Audits

The Village retained the firm Aron E. Muller, Certified Public Accountants to audit its financial statements for the fiscal years ended May 31, 2016 through 2020. In addition, the Village is subject to audit by the State Comptroller to review compliance with legal requirements and the rules and regulations established by the State. The Village was last audited by the State in 2010.

The Village utilizes fund accounting to record and report its various service activities. A fund represents both legal and an accounting entity which segregates the transactions of specific programs in accordance with special regulations, restrictions or limitations.

The Village has two basic fund categories (Governmental Funds and Fiduciary Funds) and five generic fund types. Governmental Funds are those through which most governmental functions of the Village are financed and include two fund types, as follows. The General Fund is the principal operating fund and includes all operations not required to be recorded in other funds. The Village also maintains a Water Fund and a Sewer Fund. The Capital Projects Fund accounts for financial resources to be used for the acquisition or construction of major capital facilities. The other fund category, Fiduciary Funds, is used to account for assets held by the Village in a trustee or custodial capacity and includes a Trust and Agency Fund.

NYS Fiscal Stress Monitoring System

A Fiscal Stress Monitoring System was developed by the New York State Comptroller in 2012 as a way to identify local governments facing fiscal stress, factors influencing fiscal stress and ways in which local governments can manage fiscal stress. The monitoring system evaluates local governments on the basis of financial and environmental indicators to create an overall fiscal stress score. The Comptroller's 2016 fiscal year update noted that the Village's fiscal stress score had increased to 32.5% in the 2017 fiscal year and decreased to 16.7% in the 2018 fiscal year. Then increased to 17.9% in the 2019 fiscal year. For fiscal years 2015, 2016, 2017, 2018 and 2019 the Village's fiscal stress score has been "no designation". Such fiscal stress designations relied on data obtained from annual financial reports submitted by local governments to the Office of the State Comptroller.

Basis of Accounting

The Village maintains its records and reports on the modified accrual basis of accounting for recording transactions in all governmental funds. Under this method, (1) revenues are recorded when received in cash except that for revenues which are material and susceptible to accrual (measurable and available to finance the current year's operations) which are recorded when earned, and (2) expenditures, other than retirement plan contributions, vacation and sick pay, and accrued interest are recorded at the time liabilities are incurred.

2016 Audited Results

For the fiscal year ended May 31, 2016, the Village's General Fund revenues and other sources were $8,727,184 and General Fund expenditures and other uses were $8,646,013. Therefore, the Village recognized an operating General Fund surplus of $81,171 and a cumulative General Fund balance of $908,417 for the fiscal year ended May 31, 2016.

2017 Audited Results

For the fiscal year ended May 31, 2017, the Village's General Fund revenues and other sources were $9,106,970 and General Fund expenditures and other uses were $8,863,473. Therefore, the Village recognized an operating General Fund surplus of $243,497 and a cumulative General Fund balance of $1,151,915 for the fiscal year ended May 31, 2017.

2018 Audited Results

For the fiscal year ended May 31, 2018, the Village's General Fund revenues and other sources were $11,492,085 and General Fund expenditures and other uses were $9,815,240. Therefore, the Village recognized an operating General Fund surplus of $1,676,845 and a cumulative General Fund balance of $2,828,760 for the fiscal year ended May 31, 2018.

2019 Audited Results

For the fiscal year ended May 31, 2019, the Village's General Fund revenues and other sources were $10,590,521 and General Fund expenditures and other uses were $10,939,517. Therefore, the Village recognized an operating General Fund deficit of $348,996 and a cumulative General Fund balance of $2,479,764 for the fiscal year ended May 31, 2019.

2020 Audited Results

For the fiscal year ended May 31, 2020, the Village's General Fund revenues and other sources were $11,549,638 and General Fund expenditures and other uses were $11,342,405. Therefore, the Village recognized an operating General Fund surplus of $207,233 and a cumulative General Fund balance of $2,686,997 for the fiscal year ended May 31, 2020.

2021 Adopted Budget

For the fiscal year ended May 31, 2021, the Village's budget was balanced with General Fund revenues and expenditures budgeted at $11,748,070.

Real Property Taxes

The Village derives a major portion of its revenues from a tax on real property (see "Statement of Revenues, Expenditures and Changes in Fund Balance" in Appendix B, herein.) Property taxes accounted for 22.7% of total general fund revenues, for the fiscal year ended May 31, 2020. On June 24, 2011, the Tax Levy Limit Law was enacted, which imposes a tax levy limitation upon the municipalities, school districts and fire districts in the State, including the Village, without providing an exclusion for debt service on obligations issued by municipalities and fire districts, including the Village. *(See "Tax Levy Limit Law," herein.)*

Property Tax. The following table sets forth total general fund revenues and real property taxes received for each of the last five audited fiscal years and the amount budgeted for the current fiscal year.

General Fund Revenues & Real Property Taxes

Fiscal Year Ended May 31:	Total Revenues[1]	Real Property Taxes	Real Property Taxes to Revenues
2016	$ 8,727,184	$2,232,401	25.6%
2017	9,106,970	2,337,705	25.7
2018	11,492,085	2,489,926	21.7
2019	10,590,521	2,658,321	25.1
2020	11,549,638	2,620,188	22.7
2021 (Adopted Budget)	11,748,070	2,753,568	23.4

(1) General Fund.

Source: Audited Financial Statements and 2021 Adopted Budget of the Village. This summary is not audited.

