



**GOVERNMENT OF PUERTO RICO**  
**Puerto Rico Fiscal Agency and Financial  
Advisory Authority**

# Component Unit Liquidity

FOR THE MONTH OF JULY 2019

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## GLOSSARY

|  |   |
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| <b>AAFAF</b>   | Puerto Rico Fiscal Agency and Financial Advisory Authority.   |
| <b>Abriendo Caminos</b>  | A 2018 infrastructure program to repair and maintaining island roads.   |
| <b>ACAA</b>  | Automobile Accident Compensation Administration, an agency of the Commonwealth of Puerto Rico.  |
| <b>Act 22</b>  | Enacted in 2012 and known to “Promote the Relocation of Individual Investors to Puerto Rico,” Act No. 22 provides tax exemptions for investment income to eligible individuals who become residents of Puerto Rico.   |
| <b>Act 257</b>   | Act. No. 257 or Law 257 of December 10, 2018 amends several provisions of the Commonwealth's internal revenue code, which includes the implementation and enforcement of taxes from Video Lottery Terminals ("VLTs"). The law specifies the responsibility of the Puerto Rico Tourism Company ("PRTC") to regulate and monetize VLTs as they become legal.                              |
| <b>ADEA</b>  | Puerto Rico Administration for the Development of Agricultural Enterprises, a public corporation and a component unit of the Commonwealth of Puerto Rico.   |
| <b>AMA</b>   | Metropolitan Autobus Authority.   |
| <b>A/P</b>   | Accounts payable.   |
| <b>A/R</b>   | Accounts receivable.  |
| <b>ASEM</b>  | Puerto Rico Medical Services Administration, a public corporation and a component unit of the Commonwealth of Puerto Rico.  |
| <b>ASES</b>  | Puerto Rico Health Insurance Administration, a public corporation and a component unit of the Commonwealth of Puerto Rico.  |
| <b>ASSMCA</b>  | Administration of Mental Health and Anti-Addiction Services of Puerto Rico.   |
| <b>ATI</b>   | Puerto Rico Integrated Transit Authority.   |
| <b>ATM</b>   | Maritime Transportation Authority.  |
| <b>Bahía Urbana</b>  | Waterfront Park in San Juan, Puerto Rico.   |
| <b>BBA</b>   | Bi-Partisan Budget Act of 2018.   |
| <b>BDE</b>   | Economic Development Bank of Puerto Rico.   |
| <b>CapEx</b>   | Capital expenditures.   |
| <b>Cardio</b>  | Cardiovascular Center of Puerto Rico and the Caribbean, a public corporation and a component unit of the Commonwealth of Puerto Rico.   |
| <b>CCDA</b>  | Puerto Rico Convention Center District Authority, a public corporation and a component unit of the Commonwealth of Puerto Rico.   |
| <b>CDBG</b>  | Community Development Block Grant – Disaster Recovery (CDBG – DR) is a program responsible to ensure decent affordable housing opportunities and provision of services, community assistance, and to expansion and conserve jobs.   |
| <b>CM</b>  | Conway MacKenzie, Inc.  |
| <b>CMS</b>   | Clinical Medical Services provides an Integrated Home Health Delivery System consisting of Durable Medical Equipment, Respiratory Equipment, Home Health, Orthotics, Prosthetics and Home Infusion Services.  |
| <b>Component Unit (CU)</b>                                       | Public corporation of the Commonwealth of Puerto Rico.  |
| <b>COR3</b>  | Central Office of Recovery and Reconstruction of Puerto Rico.   |
| <b>Corporacion para la Promocion de Puerto Rico como Destino</b> | Corporation for the Promotion of Puerto Rico, a destination marketing organization (DMO).   |
| <b>CRIM</b>  | Center for the Collection of Municipal Revenues rendering fiscal services in favor of the Municipalities and has the responsibility to notify, assess, collect, receive and distribute the public funds from the property tax, the state subsidy, funds from the Electronic Lottery, and any other funds that are disposed by law for the benefit of the Municipalities of Puerto Rico. |
| <b>CU</b>  | See ‘Component unit.’   |
| <b>DDEC</b>  | Puerto Rico Department of Economic Development and Commerce, a public corporation and a component unit of the Commonwealth of Puerto Rico.  |
| <b>Disaster-Related Disbursements</b>                            | Expenditures related to the damages caused from hurricanes Irma and Maria.  |

|                                   |   |
|-----------------------------------|---|
| <b>Disaster-Related Receipts</b>  | Federal emergency funds, insurance related to hurricanes Irma and Maria.  |
| <b>DMO</b>                        | Destination Marketing Organization.   |
| <b>DPO (Intergovernmental)</b>    | Days Payable Outstanding [Intergovernmental Payables divided by trailing 12 months PayGo Charges plus Facilities/Rent Payments multiplied by 365].  |
| <b>DPO (Third Party)</b>          | Days Payable Outstanding [Third Party Payables divided by trailing 12 months Operating Disbursements, not including Payroll Costs, PayGo, Christmas Bonus, or Facilities/Rent Payments multiplied by 365].  |
| <b>DSO (Intergovernmental)</b>    | Days Sales Outstanding [Intergovernmental Receivables divided by trailing 12 months Intergovernmental Receipts multiplied by 365].  |
| <b>DSO (Third Party)</b>          | Days Sales Outstanding [Third Party Receivables divided by trailing 12 months Third Party Receipts multiplied by 365].  |
| <b>DTOP</b>                       | Puerto Rico Department of Transportation and Public Works.  |
| <b>DTPR, Hacienda</b>             | Puerto Rico Department of Treasury.   |
| <b>ERS</b>                        | Employees Retirement System of Puerto Rico.   |
| <b>FEMA</b>                       | Federal Emergency Management Agency coordinates the federal government's role in preparing for, preventing, mitigating the effects of, responding to, and recovering from all domestic disasters, whether natural or man-made, including acts of terror.                            |
| <b>FHWA</b>                       | Federal Highway Administration of Puerto Rico.  |
| <b>FOMB</b>                       | Financial Oversight and Management Board of Puerto Rico.  |
| <b>Fondo</b>                      | Puerto Rico State Insurance Fund Corporation, a public corporation and a component unit of the Commonwealth of Puerto Rico.   |
| <b>FTA</b>                        | The Federal Transit Administration provides financial and technical assistance to local public transit systems, including buses, subways, light rail, commuter rail, trolleys and ferries. FTA also oversees safety measures and helps develop next-generation technology research. |
| <b>GDB</b>                        | Government Development Bank for Puerto Rico, a former government agency currently winding down operations under PROMESA.  |
| <b>General Fund</b>               | The Commonwealth's principal operating fund.  |
| <b>HFA</b>                        | Puerto Rico Housing Finance Authority, a public corporation and a component unit of the Commonwealth of Puerto Rico.  |
| <b>HTA</b>                        | Puerto Rico Highways and Transportation Authority, a public corporation and a component unit of the Commonwealth of Puerto Rico.  |
| <b>HUD</b>                        | Department of Housing and Urban Development responsible for national policy and programs that address U.S. housing needs, improve and develop communities, and enforce fair housing laws.   |
| <b>Intergovernmental Receipts</b> | General fund appropriations to and funds transferred between public corporations and municipalities.  |
| <b>Invest Puerto Rico</b>         | Nonprofit investment organization created by Act 13-2017 to promote Puerto Rico as a competitive investment jurisdiction to attract new business in order to drive economic development.  |
| <b>IXS</b>                        | Marketing contract through advertising company KOI IXS for Puerto Rico.   |
| <b>Liquidity Plan (LP)</b>        | Projected cash flows for each component unit, based on their respective government FY19 Budget submission on September 7, 2018.   |
| <b>MCO</b>                        | Managed care organization.  |
| <b>MMIS</b>                       | Medicaid Management Information System.   |
| <b>New Insurance Project</b>      | A new business venture for Fondo in which the corporation is partnering with private insurers through a commission-based model to market and sell its products to potential new customers.  |
| <b>OCFO</b>                       | The office of the Chief Financial Officer of Puerto Rico.   |
| <b>OEI</b>                        | Office of Industrial Tax Exemption of Puerto Rico.  |
| <b>OGPE</b>                       | The Permit Management Office of Puerto Rico, established to facilitate and promote integral, economic, social and physical sustainable development of Puerto Rico through the issuance of permits, licenses, and other necessary authorizations.                                    |
| <b>Operating Disbursements</b>    | Includes payroll and related costs, material and supplies, purchased services, professional services, donations, subsidies, transportation expenses, media ads, and other operating payments.   |
| <b>Operating Receipts</b>         | Revenues collected from operations.   |

|                                |   |
|--------------------------------|---|
| <b>OPPEA</b>                   | Office of the Ombudsman for the Elderly; Oficina Del Procurador De Las Personas De Edad Avanzada of Puerto Rico.  |
| <b>Other Inflows</b>           | Sales of toll tags, rental income, and impact fees.   |
| <b>Other Outflows</b>          | Payments to suppliers from prior years.   |
| <b>Partial Task Appointees</b> | Fixed-term appointments granted to cover a position, or an unregulated position that entails the provision of services through an irregular schedule, depending on their classification as teaching staff or non-teaching staff. The permanence to the employees of the University of Puerto Rico is guaranteed.  |
| <b>PayGo Charges</b>           | Puerto Rico pension system that is funded through a pay-as-you-go system pursuant to Act 106-2017. Retirement benefits expenses of covered government employers are paid by the central government and reimbursed by the employers, with such funds received by the TSA.  |
| <b>PBA</b>                     | Puerto Rico Public Buildings Authority, a public corporation and a component unit of the Commonwealth of Puerto Rico.   |
| <b>PBM</b>                     | Pharmacy Benefit Manager in Puerto Rico.  |
| <b>Permanent Appointees</b>    | Appointments granted to cover a position, or regular position approved in the budget, after the incumbent has satisfactorily complied the period of probationary work.  |
| <b>PHA</b>                     | Public Housing Administration, a public corporation and a component unit of the Commonwealth of Puerto Rico.  |
| <b>Platino</b>                 | Medicaid + Medicare dual-eligible populations.  |
| <b>Ports</b>                   | Puerto Rico Ports Authority, a public corporation and a component unit of the Commonwealth of Puerto Rico.  |
| <b>PRIDCO</b>                  | Puerto Rico Industrial Development Company, a government-owned corporation dedicated to promoting Puerto Rico as an investment destination for companies and industries worldwide.  |
| <b>PRITA, ATI</b>              | Puerto Rico Integrated Transit Authority, a public corporation and a component unit of the Commonwealth of Puerto Rico.   |
| <b>Probationary Appointees</b> | Appointments initially granted to cover a position, or a position approved in the budget for a fixed duration in accordance with the provisions of the General Rules of UPR. During the appointment period, the appointee will be subjected to evaluation to determine, if at the end of the probationary period, he/she will be retained for a permanent appointment.  |
| <b>PROMESA</b>                 | The Puerto Rico Oversight, Management, and Economic Stability Act (PROMESA) is a 2016 US federal law that established an oversight board, a process for restructuring debt, and expedited procedures for approving critical infrastructure projects in order to combat the Puerto Rican government-debt crisis.   |
| <b>PRTC</b>                    | The Puerto Rico Tourism Company, also referred to as "Tourism."   |
| <b>Special Appointees</b>      | Appointments granted to cover a position, or position paid with funds of extra university origin, whose recurrence is not guaranteed. The University authorities may consider the experience acquired by employees with this type of appointment, if they happen to occupy regular positions.   |
| <b>Substitute Appointees</b>   | Appointments granted to university staff for a period not greater than twelve (12) months, to provisionally cover a position or regular position approved in the budget, while the incumbent in ownership thereof is in use of the license. This appointment must not be the prelude to a probationary or permanent appointment, unless this is achieved through the regular procedure that establishes the General Rules of UPR.   |
| <b>Temporary Appointees</b>    | Appointments granted to cover a non-regular position or positions, which get approved for a fixed period no longer than twelve (12) months to meet the needs of special services, such as unforeseen and occasional increases in the volume of the work.  |
| <b>Tourism</b>                 | Tourism Company of Puerto Rico, a public corporation and a component unit of the Commonwealth of Puerto Rico, also referred to as "PRTC."   |
| <b>Trust Position</b>          | Appointments that extend to university personnel denominated of trust in Chapter VIII, Article 71 of the General Rules of UPR. The positions of trust will be of free selection and removal in regard to the positions or posts thus classified; but will retain the rights acquired by virtue of some previous regular appointment in the System.  |
| <b>TSA</b>                     | Treasury Single Account, the Commonwealth's main operational bank account (concentration account) in which a majority of receipts from Governmental funds are deposited and from which most expenses are disbursed. TSA receipts include tax collections, charges for services, intergovernmental collections, the proceeds of short- and long-term debt issuances and amounts held in custody by the Secretary of the Treasury for the benefit of the Commonwealth's fiduciary |

|             |   |
|-------------|---|
|             | funds. A portion of the revenues collected through the TSA corresponds to the General fund. Other revenues include federal funds and special revenues conditionally assigned by law to certain agencies or public corporations that flow through the TSA.                                       |
| <b>TTM</b>  | Trailing twelve months.   |
| <b>UDH</b>  | Hospital Universitario, a hospital affiliated with UPR and part of the Department of Health.  |
| <b>UPR</b>  | University of Puerto Rico, a public corporation and a component unit of the Commonwealth of Puerto Rico.  |
| <b>VLT</b>  | Video Lottery Terminals in Puerto Rico located outside of casinos.  |
| <b>VTP</b>  | Voluntary Transition Program, as established by AAFAF Administrative Orders 2017-05, 2018-03, 2018-04, 2018-05, 2018-06, and 2018-13.   |
| <b>WIC</b>  | Special supplemental health program for women (pregnant and postpartum mothers), infants, and children up to the age of 5 in Puerto Rico.   |
| <b>WIOA</b> | The Workforce Innovation and Opportunity Act is a United States public law that replaced the previous Workforce Investment Act of 1998 as the primary federal workforce development legislation to bring about increased coordination among federal workforce development and related programs. |

## **INTRODUCTION**

AAFAF has been compiling financial information from selected public corporations of the Commonwealth of Puerto Rico that are component units (“CU”) for financial reporting purposes, as part of AAFAF’s evaluation of the liquidity of the Government of Puerto Rico and its public corporations.

This report is for the month of July 2019, and presents information with respect to 19 select CUs. Fiscal Year 2020 (“FY20”) Liquidity Plans for all 19 CUs are still in development, and are expected to be completed and approved in September 2019. As a result, this report is a modified version of the traditional monthly report published by AAFAF.

Each of the CUs has reported actual cash flow information for the month of July 2019. Section “A” of this report for each CU provides trailing twelve months of actual cash position, as well as the CU’s current liquidity position as of July 2019<sup>1</sup>. Analysis in section “A” includes details on actual receipts and expenses for July 2019<sup>1</sup>, and where relevant, a year-over-year comparison to Jul-18 results.

Cash receipts include revenues collected from operations; intergovernmental receipts – general fund appropriations and other transfers from Central Government, municipalities, and public corporations; disaster relief receipts – federal emergency funds, insurance proceeds related to Hurricanes Irma and Maria; and other federal funds. Cash disbursements include operating payments – e.g. payroll and related costs, PayGo charges, purchased services, professional services, and transportation expenses; and disaster relief disbursements – e.g. expenditures related to the damages caused from Hurricanes Irma and Maria.

The CUs are also expected to report monthly headcount figures in order to monitor changes in staff levels and their actual and projected effects on payroll costs. This information, along with trailing twelve months of data, is presented in the document under section “B” for each CU.

This report also contains pertinent working capital information for the CUs. Where available, the CUs have provided monthly information on Accounts Payable and Accounts Receivable. Figures are unaudited and subject to change. This information is presented in the document under section “D” for each CU.

The report contains two Appendix items. The first of these Appendix items (Appendix A) is a cash reconciliation. A bridge is provided between the actual cash data provided by the CUs as of July 26, 2019 and the July 2019 AAFAF reported figures (as of close of business on July 31, 2019) represented in the “Summary of Bank Account Balances for the Government of Puerto Rico and its Instrumentalities,” which was released on July 31, 2019. The second Appendix (Appendix B) item is a consolidated view of CU headcount and payroll information, which is based on information provided by CU management.

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<sup>1</sup> For 18 of the 19 CUs references to July 2019 in this report refer to the period of July 1, 2019 through July 26, 2019, when the CUs performed their monthly cut off for cash flow reporting purposes. UPR is reporting based off of the calendar month, therefore the period is July 1, 2019 through July 31, 2019.

