



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

Component Unit Liquidity

FOR QUARTER 1 OF FISCAL YEAR 2021

JULY THROUGH SEPTEMBER 2020

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GLOSSARY

AAFAF	Puerto Rico Fiscal Agency and Financial Advisory Authority.
ACAA	Automobile Accident Compensation Administration, an agency of the Commonwealth of Puerto Rico.
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.
ATM	Maritime Transportation Authority.
Bahía Urbana	Waterfront Park in San Juan, 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.
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.
COVID-19	An infectious disease caused by a newly discovered coronavirus producing symptoms ranging from mild to severe respiratory infection affecting populations worldwide, leading to widespread shutdowns of public and private sector services.
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.
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.
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.
General Fund	The Commonwealth's principal operating fund.
Hacienda	District government office of San Juan, Puerto Rico.
HFA	Puerto Rico Housing Finance Authority, a public corporation and a component unit of the Commonwealth of Puerto Rico.
HHS	The United States Department of Health and Human Services, also known as the Health Department, is a cabinet-level executive branch department of the U.S. federal government with the goal of protecting the health of all Americans and providing essential human services.

Intergovernmental Receipts	General fund appropriations to and funds transferred between public corporations and municipalities.
Liquidity Plan (LP)	Projected cash flows for each component unit, based on their respective government FY21 Budget submission reviewed July 29 and 30, 2020.
Llame y Viaje	The “Call & Travel” Program serves people with disabilities in the area covered by regular route service of the Metropolitan Bus Authority.
OGP	See OMB.
OMB	Puerto Rico Office of Management and Budget responsible for helping the Governor prepare the budget.
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.
Pandemic	An outbreak of disease prevalent over a whole country or the world.
PayGo	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.
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.
PRTC	The Puerto Rico Tourism Company, also referred to as “Tourism.”
Retiro	The “Employee Retirement System of the Government of the Associated Free State of Puerto Rico” is a retirement and benefits system created by Law 447 of May 15, 1951 and managed by the Administration of Government and Judiciary Employee Retirement Systems.
Tourism	Tourism Company of Puerto Rico, a public corporation and a component unit of the Commonwealth of Puerto Rico, also referred to as “PRTC.”
UPR	University of Puerto Rico, a public corporation and a component unit of the Commonwealth of Puerto Rico.
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.

INTRODUCTION

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

This report is for the first quarter of fiscal year 2021 (“Q1-21”), and presents information with respect to 15 select CUs. Fiscal Year 2021 (“FY21”) Liquidity Plans for 15 CUs were completed and reviewed with the team from AAFAF at the end of July 2020. These final Liquidity Plans are used in this Q1-21 report.

Each of the CUs, less PRIDCO and DDEC, has reported actual cash flow information through the month of September 2020 (“Sep-20”)¹. Section “A” of this report for each CU provides year to date (“YTD”) actual information, as well as the CU’s Liquidity Plan for the balance of FY21. Analysis in section “A” includes details on actual receipts and expenses through Q1-21, and commentary as to variances for the balance of FY21².

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. The trailing twelve months of information is presented in the document under section “B” for each CU.

A Full Year FY21 Sources and Uses of Funds is provided to allow readers to bridge the beginning cash balance as of July 1, 2020 and forecasted ending cash at June 30, 2021. 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 quarterly 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 has been created between the actual cash data provided by the CU as of September 25, 2020 and the September 2020 AAFAF reported figures. The “Summary of Bank Account Balances for the Government of Puerto Rico and its Instrumentalities,” was released as of September 30, 2020. 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 For the 15 CUs, references to month end of Sep-20 in this report refer to the period of August 29, 2020 through September 25, 2020, when the CUs performed their monthly cut off for cash flow reporting purposes.

² For the 15 CUs, references to quarter end of Q1-21 in this report refer to the period of June 27, 2020 through September 25, 2020.

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EXECUTIVE SUMMARY – OPERATING LIQUIDITY AS OF SEPTEMBER 2020

EXECUTIVE SUMMARY

Component Units Actual Results for the Month of September 2020

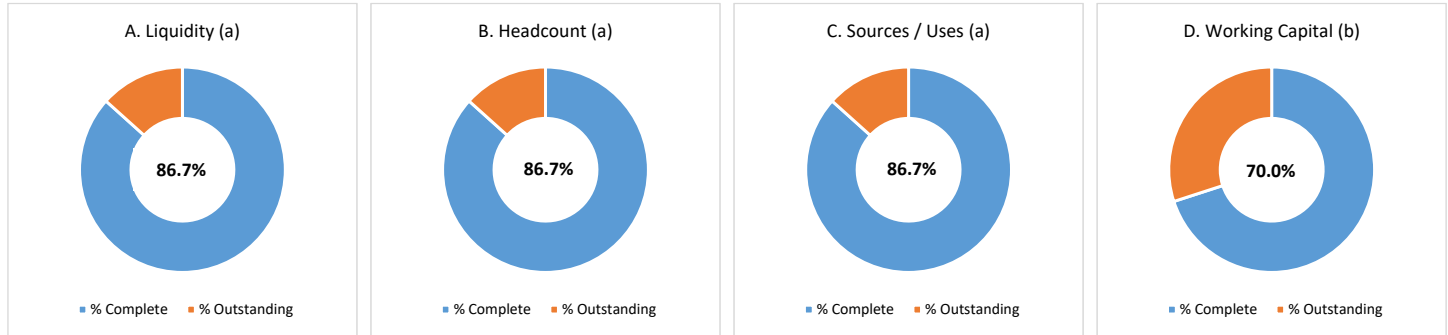
(figures in \$000's)	FY21 Actual YTD	FY21 LP YTD	Variance YTD FY21 vs. LP
Component Units			
Puerto Rico Ports Authority ("PORTS")			
PORTS Cash Inflow	\$23,695	\$13,929	\$9,766
PORTS Cash Outflow	(28,121)	(25,161)	(2,960)
PORTS Net Cash flow	(\$4,426)	(\$11,232)	\$6,806
PORTS Commentary:	YTD net cash flow versus Liquidity Plan is \$6.8M ahead of plan primarily due to a CARES Act reimbursements of \$7.4M, along with favorable Puerto Nuevo receipts of \$2.4M, which have been partially offset by high operating expenses of \$2.0M. Higher operating expenses YTD versus Liquidity Plan were primarily related to a large insurance premium payment in August and higher container scanning expenses due to increased volume.		
Medical Services Administration ("ASEM")			
ASEM Cash Inflow	\$73,361	\$37,683	\$35,679
ASEM Cash Outflow	(74,492)	(38,625)	(35,867)
ASEM Net Cash flow	(\$1,131)	(\$943)	(\$189)
ASEM Commentary:	The slight unfavorable net cash flow vs. Liquidity Plan is due to lower institutional and physician and medical plan receipts than forecast. Projected institutional receipts coupled with reduced General Fund appropriations relative to FY20 will be insufficient to cover operating needs in FY21.		
Puerto Rico Integrated Transit Authority ("PRITA")			
PRITA Cash Inflow	\$26,422	\$24,628	\$1,794
PRITA Cash Outflow	(20,096)	(22,005)	1,908
PRITA Net Cash flow	\$6,325	\$2,624	\$3,702
PRITA Commentary:	YTD net cash flow versus Liquidity Plan is \$3.7M ahead of plan primarily due to receipt of CARES Act reimbursements at AMA, partially offset by timing delays in Cigarette tax, GF fast ferry funds, and federal funds for CapEx. Expenses related to CapEx are also lower than originally expected due to COVID delays. Variance is timing related, and expected to reverse in FY21.		
Puerto Rico State Insurance Fund Corporation ("FONDO")			
FONDO Cash Inflow	\$276,289	\$226,404	\$49,886
FONDO Cash Outflow	(121,873)	(148,330)	26,457
FONDO Net Cash flow	\$154,416	\$78,074	\$76,342
FONDO Commentary:	Favorable net cash flow compared to Liquidity Plan of \$68.1M is driven by higher premiums collections coupled with fewer PayGo disbursements than forecasted. Variance is timing related and is expected to reverse in FY21.		
Health Insurance Administration ("ASES")			
ASES Cash Inflow	\$921,483	\$873,393	\$48,090
ASES Cash Outflow	(805,179)	(873,392)	68,213
ASES Net Cash flow	\$116,303	\$1	\$116,302
ASES Commentary:	Favorable net cash flow compared to Liquidity Plan of \$116.3M is driven primarily by federal reimbursement monies received in excess of premiums and related disbursements, including a catch up in federal reimbursement monies from Q4 of FY20. Variance is timing related and is expected to reverse in FY21.		
Puerto Rico Public Buildings Authority ("PBA")			
PBA Cash Inflow	\$20,606	\$44,742	(\$24,136)
PBA Cash Outflow	(38,726)	(37,510)	(1,216)
PBA Net Cash flow	(\$18,120)	\$7,232	(\$25,352)
PBA Commentary:	YTD net cash flow versus Liquidity Plan is \$25.3M behind plan due to a timing delay in receipt of \$24.0M in direct rent payments from government agencies and resulting from a permanent higher-than-anticipated insurance payment.		
Cardiovascular Center of Puerto Rico and the Caribbean ("Cardio")			
Cardio Cash Inflow	\$23,081	\$21,082	\$1,999
Cardio Cash Outflow	(20,449)	(18,117)	(2,332)
Cardio Net Cash flow	\$2,632	\$2,965	(\$333)
Cardio Commentary:	The slightly lower net cash flow is influenced by outperformance of net patient receipts relative to Liquidity Plan. Variance is expected to be permanent.		