State Aid

The Village receives financial assistance from the State. In its budget for the current fiscal year, approximately 3.9% of the total general fund revenues of the Village are estimated to be received in the form of State aid. If the State should not adopt its budget in a timely manner, municipalities and school districts in the State, including the Village, may be affected by a delay in the payment of State aid. Additionally, if the State should experience difficulty in borrowing funds in anticipation of the receipt of State taxes in order to pay State aid to municipalities and school districts in the State, including the Village, in this year or future years, the Village may be affected by a delay in the receipt of State aid until sufficient State taxes have been received by the State to make State aid payments.

The State is not constitutionally obligated to maintain or continue State aid to the Village. No assurance can be given that present State aid levels will be maintained in the future. Due to the outbreak of COVID-19, the State has declared a state of emergency and the Governor took steps designed to mitigate the spread and impacts of COVID-19, including closing schools and non-essential businesses. The outbreak of COVID-19 and the dramatic steps taken by the State to address it are expected to negatively impact the State's economy and financial condition. The full impact of COVID-19 upon the State is not expected to be known for some time; however, it is anticipated that the State will experience budgetary restrictions which will require certain gap-closing actions. Such actions may include, but are not limited to: reductions in State agency operations and/or the delay, elimination or substantial reduction in payments to municipalities, school districts or other recipients of State aid in the State. Reductions in the payment of State aid could adversely affect the financial condition of municipalities and school districts in the State, requiring either a counterbalancing increase in revenues from other sources to the extent available, or a curtailment of expenditures. (See also "*Risk Factors*" and "*Impacts of COVID-19*" herein.)

The State's 2020-2021 Adopted Budget authorizes the State's Budget Director to make periodic adjustments to nearly all State spending, including State Aid, in the event that actual State revenues come in below 99% percent of estimates or if actual disbursements exceed 101% of estimates. Specifically, the legislation provides that the State Budget Director will determine whether the State's 2020-2021 budget is balanced during three "measurement periods": April 1 to April 30, May 1 to June 30, and July 1 to Dec. 31. According to the legislation, if "a General Fund imbalance has occurred during any Measurement Period," the State's Budget Director will be empowered to "adjust or reduce any general fund and/or state special revenue fund appropriation … and related cash disbursement by any amount needed to maintain a balanced budget," and "such adjustments or reductions shall be done uniformly across the board to the extent practicably or by specific appropriations as needed." The legislation further provides that prior to making any adjustments or reductions, the State's Budget Director must notify the Legislature in writing and the Legislature has 10 days following receipt of such notice to prepare and approve its own plan. If the Legislature fails to approve its own plan, the Budget Director's reductions take effect automatically.

On August 13, 2020, the New York State Division of the Budget released the fiscal year ending 2021 First Quarterly State Budget Financial Plan Update, which projects a $14.5 billion General Fund revenue decline and a 15.3% decline in tax receipts from prior budget forecasts. The State further projects a total revenue loss of $62 billion through the State's fiscal year ending 2024 as a direct consequence of the COVID-19 pandemic. The State has announced that in the absence of Federal funding to offset this revenue loss, the State has begun to take steps to reduce spending, including but not limited to, temporarily holding back aid payments to local governments and school districts. According to the State, all or a portion of such temporary reductions in aid payments may be converted to permanent reductions, depending on the size and timing of any new Federal aid. Such reductions or delays in the payment of State aid could adversely affect the financial condition of municipalities and school districts in the State.

On October 30, 2020, the New York State Division of the Budget released the fiscal year ending 2021 First Quarterly State Budget Financial Plan Update, which projects a $14.9 billion General Fund revenue decline and a 15.3% decline in tax receipts from prior budget forecasts. The State further projects a total revenue loss of $63 billion through the State's fiscal year ending 2024 as a direct consequence of the COVID-19 pandemic. The State has announced that in the absence of Federal funding to offset this revenue loss, the State has begun to take steps to reduce spending, including but not limited to, temporarily holding back 20% of most aid payments to local governments and school districts. According to the State, all or a portion of such temporary reductions in aid payments may be converted to permanent reductions, depending on the size and timing of any new Federal aid. Such reductions or delays in the payment of State aid could adversely affect the financial condition of municipalities and school districts in the State. (See also "*Impacts of COVID-19*" and "*Risk Factors*" herein).

The following table sets forth total general fund revenues and State aid revenues received for each of the last five audited fiscal years and the amount budgeted for the current fiscal year.

General Fund Revenues & State Aid Revenues

Fiscal Year Ended May 31	Total Revenues[1]	State Aid	State Aid to Revenues
2016	$ 8,727,184	$411,250	4.5%
2017	9,106,970	531,686	5.8
2018	11,492,085	501,015	4.4
2019	10,590,521	499,870	4.7
2020	11,549,638	1,339,494	11.6
2021 (Adopted Budget)	11,748,070	463,741	3.9

(1) General Fund.

Source: Audited Financial Statements and 2021 Adopted Budget of the Village. This summary is not audited.

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TAX INFORMATION

Real Estate Tax Levying Limitation

The Village is responsible for levying taxes for Village purposes. The Village's real property tax levying powers, other than for debt service and certain other enumerated purposes, are limited by the State Constitution to two percent of the five-year average full valuation of taxable real property of the Village.

The following table sets forth the computation of the Village's real estate tax levying limitation and the determination of its tax margin for the last five fiscal years.