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## EXECUTIVE SUMMARY – OPERATING LIQUIDITY AS OF JUNE 28, 2019

Millions of US Dollar

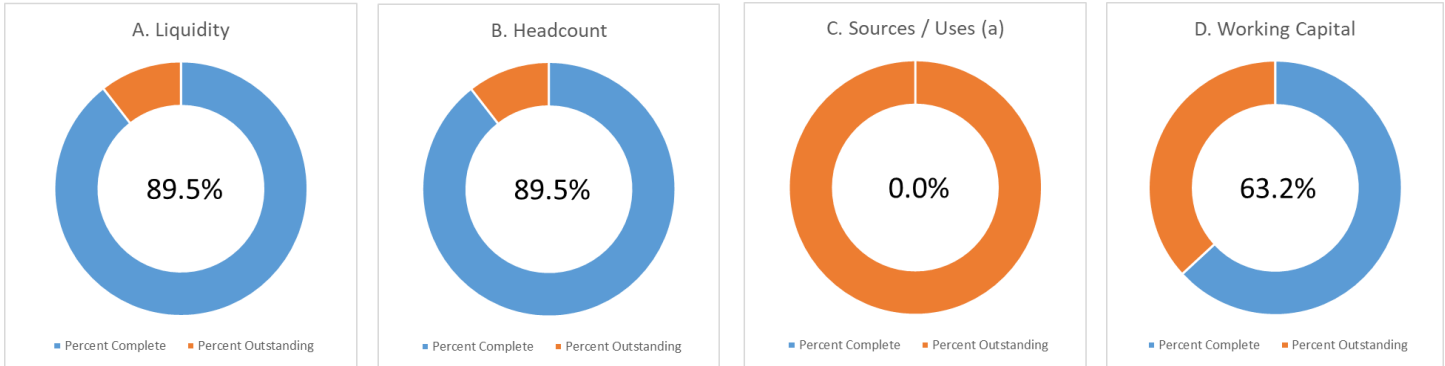
| COMPONENT UNIT   | HIGHLIGHTS  | FY20 BEG. BALANCE | ACTUAL 7/26/2019 (a) |
|--|---|-------------------|----------------------|
| <b>PUERTO RICO PORTS AUTHORITY ("PORTS")</b>                             | YTD liquidity at Ports increased by \$0.8M as a result of positive operating performance, especially at Ports' maritime operations. PayGo expenses represent a significant portion of disbursements. Additionally, Ports continues to make investments related to the Culebra ferryboat ramp repair project and Aguadilla Airport.  | 32.7              | 33.5                 |
| <b>MEDICAL SERVICES ADMINISTRATION ("ASEM")</b>                          | YTD liquidity has decreased by (\$1.5M) due to lower collections from physician and medical plan revenues and institutions, which have been challenged historically. The cash reduction was mitigated by \$4.2M in General Fund appropriations, as well as lower payroll spend due to declining headcounts at ASEM, which have constrained operating capacity.  | 19.4              | 17.9                 |
| <b>PUERTO RICO INTEGRATED TRANSIT AUTHORITY ("PRITA")</b>                | YTD liquidity at PRITA decreased by (\$0.6M) as a result of high operating expenses, in addition to a reduction in intergovernmental support in this year's budget. PRITA continues to have significant liquidity risk due to operating receipts being less than operating disbursements, requiring general fund appropriations to support its public transportation services.  | 15.6              | 15.0                 |
| <b>STATE INSURANCE FUND CORPORATION ("FONDO")</b>                        | YTD liquidity has increased by \$113.6M primarily due to \$145.3M in premiums collections pertaining to the second invoice period in FY19, which is seasonal. The cash build is also a result of lower-than-normal spend on operating expenses due to delayed payments as a result of the implementation of a new automatic billing system.   | 177.5             | 291.1                |
| <b>HEALTH INSURANCE ADMINISTRATION ("ASES")</b>                          | YTD liquidity has decreased by (\$101.0M) due to ASES receiving insufficient federal funds in Jul-19 to offset premiums and other healthcare-related costs, which is expected to reverse by Sep-19. Due to the expiration of the Bi-Partisan Budget Act (2018) in Sep-19, state funding is higher and federal funding sources are reduced in FY20 relative to FY19. CRIM funding is expected to resume in FY20.         | 283.1             | 182.1                |
| <b>HIGHWAYS AND TRANSPORTATION AUTHORITY ("HTA")</b>                     | YTD liquidity at HTA decreased by (\$15.2M) primarily related to a delay in receipt of general fund appropriations, now expected to begin in the latter part of Q1.   | 303.8             | 288.7                |
| <b>PUERTO RICO PUBLIC BUILDINGS AUTHORITY ("PBA")</b>                    | YTD liquidity at PBA decreased by (\$7.2M) given PBA's receipts were limited in Jul-19. PBA typically receives the first transfer from Hacienda for government entity rents in the third month of the fiscal year. As such, cash flow for Aug-19 is also anticipated to be negative.  | 70.7              | 63.5                 |
| <b>CARDIOVASCULAR CENTER OF PUERTO RICO AND THE CARIBBEAN ("CARDIO")</b> | YTD liquidity has decreased due to slower patient collections experienced in Jul-19. Patient collections are subject to a high level of variability due to differences in reimbursement rates and collection periods among payers.  | 12.6              | 11.7                 |
| <b>PUERTO RICO INDUSTRIAL DEVELOPMENT COMPANY ("PRIDCO")</b>             | YTD liquidity has increased due to sufficient rental receipts for supporting general operating expenditures; however, PRIDCO has not generated enough cash flow to begin paying 100% of PayGo invoices on a consistent basis. As a result, PRIDCO is in the process of finalizing a PayGo repayment plan, which will make it current on all prior fiscal year invoices.   | 16.0              | 16.9                 |
| <b>HOUSING FINANCE AUTHORITY ("HFA")</b>                                 | Data not provided by the CU.  | N/A               | N/A                  |
| <b>PUERTO RICO TOURISM COMPANY ("TOURISM")</b>                           | YTD liquidity has increased due to continued improved performance of slot machine and room tax collections. Net collections after waterfall disbursements are favorable by \$2.7M compared to Jul-18.   | 48.7              | 50.4                 |
| <b>FISCAL AGENCY AND FINANCIAL ADVISORY AUTHORITY ("AAFAF")</b>          | YTD liquidity has increased due to fewer professional service contracts than budget.  | 57.6              | 63.8                 |
| <b>DEPARTMENT OF ECONOMIC DEVELOPMENT AND COMMERCE ("DDEC")</b>          | YTD liquidity has decreased due to increased payroll and related costs as a result of the DDEC consolidation.   | 21.9              | 20.0                 |
| <b>CONVENTION CENTER DISTRICT AUTHORITY ("CCDA")</b>                     | YTD liquidity has increased due to greater events taking place at the venues, yielding greater operating receipts. Additionally, the Puerto Rico Tourism Company made a \$1.1M payment to catch up on prior fiscal year cash owed to CCDA, which offset expenditures.   | 8.1               | 8.3                  |
| <b>PUERTO RICO AGRICULTURAL DEVELOPMENT ADMINISTRATION ("ADEA")</b>      | YTD liquidity at ADEA decreased (\$0.8M) primarily related to operating expenses for the school cafeteria program, the coffee market making program, and rural infrastructure spending.   | 66.8              | 66.0                 |
| <b>AUTOMOBILE ACCIDENT COMPENSATION ADMINISTRATION ("ACAA")</b>          | YTD liquidity has decreased due to ACAA not receiving any insurance premiums during the month of July. Ordinary disbursements relating to payroll, insurance claims, and past-due PayGo were the largest contributors for the decline in liquidity.   | 20.2              | 16.7                 |
| <b>PUBLIC HOUSING ADMINISTRATION ("PHA")</b>                             | Data not provided by the CU.  | N/A               | N/A                  |
| <b>CENTRAL RECOVERY &amp; RECONSTRUCTION OFFICE ("COR3")</b>             | COR3 disbursed \$2.7B in federal funds during FY19, and disbursed \$116.1M for July of FY20. The disbursements should continue to flow as the various instrumentalities and municipalities continue to be reimbursed by FEMA for expenses incurred in recovery and reconstruction efforts following hurricanes Irma and Maria.  | 91.8              | 99.0                 |
| <b>UNIVERSITY OF PUERTO RICO ("UPR")</b>                                 | Through the first month of FY20, Jul-19, UPR generated (\$10.5M) in net cash flow and ended the month with a cash balance of \$302.8M. The cash decrease is mostly due to the seasonality of Tuition collections and Campus-related inflows, which are heavily weighted toward the second and third months of Q1 and Q3 (aligning with semesters), while operating expenses remain relatively flat throughout the year. | 313.3             | 302.8                |

Notes:

(a) For 18 of the 19 CUs July month end actual balances were taken as of the last Friday of the month, or July 26, 2019. For UPR the reporting period is the end of the calendar month, or July 31, 2019.

## **SUMMARY – REPORTING COMPLIANCE FOR COMPONENT UNITS**

Each of the Component Units provided data for the month of July 2019. Data was broken into four sections, and included: A. Liquidity information, B. Headcount information, C. Sources / Uses of Funds, and D. Working Capital information. FY20 Liquidity Plans are still in development; therefore, section C. Sources / Uses of Funds shows 0.0%, but is not applicable for the Jul-19 report. The 19 CUs included in this report were overall 89.5% compliant in providing data for A. Liquidity and B. Headcount. The 19 CUs were 63.2% compliant on D. Working Capital. CUs that provided insufficient information for reporting are mentioned in notes (a) and (b) below.



### **Notes:**

*(a) Liquidity and Headcount data is missing for the following CUs:*

- *HFA*
- *PHA*

*(b) Working Capital data is missing for the following CUs:*

- *ASEM*
- *Cardio*
- *HFA*
- *Tourism*
- *ACAA*
- *PHA*
- *COR3*

## I. PUERTO RICO PORTS AUTHORITY (“Ports”)

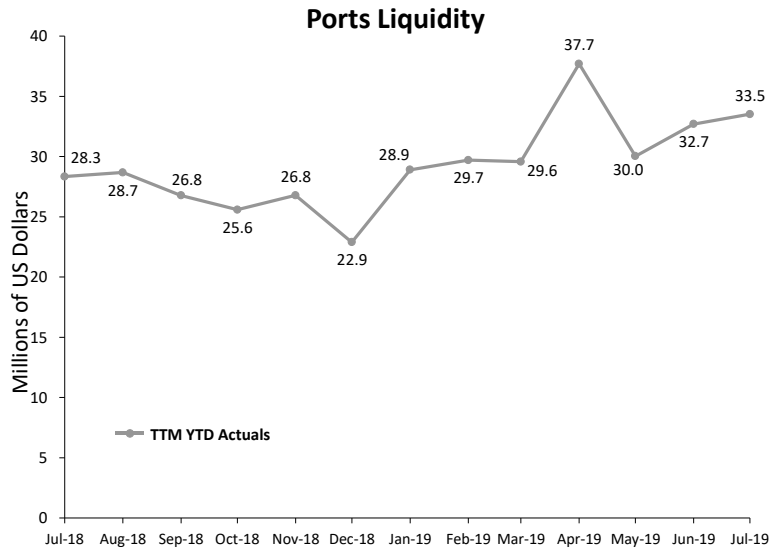
**Primary Business Activity:** The Puerto Rico Ports Authority is responsible for developing, improving, and administering all types of transportation facilities and air and sea services, as well as establishing and managing maritime collective transportation systems in, from, and to Puerto Rico.

**Key Takeaways:** Puerto Rico Ports Authority receipts for July 2019 are higher than the same period the previous year due to improved cruise ship and maritime cargo traffic. Airport receipts are flat as compared to last year. For the period, Ports generated \$0.8M in net cash flow and increased their cash balance to \$33.5M.

### A. FY20 Operating Liquidity – Actuals<sup>2</sup>

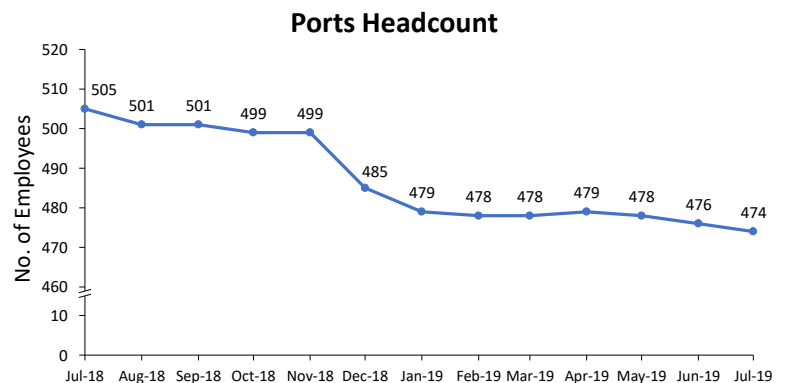
1. \$0.8M YTD actuals:

- a. \$6.5M in receipts related to maritime operations, which is \$0.5M higher than last year due to improved cargo traffic and passenger volume.
- b. \$0.8M in receipts related to airport operations, in line with July 2018 results.
- c. \$0.6M in other receipts, primarily related to federal funds received related to CapEx programs.
- d. (\$1.6M) in payroll expenses, which is (\$0.5) lower than the same period the previous year due to reduced headcount and benefits.
- e. (\$1.5M) in PayGo payments, which are \$1.0M higher this year than last year due to timing.
- f. (\$1.2M) in professional services, primarily related to scanning of freight containers inbound at ports terminals (\$0.5M), and (\$0.4M) in security at maritime and airport facilities.
- g. (\$1.1M) in facility payments related to PRASA (\$0.6M) and PREPA (\$0.5M).
- h. (\$1.2M) in CapEx primarily related to the Culebra ferryboat ramp repair project and Aguadilla Airport.
- i. (\$0.5M) in other expenses.



### B. Headcount / Payroll

1. Headcount FTEs: Decreased from 505 to 474 from Jul-18 to Jul-19.
  - a. Decrease in headcount is primarily due to the Voluntary Transition Program (“VTP”). These positions are not expected to be replaced.



<sup>2</sup> Appendix includes reconciliation between AAFAF reported cash figures and the figures in this report.

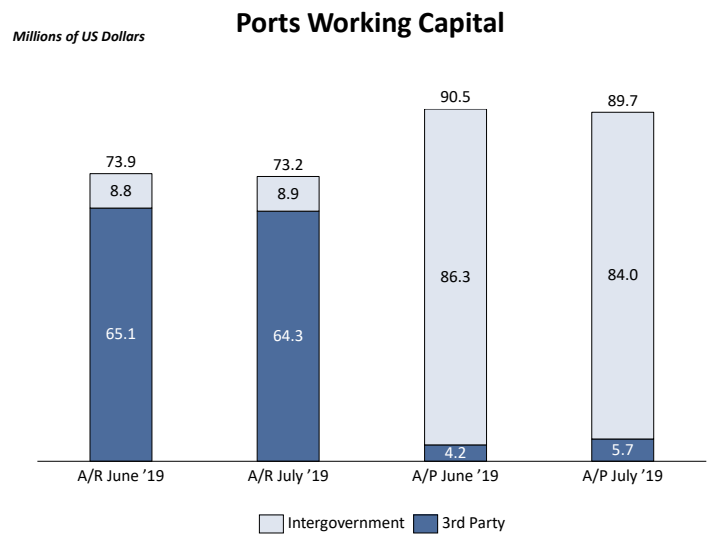
**I. PUERTO RICO PORTS AUTHORITY (“Ports”) (Continued)**

**C. Full Year FY20 Sources and Uses of Funds**

1. FY20 Liquidity Plans are still in development; therefore, this section is not applicable for the Jul-19 report.

**D. Accounts Receivable / Accounts Payable<sup>3</sup>**

1. Accounts Receivable:
  - a. \$0.7M decrease from Jun-19 to Jul-19 driven by reduction in third party receipts of \$0.8M, partially offset by an \$0.1M increase in intergovernmental receivables. Ports’ top eight customers account for \$0.6M of the decrease in A/R.
2. Accounts Payable:
  - a. \$0.8M decrease from Jun-19 to Jul-19 driven by \$2.3M decrease in intergovernmental payables, offset by a \$1.5M increase in payables to third party suppliers.
3. Working Capital:
  - a. The change in net working capital through Jul-19 is a \$0.1M use of cash due to the above changes.



<sup>3</sup> Figures are unaudited and subject to change.

## II. MEDICAL SERVICES ADMINISTRATION (“ASEM”)

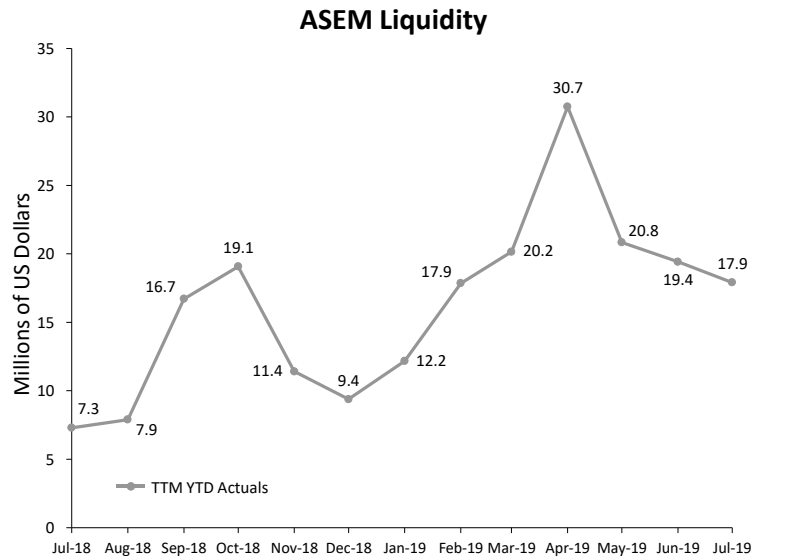
**Primary Business Activity:** ASEM plans, organizes, operates, and administers centralized health services, provided in support of the hospital and other functions, offered to member institutions and users of the medical complex, the Puerto Rico Medical Center.

**Key Takeaways:** In Jul-19, cash decreased from \$19.4M to \$17.9M. The cash burn is considerably more favorable compared to Jul-18, primarily driven by favorable collections from the General Fund and intergovernmental institutions relative to Jul-18, as well as lower payroll-related spend.

### A. FY20 Operating Liquidity – Actuals<sup>4</sup>

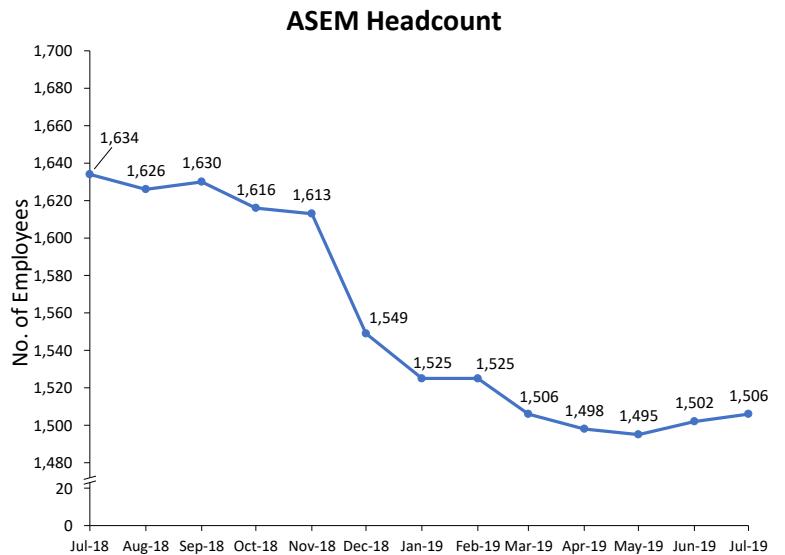
#### 1. (\$1.5M) YTD actuals:

- \$4.1M in General Fund appropriations and \$1.1M intergovernmental institutional receipts mostly from UDH, ASEM’s largest institutional debtor. These intergovernmental receipts are favorable compared to Jul-18 receipts of \$3.1M due to timing of receipts.
- \$1.3M in physician and medical plan revenues. These receipts are unfavorable compared to Jul-18, which is due to continued delays in billing cycles caused by implementation of the new healthcare model in FY19.
- (\$4.3M) in payroll-related disbursements, excluding PayGo. These disbursements are favorable compared to Jul-18, which is primarily due to the decline in headcounts.
- (\$3.9M) in operating disbursements, excluding payroll. The majority of these disbursements relate to medical supplies/services and professional service fees. These disbursements are relatively in line with the prior year, as increased professional services fees to meet operating needs have offset lower payroll spending due to the declining headcounts.
- \$0.2M net of miscellaneous receipts and disbursements.