EXECUTIVE SUMMARY – OPERATING LIQUIDITY AS OF SEPTEMBER 2020 (Continued)

<i>(figures in \$000's)</i>	FY21 Actual YTD	FY21 LP YTD	Variance YTD FY21 vs. LP
Puerto Rico Industrial Development Company ("PRIDCO")			
PRIDCO Cash Inflow	\$24,609	\$15,471	\$9,138
PRIDCO Cash Outflow	(86,606)	(24,145)	(62,460)
PRIDCO Net Cash flow	(\$61,996)	(\$8,674)	(\$53,323)
PRIDCO Commentary:	Unfavorable net cash flow compared to Liquidity Plan is due to (\$60.0M) in restricted incentive funds outflows not considered in the Liquidity Plan due to delays in the transition of these operations to DDEC.		
Puerto Rico Housing Finance Authority ("HFA")			
HFA Cash Inflow	\$62,506	\$60,603	\$1,903
HFA Cash Outflow	(50,239)	(79,930)	29,691
HFA Net Cash flow	\$12,267	(\$19,328)	\$31,595
HFA Commentary:	HFA began FY21 with \$74.3M in cash, and ended September with \$86.6M, for an increase in cash of \$12.3M YTD. The increase in cash continues as operational and other disbursements experience lower-than-usual activity due to COVID-19, presenting a favorable variance YTD of \$7.1M compared to the Liquidity Plan. Initially placed debt-service figures drive part of the favorable variance in the amount of \$9.5M, as well as \$17.1M related to net balance sheet-related activity.		
Tourism Company of Puerto Rico ("Tourism")			
Tourism Cash Inflow	\$27,343	\$15,688	\$11,655
Tourism Cash Outflow	(25,135)	(31,937)	6,801
Tourism Net Cash flow	\$2,208	(\$16,249)	\$18,457
Tourism Commentary:	Favorable net cash flow compared to Liquidity Plan of \$18.5M is driven by higher-than-forecasted operating receipts due to casino reopenings and improved hotel occupancies experienced in Q1 of FY21. Slot machine and room taxes collections continue to be minimal, however; and are expected to reduce cash throughout FY21. Variance is expected to be timing related, and will reverse in FY21.		
Fiscal Agency and Financial Advisory Authority ("AAFAF")			
AAFAF Cash Inflow	\$26,843	\$20,832	\$6,012
AAFAF Cash Outflow	(24,101)	(26,190)	2,090
AAFAF Net Cash flow	\$2,743	(\$5,359)	\$8,101
AAFAF Commentary:	FY21 build in net cash flow of \$8.1M is due to General Fund appropriations received in excess of normal operating and Title III professional services spend, which is timing related and expected to reverse in FY21.		
Department of Economic Development and Commerce ("DDEC")			
DDEC Cash Inflow	\$64,065	\$107,038	(\$42,973)
DDEC Cash Outflow	(29,325)	(70,346)	41,021
DDEC Net Cash flow	\$34,740	\$36,692	(\$1,952)
DDEC Commentary:	Unfavorable net cash flow compared to Liquidity Plan is due to lower FEDE and Rums incentives inflows due to delays in the transition of these funds and operations from PRIDCO. Subsequently, the reduced inflows are mostly offset by lower FEDE and Rums outflows.		
Puerto Rico Convention Center District Authority ("CCDA")			
CCDA Cash Inflow	\$8,229	\$6,362	\$1,867
CCDA Cash Outflow	(8,753)	(12,476)	3,723
CCDA Net Cash flow	(\$524)	(\$6,114)	\$5,590
CCDA Commentary:	Favorable net cash flow compared to Liquidity Plan of \$5.6M is primarily due to lower-than-forecast disbursements related to purchased services and utilities due to the decline in event volume as a result of the COVID-19 crisis. Net cash flow is expected to decline, however; due to depressed collections from event venues. Events are limited to 25% capacity until further notice due to COVID-19.		
Puerto Rico Administration for the Development of Agricultural Enterprises ("ADEA")			
ADEA Cash Inflow	\$34,161	\$34,895	(\$735)
ADEA Cash Outflow	(28,245)	(36,353)	8,108
ADEA Net Cash flow	\$5,916	(\$1,457)	\$7,373
ADEA Commentary:	YTD net cash flow versus Liquidity Plan is \$7.4M ahead of plan primarily due to \$11.4M in timing delays in subsidy and incentive payments, which are expected to reverse during FY21. These were partially offset by lower school cafeteria		
Automobile Accident Compensation Administration ("ACAA")			
ACAA Cash Inflow	\$16,775	\$37,110	(\$20,335)
ACAA Cash Outflow	(18,956)	(25,523)	\$6,567
ACAA Net Cash flow	(\$2,181)	\$11,587	(\$13,768)
ACAA Commentary:	Negative cash flow is due to timing delays in premiums collections, which is expected to reverse in Oct-20.		

SUMMARY – REPORTING COMPLIANCE FOR COMPONENT UNITS

13 of the 15 Component Units provided data for the first quarter of fiscal year 2021. 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 15 CUs included in this report were overall 86.7% compliant in providing data for: A. Liquidity, B. Headcount, and C. Sources / Uses. The 15 CUs included were overall 70.0% compliant in providing data for D. Working Capital. CUs that provided insufficient information for reporting are mentioned in notes (a) and (b) below.



Notes:

(a) PRIDCO and DDEC were not compliant in providing data at the time this report was generated.

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

- PRITA (have June 2020 data)
- ASES (have June 2020 data)
- Cardio (have June 2020 data)
- PRIDCO
- Tourism (have June 2020 data)
- DDEC
- CCDA (have June 2020 data)

I. PUERTO RICO PORTS AUTHORITY (“Ports”)

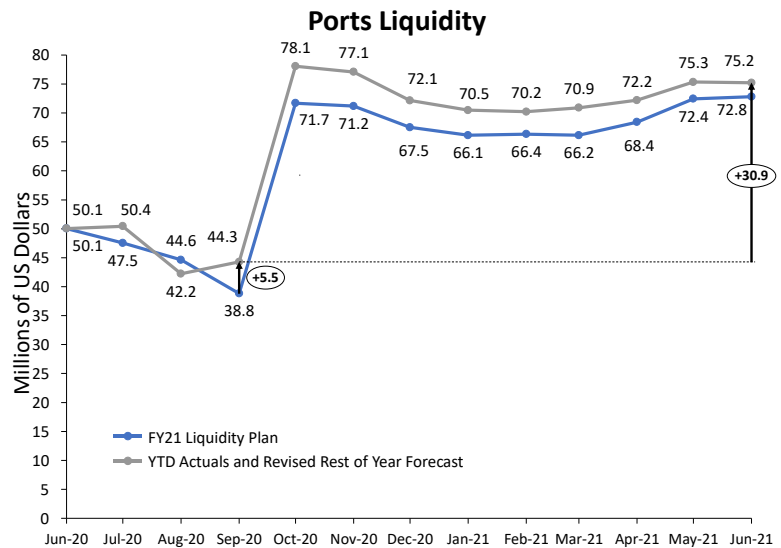
Primary Business Activity: The Puerto Rico Ports Authority is responsible for developing, improving, and administering all types of transportation facilities and air and sea services, as well as establishing and managing maritime collective transportation systems in, from, and to Puerto Rico.

Key Takeaways: Year to date, cash decreased by \$5.8M from \$50.1M to \$44.3M. This is primarily due to high fixed operating expenses, a \$6.1M insurance payment in August, and cruise ship operations that are currently shut down due to COVID-19. This was partially offset by the receipt of \$5.9M in CARES Act reimbursements in the quarter. Cruise operations are expected to remain halted through at least late Q2 FY21, and are not expected to return to meaningful operations until mid-Q3 FY21. Further, most of the traffic at regional airports has been rerouted to Luis Muñoz Marín (San Juan). Ports projects to end FY21 with \$75.2M, of which \$11.2M is for operations, with the rest in reserves and restricted accounts (insurance and CapEx). Liquidity projections are highly dependent on the return of cruise ship and airport operations in FY21.

A. FY21 Operating Liquidity – Actuals³ and FY21 Liquidity Plan

1. \$5.5M YTD actuals vs. Liquidity Plan:

- \$3.5M in favorable operating receipts variance of which \$2.4M is related to maritime due to cargo port and \$1.2M is from airport operations. Variance is temporary and likely to reverse as COVID-19 delays continue to impact operations.
- \$6.3M permanent variance in other receipts, led by \$6.8M in favorable federal funds due to CARES Act reimbursements, partially offset by (\$0.5M) variance in other.
- (\$2.1M) unfavorable variance in operating disbursements was led by permanent insurance and container scanning (“S2”) variance, partially offset by a temporary delay in some PayGo disbursements.
- (\$0.9M) negative variance in CapEx due to large \$2.3M payment the week of August 3, 2020. Negative variance is temporary given the expected continued delays in the CapEx program due to COVID-19.
- (\$1.3M) negative variance due to transfers to restricted accounts.

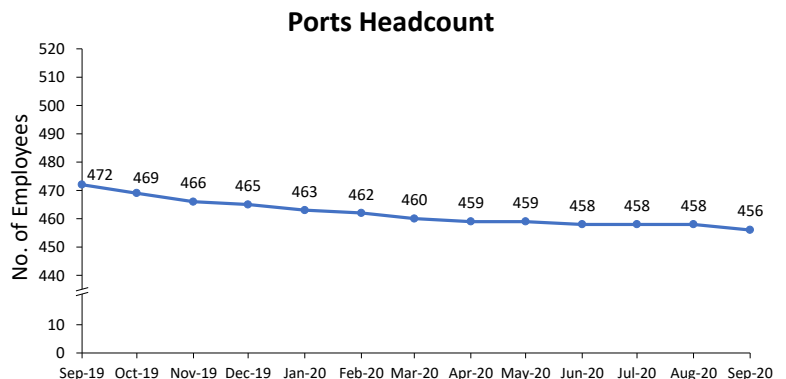


2. \$30.9M cash build for the balance of FY21:

- \$131.7M in forecasted total receipts, driven by \$49.7M in maritime operations, \$9.9M in airport and other operations, \$27.8M in federal CapEx grant receipts, \$9.6M in General Funds for CapEx, and \$34.7M in an insurance settlement.
- (\$100.8M) in forecast total disbursements driven by (\$16.8M) in payroll, (\$23.8M) in PayGo, (\$27.3M) in operating disbursements, (\$32.7M) in CapEx, and (\$0.2M) in transfers to restricted accounts.