Real Property Tax Assessment and Rates

Fiscal Year Ending May 31:	Assessed Valuation	State Equalization Ratio	Full Valuation
2016	$132,781,548	0.1750	$ 758,751,703
2017	139,054,899	0.1927	721,613,383
2018	147,956,715	0.1986	744,998,565
2019	157,482,247	0.1846	853,100,076
2020	160,576,331	0.1825	879,870,307
		Total:	$3,958,334,034

Five-Year Average Valuation	791,666,807
Tax Levying Limitation: 2% of Average Five-Year Full Valuation:	15,833,336
Exclusions Added Thereto:	2,713,045
Maximum Taxing Power	18,546,381
Real Estate Tax Levy for 2020	2,753,568
Constitutional Net Tax Margin	15,792,813
Percent of Tax Limitation Exhausted	0.26%

Valuations and Tax Data

The following table shows the trend during the last five years for taxable assessed valuations, final state equalization ratios, full valuations, real property taxes and real property tax rates per $100 assessed valuation.

Valuations and Tax Data

	2016	2017	2018	2019	2020
Assessed Value	$132,781,548	$139,054,899	$147,956,715	$157,482,247	$160,576,331
Equal. Ratio	0.1750	0.1927	0.1986	0.1846	0.1825
Full Value	758,751,703	721,613,383	744,998,565	853,100,076	879,870,307
Tax Levy:	2,166,649	2,269,014	2,414,269	2,569,707	2,620,188
General Tax Rate:(1)	16.32	16.32	16.32	16.32	16.32

(1) Per $1,000 assessed valuation.

Source: The New York State Board of Real Property Services.

Tax Collection Enforcement Procedure and History

Property taxes are levied annually no later than May 20 and may be paid by July 1 without incurring a late charge. Thereafter penalties and interest are imposed pursuant to the Real Property Tax Law. Unpaid Village property taxes are delivered to the County on November 15 and are then relevied on the County's tax bill in January of the following year. The County makes the Village whole on any uncollected taxes in April in the year following their initial levy.

Largest Taxpayers

The following table presents the taxable assessments of ten of the Village's largest taxpayers for the 2020-21 fiscal year.

Taxable Assessments

Taxpayer	Nature of Business	Assessed Valuation	% of Total Assessed Value [1]
UTA of KJ BC II Inc.	Shopping Center	$2,098,600	1.31%
Orange & Rockland Utilities	Elec. & Gas Utilities	1,999,685	1.25
Intergris Equity LLC	Apartments	1,582,600	0.99
K J Housing Co., Inc.	Apartments	1,348,200	0.84
Beyo-HOC LLC	Apartments	1,242,000	0.77
UTA of KJ SC Inc	Shopping Center	1,046,100	0.65
J B Realty of Orange LLC	Apartments	960,000	0.60
UTA of KJ Medical Center, Inc.	Health Bldg	954,900	0.59
Bakertown Road II Holdings	Land	930,300	0.58
Lee Gardens Inc.	Apartments	762,600	0.47
	Total:	$12,924,985	8.05%

(1) The Village's total assessed valuation for the 2019-20 fiscal year is $160,576,331.

Source: Village of Kiryas Joel, Office of the Assessor.

Tax Levy Limit Law

Prior to the enactment of Chapter 97 of the Laws of 2011 (the "Tax Levy Limit Law") on June 24, 2011, all the taxable real property within the Village had been subject to the levy of ad valorem taxes to pay the bonds and notes of the Village and interest thereon without limitation as to rate or amount. However, the Tax Levy Limit Law imposes a tax levy limitation upon the Village for any fiscal year commencing after January 1, 2012, without providing an exclusion for debt service on obligations issued by the Village. As a result, the power of the Village to levy real estate taxes on all the taxable real property within the Village is subject to statutory limitations set forth in Tax Levy Limit Law.

The following is a brief summary of certain relevant provisions of Tax Levy Limit Law. The summary is not complete and the full text of the Tax Levy Limit Law should be read in order to understand the details and implications thereof.

The Tax Levy Limit Law imposes a limitation on increases in the real property tax levy of the Village, subject to certain exceptions. The Tax Levy Limit Law permits the Village to increase its overall real property tax levy over the tax levy of the prior year by no more than the "Allowable Levy Growth Factor", which is the lesser of one and two-one hundredths or the sum of one plus the Inflation Factor; provided, however that in no case shall the levy growth factor be less than one. The "Inflation Factor" is the quotient of: (i) the average of the 20 National Consumer Price Indexes determined by the United States Department of Labor for the twelve-month period ending six months prior to the start of the coming fiscal year minus the average of the National Consumer Price Indexes determined by the United States Department of Labor for the twelve-month period ending six months prior to the start of the prior fiscal year, divided by: (ii) the average of the National Consumer Price Indexes determined by the United States Department of Labor for the twelve-month period ending six months prior to the start of the prior fiscal year, with the result expressed as a decimal to four places. The Village is required to calculate its tax levy limit for the upcoming year in accordance with the provision above and provide all relevant information to the New York State Comptroller prior to adopting its budget. The Tax Levy Limit Law sets forth certain exclusions to the real property tax levy limitation of the Village, including exclusions for certain portions of the expenditures for retirement system contributions and tort judgments payable by the Village. The Village Board may adopt a budget that exceeds the tax levy limit for the coming fiscal year, only if the Village Board first enacts, by a vote of at least sixty percent of the total voting power of the governing board of the Village, a local law to override such limit for such coming fiscal year.