### B. Headcount / Payroll

- Headcount FTEs: Decreased from 1,634 to 1,506 from Jul-18 to Jul-19.
  - 54 FTEs departed ASEM in FY19 due to the voluntary retirement program (VTP). The remainder of the decrease in headcount is due to normal attrition.



<sup>4</sup> Appendix includes reconciliation between AAFAF reported cash figures and the figures in this report.

**II. MEDICAL SERVICES ADMINISTRATION (“ASEM”) (Continued)**

**C. Full Year FY20 Sources and Uses of Funds**

1. FY20 Liquidity Plans are still in development; therefore, this section is not applicable for the Jul-19 report.

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**D. Accounts Receivable / Accounts Payable<sup>5</sup>**

1. Information not available.

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<sup>5</sup> Figures are unaudited and subject to change.

### III. PUERTO RICO INTEGRATED TRANSIT AUTHORITY (“PRITA”)

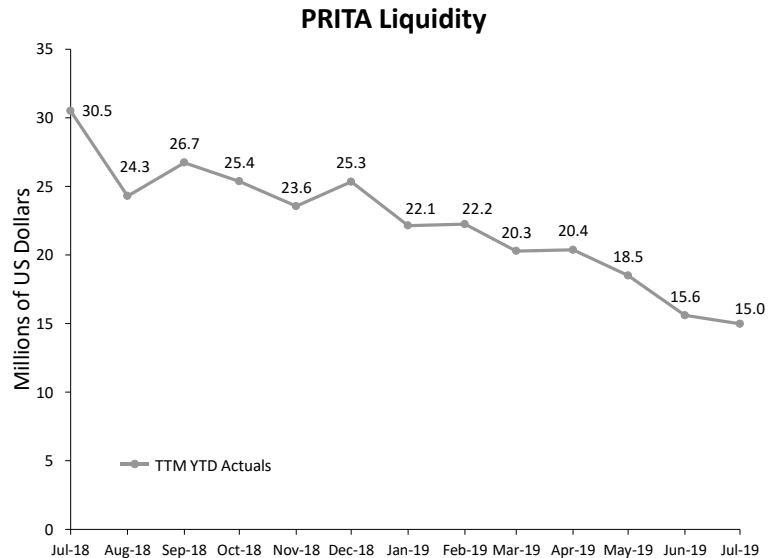
**Primary Business Activity:** PRITA serves as the Commonwealth’s central transit authority and is tasked with operating its network of public transit buses and certain maritime vessels.

**Key Takeaways:** In Jul-19, PRITA generated (\$0.6M) in negative cash flow and ended the period with a cash balance of \$15M. PRITA’s liquidity remains tight and it continues to rely on government support to maintain operations.

#### A. FY20 Operating Liquidity – Actuals<sup>6</sup>

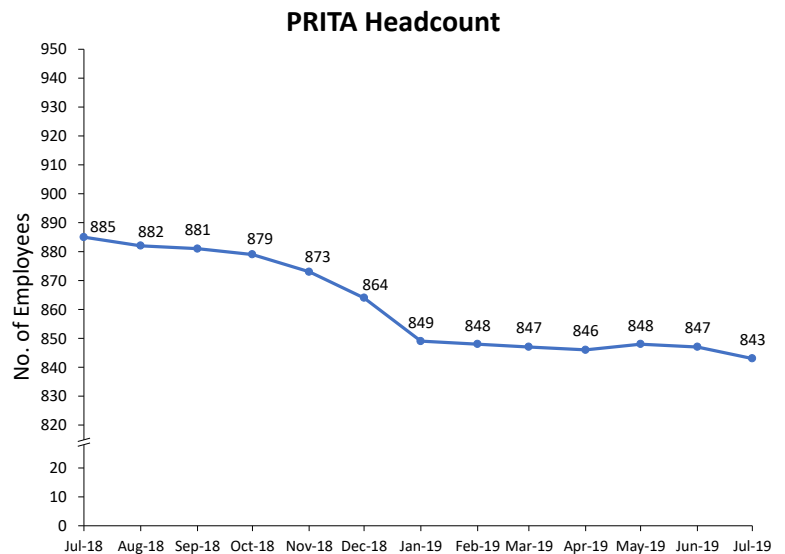
1. (\$0.6M) YTD actuals:

- a. \$0.7M in operating receipts, which are \$0.1M higher than the same period the previous year. \$0.5M of receipts are related to ferry and cargo operations at ATM and \$0.2M in receipts are related to bus operations at AMA.
- b. \$3.9M in receipts related to government appropriations, which is (\$0.4M) lower than the same period the previous year due to reduced budget allocations.
- c. \$2.2M in receipts related to federal funds, primarily related to preventive maintenance for buses and ferries.
- d. (\$3.1M) in payroll and retirement expenses, which are (\$0.5M) lower than the same period the previous year due to reduced headcount. PayGo expenses for the period are (\$0.1M).
- e. (\$2.5M) in operating expenses, of which (\$2.1M) is related to supplies for repair and maintenance of the bus and ferry fleet.
- f. (\$1.8M) in CapEx, of which (\$1.0M) is related to Fast Ferry operations at ATM, and (\$0.8) is related to facility improvements at AMA.



#### B. Headcount / Payroll

1. Headcount FTEs: Decreased from 885 to 843 from Jul-18 to Jul-19.
  - a. Headcount decreased due to normal employee turnover, and participation in the VTP program.



<sup>6</sup> Appendix includes reconciliation between AAFAF reported cash figures and the figures in this report.

**III. PUERTO RICO INTEGRATED TRANSIT AUTHORITY (“PRITA”) (Continued)**

**C. Full Year FY20 Sources and Uses of Funds**

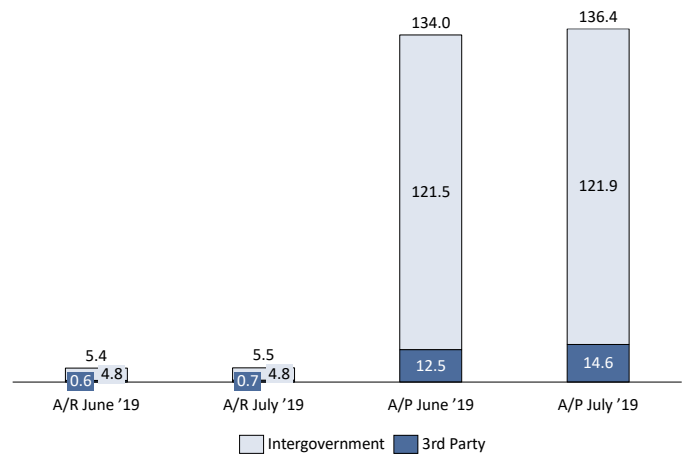
1. FY20 Liquidity Plans are still in development; therefore, this section is not applicable for the Jul-19 report.

**D. Accounts Receivable / Accounts Payable<sup>7</sup>**

1. Accounts Receivable:
  - a. \$0.1M increase from Jun-19 to Jul-19 driven by an increase in third party receivables at ATM.
2. Accounts Payable:
  - a. \$2.4M increase from Jun-19 to Jul-19 driven by a \$2.1M increase in third party payables at AMA.
3. Working Capital:
  - a. The change in net working capital through Jul-19 is a positive \$2.3M due to the above changes.

Millions of US Dollars

**PRITA Working Capital**



<sup>7</sup> Figures are unaudited and subject to change.



#### IV. PUERTO RICO STATE INSURANCE FUND CORPORATION (“Fondo”)

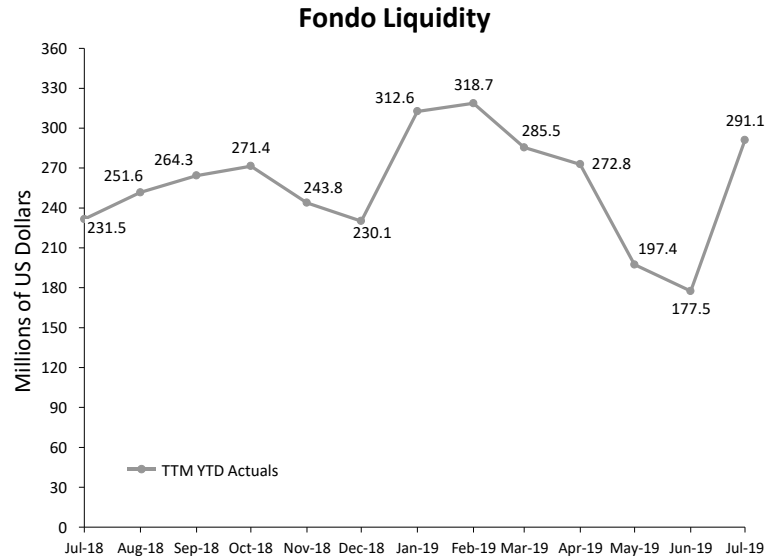
**Primary Business Activity:** Fondo provides workers’ compensation and disability insurance to public and private employees. Fondo is the only authorized workers’ compensation insurance company on the Island. Both public and private companies must obtain this security for their workforces by law.

**Key Takeaways:** In Jul-19, cash increased from \$177.5M to \$291.1M, which is primarily due to \$145.3M in premiums collections pertaining to the second invoicing period in FY19. Premium collections are seasonal, and the majority of collections occur in July and January of each fiscal year, as the biannual invoices become due.

#### A. FY20 Operating Liquidity – Actuals<sup>8</sup>

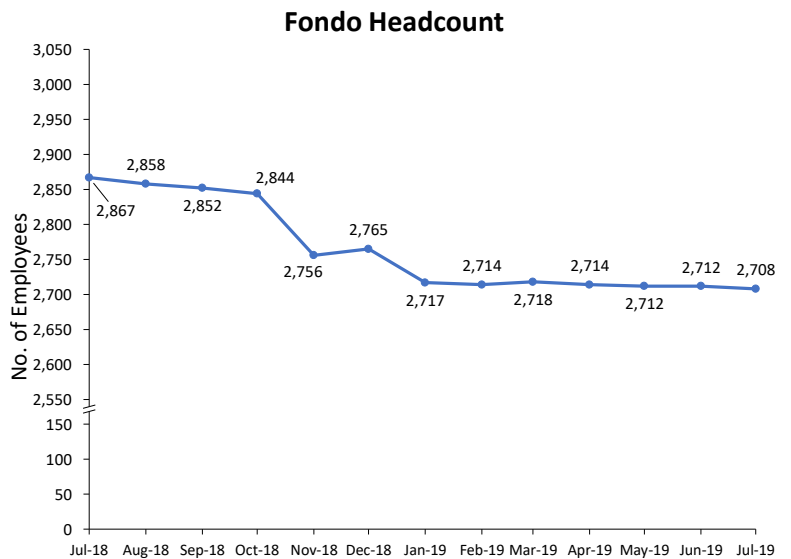
1. \$113.6M YTD actuals:

- a. Premiums collections were \$145.3M, which are in line with Jul-18 collections.
- b. Total operating disbursements are (\$31.7M), including: payroll-related disbursements of (\$11.5M); PayGo disbursements of (\$7.8M); medical supplies/services disbursements of (\$4.9M); claims-related disbursements of (\$4.8M); and other operating disbursements of (\$2.7M). Total disbursements are behind those made in Jul-18 due to delays in the recording of invoices and subsequent payment because of Fondo’s new automatic billing system. Per management, Fondo will begin making catch-up disbursements in Sep-19 as reconciliations related to the new system continue to finalize.



#### B. Headcount / Payroll

1. Headcount FTEs: Decreased from 2,867 to 2,708 from Jul-18 to Jul-19.
  - a. The decline in headcount is mostly due to 125 employees entering the VTP in FY19. The remaining decline is due to normal turnover.



<sup>8</sup> Appendix includes reconciliation between AAFAP reported cash figures and the figures in this report.

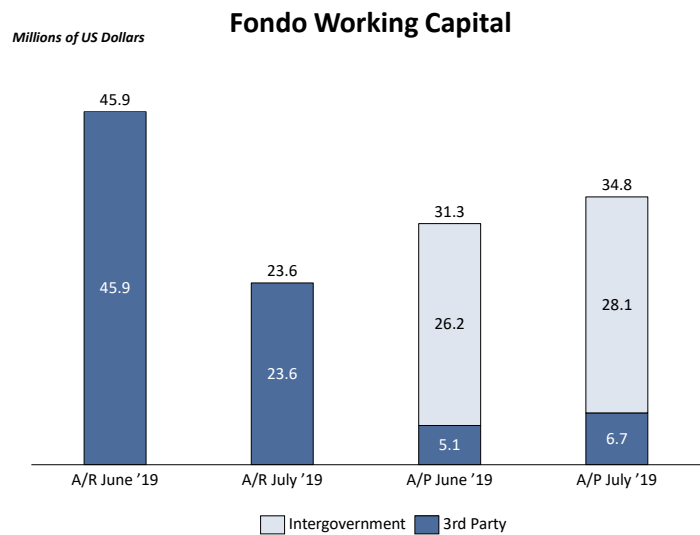
**IV. PUERTO RICO STATE INSURANCE FUND CORPORATION (“Fondo”) (Continued)**

**C. Full Year FY20 Sources and Uses of Funds**

1. FY20 Liquidity Plans are still in development; therefore, this section is not applicable for the Jul-19 report.

**D. Accounts Receivable / Accounts Payable<sup>9</sup>**

1. Accounts Receivable:
  - a. \$22.3M decrease from Jun-19 to Jul-19 driven by collections on Jan-19 premiums invoices.
2. Accounts Payable:
  - a. \$3.5M increase from Jun-19 to Jul-19 driven by a \$1.9M increase in intergovernmental payables related to Fondo’s annual obligations to the Department of Labor and Human Resources. The increase is also due to a \$1.6M increase in third party vendor payables.
3. Working Capital:
  - a. Working capital is favorable by \$25.8M driven by material decreases in accounts receivable pertaining to premiums collections related to the second major invoicing period in FY19.



<sup>9</sup> Figures are unaudited and subject to change.

## V. HEALTH INSURANCE ADMINISTRATION (“ASES”)

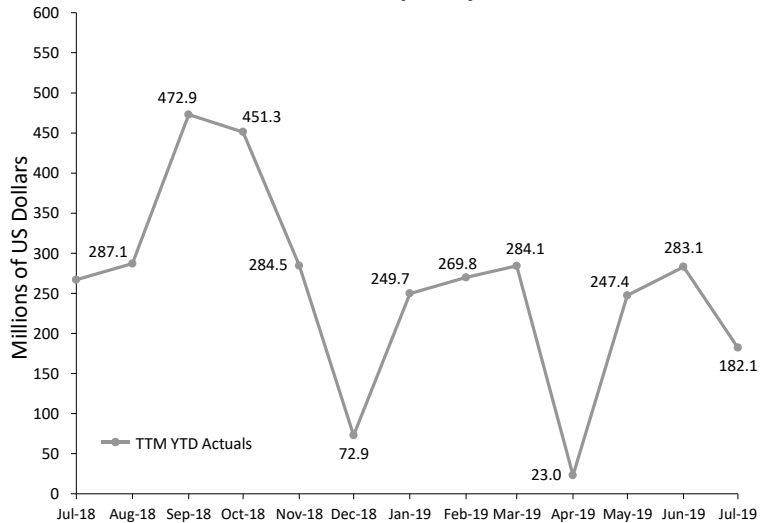
**Primary Business Activity:** ASES implements, administers, and negotiates the Medicaid Health Insurance System in Puerto Rico through contracts with third party insurance underwriters to provide quality medical and hospital care to the Puerto Rico Medicaid and Platino (Medicaid + Medicare dual-eligible) populations.

**Key Takeaways:** In Jul-19, cash decreased from \$283.1M to \$182.1M. The cash burn of \$101.0M was due to insufficient federal funds to offset premiums and other healthcare-related costs incurred in Jul-19. It is normal for ASES to experience large cash builds and burns month over month given the timing of disbursements for premiums expenses and subsequent federal reimbursement monies. Due to the expiration of the BBA 2018<sup>10</sup> occurring in Sep-19, state funding is higher and federal funding sources are reduced in FY20 relative to FY19.

### A. FY20 Operating Liquidity – Actuals<sup>11</sup>

1. (\$101.0M) YTD actuals:
  - a. (\$182.9M) in premiums and other healthcare-related disbursements.
  - b. \$0.3M in federal funding receipts, which are lower in FY20 due to the expiration of the BBA 2018. ASES expects to catch up on these receipts by Sep-19.
  - c. \$76.4M in General Fund appropriations, which have been increased in FY20 relative to FY19 to offset lower federal funding.
  - d. \$6.9M in prescription drug rebates. ASES subcontracts with a third party PBM administrator for its management of the rebate program with pharmaceutical companies.
  - e. (\$1.7M) in other receipts/disbursements.

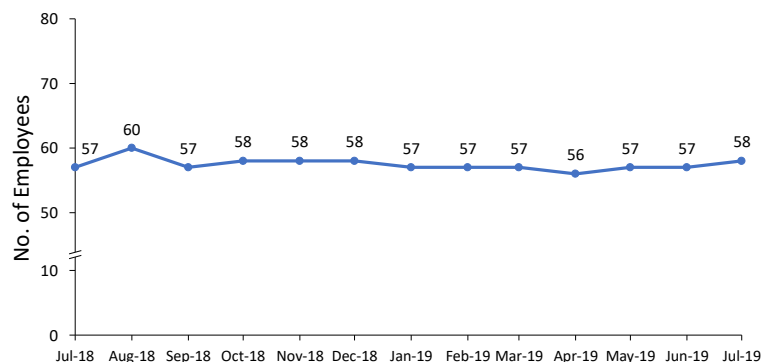
**ASES Liquidity**



### B. Headcount / Payroll

1. Headcount FTEs: Increased from 57 to 58 from Jul-18 to Jul-19.
2. Payroll: Disbursements were \$0.3M Jul-19.

**ASES Headcount**



<sup>10</sup> Bi-Partisan Budget Act of 2018.

<sup>11</sup> Appendix includes reconciliation between AAFAF reported cash figures and the figures in this report.

