



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

Component Unit Liquidity

FOR THE MONTH OF SEPTEMBER 2019

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GLOSSARY

AAFAF	Puerto Rico Fiscal Agency and Financial Advisory Authority.
Abriendo Caminos	A 2018 infrastructure program to repair and maintaining island roads.
ACAA	Automobile Accident Compensation Administration, an agency of the Commonwealth of Puerto Rico.
Act 22	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.
Act 60	Puerto Rico Tax Incentives Code (Incentives Code), which consolidated dozens of tax decrees, incentives, subsidies, and tax benefits in a single statute.
Act 257	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.
ADEA	Puerto Rico Administration for the Development of Agricultural Enterprises, a public corporation and a component unit of the Commonwealth of Puerto Rico.
AMA	Metropolitan Autobus Authority.
A/P	Accounts payable.
A/R	Accounts receivable.
ASEM	Puerto Rico Medical Services Administration, a public corporation and a component unit of the Commonwealth of Puerto Rico.
ASES	Puerto Rico Health Insurance Administration, a public corporation and a component unit of the Commonwealth of Puerto Rico.
ASSMCA	Administration of Mental Health and Anti-Addiction Services of Puerto Rico.
ATI	Puerto Rico Integrated Transit Authority.
ATM	Maritime Transportation Authority.
Bahía Urbana	Waterfront Park in San Juan, Puerto Rico.
BBA	Bi-Partisan Budget Act of 2018.
BDE	Economic Development Bank of Puerto Rico.
CapEx	Capital expenditures.
Cardio	Cardiovascular Center of Puerto Rico and the Caribbean, a public corporation and a component unit of the Commonwealth of Puerto Rico.
CCDA	Puerto Rico Convention Center District Authority, a public corporation and a component unit of the Commonwealth of Puerto Rico.
CDBG	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.
CM	Conway MacKenzie, Inc.
CMS	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.
Component Unit (CU)	Public corporation of the Commonwealth of Puerto Rico.
COR3	Central Office of Recovery and Reconstruction of Puerto Rico.
Corporacion para la Promocion de Puerto Rico como Destino	Corporation for the Promotion of Puerto Rico, a destination marketing organization (DMO).
CRIM	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.
CU	See ‘Component unit.’
DDEC	Puerto Rico Department of Economic Development and Commerce, a public corporation and a component unit of the Commonwealth of Puerto Rico.

Disaster-Related Disbursements	Expenditures related to the damages caused from hurricanes Irma and Maria.
Disaster-Related Receipts	Federal emergency funds, insurance related to hurricanes Irma and Maria.
DMO	Destination Marketing Organization.
DPO (Intergovernmental)	Days Payable Outstanding [Intergovernmental Payables divided by trailing 12 months PayGo Charges plus Facilities/Rent Payments multiplied by 365].
DPO (Third Party)	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].
DSO (Intergovernmental)	Days Sales Outstanding [Intergovernmental Receivables divided by trailing 12 months Intergovernmental Receipts multiplied by 365].
DSO (Third Party)	Days Sales Outstanding [Third Party Receivables divided by trailing 12 months Third Party Receipts multiplied by 365].
DTOP	Puerto Rico Department of Transportation and Public Works.
DTPR, Hacienda	Puerto Rico Department of Treasury.
ERS	Employees Retirement System of Puerto Rico.
FEDE	Act 73 of May 28, 2008 is a corporate tax incentive to stimulate economic development in Puerto Rico.
FEMA	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.
FHWA	Federal Highway Administration of Puerto Rico.
FMAP	Federal Medical Assistance Percentage, a matching rate for Medicaid jointly funded by states and the federal government. Section 1905(b) stipulates the FMAP percentage for Puerto Rico is 55%.
FOMB	Financial Oversight and Management Board of Puerto Rico.
Fondo	Puerto Rico State Insurance Fund Corporation, a public corporation and a component unit of the Commonwealth of Puerto Rico.
FTA	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.
GDB	Government Development Bank for Puerto Rico, a former government agency currently winding down operations under PROMESA.
General Fund	The Commonwealth's principal operating fund.
HFA	Puerto Rico Housing Finance Authority, a public corporation and a component unit of the Commonwealth of Puerto Rico.
HTA	Puerto Rico Highways and Transportation Authority, a public corporation and a component unit of the Commonwealth of Puerto Rico.
HUD	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.
Intergovernmental Receipts	General fund appropriations to and funds transferred between public corporations and municipalities.
Invest Puerto Rico	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.
IXS	Marketing contract through advertising company KOI IXS for Puerto Rico.
JARC Program	Job Access and Reverse Commute Program is designed to assist individuals transitioning from welfare to work, providing transportation services for work, childcare, etc.
Liquidity Plan (LP)	Projected cash flows for each component unit, based on their respective government FY19 Budget submission on September 7, 2018.
MCO	Managed care organization.
MMIS	Medicaid Management Information System.
MOU	Memorandum of understanding; nonbinding yet formal agreement between two parties.
New Insurance Project	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.

OCFO	The office of the Chief Financial Officer of Puerto Rico.
OEI	Office of Industrial Tax Exemption of Puerto Rico.
OGPE	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.
Operating Disbursements	Includes payroll and related costs, material and supplies, purchased services, professional services, donations, subsidies, transportation expenses, media ads, and other operating payments.
Operating Receipts	Revenues collected from operations.
OPPEA	Office of the Ombudsman for the Elderly; Oficina Del Procurador De Las Personas De Edad Avanzada of Puerto Rico.
Other Inflows	Sales of toll tags, rental income, and impact fees.
Other Outflows	Payments to suppliers from prior years.
Partial Task Appointees	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.
PayGo Charges	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.
PBA	Puerto Rico Public Buildings Authority, a public corporation and a component unit of the Commonwealth of Puerto Rico.
PBM	Pharmacy Benefit Manager in Puerto Rico.
Permanent Appointees	Appointments granted to cover a position, or regular position approved in the budget, after the incumbent has satisfactorily complied the period of probationary work.
PHA	Public Housing Administration, a public corporation and a component unit of the Commonwealth of Puerto Rico.
Platino	Medicaid + Medicare dual-eligible populations.
Ports	Puerto Rico Ports Authority, a public corporation and a component unit of the Commonwealth of Puerto Rico.
PRIDCO	Puerto Rico Industrial Development Company, a government-owned corporation dedicated to promoting Puerto Rico as an investment destination for companies and industries worldwide.
PRITA, ATI	Puerto Rico Integrated Transit Authority, a public corporation and a component unit of the Commonwealth of Puerto Rico.
Probationary Appointees	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.
PROMESA	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.
PRTC	The Puerto Rico Tourism Company, also referred to as "Tourism."
Rones de Puerto Rico	Rums of Puerto Rico.
Special Appointees	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.
Substitute Appointees	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.
Temporary Appointees	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.

Tourism	Tourism Company of Puerto Rico, a public corporation and a component unit of the Commonwealth of Puerto Rico, also referred to as "PRTC."
Trust Position	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.
TSA TSA (continued)	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.
TTM	Trailing twelve months.
UDH	Hospital Universitario, a hospital affiliated with UPR and part of the Department of Health.
UPR	University of Puerto Rico, a public corporation and a component unit of the Commonwealth of Puerto Rico.
VLT	Video Lottery Terminals in Puerto Rico located outside of casinos.
VTP	Voluntary Transition Program, as established by AAFAF Administrative Orders 2017-05, 2018-03, 2018-04, 2018-05, 2018-06, and 2018-13.
WIC	Special supplemental health program for women (pregnant and postpartum mothers), infants, and children up to the age of 5 in Puerto Rico.
WIOA	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

AAFAP 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 AAFAP’s evaluation of the liquidity of the Government of Puerto Rico and its public corporations.

This report is for the month of September 2019 (“Sep-19”), and presents information with respect to 19 select CUs. Fiscal Year 2020 (“FY20”) Liquidity Plans for 18 CUs¹ are still in development, and draft plans are a part of this Sep-19 report.

Each of the CUs has reported actual cash flow information for the month of September. Section “A” of this report for each CU provides year-to-date (“YTD”) actual information, as well as the CU’s draft Liquidity Plan for the balance of FY20². Analysis in section “A” includes details on actual receipts and expenses for Sep-19¹, and where relevant, a year-over-year (“YoY”) comparison to Sep-18 results.

The forecasts contain projections of cash receipts, cash disbursements, and CapEx. 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, 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 is presented in the document under section “B” for each CU.

A Full Year FY20 Sources and Uses of Funds is provided to allow readers to bridge the beginning cash balance as of July 1, 2019 and forecasted ending cash at June 30, 2020. This information is presented in the document under section “C” for each CU. For the balance of the fiscal year, there is a forecast provided for each CU taking into consideration timing and permanent variances, based on conversations with CU finance and accounting leaders.

This report also contains pertinent working capital information for the CUs. Where available, the CUs have provided monthly information on Accounts Payable (“A/P”) and Accounts Receivable (“A/R”). 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 September 27, 2019 and the September 2019 AAFAP reported figures as of close of business on September 30, 2019 represented in the “Summary of Bank Account Balances for the Government of Puerto Rico and its Instrumentalities,” which was released on September 30, 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.

¹ No Liquidity Plan will be prepared for COR3 for FY20, as it acts as a pass-through entity and does not disburse nor transfer out funds prior to having these transferred in from FEMA.

² For 18 of the 19 CUs, references to Sep-19 in this report refer to the period of August 31, 2019 through September 27, 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 September 1, 2019 through September 30, 2019.

TABLE OF CONTENTS

Executive Summary	9
Summary of Reporting by Component Unit	10
Individual Component Unit Reports	11
I. 11 Puerto Rico Ports Authority (“Ports”)	10
II. 13 Medical Services Administration (“ASEM”)	12
III. 15 Puerto Rico Integrated Transit Authority (“PRITA”)	14
IV. 17 Puerto Rico State Insurance Fund Corporation (“Fondo”)	16
V. 19 Health Insurance Administration (“ASES”)	18
VI. 21 Puerto Rico Highways and Transportation Authority (“HTA”)	20
VII. 23 Puerto Rico Public Buildings Authority (“PBA”)	22
VIII. 25 Cardiovascular Center of Puerto Rico and the Caribbean (“Cardio”)	24
IX. 27 Puerto Rico Industrial Development Corporation (“PRIDCO”)	26
X. 29 Puerto Rico Housing Finance Authority (“HFA”)	28
XI. 31 Tourism Company of Puerto Rico (“Tourism”)	30
XII. 33 Fiscal Agency and Financial Advisory Authority (“AAFAF”)	32
XIII. 35 Department of Economic Development and Commerce (“DDEC”)	34
XIV. 37 Puerto Rico Convention Center District Authority (“CCDA”)	36
XV. 39 Puerto Rico Administration for the Development of Agricultural Enterprises (“ADEA”)	38
XVI. 41 Automobile Accident Compensation Administration (“ACAA”)	40
XVII. 43 Public Housing Administration (“PHA”)	42
XVIII. 45 Central Recovery & Reconstruction Office (“COR3”)	44
XIX. 47 University of Puerto Rico (“UPR”)	46
Appendix A: Reconciliation between reported figures by CU and Bank Account Balances Report	49
Appendix B: Headcount Summary	50

EXECUTIVE SUMMARY – OPERATING LIQUIDITY AS OF SEPTEMBER 2019

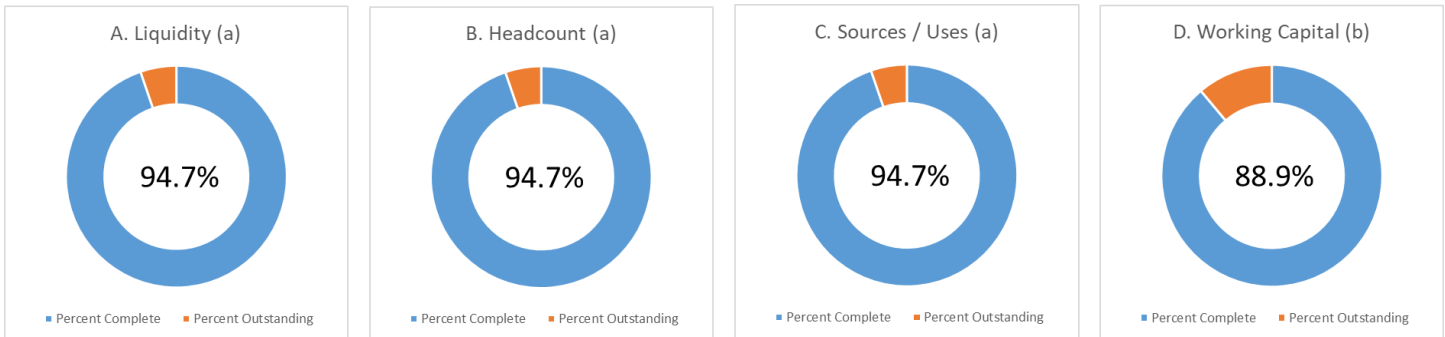
Millions of US Dollar

COMPONENT UNIT	HIGHLIGHTS	FY20 BEG. BALANCE	ACTUAL 9/27/2019 (a)	FY20 F'CAST Y/E BALANCE
PUERTO RICO PORTS AUTHORITY ("PORTS")	YTD liquidity at Ports decreased by \$3.7M. Ports continues to make investments related to the Culebra ferryboat ramp repair project and Aguadilla Airport. Additionally, Ports anticipates it will receive an insurance settlement related to Hurricanes Maria and Irma of \$14.0M in November.	32.7	29.0	55.9
MEDICAL SERVICES ADMINISTRATION ("ASEM")	YTD liquidity has decreased by \$1.7M primarily due to declining institutional revenues. Based on the current forecast, ASEM will require incremental General Fund appropriations to maintain operations. Liquidity is being negatively impacted by declining revenues from UDH and Pediatrico, as well as reduced budgeted General Fund appropriations in FY20 versus FY19.	19.4	17.7	(10.1)
PUERTO RICO INTEGRATED TRANSIT AUTHORITY ("PRITA")	YTD liquidity at PRITA decreased by \$2.9M as a result of higher-than-expected 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	12.7	13.5
STATE INSURANCE FUND CORPORATION ("FONDO")	YTD liquidity has increased by \$153.9M driven primarily by seasonal timing of collections for premiums; major invoice and collection periods are July/August and January. Fondo expects to build cash throughout FY20 as premiums collections exceed forecast disbursements.	177.5	331.4	391.8
HEALTH INSURANCE ADMINISTRATION ("ASES")	YTD liquidity has increased by \$497.3M as ASES is receiving monthly General Fund appropriations that will not be utilized until the allocated federal funding expires. Based on current legislation, eligible federal funding will be fully depleted by April-20 and future funding will utilize cash on hand and remaining General Fund appropriations.	283.1	780.4	283.1
HIGHWAYS AND TRANSPORTATION AUTHORITY ("HTA")	YTD liquidity at HTA decreased by \$31.7M primarily related to \$8.2M in lower toll and fine revenue than expected in addition to \$26.1M in lower federal funds than planned.	303.8	272.2	46.9
PUERTO RICO PUBLIC BUILDINGS AUTHORITY ("PBA")	Timing of rent payments in FY20 has had a temporary negative impact on PBA's liquidity resulting in a \$25.8M depletion of cash.	70.7	44.9	66.8
CARDIOVASCULAR CENTER OF PUERTO RICO AND THE CARIBBEAN ("CARDIO")	Component unit did not provide data for Sep-19.			
PUERTO RICO INDUSTRIAL DEVELOPMENT COMPANY ("PRIDCO")	PRIDCO's liquidity has decreased by \$21.5M as it has made payments related to prior year PayGo and FEDE obligations. Operationally, revenues are exceeding expectations and have been more than sufficient to support current year expenditures.	160.2	138.7	151.9
HOUSING FINANCE AUTHORITY ("HFA")	HFA began FY20 with \$78.1M in cash. As of Sep-19 month end, the CU has an on-hand cash balance of \$48.2M. The Liquidity Plan for the balance of FY20 will be developed in Q2-20.	78.1	48.2	N/A
PUERTO RICO TOURISM COMPANY ("TOURISM")	YTD liquidity has decreased due to payment of prior year payables including room tax disbursement and final amounts associated with prior years' marketing contracts. Despite this, Tourism expects to build cash throughout FY20 through continued out performance of slot machine and room tax operations.	48.7	44.7	53.1
FISCAL AGENCY AND FINANCIAL ADVISORY AUTHORITY ("AAFAF")	YTD liquidity has increased due to timing of professional service payments which are partially delayed by the Title III fee application process. In particular, AAFAF has yet to make a payment pertaining to Title III fees, but has received an appropriation for the first three months of the fiscal year.	57.6	69.2	59.6
DEPARTMENT OF ECONOMIC DEVELOPMENT AND COMMERCE ("DDEC")	YTD liquidity has decreased due to increased payroll and operating expenses as a result of the DDEC consolidation; however, this is the result of timing as receipts are expected to increase in the coming months to reverse the current trend of negative cash flow.	24.7	22.5	28.3
CONVENTION CENTER DISTRICT AUTHORITY ("CCDA")	YTD liquidity has increased due to a steady schedule of events taking place at the venues, yielding consistent operating receipts. In addition, the Puerto Rico Tourism Company has made a \$1.1M and a \$1.5M transfer YTD to catch up on prior fiscal year cash owed to CCDA, which has offset expenditures. ADEA's coffee and school cafeteria programs are relatively in line with expectations, while subsidy payments are tracking lower than anticipated. Infrastructure payments are higher than anticipated given that a new law has moved the program to a different agency (Land Administration) and ADEA is in the process of moving previously received funds to that agency.	8.1	8.6	8.3
PUERTO RICO AGRICULTURAL DEVELOPMENT ADMINISTRATION ("ADEA")	YTD liquidity has decreased due to a delayed receipt of 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; however, liquidity position is expected to reverse as prior month's collections are received in the coming months.	66.8	62.5	66.1
AUTOMOBILE ACCIDENT COMPENSATION ADMINISTRATION ("ACAA")	PHA began FY20 with a cash balance of \$499.1M. As of Sep-19 month end, the CU has an on-hand cash balance of \$541.7M, reflecting a cash build of \$42.6M through Q1-19. PHA has experienced an average monthly cash balance of \$482.3M over the TTM.	20.2	17.8	16.5
PUBLIC HOUSING ADMINISTRATION ("PHA")	COR3 disbursed \$2.7B in federal funds during FY19, and disbursed \$183.7M during Q1-19. 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. Current cash on hand mainly pertains to the FY20 General Fund appropriation for state-cost matching of FEMA-related projects, as well as federal funds that have been drawn down and are to be disbursed.	499.2	541.8	In Development
CENTRAL RECOVERY & RECONSTRUCTION OFFICE ("COR3")	Through September-19, UPR generated \$6.7M after debt service in negative net cash flow and ended the month with a cash balance of \$306.6M. The cash decrease is mostly due to lower-than-projected receipts in tuition and campus-generated inflows and higher-than-expected outflows in vendor disbursements.	91.8	111.3	N/A
UNIVERSITY OF PUERTO RICO ("UPR")		313.3	306.6	313.3

Notes:
(a) For 18 of the 19 CUs September month end actual balances were taken as of the last Friday of the month, or September 27, 2019. For UPR the reporting period is the end of the calendar month, or September 30, 2019.

SUMMARY – REPORTING COMPLIANCE FOR COMPONENT UNITS

Each of the Component Units provided data for the month of September 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. The 19 CUs included in this report were overall 94.7% compliant in providing data for: A. Liquidity, B. Headcount and C. Sources / Uses. The 19 CUs included in this report were overall 88.9% compliant in providing data D. Working Capital. CUs that provided insufficient information for reporting are mentioned in note (a) below.



Notes:

(a) Liquidity, Headcount, and Sources/Uses data is missing for the following CU:

- Cardio.

(b) Working Capital data is not applicable for COR3, and missing for the following CUs:

- ASEM, and
- Cardio.

I. PUERTO RICO PORTS AUTHORITY (“Ports”)

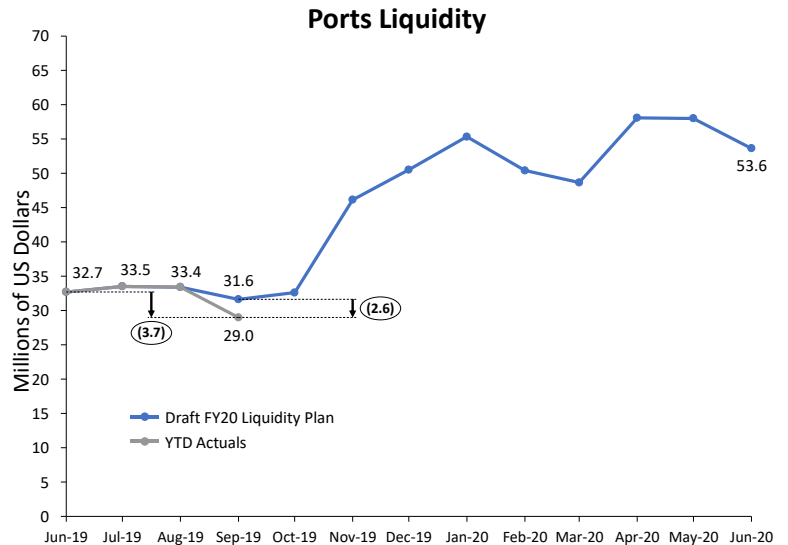
Primary Business Activity: The Puerto Rico Ports Authority is responsible for developing, improving, and administering all types of transportation facilities and air and sea services, as well as establishing and managing maritime collective transportation systems in, from, and to Puerto Rico.

Key Takeaways: YTD Puerto Rico Ports Authority receipts are higher than the same period the previous year due to improved cruise ship and maritime cargo traffic. Airport receipts are lower as compared to last year due to timing. For this period, Ports has generated \$3.7M in negative net cash flow, which decreased its cash balance to \$29.0M. Ports projects to end FY20 with \$53.6M in cash.