The Tax Levy Limit Law does not contain an exception from the levy limitation for the payment of debt service on either outstanding general obligation bonds or notes of the Village or such indebtedness incurred after the effective date of the Tax Levy Limit Law. As such, there can be no assurances that the Tax Levy Limit Law will not come under legal challenge for violating (i) Article VIII, Section 12 of the State Constitution for not providing an exception for debt service on obligations issued prior to the enactment of the Tax Levy Limit Law, (ii) Article VIII, Section 10 of the State Constitution by effectively eliminating the exception for debt service to general real estate tax limitations, and (iii) Article VIII, Section 2 of the State Constitution by limiting the pledge of its faith and credit by a municipality or school district for the payment of debt service on obligations issued by such municipality or school district.

VILLAGE INDEBTEDNESS

Constitutional and Statutory Requirements

The New York State Constitution limits the power of the Village (and other municipalities and school districts of the State) to issue obligations and to otherwise contract indebtedness. Such constitutional limitations include the following, in summary form, and are generally applicable to the Bonds.

Purpose and Pledge. The Village shall not give or loan any money or property to or in aid of any individual or private corporation or private undertaking or give or loan its credit to or in aid of any of the foregoing or any public corporation.

The Village may contract indebtedness only for a Village purpose and shall pledge its faith and credit for the payment of principal of and interest thereon.

Payment and Maturity. Except for certain short-term indebtedness contracted in anticipation of taxes, or to be paid within three fiscal years, indebtedness shall be paid in annual installments commencing no later than two years after the date such indebtedness shall have been contracted and ending no later than the expiration of the period of probable usefulness of the object or purpose (as determined by statute) or, in the alternative, the weighted average period of probable usefulness of the several purposes for which it is contracted, unless the Village determines to issue debt amortized on the basis of substantially level or declining annual debt service. The Village is required to provide an annual appropriation for the payment of interest due during the year on its indebtedness and for the amounts required in such year for amortization and redemption of its serial bonds and bond anticipation notes.

General. The Village is further subject to constitutional limitation by the general constitutionally imposed duty of the State Legislature to restrict the power of taxation and contracting indebtedness to prevent abuses in the exercise of such powers. As has been noted under "*Nature of Obligation*", the State Legislature is prohibited by a specific constitutional provision from restricting the power of the Village to levy taxes on real estate for the payment of interest on or principal of indebtedness theretofore contracted. However, the Tax Levy Limit Law imposes a statutory limitation on the Village's power to increase its annual tax levy, unless the Village complies with certain procedural requirements to permit the Village to levy certain year-to-year increases in real property taxes. (See "*Tax Levy Limit Law*" herein).

Debt Limit. The Village has the power to contract indebtedness for any Village purpose so long as the principal amount thereof shall not exceed seven per centum of the most recent five-year average full valuation of taxable real estate of the Village and subject to certain enumerated exclusions and deductions such as water and certain sewer facilities and cash appropriations for current debt service. The constitutional method for determining full valuation is by taking the assessed valuation of taxable real estate for the last completed assessment roll and applying thereto the final equalization rate as determined by the State Board of Real Property Services. The State Legislature is required to prescribe the manner by which such rate shall be determined. The average full valuation is determined by taking the sum of full valuations of such last completed assessment roll and the four preceding assessment rolls, and dividing such sum by five.

There is no constitutional limitation on the amount that may be raised by the Village by tax on real estate in any fiscal year to pay principal of and interest on all indebtedness. However, the Tax Levy Limit Law imposes a statutory limitation on the power of the Village to increase its annual tax levy. The amount of such increases is limited by the formulas set forth in the Tax Levy Limit Law. (See "*Tax Levy Limit Law*" herein).

Statutory Procedure

In general, the State Legislature has authorized the power and procedure for the Village to borrow and incur indebtedness subject, of course, to the constitutional provisions set forth above. The power to spend money, however, generally derives from other law, including the Village Law and the General Municipal Law.

Pursuant to the Local Finance Law, the Village authorizes the incurrence of indebtedness, including bonds and bond anticipation notes issued in anticipation of such bonds, by the adoption of a resolution, approved by at least two-thirds of the members of the Village Board, the finance board of the Village. Certain such resolutions may be subject to permissive referendum, or may be submitted to the Village voters at the discretion and (3/5) three-fifths vote of the Village Board.

The Local Finance Law also provides for a twenty-day statute of limitations after publication of a bond resolution (in summary or in full), together with a statutory notice which, in effect, estops thereafter legal challenges to the validity of obligations authorized by such bond resolution except for alleged constitutional violations. The Village has complied with such procedures for the validation of the bond resolutions adopted in connection with the issuance of each series of the Bonds.

Each bond resolution usually authorizes the construction, acquisition or installation of the object or purpose to be financed, sets forth the plan of financing and specifies the maximum maturity of the bonds subject to the legal (Constitution, Local Finance Law and case law) restrictions relating to the period of probable usefulness with respect thereto.

Each bond resolution also authorizes the issuance of bond anticipation notes prior to the issuance of serial bonds. Statutory law in New York permits notes to be renewed each year provided that principal is amortized and provided that such renewals do not (with certain exceptions) extend more than five years beyond the original date of borrowing. However, notes issued in anticipation of the sale of serial bonds for assessable improvements are not subject to such five year limit and may be renewed subject to annual reductions of principal for the entire period of probable usefulness of the purpose for which such notes were originally issued. (See "*Payment and Maturity*" under "*Constitutional and Statutory Requirements*".)