B. Headcount / Payroll

- Headcount FTEs: Decreased from 472 to 456 from end of Q1 FY20 to end of Q1 FY21.
 - Decrease in headcount is primarily due to employee turnover. These positions are not expected to be replaced.
- Payroll: Disbursements are forecast to be \$22.5M for FY21. YTD payroll is \$5.7M.
 - YTD payroll is generally in line with forecast.

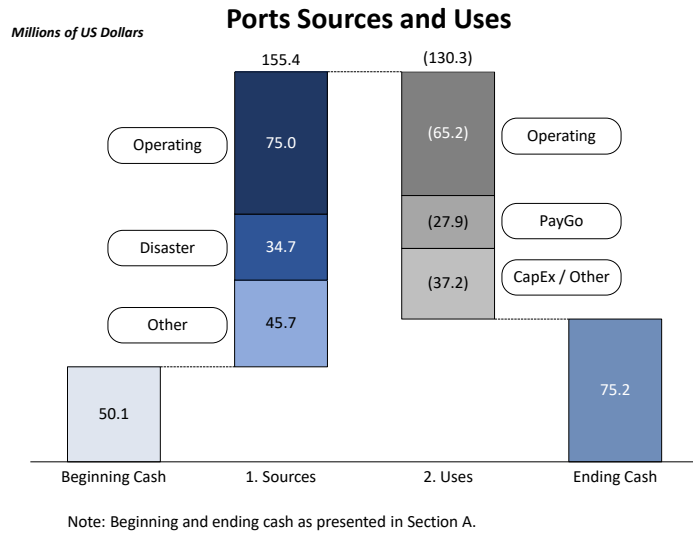


³ Appendix includes reconciliation between AAFAF reported cash figures and the figures in this report.

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

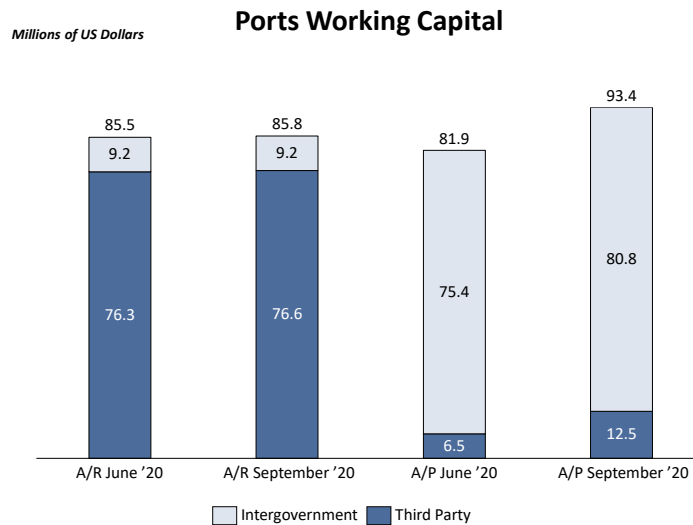
C. Full Year FY21 Sources and Uses of Funds

1. Sources \$155.4M:
 - a. Operating receipts of \$75.0M, comprised of \$62.6M in maritime receipts, \$12.0M in airport receipts, and \$0.4M in other receipts.
 - b. Disaster-related receipts of \$34.7M are a result of an anticipated insurance settlement.
 - c. Federal and other funds total \$45.7M, comprised of \$36.1M in federal funds and CARES Act funds, and \$9.6M in General Funds for CapEx.
2. Uses (\$130.3M):
 - a. Operating disbursements of (\$65.2M), driven by payroll of (\$22.5M), professional services of (\$13.4M), other operating payments of (\$14.6M), PREPA/PRASA at (\$10.0M), purchased services of (\$3.0M), materials and supplies of (\$1.4M), and transportation and media ads at (\$0.3M).
 - b. PayGo contributions of (\$27.9M).
 - c. CapEx / other (inclusive of net transfers) of (\$37.2M).



D. Accounts Receivable / Accounts Payable⁴

1. Accounts Receivable:
 - a. \$0.3M increase from end of Q4 FY20 to end of Q1 FY21 driven by third party receivables.
2. Accounts Payable:
 - a. \$11.4M increase from end of Q4 FY20 to end of Q1 FY21 due to a \$5.4M increase in intergovernmental payables driven by pension increases and a \$6.0M increase in third party payables driven by insurance payables.
3. Working Capital:
 - a. Working capital through Sep-21 increased \$11.1M due to the above changes.



⁴ Figures are unaudited and subject to change.

II. MEDICAL SERVICES ADMINISTRATION (“ASEM”)

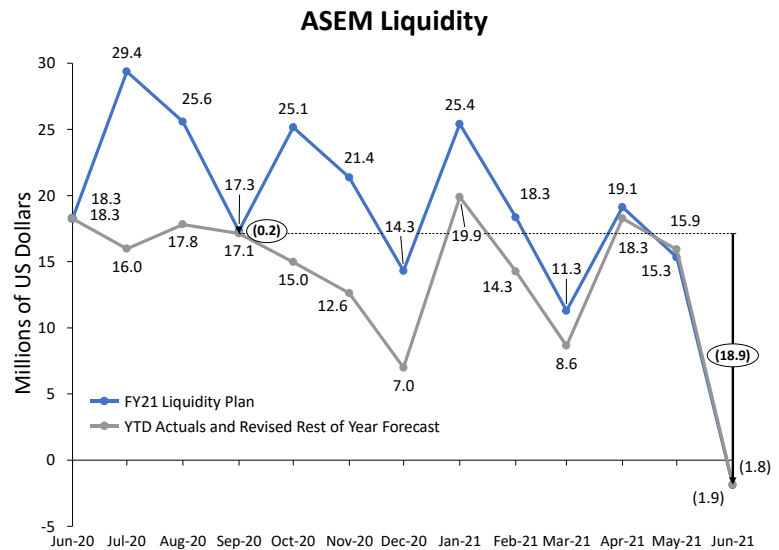
Primary Business Activity: ASEM plans, organizes, operates, and administers centralized health services, provided in support of the hospital and other functions, offered to member institutions and users of the medical complex, the Puerto Rico Medical Center.

Key Takeaways: Year to date, cash has decreased by \$1.1M from \$18.3M to \$17.1M. The cash decline is primarily driven by lower and untimely receipts received from institutions that are insufficient to cover the contracted medical services and supplies ASEM provides to these institutions, as well as declining receipts from physician and medical plans due to reduced census and elective procedures/surgeries performed as a result of COVID-19. The cash decline is partially mitigated by lower operating disbursements resulting from reduced services volumes during the COVID-19 crisis and favorable timing of General Fund appropriations. While ASEM has received ~\$40.0M in non-budgeted appropriations from the General Fund, these amounts pertain to FY20 funds under custody of OMB and CARES Act relief funds restricted for CapEx and considered non-operating funds. Cash is expected to decline throughout the fiscal year due to receipts from special revenue funding sources forecasted to be insufficient to cover ASEM’s operating needs. The projected cash decline will be further exacerbated by significantly reduced General Fund appropriations in FY21 relative to FY20.

A. FY21 Operating Liquidity – Actuals⁵ and FY21 Liquidity Plan

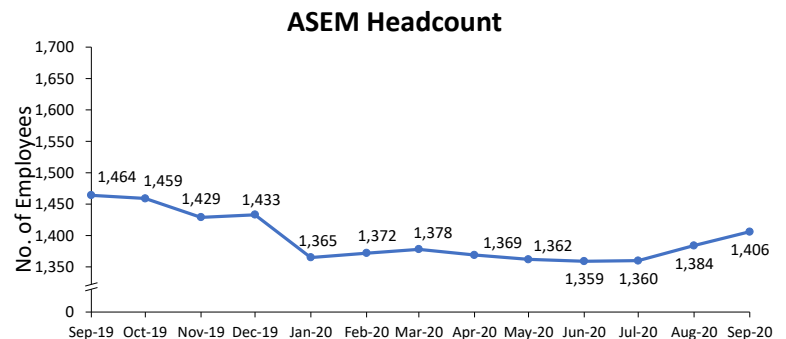
1. (\$0.2M) YTD actuals vs. Liquidity Plan:

- (\$4.2M) unfavorable variance in cash receipts, primarily due to lower physician and medical plan revenues due to reduced services volumes experienced during the COVID-19 pandemic, which is permanent.
 - \$2.1M favorable General Fund appropriations net of transfers to restricted CapEx account; timing related.
 - (\$0.3M) unfavorable payroll variance; timing related.
 - (\$2.6M) unfavorable PayGo disbursements, which pertain to paydowns on remaining FY20 invoices. Variance is expected to become permanent.
 - \$4.4M favorable variance for purchased services and professional fees due to fewer services provided than expected due to the COVID-19 crisis along with delays in finalizing ASEM’s revenue cycle contractor.
 - \$0.4M other cash flow changes.
2. (\$18.9M) cash reduction for the balance of FY21:
- Based on current run rates, receipts from institutions coupled with lower General Fund appropriations are expected to be insufficient to cover ASEM’s projecting operating needs in FY21.