A. FY20 Operating Liquidity – Actuals³ and Draft FY20 Liquidity Plan

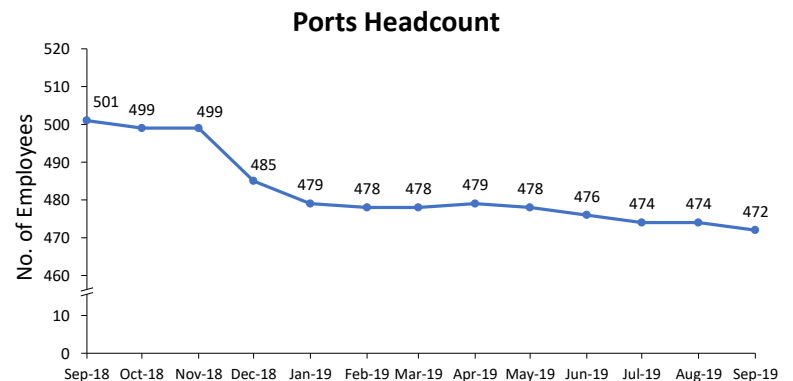
1. (\$3.7M) YTD actuals:

- \$18.9M in YTD September receipts related to maritime operations.
 - \$3.4M in YTD September receipts related to airport operations, which are due to timing, and is expected to reverse.
 - \$4.3M in other receipts, primarily related to federal funds for CapEx programs.
 - (\$6.1M) in payroll expenses.
 - (\$6.4M) in PayGo payments.
 - (\$7.0M) in professional services, primarily related to (\$5.7M) in insurance payments.
 - (\$3.4M) in professional services, primarily related to the (\$1.6M) for scanning of inbound freight containers at port terminals, and (\$1.1M) in security at maritime and airport facilities.
 - (\$3.1M) in facility payments, primarily related to PRASA (\$1.7M) and PREPA (\$1.3M).
 - (\$3.4M) in CapEx primarily related to the Culebra ferryboat ramp repair project and Aguadilla Airport.
 - (\$0.9M) in other expenses.
- #### 2. (\$2.6M) cash variance to the draft Liquidity Plan, driven by:
- \$3.3M positive variance from receipts, of which \$0.6M is from maritime, \$0.4M is from airports, and \$2.3M is from other receipts.
 - (\$5.9M) variance due to higher expenses, primarily resulting from (\$6.7M) in operations from significant insurance payments made in Sep-19, partially offset by lower CapEx of \$0.8M.



B. Headcount / Payroll

- Headcount FTEs: Decreased from 501 to 472 from Sep-18 to Sep-19.
 - Decrease in headcount is primarily due to the Voluntary Transition Program (“VTP”). These positions are not expected to be replaced.
- Payroll: Disbursements are forecast to be \$23.4M for FY20. YTD payroll is \$6.1M, and in line with the forecast.

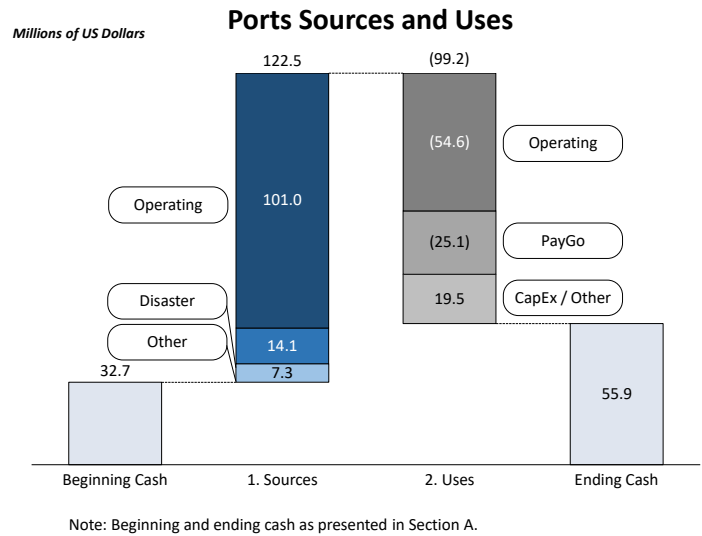


³ Appendix includes reconciliation between AAFAF reported cash figures and the figures in this report.

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

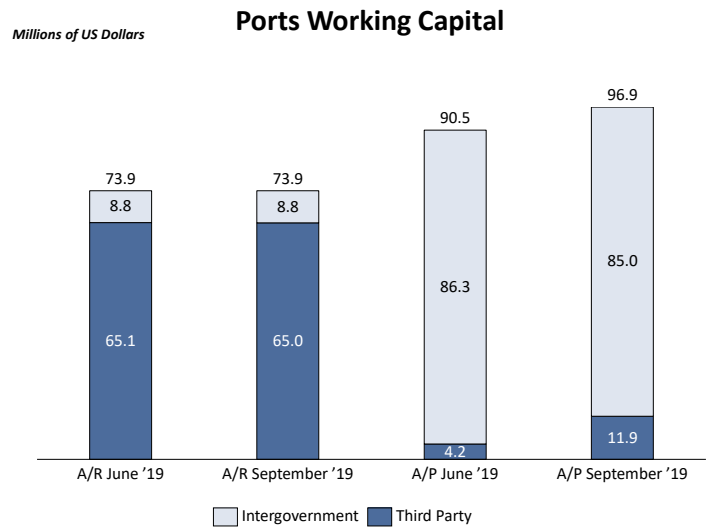
C. Full Year FY20 Sources and Uses of Funds

1. Sources \$122.5M:
 - a. Operating receipts of \$101.0M, comprised of \$81.9M in maritime receipts, \$18.9M in airport receipts, and \$0.2M in other receipts.
 - b. Disaster-related receipts of \$14.1M are a result of \$14.0M insurance funds and \$0.1M in FEMA funds.
 - c. Federal and other funds total \$7.3M.
2. Uses (\$99.2M):
 - a. Operating disbursements of (\$54.6M), driven by payroll of (\$23.4M), professional services of (\$11.6M), other operating payments of (\$7.2M), PREPA/PRASA at (\$7.2M), purchased services of (\$3.4M), materials and supplies of (\$1.6M), and transportation and media ads at (\$0.3M).
 - b. PayGo contributions of (\$25.1M).
 - c. CapEx of (\$19.5M).



D. Accounts Receivable / Accounts Payable⁴

1. Accounts Receivable:
 - a. No Change in accounts receivable from Jun-19 to Sep-19.
2. Accounts Payable:
 - a. \$6.4M increase from Jun-19 to Sep-19 driven by an increase of \$7.7M in payables to third party suppliers primarily related to container scanning services and insurance payables, which are partially offset by a \$1.4M decrease in intergovernmental payables, led by payments to PREPA and PRASA.
3. Working Capital:
 - a. The change in net working capital through Sep-19 is a \$6.4M source of cash due to the above changes.



⁴ Figures are unaudited and subject to change.

II. MEDICAL SERVICES ADMINISTRATION (“ASEM”)

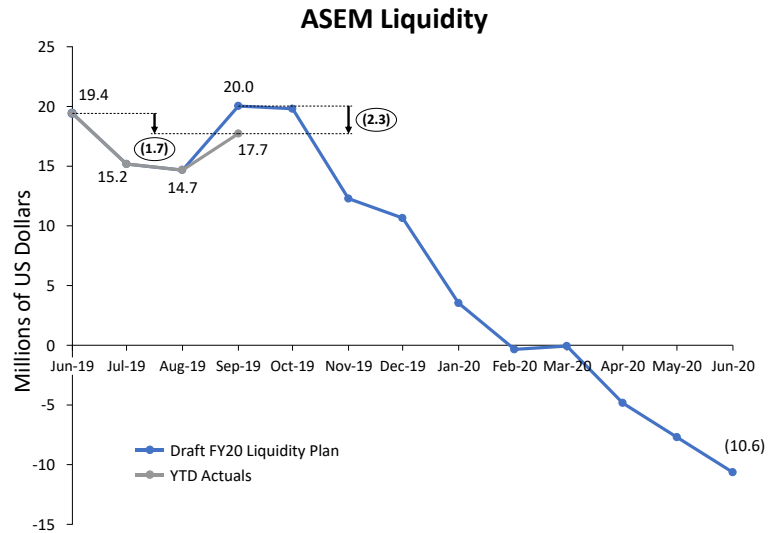
Primary Business Activity: ASEM plans, organizes, operates, and administers centralized health services, provided in support of the hospital and other functions, offered to member institutions and users of the medical complex, the Puerto Rico Medical Center.

Key Takeaways: YTD, cash has decreased from \$19.4M to \$17.7M. The cash reduction YTD is driven by declining receipts from institutions and physician and medical plan receipts relative to FY19, as well as transfers to a restricted account for investments in improved electronic health records infrastructure. Continued decline in special revenues receipts year over year coupled with a (\$24.7M) reduction in General Fund appropriations pose serious risks to liquidity in FY20. ASEM is currently projected to end FY20 with (\$10.0M) in cash.

A. FY20 Operating Liquidity – Actuals⁵ and Draft FY20 Liquidity Plan

1. (\$1.7M) YTD actuals:

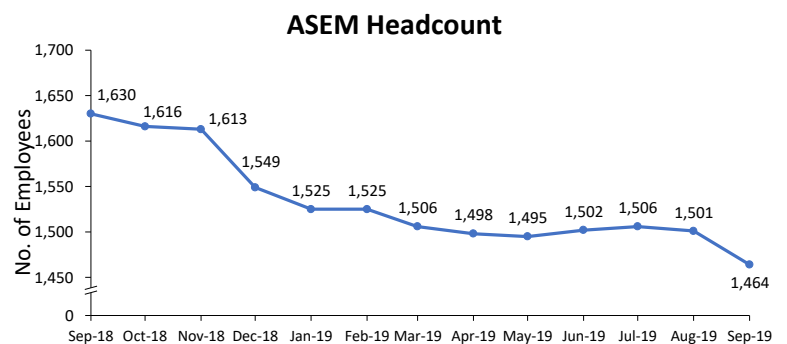
- \$15.7M intergovernmental institutional receipts mostly from UDH, ASEM’s largest institutional customer. \$6.7M of these receipts pertain to prior years’ invoice payments.
 - \$12.4M in General Fund appropriations.
 - \$7.0M in physician and medical plan revenues.
 - (\$21.9M) in payroll-related disbursements, excluding PayGo. These disbursements currently remain favorable due to declining headcounts.
 - (\$13.9M) in operating disbursements, excluding payroll. The majority of these disbursements relate to medical supplies/services and professional service fees.
 - (\$1.7M) in transfers to a restricted account, which pertain solely to investments in information systems for improved electronic health records infrastructure.
 - \$0.6M in miscellaneous receipts.
2. (\$2.3M) cash variance to the draft Liquidity Plan, which is driven by:
- Unfavorable variance in intergovernmental receipts of (\$2.6M) due to declining institutional revenues from UDH and Pediatrico, ASEM’s largest institutional customers.
 - \$0.3M in other receipts/disbursements, which are timing related.



B. Headcount / Payroll

1. Headcount FTEs: Decreased from 1,630 to 1,464 from Sep-18 to Sep-19.

- Declining headcounts at ASEM remain a critical issue affecting capacity and operations, as employee retention has been difficult due to more favorable benefits offered by nongovernmental institutions.
 - 54 FTEs departed ASEM in FY19 due to the VTP. The remainder of the decrease in headcount is due to increasing attrition. ASEM plans to backfill critical vacancies through increased hiring efforts in FY20 and professional services contracts.
2. Payroll: Disbursements are forecast to be \$21.9M for FY20. YTD payroll is \$103.1M.
- YTD payroll is favorable by \$2.7M, but payroll-related disbursements are expected to increase throughout FY20 due to new hiring initiatives to offset rapidly declining headcounts. ASEM plans to hire 180+ employees to backfill vacancies related to skilled nursing and technician positions.

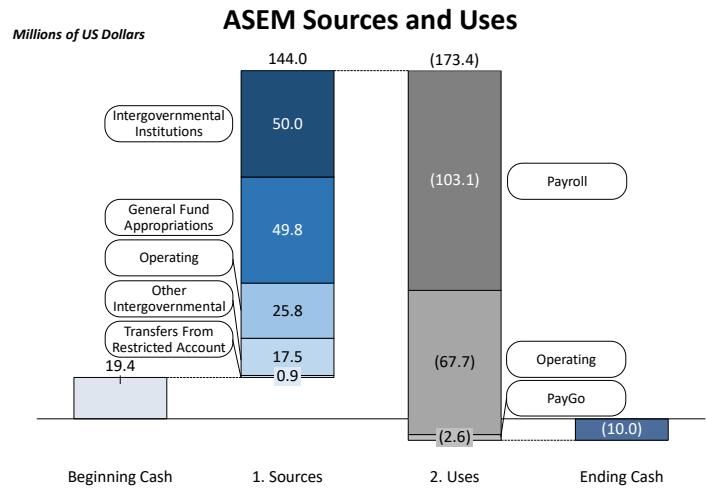


⁵ Appendix includes reconciliation between AAFAF reported cash figures and the figures in this report.

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

C. Full Year FY20 Sources and Uses of Funds

1. Sources \$144.0M:
 - a. Intergovernmental receipts account for \$117.2M, or 81% of receipts, \$50.0M of which relate to intergovernmental institutions. The remainder includes other intergovernmental revenue consisting of physician, medical plans, and institutional debt repayment from prior years totaling \$17.5M, and the net appropriation from the General Fund of \$49.8M.
 - b. Operating receipts including third party payors and other income represent \$26.8M, including \$0.9M in transfers from a restricted account for FY20, or 19%.
2. Uses (\$173.4M):
 - a. (\$170.9M) in operating disbursements for FY20, driven by payroll of (\$103.1M), as well as vendor payments of (\$67.7M), the key components of which are: materials and supplies (\$25.3M), professional fees (\$23.2M), purchased services (\$8.0M), facilities and payments for public service (\$4.8M), and other operating payments (\$6.4M) comprised of equipment purchases, interest and banking fees, and other expenses.
 - b. PayGo is (\$2.6M) for FY20. The actual PayGo obligation is estimated to be approximately (\$24.7M), though (\$22.1M) is netted against ASEM’s total General Fund appropriation of \$71.9M.



D. Accounts Receivable / Accounts Payable⁶

- a. Data not provided by the CU.

⁶ Figures are unaudited and subject to change.

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

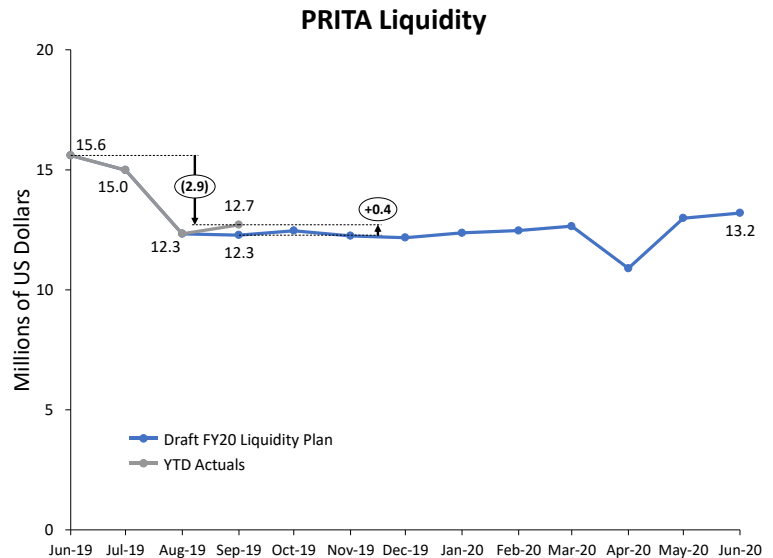
Primary Business Activity: PRITA serves as the Commonwealth’s central transit authority and is tasked with operating its network of public transit buses and certain maritime vessels.

Key Takeaways: YTD September 2019, PRITA has generated (\$2.9M) in negative cash flow and ended the period with a cash balance of \$12.7M. PRITA’s liquidity remains tight as it continues to rely on government support to maintain operations. PRITA projects to end FY20 with \$13.5M in cash balance.

A. FY20 Operating Liquidity – Actuals⁷ and Draft FY20 Liquidity Plan

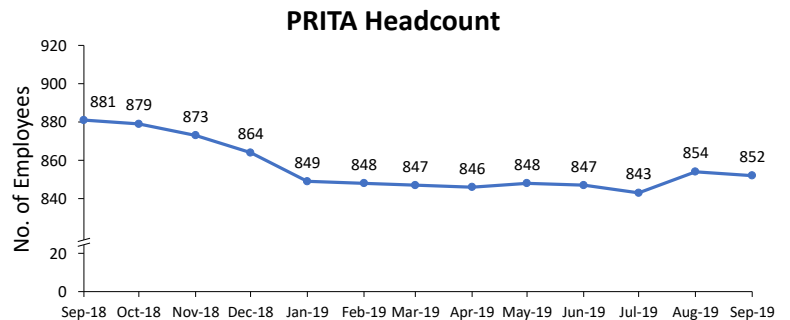
1. (\$2.9M) YTD actuals:

- a. \$2.0M in operating receipts, of which \$1.3M in receipts relate to ferry and cargo operations at ATM and \$0.7M in receipts relate to bus operations at AMA.
 - b. \$0.8M in miscellaneous receipts primarily related to funds received from the JARC Program (Job Access and Reverse Commute) from FY17.
 - c. \$12.8M in government appropriations, of which \$1.0M is related to Fast Ferry services at ATM.
 - d. \$6.1M in federal fund receipts, of which \$2.8M received in September is related to new buses at AMA, while the rest is primarily related to preventative maintenance for buses and ferries.
 - e. (\$10.0M) in payroll and retirement expenses, with PayGo expenses for the YTD period at (\$0.1M).
 - f. (\$7.2M) in operating expenses, of which (\$5.3M) is related to supplies and materials for the operation and repair of the bus and ferry fleet, and (\$0.5M) is related to insurance at AMA.
 - g. (\$7.4M) in CapEx, of which (\$3.6M) is related to Fast Ferry operations at ATM, (\$1.0M) is related to facility improvements at AMA, and (\$2.8M) is related to the purchase of new buses at AMA funded via federal funds.
2. \$0.4M cash variance to the draft Liquidity Plan, driven by:
- a. \$3.2M positive variance from receipts, of which \$1.8M is related to higher federal funds due to receipt of funds for new buses at AMA, \$0.6M in general funds higher than LP, and \$0.7M related to reimbursement at AMA for the Job Access and Reverse Commute Program (JARC) request from the prior year submission.
 - b. (\$2.8M) variance due to higher operating expenses, primarily due to (\$2.9M) for CapEx related to new buses at AMA.



B. Headcount / Payroll

1. Headcount FTEs: Decreased from 881 to 852 from Sep-18 to Sep-19.
 - a. Headcount decreased due to normal employee turnover, and participation in the VTP.
2. Payroll: Disbursements are forecast to be \$44.0M for full FY20 based on the draft Liquidity Plan. YTD payroll is \$9.9M.
 - a. YTD payroll is tracking lower than plan.

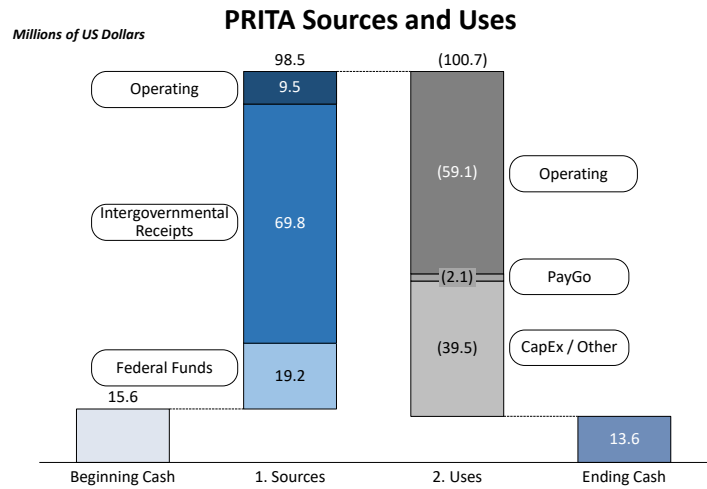


⁷ Appendix includes reconciliation between AAFAF reported cash figures and the figures in this report.

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

C. Full Year FY20 Sources and Uses of Funds

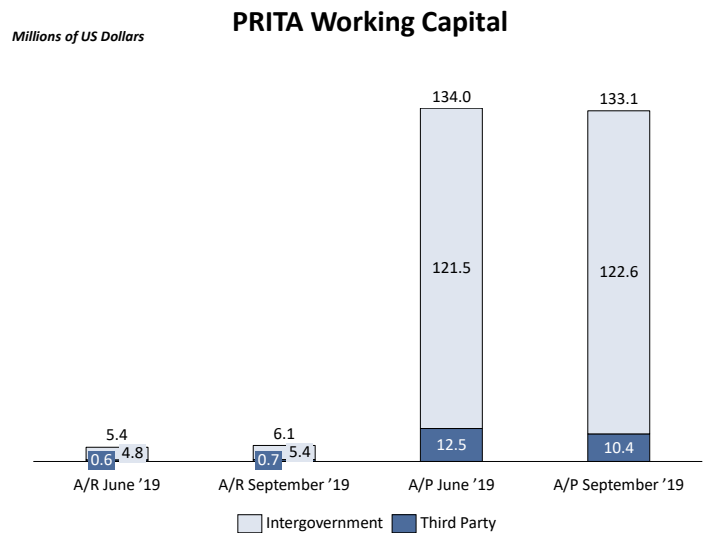
1. Sources \$98.5M:
 - a. Operating receipts of \$9.5M, composed primarily of \$4.6M for ferries/cargo, \$3.8M in bus fares, and \$1.1M in miscellaneous receipts.
 - b. Intergovernmental receipts of \$69.8M, with \$28.2M in appropriations based on the amount of cigarette taxes, \$12.9M from General Fund appropriations, and \$28.7M from a special government appropriation earmarked for CapEx and the Fast Ferry service at ATM.
 - c. FTA federal fund grants of \$19.2M.
2. Uses (\$100.7M):
 - a. Operating disbursements total (\$59.1M), of which payroll is (\$44.0M), materials and supplies are (\$5.8M), purchased services are (\$3.1M), facilities for payments to public services are (\$4.1M), and other at (\$2.1M).
 - b. PayGo is (\$2.1M).
 - c. CapEx is projected to be (\$39.5M), with YTD spend of \$7.4M.



Note: Beginning and ending cash as presented in Section A.

D. Accounts Receivable / Accounts Payable⁸

1. Accounts Receivable:
 - a. \$0.7M increase from Jun-19 to Sep-19 driven by a \$0.5M increase in government receivables at ATM.
2. Accounts Payable:
 - a. \$0.9M net decrease from Jun-19 to Sep-19 driven by a (\$0.7M) decrease in payables at AMA and (\$0.3M) decrease in payables at ATM.
3. Working Capital:
 - a. The change in net working capital through Sep-19 is a negative \$1.6M due to the above changes.



