



Puerto Rico Department of Treasury
Treasury Single Account ("TSA") FY 2018 Cash Flow
As of June 22, 2018

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- *The report dated January 19, 2018, “Summary of Bank account Balances for Puerto Rico Governmental Instrumentalities As of December 31 2017,” (the “Bank Account Balance Report”) disclosed the balance of Other Puerto Rico Treasury Custody Accounts of \$580 million as of December 31, 2017. This balance was further segmented into \$374M in pension-related funds (Employee Withholdings and Pay-Go Charges), \$142M in Central Government non-TSA funds (lottery-related funds and other funds held and administered by central government agencies), and \$64M held TSA Sweep Accounts that collect income and completely pass through to TSA on a daily basis (includes General Collections Posts, Agency Collections Posts, and SUT). As further set forth in the Bank Account Balance Report, processes are currently in place to continue evaluating the accounts, including analyzing the cash inflows and outflows and reviewing legal restrictions relative to funds deposited into the bank accounts.*

Glossary

Term	Definition
AACA	- Automobile Accident Compensation Administration, or Administración de Compensaciones por Accidentes de Automoviles, is a component unit of the Commonwealth of Puerto Rico.
Act 154	- Act 154 means Act No. 154-2010, which, inter alia, imposes a temporary excise tax on the acquisition by multinationals of certain property manufactured or produced in whole or in part in Puerto Rico and on the acquisition of certain manufacturing services carried out in Puerto Rico. The Act 154 temporary excise tax expires on December 31, 2027.
AFI/RBC	- Infrastructure Financing Authority.
Agency Collections	- Collections made by central government agencies at collection posts for services rendered by the agencies as well as fees, licenses, permits, fines and others.
Approved FY 2018 Budget	- Consolidated Budget for Fiscal Year 2018 approved by the Puerto Rico Legislative Assembly on July 13, 2017.
ASC	- Compulsory Liability Insurance, private insurance company.
ASSMCA	- Administración de Servicios de Salud Mental y Contra la Adicción, or Mental Health and Addiction Services Administration, is an agency of the Commonwealth of Puerto Rico.
Bank Checks Paid	- A report provided by the bank that is utilized to determine vendor payments.
BPPR	- Banco Popular of Puerto Rico.
Budget Reserves	- Non-cash reserves for budgeting purposes. Consist of a Liquidity Reserve (\$190M), OMB Reserve (\$446M), Budgetary Reserve (\$85M), Other Income Reserve (\$84M), and Emergency Fund (\$30M).
Checks in Vault	- Refers to checks issued but physically kept in vault.
Collections	- Collections made by the Department of the Treasury (Treasury) at collection posts and/or the Treasury revenue collection systems, such as income taxes, excise taxes, fines and others.
COFINA	- Puerto Rico Sales Tax Financing Corporation.
COFINA SUT Collections	- In accordance with a sales tax finance agreement between the government of Puerto Rico and COFINA, throughout FY2018 the first 5.5% (of total 10.5%) of gross SUT collections are reserved for and deposited into the COFINA bank account held at BNY Mellon until a \$753M cap has been reached on total SUT collections remitted to COFINA.
DTOP	- Department of the Transportation and Public Works
DTPR	- Department of the Treasury of Puerto Rico.
ERS	- Employees Retirement System means the Employees Retirement System of the Government of the Commonwealth of Puerto Rico, a statutory trust created by Act No. 447 of May 15, 1951, as amended, to provide pension and other benefits to retired employees of the Commonwealth, its public corporations and municipalities. ERS is a fiduciary fund of the Commonwealth of Puerto Rico for purposes of the Commonwealth's financial statements.
General Fund	- General Fund (Operating Fund) means the Commonwealth principal operating fund; disbursements from such fund are generally approved through the Commonwealth's annual budgeting process.
DTPR Collection System	- This is the software system that DTPR uses for collections.
HTA	- Puerto Rico Highways and Transportation Authority, a public corporation and a component unit of the Commonwealth of Puerto Rico.
JRS	- Judiciary Retirement System means the Retirement System for the Judiciary of the Commonwealth of Puerto Rico, a statutory trust created to provide pension and other benefits to retired judges of the Judiciary Branch of the Commonwealth. JRS is a fiduciary fund of the Commonwealth of Puerto Rico for purposes of the Commonwealth's financial statements.
Liquidity Plan	- The FY 2018 Treasury Single Account Liquidity Plan was prepared at the beginning of the fiscal year based on the approved FY 2018 Budget, was projected monthly through June 2018, and is used as the benchmark against which results are measured. As a result of material economic and operational changes stemming from Hurricanes Irma and Maria, DTPR is in the process of developing a reforecast of TSA cash flows to year-end. Until then, the original TSA forecast will continue to serve as the measure for cash flow
Net Payroll	- Net payroll is equal to gross payroll less tax withholdings and other deductions.
Nutrition Assistance Program	- NAP, or the Nutrition Assistance Program, also known as PAN, or Programa de Asistencia Nutricional is a federal assistance nutritional program provided by the United States Department of Agriculture (USDA) solely to Puerto Rico.
Pension PayGo	- Pension PayGo- Puerto Rico pension system that is funded through a pay-as-you-go system. Retirement benefits expenses of government employers are paid by the central government and reimbursed by the employers, with such funds received by the TSA.
PRASA	- Puerto Rico Aqueducts and Sewers Authority.
PREMA	- Puerto Rico Emergency Management Agency.
PREPA	- Puerto Rico Electric Power Authority.
PRHA	- Puerto Rico Housing Authority.
PRIFAS	- Puerto Rico Integrated Financial Accounting System.
Reconciliation Adjustment	- Reserve account in DTPR cash flow, related to E&Y's Expense Reconciliation Adjustment (RA) as per the Fiscal Plan certified on March 13, 2017.
Retained Revenues	- Revenues conditionally assigned to certain public corporations and the collections of those revenues are through accounts referred to as "pass through" accounts. The largest of these pass-through accounts consist of (i) AACA auto insurance, (ii) AFI/RBC petroleum tax, (iii) ASC personal injury insurance, (iv) HTA toll revenues.
RHUM System	- This is the software system that DTPR uses for payroll.
SIFC	- State Insurance Fund Corporation.
Special Revenue Funds	- Commonwealth governmental funds separate from the General Fund that are created by law, are not subject to annual appropriation and have specific uses established by their respective enabling legislation. Special Revenue Funds are funded from, among other things, revenues from federal programs, tax revenues assigned by law to public corporations and other third parties, fees and charges for services by agencies, dividends from public corporations and financing proceeds.
SSA	- Social Security Administration.
TRS	- Teachers Retirement System means the Puerto Rico System of Annuities and Pensions for Teachers, a statutory trust created to provide pension and other benefits to retired teachers of the Puerto Rico Department of Education and to the employees of the Teachers Retirement System. TRS is a fiduciary fund of the Commonwealth of Puerto Rico for purposes of the Commonwealth's financial statements.
TSA	- 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. Only a portion of the revenues received by the TSA is included in the annual General Fund budget presented to the Puerto Rico Legislative Assembly for approval. Other revenues are separately assigned by law to certain agencies or public corporations but still flow through the TSA.