B. Headcount / Payroll

- Headcount FTEs: Decreased from 1,464 to 1,406 from end of Q1 FY20 to end of Q1 FY21.
 - Headcount at ASEM has fallen consistently over the past two years due to a highly competitive labor market for qualified nurses and other medical professionals.
 - ASEM management actively recruits to replace any positions lost due to attrition factors.
- Payroll: Disbursements are forecast to be \$97.0M for FY21. YTD payroll is \$20.2M.
 - YTD payroll is generally in line with forecast.

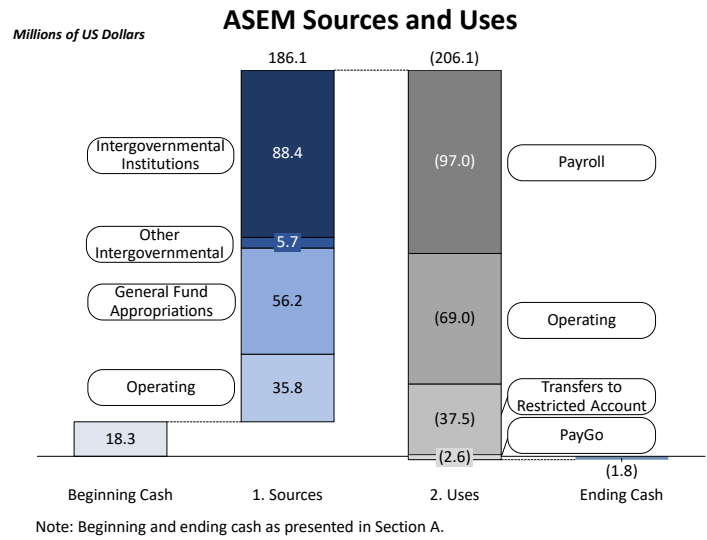


⁵ Appendix includes reconciliation between AAFAF reported cash figures and the figures in this report.

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

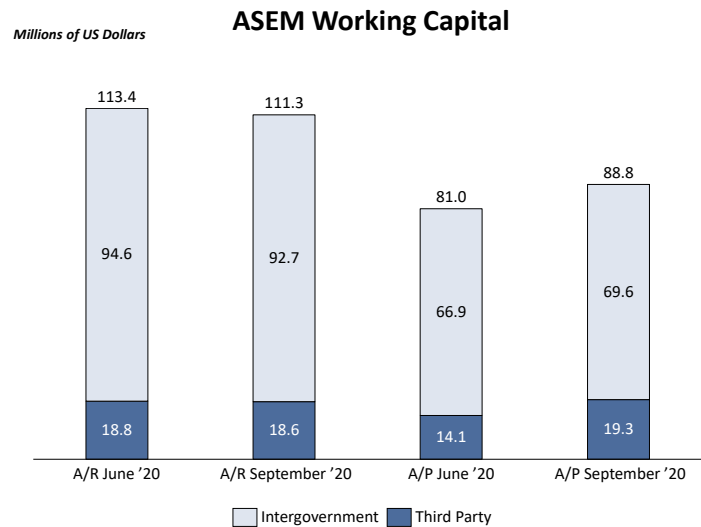
C. Full Year FY21 Sources and Uses of Funds

1. Sources \$186.1M:
 - a. \$88.4M of institutional intergovernmental receipts.
 - b. \$5.7M of physician and medical plan receipts.
 - c. \$56.2M of General Fund appropriations; \$37.5M were transferred to a restricted account for CapEx projects.
 - d. \$35.8M in third-party operating receipts consisting of institutional receipts of \$2.2M, physician and medical plan receipts of \$29.7M, and other income of \$3.9M.
2. Uses (\$206.1M):
 - a. (\$97.0M) in payroll.
 - b. (\$69.0M) in operating supplier payments consisting of materials and supplies of (\$24.2M), professional fees of (\$21.4M), purchased services of (\$8.0M), facilities payments of (\$4.1M), equipment purchases of (\$3.9M), and other expenses of (\$7.4M).
 - c. (\$37.5M) in transfers to a restricted account. 100% of these amounts pertain to FY20 funds previously held under custody of OMB and CARES Act funding earmarked for CapEx needs.
 - d. (\$2.6M) in PayGo obligations.



D. Accounts Receivable / Accounts Payable⁶

1. Accounts Receivable:
 - a. \$2.1M decrease from end of Q4 FY20 to end of Q1 FY21 driven by a \$1.9M decrease in intergovernmental A/R.
2. Accounts Payable:
 - a. \$7.8M increase from end of Q4 FY20 to end of Q1 FY21 driven by \$5.1M increase in third party A/P and a \$2.7M increase in intergovernmental A/P.
3. Working Capital:
 - a. Working capital changes were favorable by \$9.9M.



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: Year to date, cash has increased by \$6.3M from \$23.7M to \$30.1M. This is primarily due to the receipt of \$14.4M in CARES Act reimbursements at AMA, partially offset by a timing delay in receipt of General Funds and cigarette tax allocations. Also, there was a \$1.5M insurance payment in July at ATM and \$2.9M in litigation and prior year payments at AMA. PRITA’s operating liquidity position remains strained, especially at ATM, and they continue to rely on government support for operations. Both ferry and bus services were significantly reduced thorough the end of Q1 FY21; however, they will return to normal operations as of October 26, 2020.

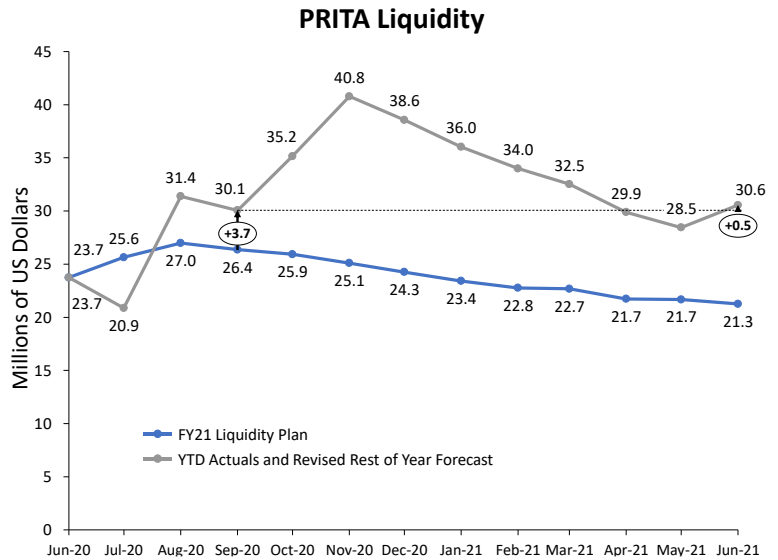
A. FY21 Operating Liquidity – Actuals⁷ and FY21 Liquidity Plan

1. \$3.7M YTD actuals vs. Liquidity Plan:

- a. (\$0.2M) unfavorable variance in operating receipts which are not expected to reverse due to the impact of COVID-19 on Bus and Ferry operations. ATM has been running a minimal ferry schedule and AMA is only operating the ‘Llame y Viaje’ service. Starting October 26, 2020, all services should return to normal operations.
- b. (\$0.7M) permanent variance in General Fund collections due to higher-than-expected PayGo holdback and an added Hacienda transfer fee.
- c. (\$5.5M) timing variance in receipt of cigarette tax allocation.
- d. (\$2.4M) timing variance in General Funds for CapEx. These funds are for ATM to fund fast ferry service.
- e. \$10.6M permanent positive variance in federal funds primarily due to receipt of \$14.4M in CARES Act funding, partially offset due to a delay in the receipt of preventive maintenance federal funds related to limited bus and ferry operations.
- f. (\$2.1M) unfavorable variance in operating disbursements, primarily related to \$2.0M in prior year retirement disbursements and \$1.0M in a litigation settlement, partially offset by lower utility and payroll payments.
- g. \$4.0M timing variance in CapEx payments due to COVID-19-related delays.

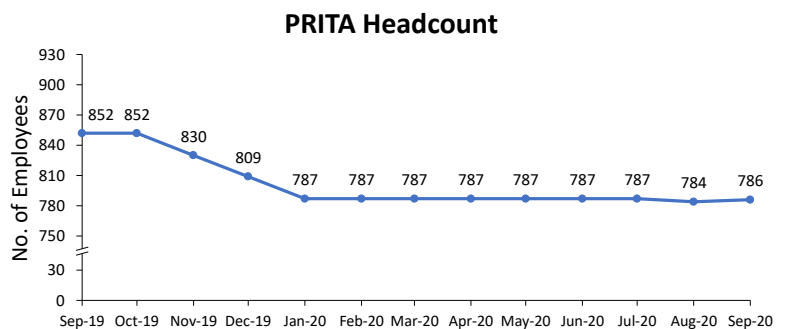
2. \$0.5M increase for the balance of FY21:

- a. \$77.1M in receipts driven by \$4.4M in operating revenues from bus and ferry operations, \$47.7M in intergovernmental collections, and \$25.0M in federal grant receipts for preventative maintenance, CapEx, and from the CARES Act.
- b. (\$58.4M) in operating disbursements led by (\$38.1M) in payroll, (\$2.1M) in PayGo, (\$12.5M) in materials and supplies, (\$2.7M) in purchased services, (\$2.0M) in facilities and public services, and (\$1.0M) in other expenses.
- c. (\$18.3M) in CapEx, of which (\$6.0M) is related to fast ferry service expenses at ATM and (\$12.3M) related to AMA’s bus operations.



B. Headcount / Payroll

1. Headcount FTEs: decreased from 852 to 786 from the end of Q1 FY20 to the end of Q1 FY21.
 - a. Headcount decreased primarily due participation in the VTP.
2. Payroll: Disbursements are forecast to be \$48.2M for FY21. YTD payroll is \$10.1M.
 - a. YTD payroll is generally in line with forecast.