In addition, under each bond resolution, the Village Board may delegate the power to issue and sell bonds and notes to the Village Treasurer, the chief fiscal officer of the Village.

In general, the Local Finance Law contains similar provisions providing the Village with power to issue general obligation revenue anticipation notes, tax anticipation notes, capital notes, deficiency notes and budget notes.

Remedies Upon Default

NO PRINCIPAL OR INTEREST PAYMENTS ON VILLAGE INDEBTEDNESS ARE PAST DUE. THE VILLAGE HAS NEVER DEFAULTED IN THE PAYMENT OF THE PRINCIPAL OF AND INTEREST ON ANY INDEBTEDNESS.

Under current law, provision is made for contract creditors (including the Bondholders) of the Village to enforce payments upon such contracts, if necessary, through court action, although the present statute limits interest on the amount adjudged due to creditors to nine per centum per annum from the date due to the date of payment. As a general rule, property and funds of a municipal corporation serving the public welfare and interest have not been judicially subject to execution or attachment to satisfy a judgment, although judicial mandates have been issued to officials to appropriate and pay judgments out of current funds or the proceeds of a tax levy.

Remedies for enforcement of payment are not expressly included in the Village's contract with holders of its bonds and notes, although any permanent repeal by statute or constitutional amendment of a Bondholder's remedial right to judicial enforcement of the contract should, in the opinion of Bond Counsel, be held unconstitutional.

The State has consented that any municipality in the State may file a petition with any United States district court or court of bankruptcy under any provision of the laws of the United States, now or hereafter in effect for the composition or adjustment of municipal indebtedness. Subject to such State consent, under the United States Constitution, Congress has jurisdiction over such matters and has enacted amendments to the existing Federal bankruptcy statute, generally to the effect and with the purpose of affording municipal corporations, under certain circumstances, with easier access to judicially approved adjustment of debts including judicial control over identifiable and unidentifiable creditors.

In recent times, certain events and legislation affecting remedies on default have resulted in litigation. While courts of the final jurisdiction have upheld and sustained the rights of noteholders and bondholders, such courts might hold that future events including financial crises as they may occur in the State and in municipalities of the State, require the exercise by the State of its emergency and police powers to assure the continuation of essential public services.

Constitutional Debt-Contracting Limitation

The following table sets forth the current debt-contracting limitation of the Village.

Debt Contracting Limitation

Fiscal Year Ended May 31:	Assessed Valuation	State Equalization Ratio[1]	Full Valuation
2016	$132,781,548	0.1750	$ 758,751,703
2017	139,054,899	0.1927	721,613,383
2018	147,956,715	0.1986	744,998,565
2019	157,482,274	0.1846	853,100,076
2020	160,576,331	0.1825	879,870,307
Total Five-Year Full Valuation			$3,958,334,034
Average Five-Year Full Valuation			791,666,807
Debt Contracting Limitation - 7% of Average Full Valuation			$ 55,416,676

(1) Equalization rates are established by the New York State Board of Real Property Services and the State Comptroller's Office.

Source: New York State Board of Real Property Services.

Statutory Debt Limit and Net Indebtedness

The debt limit of the Village is $55,416,676 as of March 25, 2021.

Statutory Debt Limit and Net Indebtedness

Debt-Contracting Limitation:		$55,416,676
Gross Direct Indebtedness:		
Serial Bonds	1,875,000	
NYS Environmental Facilities Corp. ("EFC") Bonds	35,722,271	
Bond Anticipation Notes:	57,151,701	
Total Gross Direct Indebtedness		$94,748,972
Less Exclusions and Deductions:		
Appropriations During 2020-2021 Fiscal Year	$ 0	
Water Debt	91,278,972	
Total Exclusions		$91,278,972
Total Net Direct Indebtedness		$ 3,470,000
Debt-Contracting Margin		51,946,676
Percentage of Debt-Contracting Power Exhausted		6.26%

Source: Village Officials.

Bond Anticipation Notes

On February 18, 2021, the Village issued $57,151,701 in bond anticipation notes through the New York State Environmental Facilities Corporation ("EFC") as part of the Clean Water State Revolving Fund Project No. 18208B. Such notes mature on February 18, 2026.

Tax and Revenue Anticipation Notes

The Village has not issued tax or revenue anticipation notes in recent years. At this time, the Village does not expect to issue any tax or revenue anticipation notes in the future.

Trend of Capital Indebtedness

The following table sets forth the amount of direct capital indebtedness outstanding for each of the last five fiscal years.

Direct Capital Indebtedness Outstanding(1)

	2016	2017	2018	2019	2020
Bonds:	$10,266,461	$44,020,530	$41,783,088	$39,466,974	$39,262,590
Bond Anticipation Notes:	0	0	1,450,000	3,435,198	0
Totals	$10,266,461	$44,020,530	$43,233,088	$42,902,172	$39,262,590

(1) Inclusive of bonds and notes issued through the New York State Environmental Facilities Corporation.

Source: Village Officials, Audited Financial Statements of the Village. Summary itself is not audited.

Overlapping and Underlying Debt

In addition to the Village, other political subdivisions have the power to issue bonds and to levy taxes or cause taxes to be levied on taxable real property in the Village. The real property taxpayers of the Village are responsible for a proportionate share of outstanding debt obligations of these subdivisions. Such taxpayers' share of overlapping and underlying debt is based on the amount of the Village's equalized property values taken as a percentage of each separate unit's total values. The following table presents the amount of overlapping and underlying debt and the Village's share of this debt. Authorized but unissued debt has not been included.