⁸ Figures are unaudited and subject to change.

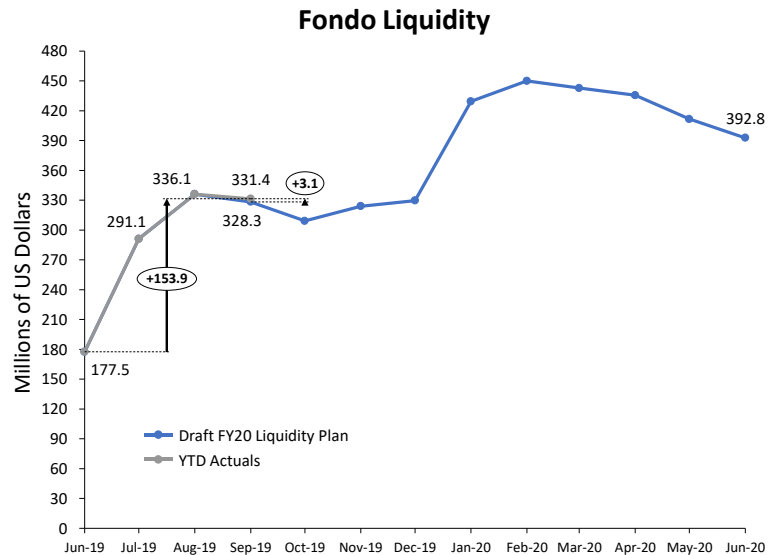
IV. PUERTO RICO STATE INSURANCE FUND CORPORATION (“Fondo”)

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: YTD, cash has increased from \$177.5M to \$331.4M. The cash build of \$153.9M is primarily due to \$277.7M in premiums collections year to date, the majority of which was collected in Jul-19. Premium collections are seasonal, and the majority of collections occur in July and January of each fiscal year, as the biannual invoices become due.

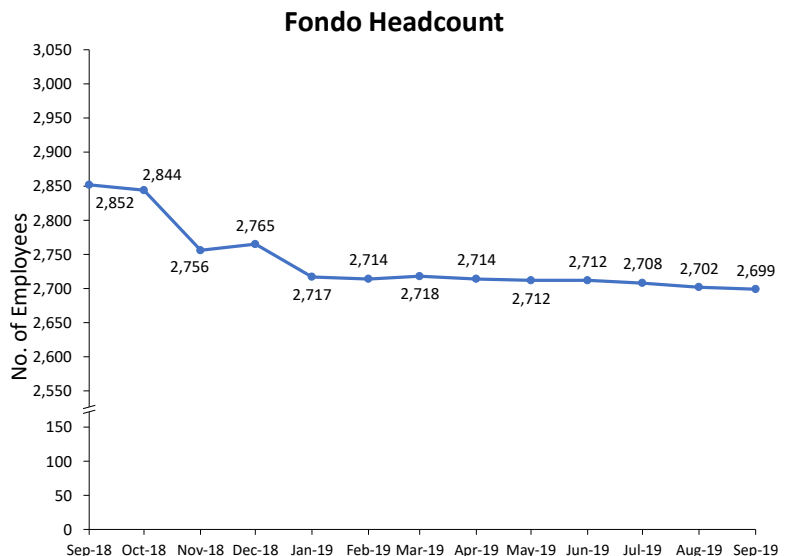
A. FY20 Operating Liquidity – Actuals⁹ and Draft FY20 Liquidity Plan

1. \$153.9M YTD actuals:
 - a. Premiums collections are \$277.7M.
 - b. Payroll and related costs are (\$48.5M).
 - c. PayGo retirement contributions are (\$23.7M).
 - d. Total non-payroll related operating disbursements are (\$51.5M), including: claims-related disbursements of (\$17.4M); medical supplies and services disbursements of (\$19.6M); contributions to other government entities of (\$8.4M); and other operating disbursements of (\$6.1M). Disbursements are anticipated to increase as unrecorded invoices are input into Fondo’s new automatic billing system and subsequent payments are made. Per management, outstanding data entries and reconciliations will be finalized over the next month.
2. \$3.1M cash variance to the draft Liquidity Plan, which is driven by:
 - a. \$10.0M favorable timing variance in premiums collections.
 - b. (\$6.0M) unfavorable permanent variance in payroll and related costs due to difficulties and delays in achieving cost savings. Per Fondo management, Fondo will not be able to comply with the aggressive payroll target stated in the budget for FY20.
 - c. (\$0.8M) unfavorable timing variances in other receipts/disbursements.



B. Headcount / Payroll

1. Headcount FTEs: Decreased from 2,852 to 2,699 from Sep-18 to Sep-19.
 - a. The decline in headcount is mostly due to 120+ employees entering the workforce reduction proposal in FY19. The remaining decline is due to normal turnover.
2. Payroll: Disbursements are forecast to be \$180.8M for FY20 according to the Certified Budget. YTD payroll is \$48.5M.
 - a. FY20 payroll-related costs are expected to exceed the Certified Budget of \$180.8M. FY19 payroll-related costs totaled \$212.2M. Fondo has proposed an internal retirement plan to reduce its payroll-related costs, but savings would not begin to materialize until FY21. Fondo is awaiting approval from AAFAF and FOMB regarding this proposal.

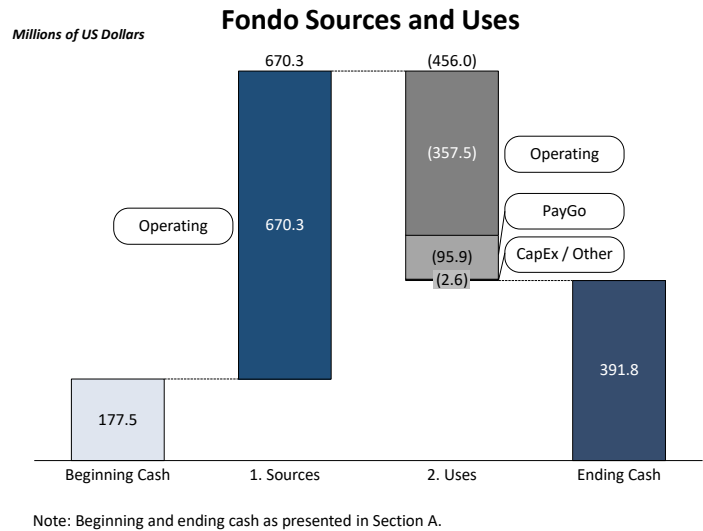


⁹ Appendix includes reconciliation between AAFAF reported cash figures and the figures in this report.

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

C. Full Year FY20 Sources and Uses of Funds

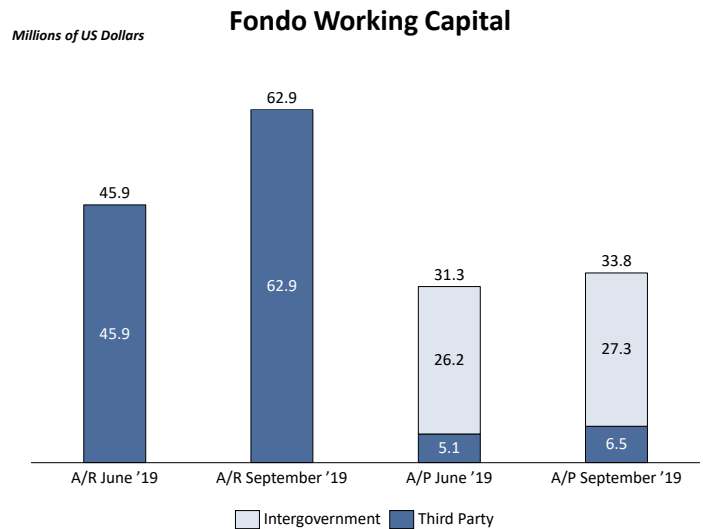
1. Sources \$670.3M:
 - a. Premium collections account for \$669.1M of operating receipts and are impacted by seasonality. The two primary invoice and collection periods are July and January of each fiscal year.
 - b. Other receipts totaling \$1.2M pertain mostly to interest earnings.
2. Uses (\$456.0M):
 - a. Operating expenses total (\$357.5M), of which payroll is (\$180.8M) and claims-related disbursements are (\$59.9M). Excluding these two expenses, the majority of Fondo’s operating expenses consist of: payments made to other government entities as determined by laws, purchased services, and material and supplies expenses pertaining to medical services, equipment, and supplies, as Fondo is not just an insurance provider, but also provides medical services to its insured population.
 - b. PayGo disbursements are projected to amount to (\$95.9M) in FY20.
 - c. Other expenses are (\$2.6M) for FY20.



as Fondo is not just an insurance provider, but also provides medical services to its insured population.

D. Accounts Receivable / Accounts Payable¹⁰

1. Accounts Receivable:
 - a. \$17.0M increase from Jun-19 to Sep-19 driven by premiums invoicing outpacing collections. Receivables are expected to decline in Jan-20 when the majority of collections are made on Jul-19 invoices.
2. Accounts Payable:
 - a. \$2.4M increase from Jun-19 to Sep-19 driven by a \$1.4M increase in third party vendor payables, and a \$1.1M increase in intergovernmental payables.
3. Working Capital:
 - a. Working capital is unfavorable by \$14.6M driven by increases in accounts receivable pertaining to premiums collections, which are expected to reverse in Jan-20.



¹⁰ Figures are unaudited and subject to change.

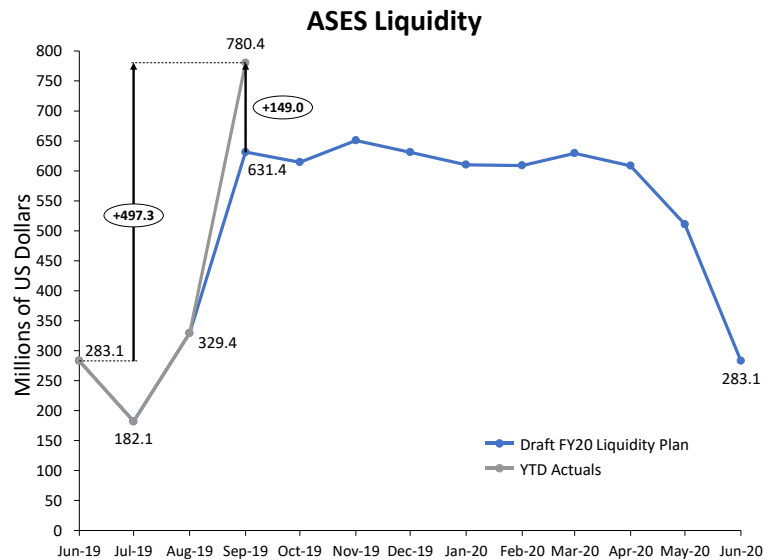
V. HEALTH INSURANCE ADMINISTRATION (“ASES”)

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: YTD, cash has increased from \$283.1M to \$780.4M. The cash build of \$497.3M was due to a catch up of federal funds related to prior months and General Fund appropriations, the majority of which have not yet been utilized for FY20 purposes given the Federal Medical Assistance Percentage (“FMAP”) extension through Nov-19 of nearly 93%. It is normal for ASES to experience large cash swings month over month given the timing of disbursements for premiums expenses and subsequent federal reimbursement monies. Due to the expiration of the BBA 2018¹¹ occurring in Sep-19, state funding is higher and federal funding sources are reduced in FY20 relative to FY19. There is uncertainty around whether the \$125.0M in special revenues from municipalities and employers (CRIM funding) will materialize in FY20. If these collections do not materialize, then ASES must seek alternative funding sources, or receive increased appropriations from the General Fund.

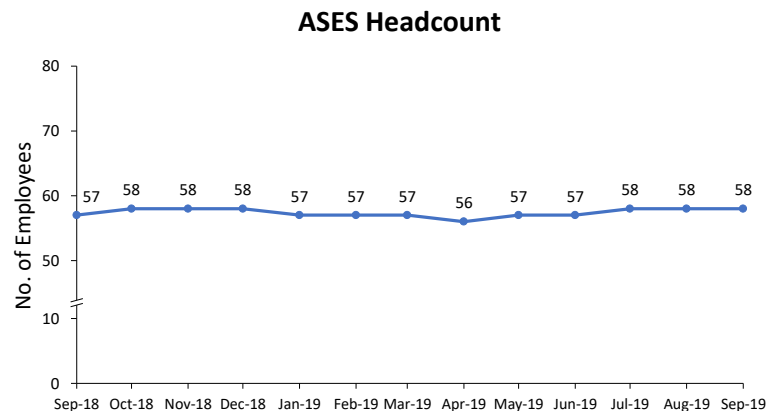
FY20 Operating Liquidity – Actuals¹² and Draft FY20 Liquidity Plan

1. \$497.3M YTD actuals:
 - a. \$869.7M in federal funding receipts, which are lower in FY20 due to the expiration of the BBA 2018. \$660.7M of these receipts were received in Sep-19 and pertain mostly to catch-up receipts for prior months.
 - b. (\$669.1M) in premiums and other healthcare-related disbursements.
 - c. \$229.3M in General Fund appropriations, which have been increased in FY20 relative to FY19 to offset lower federal funding.
 - d. \$72.1M in prescription drug rebates. ASES subcontracts with a third party PBM administrator for its management of the rebate program with pharmaceutical companies.
 - e. (\$4.6M) in other receipts/disbursements.
2. \$149.0M cash variance to the draft Liquidity Plan, which is driven by:
 - a. \$204.3M variance in receipts driven almost entirely by favorable timing of federal reimbursement funds related to a catch up for prior months, including Jun-19.
 - b. (\$55.2M) variance in disbursements primarily due to unfavorable timing of premiums-related disbursements.



B. Headcount / Payroll

1. Headcount FTEs: Increased from 57 to 58 from Sep-18 to Sep-19.
 - a. Headcount at ASES has remained relatively constant since the beginning of FY19, yet is expected to increase given new hiring initiatives at ASES.
2. Payroll: Disbursements are forecast to be \$6.6M for FY20. YTD payroll is \$1.2M.
 - a. Payroll-related disbursements are expected to increase in the second half of FY20 due to the new hiring initiatives.



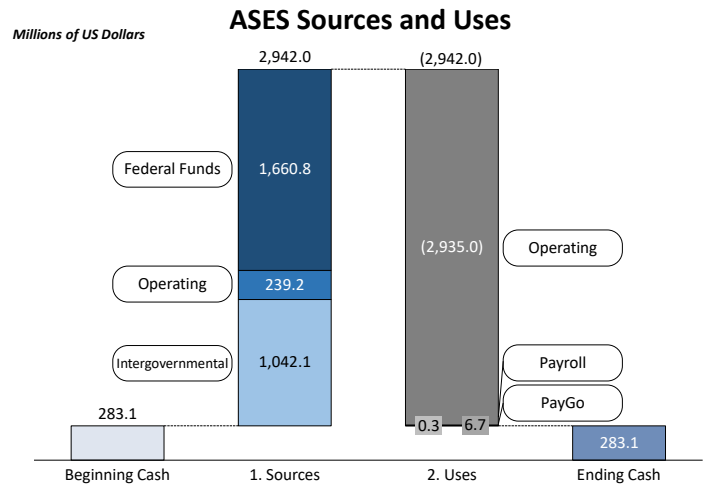
¹¹ Bi-Partisan Budget Act of 2018.

¹² 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

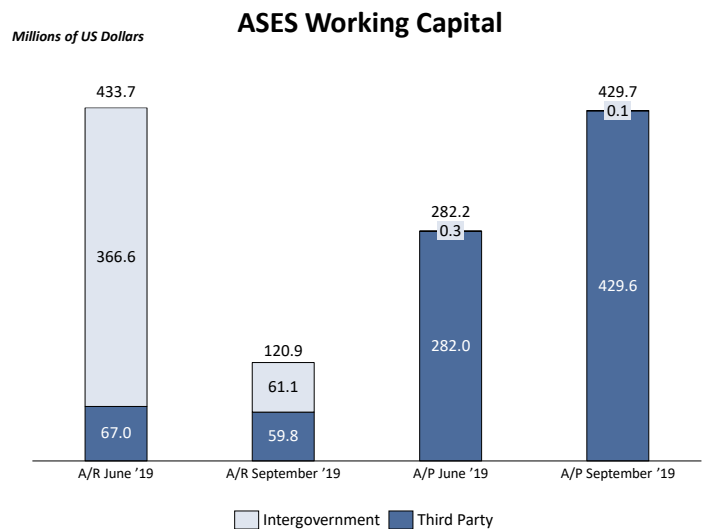
1. Sources \$2,942.0M:
 - a. Federal funding makes up \$1,660.8M of receipts. The intergovernmental receipts of \$1,042.1M are related to state funding of \$917.3M and \$124.8M of municipality and employer receipts. Third party operating receipts consist of drug rebates of \$230.2M and other income of \$8.9M.
2. Uses (\$2,942.0M):
 - a. Operating disbursements are primarily related to healthcare premiums and related costs (\$2,908.8M), with the largest components being MCO premiums of (\$2,799.8M), followed by the PBM administrator and HIV program of (\$78.5M) and Platino premiums of (\$30.5M).
 - b. The remaining disbursements include other operating payments of (\$26.2M) which relate to ASES’ administrative costs and overhead expenses, payroll of (\$6.7M), and PayGo of (\$0.3M).



Note: Beginning and ending cash as presented in Section A.

D. Accounts Receivable / Accounts Payable¹³

1. Accounts Receivable:
 - a. \$312.7M decrease from Jun-19 to Sep-19 driven by a \$305.5M decrease in intergovernmental receivables, primarily related to a catch up on federal reimbursement funds for prior months that had accumulated at the TSA. The remaining increase is driven by a \$7.2M decrease in third party receivables pertaining to prescription drug rebates.
2. Accounts Payable:
 - a. \$147.5M increase from Jun-19 to Sep-19 driven by third party payables increases of \$147.7M. The primary component of the third party payable increases is its obligations to one particular MCO.
3. Working Capital:
 - a. Changes are favorable by \$460.2M, representing approximately 15.6% of FY19 sources of cash.



¹³ Figures are unaudited and subject to change.

VI. HIGHWAYS AND TRANSPORTATION AUTHORITY (“HTA”)

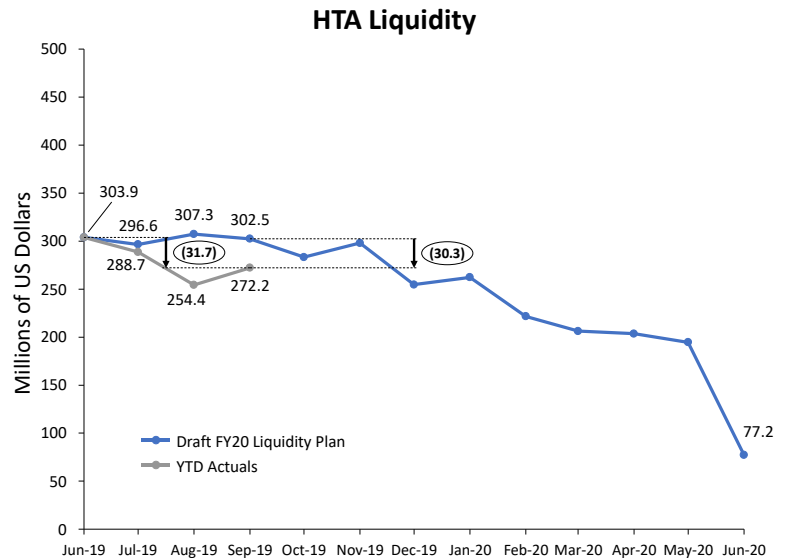
Primary Business Activity: HTA controls and supervises highway facilities, sets tolls, issues bonds, and manages the construction of all major projects relating to the Commonwealth’s toll highway system.

Key Takeaways: YTD operating revenues of \$30.6M are \$8.2M below plan, driven primarily by a delay in the opening of a toll plaza and an increase in unpaid tolls. YTD central government receipts for infrastructure projects of \$13.7M are \$5.6M behind plan, while federal receipts of \$67.3M are \$26.1M behind plan, both due to timing and expected to reverse. For this period, HTA generated \$31.7M in negative net cash flow, which decreased its cash balance to \$272.2M. HTA projects a further cash use of \$225.2M by fiscal year end due to CapEx projects and expects to end the year with a \$46.9M cash balance.

A. FY20 Operating Liquidity – Actuals¹⁴ and FY20 Liquidity Plan

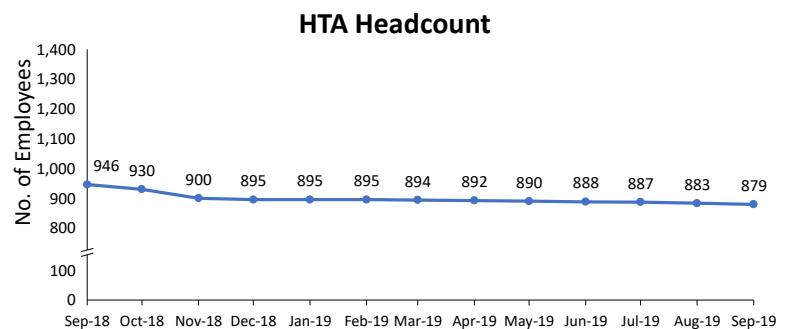
1. (\$31.7M) YTD actuals:

- a. \$30.6M in YTD receipts from tolls and other income, which are (\$8.2M) behind plan due to the delay in the opening of a toll station, in addition to a higher amount of delinquent and unpaid tolls. Reduced toll income is permanent.
 - b. \$13.7M in YTD receipts from the central government, which are (\$5.6M) behind plan due to a delay in receipt of infrastructure funding. Transfers related to this year’s infrastructure budget began in September.
 - c. \$67.3M in YTD receipts from the federal government, of which \$56.7M is related to federal aid from FHWA and FTA, and \$10.6M is related to an FHWA emergency reconstruction program. Federal receipts have had a (\$26.1M) negative variance to plan, which is primarily timing related to the requesting of funds and receiving certification.
 - d. (\$12.5M) in payroll expenses.
 - e. (\$11.7M) in PayGo payments, which are \$2.4M higher than plan, timing related, and expected to reverse.
 - f. (\$27.7M) in operating expenses, which are \$10.5M favorable to plan. The favorable operating variance is primarily timing related due to a delay in the process of approval of invoices.
 - g. (\$91.4M) in CapEx, which is \$1.7M lower than plan due to timing on payments during the period.
2. (\$30.3M) cash variance to the draft Liquidity Plan, driven by:
- a. (\$39.9M) negative variance from receipts, of which (\$26.1M) is related to federal CapEx programs, (\$5.6M) is related to intergovernmental receipts due from the PR government, and (\$8.2M) is related to lower toll fares.
 - b. \$9.6M positive variance due to lower expenses versus Liquidity Plan, led by \$8.9M in lower operating expenses and \$1.7M in lower CapEx, offset by (\$1.0M) in other inflow/outflows.