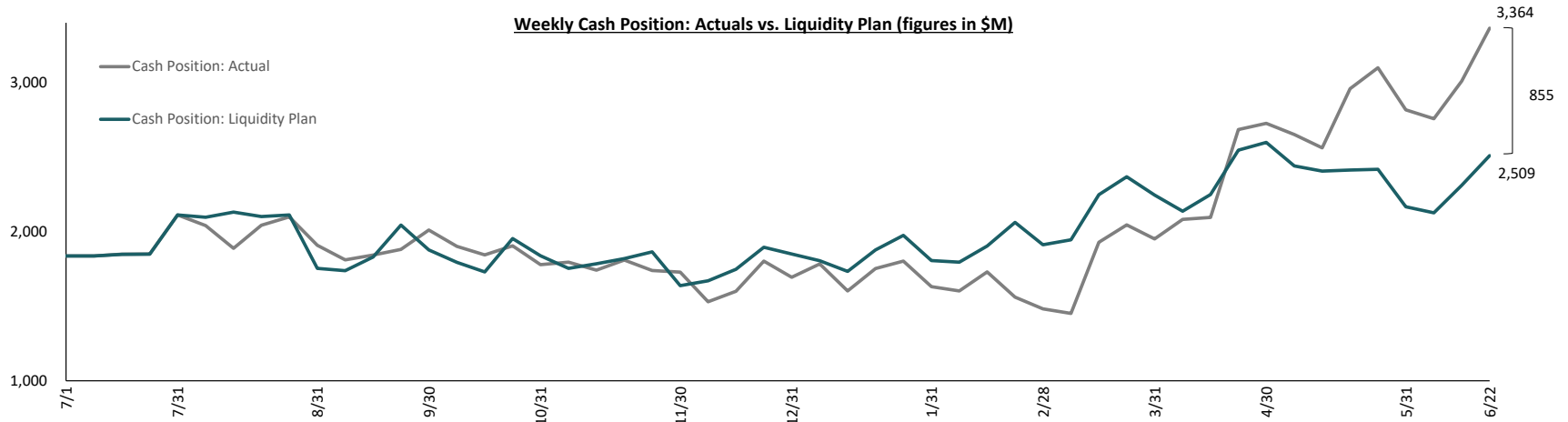
Introduction

- *Enclosed is the weekly Treasury Single Account ("TSA") cash flow report, supporting schedules and Liquidity Plan to actual variance analysis.*
- *TSA is 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.*
- *Beginning April 2016, TSA receipts are deposited in a commercial bank account rather than the Government Development Bank for Puerto Rico ("GDB").*
- *Receipts in the TSA include tax collections (including revenues assigned to certain public corporations and pledged for the payment of their debt service), charges for services, intergovernmental collections (such as reimbursements from Federal assistance grants), the proceeds of short and long-term debt issuances held in custody by the Secretary of Treasury for the benefit of the Government fiduciary funds, and other receipts. Only a portion of the revenues received by the TSA is included in the annual General Fund budget presented to the Puerto Rico Legislative Assembly for approval. Other revenues are separately assigned by law to certain agencies or public corporations but still flow through the TSA.*
- *Disbursements from the TSA include payroll and related costs, vendor and operational disbursements (including those reimbursed by Federal assistance grants and funded from Special Revenue Funds), welfare expenditures, capital outlays, debt service payments, required budgetary formulas and appropriation payments, pass-through payments of pledged revenues to certain public corporations, tax refunds, payments of current pension benefits and other disbursements.*
- *Federal funds related to disaster relief for hurricanes Irma and Maria are deposited in a separate bank account overseen by the Government Authorized Representative ("GAR"), and transferred to the TSA only after admissible disbursements (per approved Project Worksheets) have been made. These inflows to the TSA will be captured on the Federal Funds Receipts (Schedule C); outflows will be captured on the Vendor Payments (Schedule E).*
- *Data for TSA inflows/outflows is reported from various systems within the Department of Treasury of Puerto Rico ("DTPR"):*
 - Cash Flow Actual Results - Source for the actual results is the TSA Cash Flow.*
 - Schedule A - Collections - Source for collections information is the DTPR collections system.*
 - Schedule B - Agency Collections - Source for the agency collections is DTPR.*
 - Schedule C - Federal Fund Receipts - Source for the federal funds receipts is DTPR.*
 - Schedule D - Net Payroll - Source for net payroll information is the DTPR Rhum Payroll system.*
 - Schedule E - Vendor Payments - The source for vendor payments is the Bank checks paid report and a report from the DTPR PRIFAS system.*
 - Schedule F - Other Legislative Appropriations - Source for the other legislative appropriations is DTPR.*
 - Schedule G - Central Government - Partial Inventory of Known Short Term Obligations - Sources are DTPR.*
 - Schedule H - Budget Allocation of the Reconciliation Adjustment for the Central Government Loan to PREPA - Source is the Office of Management and Budget*
- *Data limitations and commentary:*
 - The government has focused on the seven schedules above for which access to reliable, timely, and detailed data is available to support these items. The government continues to work with DTPR and other parties to access additional reliable data that would help us provide detail in the future for other line items in the Cash Flow.*

FY 2018 TSA Forecast Key Assumptions

- *The FY 2018 Treasury Single Account cash flow forecast Liquidity Plan was prepared at the beginning of the fiscal year based on the approved FY 2018 Budget, was projected monthly through June 2018, and is used as the benchmark against which weekly results and variances are measured. As a result of material economic and operational changes stemming from Hurricanes Irma and Maria, DTPR is in the process of developing a reforecast of TSA cash flows to year-end. Until then, the original TSA forecast will continue to serve as the measure for weekly cash flow variances.*
- *Forecast collections and disbursements through the General Fund and Federal Fund are consistent with the approved FY 2018 Budget, with the exception of payroll outlays which were forecast based on run-rate cash disbursement trends, and budget reserves which are non-cash and do not impact the TSA direct cash flows.*
- *TSA General Fund inflows are "gross" (i.e. include accrued Tax Refunds in 2018) and therefore higher than presented in the approved FY 2018 Budget, which considers General Fund revenues net of current year tax refunds. Repayment of deferred tax refunds (from CY 2016 and prior) total \$292mm; reserve for current year tax refunds (excluding garnishments) total \$456mm.*
- *Payroll outlays are based on FY 2017 run-rate disbursements, less savings measures, representing a \$298mm favorable adjustment to the approved FY 2018 Budget for the full fiscal year. Payroll is presented inclusive of segregated employee contributions (\$349M for the year). Payroll is disbursed through the TSA on a bi-weekly basis, approximately on the 15th and 30th of each month.*
- *Pensions reflect the implementation of the pay-as-you-go model in FY 2018. Retirement system inflows represent deposits from municipalities and corporations net of administrative expenses. Figures also include ERS / TRS / JRS asset sales (\$390M), which occurred in July 2017.*
- *The Liquidity Plan assumes collections and outlays of Federal Funds are equal in FY 2018 (zero net cash impact), excluding potential timing impact.*
- *Clawback funds set aside prior to June 2016 (approx. \$146mm held at BPPR accounts and \$144mm held at GDB) are considered restricted cash and therefore excluded from the projected cash balance.*
- *The Liquidity Plan assumes \$592mm of Reconciliation Adjustment as per the approved FY 2018 Budget and March 13 certified Fiscal Plan, which is projected separately from supplier payments and distributed evenly over 12 months. No further provision has been made for potential contingent liabilities against the government.*
- *The Liquidity Plan assumes that beginning November 2017, COFINA SUT collections flow to the General Fund and are available to the TSA for operational purposes, totaling approx. \$316mm in incremental collections in the forecast. However, these funds flowed to the COFINA bank account (BNY Mellon), which created a permanent variance of -\$316mm against the Liquidity Plan.*

Key Figures as of 06/22/2018				
\$3.36bn	\$355M	\$157M	\$1.57bn	\$855M
Bank Cash Position	Weekly Cash Flow	Weekly Variance ^(a)	YTD Net Cash Flow	YTD Net Cash Flow Variance ^(a)



Weekly Cash Flow Variance \$157M:

Weekly variance mainly due to: (1) +\$77M in Other Payroll Expenses (temporary); (2) +\$51M in ASES Appropriations (temporary); and (3) +\$42M of inflows from the PayGo contributions of various public corporations and municipalities (temporary). All other line items have a total weekly variance of -\$13M.

YTD Net Cash Flow Variance \$855M:

The primary drivers of the +\$855M YTD variance are: (1) Net cash benefit from additional Medicaid Funding due to the Bipartisan Budget Act of 2018 (+432M, permanent); (2) Net cash benefit of RA less cash reapportionment +\$306M (see Sch.H); (3) Temporary net cash benefit of lower transfers to ASES (+\$197M, timing-related); (4) Net cash benefit of lower disbursements of tax refunds than forecast (+\$117M); (5) Rum Tax Collections (+\$99M, permanent); (6) Net cash impact of lower vendor disbursements and subsequent lower federal fund receipts for federally reimbursable payments (-\$149M, mostly permanent) (7) Sales & Use Tax Collections (-\$316M, permanent); and (8) All others (+\$169M).

Footnotes:

(a) Variances represent actual results vs. FY2018 Liquidity Plan. Additional detail and commentary on weekly and YTD variances is provided on pages 7 and 8 of this report.

Key Figures as of 06/22/2018				
\$3.36bn	\$355M	\$157M	\$1.57bn	\$855M
Bank Cash Position	Weekly Cash Flow	Weekly Variance ^(a)	YTD Net Cash Flow	YTD Net Cash Flow Variance ^(a)

Notable variances^(a) for the week ended June 22, 2018:

-\$35M	Outflow - Nutritional Assistance Program	(Permanent) Variance is likely permanent and is offset by increases in federal funds received for the Nutritional Assistance Program due to additional funding provided for by The Additional Supplemental Appropriations for Disaster Relief Requirements Act of 2017.
+\$42M	Inflow - PayGo	(Temporary) Variance partially offsets previous YTD variance, as Paygo payments are transferred to the TSA at the end each month as opposed to the bi-weekly transfers projected in the Liquidity Plan.
+\$51M	Outflow - ASES Appropriation	(Temporary) Variance is due to the timing of federal funds received for the Medicaid Program and the subsequent pass-through appropriation to ASES, and will be offset later this month.
+\$77M	Outflow - Other Payroll	(Temporary) Variance due to the timing of various payments to financial service providers on behalf of public employees and for insurance providers.
+\$22M	All Other Inflows & Outflows	Includes General Collections (+\$25M), Federal Fund Receipts (+\$24M), Vendor Disbursements (-\$17M) and others (-\$10M).