Statement of Direct and Overlapping Indebtedness

Issuer	Net Debt Outstanding	As of	Village Share	Amount Applicable To Village
Orange County	$278,172,331	03/20/20	1.08%	$ 3,004,261
Monroe Town	1,754,000	10/28/20	13.55	237,667
Kiryas Joel UFSD	0	06/30/20	100.00	0
Total Net Overlapping Debt				$ 3,241,928
Total Net Direct Debt				$3,470,000
Net Direct and Overlapping Debt				$6,711,928

Source: Data provided by County, Town and Village officials.

Authorized and Unissued Debt

Following the issuance of the Bonds, the Village will have approximately $1,950,000 in authorized but unissued debt for various Village purposes.

Debt Ratios

The following table presents certain debt ratios relating to the Village's direct and overlapping indebtedness.

Debt Ratios

	Amount	Debt Per Capita[1]	Debt to Full Value[2]
Net Direct Debt	$3,470,000	$129.41	0.39%
Net Direct and Overlapping Debt	6,711,928	250.32	0.76

(1) The population of the Village was estimated to be approximately 26,813.

(2) The Village's full value of taxable real property for fiscal year 2019-2020 is $879,870,307.

Debt Service Schedule

The following table shows the debt service requirements to maturity on the Village's outstanding general obligation bonded indebtedness, exclusive of the Bonds, for each fiscal year ending May 31.

Annual Debt Service Schedule

Fiscal Year Ending May 31:	Principal	Interest	Total Debt Service
2021[1]	$ 1,854,319	$ 998,825	$ 2,853,144
2022	1,876,779	975,230	2,852,009
2023	1,885,101	949,145	2,834,246
2024	1,917,423	920,630	2,838,053
2025	1,935,745	890,013	2,825,758
2026	1,969,066	857,701	2,826,767
2027	1,822,388	825,944	2,648,332
2028	1,686,710	792,762	2,479,472
2029	1,617,032	756,266	2,373,298
2030	1,647,354	717,548	2,364,902
2031	1,692,676	673,969	2,366,645
2032	1,732,997	626,703	2,359,700
2033	1,670,000	577,731	2,247,731
2034	1,715,000	528,188	2,243,188
2035	1,665,000	478,174	2,143,174
2036	1,720,000	427,769	2,147,769
2037	1,770,000	374,546	2,144,546
2038	1,690,000	318,968	2,008,968
2039	1,745,000	259,107	2,004,107
2040	1,800,000	197,302	1,997,302
2041	1,855,000	133,554	1,988,554
2042	1,915,000	67,833	1,982,833
2043	25,000	3,414	28,414
2044	25,000	2,347	27,347
2045	30,000	1,280	31,280
Total:	$39,262,590	$13,354,949	$52,617,539

(1) For the entire Fiscal Year.

ECONOMIC AND DEMOGRAPHIC DATA

Largest Employers

Largest Employers

Employers	Nature of Business	Estimated Number Of Employees
United Talmudical Academy	Religious School System	626
Kiryas Joel School District	Public School District	355
KJ Poultry	Poultry Processing Plant	250
Ezras Choilom, Inc.	Health Center	112
Mesivta of U.T.A.	College	120

Source: Village Officials.

Population

The following table presents population trends for the Village, County and State, based upon available census data.

Population Trend

	2000	2010	2019	Percentage Change 2000-2010	Percentage Change 2010-2019
Village	13,138	20,175	26,813	53.6%	33.0%
County	341,367	372,813	384,940	9.2	3.3
State	18,976,457	19,378,102	19,453,561	2.1	0.4

Source: U.S. Bureau of the Census.

Income

The following table presents median family income and median household income for the Village, County and State.

Median Family Income

	2000	2010	2018	Percentage Change 2000-2010	Percentage Change 2010-2018
Village	$15,372	$20,446	$ 32,166	52.8%	57.3%
County	60,355	79,883	93,694	9.2	17.3
State	51,691	65,897	80,419	4.8	22.0

Source: U.S. Bureau of the Census.

Employment and Unemployment

The following tables provide information concerning employment and unemployment in the County and State. Data provided for the County and State are not necessarily representative of the Village.

Civilian Labor Force
(Thousands)

	2016	2017	2018	2019	2020
County	179,000	180,500	183,300	186,500	183,300
State	9,527,000	9,549,000	9,511,200	9,507,100	9,289,200

Source: New York State Department of Labor statistics. Information not seasonally adjusted.

Unemployment rates are not compiled for the Village or Town, but are available for the County and State. The following tables are not necessarily representative of the Village.

Yearly Average Unemployment Rates

Year	County	State
2016	4.4%	4.9%
2017	4.5	4.6
2018	3.9	4.1
2019	3.6	3.8
2020	8.4	10.0

Source: New York State Department of Labor statistics. Information not seasonally adjusted.

Monthly Unemployment Rates

Month	County	State
March 2020	4.3%	4.4%
April	16.9	16.2
May	12.8	15.7
June	12.6	14.8
July	12.4	14.8
August	9.5	11.6
Sept	6.5	9.9
October	5.8	8.3
November	5.8	8.3
December	6.0	8.5
January 2021	6.6	9.4
February	6.7	9.6

Source: New York State Department of Labor statistics. Information not seasonally adjusted.