B. Headcount / Payroll

1. Headcount FTEs: Decreased from 946 to 879 from Sep-18 to Sep-19.
 - a. The 67 headcount reduction is primarily due to the VTP. These positions are not expected to be replaced.
2. Payroll: Disbursements are forecast to be \$53.6M for FY20 based on current projections. YTD payroll of \$12.5M is tracking to plan.

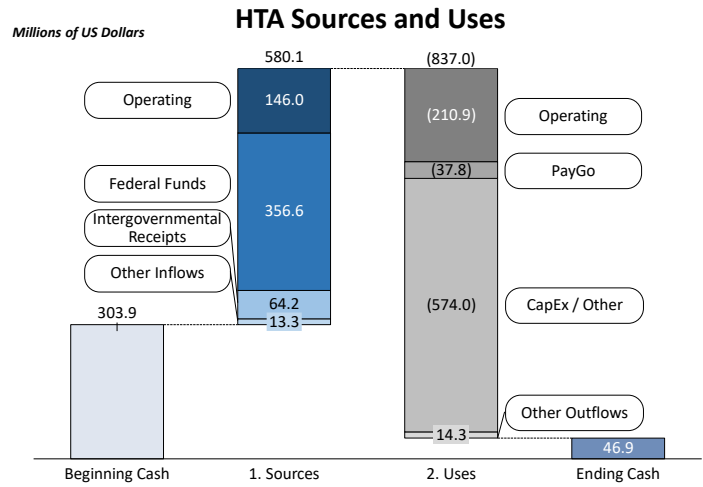


¹⁴ Appendix includes reconciliation between AAFAP reported cash figures and the figures in this report.

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

C. Full Year FY20 Sources and Uses of Funds

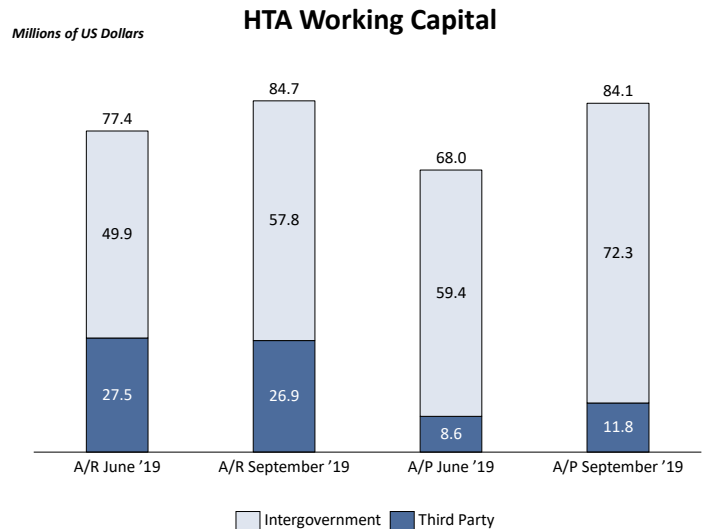
1. Sources \$580.1M:
 - a. \$146.0M in operating receipts, with \$126.1M coming from toll fares and \$19.9M coming from toll fines and other income.
 - b. \$64.2M in receipts are from local government sources.
 - c. \$356.6M is from federal programs; \$307.9M from the Federal Highway Authority, and \$48.7M from the Federal Transportation Authority and FEMA.
 - d. \$13.3M in other pass-through inflows.
2. Uses (\$837.0M):
 - a. (\$210.9M) in operating disbursements, with the largest components comprised of payroll (\$53.6M) and purchased services at (\$87.7M).
 - b. PayGo totals (\$37.8M).
 - c. CapEx/other total (\$574.0M), consisting of CapEx (\$481.1M) and emergency reconstruction (\$92.9M).
 - d. Other pass-through outflows total (\$14.3M).



Note: Beginning and ending cash as presented in Section A.

D. Accounts Receivable / Accounts Payable¹⁵

1. Accounts Receivable:
 - a. \$7.3M increase from Jun-19 to Sep-19 driven by an increase of \$11.2M in receivables from Puerto Rico’s Department of Treasury, partially offset by a \$2.5M decrease in receivables from Federal Highway (FHWA). The increase in receivables from Puerto Rico’s Department of Treasury is expected to reverse in the coming months.
2. Accounts Payable:
 - a. \$16.1M increase from Jun-19 to Sep-19 driven by increases in third party payables of \$3.2M and intergovernmental payables of \$12.9M from federal construction and CapEx projects.
3. Working Capital:
 - a. The change in net working capital through Sep-19 is a positive \$8.8M due to the above changes.



¹⁵ Figures are unaudited and subject to change.

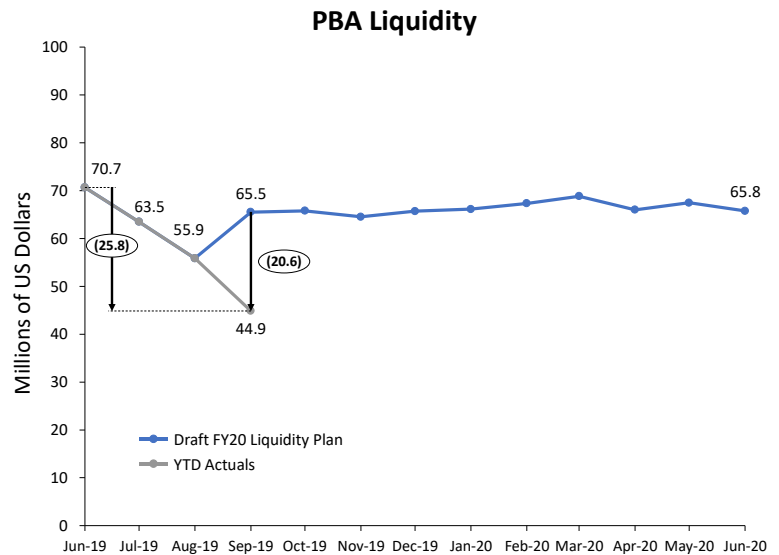
VII. PUERTO RICO PUBLIC BUILDINGS AUTHORITY (“PBA”)

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 fiscal year to date given that for FY20, rent will be paid directly to PBA by government agencies, whereas previously the majority of rent was paid via a single transfer from Hacienda. The delay has been compounded in FY20 given that the payment method was recently changed and the agencies will now pay rent directly to PBA. As such, PBA ran a cash flow deficit of \$25.8M for YTD September and ended the month with a cash balance of \$44.9M. PBA projects to end FY20 with a cash balance of \$65.6M. Also of note, the CU filed for Title III in Sep-19.

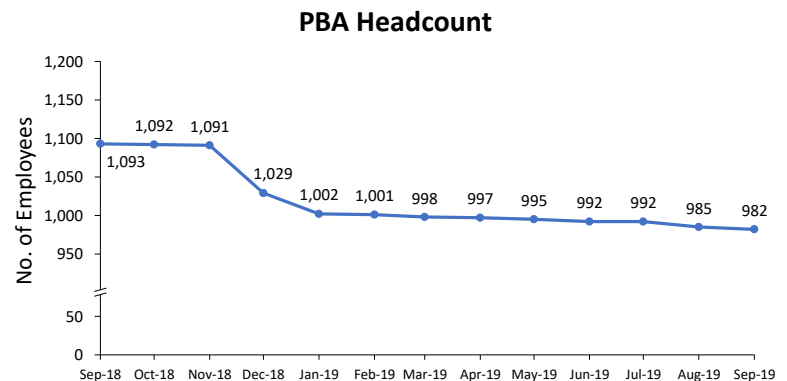
A. FY20 Operating Liquidity – Actuals¹⁶ and Draft FY20 Liquidity Plan

1. (\$25.8M) YTD actuals:
 - a. \$8.4M in revenues from government entities paid via direct invoice, of which \$1.9M are related to FY19 invoices. PBA anticipates that it will no longer receive bulk transfers for rent from Hacienda; rather it will receive individual transfers from each agency.
 - b. \$0.8M in other income, primarily from third party concessionaires.
 - c. \$1.0M from FEMA for reimbursements for prior year expenses.
 - d. (\$11.9M) in payroll expenses, which are \$2.6M lower than the same period the previous year due to reduced headcount and benefits.
 - e. (\$5.8M) in PayGo payments. PBA is up to date on its FY20 PayGo payments.
 - f. (\$11.9M) in purchased services, of which (\$10.4M) are related to the annual insurance premium.
 - g. (\$2.9M) in payments for utilities, which are primarily related to a reduction in PREPA and PRASA payables.
 - h. (\$3.5M) in other expenses.
2. (\$20.6M) cash variance to the draft Liquidity Plan, driven by:
 - a. (\$22.0M) negative variance from receipts, of which (\$22.7M) is related to lower direct rent receipts from government agencies, partially offset by \$0.7M in FEMA reimbursement receipts.
 - b. \$1.3M positive variance due to higher lower operating expenses versus Liquidity Plan, led by lower payroll.



B. Headcount / Payroll

1. Headcount FTEs: Decreased from 1,093 to 982 from Sep-18 to Sep-19.
 - a. Decrease in headcount is primarily due to the VTP; these positions are not expected to be replaced.
2. Payroll: Disbursements are forecast to be \$56.3M for FY20 based on the draft Liquidity Plan. YTD payroll of \$11.9M is tracking lower than plan, which is permanent and related to continued efforts to lower benefits expenses.

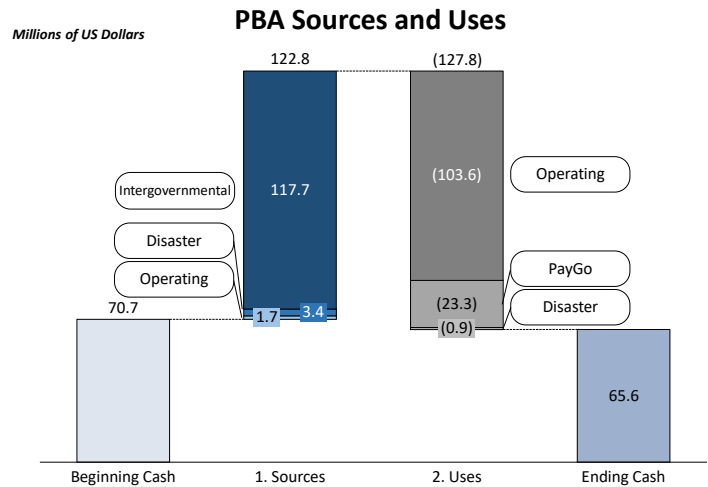


¹⁶ Appendix includes reconciliation between AAFAP reported cash figures and the figures in this report.

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

C. Full Year FY20 Sources and Uses of Funds

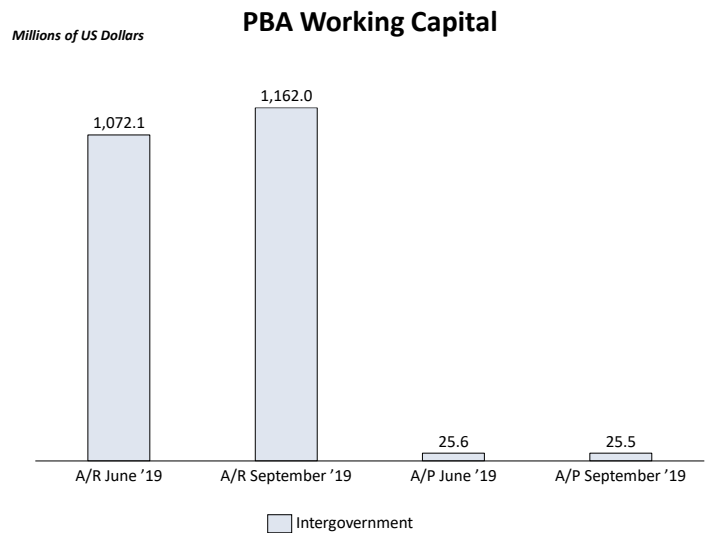
1. Sources \$122.8M:
 - a. Intergovernmental receipts total \$117.7M, all of which PBA now anticipates to be paid directly by other government entities.
 - b. Disaster-related receipts total \$3.4M, which relates to FEMA claims from Hurricanes Irma and Maria.
 - c. Other operating receipts total \$1.7M, of which \$0.7M are related to income from third party occupancy and \$1.0M are related to other income, including interest income.
2. Uses (\$127.8M):
 - a. Operating disbursements total (\$103.6M), consisting of payroll of (\$56.3M), purchased services of (\$22.3M), facilities and payments to public services of (\$19.4M), professional services of (\$2.1M), and other operating expenses of (\$3.5M).
 - b. PayGo contributions of (\$23.3M).
 - c. Disaster related disbursements of (\$1.0M), of which (\$0.7M) are related to FEMA and (\$0.3M) is related to insurance related projects.



Note: Beginning and ending cash as presented in Section A.

D. Accounts Receivable / Accounts Payable¹⁷

1. Accounts Receivable:
 - a. \$89.9M increase from Jun-19 to Sep-19 driven by intergovernmental receivables, primarily related to the debt service portion of rent not being received.
2. Accounts Payable:
 - a. \$0.1M decrease from Jun-19 to Sep-19.
3. Working Capital:
 - a. The change in net working capital through Sep-19 was a \$90.0M use of cash due to the above changes.



¹⁷ 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: Data not provided by the CU.

A. FY20 Operating Liquidity – Actuals¹⁸ and Draft FY20 Liquidity Plan

1. Data not provided by the CU.

B. Headcount / Payroll

1. Data not provided by the CU.

¹⁸ 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. Data not provided by the CU.

D. Accounts Receivable / Accounts Payable¹⁹

1. Data not provided by the CU.

¹⁹ Figures are unaudited and subject to change.

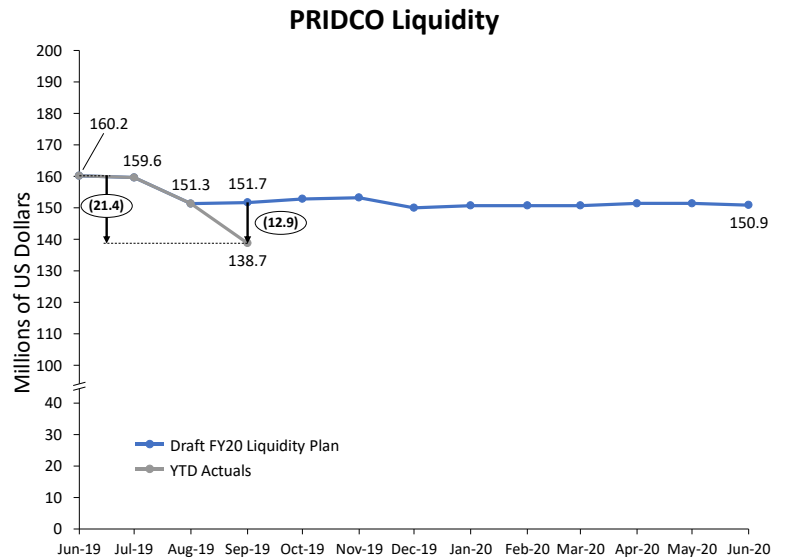
IX. PUERTO RICO INDUSTRIAL DEVELOPMENT CORPORATION (“PRIDCO”)

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 \$160.2M in operating cash due to not spending FEDE funds during FY19, and has reduced its cash balance to \$138.7M to end the month of September. The largest contributor to liquidity decline is the disbursements related to FEDE, which are funded by transfers from the TSA for restricted use, and have outpaced forecast YTD. Rental receipts and asset sales have outperformed forecast YTD, and have been sufficient for supporting general operating expenditures within PRIDCO; however, during the month of August, PRIDCO made a \$7.3M PayGo disbursement which has reduced its current outstanding debt from \$18.9M to \$11.6M. PRIDCO has been in negotiations to finalize a repayment plan for all of its outstanding PayGo debts from FY19.

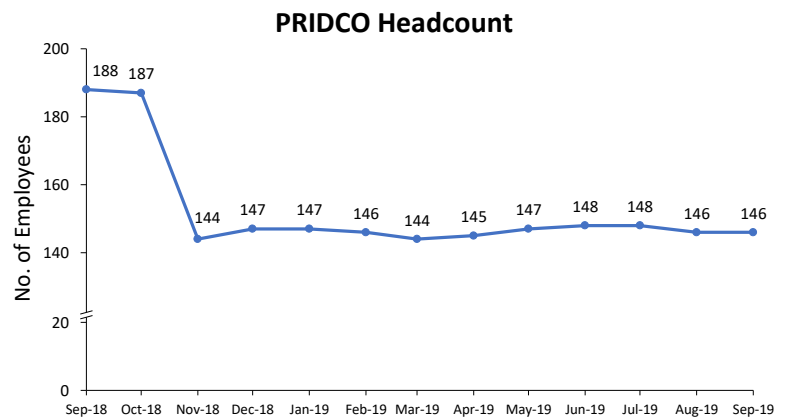
A. FY20 Operating Liquidity – Actuals²⁰ and Draft FY20 Liquidity Plan

1. (\$21.4M) YTD actuals:
 - a. \$12.2M in operating receipts, representing rental income of \$9.7M and \$2.5M of asset sales.
 - b. \$3.6M in intergovernmental receipts relating to FEDE funds and Ronces de Puerto Rico.
 - c. \$1.4M in other income, representing interest income on deposits.
 - d. (\$18.9M) in intergovernmental disbursements, relating to FEDE funds and Ronces de Puerto Rico. Source of cash for large disbursements has been generated from FY19 transfers from the TSA.
 - e. (\$11.9M) in operating expenses and payroll, the largest being (\$7.2M) in purchased services and (\$2.9M) in payroll.
 - f. (\$7.5M) in PayGo disbursements, consisting of past-due invoices from prior fiscal years.
 - g. (\$0.3M) in CapEx.
2. (\$12.9M) cash variance to draft Liquidity Plan, which is driven by:
 - a. (\$15.1M) in FEDE Funds due to spending prior fiscal year inflows which were not disbursed, in addition to lower FY20 inflows than originally forecast as a result of timing from the TSA.
 - b. \$2.2M in net operating cash due to greater-than-forecast operating receipts and a timing variance in PayGo disbursements.



B. Headcount / Payroll

1. Headcount FTEs: Decreased from 188 to 146 from Sep-18 to Sep-19.
 - a. Decline in headcount is related to the transfer of 42 employees from PRIDCO’s business development department to DDEC.
2. Payroll: Disbursements are forecast to be \$12.9M for FY20. YTD payroll is \$2.9M.
 - a. YTD run rate for payroll is behind FY20 forecast due to timing of disbursements.

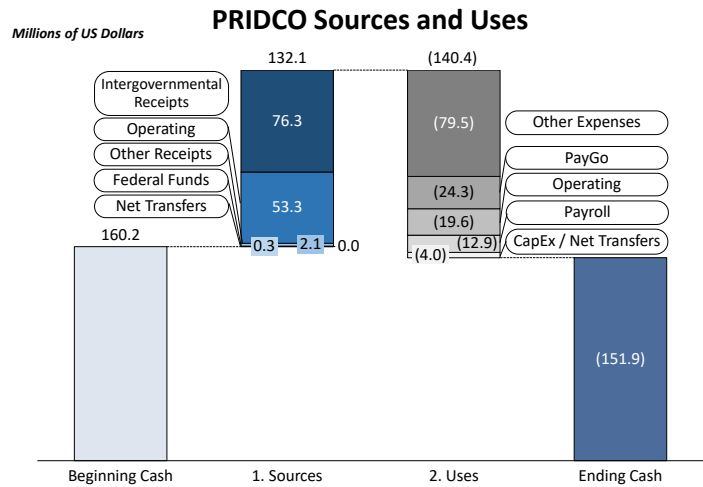


²⁰ Appendix includes reconciliation between AAFAP reported cash figures and the figures in this report.

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

C. Full Year FY20 Sources and Uses of Funds

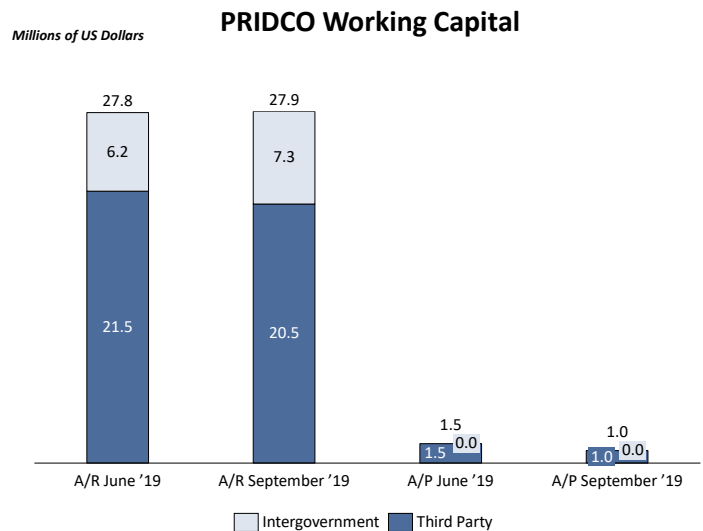
1. Sources \$132.1M:
 - a. Intergovernmental receipts of \$76.3M, representing FEDE funds and Ronces de Puerto Rico to PRIDCO from the central government.
 - b. Primary sources of unrestricted cash are operating receipts of \$53.3M consisting of: rental receipts for \$50.7M and asset sales of \$2.6M.
 - c. Other income of \$2.1M, which consists of interest income on deposits.
 - d. Federal grants of \$0.3M for FY20.
2. Uses (\$140.4M):
 - a. Other expenses account for (\$79.5M) of total uses of cash, representing disbursements made on behalf of FEDE and Ronces de Puerto Rico, in addition to expenses made to DDEC to account for the payroll of transferred employees, which took place during FY19.
 - b. Primary uses of unrestricted cash are PayGo of (\$24.3M), operating expenditures of (\$19.6M), payroll and related expenses of (\$12.9M), and CapEx of (\$4.0M).