Notable YTD variances^(a) as of June 22, 2018:

-\$316M	Inflow - Sales & Use Tax	(Mostly Permanent) YTD permanent variance is driven by: (1) Liquidity Plan assumed \$316M of COFINA funds would flow to the General Fund but instead, the funds were deposited in the COFINA account; (2) lower than anticipated collections due to lost revenues from Hurricane Maria's impact on economic activity; (3) temporary sales tax exemption on prepared foods and items sold by small and medium merchants (exemptions expired on 1/7 and 12/31, respectively). Additionally, various other offsetting and competing drivers have influenced gross SUT month to month, including a shift in buying mix from smaller, less SUT compliant stores to larger, more SUT compliant retailers.
-\$151M	Outflow - Net PREPA Loan	(Permanent) \$300M in funds relating to a loan from the Central Government were transferred to PREPA from the TSA on February 23, 2018. Subsequently, due to excess revenues collected by PREPA that were applied to the repayment of outstanding Revolving Credit Loans, separate payments totaling \$149M YTD were made to the TSA from PREPA (see Net Inflow PREPA below). YTD variance is considered permanent variance to the FY2018 Liquidity Plan, as additional funds repaid to the TSA may subsequently be re-drawn by PREPA if necessary.
-\$12M	Inflow - General Collections	(Mostly Permanent) Principally due to the negative impacts caused by Hurricane Maria. Significant YTD collections variances are -\$135M in Act 154 collections, -\$83M in Nonresident Withholdings, -\$84M in Individual Income tax collections, partially offset by +\$241M in Corporate Income Taxes, +\$178M in HTA Pass Through collections (Petroleum & Gas Tax collections constitutes the majority of the favorable YTD variance) and others.
+\$319M	Inflow - Federal Fund Receipts	(Temporary) YTD variances in federal fund receipts are the result of: (1) Additional federal funds received for federal programs (net +\$699): Disbursements for the Nutritional Assistance Program (+\$267M offsetting variance) and ASES pass-through Medicaid funds (+\$432M offsetting variance) represent permanent differences, as additional federal funds incremental to the Liquidity Plan were unlocked for Nutritional Assistance and Medicaid. The Bipartisan Budget Act of 2018 provided for additional Medicaid funding that was not considered in the original Liquidity Plan and may approximate \$448M by fiscal year end. Furthermore, the Additional Supplemental Appropriations for Disaster Relief Requirements Act of 2017 provided for additional Nutritional Assistance funding that was not considered in the original Liquidity Plan and may approximate \$250M by fiscal year end. (2) Lower vendor disbursements (net -\$467M): -\$574M lower-than-projected federal reimbursements for vendor payments, partially offset by disaster-related federal reimbursements for vendor payments not considered in the Liquidity Plan (+\$107M offsetting variance); (3) Other (net +\$87M): Lower federally-funded payroll disbursements as a percent of total payroll versus the Liquidity Plan (-\$56M variance); and an additional +\$143M of timing variance.
+\$543M	Outflow - Reconciliation Adj.	(Offset by Reapportionments) Of the \$592M total FY2018 budgeted Reconciliation Adjustment (RA), \$562M has been offset by reapportionments of the RA for other budgetary needs: (1) \$300M loan to PREPA; (2) \$80M for the Department of Transportation; (3) \$11M for the OMB; (4) \$78M for the creation of the Emergency Municipal Assistance Fund; (5) \$40M for the Police Department; (6) \$38M for ASEM; and (7) \$15M for PREMA. The remaining \$30M of the RA may be reapportioned prior to the fiscal year's end. Actual cash offsets to the \$543M YTD RA variance total -\$286M. Refer to Schedule H for additional detail.
+\$425M	Outflow - Vendor Disbursements	(Partially Temporary) +\$467M of YTD variance is related to federally-reimbursable disbursements, approximately 65% of which the Liquidity Plan projected would relate to budget period 2017. Remaining variance mostly due to offsetting permanent variances, including: (1) the creation of the Emergency Municipal Assistance Fund and subsequent \$1M disbursements to each of the 78 Puerto Rico Municipalities to cover operational and administrative costs in light of any declines in collections resulting from Hurricanes Irma and Maria; and (2) disaster-related vendor payments not considered in the Liquidity Plan that will be or have been reimbursed by federal funds.
+\$48M	All Other Inflows & Outflows	Largest variances included are Retirement System Inflows (-\$70M), Agency Collections (-\$75M), outflows for the Nutritional Assistance Program (-\$267M), Pension Related Costs (+\$139M), appropriations to ASES (+\$197M, Rum Tax collections (+\$99M) and others (+\$25M).

Key Cash Flow Risks to Liquidity Plan through June 30, 2018:

PRASA	The Central Government (TSA) is expected to disburse \$60M in funds on behalf of central government agencies in order to pay down accounts payable owed to PRASA prior to the end of fiscal year 2018.
Other Public Corporations	The Puerto Rico Ports Authority (Ports) or the Puerto Rico Integrated Transit Authority (PRITA) may potentially require funds to be transferred from the TSA to support their liquidity needs and continue to fund their operations for the remainder of the fiscal year.
Title III Spend	TSA funds have been required to cover additional non-budgeted Title III spend throughout 4Q (the total may approximate -\$80M by fiscal year end). From a budgetary perspective, funds have been and may continue to be reapportioned from noncash budgetary reserves to provide for this spend.

Key Cash Flow Opportunities to Liquidity Plan through June 30, 2018:

Bipartisan Budget Act of 2018 (Disaster Relief and Medicaid Program Funding)	The Bipartisan Budget Act of 2018 (The Act) passed by Congress on 2/9 includes provisions for additional disaster relief funding for Puerto Rico that will translate into positive cash flows against the Liquidity Plan. Additionally, The Act provides for federal funds to support Puerto Rico's public health care costs for the next two years. In the Liquidity Plan, federal fund inflows for the Medicaid program (ASES) were forecast to run out in March 2018, with the remaining \$448M required for Premiums & Claims costs at ASES to be paid out of the TSA (budgeted as Special Revenue Funds). The additional Medicaid funding package as recently passed by the US Government will positively impact the TSA ending cash balance by the previous "gap" in funding of \$448M.
Corporate Income Tax & SUT	Based on strong April and May results, Corporate Income Tax receipts and Sales & Use Tax collections may continue to outperform Liquidity Plan throughout the remainder of the fiscal year. Corporate Income Taxes have been higher due to revenues from companies engaged to participate in disaster recovery / reconstruction efforts, and the additional economic activity due to those efforts has also positively impacted Sales & Use Tax revenues.
Additional Supplemental Appropriations for Disaster Relief Requirements Act of 2017	The Additional Supplemental Appropriations for Disaster Relief Requirements Act of 2017 passed into law on 10/26/2017 provided for up to \$1.27bn in USDA funds previously provided for the Supplemental Nutrition Assistance Program (SNAP, formerly known as the food stamp program) contingency reserve to provide a grant to Puerto Rico for disaster nutrition assistance. This temporary assistance distributed through the Puerto Rico Nutrition Assistance Program (NAP) began March 1, and funds made available to Puerto Rico under this law shall remain available for obligation by the Commonwealth until September 30, 2019, (incremental to the FY 2018 Certified Budget). Through June 30, 2018 this is expected to yield a cash flow opportunity of \$300M.
Petroleum & Gas Taxes	Strong Petroleum & Gas tax collections continued throughout Q4 providing additional positive variance in collections. YTD collections variance for this revenue stream is +\$178M, largely driven by unplanned increases in demand for oil to run power generators. YTD variance has partially offset other revenues that were negatively affected due to the Hurricanes.