Utilities

Electricity and natural gas are supplied to the Village by Orange and Rockland Utilities. Telephone service is provided by Verizon. The Village provides water supply distribution to its residents and is responsible for financing the construction, operation and maintenance of this system. Sewer service is provided to Village residents by the Village as is refuse collection.

The Village is served by a network consisting of all major forms of transportation. Several primary State and U.S. Highways including the New York State Thruway, Palisades Interstate Parkway, Garden State Parkway, and Route #17 run through the County. The Coach USA Bus line, as well as, the Tor Bus Line provide transportation within the Village of Haverstraw. Freight service is provided by Conrail. Bus passenger service is provided to New York City and other points both within and outside the County. Air transportation is provided by the three New York metropolitan airports (Kennedy, LaGuardia and Newark) and Stewart International Airport in Newburgh, New York.

Educational Institutions

Primary education is provided by the Kiryas Joel Union Free School District as well as United Talmudical Academy and Bais Rochel. In addition, there are colleges, universities and vocational schools located throughout the County. The Orange County Community College is a publicly supported two-year community college maintained by the County with an enrollment policy for high school graduates meeting certain residency requirements.

END OF APPENDIX A

APPENDIX B

SUMMARY FINANCIAL STATEMENTS

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VILLAGE OF KIRYAS JOEL
ORANGE COUNTY, NEW YORK
Adopted and Proposed Budgets - General Fund
Fiscal Year ending May 31:

	Adopted 2020	Adopted 2021
Appropriations:	$10,598,508	$11,748,070
Total Appropriations	$10,598,508	$11,748,070
Revenues:		
Estimated Revenues	$7,978,320	$8,994,502
Appropriated Fund Balance	0	0
Real Property Taxes	2,620,188	2,753,568
Total Revenues	$10,598,508	$11,748,070

Source: Adopted Budgets of the Village.

VILLAGE OF KIRYAS JOEL
ORANGE COUNTY, NEW YORK
Balance Sheet
General Fund
Fiscal Year Ended May 31:

	2019	2020
Assets:		
Cash and Equivalents	$1,277,080	$942,084
Accounts Receivable	972,032	1,034,790
Grants Receivable	62,897	400,972
Mortgage Receivable	324,450	0
Due From Other Funds	444,500	975,000
Total Assets	$3,080,959	$3,352,846
Liabilities and Fund Balance:		
Liabilities:		
Accounts Payable & Accrued Liabilities	$337,545	$399,249
Escrow & Security Deposits Payable	263,650	266,600
Deferred Revenues	0	0
Due To Other Governments	0	0
Due To Other Funds	0	0
Total Liabilites	$601,195	$665,849
Fund Equity and Other Credits:		
Reserved for:		
Reserved for Repairs/Debt Service	$0	$0
Unreserved:		
Unassigned	2,479,764	2,686,997
Total Fund Balance	2,479,764	2,686,997
Total Liabilities and Fund Balance	$3,080,959	$3,352,846

Source: Audited Financial Statements of the Village.

ORANGE COUNTY, NEW YORK

Statement of Revenues, Expenditures and Changes in Fund Balance

General Fund

Fiscal Year Ended May 31:

REVENUES	2016	2017	2018	2019	2020
Real Property Taxes	$2,165,493	$2,268,049	$2,413,835	$2,569,700	$2,620,188
Real Property Tax Items	66,908	69,656	76,091	88,621	82,469
Non-Property Tax Items	3,235,924	3,353,357	3,496,494	3,627,769	3,837,579
Departmental Income	2,170,366	2,484,238	2,622,445	2,832,450	3,221,439
Use of Money and Property	38,925	29,730	33,738	34,634	15,859
Sale of Property and Compensation for loss	273,757	0	1,660,023	80,000	43,725
Federal Aid	364,217	370,254	688,444	777,825	385,890
State Aid	411,594	531,686	501,015	499,870	1,339,494
Miscellaneous	0	0	0	79,652	2,995
Total Revenues	$8,727,184	$9,106,970	$11,492,085	$10,590,521	$11,549,638
EXPENDITURES					
General Government Support	$1,692,191	$1,535,657	$1,590,770	$1,660,300	$1,583,912
Public Safety	1,206,471	1,272,592	1,388,688	1,667,000	1,637,339
Health	60,000	0	0	0	60,000
Street Maintenance	501,409	522,798	709,685	752,195	313,337
Transportation	484,444	505,748	544,488	618,707	727,736
Home and Community Services	2,467,859	2,621,193	2,740,895	3,194,728	3,449,082
Economic Assistance	414,606	430,422	497,044	543,250	593,892
Culture and Recreation	66,124	54,260	49,579	67,956	72,284
Employee Benefits	1,165,739	1,242,039	1,254,993	1,370,699	1,434,097
Debt Service	587,170	562,907	592,237	601,912	555,226
Total Expenditures	$8,646,013	$8,747,616	$9,368,379	$10,476,747	$10,426,905
Excess of Revenues over (under) Expenditures	$81,171	$359,354	$2,123,706	$113,774	$1,122,733
Other Financing Sources (Uses):					11,342,405
Proceeds of Obligations	$0	$0	$0	$0	$0
Proceeds from Sale of Sanitiation Vehicles	0	0	0	0	0
Interfund Transfers In (Out)	0	(115,857)	(446,861)	(462,770)	(915,500)
Transfers to Debt Service Fund	0	0	0	0	0
Total Other Financing Sources (Uses)	$0	($115,857)	($446,861)	($462,770)	($915,500)
Excess (Def) of Revenues and Other Sources Over Expenditures and Other Uses	81,171	243,497	1,676,845	(348,996)	207,233
Fund Balance Beginning of Year	$827,247	$908,418	$1,151,915	$2,828,760	$2,479,764
Fund Balance End of Year	$908,418	$1,151,915	$2,828,760	$2,479,764	$2,686,997

(1) Unaudited results.