Note: Beginning and ending cash as presented in Section A.

D. Accounts Receivable / Accounts Payable²¹

1. Accounts Receivable:
 - a. \$0.1M increase from Jun-19 to Sep-19 driven by an increase of expected inflows relating to Ronces de Puerto Rico (Rums), offset by rent collections from third party tenants.
2. Accounts Payable:
 - a. \$0.6M decrease from Jun-19 to Sep-19 driven by payments relating to purchased services.
3. Working Capital:
 - a. \$0.7M use of cash from Jun-19 to Sep-19 driven by the working capital changes listed above.



²¹ Figures are unaudited and subject to change.

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

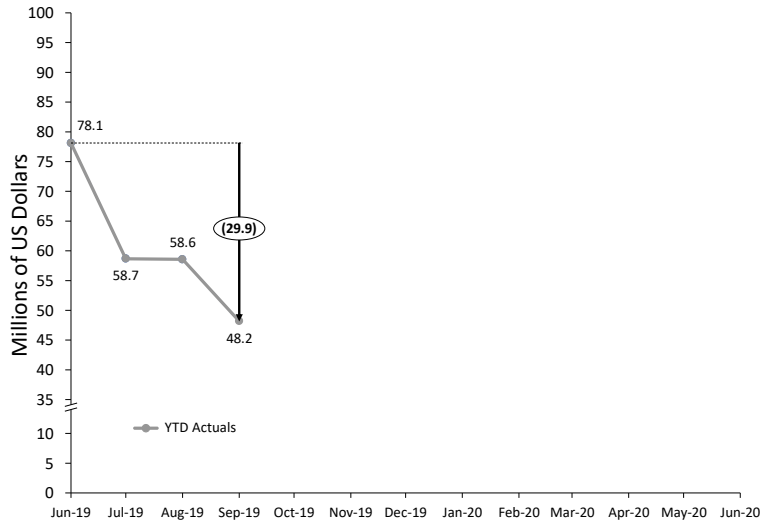
Primary Business Activity: HFA promotes the development of low-income housing and provides financing, subsidies, and incentives to help those who qualify to acquire or lease a home.

Key Takeaways: HFA began FY20 with \$78.1M in cash, and currently has cash on hand of \$48.2M as of month end Sep-19. This is the lowest cash balance HFA has experienced since the start of FY18, with average month-end cash balances of \$60.9M for the previous TTM. Work sessions will be held with HFA to develop a FY20 Liquidity Plan consistent with the FOMB Certified Budget during Q2-20.

A. FY20 Operating Liquidity – Actuals²² and Draft FY20 Liquidity Plan

1. (\$29.9M) YTD actuals:
 - a. \$36.4M in federal fund receipts from HUD.
 - b. \$29.0M in balance sheet related receipts.
 - c. \$7.1M in operating receipts.
 - d. \$2.0M in commonwealth appropriations.
 - e. (\$45.9M) in operational disbursements.
 - f. (\$42.5M) in balance sheet related disbursements.
 - g. (\$16.0M) in debt service related disbursements.

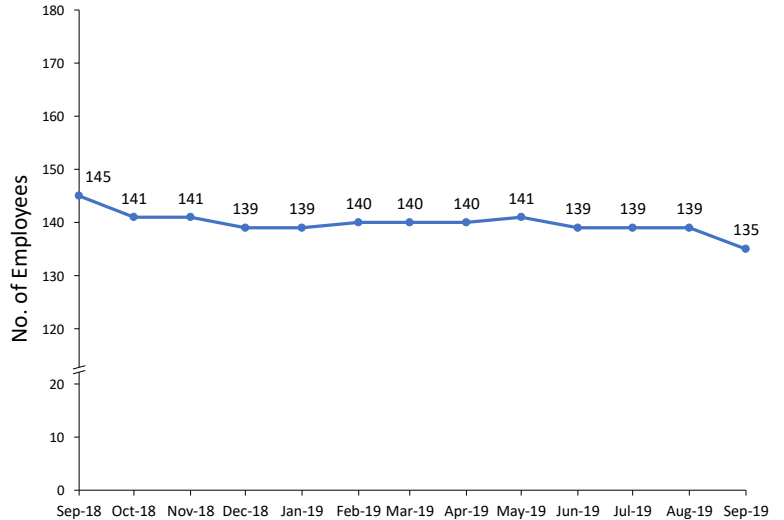
HFA Liquidity



B. Headcount / Payroll

1. Headcount FTEs: Decreased from 145 to 135 from Sep-18 to Sep-19.
2. Payroll: YTD payroll is \$3.7M.
 - a. FY20 Payroll budget per the FOMB Certified Budget is \$9.8M.

HFA Headcount



²² Appendix includes reconciliation between AAFAF reported cash figures and the figures in this report.

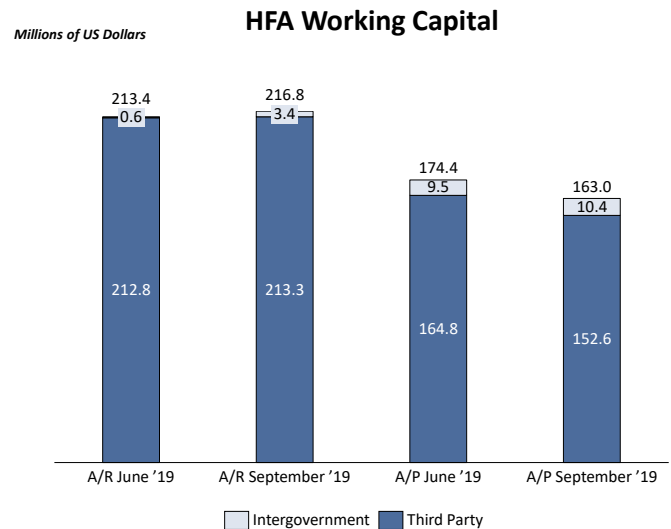
X. PUERTO RICO HOUSING FINANCE AUTHORITY (“HFA”) (Continued)

C. Full Year FY20 Sources and Uses of Funds

1. Sources \$196.9M:
 - a. \$159.1M in federal funds.
 - b. \$29.6M in special revenue funds.
 - c. \$8.2M in General Fund appropriations.
2. Uses: \$196.9M:
 - a. \$154.1M for social wellbeing.
 - b. \$13.6M in donations and subsidies.
 - c. \$9.8M for payroll.
 - d. \$9.5M for PayGo.
 - e. \$4.3M for purchased services.
 - f. \$5.6M in other operating expenses.

D. Accounts Receivable / Accounts Payable²³

1. Accounts Receivable:
 - a. \$3.4M increase from Jun-19 to Sep-19 driven primarily by third party related activity.
2. Accounts Payable:
 - a. \$11.4M decrease from Jun-19 to Sep-19 driven by both a reduction in intergovernmental and third party payables.
3. Working Capital:
 - a. The change in net working capital through Sep-19 is a \$14.8M use of cash mainly driven by a \$29.9M decrease in cash, offset by the above changes in payables and receivables.



²³ Figures are unaudited and subject to change.

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

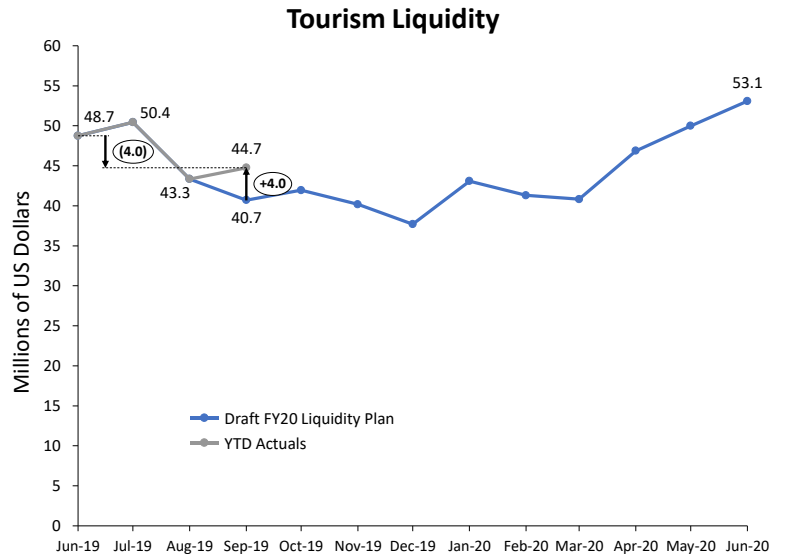
Primary Business Activity: Tourism’s purpose is to promote the tourism industry of Puerto Rico.

Key Takeaways: Year to date, cash has decreased from \$48.7M to \$44.7M. The (\$4.0M) cash reduction is driven primarily by Tourism making paydowns on prior-year payables including room tax waterfall payments to CCDA and amounts associated with prior years’ marketing contracts. Despite this, Tourism expects to build cash throughout FY20 through continued performance of slot machine operations.

A. FY20 Operating Liquidity – Actuals²⁴ and Draft FY20 Liquidity Plan

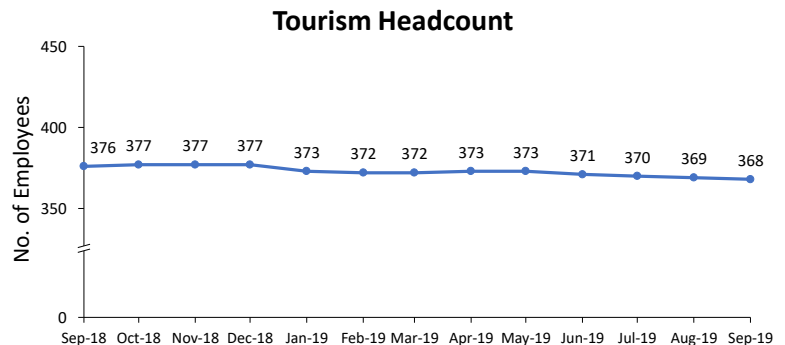
1. (\$4.0M) YTD actuals:

- a. \$32.7M net collections after waterfall disbursements. Both slot machines and room tax collections are currently behind fiscal plan projections when annualized.
 - b. (\$4.5M) in payroll and related costs.
 - c. (\$2.0M) in PayGo retirement contributions, which are current through the Aug-19 invoicing period.
 - d. (\$21.5M) in operating disbursements. These disbursements comprise of (\$3.8M) in media and advertisements, including (\$2.4M) for remaining paydowns on the FY18 marketing contract; (\$4.5M) in payments to the DMO; (\$4.6M) in donations and subsidies primarily for cruise line incentives; (\$4.2M) in professional and purchased services spend; and (\$4.4M) in other.
 - e. (\$9.1M) in transfers to a restricted account, which occur in fixed amounts of (\$3.0M) per month over the first 10 months of the fiscal year.
 - f. \$0.4M in miscellaneous receipts.
2. \$4.0M cash variance to the draft Liquidity Plan, which is driven by:
- a. \$2.9M favorable variance in operating expenses driven primarily by timing of cruise line incentive payments and payments to the Destination Marketing Organization (“DMO”).
 - b. \$2.3M favorable timing variance in waterfall disbursements, which is partially offset by an unfavorable variance in operating receipts with slot machine and room tax collections of (\$1.2M).



B. Headcount / Payroll

1. Headcount FTEs: Decreased from 376 to 368 from Sep-18 to Sep-19.
 - a. Reduction in headcount is due to normal turnover.
 - b. Headcount may increase subject to the pending rollout of the Video Lottery Terminals (“VLTs”) pursuant to Act 257-2018. Tourism expects to hire up to 43 employees for the regulation and monetization of the VLTs, which is not considered in the Liquidity Plan.
2. Payroll: Disbursements are forecast to be \$18.4M for FY20. YTD payroll is \$4.5M.
 - a. YTD payroll is in line with forecast.

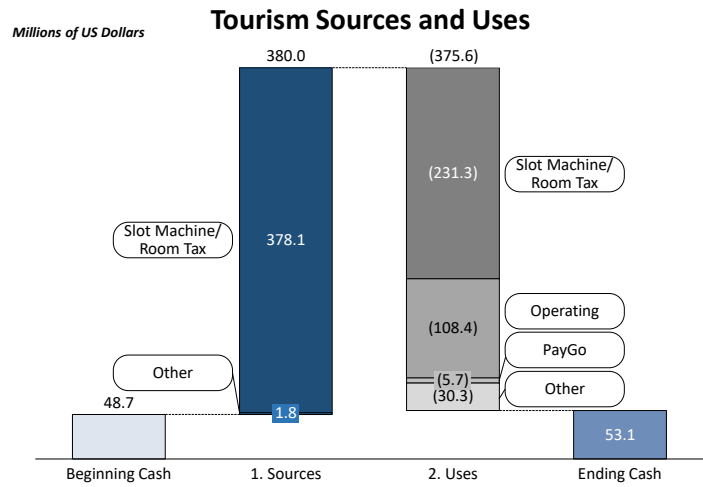


²⁴ Appendix includes reconciliation between AAFAP reported cash figures and the figures in this report.

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

C. Full Year FY20 Sources and Uses of Funds

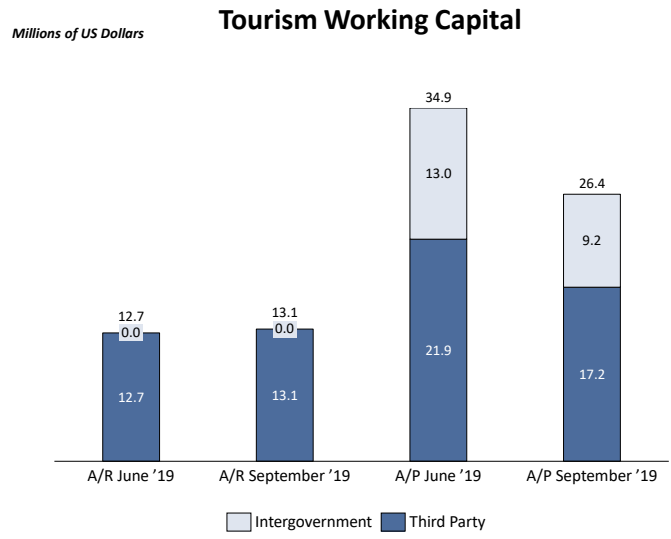
1. Sources \$380.0M:
 - a. Tourism’s primary sources of funds are slot machine revenues of \$299.6M, or 79%, and room tax revenues of \$78.5M, or 20%. There is seasonality in the receipt of these funds, which may create temporary timing variances. Through its collections from slot machine gambling revenues and room taxes, Tourism funds the entirety of its operations and intergovernmental obligations through various waterfall distributions explained below.
 - b. Other receipts total \$1.8M, which consist mostly of fares and/or fines charged by Tourism to local street vendors.
2. Uses (\$375.6M):
 - a. Slot machines and room taxes have disbursements per a waterfall: slot machine funds are disbursed to Hacienda, University of Puerto Rico, and casinos; room tax funds are disbursed to the Convention Center and intercompany marketing and promotion funds. Tourism retains leftover funds after waterfall disbursements of (\$225.3M) and (\$5.9M) are made from slot machines and room taxes respectively.
 - b. Operating expenses are projected to be (\$108.4M), built from payroll at (\$18.4M), DMO expenses of (\$29.2M), subsidies/incentives at (\$24.6M), purchased services at (\$12.3M), media/ads at (\$6.2M), professional service fees of (\$3.1M), and other operating expenses of (\$14.6M) consisting of event/promotions costs, air access incentives, utilities, and transportation costs.
 - c. Tourism has made four payments totaling (\$2.0M) related to PayGo contributions, including one payment that was deferred in FY19. For FY20 purposes, PayGo disbursements are in line with forecast, which are expected to total (\$5.7M) for the fiscal year.
 - d. Other disbursements are (\$30.3M) in transfers to a restricted account.



Note: Beginning and ending cash as presented in Section A.

D. Accounts Receivable / Accounts Payable²⁵

1. Accounts Receivable:
 - a. \$0.4M increase from Jun-19 to Sep-19 driven entirely by third party A/R increases due to normal timing of invoicing and collections pertaining to room tax and slot machine revenues.
2. Accounts Payable:
 - a. \$8.5M decrease from Jun-19 to Sep-19 driven by a decrease in third party A/P of \$4.7M due mostly to Tourism making paydowns on its FY18 Marketing Contract. Intergovernmental A/P decreased by \$3.8M related to payments made to CCDA for amounts owed per room tax waterfall legislation for FY19, as well as prior years.
3. Working Capital:
 - a. Working capital levels have been unfavorable by \$8.9M due to Tourism catching up on major spend activities incurred in prior years, including spend on the marketing contract delayed in FY18 due to the hurricanes.



²⁵ Figures are unaudited and subject to change.

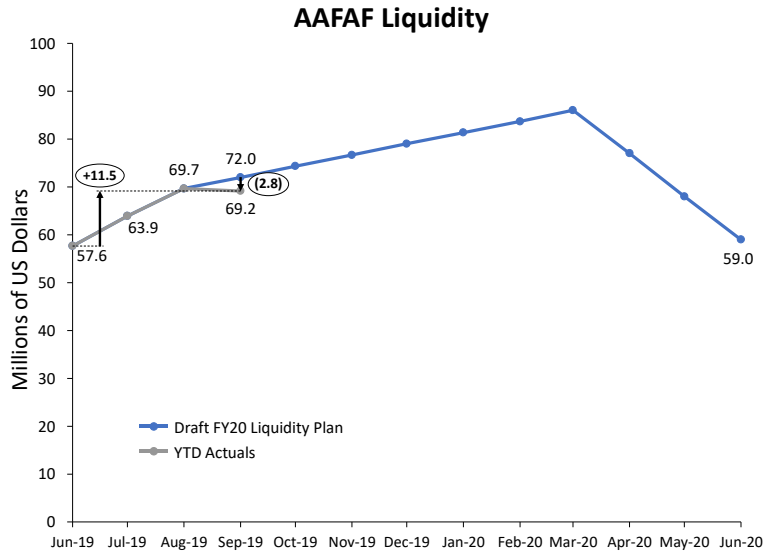
XII. FISCAL AGENCY AND FINANCIAL ADVISORY AUTHORITY (“AAFAF”)

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 \$69.2M at September month end. Similar to FY19, the largest expenditures made by AAFAF through September pertain to professional service fees. New for FY20 cash flow reporting, AAFAF will receive additional General Fund appropriations for Title III expenses; however, YTD no payments of Title III fees have taken place which has been the greatest contributor to the cash build so far this fiscal year.

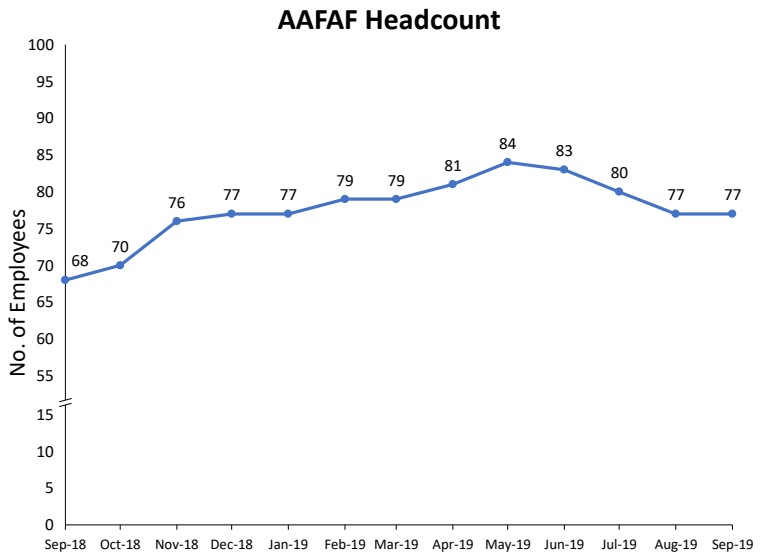
A. FY20 Operating Liquidity – Actuals²⁶ and Draft FY20 Liquidity Plan

1. \$11.5M YTD actuals:
 - a. \$25.2M in General Fund appropriations, broken down into \$13.1M as a part of AAFAF’s Certified Budget and \$12.2M in Title III appropriations.
 - b. \$1.5M in fiscal agency fees, MOU premiums, and interest income on deposits.
 - c. (\$13.5M) in operating disbursements, with (\$13.0M) in budgeted professional service fees.
 - d. (\$1.7M) in payroll and related costs.
 - e. AAFAF has not made any disbursements related to Title III fees YTD.
2. (\$2.8M) cash variance to draft Liquidity Plan, which is driven by:
 - a. Greater professional service fees disbursed during the month of September as a result of carryover FY19 fees.



B. Headcount / Payroll

1. Headcount FTEs: Increased from 68 to 77 from Sep-18 to Sep-19.
 - a. Increase in headcount was due to AAFAF needing additional personnel to provide fiscal services to various government entities.
2. Payroll: Disbursements are forecast to be \$7.8M for FY20. YTD payroll is \$1.7M.
 - a. YTD run rate for payroll is in line with AAFAF’s budgeted expense for FY20.

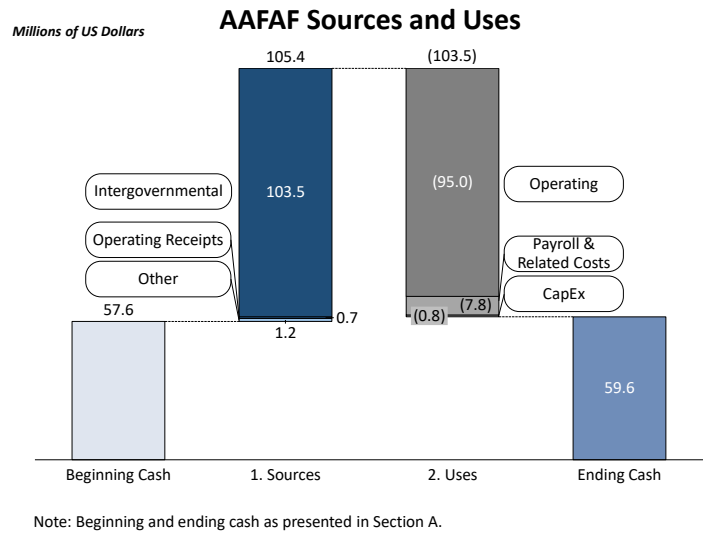


²⁶ Appendix includes reconciliation between AAFAF reported cash figures and the figures in this report.