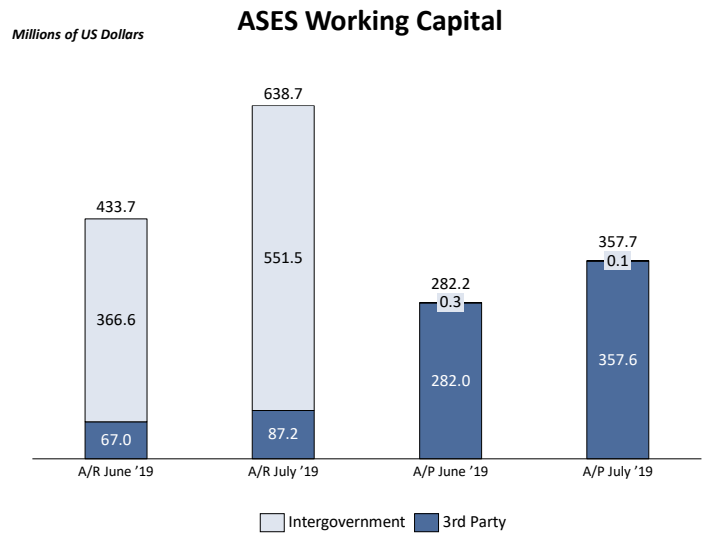
**V. HEALTH INSURANCE ADMINISTRATION (“ASES”) (Continued)**

**C. Full Year FY20 Sources and Uses of Funds**

1. FY20 Liquidity Plans are still in development; therefore, this section is not applicable for the Jul-19 report.

**D. Accounts Receivable / Accounts Payable<sup>12</sup>**

1. Accounts Receivable:
  - a. \$205.0M increase from Jun-19 to Jul-19 driven almost entirely by a \$184.8M increase in intergovernmental accounts receivable related to the Center for Medicare and Medicaid Services (“CMS”). ASES expects to catch up on these federal reimbursement monies by Sep-19. There was a \$20.2M increase in third party accounts receivable pertaining mostly to prescription drug rebates.
2. Accounts Payable:
  - a. \$75.5M increase from Jun-19 to Jul-19 driven by an increase in third party accounts payable pertaining to various suppliers.
3. Working Capital:
  - a. Working capital is unfavorable by (\$129.6M).



<sup>12</sup> Figures are unaudited and subject to change.

## VI. HIGHWAYS AND TRANSPORTATION AUTHORITY (“HTA”)

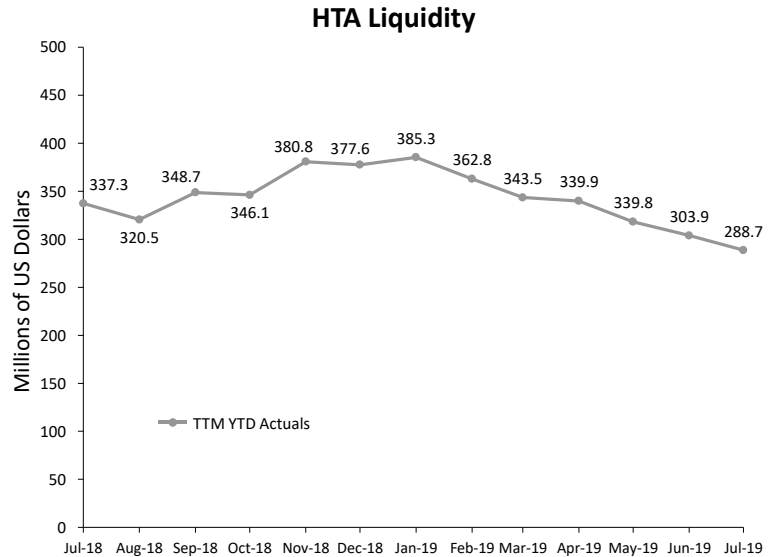
**Primary Business Activity:** HTA controls and supervises highway facilities, sets tolls, issues bonds, and manages the construction of all major projects relating to the Commonwealth’s toll highway system.

**Key Takeaways:** HTA receipts for Jul-19 are lower than recent trends given the delay in the receipt of general fund inflows, expected to begin by September 2019. While HTA was able to control expenses, this delay in the receipt of General Fund appropriations and continued moratorium on electronic toll fines caused HTA to generate \$15.2M in negative cash flow for the month. HTA ended the period with a \$288.7M cash balance.

### A. FY20 Operating Liquidity – Actuals<sup>13</sup>

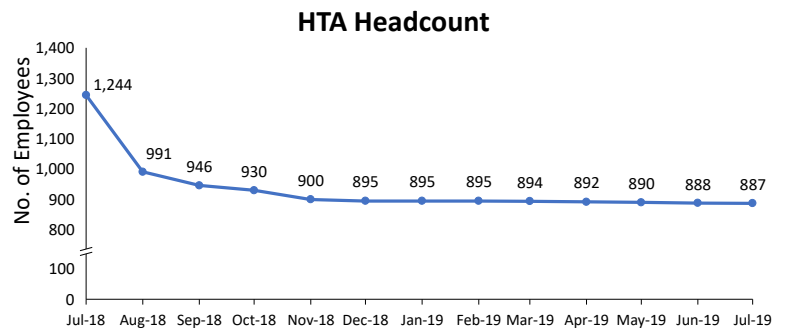
#### 1. (\$15.2M) YTD actuals:

- a. \$8.5M receipts from tolls and other income for Jul-19, down approximately (\$3.7M) from the same period the previous year due to lower traffic volume and the deferral of electronic toll fines. Electronic toll fines after Oct-18 are not being invoiced to customers pending potential government leniency.
- b. There were no transfers received from the central government in July; transfers related to this year’s budget of \$67.3M are expected to commence in the second or third month of the fiscal year.
- c. \$10.8M received from the federal government, of which \$7.9M is related to federal aid from FHWA and FTA, and \$2.9M is related to an FHWA emergency reconstruction program.
- d. (\$3.6M) in payroll expenses, which are (\$2.9M) lower than the same period in the previous year. The variance is primarily related to timing issues.
- e. (\$5.8M) in PayGo payments.
- f. (\$5.0M) in other operating expenses, which are down (\$3.8M) from the same period the previous year primarily due to temporary timing differences.
- g. (\$20.1M) in CapEx, which is lower than the FY19 average monthly spend of (\$22.9M). Lower spending on CapEx in Jul-19 is timing related due to the start of the new fiscal year and the resulting administrative issues that can slow down invoice processing and payments. Spending is expected to increase shortly to levels seen in the second half of FY19.



### B. Headcount / Payroll

1. Headcount FTEs: Decreased from 1,244 to 887 from Jul-18 to Jul-19.
  - a. The 357 headcount decrease is primarily due to the VTP, in addition to employee attrition. These positions are not expected to be replaced.



<sup>13</sup> Appendix includes reconciliation between AAFAP reported cash figures and the figures in this report.

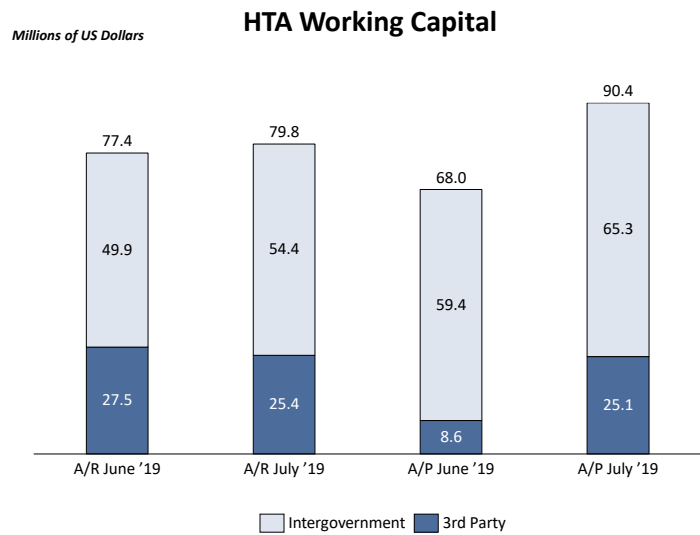
**VI. HIGHWAYS AND TRANSPORTATION AUTHORITY (“HTA”) (Continued)**

**C. Full Year FY20 Sources and Uses of Funds**

1. FY20 Liquidity Plans are still in development; therefore, this section is not applicable for the Jul-19 report.

**D. Accounts Receivable / Accounts Payable<sup>14</sup>**

- 1. Accounts Receivable:
  - a. \$2.4M increase from Jun-19 to Jul-19 driven by a \$4.5M increase in intergovernmental receivables, offset by a (\$2.1M) decrease in third party receivables. Increase in intergovernmental receivables is primarily related to FHWA.
- 2. Accounts Payable:
  - a. \$22.4M increase from Jun-19 to Jul-19 driven by an increase in third party payables of \$16.5M and an increase in intergovernmental payables of \$5.9M. Increases in third party payables are related to end of FY19 reconciliations and adjustments.
- 3. Working Capital:
  - a. The change in net working capital through Jul-19 is a positive \$20.0M due to the above changes.



<sup>14</sup> Figures are unaudited and subject to change.

## VII. PUERTO RICO PUBLIC BUILDINGS AUTHORITY (“PBA”)

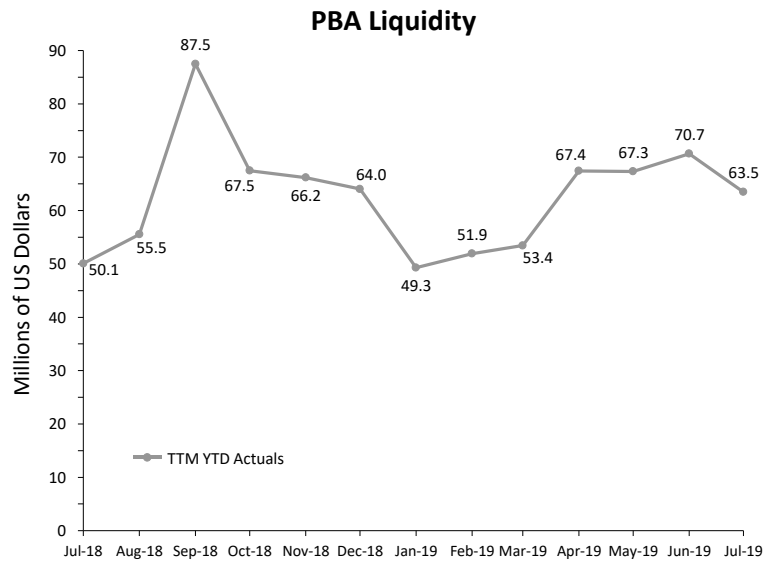
**Primary Business Activity:** PBA constructs, purchases, or leases office, school, health, correctional, social welfare, and other facilities for lease to certain Commonwealth departments, component units, and instrumentalities.

**Key Takeaways:** Puerto Rico Buildings Authority has limited receipts in July given that it typically begins to collect government entity rent paid through Hacienda in the third month of the fiscal year. As such, PBA ran a cash flow deficit of \$7.2M for July and ended the month with a cash balance of \$63.5M.

### A. FY20 Operating Liquidity – Actuals<sup>15</sup>

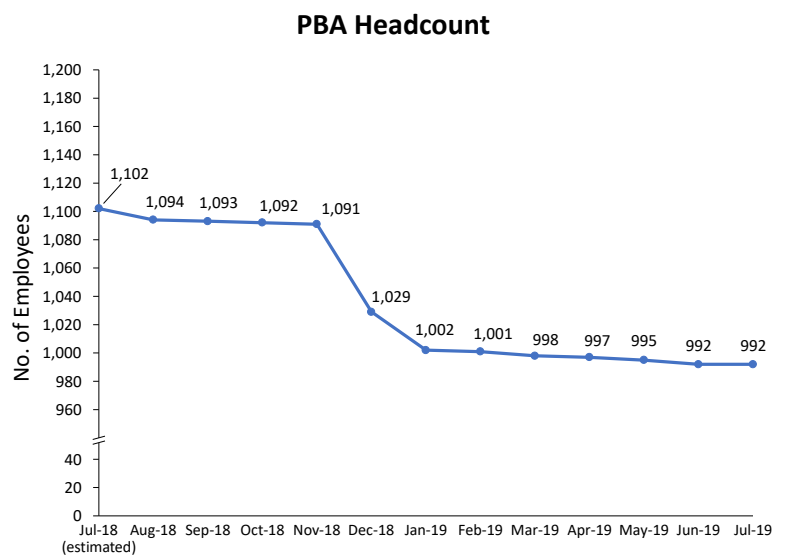
#### 1. (\$7.2M) YTD actuals:

- a. \$1.5M in revenues from government entities paid via direct invoice, all related to FY19 invoices. PBA did not receive rent receipts from government agencies paid directly by Hacienda in July; typically, these transfers begin in the third month of the fiscal year.
- b. \$0.3M in other income, primarily from third party concessionaires.
- c. (\$3.2M) in payroll expenses, which were \$1.6M lower than the same period the previous year due to reduced headcount and benefits.
- d. (\$1.9M) in PayGo payments. There were no PayGo payments made in the same period the previous year. In FY19, PBA did not start making PayGo payments until Jan-19.
- e. (\$2.7M) in payments for utilities, which are primarily related to PREPA and PRASA.
- f. (\$1.2M) in other expenses.



### B. Headcount / Payroll

1. Headcount FTEs: Decreased from 1,102 to 992 from Jul-18 to Jul-19.
  - a. Decrease in headcount is primarily due to the VTP; these positions are not expected to be replaced.



<sup>15</sup> Appendix includes reconciliation between AAFAF reported cash figures and the figures in this report.

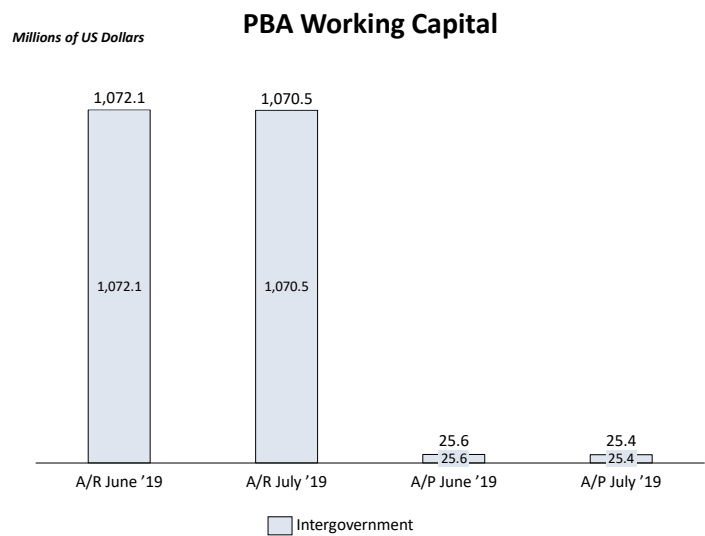
**VII. PUERTO RICO PUBLIC BUILDINGS AUTHORITY (“PBA”) (Continued)**

**C. Full Year FY20 Sources and Uses of Funds**

1. FY20 Liquidity Plans are still in development; therefore, this section is not applicable for the Jul-19 report.

**D. Accounts Receivable / Accounts Payable<sup>16</sup>**

1. Accounts Receivable:
  - a. \$1.6M decrease from Jun-19 to Jul-19 driven by collections received on prior year invoices.
2. Accounts Payable:
  - a. \$0.2M decrease from Jun-19 to Jul-19 driven by payments for utilities and payroll related taxes, partially offset by an increase in payables to suppliers.
3. Working Capital:
  - a. The change in net working capital through Jul-19 was a positive \$1.4M due to the above changes.



<sup>16</sup> Figures are unaudited and subject to change.



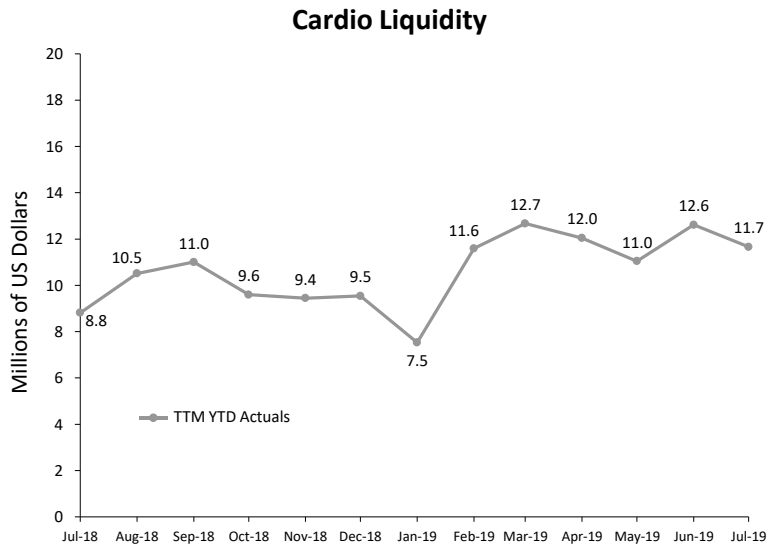
**VIII. CARDIOVASCULAR CENTER FOR PUERTO RICO AND THE CARIBBEAN (“Cardio”)**

**Primary Business Activity:** Cardio is a general acute care hospital providing specialized treatment to patients suffering from cardiovascular diseases.

**Key Takeaways:** In Jul-19, cash decreased from \$12.6M to \$11.7M. The \$1.1M cash reduction is primarily the result of slower patient collections experienced during the month of July. Patient collections are subject to a high level of variability due to differences in reimbursement rates and collection periods among payers.

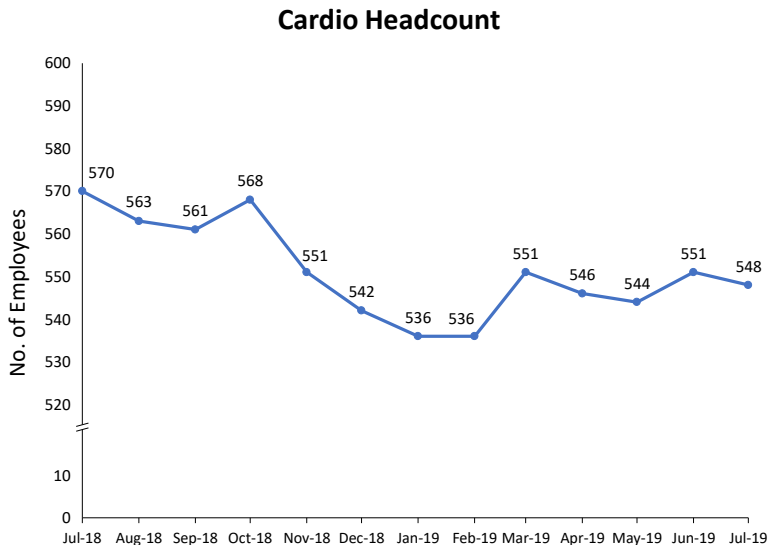
**A. FY20 Operating Liquidity – Actuals<sup>17</sup>**

1. (\$0.9M) YTD actuals:
  - a. \$5.5M in net patient and other receipts. Collections are (\$1.5M) less than Jul-18 due to lower net patient collections, which are highly variable and can be affected by seasonality.
  - b. (\$6.5M) in operating disbursements, including: (\$2.4M) in payroll-related disbursements; (\$2.4M) in purchased services spend relating to medical supplies/services; (\$0.8M) in utilities spend mostly to PREPA; and (\$0.9M) in other operating disbursements. Operating disbursements in Jul-19 are relatively in line with the prior year.