Footnotes:

(a) Variances represent actual results vs. FY2018 Liquidity Plan

		Prior Variance	Actual	Forecast	Variance	Actual YTD	Forecast YTD	Variance YTD	Comments (k)
		YTD 6/15	6/22	6/22	6/22	6/22	6/22	6/22	
<i>(figures in \$000s)</i>									
General & Special Revenue Fund Inflows									
1	Collections (a)	A (\$37,756)	\$344,204	\$318,801	\$25,403	\$7,996,539	\$8,008,892	(\$12,353)	1 Collections were greater than Liquidity Plan by 8% for the week ended 6/22, mainly due to strong Corporate Income Tax and Act 154 collections. Significant YTD collections variances are -\$135M in Act 154 collections, -\$83M in Nonresident Withholdings, -\$84M in Individual Income taxes, partially offset by +\$241M in Corporate Income Taxes, +\$178M in Petroleum & Gas taxes.
2	Agency Collections	B (68,297)	7,929	14,527	(6,598)	454,300	529,195	(74,894)	2 YTD variance mainly due to -\$36M lower in Department of Health collections and -\$29M lower in Treasury collections, with the remaining variance spread across 40+ other agencies. The majority of YTD variance (-\$62M of total) is due to collections shortfall in September and October following Hurricane Maria, and may be permanent.
3	Sales and Use Tax	(315,496)	77,553	77,561	(9)	1,591,769	1,907,274	(315,504)	3 YTD variance is mostly permanent, due to -\$316M in COFINA SUT collections flowing to the COFINA bank account that were not considered in the Liquidity Plan, lost revenues from Hurricane Maria's impact on economic activity, temporary sales tax exemptions on prepared foods and items sold by small and medium merchants (exemptions expired on 1/7 and 12/31, respectively), and various other competing drivers such as a shift in buying mix from smaller, less SUT compliant stores to larger, more SUT compliant retailers.
4	Excise Tax through Banco Popular	(5,157)	-	673	(673)	609,823	615,653	(5,830)	5 YTD variance is assumed to be permanent as stronger Rum Tax collections are a result of (1) higher than projected volume of exports; and (2) Increase of Rum Tax per unit to \$13.25 per proof gallon from \$10.50 per proof gallon, effective as of January 2018.
5	Rum Tax	99,231	106	-	106	239,138	139,800	99,338	8 Variance partially offsets previous YTD variance, as Paygo payments are transferred to the TSA at the end each month as opposed to the bi-weekly transfers projected in the Liquidity Plan. The majority of YTD variance is due to not yet receiving PayGo payments from PRASA and other public corporations & municipalities.
6	Electronic Lottery	(16,626)	-	-	-	105,380	122,006	(16,626)	11 YTD variances in federal fund receipts are the result of: (1) Lower-than-projected federal reimbursements for vendor payments (-\$574M variance); (2) disaster-related federal reimbursements for vendor payments not considered in the Liquidity Plan (+\$107M variance); (3) greater disbursements for the Nutritional Assistance Program (+\$267M variance); (4) ASES pass-through Medicaid appropriations (+\$432M variance); (5) lower federally-funded portion of payroll disbursements versus the Liquidity Plan (-\$56M variance); and an additional +\$143M of timing variance. Note the Bipartisan Budget Act of 2018 provided for additional Medicaid funding that was not considered in the Liquidity Plan. As such, federal funds received after 3/31 for the Medicaid Program, and for the remainder of the year, are incremental to the amount projected in the Liquidity Plan and will result in permanent positive variances. Furthermore, the Additional Supplemental Appropriations for Disaster Relief Requirements Act of 2017 provided for additional Nutritional Assistance funding than was considered in the Liquidity Plan. The Commonwealth began to use these funds as of March 1, and additional resources will remain available to Puerto Rico until September 30th, 2019.
7	Subtotal - General & Special Revenue Fund Inflows	(\$344,100)	\$429,793	\$411,563	\$18,230	\$10,996,951	\$11,322,820	(\$325,870)	12 YTD variance mainly due to +\$54M higher in Petroleum import tax collections and +\$15M in a one-time transfer from the Puerto Rico Tourism Company, with remaining variance due to higher non-recurring inflows across various programs and agencies, all of which are assumed to be permanent variances against the Liquidity Plan.
Retirement System Inflows									
8	Contributions From Pension Systems (b)	(111,695)	42,080	-	42,080	300,715	370,330	(69,615)	14 YTD variance is offset by GDB Transactions (relates to legacy debt service deposit agreement) variance in line 36.
9	Pension System Asset Sales	-	-	-	-	390,480	390,480	-	19 Variance due to the timing of various payments to financial service providers on behalf of public employees and for insurance providers.
10	Subtotal - Retirement System Inflows	(\$111,695)	\$42,080	-	\$42,080	\$691,195	\$760,810	(\$69,615)	20 Weekly variance due to timing and will be offset later this month. -\$50M of the YTD variance is offset by +\$50M of the YTD variance in line 23, as distributions to the Police Department for payment of employer contributions to their retirement system is included in the line 23 YTD forecast.
Other Inflows									
11	Federal Fund Receipts (c)	C 294,347	104,495	80,201	24,294	5,489,099	5,170,458	318,641	23 Variances in this line item are permanent and this line item is not expected to be utilized this fiscal year. +\$50M of the YTD variance offsets -\$50M of the YTD variance in line 20, as distributions to the Police Department for payment of employer contributions to their retirement system was included in the line 23 forecast but are disbursed through line 20. Remaining YTD variance is offset by a reduction in Contributions From Pension Systems in line 8.
12	Other Inflows (d)	85,422	24,309	12,539	11,770	411,523	314,332	97,191	25 Variance is due to the timing of federal funds received for the Medicaid Program and the subsequent pass-through appropriation to ASES, and will be offset later this month.
13	Interest earned on Money Market Account	4,193	-	-	-	4,193	-	4,193	28 YTD Variance largely due to additional transfers in funds to support capital expenditures and congestion management initiatives for HTA, consistent with the Revised Fiscal Plan.
14	GDB Transactions	(28,766)	-	-	-	-	28,766	(28,766)	32 Vendor disbursements exceeded Liquidity Plan by 26% for the week ended 6/22 due to higher disbursements for the Department of Education and other agencies. The largest portion (\$467M) of YTD variance is related to federally-reimbursable disbursements, approximately 65% of which the Liquidity Plan projected would relate to budget period 2017.
15	Loans and Tax Revenue Anticipation Notes (l)	149,064	-	-	-	149,064	-	149,064	35 Weekly and YTD variances are most likely permanent and are offset by increases in federal funds received for the Nutritional Assistance Program due to additional funding provided for by The Additional Supplemental Appropriations for Disaster Relief Requirements Act of 2017.
16	Subtotal - Other Inflows	\$504,260	\$128,804	\$92,741	\$36,064	\$6,053,880	\$5,513,556	\$540,324	36 YTD variance offsets GDB Transactions (relates to legacy debt service deposit agreement) variance in inflows (line 14), with remaining variance due to timing.
17	Total Inflows	\$48,466	\$600,677	\$504,303	\$96,374	\$17,742,025	\$17,597,186	\$144,839	37 \$151M of the YTD Variance is offset by the Net Loan outstanding to PREPA (\$300M loan to PREPA less \$149M in loan repayments due to PREPA's excess revenue collections - see note 38 below). The \$300M original loan repurposed portions of the Reconciliation Adjustment that is budgeted at the agency level (see Schedule H of this report for additional detail). Remaining YTD variance has been deferred to later this fiscal year.
Payroll Outflows									
18	Net Payroll (e)	D 8,059	(2,364)	(1,809)	(555)	(1,624,867)	(1,632,371)	7,504	38 YTD variance due to excess revenues collected by PREPA that were applied to the repayment of outstanding Revolving Credit Loans, in accordance with Section 2.6(b)(ii) of the Superpriority Post-petition Revolving Credit Loan Agreement ¹¹ . Depending on the timing of PREPA receipts and disbursements, additional repayments (in excess of the total \$149M already repaid) or draw downs may occur throughout the remainder of the year.
19	Other Payroll Related Costs - (SSA, SIFC, Health Insurance) (f)	(67,325)	(10,547)	(87,167)	76,620	(1,296,934)	(1,306,229)	9,295	
20	Gross Payroll - PR Police Department (g)	(48,021)	(19,965)	(17,369)	(2,596)	(681,100)	(630,483)	(50,617)	
21	Subtotal - Payroll and Related Costs	(\$107,287)	(\$32,876)	(\$106,344)	\$73,468	(\$3,602,901)	(\$3,569,083)	(\$33,818)	
Pension Outflows									
22	Pension Benefits	62,712	(3,470)	60	(3,530)	(2,007,150)	(2,066,332)	59,182	
23	Pension Paygo Outlays on Behalf of Public Corporations	79,325	-	-	-	-	(79,325)	79,325	
24	Subtotal - Pension Related Costs	\$142,037	(\$3,470)	\$60	(\$3,530)	(\$2,007,150)	(\$2,145,657)	\$138,507	
Appropriations - All Funds									
25	Health Insurance Administration - ASES	146,583	-	(50,776)	50,776	(2,272,561)	(2,469,919)	197,359	
26	University of Puerto Rico - UPR	0	-	-	-	(668,321)	(668,321)	0	
27	Muni. Revenue Collection Center - CRIM	(2,659)	(5,311)	(5,311)	-	(256,376)	(253,717)	(2,659)	
28	Highway Transportation Authority - HTA	(137,730)	(10,000)	-	(10,000)	(296,719)	(148,989)	(147,730)	
29	Public Buildings Authority - PBA	9	-	-	-	(69,802)	(69,811)	9	
30	Other Government Entities	29,044	(18,622)	(4,809)	(13,813)	(551,870)	(567,101)	15,231	
31	Subtotal - Appropriations - All Funds	\$35,247	(\$33,933)	(\$60,895)	\$26,962	(\$4,115,648)	(\$4,177,858)	\$62,210	
Other Disbursements - All Funds									
32	Vendor Disbursements (h)	E 441,440	(81,667)	(65,066)	(16,601)	(2,789,423)	(3,214,262)	424,839	
33	Other Legislative Appropriations (i)	F 2,091	(307)	(521)	214	(369,465)	(371,770)	2,305	
34	Tax Refunds	102,354	(18,341)	(33,298)	14,957	(693,085)	(810,397)	117,311	
35	Nutrition Assistance Program	(232,219)	(74,850)	(40,166)	(34,684)	(2,233,396)	(1,966,493)	(266,903)	
36	Other Disbursements	22,922	-	-	-	(65,844)	(88,766)	22,922	
37	Reconciliation Adjustment	542,667	-	-	-	-	(542,667)	542,667	
38	Loans and Tax Revenue Anticipation Notes	(300,000)	-	-	-	(300,000)	-	(300,000)	
39	Subtotal - Other Disbursements - All Funds	\$579,255	(\$175,165)	(\$139,051)	(\$36,114)	(\$6,451,213)	(\$6,994,354)	\$543,141	
40	Total Outflows	\$649,252	(\$245,444)	(\$306,230)	\$60,786	(\$16,176,913)	(\$16,886,952)	\$710,039	
41	Net Cash Flows	\$697,718	\$355,233	\$198,073	\$157,160	\$1,565,112	\$710,234	\$854,878	
42	Bank Cash Position, Beginning (j)	-	3,008,876	2,311,158	697,718	1,798,997	1,798,997	-	
43	Bank Cash Position, Ending (j)	\$697,718	\$3,364,109	\$2,509,231	\$854,878	\$3,364,109	\$2,509,231	\$854,878	
Net Loan Outstanding to PREPA (sum of lines 15 & 38):		(\$150,936)	-	-	-	(\$150,936)	-	(\$150,936)	