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

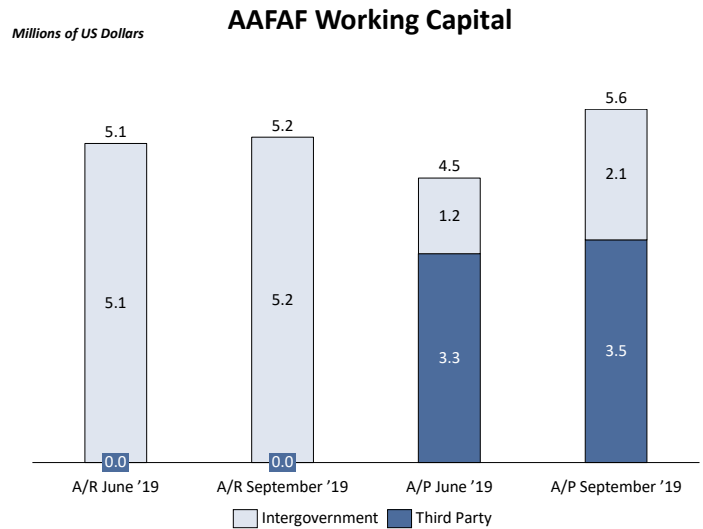
C. Full Year FY20 Sources and Uses of Funds

1. Sources \$105.4M:
 - a. \$103.5M in general fund appropriations from the central government are largely being used to administer restructuring efforts and provide financial reporting on behalf of the government.
 - b. \$1.2M in other receipts are due to interest income on deposits and many one-time reimbursements.
 - c. \$0.7M in Fiscal Agency fees.
2. Uses (\$103.5M):
 - a. (\$95.0M) in operating disbursements, with professional services totaling (\$85.3M) between budgeted and Title III fees, largely consisting of legal, accounting, and financial advisory, purchased services totaling (\$3.7M), facilities payments totaling (\$0.5M), and other operating expenses of (\$5.5M).
 - b. (\$7.8M) in payroll and related costs for FY20.
 - c. (\$0.8M) in CapEx for FY20.



D. Accounts Receivable / Accounts Payable²⁷

1. Accounts Receivable:
 - a. \$0.1M increase from Jun-19 to Sep-19 driven by fiscal services provided to various agencies and corporations.
2. Accounts Payable:
 - a. \$1.1M increase from Jun-19 to Sep-19 driven by payments due to government agencies.
3. Working Capital:
 - a. \$1.0M source of cash from Jun-19 to Sep-19 driven by the working capital changes listed above.



²⁷ Figures are unaudited and subject to change.

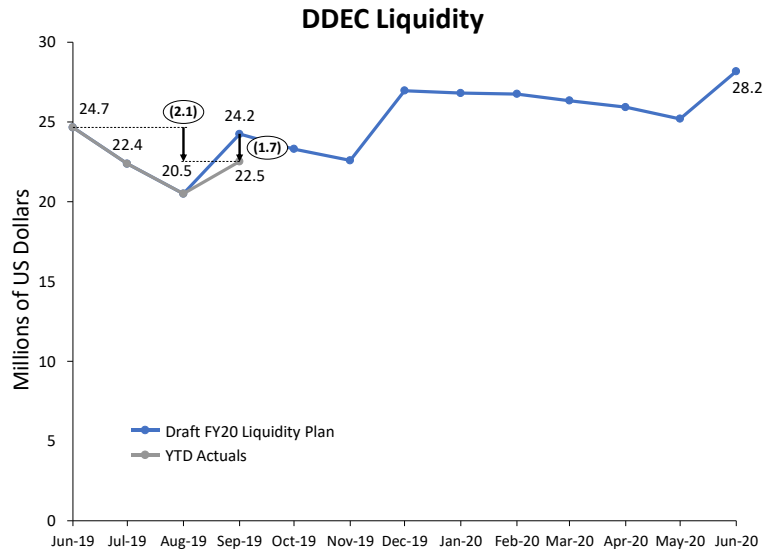
XIII. DEPARTMENT OF ECONOMIC DEVELOPMENT AND COMMERCE (“DDEC”)

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 \$24.7M in operating cash, and has reduced its cash balance to \$22.5M by September month end. Year to date, the largest reduction in cash is due to increased payroll disbursements and other operating expenses, which pertain to reorganization costs to form the new entity. DDEC’s headcount increased significantly over the TTM 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 year to date reflects DDEC, the Permits Management Office, and the Office of Industrial Tax Exemption; however, the payroll expense includes an additional 48 FTEs for the Puerto Rico Trade and Export Company and 5 FTEs for the State Office of Energy Policy.

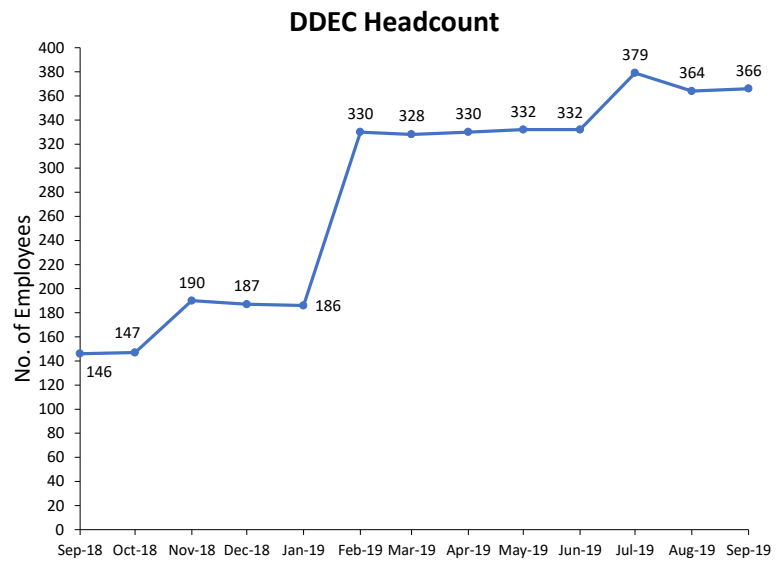
A. FY20 Operating Liquidity – Actuals²⁸ and Draft FY20 Liquidity Plan

1. (\$2.1M) YTD actuals:
 - a. \$5.9M in operating receipts, due to \$4.4M in management fees, \$1.2M in various tax incentives, and \$0.3M in other income.
 - b. \$1.6M in General Fund appropriations.
 - c. \$0.3M in net federal funding, which is due to timing of disbursements.
 - d. (\$6.3M) in operating disbursements.
 - e. (\$3.5M) in payroll and related costs, which is below budget for the combined DDEC entity.
 - f. (\$0.1M) in PayGo disbursements.
2. (\$1.7M) cash variance to draft Liquidity Plan, which is driven by:
 - a. Federal grant receipts being lower by (\$5.3M) than originally forecast, offset by \$4.2M less disbursements.
 - b. Operating disbursements exceeding receipts by (\$0.7M) due to reorganization costs.



B. Headcount / Payroll

1. Headcount FTEs: Increased from 146 to 366 from Sep-18 to Sep-19.²⁹
 - a. The increase in headcount throughout FY19 was due to the transfer of 42 employees from PRIDCO, 132 employees from OGPE, and 12 employees from OEI as a result of DDEC consolidation.
 - b. At the beginning of FY20, DDEC began reporting an additional 48 employees, 43 of which belong to the Puerto Rico Trade and Export Company, and 5 of which belong to the State Office of Energy Policy.
2. Payroll: Disbursements are forecast to be \$18.1M for FY20. YTD payroll is \$3.5M.
 - a. YTD run rate for payroll is behind forecast for FY20 due to recent declines in headcount, driven by retirement of tenured employees and general turnover at the beginning of the fiscal year.



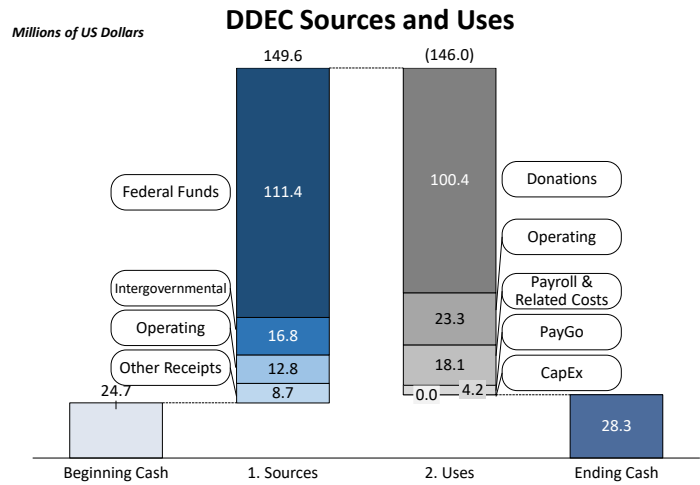
²⁸ Appendix includes reconciliation between AAFAP reported cash figures and the figures in this report.

²⁹ March through August figures have been updated from prior months’ estimates.

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

C. Full Year FY20 Sources and Uses of Funds

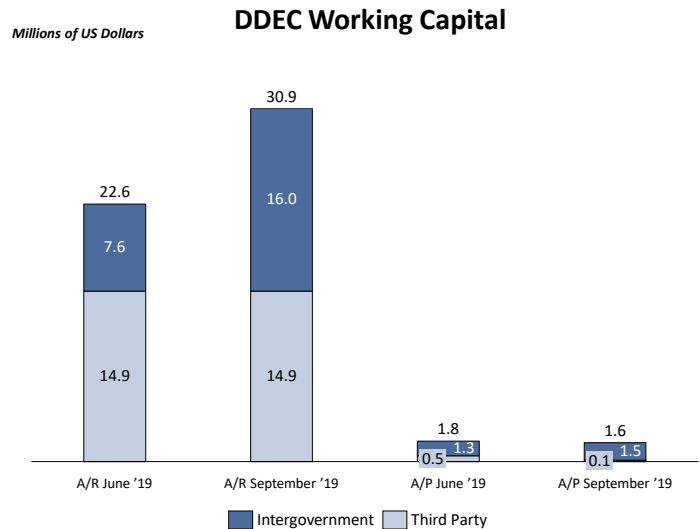
1. Sources \$149.6M:
 - a. Federal grants represent \$111.4M, or 74.5%, of total receipts, which are used for redevelopment efforts on the Island.
 - b. Intergovernmental receipts are \$16.8M, or 11.2% of total receipts.
 - c. Operating receipts are \$12.8M, or 8.5% of total receipts, which represent the management fee owed to DDEC and Act 22 fees.
 - d. Other receipts account for \$8.7M, or 5.8% of total receipts, which relate to cash transferred from PRIDCO to pay for employees and other operating costs, fees for managing federal grants, and interest income.
2. Uses (\$146.0M):
 - a. Donations, subsidies, and distributions represent (\$100.4M), or 68.8%, of total disbursements, which are provided to local areas for redevelopment and to the citizens through the various federal grants.
 - b. Operating expenses of (\$23.3M), or 15.9%, primarily consist of professional and purchased services of (\$15.1M) and additional operating expenses of (\$8.2M).
 - c. Payroll and related costs of (\$18.1M), or 12.4%, of total disbursements.
 - d. PayGo disbursements of (\$4.2M), or 2.9%, of total disbursements, which is a significant increase from the FY19 total due to Permits Management Office now reporting under DDEC umbrella.
 - e. CapEx is negligible at \$4.0K.



Note: Beginning and ending cash as presented in Section A.

D. Accounts Receivable / Accounts Payable³⁰

1. Accounts Receivable:
 - a. \$8.4M increase from Jun-19 to Sep-19 driven by management fees owed to DDEC by PRIDCO and Tourism for fiscal services, expected to reverse once fees are paid during the year.
2. Accounts Payable:
 - a. \$0.2M decrease from Jun-19 to Sep-19 driven by payments made to the IRS during the fiscal year.
3. Working Capital:
 - a. \$8.6M use of cash from Jun-19 to Sep-19 driven by the working capital changes listed above.



³⁰ Figures are unaudited and subject to change.

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

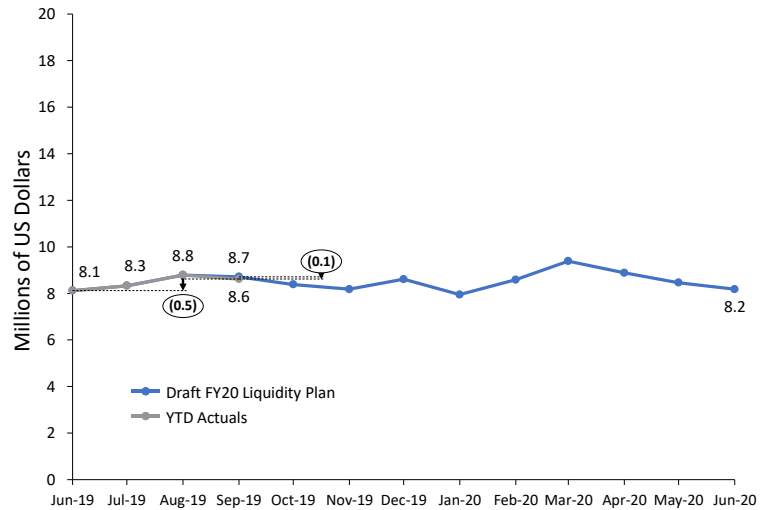
Primary Business Activity: CCDA develops, manages, and oversees the Puerto Rico Convention Center, the Coliseo de Puerto Rico José Miguel Agrelot, Bahía Urbana, and other adjacent hospitality, commercial, and residential developments.

Key Takeaways: CCDA began FY20 with \$8.1M in operating cash, and has increased its cash balance to \$8.6M by September month end. Liquidity has increased due to transfers from the Puerto Rico Tourism Company, which pertain to deferred collections from the prior fiscal year. Consistent with the prior fiscal year, event schedules at the managed venues continue to be booked, yielding steady operating receipts from the Coliseum and Convention Center.

A. FY20 Operating Liquidity – Actuals³¹ and Draft FY20 Liquidity Plan

1. \$0.5M YTD actuals:
 - a. \$7.8M in operating receipts, with \$7.0M relating to the Coliseum and Convention Center, and the remainder attributable to district revenue.
 - b. \$3.2M in Puerto Rico Tourism Room Tax transfers, in which \$2.6M is due to the catch up in prior fiscal year payments owed to CCDA.
 - c. \$0.5M in other receipts, due to inflows from Bahía Urbana and interest income.
 - d. (\$9.6M) in operating disbursements, of which the majority relates to (\$7.4M) in contracted services and (\$1.9M) in facilities payments.
 - e. (\$1.3M) in CapEx, which is solely due to prior fiscal year projects that were not completed by end of FY19.
 - f. (\$0.2M) in payroll and related costs.
2. (\$0.1M) cash variance to draft Liquidity Plan, which is driven by:
 - a. General timing of operating disbursements with no significant transactions.

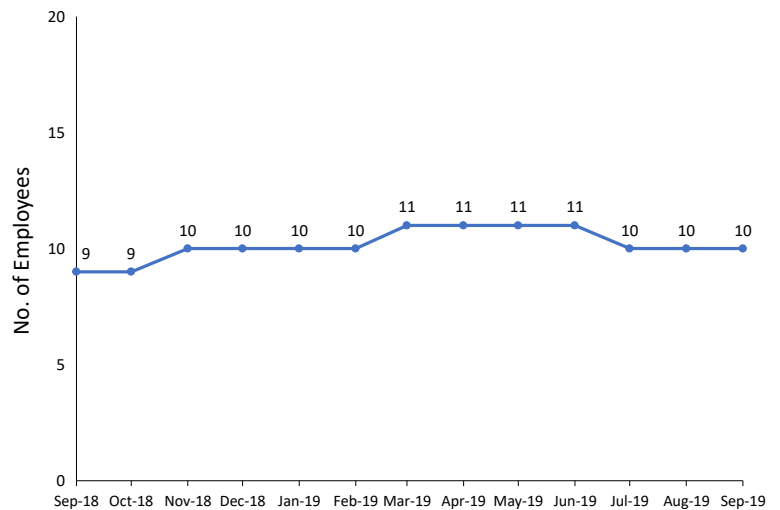
CCDA Liquidity



B. Headcount / Payroll

1. Headcount FTEs: Increased from 9 to 10 from Sep-18 to Sep-19.
 - a. Headcount has increased by two to fill positions in accounting and operations by the end of FY19, and then declined by one position during Jul-19 due to the prior Executive Director switching agencies within the government.
 - b. CCDA plans to make one additional hire to serve as the Deputy Director of the agency during the fiscal year.
2. Payroll: Disbursements are forecast to be \$0.7M for FY20. YTD payroll is \$0.2M.
 - a. YTD run rate for payroll is slightly above FY20 forecast; however, it is in line with management’s board-approved budget. CCDA has a pending reapportionment request to shift expenses from purchased services to payroll so it can disburse funds accordingly.

CCDA Headcount

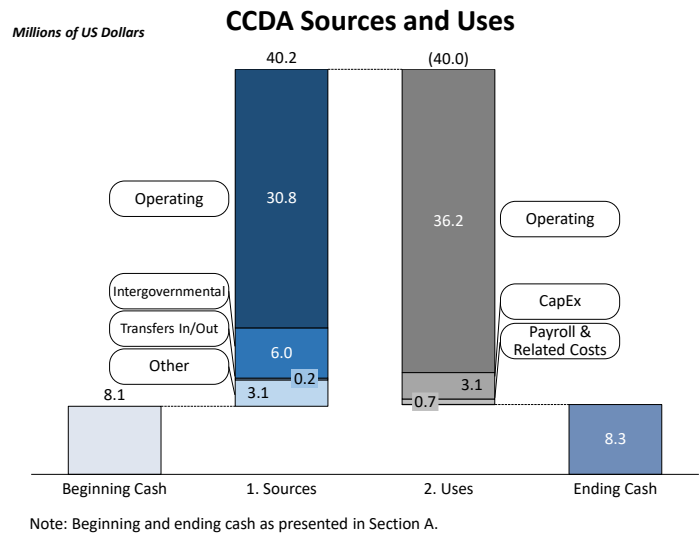


³¹ Appendix includes reconciliation between AAFAP reported cash figures and the figures in this report.

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

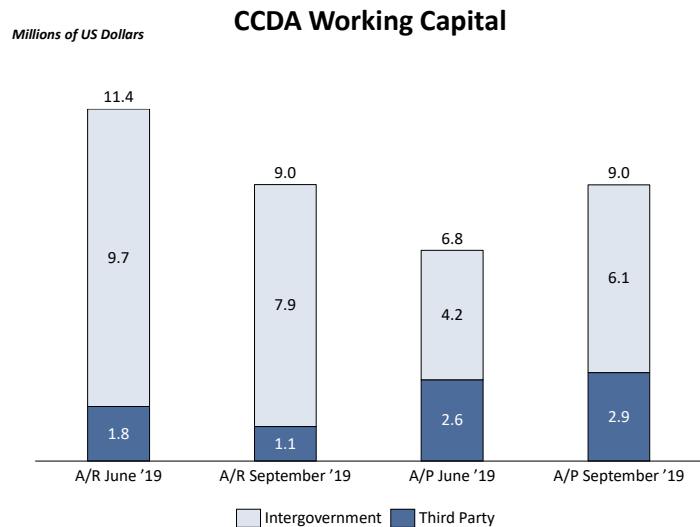
C. Full Year FY20 Sources and Uses of Funds

1. Sources \$40.2M:
 - a. Operating receipts total \$30.8M, consisting of income from the PR Coliseum, the Convention Center, and other rental income.
 - b. Intergovernmental receipts make up \$6.0M of total sources of funds, which relates to room tax payments made to CCDA by the Tourism Company of Puerto Rico.
 - c. Other receipts account for \$3.1M of total receipts, which represent sale of land owned by CCDA.
 - d. Transfers between operating and non-operating bank accounts represent a \$0.2M source of cash.
2. Uses (\$40.0M):
 - a. Operating expenses combine to (\$36.2M), with purchased services and facilities payments accounting for (\$35.6M) of total operating expenditures.
 - b. CapEx of (\$3.1M), utilized for maintaining the quality of owned assets on the Island.
 - c. Payroll and related costs for FY20 are (\$0.7M).



D. Accounts Receivable / Accounts Payable³²

1. Accounts Receivable:
 - a. \$2.4M decrease from Jun-19 to Sep-19 driven by collection of Room Tax transfers (Law 272) from Tourism.
2. Accounts Payable:
 - a. \$2.2M increase from Jun-19 to Sep-19 driven by increased purchases with various intergovernmental agencies to support event schedule.
3. Working Capital:
 - a. \$4.6M source of cash from Jun-19 to Sep-19 driven by the working capital changes listed above.



³² Figures are unaudited and subject to change.

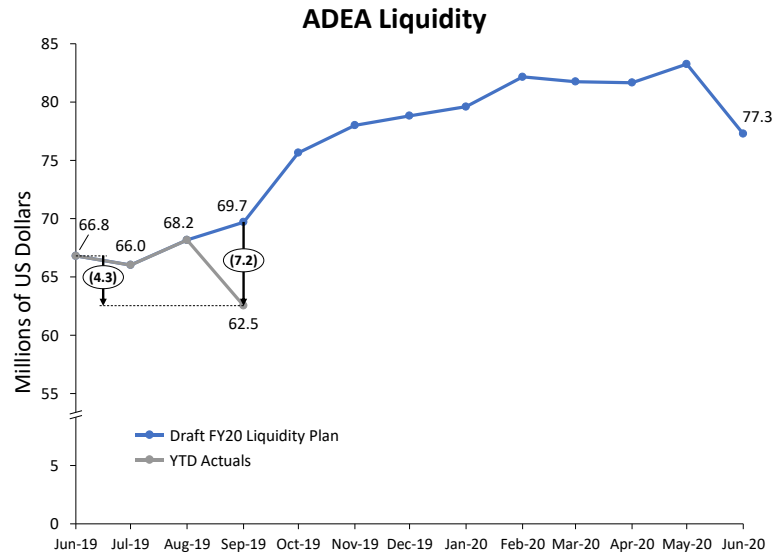
XV. PUERTO RICO ADMINISTRATION FOR THE DEVELOPMENT OF AGRICULTURAL ENTERPRISES (“ADEA”)

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 related to coffee market making are slightly below trends established at the end of FY19, while school cafeteria receipts are ahead of last year due to timing. For the fiscal year to date at September month end, ADEA generated \$4.3M in negative net cash flow, which decreased its cash balance to \$62.5M. ADEA projects a cash build of \$13.3M for the rest of the fiscal year to end FY20 with a \$77.3M cash balance.

