

InterAgency Council (NY)

AABR Realty/AABR Inc.

Dormitory Authority of the State of New York \$18,975,000 InterAgency Council Pooled Loan Program Revenue Bonds, Series 2013, Consisting of: Series 2013A consisting of \$14,255,000 Subseries 2013A-1 and \$685,000 Subseries 2013A-2 (Federally Taxable) and Series 2013B consisting of \$3,860,000 Subseries 2013B-1 and 1 \$175,000 Subseries 2013B-2 (Federally Taxable), Dated: May 9, 2013

Series 2013

Funding Sources

Funding sources for the Obligated Person's 2017 Fiscal Year were as follows:

Funding Source	Approx.% of Revenues
NYS Office for People with Developmental Disabilities	93%
NYS Department of Health	4%
NYS Education Department	1%
[list other sources]	

Series 2013

Debt Service Coverage

Calculated in accordance with the requirements of the Loan Agreement between the Authority and the Obligated Person, the Total Debt Service Coverage Ratio for Fiscal Year is as follows:

	2017
Revenues	35,080,271.00
Expenses	35,726,846.00
Total Net Revenue	(646,575.00)
Less Extraordinary Revenue Items	0.00
Plus Extraordinary Expense Items	0.00
Plus Depreciation and Amortization	746,840.00
Plus Current Interest Expense	171,985.00
Total Net Revenues Available for Debt Service	272,250.00
Maximum Annual Debt Service	859,113.00
Total Debt Service Coverage Ratio	0.32

Series 2013

Narrative explanation as may be necessary to avoid misunderstanding regarding the presentation of such Annual financial information concerning the Obligated Person.

Series 2013

or a decrease in Debt Service Coverage shall include an explanation, in narrative form, of

The AABR, Inc. deficit in fiscal year 2016-2017 was primarily a result of the reduction of our rates due to OPWDD rate rationalization and vacancies. In addition, AABR, Inc. received a one-time People's First Grant from OPWDD in 2015-2016 of \$965,000 that was not received in 2016-2017.

It should be noted that in order to offset the reduced income in 2016-2017 and operate within our funding, AABR's management team initiated measures to reduce our expenses which resulted in an operating expense reduction from prior year of \$880,416. The change in net assets from operations without the People's First Grant was a positive change of \$416,800. We expect to continue to see cost savings and increased income in the 17-18 fiscal year and anticipate meeting the DSC ratio of 1:1.