Footnotes:

- (a) Includes reserve for tax returns (\$456 million) and Special Revenue Fund portion of posted collections.
- (b) Paygo charges to municipalities and public corporations collected at the TSA.
- (c) As of the date of this report, includes \$107M in federal funded account balances transferred to the TSA that relate to disaster relief.
- (d) Inflows related to the Department of Health, Department of Labor and Human Resources, the Commissioner of Financial Institutions, and others.
- (e) Payroll is paid bi-weekly on the 15th and 30th (or last day of the month, whichever comes sooner).
- (f) Related to employee withholdings, social security, insurance, and other deductions.
- (g) Police payroll is reflected individually because it is paid through a separate bank account. Also, the police payroll line item shown in the TSA cash flow is gross (i.e. inclusive of Other Payroll Related Items).
- (h) Includes payments to third-party vendors as well as intergovernmental payments to agencies with separate Treasuries.
- (i) This refers to General Fund appropriations to non-TSA entities such as Legislative Assembly, Correctional Health, Comprehensive Cancer Center, and others.
- (j) Excludes Banco Popular of Puerto Rico Account with balance of approximately \$146mm; Amounts deposited in GDB subject to GDB restructuring.
- (k) Unless otherwise stated, variances are either not material in nature or are expected to reverse in the short term.
- (l) Section 2.6(b)(ii) of the Superpriority Post-petition Revolving Credit Loan Agreement (The Agreement) specifies that upon PREPA's receipt of any revenues in excess of amounts necessary to (i) pay budgeted expenses for Ineligible Uses provided for in the Budget (inclusive of the Ineligible Uses Variance) and other allowable expenses for Ineligible Uses, or any FEMA reimbursable expense for contracts that have been obligated by FEMA and approved by the Oversight Board and (ii) maintain a maximum cash balance of up to \$300M PREPA shall apply such Revenues to the repayment of the outstanding Revolving Credit Loans. The criteria that result in any aforementioned repayment may be triggered due to the seasonality of PREPA operations. Depending on the timing of PREPA receipts and disbursements, additional repayments may occur over the next several weeks, though additional draw downs may also occur before fiscal year-end.

Schedule A: Collections Detail - Actual Results vs. Forecast (a)

	Actual	Forecast	Variance	Actual	Forecast	Variance
	6/22	6/22	6/22	YTD	YTD	YTD
<i>(figures in \$000s)</i>						
General Fund						
1 Individuals	\$35,212	\$95,705	(\$60,494)	\$2,213,010	\$2,297,303	(\$84,293)
2 Corporations	\$24,506	67,925	(43,419)	1,784,013	1,543,375	240,637
3 Non Residents Withholdings	\$2,001	20,084	(18,083)	609,570	692,146	(82,577)
4 Act 154	\$3,619	38,085	(34,466)	1,306,908	1,441,762	(134,854)
5 Alcoholic Beverages	\$2,496	10,917	(8,421)	253,542	270,022	(16,480)
6 Cigarettes	\$6,246	6,672	(426)	218,616	217,159	1,457
7 Motor Vehicles	\$10,482	13,632	(3,150)	405,030	311,310	93,720
8 Other General Fund	\$1,438	34,945	(33,507)	174,883	442,425	(267,541)
9 Total General Fund Portion of General Collections	\$85,999	\$287,965	(\$201,966)	\$6,965,572	\$7,215,502	(\$249,930)
Retained Revenues (b)						
10 AACA Pass Through	\$1,224	3,316	(2,091)	76,302	77,405	(1,103)
11 AFI/RBC Pass Through	\$6	727	(721)	7,496	26,181	(18,685)
12 ASC Pass Through	\$1,184	2,596	(1,412)	77,915	98,290	(20,375)
13 HTA Pass Through	\$2,616	19,188	(16,572)	636,659	458,588	178,071
14 Total Other Retained Revenues	\$1,167	5,010	(3,843)	73,019	132,926	(59,906)
15 Total Retained Revenues Portion of General Collections	\$6,197	\$30,836	(\$24,639)	\$871,392	\$793,390	\$78,002
16 Total Collections from DTPR Collections System	\$92,196	\$318,801	(\$226,605)	\$7,836,963	\$8,008,892	(\$171,929)
17 Timing-related unreconciled TSA Collections (c)	\$252,008	–	\$252,008	\$159,576	–	\$159,576
18 Total General Collections	\$344,204	\$318,801	\$25,403	\$7,996,539	\$8,008,892	(\$12,353)

Source: DTPR, collection system

Footnotes:

(a) Figures in forecast period correspond to original TSA liquidity plan projections, which was developed in July 2017 based on the Approved Budget, General Fund Revenue projections, and other input from the DTPR and AAFAF teams.

(b) Retained Revenues are revenues conditionally assigned to certain public corporations and the collections of those revenues are through accounts referred to as “pass through” accounts, the majority of which include (i) ACAA auto insurance, (ii) AFI/RBC petroleum tax, (iii) ASC personal injury insurance, and (iv) HTA toll revenues.

(c) Due to timing. Receipts in collections post account (CPA) occur approximately two business days prior to being deposited into the TSA.

Puerto Rico Department of Treasury | AAFAF
Schedule B: Agency Collections Detail

As of June 22, 2018

	Actual	YTD
<i>(figures in \$000s)</i>	6/22	FY18
Agency		
1 Department of Health	\$2,136	\$111,634
2 Funds under the Custody of the Department of Treasury	158	56,967
3 Office of the Commissioner of Insurance	178	51,348
4 Office of the Financial Institution Commissioner	130	50,081
5 Department of Labor and Human Resources	1,404	37,279
6 Department of Justice	408	18,766
7 Department of State	18	15,114
8 Department of Treasury	105	12,898
9 Department of Natural and Environmental Resources	190	8,035
10 Mental Health and Drug Addiction Services Administration	122	7,650
11 Medical Emergencies Service	37	7,266
12 General Services Administration	282	6,578
13 Department of Education	12	6,355
14 Department of Correction and Rehabilitation	115	6,318
15 Department of Recreation and Sport	20	5,493
16 Puerto Rico Police Department	83	5,262
17 Department of Housing	38	4,626
18 Administration for the Horse Racing Sport and Industry	130	4,541
19 Deposits non-identified (a)	107	3,787
20 Others (b)	2,256	34,302
21 Total	\$7,929	\$454,300

Source: DTPR

Footnotes:

(a) Includes transfers to other agencies in addition to unreconciled agency collections.