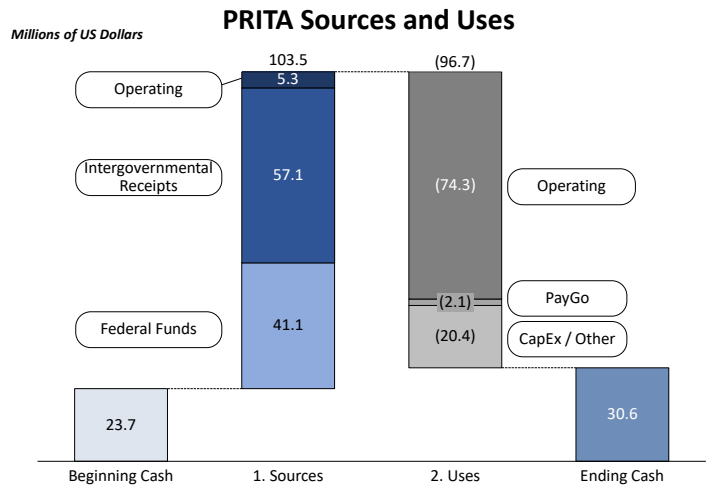


⁷ Appendix includes reconciliation between AAFAF reported cash figures and the figures in this report.

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

C. Full Year FY21 Sources and Uses of Funds

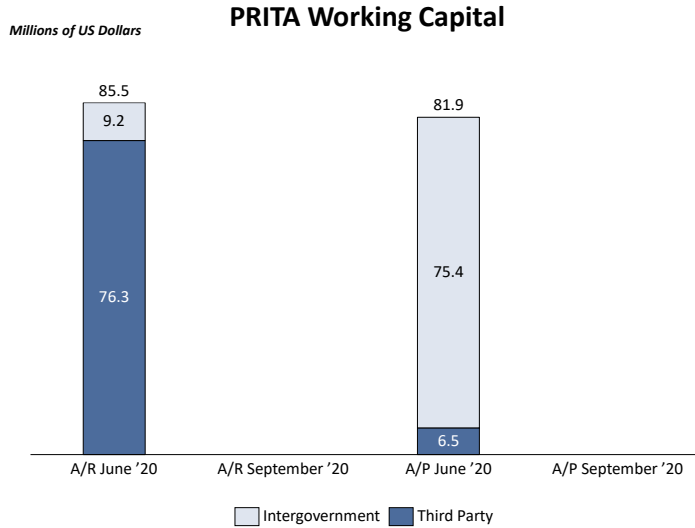
1. Sources \$103.5M:
 - a. Operating receipts of \$5.3M, composed of \$2.7M for ferries/cargo, \$2.4M in bus fares, and \$0.2M in miscellaneous receipts.
 - b. Intergovernmental receipts of \$57.1M, with \$33.5M in appropriations from the cigarette tax, \$18.2M from General Fund appropriations, and \$5.4M from a special government appropriation earmarked for CapEx and the Fast Ferry service at ATM.
 - c. \$41.1M of Federal Funds receipts, consisting of \$19.4M in CARES Act reimbursements, of which \$14.4M have been received YTD, and FTA federal fund grants of \$21.7M for maintenance expenses and CapEx.
2. Uses (\$96.7M):
 - a. Operating disbursements total (\$74.3M), of which payroll is (\$48.1M), materials and supplies are (\$14.6M), purchased services are (\$5.3M), facilities and payments for public services are (\$2.0M), and other at (\$4.2M).
 - b. (\$2.1M) in PayGo obligations.
 - c. CapEx is projected to be (\$20.4M), with YTD spend of \$2.1M.



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

D. Accounts Receivable / Accounts Payable⁸

1. Working Capital information for the end of Q1-21 not available.



⁸ Figures are unaudited and subject to change.

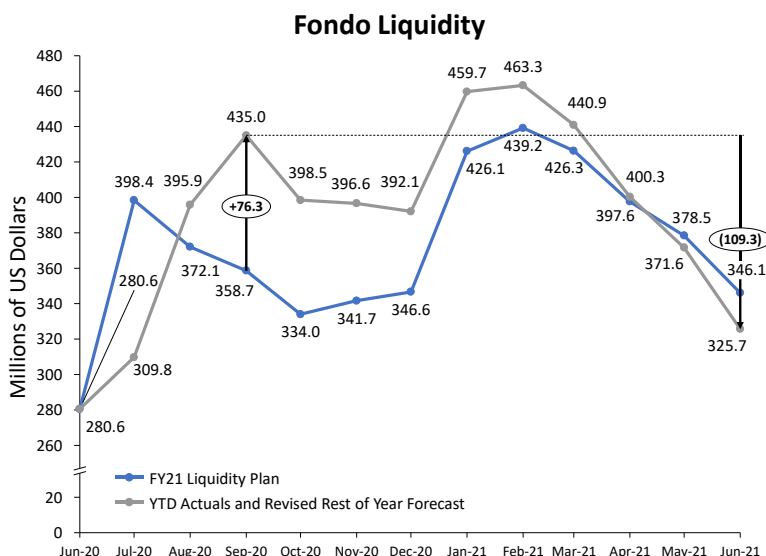
IV. PUERTO RICO STATE INSURANCE FUND CORPORATION (“Fondo”)

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: Year to date, cash has increased by \$154.4M from \$280.6M to \$435.0M. The cash build is primarily due to \$276.3M in premium collections which were well in excess of \$121.9M in operating disbursements year to date. Premium collections are seasonal, and the majority of collections occur in July/August and January/February of each fiscal year as invoices come due. Because of COVID-19, payment on premiums invoices for the first six months has been extended through Sep-20. By law, Fondo’s coverage provides for unlimited medical services to its insured population, and there is a high degree of variability in service and supplies costs to meet the need of patients. Due to the seasonality in collections and variability in cost of services, it is normal for Fondo to experience large cash swings.

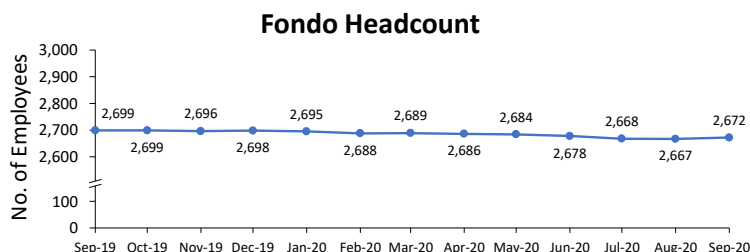
A. FY21 Operating Liquidity – Actuals⁹ and FY21 Liquidity Plan

1. \$76.3M YTD actuals vs. Liquidity Plan:
 - a. \$49.9M favorable premiums collections; timing related. Variance is expected to reverse as Fondo projects premiums collections in FY21 to amount to \$582.1M vs. \$620.0M in the Liquidity Plan, which is based on the Certified Fiscal Plan.
 - b. \$27.0M favorable PayGo disbursements, which is timing related and the result of delays in receiving invoices from Retiro.
 - c. \$4.5M favorable claims-related disbursements due to effects from the COVID-19 crisis, including operational closures, processing delays, etc. Variance could become permanent.
 - d. \$2.3M favorable purchased services due to reduced medical services volumes experienced during operational shutdowns, the result of the COVID-19 crisis.
 - e. (\$15.2M) unfavorable payroll and related costs, which is expected to be permanent due to an underbudgeting of payroll.
 - f. (\$8.4M) unfavorable contributions to other Government entities; timing related.
 - g. \$10.0M favorable transfers to/from a restricted (investment) account; timing related.
 - h. \$6.2M in other cash flow variances primarily attributable to uncleared checks.
2. (\$109.3M) cash reduction for the balance of FY21:
 - a. Fondo’s cash is expected to fall through year end due to continued claims-related and normal operating disbursements amidst a slowdown in insurance premiums received due to seasonality in Fondo’s premium cycle.



B. Headcount / Payroll

1. Headcount FTEs: Decreased from 2,699 to 2,672 from end of Q1 FY20 to end of Q1 FY21.
 - a. Fondo’s headcount has dropped over the period due to normal attrition and management-generated efficiencies, though these reductions are still below the aggressive payroll targets identified by the FOMB.
 - b. In Jul-20, the FOMB approved a VTP for Fondo to be implemented in FY21 to further reduce headcount and generate additional savings. Fondo anticipates this implementation to occur by Dec-20.
2. Payroll: Disbursements are forecast to be \$195.9M for FY21. YTD payroll is \$53.8M.
 - a. Payroll is unfavorable YTD and expected to grow more unfavorable through year end due to it being underbudgeted.

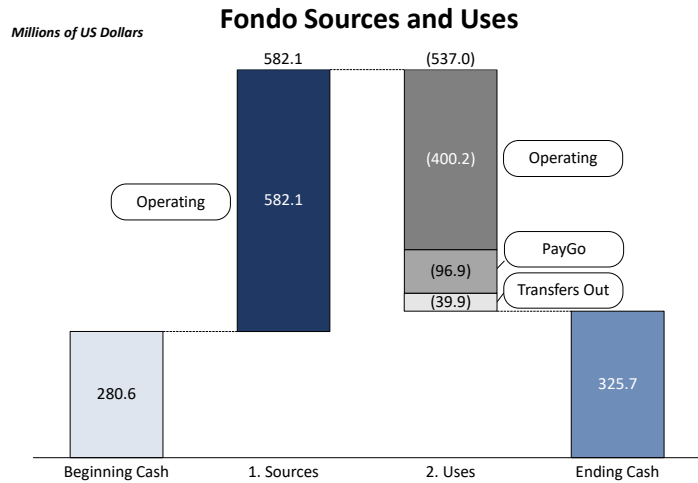


⁹ Appendix includes reconciliation between AAFAF reported cash figures and the figures in this report.