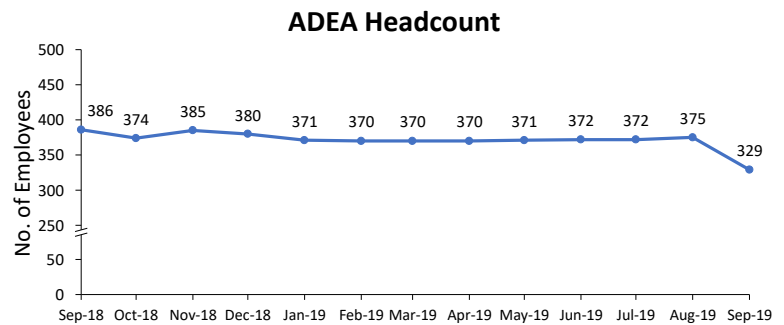
A. FY20 Operating Liquidity – Actuals³³ and Draft FY20 Liquidity Plan

1. (\$4.3M) YTD actuals:
 - a. \$14.6M in receipts from coffee market making operation.
 - b. \$8.7M in receipts from the school cafeteria program.
 - c. \$12.8M in receipts from the General Fund.
 - d. \$1.5M in other receipts, including \$1.2M related to infrastructure and \$0.3M from production of seeds.
 - e. (\$3.8M) in payroll-related expenses.
 - f. (\$4.4M) in subsidies and contributions to non-governmental entities.
 - g. (\$14.4M) in other expenses, of which (\$8.2M) is related to the coffee market making program, (\$5.9M) is related to the school cafeteria program, and (\$0.3M) is related to the seed distribution program.
 - h. (\$12.7M) is related to rural infrastructure investments.
 - i. (\$3.6M) is related to other vendors, including WIC/OPPEA.
 - j. (\$3.0M) transferred to a savings account.
2. (\$7.2M) cash variance to the draft Liquidity Plan, driven by:
 - a. (\$0.4M) negative variance from operating receipts.
 - b. (\$3.7M) negative variance from operating expenses due to higher expenses related to the rural infrastructure program.
 - c. (\$3.0M) in net transfers to an ADEA savings account.



B. Headcount / Payroll

1. Headcount FTEs: Decreased from 386 to 329 from Sep-18 to Sep-19.
 - a. In Sep-19, headcount decreased by 46 employees given an early retirement window. These employees will continue to collect a reduced portion of their salary as part of the program.
2. Payroll: Disbursements are forecast to be \$7.2M for FY20. YTD payroll is \$3.8M, which is not expected to reverse and they are asking for a budget increase to address this.

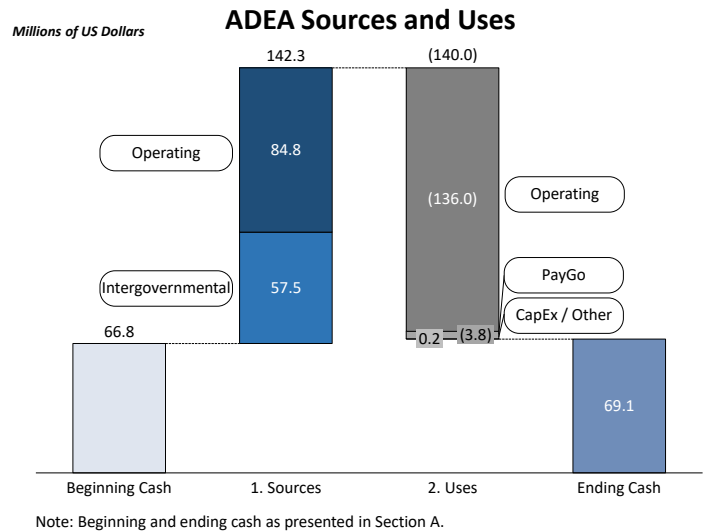


³³ Appendix includes reconciliation between AAFAP reported cash figures and the figures in this report.

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

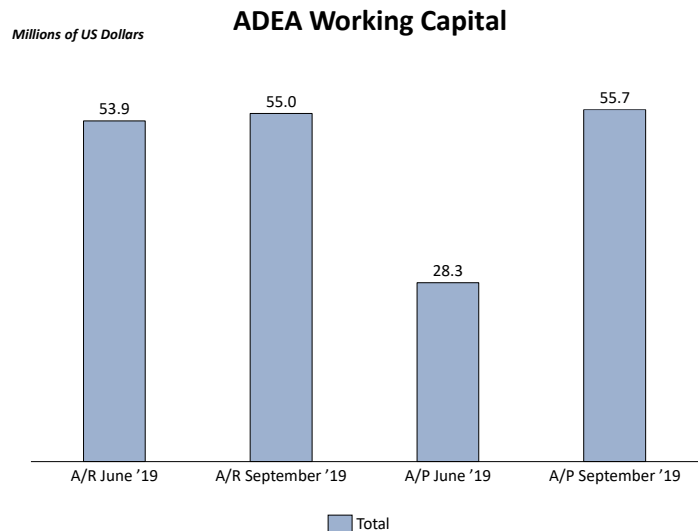
C. Full Year FY20 Sources and Uses of Funds

1. Sources \$142.3M:
 - a. \$84.8M in operating receipts comprised of \$61.7M in coffee market making operations, \$18.4M in school cafeteria programs, and \$4.7M in other receipts.
 - b. \$57.5M in intergovernmental transfers.
2. Uses (\$140.0M):
 - a. (\$136.0M) in operating disbursements including (\$59.5M) of other operating expenses primarily related to the school cafeteria and coffee programs, payroll of (\$7.2M), incentives and subsidy programs of (\$41.8M), other vendor payments of (\$4.8M), rural infrastructure spending of (\$12.7M), and facilities and payments to public services of (\$0.8M). Other operating expenses, including pass-through disbursements tied to government programs, total (\$9.2M).
 - b. (\$3.8M) in PayGo charges.
 - c. (\$0.2M) in CapEx.



D. Accounts Receivable / Accounts Payable³⁴

1. Accounts Receivable:
 - a. \$1.2M increase from Jun-19 to Sep-19.
2. Accounts Payable:
 - a. \$27.4M increase in A/P from Jun-19 to Sep-19 driven by an increase in payables related to government services, including facilities, of \$3.3M; a \$0.7M increase in subsidy and related payments, an \$11.1M increase in payables related to rural infrastructure development; and a \$12.3M increase in payables related to coffee and the school cafeteria program. The last two are timing related and are expected to reverse.
3. Working Capital:
 - a. The change in net working capital through Sep-19 is a positive \$26.2M due to the above changes.



³⁴ Figures are unaudited and subject to change.

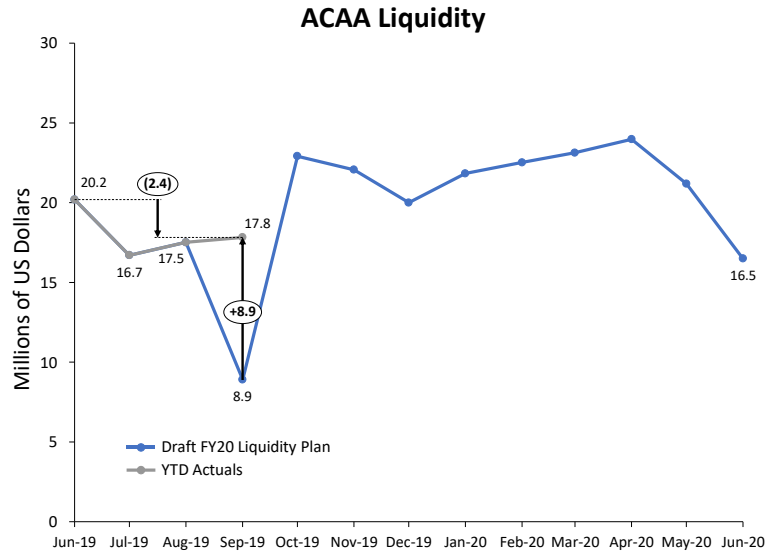
XVI. AUTOMOBILE ACCIDENT COMPENSATION ADMINISTRATION (“ACAA”)

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 has reduced to \$17.8M by September month end. During the month of September, the cash position increased from the end of July due to receiving insurance premiums from both the current and prior two months: as noted in last month’s commentary, no collections took place during July, and ACAA expects to catch up in premiums during Q2. Additionally, ACAA’s headcount decreased significantly throughout FY19 due to employees entering VTP III and has experienced further turnover during FY20 due to back office employees entering a separate early retirement program offered by ACAA management.

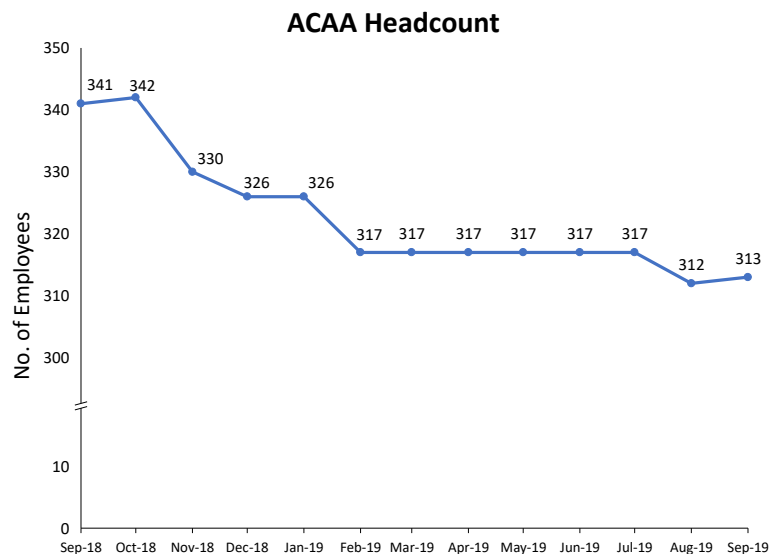
A. FY20 Operating Liquidity – Actuals and Draft FY20 Liquidity Plan

1. (\$2.4M) YTD actuals:
 - a. \$13.7M in operating receipts, consisting of \$13.3M in insurance premiums, \$0.3M in recoveries, and \$0.1M of rental income.
 - b. (\$7.9M) in operating disbursements, consisting of (\$5.8M) in claims-related disbursements, (\$0.8M) in professional service fees, (\$0.7M) in contributions to other government entities, and (\$0.6M) in other operating expenses.
 - c. (\$4.9M) in payroll and related costs, which is in line with the budgeted run rate for FY20.
 - d. (\$3.2M) in PayGo disbursements, which pertain to May and June FY19 invoices, as well as the invoice from July FY20.
2. \$8.9M cash variance to draft Liquidity Plan, which is driven by:
 - a. Collection of July insurance premiums in September, which are forecast to be received in October due to technological system delays.



B. Headcount / Payroll

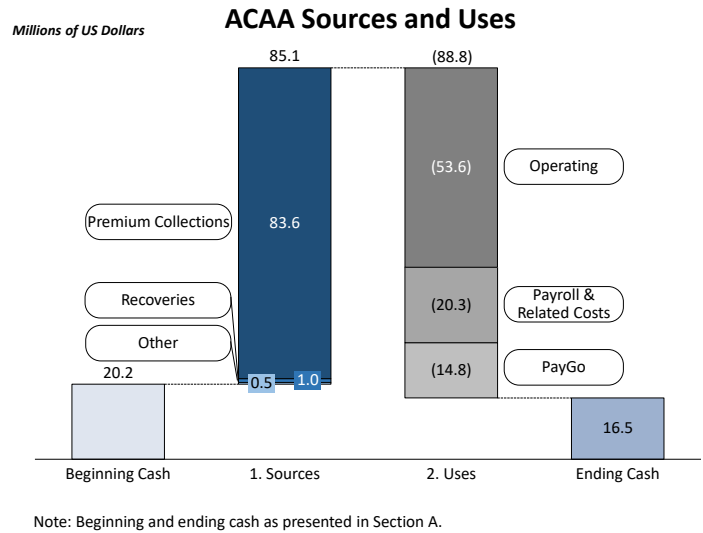
1. Headcount FTEs: Decreased from 341 to 313 from Sep-18 to Sep-19.
 - a. Decline in headcount is due to VTP III and additional back office employees entering an early retirement program offered by ACAA.
2. Payroll: Disbursements are forecast to be \$20.3M for FY20. YTD payroll is \$4.9M.
 - a. YTD run rate for payroll is in line with FY20 forecast.



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

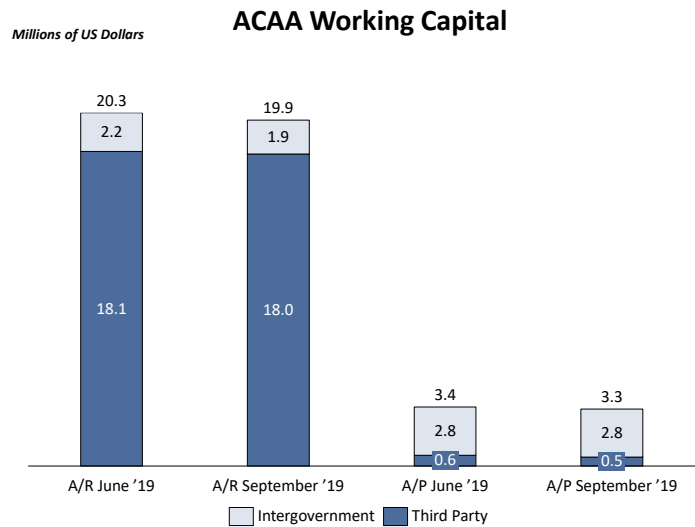
C. Full Year FY20 Sources and Uses of Funds

1. Sources \$85.1M:
 - a. \$83.6M in insurance premium collections, representing 98.3% of total sources of cash.
 - b. \$1.0M in insurance recoveries, representing 1.2% of total sources of cash.
 - c. \$0.5M in other operating receipts, which relates to rental income ACAA generates from leasing floors in its building.
2. Uses (\$88.8M):
 - a. (\$53.6M) in operating expenses, which consist of (\$42.2M) in claims-related disbursements and contributions to other government entities, (\$7.5M) in purchased services, (\$2.5M) in professional service fees, and (\$1.5M) in additional operating expenses.
 - b. (\$20.3M) in payroll and related costs for 313 ACAA employees.
 - c. (\$14.8M) of PayGo disbursements for retirement of previous employees.



D. Accounts Receivable / Accounts Payable

1. Accounts Receivable:
 - a. \$0.4M decrease from Jun-19 to Sep-19 driven by collections from the traffic and safety commission.
2. Accounts Payable:
 - a. \$0.1M decrease from Jun-19 to Sep-19 driven by normal operating third party payments.
3. Working Capital:
 - a. \$0.3M source of cash from Jun-19 to Sep-19 driven by the working capital changes listed above.



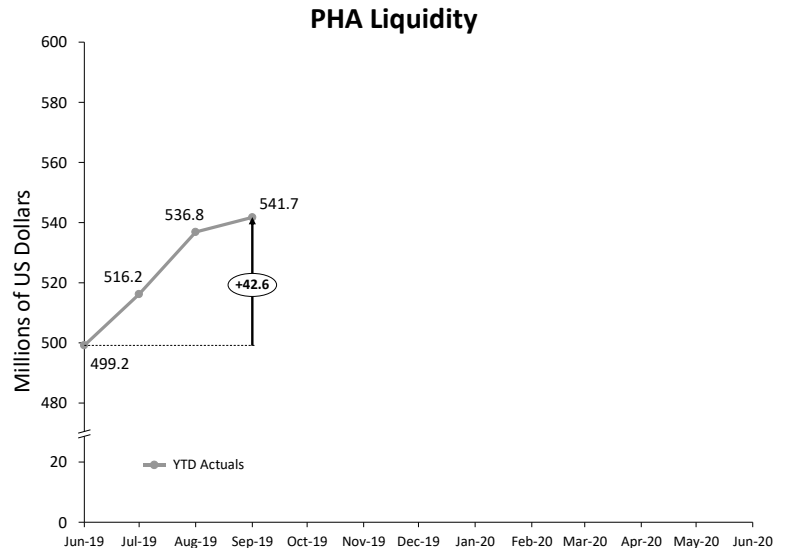
XVII. PUBLIC HOUSING ADMINISTRATION (“PHA”)

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: PHA began FY20 with a cash balance of \$499.2M, and has \$541.7M as of September month end, reflecting a cash build of \$42.6M through Q1. PHA has experienced an average TTM cash balance of \$482.3M.

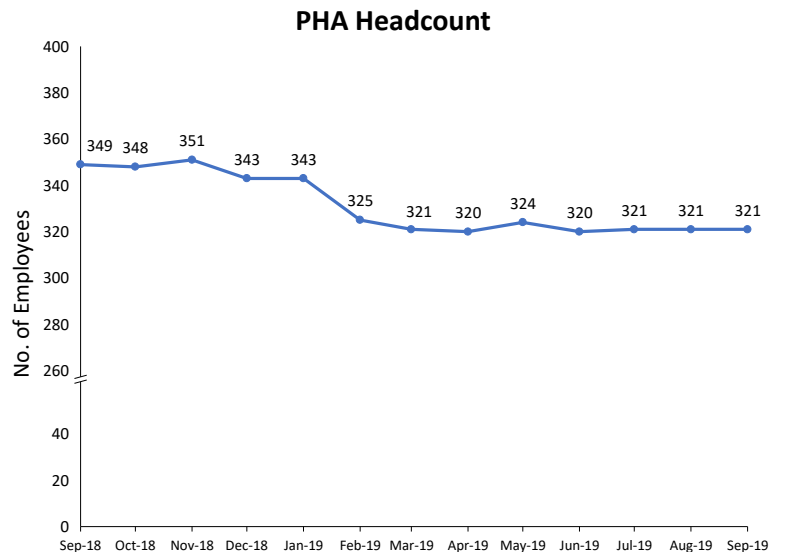
A. FY20 Operating Liquidity – Actuals³⁵ and Draft FY20 Liquidity Plan

1. \$42.6M YTD actuals:
 - a. \$72.3M in federal funds receipts pertaining to the Public and Indian Housing program.
 - b. \$26.8M in federal funds receipts pertaining to the Capital Fund Program.
 - c. (\$43.2M) in pass-through of federal funds transferred to administrating agents.
 - d. (\$6.6M) in disbursements for professional services.
 - e. (\$3.9M) in payroll and related disbursements.
 - f. (\$2.8M) in various other disbursements.



B. Headcount / Payroll³⁶

1. Headcount FTEs: decreased from 349 to 321 from Sep-18 to Sep-19.
 - a. This is in part due to the employee enrollment into the VTPs during FY19.
2. Total Payroll budget for PHA is \$31.6M for FY20. YTD payroll is \$3.9M.



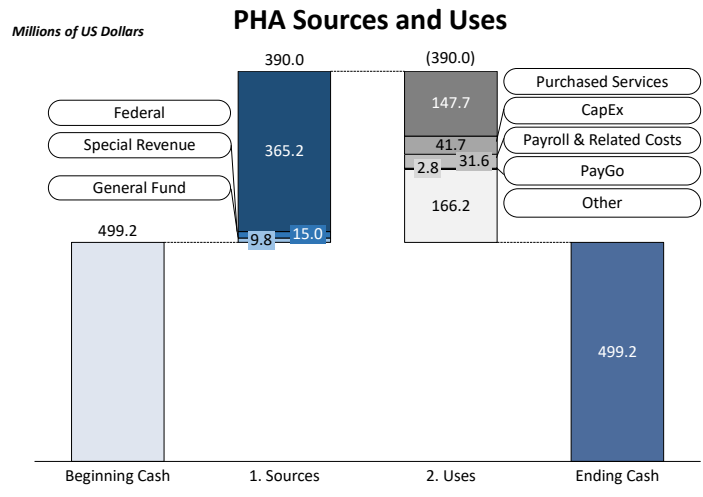
³⁵ Appendix includes reconciliation between AAFAF reported cash figures and the figures in this report.

³⁶ PHA is a central government agency and reported on the 2(B) for headcount and payroll figures; the entity operates within the RHUM system.

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

C. Full Year FY20 Sources and Uses of Funds

1. Sources \$390.0M: FOMB Approved Budget for FY20.
 - a. \$365.2M in Federal Funds.
 - b. \$15.0M in Special Revenue Funds.
 - c. \$9.8M in General Fund Appropriations.
2. Uses \$390.0M: FOMB Approved Budget for FY20.
 - a. \$147.7M in purchased services (administrative agents).
 - b. \$56.0M in professional services.
 - c. \$46.4M in other operating expenses.
 - d. \$41.7M in CapEx.
 - e. \$31.6M in payroll.
 - f. \$24.1M in materials and supplies.
 - g. \$20.6M in facilities.
 - h. \$17.6M in prior period obligations.
 - i. \$2.8M in PayGo.
 - j. \$1.2M in transportation.
 - k. \$0.3M in advertisement.



Note: Beginning and ending cash as presented in Section A.

D. Accounts Receivable / Accounts Payable³⁷

1. Data not provided by the CU.

³⁷ Figures are unaudited and subject to change.