(b) Inflows related to Department of Transportation and Public Works, Firefighters Corps, Environmental Quality Board, Department of Agriculture, and others.

Puerto Rico Department of Treasury | AAFAF
Schedule C: Federal Funds Receipts Detail

As of June 22, 2018

	Actual	YTD
	6/22	FY18
<i>(figures in \$000s)</i>		
Agency		
1 Adm. Socioeconomic. Dev. Family	\$74,169	\$2,286,926
2 Health	12,475	2,071,183
3 Department of Education	10,339	751,642
4 Vocational Rehabilitation Adm.	379	33,307
5 Mental Health and Drug Addiction Services Adm.	1,572	24,806
6 Families and Children Adm.	2,617	17,767
7 Puerto Rico National Guard	10	17,613
8 Department of Labor and Human Resources	88	15,637
9 Department of Justice	0	14,140
10 Department of Natural and Environmental Resources	330	10,454
11 Environmental Quality Board	–	8,070
12 Department of Family	76	5,976
13 Others (a)	2,439	124,917
14 Fema - Disaster Spend Reimbursement (b)	–	106,661
15 Total	\$104,495	\$5,489,099

Source: DTPR

Footnotes:

(a) Inflows related to the Women's Affairs Commission, the Municipal Affairs Commission, Office of Elderly Affairs, and others.

(b) Represents reimbursement transfers to the TSA for various agencies' disaster related spend.

Puerto Rico Department of Treasury | AAFAF
 Schedule D: Net (a) Payroll Detail

As of June 22, 2018

	Actual	YTD
	6/22	FY18
<i>(figures in \$000s)</i>		
General Fund		
1 Education (d)	–	\$613,932
2 Correction and Rehab	–	131,620
3 Health	–	51,541
4 All Other Agencies (b)	–	418,187
5 Total General Fund	–	\$1,215,280
Special Revenue Funds		
6 Education (d)	–	293
7 Correction and Rehab	–	–
8 Health	–	14,157
9 All Other Agencies (b)	–	65,713
10 Total Special Revenue Funds	–	\$80,164
Federal Funds		
11 Education (d)	–	\$185,991
12 Correction and Rehab	–	188
13 Health	–	43,230
14 All Other Agencies (b)	–	67,187
15 Total Federal Funds	–	\$296,595
16 Total Net Payroll from Payroll System	–	\$1,592,039
17 Timing-related unreconciled Net Payroll (c)	\$2,364	\$32,828
18 Total Net Payroll	\$2,364	\$1,624,867

Source: DTPR, RHUM system

Footnotes:

(a) Net payroll data provided by DTPR allows for a reliable break down analysis. Note that net payroll is equal to gross payroll less tax withholdings and other deductions.

(b) Includes Firefighter Corps, National Guard, Public Housing Administration, Natural Resources

(c) Due to timing and reconciliation between RHUM payroll system and cash activity data.

Puerto Rico Department of Treasury | AAFAF
 Schedule E: Vendor Disbursements Detail

As of June 22, 2018

	Actual	YTD
	6/22	FY18
<i>(figures in \$000s)</i>		
General Fund		
1 Education	\$4,530	\$359,106
2 General Court of Justice	3,253	110,481
3 Health	2,236	110,541
4 Other Agencies	24,104	679,723
5 Total General Fund	\$34,123	\$1,259,852
Special Revenue Funds		
6 Education	211	51,602
7 General Court of Justice	–	15,703
8 Health	2,808	161,987
9 Other Agencies	6,556	401,676
10 Total Special Revenue Funds	\$9,575	\$630,968
Federal Funds		
11 Education	5,226	237,017
12 General Court of Justice	–	303
13 Health	2,870	189,021
14 Other Agencies	9,896	374,872
15 Total Federal Funds	\$17,992	\$801,213
16 Total Vendor Disbursements from System	\$61,689	\$2,692,032
17 Timing-related unreconciled Vendor Disbursements (b)	\$19,978	\$97,390
18 Total Vendor Disbursements	\$81,667	\$2,789,423

Source: DTPR's Bank checks paid report and PRIFAS system

Footnotes:

(a) Includes ASSMCA, Firefighters Corps, Emergency Medical Corps, Natural Resources Administration, and
 (b) Unreconciled vendor disbursements is timing variance pending reconciliation between bank systems and
 DTPR systems.

Puerto Rico Department of Treasury | AAFAF
Schedule F: Other Legislative Appropriations Detail

As of June 22, 2018

	Actual	YTD
	6/22	FY18
<i>(figures in \$000s)</i>		
<u>Agency</u>		
1 Correctional Health	–	\$57,699
2 House of Representatives	–	45,949
3 Puerto Rico Senate	–	40,932
4 Office of the Comptroller	–	37,359
5 Comprehensive Cancer Center	–	23,000
6 Legislative Donations Committee	–	20,000
7 Superintendent of the Capitol	–	15,148
8 Institute of Forensic Sciences	–	14,614
9 Authority of Public-Private Alliances (projects)	–	14,263
10 Martín Peña Canal Enlace Project Corporation	–	10,941
11 Legislative Services	–	10,475
12 Housing Financing Authority	–	9,337
13 All Others (a)	307	69,748
14 Total Other Legislative Appropriations	\$307	\$369,465

Source: DTPR

Footnotes:

(a) Includes the Solid Waste Authority, Public Broadcasting Corporation, Musical Arts Corporation, and several other agencies.

Central Government - Partial Inventory of Known Short Term Obligations (a)

(figures in \$000s)

Obligation Type	Recorded Invoices (b)
3rd Party Vendor Invoices	\$ 29,907
Intergovernmental Invoices	\$ 38,557
Total	\$ 68,464

Source: DTPR

Footnotes:

(a) The numbers presented represent a bottom-up build of invoices at the government agency level, which should not be considered to be indicative of total Accounts Payable for the central government. This is due to issues surrounding invoice entry that has hindered the timely cadence of recording invoices, which was made worse by the impact of the Hurricanes.

(b) Recorded invoice data was unavailable for the weeks ended 4/27 to 6/22, and as such the data presented above refers to invoices/vouchers approved for payment by the agencies but checks not released as of 4/20.

Obligation Type	Additional Invoices (c)
3rd Party Vendor Invoices	\$ 245,826
Intergovernmental Invoices	109,516
Total	\$ 355,342

Source: BDO

Footnotes:

(c) The data presented above represents additional invoices identified outside of DTPR main system for the following agencies as of 5/4:

- Police Department
- Department of Education
- Department of Justice
- Department of Correction and Rehabilitation
- Department of Transportation and Public Works
- Mental Health and Drug Addiction Services Administration
- Socio Economic Development Administration
- Administration for Children and Families
- Child Support Administration
- Environmental Quality Board
- Department of Health
- Department of Housing
- Department of Labor
- Department of Sports and Recreation
- Department of Natural Resources
- Administration for the Care and Development of Children
- Puerto Rico Fire Department
- Department of Family
- Department of Treasury

Obligation Type	Pre-recorded Invoices (d)
3rd Party Vendor Invoices	\$ 18,545
Intergovernmental Invoices	\$ 5,750
Total	\$ 24,295

Source: Compiled by BDO, data provided by agencies.

Footnotes:

(d) Pre-recorded AP is related to other agencies out of scope of BDO that independently enters invoice data into a Live AP module prior to invoices being approved for payment.