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

C. Full Year FY21 Sources and Uses of Funds

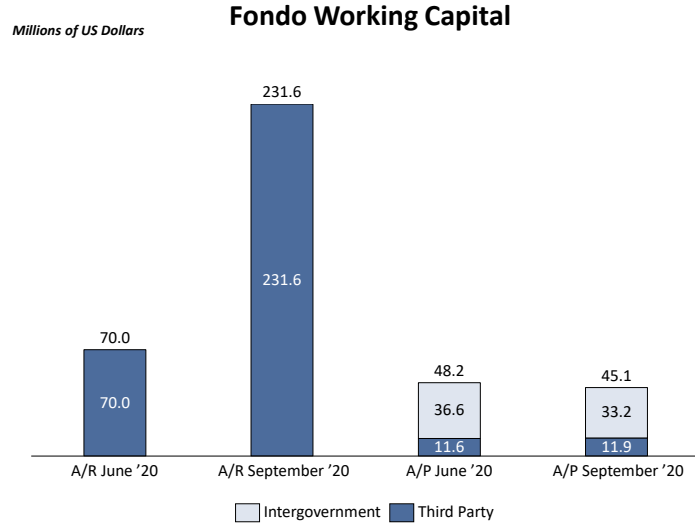
1. Sources \$582.1M:
 - a. \$582.1M in premium collections.
2. Uses (\$537.0M):
 - a. (\$400.2M) in total operating disbursements, consisting of:
 - i. (\$195.9M) in payroll and related costs.
 - ii. (\$204.3M) in additional operating disbursements consisting of: claims-related disbursements of (\$72.2M), contributions to government entities of (\$41.1M), purchased services of (\$59.2M), materials and supplies of (\$14.4M), facilities payments of (\$5.0M), professional services of (\$5.5M), and other operating disbursements of (\$6.9M).
 - b. (\$96.9M) in PayGo obligations.
 - c. (\$39.9M) in transfers to/from a restricted account, which are transfers to Fondo’s investment account to cover its insurance liability reserve.



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

D. Accounts Receivable / Accounts Payable¹⁰

1. Accounts Receivable:
 - a. \$161.6M increase from end of Q4 FY20 to end of Q1 FY21 driven by premiums invoicing outpacing collections. Receivables are expected to decline in Jan-20 when the majority of collections are made on Jul-20 invoices.
2. Accounts Payable:
 - a. \$3.1M decrease from end of Q4 FY20 to end of Q1 FY21 primarily driven by a \$3.4M decrease in intergovernmental payables due to Fondo making paydowns on amounts owed to Retiro.
3. Working Capital:
 - a. Working capital is unfavorable by \$164.6M driven by increases in accounts receivable pertaining to premiums collections, which are expected to decline in Jan-21.



¹⁰ Figures are unaudited and subject to change.

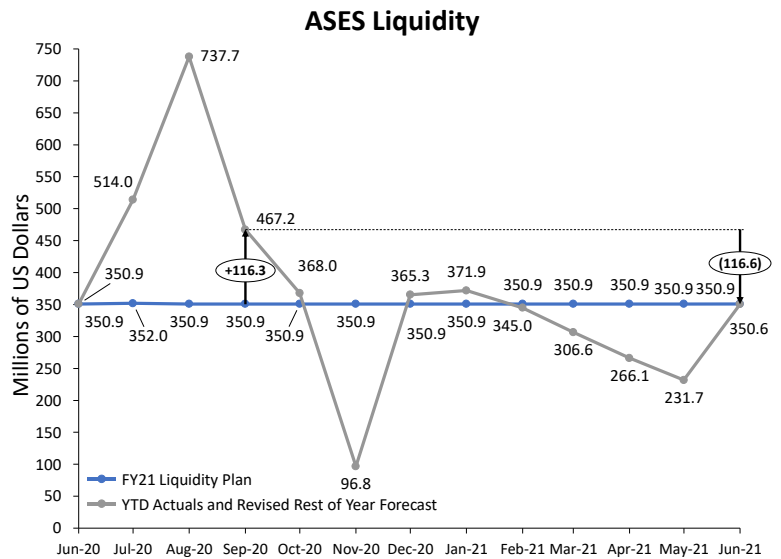
V. HEALTH INSURANCE ADMINISTRATION (“ASES”)

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: Year to date, cash has increased by \$116.3M from \$350.9M to \$467.2M. The cash increase is primarily due to federal reimbursement receipts received in excess of disbursements made for premiums and related costs. Favorable federal reimbursement receipts received in Q1 FY21 relative to the Liquidity Plan are timing related and include a catch up in receipts from Q4 FY20. Similar to FY20, funds in FY21 consist primarily of federal funding sources, the result of legislation occurring in FY20 which significantly increased federal funding allotments relative to State/Commonwealth funding. However, due to the impending Medicaid cliff expected to occur in FY22, federal funding in FY22 is expected to be inadequate, which poses a significant risk to coverage for Puerto Rico’s enrolled populations. Such reductions in coverage would likely pose serious medical, financial, and societal complications if not addressed.

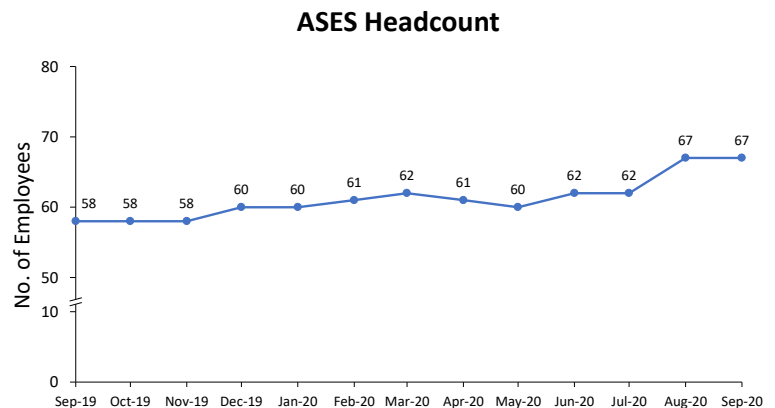
A. FY21 Operating Liquidity – Actuals¹¹ and FY21 Liquidity Plan

1. \$116.3M YTD actuals vs. Liquidity Plan:
 - a. \$134.5M in favorable federal funding, which is timing related due to a catch up in funds from Q4 FY20 and which should normalize over the remainder of the fiscal year.
 - b. \$12.2M in favorable prescription drug rebates, which is expected to be timing related.
 - c. (\$82.7M) in unfavorable General Fund appropriations which is expected to be timing related.
 - d. (\$15.1M) in unfavorable municipality and employer receipts which could become permanent. Municipalities have struggled with their own fiscal issues, which have historically made meeting their obligations to ASES problematic.
 - e. (\$0.8M) unfavorable in other income which is related to interest income.
 - f. \$68.2M favorable in operating expenditures, primarily related to healthcare premiums and expected to be timing related.
2. (\$116.6M) cash reduction for the balance of FY21:
 - a. The primary source of cash reduction is with healthcare premiums, expected to total \$2,608.1M through year end.



B. Headcount / Payroll

1. Headcount FTEs: Increased from 58 to 67 from end of Q1 FY20 to end of Q1 FY21.
 - a. ASES’ employees consist of office staff engaged in health administration activities.
2. Payroll: Disbursements are forecast to be \$6.7M for FY21. YTD payroll is \$0.9M.
 - a. ASES payroll favorability is due to a budgeted ramp up in hiring in FY21 which has been slow to materialize, but which is expected to reverse over the next quarter.

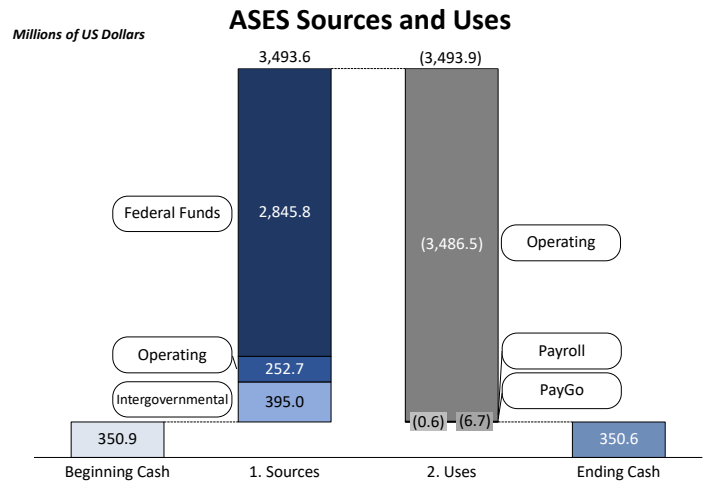


¹¹ Appendix includes reconciliation between AAFAP reported cash figures and the figures in this report.

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

C. Full Year FY21 Sources and Uses of Funds

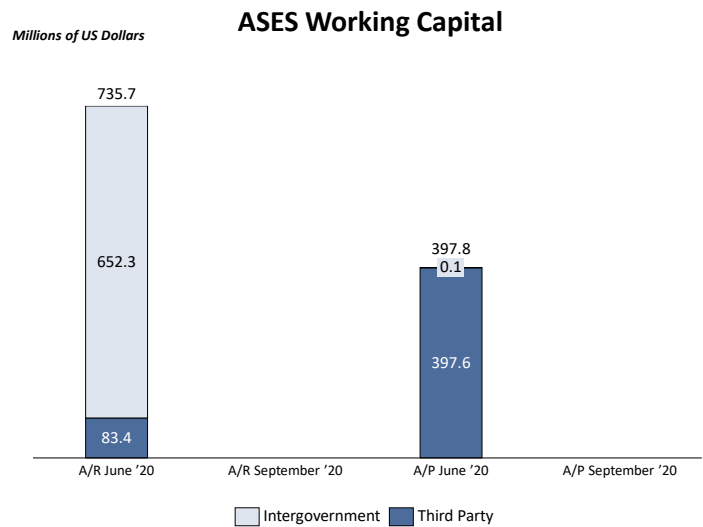
1. Sources \$3,493.6M:
 - a. Federal funding of \$2,845.8M.
 - b. Operating receipts of \$252.7M consisting primarily of prescription drug rebates.
 - c. Intergovernmental receipts of \$395.0M consisting primarily of General Fund appropriations.
2. Uses (\$3,493.9M):
 - a. (\$3,486.5M) in operating expenditures consisting primarily of healthcare premiums (\$3,467.0M) and other operating expenditures of (\$19.6M) comprised of general overhead costs such as professional fees, rent, and utilities for the ASES headquarters.
 - b. (\$6.7M) in payroll-related costs.
 - c. (\$0.6M) in PayGo obligations.