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

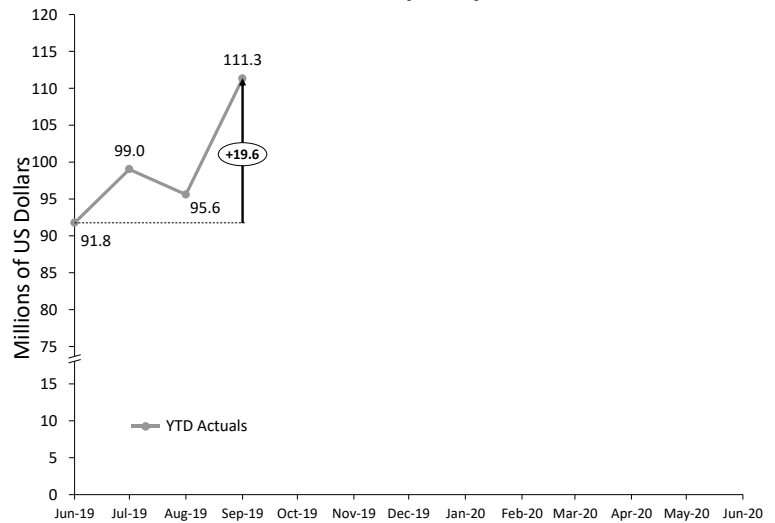
Primary Business Activity: COR3 manages FEMA Federal Public Assistance and disaster-related available resources for government entities and eligible sub-recipients and provides technical support regarding recovery-related resources and Federal compliance requirement matters. COR3 acts as a pass-through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

Key Takeaways: In September 2019, COR3 drew down and disbursed FEMA-approved and state-required and related funds of \$77.9M and \$62.2M respectively to numerous government instrumentalities, municipalities, and component units, including the Commonwealth’s central government. For FY20 through September, COR3 has drawn and disbursed FEMA-approved funds and state-required and related funds of \$203.3M and \$183.7M respectively. These funds pertain to FEMA Public Assistance and mainly relate 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 five 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 – Actuals³⁸

1. \$19.6M YTD actuals:
 - a. \$169.4M cash receipts pertaining to FEMA Public Assistance.
 - b. \$33.8M cash receipts from state cost-share contributions and other receipts.
 - c. (\$156.8M) in FEMA Public Assistance disbursements to sub-grantees.
 - d. (\$26.9M) in state-funded disbursements to sub-grantees.

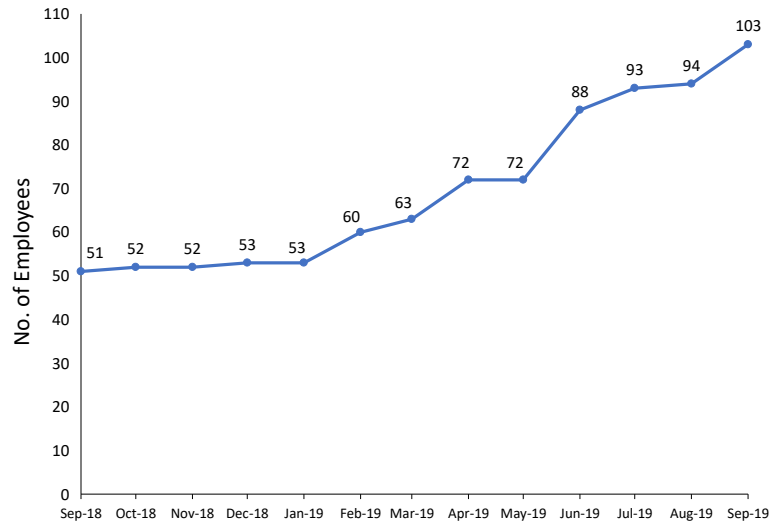
COR3 Liquidity



B. Headcount / Payroll

1. Headcount FTEs: Increased from 51 to 103 from Sep-18 to Sep-19.
 - a. The increase in FTEs is 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.

COR3 Headcount



³⁸ 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 down 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. Category A – Debris Removal.
 2. Category B – Emergency Protective Measures.
 - b. FEMA Public Assistance Programs: (‘C’ – ‘G’) Permanent Work:
 1. Category C – Roads and Bridges.
 2. Category D – Water Control Facilities.
 3. Category E – Buildings and Equipment.
 4. Category F – Utilities.
 5. Category G – Parks, Recreational, and Other.

D. Accounts Receivable / Accounts Payable³⁹

1. Not applicable.

³⁹ Figures are unaudited and subject to change.

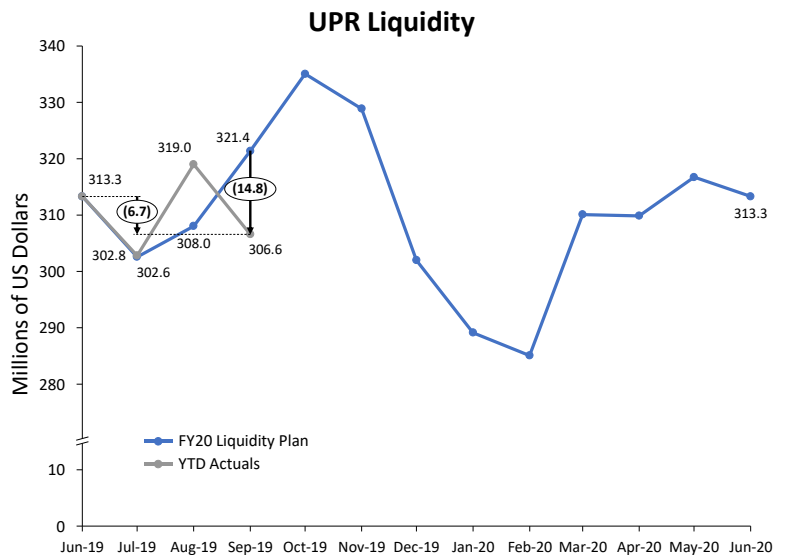
XIX. UNIVERSITY OF PUERTO RICO (“UPR”)

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 quarter of the fiscal year 2020, UPR generated (\$6.7M) in net cash flow and ended the month of September with a cash balance of \$306.3M. For Q1, UPR has a negative net cash flow variance after debt service of \$14.8M compared to forecast driven by lower-than-projected receipts in tuition and campus-generated inflows and higher-than-expected outflows in vendor disbursements.

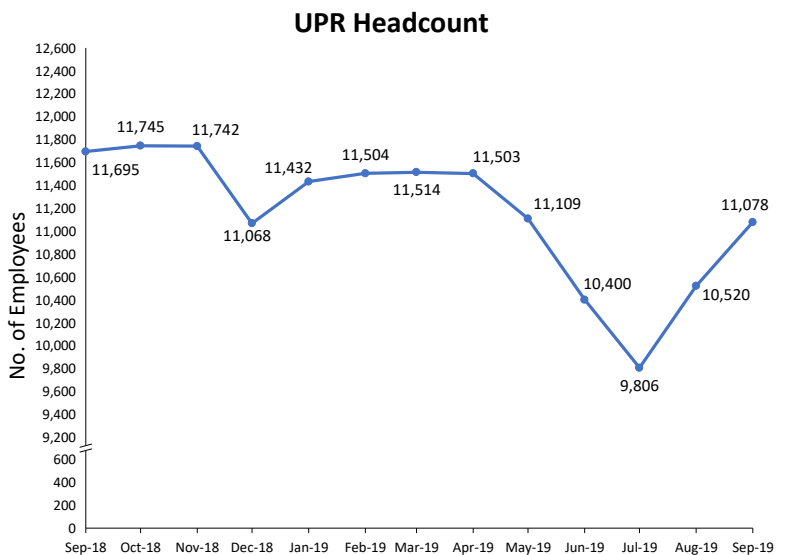
A. FY20 Operating Liquidity – Actuals⁴⁰ and FY19 Actuals through the same time period (Sep-18)

1. (\$14.8M) FY20 actuals vs. Liquidity Plan:
 - a. (\$16.6M) timing variance in operating receipts, mostly due to lower-than-expected funds for tuition and campus-generated inflows.
2. \$6.7M cash build for the ending balance of the fiscal year based on the FY20 Liquidity Plan:
 - a. \$986.0M in forecast receipts driven by \$423.4M in central government appropriation receipts, \$306.8M in operating receipts, \$215.8M in federal fund receipts and \$40.0M in disaster-related receipts.
 - b. (\$979.3M) in forecast total disbursements driven by (\$858.2M) in operating disbursements including payroll, (\$45.2M) in CapEx, (\$40.0M) in disaster-related disbursements, and (\$35.9M) in debt service.



B. Headcount / Payroll

1. Headcount FTEs: Decreased from 11,695 to 11,078 from Sep-18 to Sep-19.
 - a. By campus: headcount decrease primarily due to decreases at the Rio Piedras of 250, Mayaguez of 103, and Ciencias Medicas of 59.
 - b. By category: headcount decrease primarily due to decreases in permanent teachers of 569, contracted teachers of 458, and probationary teachers of 112, which are partially offset by increases in temporary staff of 232, and part time staff of 214.
2. Payroll: Disbursements are forecast to be \$709.3M for FY20. YTD payroll is \$175.3M.
 - a. Disbursements for Sep-19 are \$60.4M and are in line with forecast.

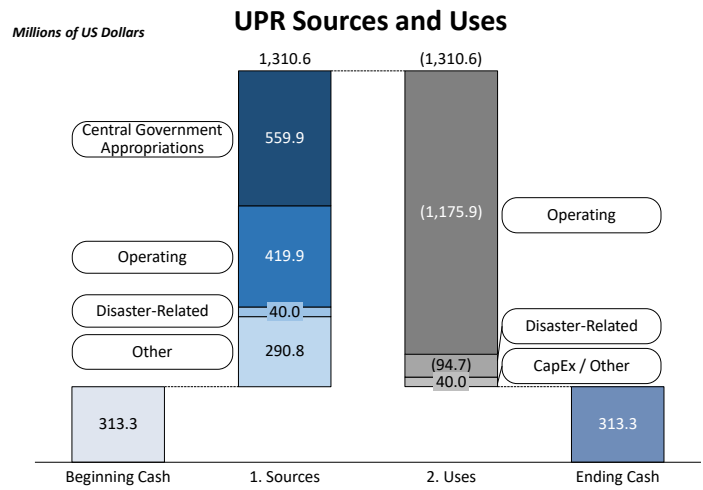


⁴⁰ Appendix includes reconciliation between AAFAP reported cash figures and the figures in this report.

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

C. Full Year FY20 Sources and Uses of Funds

1. Sources \$1,310.6M:
 - a. \$559.9M in General Fund appropriations from the central government.
 - b. Operating receipts total \$419.9M, comprised of \$195.6M in tuition receipts, \$155.5M in campus-generated inflows, \$66.3M in slot machine revenues remitted to UPR from Tourism, and \$2.5M in all other receipts.
 - c. Disaster-related receipts of \$40.0M are a result of anticipated funding from FEMA. Inflows are completely offset by \$40.0M in projected outflows.
 - d. Federal funds received for federally supported UPR projects and programs total \$290.8M.

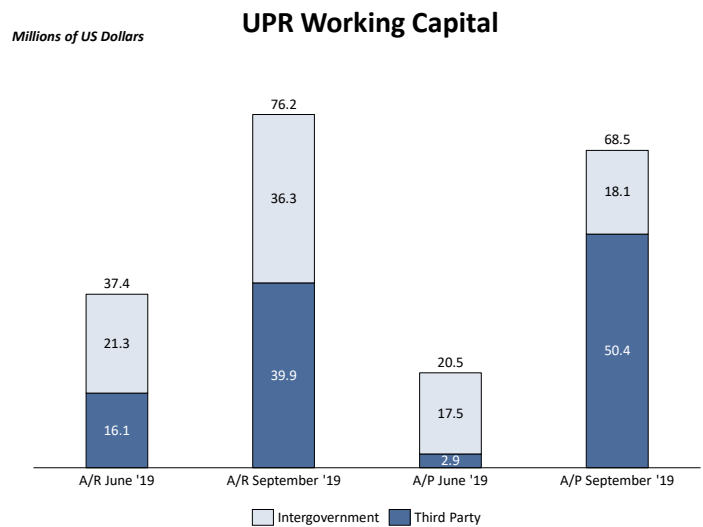


Note: Beginning and ending cash as presented in Section A.

2. Uses (\$1,310.6M):
 - a. Operating disbursements total (\$1,175.9M), driven by gross payroll and pensions of (\$709.3M), scholarships and donations of (\$215.6M), vendor payments to PREPA (\$27.5M), and all other vendor payments (\$223.4M).
 - b. CapEx is (\$46.5M), total debt service is (\$48.2M), and projected pass-through outflows of FEMA funds total (\$40.0M).

D. Accounts Receivable / Accounts Payable⁴¹

1. Accounts Receivable:
 - a. \$38.8M increase from Jun-19 to Sep-19, driven by a \$23.8M increase in third party receivables, primarily due to an increase in tuition and student fees due to the commencement of a new school year.
2. Accounts Payable:
 - a. \$48.0M increase from Jun-19 to Sep-19 driven by increases in supplier payables, and over the course of the month, a payables increase of \$14.9M.
3. Working Capital:
 - a. The change in net working capital through Sep-19 was a \$9.2M source of cash due to the above changes.



⁴¹ Figures are unaudited and subject to change.

APPENDIX A: RECONCILIATION BETWEEN JULY 2019 AAFAF REPORTED FIGURES⁴² AND THE FIGURES IN THIS REPORT⁴³

Millions of US Dollars

COMPONENT UNIT	AAFAF Reported Balance (a)	Actual Balance 9/27/19	Variance	Variance due to:		Comments
				Timing	Nonoperational Accounts	
PUERTO RICO PORTS AUTHORITY ("PORTS")	33.1	29.0	4.1	0.2	3.9	\$3.9M of restricted cash is excluded from Ports operating cash.
MEDICAL SERVICES ADMINISTRATION ("ASEM") (b)	46.7	17.7	29.0	1.8	27.2	CU reported cash does not consider/restricted bank accounts, including CapEx \$25.1M, Malpractice Insurance Reserve \$1.9M, and FEMA Funding \$0.2M.
PUERTO RICO INTEGRATED TRANSIT AUTHORITY ("PRITA")	10.8	12.7	(1.9)	0.4	(2.3)	\$2.3M held in a non-operational account, which is not included in AAFAF's inventory of accounts.
STATE INSURANCE FUND CORPORATION ("FONDO") (b)	330.6	331.4	(0.8)	(1.3)	0.4	Non-operational accounts pertain to petty fund/transportation expense accounts for injured workers not considered in the cash flow.
HEALTH INSURANCE ADMINISTRATION ("ASSE") (b)	781.9	780.4	1.5	1.5	-	Timing variance represents < 1% of total cash balance.
HIGHWAYS AND TRANSPORTATION AUTHORITY ("HTA")	368.0	272.2	95.8	(0.1)	96.0	\$94.2M in non-operational accounts primarily earmarked for debt service and \$11.8M in restricted accounts, both not included in HTA's cash flow.
PUERTO RICO PUBLIC BUILDINGS AUTHORITY ("PBA")	74.9	44.9	30.0	2.8	27.3	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 \$7.1M in other restricted cash accounts.
CARDIOVASCULAR CENTER OF PUERTO RICO AND THE CARIBBEAN ("Cardio")	14.0	11.3	2.6	1.8	0.8	Restricted cash not considered account for \$0.8M of AAFAF cash, which is a non-operating account. Remaining variance is due to timing.
PUERTO RICO INDUSTRIAL DEVELOPMENT COMPANY ("PRIDCO")	157.7	138.7	18.9	-	18.9	Restricted/non-operating cash not considered account for \$18.9M of AAFAF webcash, representing incentive Funds and other PRIDCO non-operating/reserve accounts managed on behalf of the central government.
HOUSING FINANCE AUTHORITY ("HEA") (b)	45.5	48.2	(2.7)	(2.7)	-	CM continues to work with management to gain a better understanding of the unreconciled differences.
PUERTO RICO TOURISM COMPANY ("TOURISM")	143.9	44.7	99.1	0.5	98.6	Funds in non-operational accounts consist of \$83.0M in restricted accounts and \$15.6M in Tourism subsidiary accounts not included in Tourism operating cash.
FISCAL AGENCY AND FINANCIAL ADVISORY AUTHORITY ("AAFAF")	46.0	69.2	(23.2)	0.0	(23.2)	AAFAF Title III and Escrow bank accounts are not considered in AAFAF's inventory of accounts; accounts opened during August and September of 2019, respectively.
DEPARTMENT OF ECONOMIC DEVELOPMENT AND COMMERCE ("DDEC")	22.9	22.5	0.4	0.8	(0.4)	Non-operational cash does not belong to DDEC, but pertains to "Puerto Las Americas".
CONVENTION CENTER DISTRICT AUTHORITY ("CCDA")	13.4	8.6	4.7	(1.5)	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")	81.9	62.5	19.4	0.0	19.4	\$19.4M in non-operational accounts not reported in CU cash balances.
AUTOMOBILE ACCIDENT COMPENSATION ADMINISTRATION ("ACAA")	137.1	17.8	119.2	(0.5)	119.7	Non-operational accounts consist of \$119.7M, which are investment accounts managed by a third party to maintain ACAA's liquidity reserve.
PUBLIC HOUSING ADMINISTRATION ("PHA")	553.5	541.7	11.7	11.7	-	CM continues to work with management to gain a better understanding of the unreconciled differences. Variance assumed to be driven by accounting transactions that are/were pending to be recorded at the time of the generation of the reports.
OFFICE FOR RECOVERY, RECONSTRUCTION, AND RESILIENCY ("COR3")	111.3	111.3	(0.0)	(0.0)	-	No variance in cash to reconcile.
UNIVERSITY OF PUERTO RICO ("UPR")	434.2	306.6	127.6	-	127.6	Funds held in non-operational accounts at UPR include: \$56.7M for debt service obligations, \$37.4 for the UPR Component Units and \$33.5M in other restricted cash accounts from UPR campus.

Notes (9/30/19):

(a) AAFAF reported balance as of 9/30/19.

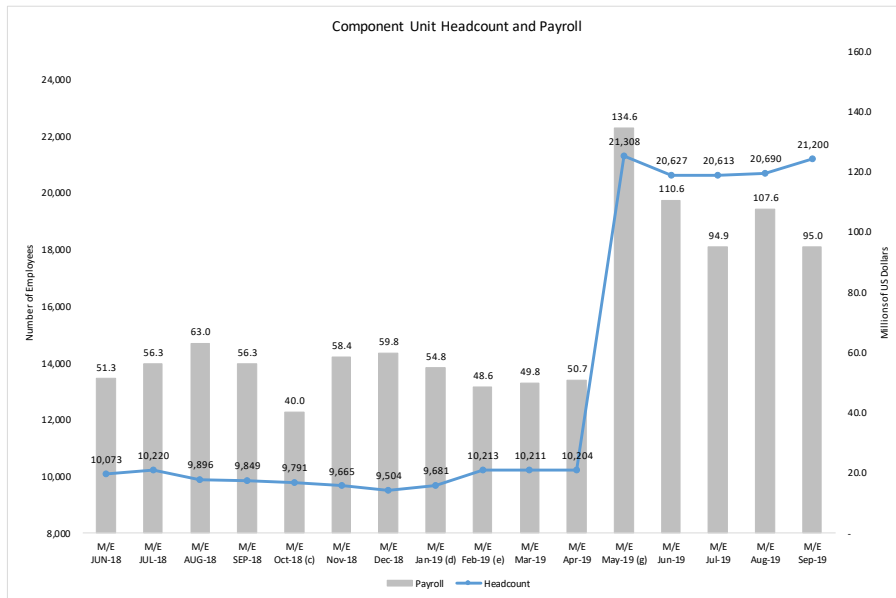
(b) ASEM, Fondo, ASSE, and HTA report book balances, and therefore there may be variances relating to timing of outstanding checks and other accounting adjustments.

⁴² AAFAF reported figures as per "Summary of Bank Account Balances for the Government of Puerto Rico and its Instrumentalities" report dated September 30, 2019.

⁴³ This report is prepared based on reported operational cash balances as of September 27, 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	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	M/E Aug-19	M/E Sep-19
PUERTO RICO PORTS AUTHORITY ("PORTS")	501	499	499	485	479	478	478	479	478	476	474	474	472
MEDICAL SERVICES ADMINISTRATION ("ASEM")	1,630	1,616	1,613	1,549	1,525	1,525	1,506	1,498	1,495	1,502	1,506	1,501	1,464
PUERTO RICO INTEGRATED TRANSIT AUTHORITY ("PRITA") (a)	881	879	873	864	849	848	847	846	848	847	843	854	852
STATE INSURANCE FUND CORPORATION ("FONDO")	2,852	2,844	2,756	2,765	2,717	2,714	2,718	2,714	2,712	2,712	2,708	2,702	2,699
HEALTH INSURANCE ADMINISTRATION ("ASES")	57	58	58	58	57	57	57	56	57	57	58	58	58
HIGHWAYS AND TRANSPORTATION AUTHORITY ("HTA")	946	930	900	895	895	895	894	892	890	888	887	883	879
PUERTO RICO PUBLIC BUILDINGS AUTHORITY ("PBA") (a)	1,093	1,092	1,091	1,029	1,002	1,001	998	997	995	992	992	985	982
CARDIOVASCULAR CENTER OF PUERTO RICO AND THE CARIBBEAN ("CARDIO") (f)	561	568	551	542	536	536	551	546	544	551	548	548	548
PUERTO RICO INDUSTRIAL DEVELOPMENT COMPANY ("PRIDCO") (b)	188	187	144	147	147	146	145	145	147	148	148	146	146
HOUSING FINANCE AUTHORITY ("HFA")	145	141	141	139	140	140	140	141	139	147	147	131	135
PUERTO RICO TOURISM COMPANY ("TOURISM")	376	377	378	377	373	372	372	373	373	371	370	369	368
FISCAL AGENCY AND FINANCIAL ADVISORY AUTHORITY ("AAFAF")	68	70	76	77	77	79	79	81	84	83	80	77	77
DEPARTMENT OF ECONOMIC DEVELOPMENT AND COMMERCE ("DDEC")	156	147	190	187	186	330	330	330	330	330	330	330	366
CONVENTION CENTER DISTRICT AUTHORITY ("CCDA") (f)	9	9	10	10	10	10	11	11	11	11	10	10	10
PUERTO RICO AGRICULTURAL DEVELOPMENT ADMINISTRATION ("ADEA")	386	374	385	380	371	370	370	370	371	372	372	375	329
AUTOMOBILE ACCIDENT COMPENSATION ADMINISTRATION ("ACAA") (d)	N/A	N/A	N/A	N/A	317	317	317	317	317	317	317	312	313
PUBLIC HOUSING ADMINISTRATION ("PHA") (e)	N/A	N/A	N/A	N/A	N/A	335	335	336	336	335	335	321	321
CENTRAL RECOVERY AND RECONSTRUCTION OFFICE ("COR3") (e) (f)	N/A	N/A	N/A	N/A	N/A	60	63	72	72	88	88	94	103
UNIVERSITY OF PUERTO RICO ("UPR") (g)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	11,109	10,400	10,400	10,520	11,078
TOTAL	9,849	9,791	9,665	9,504	9,681	10,213	10,211	10,204	21,308	20,627	20,613	20,690	21,200



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 payroll 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.
- (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.