**B. Headcount / Payroll**

1. Headcount FTEs: Decreased from 570 to 548 from Jul-18 to Jul-19.
  - a. Cardio has had historical issues with staffing turnover, particularly after Hurricane Maria. For comparison purposes, Cardio had 623 employees at the end of Jul-17, which was pre-Maria.



<sup>17</sup> Appendix includes reconciliation between AAFAF reported cash figures and the figures in this report.

**VIII. CARDIOVASCULAR CENTER FOR PUERTO RICO AND THE CARIBBEAN (“Cardio”) (Continued)**

**C. Full Year FY20 Sources and Uses of Funds**

1. FY20 Liquidity Plans are still in development; therefore, this section is not applicable for the Jul-19 report.

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**D. Accounts Receivable / Accounts Payable<sup>18</sup>**

1. Information not available.

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<sup>18</sup> Figures are unaudited and subject to change.

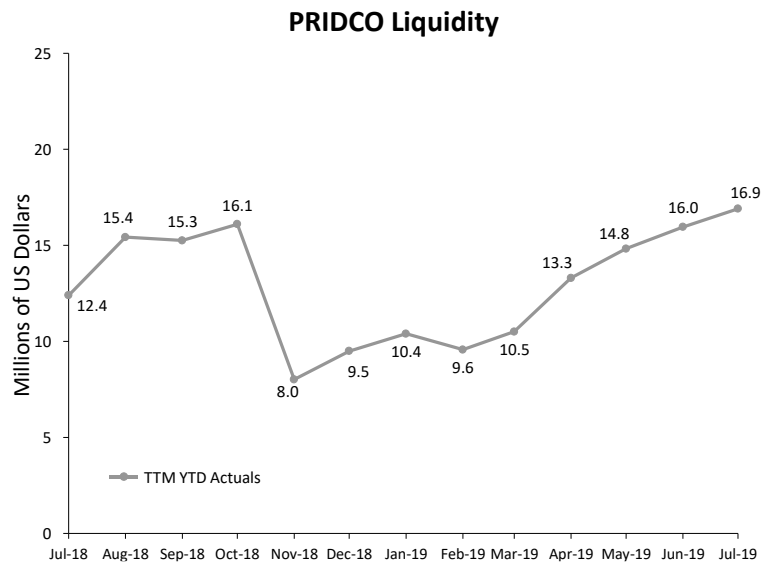
**IX. PUERTO RICO INDUSTRIAL DEVELOPMENT CORPORATION (“PRIDCO”)**

**Primary Business Activity:** PRIDCO is engaged in the development and promotion of industry within Puerto Rico. It accomplishes its mission through a variety of incentives to attract businesses to expand operations within Puerto Rico, but primarily through the offering of commercial lease spaces and industrial facilities on favorable terms to qualifying enterprises.

**Key Takeaways:** PRIDCO began FY20 with \$16.0M in operating cash, and has grown its cash balance to \$16.9M to end the month of July. Rental receipts stayed consistent when comparing to July 2018, and have been sufficient for supporting general operating expenditures; however, PRIDCO has not generated enough cash flow to begin paying 100% of PayGo invoices on a consistent basis. As a result, PRIDCO is in the process of finalizing a repayment plan, which will make it current on all prior fiscal year invoices.

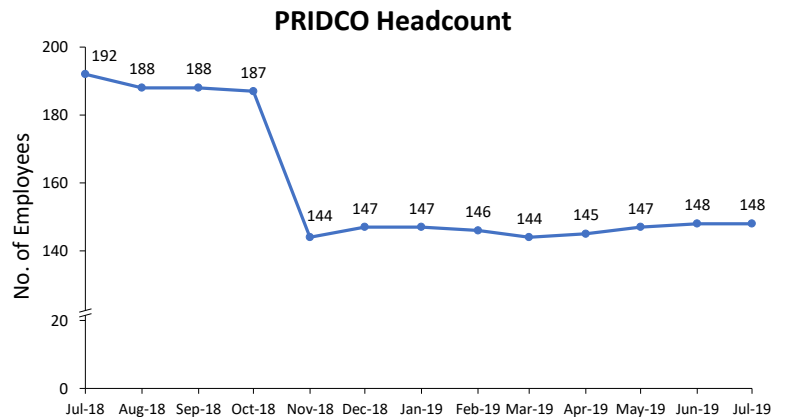
**A. FY20 Operating Liquidity – Actuals<sup>19</sup>**

1. \$0.9M YTD actuals:
  - a. \$7.4M in operating receipts, representing rental income and interest income on deposits. A portion of the rental income collections are due to prior fiscal year outstanding invoices.
  - b. (\$2.1M) in operating disbursements, with payroll being the largest contributor at (\$1.0M).
  - c. (\$4.3M) in transfers from operating bank accounts to non-operating accounts for funds to be used at a later date for debt service and PayGo invoices.



**B. Headcount / Payroll**

1. Headcount FTEs: Decreased from 192 to 148 from Jul-18 to Jul-19.
  - a. The large decline in headcount is related to the transfer of 42 employees from PRIDCO’s business development department to DDEC, a related entity providing management services to PRIDCO.
  - b. Payroll and related costs during the month of July totaled \$1.0M, whereas no disbursements were made relating to PayGo. PRIDCO is in the final stages of finalizing a repayment plan for past-due PayGo invoices.



<sup>19</sup> Appendix includes reconciliation between AAFAP reported cash figures and the figures in this report.

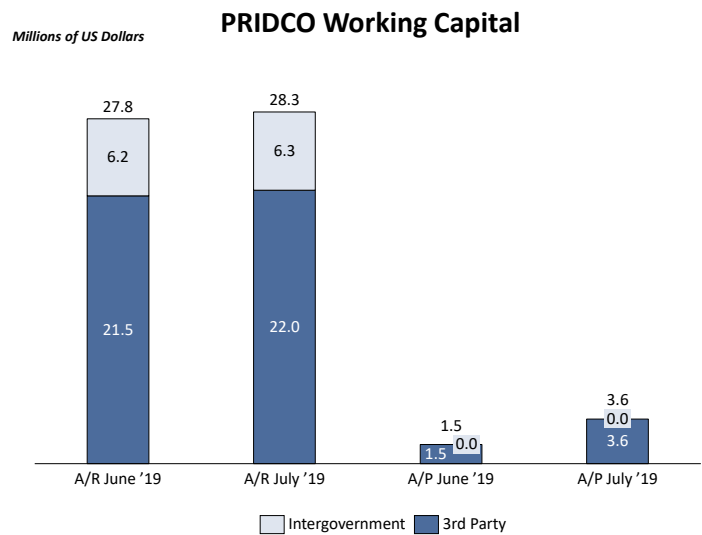
**IX. PUERTO RICO INDUSTRIAL DEVELOPMENT CORPORATION (“PRIDCO”) (Continued)**

**C. Full Year FY20 Sources and Uses of Funds**

1. FY20 Liquidity Plans are still in development; therefore, this section is not applicable for the Jul-19 report.

**D. Accounts Receivable / Accounts Payable<sup>20</sup>**

1. Accounts Receivable:
  - a. \$0.5M increase from Jun-19 to Jul-19 driven by tenants deferring payments into the new fiscal year.
2. Accounts Payable:
  - a. \$2.0M increase from Jun-19 to Jul-19 driven by deferring third party payments into the new fiscal year.
3. Working Capital:
  - a. \$1.5M source of cash from Jun-19 to Jul-19 driven by the working capital changes listed above.



<sup>20</sup> Figures are unaudited and subject to change.

## **X. PUERTO RICO HOUSING FINANCE AUTHORITY (“HFA”)**

**Primary Business Activity:** HFA promotes the development of low-income housing and provides financing, subsidies, and incentives to help those who qualify to acquire or lease a home.

**Key Takeaways:** Information not available.

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### **A. FY20 Operating Liquidity – Actuals<sup>21</sup>**

1. Information not available.

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### **B. Headcount / Payroll**

1. Information not available.

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<sup>21</sup> Appendix includes reconciliation between AAFAF reported cash figures and the figures in this report.

**X. PUERTO RICO HOUSING FINANCE AUTHORITY (“HFA”) (Continued)**

**C. Full Year FY20 Sources and Uses of Funds**

1. FY20 Liquidity Plans are still in development; therefore, this section is not applicable for the Jul-19 report.

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**D. Accounts Receivable / Accounts Payable<sup>22</sup>**

1. Information not available.

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<sup>22</sup> Figures are unaudited and subject to change.

## XI. TOURISM COMPANY OF PUERTO RICO (“Tourism”)

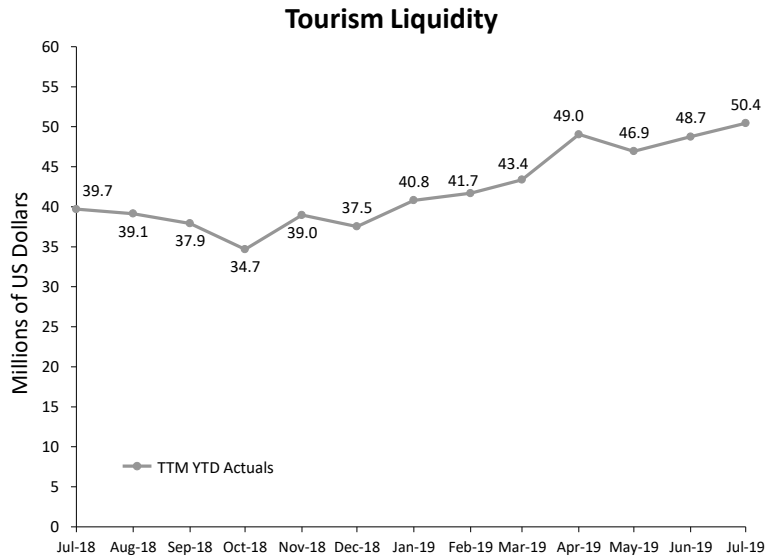
**Primary Business Activity:** Tourism’s purpose is to promote the tourism industry of Puerto Rico.

**Key Takeaways:** In Jul-19, cash improved from \$48.7M to \$50.4M. The \$1.7M cash build is driven primarily by continued strong net collections on slot machines and room taxes.

### A. FY20 Operating Liquidity – Actuals<sup>23</sup>

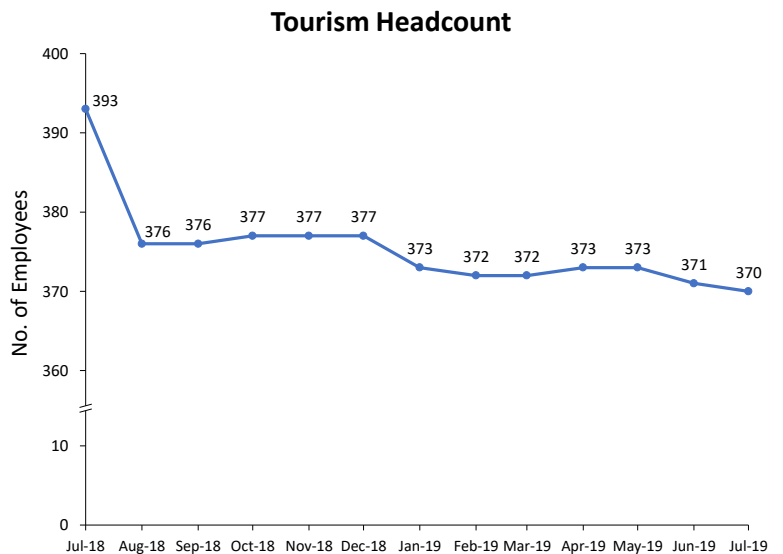
1. \$1.7M YTD actuals:

- \$15.0M favorable net collections after waterfall disbursements. Slot machine and room tax collections are generally in line with Jul-18 results; however, with waterfall disbursements being slightly more favorable.
- (\$8.9M) in operating disbursements, excluding payroll-related spend. These disbursements include (\$2.3M) in media and advertising, mostly for remaining paydowns on the FY18 marketing contract; (\$1.7M) in cruise line incentives; (\$1.5M) in DMO contributions; (\$1.1M) in professional and purchased services spend; and (\$2.3M) in other, which includes (\$2.0M) for airline incentives.
- (\$1.5M) in payroll-related disbursements, including (\$0.5M) in PayGo disbursements. Payroll-related spend, excluding PayGo, is lower than Jul-18 due to savings from the voluntary retirement program. However, spending is likely to increase, as Tourism expects to hire up to 43 employees for the regulation and monetization of the Video Lottery Terminal (“VLTs”) pursuant to Act 257-2018.
- (\$3.1M) in transfers to a restricted account, which occurs in fixed amounts over the first 10 months of the fiscal year.
- \$0.2M in miscellaneous receipts.



### B. Headcount / Payroll

- Headcount FTEs: Decreased from 393 to 370 from Jul-18 to Jul-19.
  - Decline in headcount is primarily due to 21 employees entering the VTP over the past 13 months.
  - Increase of up to 43 employees expected due to VLT in FY20.



<sup>23</sup> Appendix includes reconciliation between AAFAF reported cash figures and the figures in this report.

**XI. TOURISM COMPANY OF PUERTO RICO ("Tourism") (Continued)**

**C. Full Year FY20 Sources and Uses of Funds**

1. FY20 Liquidity Plans are still in development; therefore, this section is not applicable for the Jul-19 report.

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**D. Accounts Receivable / Accounts Payable<sup>24</sup>**

1. Information not available.

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<sup>24</sup> Figures are unaudited and subject to change.



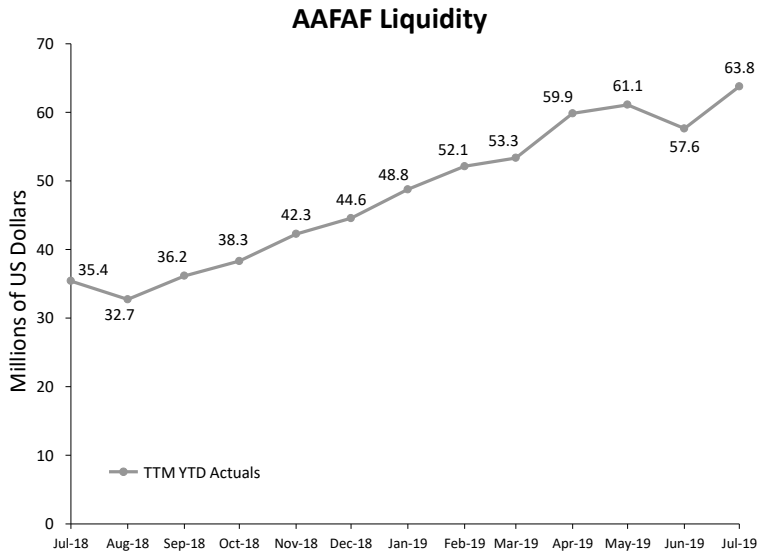
**XII. FISCAL AGENCY AND FINANCIAL ADVISORY AUTHORITY (“AAFAF”)**

**Primary Business Activity:** AAFAF acts as fiscal agent, financial advisor, and reporting agent for the Government of Puerto Rico and certain related entities. It was established pursuant to the Puerto Rico Emergency Moratorium and Financial Rehabilitation Act.

**Key Takeaways:** AAFAF began FY20 with \$57.6M in operating cash, and has grown its cash balance to \$63.8M at July month end. Similar to FY19, the largest expenditures made by AAFAF during the month of July pertain to professional service fees. New for FY20 cash flow reporting, AAFAF received a General Fund appropriation in Jul-19 for Title III expenses; however, no payments of Title III fees took place in July.

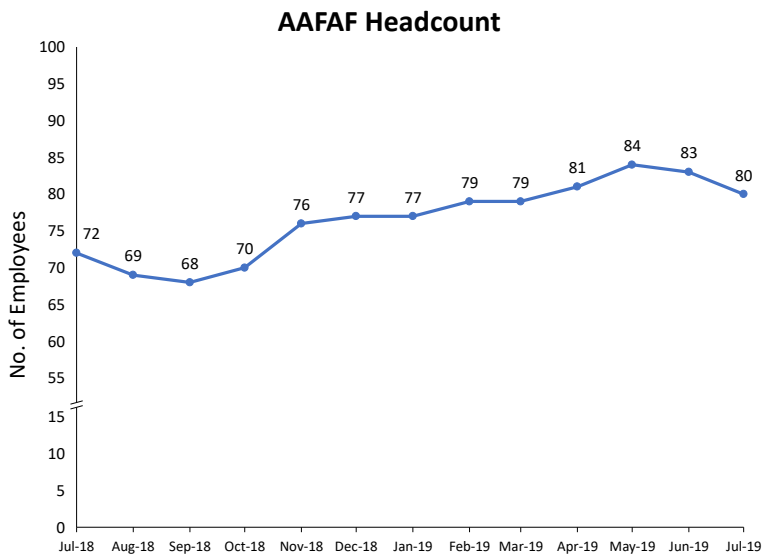
**A. FY20 Operating Liquidity – Actuals<sup>25</sup>**

1. \$6.1M YTD actuals:
  - a. \$8.4M in General Fund appropriations, broken down into \$4.4M as a part of AAFAF’s certified budget and \$4.0M in Title III appropriations.
  - b. \$0.4M in fiscal agency fees and interest income on deposits.
  - c. (\$2.7M) in operating disbursements, with (\$2.1M) in budgeted professional service fees, and (\$0.6M) in payroll and related costs.
  - d. AAFAF did not make any disbursements related to Title III fees during the month of July.



**B. Headcount / Payroll**

1. Headcount FTEs: Increased from 72 to 80 from Jul-18 to Jul-19.
  - a. Increase in headcount is due to AAFAF needing additional personnel to provide fiscal services to various government entities.