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

D. Accounts Receivable / Accounts Payable¹²

1. Working Capital information for the end of Q1-21 not available.



¹² Figures are unaudited and subject to change.

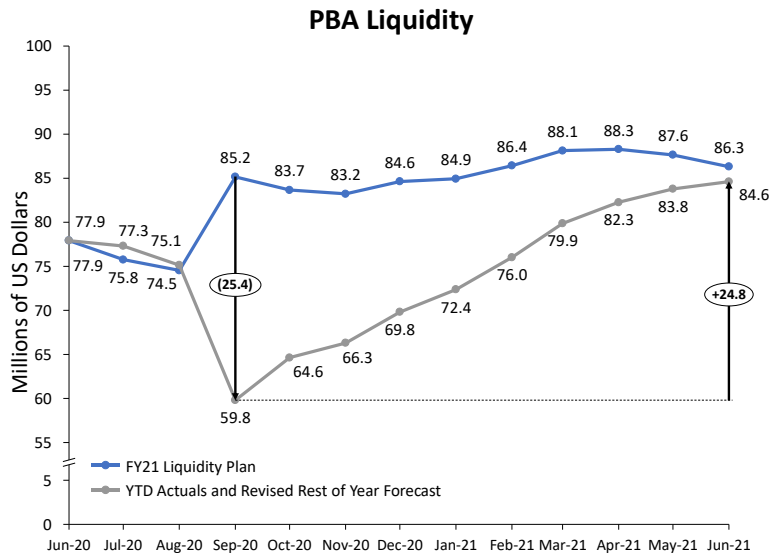
VI. PUERTO RICO PUBLIC BUILDINGS AUTHORITY (“PBA”)

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: Year to date, cash decreased by \$18.1M from \$77.9M to \$59.8M. This is primarily driven by a delay in receipt of FY21 rent payments from government agencies. Through September, \$20.8 million in FY21 rent receipts have not been collected. PBA anticipates the delay is timing related, with collection likely to pick up in the next few months. The reduction in cash was also due to a \$12.3M balloon payment for insurance. PBA projects to end FY21 with \$84.6M in liquidity.

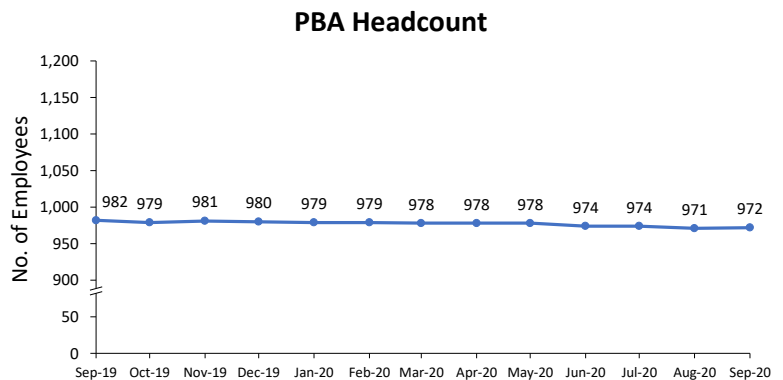
A. FY21 Operating Liquidity – Actuals¹³ and FY21 Liquidity Plan

1. (\$25.4M) YTD actuals vs. Liquidity Plan:
 - a. (\$24.1M) in total receipts driven by:
 - i. (\$24.0M) unfavorable variance in direct rent from government agencies due to a delay in collection of \$20.7M in FY21 rent and a delay in collection of \$3.3M in FY20 rent. The delay in FY21 collections is timing, while FY20 is likely permanent.
 - ii. (\$0.1M) in unfavorable variances in other revenues due to lower rent from direct invoices.
 - b. (\$1.2M) in total disbursements driven by:
 - i. \$1.8M positive variance in payroll expenses, related to reduced headcount and benefit changes, which is mostly permanent.
 - ii. (\$3.2) unfavorable timing variance in purchased services, led by a \$12.3M insurance payment in mid-September and maintenance expenses on PBA’s buildings.
 - iii. \$0.2M positive variance in other expenses, led by \$1.6M in timing variance of other operating expenses, permanent variance in CapEx of \$0.5M, offset by (\$1.9M) timing variance in disaster-related expenses.
2. \$24.8M cash build for the balance of FY21.
 - a. \$114.5M in total forecast receipts driven by \$112.3M in intergovernmental receipts, \$1.3M in other operating receipts, and \$0.9M in disaster-related receipts.
 - b. (\$89.7M) in operating disbursements led by payroll (\$42.0M), PayGo (\$17.9M), facilities payments (\$15.5M), purchased services (\$7.7M), and other expenses (\$6.6M).



B. Headcount / Payroll

1. Headcount FTEs: Decreased from 982 to 972 from end of Q1 FY20 to end of Q1 FY21.
 - a. Decrease in headcount is primarily due to employee turnover, most of which PBA does not expect to backfill.
2. Payroll: Disbursements are forecast to be \$54.4M for FY21. YTD payroll is \$12.3M.
 - a. YTD payroll is tracking lower than the LP, which is permanent and related to reduced headcount and continued efforts to lower employee benefit expenses.

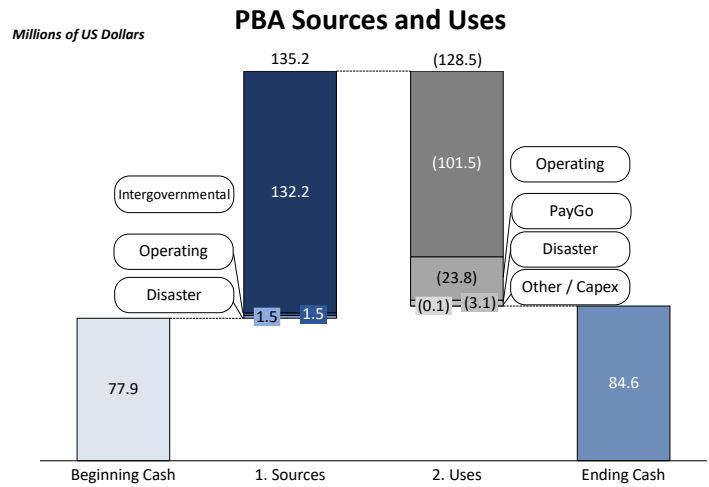


¹³ Appendix includes reconciliation between AAFAP reported cash figures and the figures in this report.

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

C. Full Year FY21 Sources and Uses of Funds

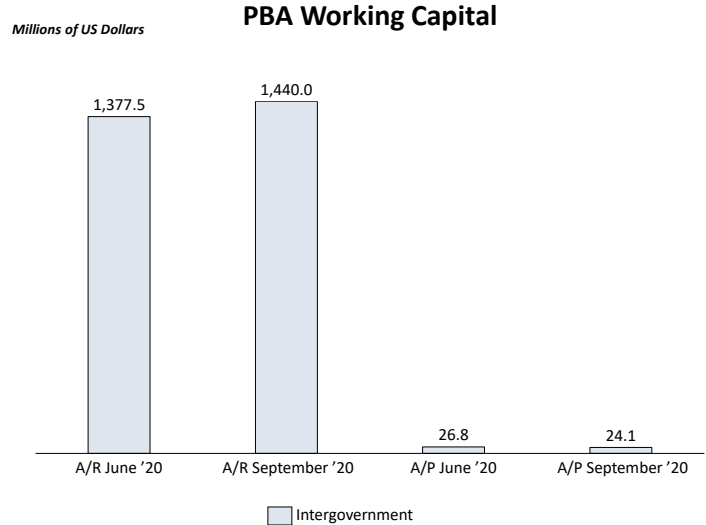
1. Sources \$135.2M:
 - a. Intergovernmental receipts total \$132.2M, all which PBA anticipates being paid via direct invoice. PBA has reduced FY21 total collections by \$3.3M of FY20 rent that has a low likelihood of collection.
 - b. Disaster-related receipts total \$1.5M, which relates to FEMA claims from Hurricanes Irma and Maria.
 - c. Other operating receipts total \$1.5M, of which \$0.9M are related to income from third party occupancy and \$0.6M are related to other income, including interest income.
2. Uses (\$128.5M):
 - a. Operating disbursements total (\$101.5M), consisting of payroll of (\$54.4M), purchased services of (\$24.6M), facilities and payments for public services of (\$16.5M), professional services of (\$1.2M), and other operating expenses of (\$4.8M).
 - b. PayGo contributions of (\$23.8M).
 - c. Disaster-related disbursements of (\$3.1M), of which (\$2.1M) are related to FEMA and (\$1.0M) are related to insurance-related projects.
 - d. Other/CapEx disbursements total (\$0.1M).



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

D. Accounts Receivable / Accounts Payable¹⁴

1. Accounts Receivable:
 - a. \$62.5M increase from the end of Q4 FY20 to the end of Q1 FY21 driven by intergovernmental receivables, primarily related to the debt service portion of rent not being received.
2. Accounts Payable:
 - a. \$2.6M decrease from the end of Q4 FY20 to the end of Q1 FY21 driven by a decrease in utilities of \$2.0M and a decrease in contractor payables of \$0.2M.
3. Working Capital:
 - a. Working capital through Sep-21 decreased \$65.1M due to the above changes.