Source: Audited Financial Statements of the Village.

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APPENDIX C

AUDITED FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED
MAY 31, 2020

CAN BE ACCESSED ON THE ELECTRONIC MUNICIPAL MARKET ACCESS ("EMMA") WEBSITE
OF THE MUNICIPAL SECURITIES RULEMAKING BOARD ("MSRB")
AT THE FOLLOWING LINK:

https://emma.msrb.org/P21444386-P21121314-P21532749.pdf

The audited financial statements referenced above are hereby incorporated into this Offering Circular.

*** Such Financial Statements and opinion are intended to be representative only as of the date thereof. Aron E. Muller, Certified Public Accountants has not been requested by the Village to further review and/or update such Financial Statements or opinion in connection with the preparation and dissemination of this Offering Circular.**

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APPENDIX D

FORM OF APPROVING LEGAL OPINION FOR THE BONDS

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Hawkins Delafield & Wood LLP
7 World Trade Center
250 Greenwich Street
New York, New York 10007

April XX, 2021

The Board of Trustees of the
Village of Kiryas Joel, in the
County of Orange, New York

Ladies and Gentlemen:

We have acted as Bond Counsel to the Village of Kiryas Joel (the "Village"), in the County of Orange, a municipal corporation of the State of New York, and have examined a record of proceedings relating to the authorization, sale and issuance of the Village's $4,250,000 Various Purposes Serial Bonds-2021 (the "Bonds"), dated and delivered on the date hereof.

In such examination, we have assumed the genuineness of all signatures, the authenticity of all documents submitted to us as originals and the conformity with originals of all documents submitted to us as copies thereof. Based on and subject to the foregoing, and in reliance thereon, as of the date hereof, we are of the following opinions:

1. The Bonds are valid and legally binding general obligations of the Village for which the Village has validly pledged its faith and credit and, unless paid from other sources, all the taxable real property within the Village is subject to the levy of ad valorem real estate taxes to pay the Bonds and interest thereon, subject to certain statutory limitations imposed by Chapter 97 of the New York Laws of 2011, as amended. The enforceability of rights or remedies with respect to such Bonds may be limited by bankruptcy, insolvency or other laws affecting creditors' rights or remedies heretofore or hereafter enacted.

2. Under existing statutes and court decisions and assuming continuing compliance with certain tax certifications described herein, (i) interest on the Bonds is excluded from gross income for federal income tax purposes pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), and (ii) interest on the Bonds is not treated as a preference item in calculating the alternative minimum tax under the Code.

The Code establishes certain requirements which must be met subsequent to the issuance of the Bonds in order that the interest on the Bonds be and remain excluded from gross income for federal income tax purposes under Section 103 of the Code. These requirements include, but are not limited to, requirements relating to the use and expenditure of proceeds of the Bonds, restrictions on the investment of proceeds of the Bonds prior to expenditure and the requirement that certain earnings be rebated to the federal government. Noncompliance with such requirements may cause the interest on the Bonds to become subject to federal income taxation retroactive to the date of issuance thereof, irrespective of the date on which such noncompliance occurs or is ascertained.

On the date of issuance of the Bonds, the Village will execute a Tax Certificate relating to the Bonds containing provisions and procedures pursuant to which such requirements can be satisfied. In executing the Tax Certificate, the Village represents that it will comply with the provisions and procedures set forth therein and that it will do and perform all acts and things necessary or desirable to assure that the interest on the Bonds will, for federal income tax purposes, be excluded from gross income.

In rendering the opinion in this paragraph 2, we have relied upon and assumed (i) the material accuracy of the Village's representations, statements of intention and reasonable expectations, and certifications of fact contained in the Tax Certificate with respect to matters affecting the status of the interest on the Bonds, and (ii) compliance by the Village with the procedures and representations set forth in the Tax Certificate as to such tax matters.

3. Under existing statutes, interest on the Bonds is exempt from personal income taxes of New York State and its political subdivisions, including The City of New York.

We express no opinion as to any other federal, state or local tax consequences arising with respect to the Bonds, or the ownership or disposition thereof, except as stated in paragraphs 2 and 3 above. We render our opinion under existing statutes and court decisions as of the date hereof, and assume no obligation to update, revise or supplement our opinion to reflect any action hereafter taken or not taken, any fact or circumstance that may hereafter come to our attention, any change in law or interpretation thereof that may hereafter occur, or for any other reason. We express no opinion as to the consequence of any of the events described in the preceding sentence or the likelihood of their occurrence. In addition, we express no opinion on the effect of any action taken or not taken in reliance upon an opinion of other counsel regarding federal, state or local tax matters, including, without limitation, exclusion from gross income for federal income tax purposes of interest on the Bonds.

We give no assurances as to the adequacy, sufficiency or completeness of the Offering Circular relating to the Bonds or any proceedings, reports, correspondence, financial statements or other documents, containing financial or other information relative to the Village, which have been or may hereafter be furnished or disclosed to purchasers of ownership interests in the Bonds.

Very truly yours,

/s/ Hawkins Delafield & Wood LLP