<sup>25</sup> Appendix includes reconciliation between AAFAF reported cash figures and the figures in this report.

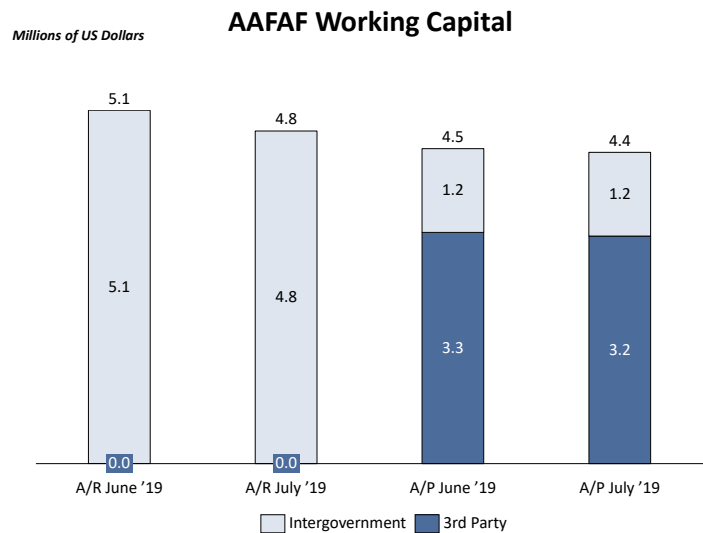
**XII. FISCAL AGENCY AND FINANCIAL ADVISORY AUTHORITY (“AAFAF”) (Continued)**

**C. Full Year FY20 Sources and Uses of Funds**

1. FY20 Liquidity Plans are still in development; therefore, this section is not applicable for the Jul-19 report.

**D. Accounts Receivable / Accounts Payable<sup>26</sup>**

1. Accounts Receivable:
  - a. \$0.3M decrease from Jun-19 to Jul-19 driven by collections from P3 and various municipalities.
2. Accounts Payable:
  - a. \$0.1M decrease from Jun-19 to Jul-19 driven by payments made for professional services.
3. Working Capital:
  - a. \$0.2M source of cash from Jun-19 to Jul-19 driven by the working capital changes listed above.



<sup>26</sup> Figures are unaudited and subject to change.

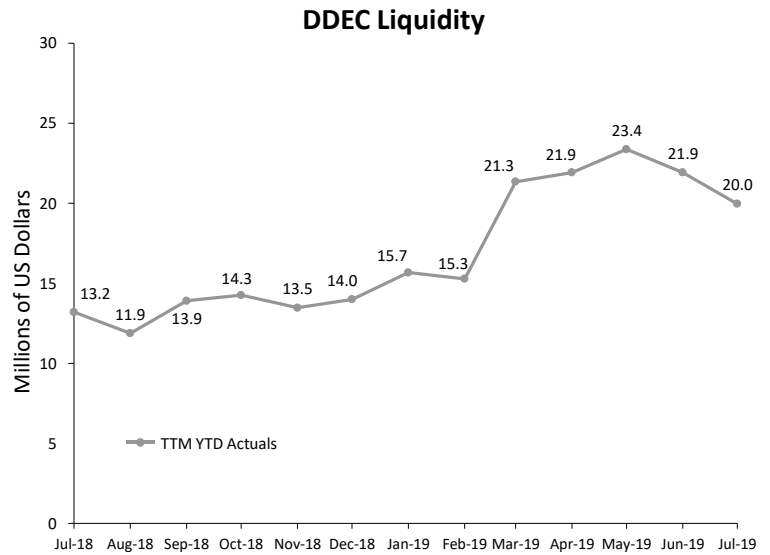
### XIII. DEPARTMENT OF ECONOMIC DEVELOPMENT AND COMMERCE (“DDEC”)

**Primary Business Activity:** DDEC serves as the umbrella agency for key economic development entities in Puerto Rico. It leads efforts to drive competitiveness through structural reforms, promoting private sector investment, and job growth in critical sectors.

**Key Takeaways:** DDEC began FY20 with \$21.9M in operating cash, and has reduced its cash balance to \$20.0M by July month end. During the month of July, the largest reduction in cash is due to increased payroll disbursements. DDEC’s headcount increased significantly throughout FY19 due to ongoing consolidation, so a budget reapportionment/consolidation of multiple budgets will be required to comply with the FY20 Certified Budget. Currently, all cash flow activity for the month of July reflects DDEC, the Permits Management Office, the Office of Industrial Tax Exemption, and the State Office of Energy Policy.

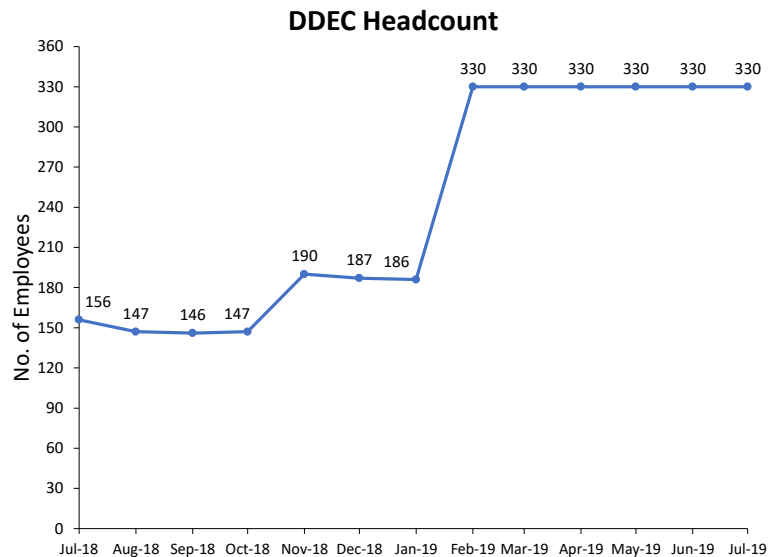
#### A. FY20 Operating Liquidity – Actuals<sup>27</sup>

1. (\$1.9M) YTD actuals:
  - a. \$5.6M in operating receipts, relating to management fees, Act 22, and other incentive programs.
  - b. (\$7.9M) in operating disbursements, with (\$6.2M) pertaining to payroll and related costs and (\$1.7M) in other operating payments, which represent costs across various entities.
  - c. \$0.4M in federal grants. DDEC received \$8.8M in federal funding; however, (\$8.4M) was disbursed as a pass-through transaction.



#### B. Headcount / Payroll

1. Headcount FTEs: Increased from 156 to 330 from Jul-18 to Jul-19.
  - a. The increase in headcount is due to the transfer of 42 employees from PRIDCO, 132 employees from OGPE, and 12 employees from OECl as a result of DDEC consolidation. General employee turnover and VTP lowered the headcount down to 330 from a baseline of 342.



<sup>27</sup> Appendix includes reconciliation between AAFAF reported cash figures and the figures in this report.

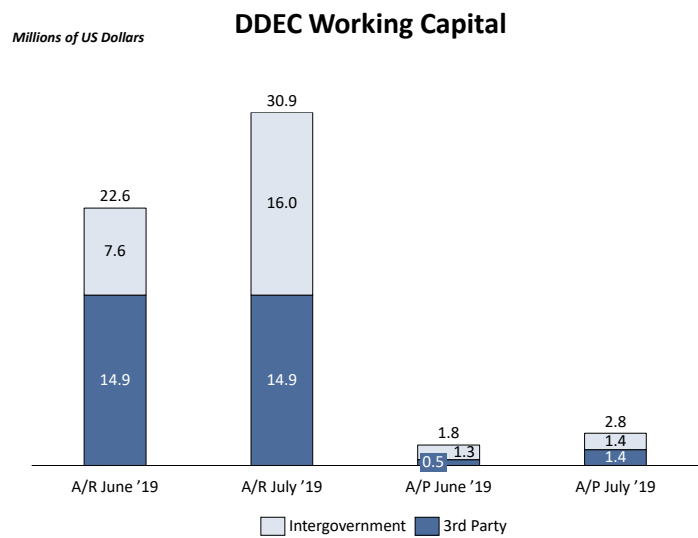
**XIII. DEPARTMENT OF ECONOMIC DEVELOPMENT AND COMMERCE (“DDEC”) (Continued)**

**C. Full Year FY20 Sources and Uses of Funds**

1. FY20 Liquidity Plans are still in development; therefore, this section is not applicable for the Jul-19 report.

**D. Accounts Receivable / Accounts Payable<sup>28</sup>**

1. Accounts Receivable:
  - a. \$8.4M increase from Jun-19 to Jul-19 driven by management fees owed to DDEC by PRIDCO and Tourism at the beginning of the fiscal year.
2. Accounts Payable:
  - a. \$1.0M increase from Jun-19 to Jul-19 driven by an increase in third party invoices incurred during the month.
3. Working Capital:
  - a. \$7.4M use of cash from Jun-19 to Jul-19 driven by the working capital changes listed above.



<sup>28</sup> Figures are unaudited and subject to change.

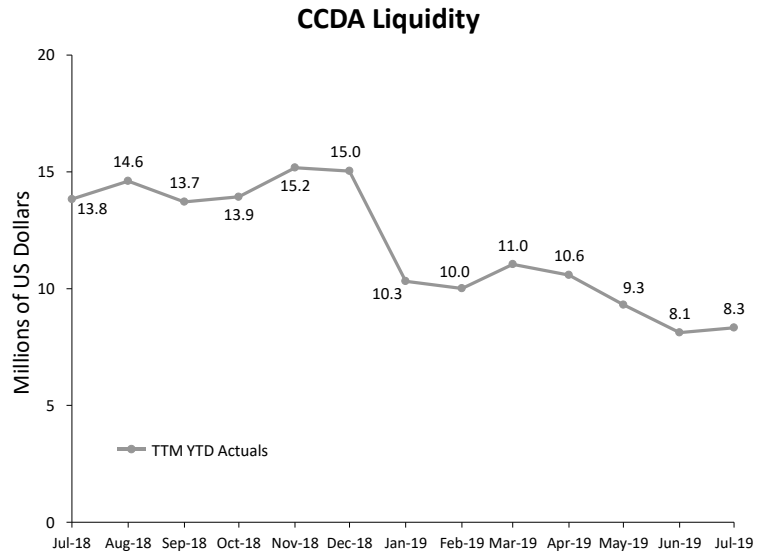
**XIV. PUERTO RICO CONVENTION CENTER DISTRICT AUTHORITY (“CCDA”)**

**Primary Business Activity:** CCDA develops, manages, and oversees the Puerto Rico Convention Center, the Coliseo de Puerto Rico José Miguel Agrelot, Bahía Urbana Waterfront Park, and other adjacent hospitality, commercial, and residential developments.

**Key Takeaways:** CCDA began FY20 with \$8.1M in operating cash, and has increased its cash balance to \$8.3M by month end. Consistent with the prior fiscal year, event schedules at the managed venues continue to be booked, yielding greater operating receipts from the Coliseum and Convention Center. Additionally, the Puerto Rico Tourism Company made a \$1.1M payment to catch up on prior fiscal year management fees owed to CCDA.

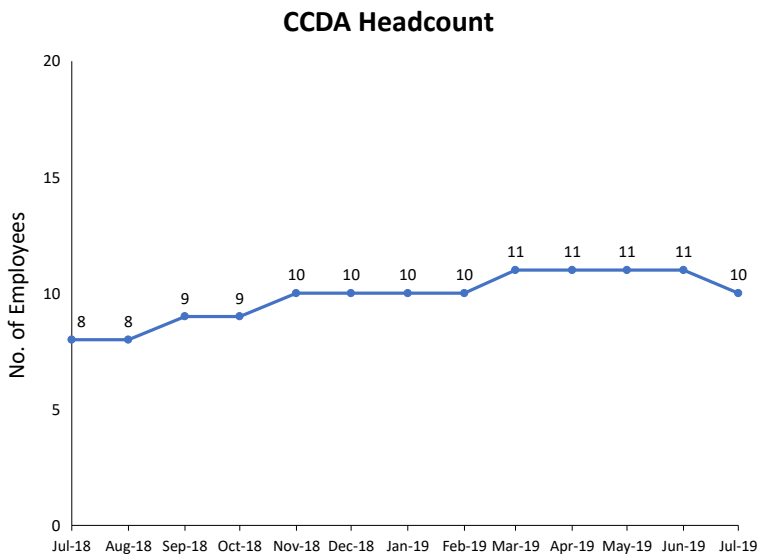
**A. FY20 Operating Liquidity – Actuals<sup>29</sup> vs. Forecast**

1. \$0.2M YTD actuals:
  - a. \$2.3M in operating receipts, with \$1.0M relating to the Coliseum and Convention Center, and the remainder attributable to district revenue.
  - b. \$1.7M in Puerto Rico Tourism Room Tax transfers, \$1.1M of which is due to a catch up in prior-year debt related to management fees.
  - c. (\$3.5M) in operating disbursements, in which the majority relates to (\$2.5M) in contracted services and (\$0.7) in facilities payments.
  - d. (\$0.3M) in CapEx during July.



**B. Headcount / Payroll**

1. Headcount FTEs: Increased from eight to 10 from Jul-18 to Jul-19.
  - a. CCDA has increased its headcount by two since Jul-18, with these hires being in the areas of accounting and operations. CCDA plans to make one additional hire to serve as the Deputy Director of the agency.



<sup>29</sup> Appendix includes reconciliation between AAFAF reported cash figures and the figures in this report.

**XIV. PUERTO RICO CONVENTION CENTER DISTRICT AUTHORITY ("CCDA") (Continued)**

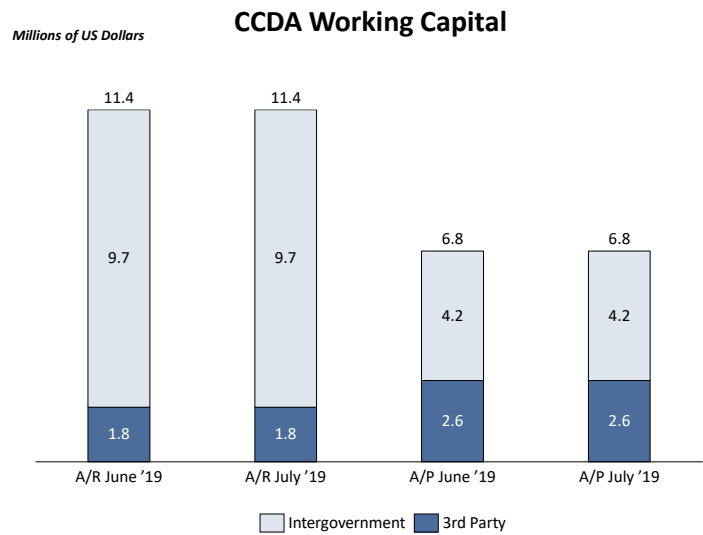
**C. Full Year FY20 Sources and Uses of Funds**

1. FY20 Liquidity Plans are still in development; therefore, this section is not applicable for the Jul-19 report.

**D. Accounts Receivable / Accounts Payable<sup>30</sup>**

1. Working Capital:

a. There were no material changes made to working capital during the month of July.



<sup>30</sup> Figures are unaudited and subject to change.

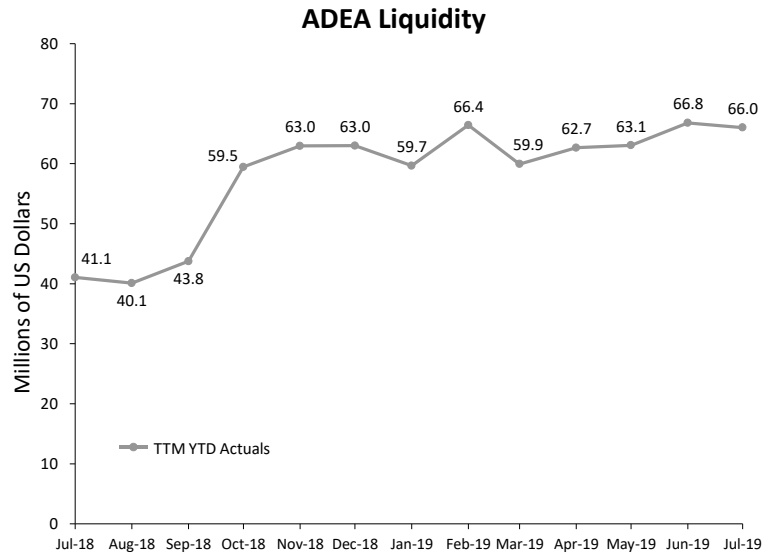
**XV. PUERTO RICO ADMINISTRATION FOR THE DEVELOPMENT OF AGRICULTURAL ENTERPRISES (“ADEA”)**

**Primary Business Activity:** ADEA provides services to the agricultural sector, with the goal of supporting its economic development. Services include: rural infrastructure development, providing incentives and subsidies to the industry, agricultural product market making, and other related services.

**Key Takeaways:** Operations at ADEA continue in line with trends established at the end of FY19, especially related to coffee market making and school cafeteria programs. For the month of Jul-19, ADEA had a deficit of (\$0.8M) and ended the period with a \$66.0M cash balance.

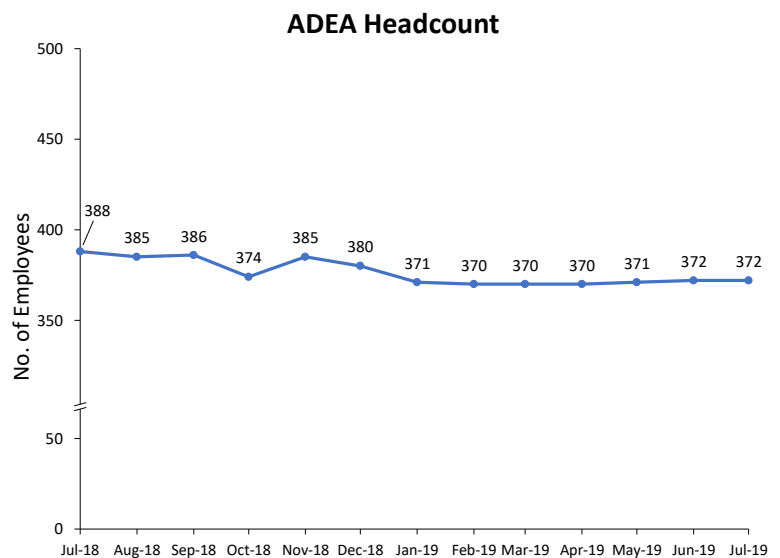
**A. FY20 Operating Liquidity – Actuals<sup>31</sup>**

1. (\$0.8M) YTD actuals:
  - a. \$4.4M in receipts from coffee market making operations, in line with the same period the previous year.
  - b. \$4.3M in receipts from the General Fund.
  - c. \$0.9M in other receipts, including \$0.8M from school cafeterias, and \$0.1M from production of seeds and inflows related to WIC / OPPEA.
  - d. (\$0.4M) in payroll-related expenses.
  - e. (\$1.1M) in subsidies and contributions to non-government entities, which is significantly below the (\$5.6M) from the same period the previous year, primarily due to timing of expenses.
  - f. (\$7.2M) in other expenses, of which (\$2.4M) are related to the coffee market making program and (\$3.9M) are related to the school cafeteria program.
  - g. (\$1.7M) related to rural infrastructure investments.