Central Government - Partial Inventory of Known Short Term Obligations by agency (a)

(figures in \$000s)

Description	As of June 30, 2017				As of September 8, 2017			As of June 22, 2018			
	Checks in Vault (b)	Recorded AP (c)	Additional AP (d)	Total	Recorded AP (c)	Additional AP (d)	Total	Recorded AP (c)	Additional AP (d)	Pre-recorded AP (e)	Total
Department of Education	\$ 3,535	\$ 66,640	\$ 165,459	\$ 235,633	\$ 28,009	\$ 161,824	\$ 189,833	\$ 22,889	\$ 92,918	\$ -	\$ 115,806
Department of Health	-	15,432	132,856	148,288	8,996	130,760	139,756	14,427	120,506	-	134,933
Mental Health and Drug Addiction Services Administration	-	2	1,940	1,942	353	6,086	6,439	3,800	9,753	-	13,553
Environmental Quality Board	-	716	6,229	6,945	793	7,194	7,987	177	4,629	-	4,806
Department of Correction and Rehabilitation	-	7,582	40,215	47,796	271	36,746	37,018	37	19,197	-	19,233
Department of Labor	-	903	19,619	20,521	-	23,556	23,556	220	26,475	-	26,695
Administration For Children and Families	-	143	15,123	15,266	2,818	22,254	25,073	25	5,380	-	5,405
Other Agencies	1,170	77,368	43,059	121,597	23,808	63,883	87,691	26,889	76,484	24,295	127,668
Total	\$ 4,705	\$ 168,786	\$ 424,500	\$ 597,990	\$ 65,048	\$ 452,304	\$ 517,352	\$ 68,464	\$ 355,342	\$ 24,295	\$ 448,101

Description	As of June 30, 2017				As of September 8, 2017			As of June 22, 2018			
	Checks in Vault (b)	Recorded AP (c)	Additional AP (d)	Total	Recorded AP (c)	Additional AP (d)	Total	Recorded AP (c)	Additional AP (d)	Pre-recorded AP (e)	Total
Department of Education	\$ -	\$ 39,845	\$ 132,341	\$ 172,187	\$ 14,166	\$ 91,806	\$ 105,972	\$ 8,818	\$ 80,064	\$ -	\$ 88,882
Department of Health	-	14,395	92,876	107,271	8,320	93,580	101,900	11,325	62,043	-	73,368
Mental Health and Drug Addiction Services Administration	-	2	1,581	1,584	353	5,605	5,958	2,231	8,814	-	11,046
Environmental Quality Board	-	395	4,452	4,846	353	5,114	5,467	18	2,501	-	2,519
Department of Correction and Rehabilitation	-	3,603	13,196	16,799	256	7,448	7,704	37	16,158	-	16,194
Department of Labor	-	211	10,875	11,086	-	11,023	11,023	220	12,069	-	12,289
Administration For Children and Families	-	143	13,844	13,988	41	20,025	20,065	25	2,107	-	2,132
Other Agencies	-	29,046	22,116	51,161	16,005	41,724	57,728	7,233	62,070	18,545	87,848
Total	\$ -	\$ 87,639	\$ 291,282	\$ 378,921	\$ 39,494	\$ 276,324	\$ 315,818	\$ 29,907	\$ 245,826	\$ 18,545	\$ 294,278

Description	As of June 30, 2017				As of September 8, 2017			As of June 22, 2018			
	Checks in Vault (b)	Recorded AP (c)	Additional AP (d)	Total	Recorded AP (c)	Additional AP (d)	Total	Recorded AP (c)	Additional AP (d)	Pre-recorded AP (e)	Total
Department of Education	\$ 3,535	\$ 26,795	\$ 33,117	\$ 63,447	\$ 13,842	\$ 70,019	\$ 83,861	\$ 14,071	\$ 12,854	\$ -	\$ 26,924
Department of Health	-	1,037	39,980	41,017	676	37,181	37,856	3,102	58,463	-	61,565
Mental Health and Drug Addiction Services Administration	-	-	359	359	-	481	481	1,568	939	-	2,507
Environmental Quality Board	-	321	1,777	2,098	440	2,080	2,520	159	2,129	-	2,287
Department of Correction and Rehabilitation	-	3,979	27,018	30,997	15	29,298	29,313	-	3,039	-	3,039
Department of Labor	-	692	8,744	9,435	-	12,533	12,533	-	14,406	-	14,406
Administration For Children and Families	-	-	1,279	1,279	2,778	2,230	5,007	-	3,273	-	3,273
Other Agencies	1,170	48,323	20,944	70,436	7,803	22,159	29,962	19,657	14,414	5,750	39,820
Total	\$ 4,705	\$ 81,146	\$ 133,218	\$ 219,069	\$ 25,554	\$ 175,979	\$ 201,534	\$ 38,557	\$ 109,516	\$ 5,750	\$ 153,822

Footnotes:

(a) The numbers presented represent a bottom-up build of invoices at the government agency level, which should not be considered to be indicative of total Accounts Payable for the central government. This is due to issues surrounding invoice entry that has hindered the timely cadence of recording invoices, which was made worse by the impact of the Hurricanes.

(b) Refers to checks issued but kept in vault. Due to control processes implemented this fiscal year, it is uncommon for there to be a material checks in vault balance, as now the Department of Treasury has greater control over the approval and authorization of checks before they are issued. Data is sourced from Puerto Rico Department of Treasury.

(c) Refers to invoices/vouchers approved for payment by the agencies but checks not released. Data is sourced from Puerto Rico Department of Treasury. Recorded invoice data was unavailable for the weeks ended 4/27 to 6/22, and as such the data Recorded invoice data is updated as of 4/20.

(d) Represents additional invoices identified outside of DTPR main system for the 19 agencies below. Data is sourced from BDO.

- Police Department
- Department of Education
- Department of Justice
- Department of Correction and Rehabilitation
- Department of Transportation and Public Works
- Mental Health and Drug Addiction Services Administration
- Socio Economic Development Administration
- Administration for Children and Families
- Child Support Administration
- Environmental Quality Board
- Department of Health
- Department of Housing
- Department of Labor
- Department of Sports and Recreation
- Department of Natural Resources
- Administration for the Care and Development of Children
- Puerto Rico Fire Department
- Department of Family
- Department of Treasury

(e) Pre-recorded AP is related to other agencies out of scope for BDO that independently enter invoices into a Live AP module prior to invoice payment approval. The data is sourced from the agencies themselves, compiled by BDO, and validated to ensure there is no overlap with other AP categories.

Puerto Rico Department of Treasury | AAFAP
 Central Government - Partial Inventory of Known Short Term Obligations (a)
 All Agencies

As of June 22, 2018

(figures in \$000s)

Description	Recorded AP (b)		Additional AP (c)		Pre-Recorded AP (d)		Total
	3rd Party Payables	Intergovernmental Payables	3rd Party Payables	Intergovernmental Payables	3rd Party Payables	Intergovernmental Payables	
Department of Health	\$11,325	\$3,102	\$62,043	\$58,463	\$0	\$0	\$134,933
Department of Education	8,818	14,071	80,064	12,854	-	-	115,806
Department of Labor and Human Resources	220	-	12,069	14,406	-	-	26,695
Department of Transportation and Public Works	290	-	18,335	1,765	-	-	20,389
Department of Correction and Rehabilitation	37	-	16,158	3,039	-	-	19,233
Mental Health and Addiction Services Administration	2,231	1,568	8,814	939	-	-	13,553
Puerto Rico Police	204	-	12,174	327	-	-	12,706
Department of Justice	3,612	46	7,984	779	-	-	12,420
Highway and Transportation Authority	-	10,000	-	-	-	1,663	11,663
Hacienda (entidad interna - fines de contabilidad)	0	5,956	-	-	3,950	420	10,325
Department of Natural and Environmental Resources	-	-	5,777	3,812	-	-	9,589
Administration for Socioeconomic Development of the Family	-	-	4,848	2,478	-	-	7,326
Department of Housing	-	-	5,453	106	-	-	5,560
Families and Children Administration	25	-	2,107	3,273	-	-	5,405
General Services Administration	-	-	-	-	4,979	420	5,399
Department of the Family	-	-	3,636	1,543	-	-	5,179
Commonwealth Election Commission	-	491	-	-	1,884	2,619	4,994
Child Support Administration	-	-	1,624	3,335	-	-	4,960
Environmental Quality Board	18	159	2,501	2,129	-	-	4,806
Institute of Puerto Rican Culture	-	2,904	-	-	-	-	2,904
Department of Sports and Recreation	-	-	1,894	252	-	-	2,146
Department of the Treasury	2,065	18	45	14	-	-	2,143
Office of Management and Budget	-	-	-	-	1,411	-	1,411
Puerto Rico National Guard	147	17	-	-	712	389	1,266
Vocational Rehabilitation Administration	177	10	-	-	1,037	13	1,237
General Court of Justice	685	-	-	-	-	-	685
Industrial Commission	-	-	-	-	528	58	586
Veterans Advocate Office	-	-	-	-	555	-	555
Office of the Governor	0	-	-	-	475	11	487
State Historic Preservation Office	-	-	-	-	444	-	444
Department of State	-	-	-	-	361	11	372
Emergency Management and Disaster Administration Agency	-	-	-	-	289	67	356
Firefighters Corps	4	200	100	-	-	-	304
Elderly and Retired People Advocate Office	-	-	-	-	206	25	232
Telecommunication's Regulatory Board	-	-	-	-	222	-	222
Planning Board	-	-	-	-	216	-	216
Administration for Integral Development of Childhood	0	-	199	3	-	-	202
Emergency Medical Services Corps	21	-	-	-	158	16	195
State Energy Office of Public Policy	-	-	-	-	177	-	177
Office of the Electoral Comptroller	-	-	-	-	124	33	157
Office of the Commissioner of Insurance	-	-	-	-	109	0	109
Permit Management Office	-	-	-	-	103	0	104
Joint Special Counsel on Legislative Donations	-	-	-	-	78	-	78
Department of Agriculture	-	-	-	-	72	-	72
Office of the Financial Institutions Commissioner	11	-	-	-	49	-	60
Women's Advocate Office	-	-	-	-	50	-	50
Citizen's Advocate Office (Ombudsman)	-	-	-	-	49	-	49
Civil Rights Commission	-	-	-	-	46	-	46
Public Services Commission	-	-	-	-	45	-	45
Department of Public Security	-	-	-	-	41	-	41
Horse Racing Industry and Sport Administration	1	-	-	-	35	-	37
Industrial Tax Exemption Office	-	-	-	-	31	-	31
Cooperative Development Commission	-	-	-	-	23	5	27
Correctional Health	-	-	-	-	24	-	24
Office of Public Security Affairs	-	15	-	-	8	-	23
Health Advocate Office	-	-	-	-	17	-	17
Parole Board	-	-	-	-	16	-	16
University Pediatric Hospital	14	-	-	-	-	-	14
Advocacy for Persons with Disabilities of the Commonwealth	-	-	-	-	5	-	5
Energy Affairs Administration	-	-	-	-	5	-	5
Office of the Commissioner of Municipal Affairs	-	-	-	-	2	-	2
Office of Administration and Transformation of HR in the Govt.	0	-	-	-	2	-	2
Department of Consumer Affairs	-	-	-	-	2	-	2
Investigation, Prosecution and Appeals Commission	1	-	-	-	0	-	1
Corrections Administration	-	-	-	-	1	-	1
Joint Commission Reports Comptroller	-	-	-	-	1	-	1
Other	-	-	-	-	1	-	1
Total	\$29,907	\$38,557	\$245,826	\$109,516	\$18,545	\$5,750	\$448,101