**B. Headcount / Payroll**

1. Headcount FTEs: Decreased from 388 to 372 from Jul-18 to Jul-19.
  - a. Drop in headcount over the trailing twelve months is attributable to the VTP.



<sup>31</sup> Appendix includes reconciliation between AAFAF reported cash figures and the figures in this report.

**XV. PUERTO RICO ADMINISTRATION FOR THE DEVELOPMENT OF AGRICULTURAL ENTERPRISES (“ADEA”) (Continued)**

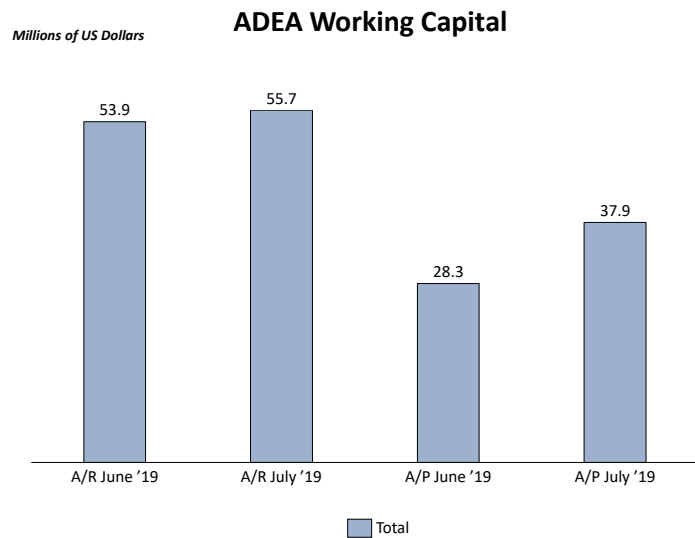
**C. Full Year FY20 Sources and Uses of Funds**

1. FY20 Liquidity Plans are still in development; therefore, this section is not applicable for the Jul-19 report.

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**D. Accounts Receivable / Accounts Payable<sup>32</sup>**

1. Accounts Receivable:
  - a. \$1.8M increase from Jun-19 to Jul-19.
2. Accounts Payable:
  - a. \$9.7M increase from Jun-19 to Jul-19 driven an increase in payables related to government services including facilities of \$4.8M, a \$3.3M increase in payables related to rural infrastructure development, and a \$1.6M increase in payables related to subsidy and other payments. The last two are timing related, and are expected to reverse.
3. Working Capital:
  - a. The change in net working capital through Jul-19 was a positive \$7.9M due to the above changes.



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<sup>32</sup> Figures are unaudited and subject to change.



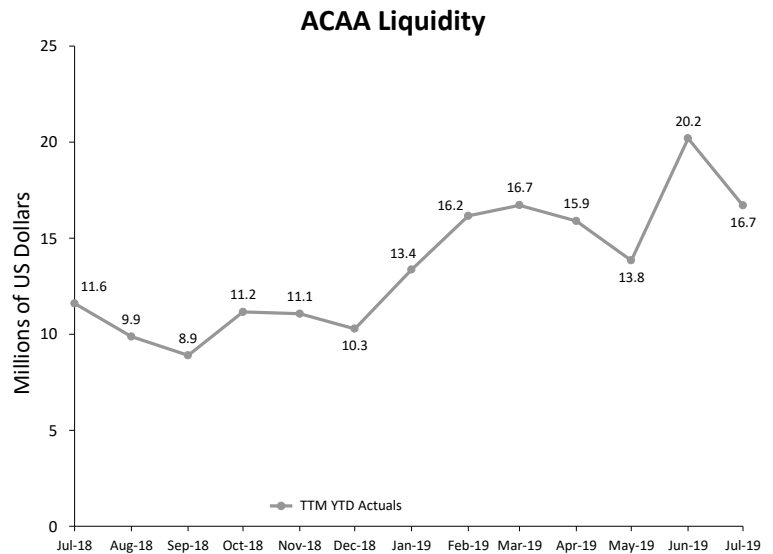
## XVI. AUTOMOBILE ACCIDENT COMPENSATION ADMINISTRATION (“ACAA”)

**Primary Business Activity:** ACAA administers insurance for health services and compensation to benefit victims of car accidents and their dependents. ACAA pays for medical-hospital services offered by third party providers and compensates victims and dependents of deceased victims who were involved in an accident.

**Key Takeaways:** ACAA began FY20 with \$20.2M in operating cash, and its cash balance reduced to \$16.7M by July month end. During the month of July, the largest reduction in cash is due to not receiving any insurance premium collections, whereas during the prior fiscal year in Jul-18, ACAA received \$7.1M. ACAA’s headcount decreased significantly throughout FY19 due to employees entering VTP III.

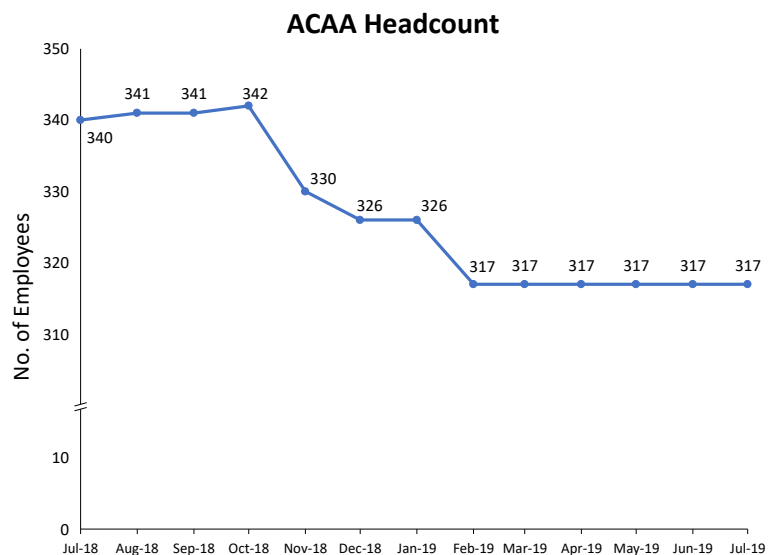
### A. FY20 Operating Liquidity – Actuals

1. (\$3.5M) YTD actuals:
  - a. \$0.1M in operating receipts, consisting of insurance recoveries and building rental income.
  - b. (\$2.5M) in operating disbursements, consisting of (\$1.3M) in payroll and (\$1.2M) in claims-related disbursements.
  - c. (\$1.1M) in PayGo disbursements, relating to invoices from prior fiscal year May-19.



### B. Headcount / Payroll

1. Headcount FTEs: Decreased from 340 to 317 from Jul-18 to Jul-19.
  - a. Headcount decrease is due to the implementation of VTP Phase III.



**XVI. AUTOMOBILE ACCIDENT COMPENSATION ADMINISTRATION (“ACAA”) (Continued)**

**C. Full Year FY20 Sources and Uses of Funds**

1. FY20 Liquidity Plans are still in development; therefore, this section is not applicable for the Jul-19 report.

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**D. Accounts Receivable / Accounts Payable**

1. Information not available.

## **XVII. PUBLIC HOUSING ADMINISTRATION (“PHA”)**

**Primary Business Activity:** PHA provides affordable housing, rental assistance, and homeownership programs to families and persons with disabilities. PHA hires outside service providers to conduct various activities related to maintaining the livability of public housing on the Island.

**Key Takeaways:** Information not available.

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### **A. FY20 Operating Liquidity – Actuals<sup>33</sup>**

1. Information not available.

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### **B. Headcount / Payroll**

1. Information not available.

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<sup>33</sup> Appendix includes reconciliation between AAFAF reported cash figures and the figures in this report.

**XVII. PUBLIC HOUSING ADMINISTRATION (“PHA”) (Continued)**

**C. Full Year FY20 Sources and Uses of Funds**

1. FY20 Liquidity Plans are still in development; therefore, this section is not applicable for the Jul-19 report.

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**D. Accounts Receivable / Accounts Payable<sup>34</sup>**

1. Information not available.

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<sup>34</sup> Figures are unaudited and subject to change.

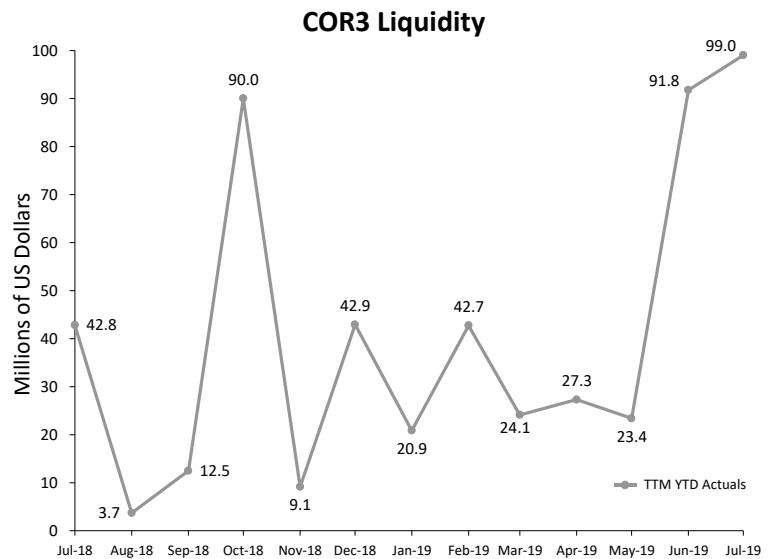
**XVIII. CENTRAL OFFICE FOR RECONSTRUCTION AND RECOVER OF PUERTO RICO (“COR3”)**

**Primary Business Activity:** COR3 manages FEMA Federal Public Assistance and disaster-related available resources for government entities and eligible sub-recipients and provides technical support regarding recovery-related resources and Federal compliance requirement matters. COR3 acts as a pass-through entity receiving federal funds and making disbursements for approved rebuilding activities.

**Key Takeaways:** In July 2019, COR3 drew down and disbursed FEMA-approved funds of \$123.3M and \$116.1M respectively to numerous government instrumentalities, municipalities, and component units, including the Commonwealth’s Central Government. These funds pertain to FEMA Public Assistance, and mainly related to the two Programs ‘A’ and ‘B’ (see Section C) as FEMA Individual Assistance funds are not administered by COR3, and are disbursed by FEMA directly to the recipients. Management understands that during FY20, COR3 will experience noticeable activity and disbursements pertaining to the 5 Programs ‘C’ through ‘G’ (see Section C). No Liquidity Plan has been established for FY20, nor will a Liquidity Plan be necessary, as COR3 acts as a pass-through entity and does not disburse nor transfer out funds prior to having these transferred in from FEMA.

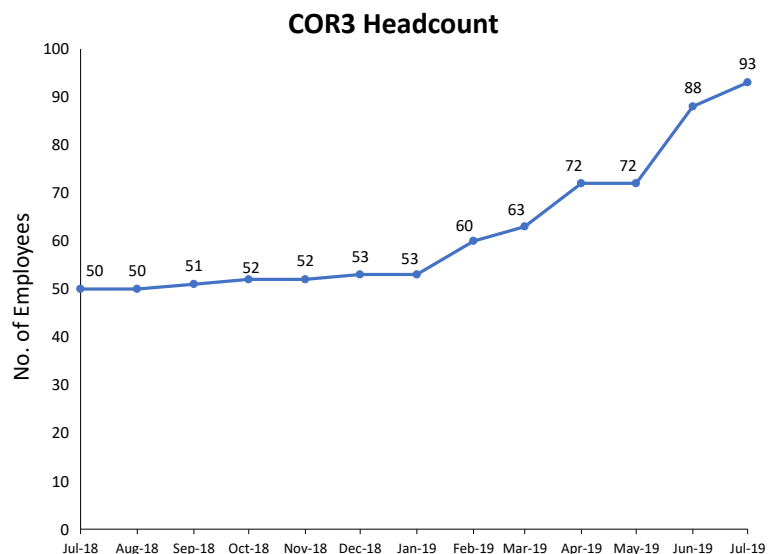
**A. FY20 Operating Liquidity – Actuals<sup>35</sup>**

1. \$7.2M YTD actuals:
  - a. \$89.5M cash receipts pertaining to FEMA Public Assistance.
  - b. \$33.8M cash receipts from state cost-share contributions and other receipts.
  - c. (\$92.9M) in FEMA Public Assistance disbursements to sub-grantees.
  - d. (\$23.2M) in state-funded disbursements to sub-grantees.



**B. Headcount / Payroll**

1. Headcount FTEs: Increased from 50 to 93 from Jun-18 to Jul-19.
  - a. The increase in FTEs was expected, given the buildup of required infrastructure for the tracking of FEMA projects and general compliance and monitoring of federal funds that will continue to be disbursed through COR3 for the recovery efforts.
  - b. Multiple FTEs are also tasked with providing guidance to sub-recipients on available FEMA programs as well as guidance on how to proceed with the required compliance documentation.



<sup>35</sup> Appendix includes reconciliation between AAFAP reported cash figures and the figures in this report.

**XVIII. CENTRAL OFFICE FOR RECONSTRUCTION AND RECOVER OF PUERTO RICO (“COR3”) (Continued)**

**C. Full Year FY20 Sources and Uses of Funds**

1. FEMA Public Assistance Programs are broken into two different tranches. These tranches consist of Disaster Recovery programs and Permanent Work programs, both of which are outlined below.
  - a. FEMA Public Assistance Programs ‘A’ and ‘B’ Disaster Recovery:
    1. Cat A – Debris Removal.
    2. Cat B – Emergency Protective Measures.
  - b. FEMA Public Assistance Programs: (‘C’ – ‘G’) Permanent Work:
    1. Cat C – Roads and Bridges.
    2. Cat D – Water Control Facilities.
    3. Cat E – Buildings and Equipment.
    4. Cat F – Utilities.
    5. Cat G – Parks, Recreational, and Other.

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**D. Accounts Receivable / Accounts Payable<sup>36</sup>**

1. Not applicable.

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<sup>36</sup> Figures are unaudited and subject to change.

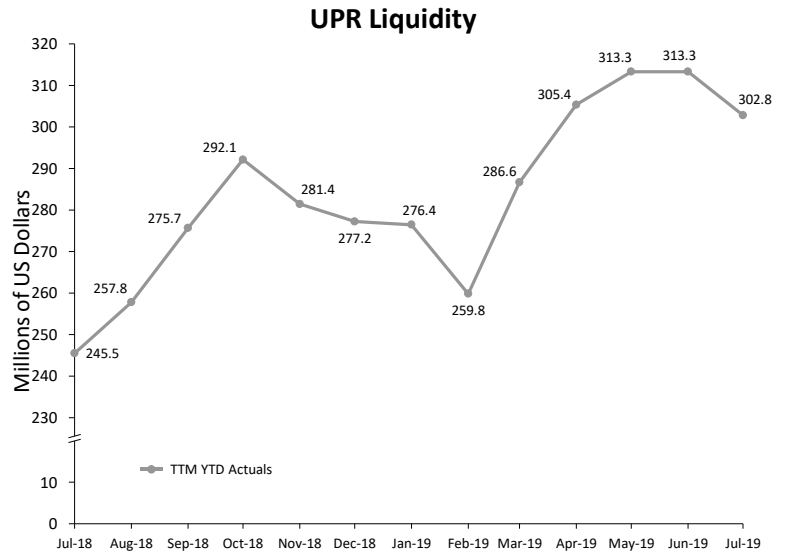
**XIX. UNIVERSITY OF PUERTO RICO (“UPR”)**

**Primary Business Activity:** UPR is a state-supported university system created by the Law No. 1 of January 20, 1966, “Law of the University of Puerto Rico” (“Act No. 1”), as amended. UPR is responsible for serving the people of Puerto Rico to contribute to the development and enjoyment of the fundamental, ethical, and aesthetic values of Puerto Rican culture by providing high-quality education and creating new knowledge through research and exploration of the Arts, Sciences, and Technology.

**Key Takeaways:** For the first month of FY20, UPR generated negative \$10.5M in net cash flow and ended the month of July with a cash balance of \$302.8M. Certain other revenue streams were expectedly lower in July primarily due to the seasonality of tuition collections and campus-related inflows, which are heavily weighted toward the second and third months of Q1 and Q3 to coincide with UPR’s semester schedule. At the same time, expense levels remain relatively consistent throughout the year.

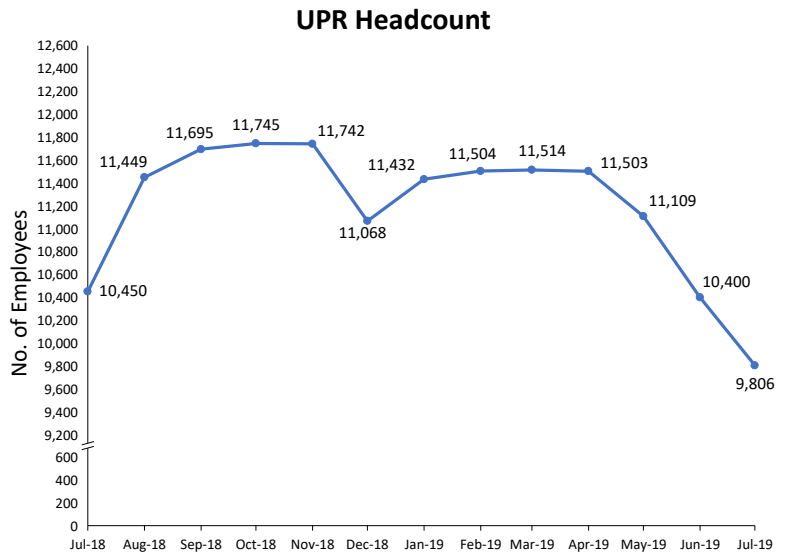
**A. FY20 Operating Liquidity – Actuals<sup>37</sup>**

1. (\$10.5M) YTD actuals:
  - a. \$45.5M in central government appropriations, decreased by (\$4.1M) compared to July-18 due to a reduction of General Fund appropriations designated for UPR from the Commonwealth’s Certified Budget.
  - b. \$18.8M in operating receipts mostly in line with July-18.
  - c. \$11.0M in Federal Fund receipts, increased by \$3.2M compared to July-18 likely due to timing.
  - d. (\$57.5M) in gross payroll and pensions, decreased by (\$1.7M) compared to July-18 resulting from a reduction of medical plan expenses.
  - e. (\$24.2M) in operating disbursements, increased by \$4.0M compared to July-18 likely due to timing of expenses.
  - f. (\$4.1M) in debt payments mostly in line with July-18.