Footnotes:

(a) The numbers presented represent a bottom-up build of invoices at the government agency level, which should not be considered to be indicative of total Accounts Payable for the central government. This is due to issues surrounding invoice entry that has hindered the timely cadence of recording invoices, which was made worse by the impact of the Hurricanes.

(b) Refers to invoices/vouchers approved for payment by the agencies but checks not released. Data is sourced from Puerto Rico Department of Treasury. Recorded invoice data was unavailable for the weeks ended 4/27 to 6/22 and as such the data Recorded invoice data is updated as of 4/20.

(c) Represents additional invoices identified outside of DTPR main system. Data is sourced from BDO, who compiles this information for the 19 agencies included in its scope of work.

(d) Pre-recorded AP is related to other agencies out of scope for BDO that independently enter invoices into a Live AP module prior to invoice payment approval. The data is sourced from the agencies themselves, compiled by BDO, and validated to ensure there is no overlap with other AP categories.

Schedule H: Budget Allocation of the Reconciliation Adjustment

(figures in \$000s)	Original Budgeted Amount	Allocation to PREPA Loan (a)	Allocation to DTOP (b)	Allocation for GMS (c)	Allocation for Municipalities (d)	Allocation to the Police Department (e)	Allocation to ASEM (f)	Allocation to PREMA (g)	Total (a to g)	Remaining
Agency										
1 Department of Health	\$146,000	\$80,367	\$21,431	\$3,077	\$20,895	–	\$10,126	\$4,018	\$139,915	\$6,085
2 Department of Treasury	90,000	49,541	13,211	1,897	12,881	–	6,242	2,477	86,249	3,751
3 Department of Education	75,000	41,284	11,009	1,581	10,734	–	5,202	2,064	71,874	3,126
4 OMB Funds	47,000	–	–	–	–	39,900	–	–	39,900	7,100
5 Adm Child Care & Development	40,000	22,018	5,872	843	5,725	–	2,774	1,101	38,333	1,667
6 Authority of Public Private Alliances	36,000	19,817	5,284	759	5,152	–	2,497	991	34,500	1,500
7 Corp Service Medical Center	30,000	16,514	4,404	632	4,294	–	2,081	826	28,750	1,250
8 Mental Health and Drug Addiction Services Administration	30,000	16,514	4,404	632	4,294	–	2,081	826	28,750	1,250
9 PR Police Department	25,000	13,761	3,670	527	3,578	–	1,734	688	23,958	1,042
10 Transportation & Public Works	25,000	13,761	3,670	527	3,578	–	1,734	688	23,958	1,042
11 Administration for the Development of Agricultural Enterprises	25,000	13,761	3,670	527	3,578	–	1,734	688	23,958	1,042
12 Department of Corrections	15,000	8,257	2,202	316	2,147	–	1,040	413	14,375	625
13 Department of Justice	4,000	2,202	587	84	572	–	277	110	3,833	167
14 Firefighters	3,000	1,651	440	63	429	–	208	83	2,875	125
15 Highway Transportation Authority	1,000	550	147	21	143	–	69	28	958	42
16 Total	\$592,000	\$300,000	\$80,000	\$11,486	\$78,000	\$39,900	\$37,800	\$15,000	\$562,186	\$29,814
17 Net Cash Utilized		(\$150,936)	–	–	(\$78,000)	(\$18,961)	(\$37,800)	–	(\$285,697)	
18 Remaining Cash Available	\$29,814	\$149,064	\$80,000	\$11,486	–	\$20,939	–	\$15,000	\$276,490	\$306,303

Source: Office of Management and Budget

Footnotes:

- (a) Following a Federal Court Ruling on February 19, 2018 that approved a loan request in the amount of \$300M to PREPA from the TSA (funds transferred to PREPA on 2/23), \$300M was repurposed from the Reconciliation Adjustment budgeted at the agency level, and use of approved budgeted amounts for the Reconciliation Adjustment from among 14 agencies provided the funding for this loan to PREPA. Refer to the above schedule for the detailed budget allocation by agency. Subsequently, due to excess revenues collected by PREPA that were applied to the repayment of outstanding Revolving Credit Loans, separate payments totaling \$149M YTD were made to the TSA from PREPA (see Net Inflow PREPA on page 7 of this report). However, the total \$300M reappropriated amount is considered permanent variance to the FY2018 Liquidity Plan, as additional funds repaid to the TSA may subsequently be re-drawn by PREPA if necessary.
- (b) The Transportation and Public Works Department (DTOP) requested and was granted authorization to transfer \$80M from the Reconciliation Adjustment (General Fund accounts 111, 141), to its capital improvement program (concept 081), to execute an intensive initiative commencing May 26th, 2018. Though the project will commence in FY2018, there are not expected to be any actual cash outlays until the next fiscal year.
- (c) The Office of Management and Budget (OMB) requested and was granted authorization to reappropriation \$11M from the Reconciliation Adjustment for the purpose of acquiring Microsoft Grant Management Solutions (GMS). The implementation of GMS will permit the OMB, and up to five other government agencies, to monitor, access, and manage allocation programs of federal funds.
- (d) Law 96-2018, approved on May 8, 2018, provided for the creation of the Emergency Municipal Assistance Fund, through which \$1M in funding is assigned to each of the 78 Puerto Rico Municipalities to cover operational and administrative costs in light of any declines in collections resulting from Hurricanes Irma and Maria. \$78M was thus repurposed from agencies' budgeted Reconciliation Adjustment to provide for the creation of the aforementioned Emergency Municipal Assistance Fund.
- (e) The Puerto Rico Police Department requested and was granted authorization to transfer \$40M from the Reconciliation Adjustment (General Fund Account 141, a single amount under the custody of OMB) to cover June Payroll, Law 70 payments and overtime payments prior to the fiscal year end.
- (f) OMB granted authorization for the transfer and allocation of \$38M from the Reconciliation Adjustment to ASEM in order to augment their current appropriations from Central Government and support ongoing liquidity needs at this Component Unit of the Commonwealth.
- (g) OMB granted authorization for the transfer and allocation of \$15M from the Reconciliation Adjustment to the Puerto Rico Emergency Management Agency (PREMA) to pay for the extension of a professional services contract that is FEMA-reimbursable.