**B. Headcount / Payroll**

1. Headcount FTEs: Decreased from 10,450 to 9,806 from Jul-18 to Jul-19.
  - a. By campus: Decrease in headcount is primarily due to decreases at the Rio Piedras (244) Mayaguez (99), Medical Science facilities (69), Central Administration (39) and others campuses (193).
  - b. By category: Decrease in headcount is primarily due to decreases in permanent (598), contracted teachers (122), and probative (107), partially offset by increases in all others (183).
2. Payroll: Disbursements for July-19 were \$57.5M.



<sup>37</sup> Appendix includes reconciliation between AAFAF reported cash figures and the figures in this report.

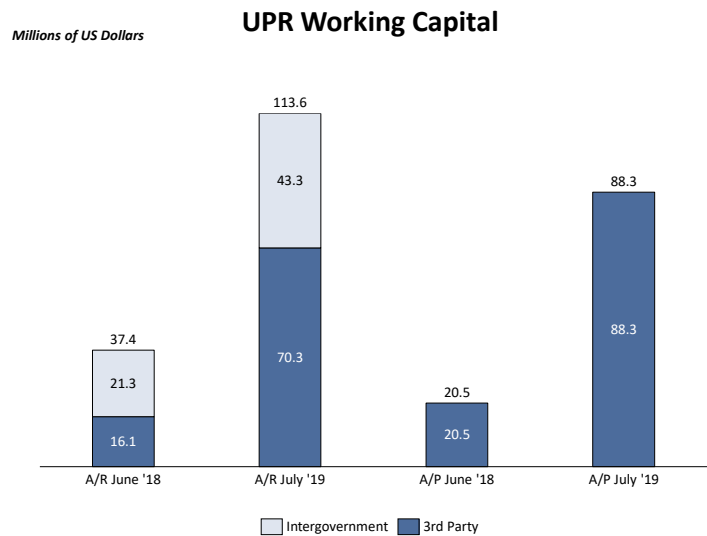
**XIX. UNIVERSITY OF PUERTO RICO (“UPR”) (Continued)**

**C. Full Year FY20 Sources and Uses of Funds**

1. FY20 Liquidity Plans are still in development; therefore, this section is not applicable for the Jul-19 report.

**D. Accounts Receivable / Accounts Payable<sup>38</sup>**

1. Accounts Receivable:
  - a. \$76.2M increase from Jun-19 to Jul 19, driven by a \$22.0M increase in intergovernmental receipts and a \$54.2M increase in third party receivables, primarily due to the commencement of a new school year and tuition due to UPR.
2. Accounts Payable:
  - a. \$67.8M increase from Jun-19 to Jul-19 driven by increases in supplier payables.
3. Working Capital:
  - a. The change in net working capital through Jul-19 was an \$8.4M use of cash due to the above changes.



<sup>38</sup> Figures are unaudited and subject to change.



APPENDIX A: RECONCILIATION BETWEEN JUNE 2019 AAFAP REPORTED FIGURES<sup>39</sup> AND THE FIGURES IN THIS REPORT<sup>40</sup>

*Millions of US dollars*

| COMPONENT UNIT   | AAFAF Reported Balance (a) | Actual Balance 7/26/19 | Variance | Variance due to: |                         | Comments   |
|--|----------------------------|------------------------|----------|------------------|-------------------------|--|
|  |                            |                        |          | Timing           | Nonoperational Accounts |  |
| PUERTO RICO PORTS AUTHORITY (PORTS <sup>3)</sup> )                             | 36.2                       | 33.5                   | 2.7      | (1.2)            | 3.8                     | \$3.8M of restricted cash is excluded from Ports operating cash.   |
| MEDICAL SERVICES ADMINISTRATION (ASEM <sup>4)</sup> (b)                        | 44.4                       | 17.9                   | 26.5     | 0.3              | 26.2                    | CU reported cash does not consider restricted bank accounts, including CapEx \$23.9M, Malpractice Insurance Reserve \$2.0M, and FEMA Funding \$0.3M.   |
| PUERTO RICO INTEGRATED TRANSIT AUTHORITY (PRITA <sup>5)</sup> )                | 10.8                       | 15.0                   | (4.2)    | (0.9)            | (3.3)                   | \$3.3M held in a non-operational account, which has yet to be accounted for in AAFAP's inventory of accounts.  |
| STATE INSURANCE FUND CORPORATION (FONDO <sup>6)</sup> (b)                      | 289.8                      | 291.1                  | (1.3)    | (1.6)            | 0.3                     | Non-operational accounts pertain to petty fund/transportation expense accounts for injured workers not considered in the cash flow.  |
| HEALTH INSURANCE ADMINISTRATION (ASES <sup>7)</sup> (b)                        | 178.1                      | 182.1                  | (4.0)    | (4.0)            | -                       | Timing delays due to book/bank differences.  |
| HIGHWAYS AND TRANSPORTATION AUTHORITY (HTA <sup>8)</sup> )                     | 387.4                      | 288.7                  | 98.7     | 0.6              | 98.1                    | \$83.1M in non-operational accounts primarily earmarked for debt service and \$15.0M is in restricted accounts, both not included in HTA's cash flow.  |
| PUERTO RICO PUBLIC BUILDINGS AUTHORITY (PBA <sup>9)</sup> )                    | 90.0                       | 63.5                   | 26.5     | (1.4)            | 28.0                    | Funds held in non-operational accounts at PBA are earmarked for the following: \$12.9M for debt service for bonds pertaining to Resolution 468, \$7.3M for debt service for bonds related to Construction Series R and N, and \$7.8M in other restricted cash accounts.            |
| CARDIOVASCULAR CENTER OF PUERTO RICO AND THE CARIBBEAN (CCCRIO <sup>10</sup> ) | 11.9                       | 11.7                   | 0.2      | (0.6)            | 0.8                     | Restricted cash not considered account for \$0.8M of AAFAP cash, which is a non-operating account.   |
| PUERTO RICO INDUSTRIAL DEVELOPMENT COMPANY (PRIDCO <sup>11</sup> )             | 178.0                      | 16.9                   | 161.1    | 0.1              | 161.0                   | Restricted/non-operating cash not considered account for \$161.0M of AAFAP web-cash, distributed as follows: PRIDCO Trustee CD/Bond Reserve Accounts \$31.2M; Incentive Fund and other PRIDCO non-operating/reserve accounts managed on behalf of the central government \$129.8M. |
| HOUSING FINANCE AUTHORITY (HFA <sup>12)</sup> (b)                              | 58.9                       | -                      | 58.9     | 58.9             | -                       | CU has not provided actual results for July-19.  |
| PUERTO RICO TOURISM COMPANY (TOURISM <sup>13</sup> )                           | 131.7                      | 50.4                   | 81.2     | (5.0)            | 86.3                    | Funds in non-operational accounts consist of \$76.8M in restricted accounts and \$9.5M in Tourism subsidiary accounts not included in Tourism operating cash.  |
| FISCAL AGENCY AND FINANCIAL ADVISORY AUTHORITY (AAFAF <sup>14</sup> )          | 63.9                       | 63.8                   | 0.1      | 0.1              | -                       | Timing stems from difference in beginning balance.   |
| DEPARTMENT OF ECONOMIC DEVELOPMENT AND COMMERCE (DDEC <sup>15</sup> )          | 22.7                       | 20.0                   | 2.7      | 3.2              | (0.4)                   | Non-operational accounts include: \$6.2M in special purpose funds from ticket sales that do not belong to CCDA.  |
| CONVENTION CENTER DISTRICT AUTHORITY (CCDA <sup>16</sup> )                     | 14.4                       | 8.3                    | 6.1      | (0.1)            | 6.2                     | Non-operational accounts include: \$6.2M in special purpose funds from ticket sales that do not belong to CCDA.  |
| PUERTO RICO AGRICULTURAL DEVELOPMENT ADMINISTRATION (ADEA <sup>17</sup> )      | 90.8                       | 66.0                   | 24.8     | 46.4             | (21.6)                  | \$21.6M in non-operational accounts not reported in CU cash balances.  |
| AUTOMOBILE ACCIDENT COMPENSATION ADMINISTRATION (ACAA <sup>18</sup> )          | 136.1                      | 16.7                   | 119.4    | 0.7              | 118.7                   | Non-operational accounts consist of \$118.7M, which are investment accounts managed by a third party to maintain ACAAs liquidity reserve.  |
| PUBLIC HOUSING ADMINISTRATION (PHA <sup>19</sup> )                             | 501.9                      | -                      | 501.9    | -                | -                       | CU has not provided actual results for July-19.  |
| OFFICE FOR RECOVERY, RECONSTRUCTION, AND RESILIENCY (COR3 <sup>20</sup> )      | 99.0                       | 99.0                   | -        | -                | -                       | Funds held in non-operational accounts at UPR include: \$49.2M for debt service obligations; \$35.3 for the UPR Component Units and \$19.7M in other restricted cash accounts from UPR campus.   |
| UNIVERSITY OF PUERTO RICO (UPR <sup>21</sup> )                                 | 406.6                      | 302.8                  | 103.8    | (0.4)            | 104.2                   | Funds held in non-operational accounts at UPR include: \$49.2M for debt service obligations; \$35.3 for the UPR Component Units and \$19.7M in other restricted cash accounts from UPR campus.   |

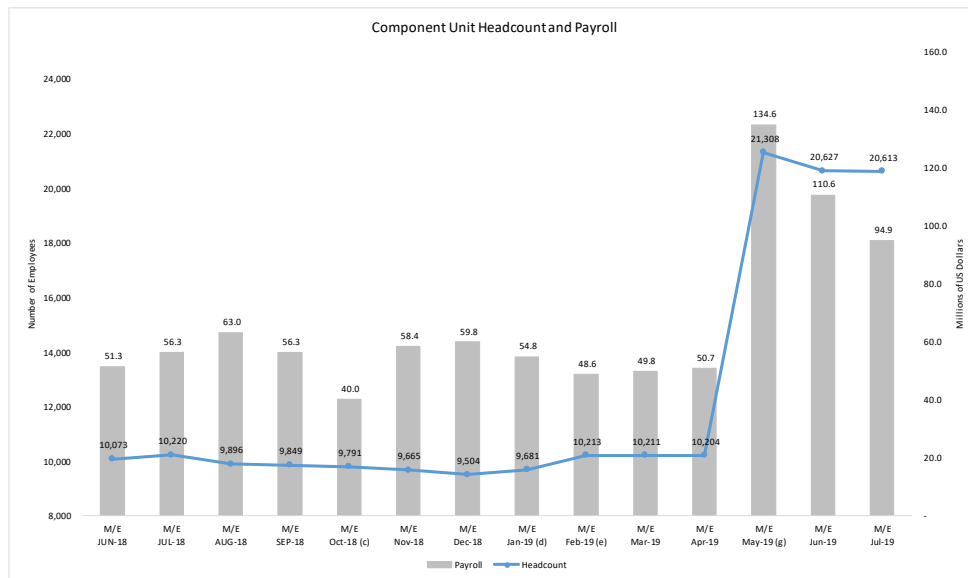
*Notes (7/31/19):*  
 (a) AAFAP reported balances for July-19 are as of 7/31/19, while CU reported balances for cash flow purposes are as of 7/26/19. Material timing variances may be present.  
 (b) ASEM, FONDO, ASESS, and HFA report book balances, and therefore there may be variances relating to timing of outstanding checks and other accounting adjustments.

<sup>39</sup> AAFAP reported figures as per "Summary of Bank Account Balances for the Government of Puerto Rico and its Instrumentalities" report dated July 31, 2019.

<sup>40</sup> This report is prepared based on reported operational cash balances as of July 26, 2019, and there are two types of reconciliation differences between the sources of information: timing differences produced by the account delays, or cash being held in nonoperational bank accounts.

## APPENDIX B: HEADCOUNT SUMMARY FOR COMPONENT UNITS COVERED IN THIS REPORT

| COMPONENT UNIT  | FY2019        |              |              |              |              |              |              |               |               |               |               |               |               |
|---|---------------|--------------|--------------|--------------|--------------|--------------|--------------|---------------|---------------|---------------|---------------|---------------|---------------|
|   | M/E Jul-18    | M/E Aug-18   | M/E Sep-18   | M/E Oct-18   | M/E Nov-18   | M/E Dec-18   | M/E Jan-19   | M/E Feb-19    | M/E Mar-19    | M/E Apr-19    | M/E May-19    | M/E Jun-19    | M/E Jul-19    |
| PUERTO RICO PORTS AUTHORITY ("PORTS")                                 | 505           | 501          | 501          | 499          | 499          | 485          | 479          | 478           | 478           | 479           | 478           | 476           | 474           |
| MEDICAL SERVICES ADMINISTRATION ("ASEM")                              | 1,634         | 1,626        | 1,630        | 1,616        | 1,613        | 1,549        | 1,525        | 1,525         | 1,506         | 1,498         | 1,495         | 1,502         | 1,506         |
| PUERTO RICO INTEGRATED TRANSIT AUTHORITY ("PRITA") (a)                | 887           | 876          | 881          | 879          | 873          | 864          | 849          | 848           | 847           | 846           | 848           | 847           | 843           |
| STATE INSURANCE FUND CORPORATION ("FONDO")                            | 2,867         | 2,858        | 2,852        | 2,844        | 2,756        | 2,765        | 2,717        | 2,714         | 2,718         | 2,714         | 2,712         | 2,712         | 2,708         |
| HEALTH INSURANCE ADMINISTRATION ("ASES")                              | 57            | 60           | 57           | 58           | 58           | 58           | 57           | 57            | 57            | 56            | 57            | 57            | 58            |
| HIGHWAYS AND TRANSPORTATION AUTHORITY ("HTA")                         | 1,244         | 991          | 946          | 930          | 900          | 895          | 895          | 895           | 894           | 892           | 890           | 888           | 887           |
| PUERTO RICO PUBLIC BUILDINGS AUTHORITY ("PBA") (a)                    | 1,102         | 1,094        | 1,093        | 1,092        | 1,091        | 1,029        | 1,002        | 1,001         | 998           | 997           | 995           | 992           | 992           |
| CARDIOVASCULAR CENTER OF PUERTO RICO AND THE CARIBBEAN ("CARDIO") (f) | 570           | 563          | 561          | 568          | 551          | 542          | 536          | 536           | 551           | 546           | 544           | 551           | 548           |
| PUERTO RICO INDUSTRIAL DEVELOPMENT COMPANY ("PRIDCO") (b)             | 192           | 188          | 188          | 187          | 144          | 147          | 147          | 146           | 145           | 145           | 147           | 148           | 148           |
| HOUSING FINANCE AUTHORITY ("HFA")                                     | 145           | 145          | 145          | 141          | 141          | 139          | 140          | 140           | 140           | 141           | 139           | 147           | 147           |
| PUERTO RICO TOURISM COMPANY ("TOURISM")                               | 393           | 376          | 376          | 377          | 378          | 377          | 373          | 372           | 372           | 373           | 373           | 371           | 370           |
| FISCAL AGENCY AND FINANCIAL ADVISORY AUTHORITY ("AAFA")               | 72            | 69           | 68           | 70           | 76           | 77           | 77           | 79            | 79            | 81            | 84            | 83            | 80            |
| DEPARTMENT OF ECONOMIC DEVELOPMENT AND COMMERCE ("DDEC")              | 156           | 156          | 156          | 147          | 190          | 187          | 186          | 330           | 330           | 330           | 330           | 330           | 330           |
| CONVENTION CENTER DISTRICT AUTHORITY ("CCDA") (f)                     | 8             | 8            | 9            | 9            | 10           | 10           | 10           | 10            | 11            | 11            | 11            | 11            | 10            |
| PUERTO RICO AGRICULTURAL DEVELOPMENT ADMINISTRATION ("ADEA")          | 388           | 385          | 386          | 374          | 385          | 380          | 371          | 370           | 370           | 370           | 371           | 372           | 372           |
| AUTOMOBILE ACCIDENT COMPENSATION ADMINISTRATION ("ACAA") (d)          | N/A           | N/A          | N/A          | N/A          | N/A          | N/A          | 317          | 317           | 317           | 317           | 317           | 317           | 317           |
| PUBLIC HOUSING ADMINISTRATION ("PHA") (e)                             | N/A           | N/A          | N/A          | N/A          | N/A          | N/A          | N/A          | 335           | 335           | 336           | 336           | 335           | 335           |
| CENTRAL RECOVERY AND RECONSTRUCTION OFFICE ("COR3") (e) (f)           | N/A           | N/A          | N/A          | N/A          | N/A          | N/A          | N/A          | 60            | 63            | 72            | 72            | 88            | 88            |
| UNIVERSITY OF PUERTO RICO ("UPR") (g)                                 | N/A           | N/A          | N/A          | N/A          | N/A          | N/A          | N/A          | N/A           | N/A           | N/A           | 11,109        | 10,400        | 10,400        |
| <b>TOTAL</b>  | <b>10,220</b> | <b>9,896</b> | <b>9,849</b> | <b>9,791</b> | <b>9,665</b> | <b>9,504</b> | <b>9,681</b> | <b>10,213</b> | <b>10,211</b> | <b>10,204</b> | <b>21,308</b> | <b>20,627</b> | <b>20,613</b> |



**Notes:**

- (a) Estimate for June and July Month End.
- (b) PRIDCO not a CU tracked in FY18.
- (c) Not all CUs captured multiple pay periods in Oct-18, causing a timing variance and an expected increase in Nov-18.
- (d) ACAA started reporting FY19 headcount in Jan-19. Prior month's payroll and headcount information not included.
- (e) PHA and COR3 started reporting FY19 headcount in Feb-19. Prior month's payroll and headcount information not included. Apr-19 data used in May-19, as reported in 1( C).
- (f) CARDIO, CCDA, and COR3 did not report payroll in Feb-19.
- (g) UPR started reporting FY19 headcount in May-19. Prior month's payroll and headcount information not included.