¹⁴ Figures are unaudited and subject to change.

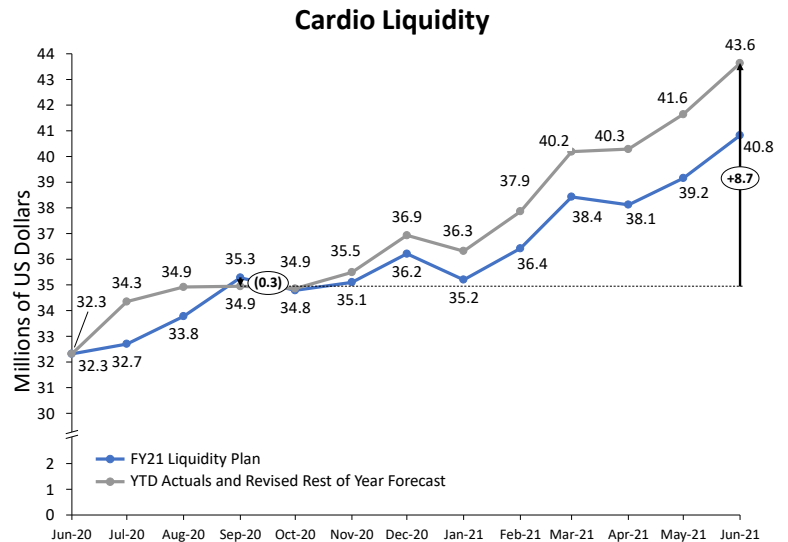
VII. CARDIOVASCULAR CENTER FOR PUERTO RICO AND THE CARIBBEAN (“Cardio”)

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

Key Takeaways: Year to date, cash increased by \$2.6M from \$32.3M to \$34.9M. The cash build is primarily due to \$2.0M in favorable net patient collections vs. forecast. In FY20, cash increased considerably due to \$11.5M in favorable net patient collections mainly from special funding received as a result of the COVID-19 pandemic. These funds included advances from Medicare of \$6.5M, stimulus funds received from HHS of \$1.0M, funds received from the Puerto Rico Commonwealth for equipment and bonus/incentives for nurses of \$4.5M, as well as other advances from commercial insurers. While advances from insurers are expected to reduce receipts from these sources from future periods, this is significantly offset by permanent special appropriations from the Commonwealth and federal stimulus funds. Due to the high level of Cardio’s receipts in FY20, its liquidity is expected to remain strong through FY21.

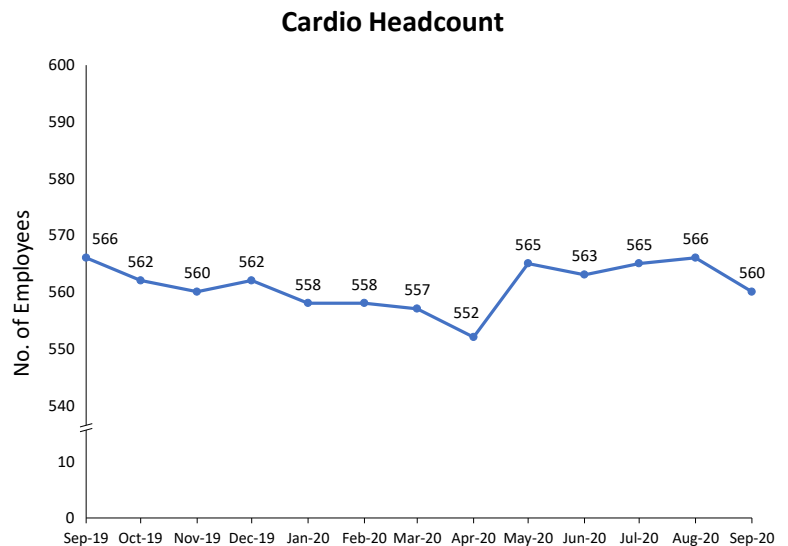
A. FY21 Operating Liquidity – Actuals¹⁵ and FY21 Liquidity Plan

1. (\$0.3M) YTD actuals vs. Liquidity Plan:
 - a. \$2.0M favorable receipts entirely from patient collections, which is expected to be permanent.
 - b. (\$0.2M) unfavorable payroll-related disbursements, which are timing related and should reverse in Oct-20.
 - c. (\$2.1M) unfavorable operating disbursements primarily driven by an unfavorable YTD trend in purchased services. However, because of the COVID-19 pandemic, there could be a decline in inpatient volumes and subsequently purchased services, materials and supplies, and professional fees through year end resulting from a decline in procedures. This could reverse the unfavorable trend YTD in operating disbursements.
2. \$8.7M cash build for the balance of FY21:
 - a. Receipts are anticipated to outpace operating disbursements throughout the remainder of FY21 based on current run rates.



B. Headcount / Payroll

1. Headcount FTEs: Decreased from 566 to 560 from end of Q1 FY20 to end of Q1 FY21.
 - a. Cardio has had historical issues with staffing turnover due to a competitive hiring environment for nurses.
2. Payroll: Disbursements are forecast to be \$28.2M for FY21. YTD payroll is \$6.5M.
 - a. Overall, Cardio’s payroll is tracking slightly unfavorable to the LP, which is expected to reverse by year end due to timing.

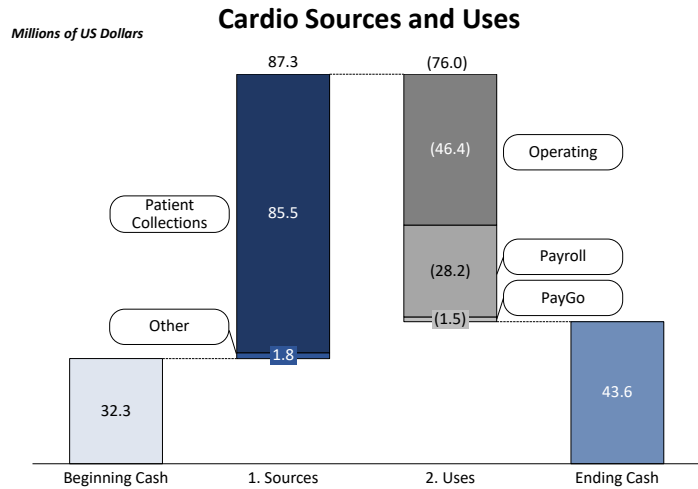


¹⁵ Appendix includes reconciliation between AAFAP reported cash figures and the figures in this report.

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

C. Full Year FY21 Sources and Uses of Funds

1. Sources \$87.3M:
 - a. \$85.5M in patient collections.
 - b. \$1.8M in other receipts, consisting of \$1.0M in rental income and \$0.8M in other miscellaneous receipts.
2. Uses (\$76.0M):
 - a. (\$46.4M) in operating expenditures consisting of materials and supplies (\$28.6M), professional services (\$5.4M), purchased services (\$5.2M), facilities payments (\$3.9M), and other operating expenditures (\$3.2M).
 - b. (\$28.2M) in payroll and related costs.
 - c. (\$1.5M) in PayGo retirement contributions.



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

D. Accounts Receivable / Accounts Payable¹⁶

1. Information not available.

¹⁶ Figures are unaudited and subject to change.

VIII. 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: Information not available.

A. FY21 Operating Liquidity – Actuals¹⁷ and FY21 Liquidity Plan

1. Information not available.

B. Headcount / Payroll

1. Information not available.

¹⁷ Appendix includes reconciliation between AAFAF reported cash figures and the figures in this report.

VIII. PUERTO RICO INDUSTRIAL DEVELOPMENT CORPORATION ("PRIDCO") (Continued)

C. Full Year FY21 Sources and Uses of Funds

1. Information not available.

D. Accounts Receivable / Accounts Payable¹⁸

1. Information not available.

¹⁸ Figures are unaudited and subject to change.

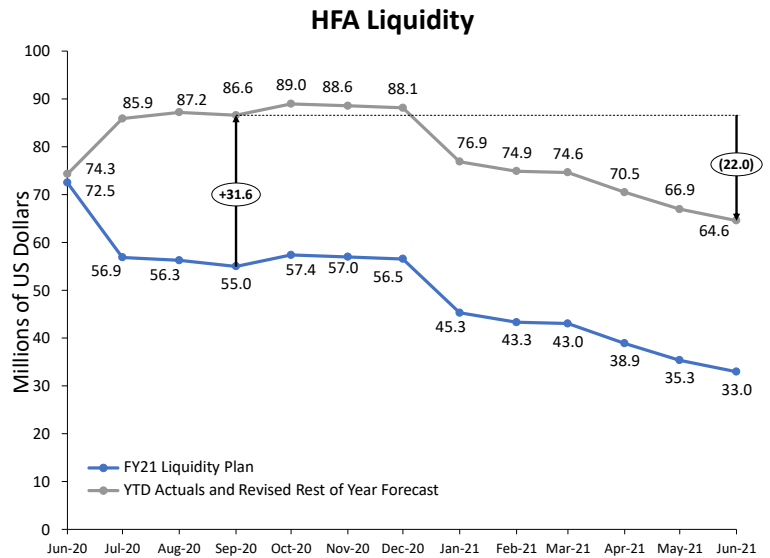
IX. PUERTO RICO HOUSING FINANCE AUTHORITY (“HFA”)

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: Year to date, cash has increased by \$12.3M from \$74.3M to \$86.6M. YTD increase in cash continues as operational and other disbursements experience lower-than-usual activity due to COVID-19, presenting a favorable variance YTD of \$7.1M when compared to the Liquidity Plan. HFA is engaged in efforts for a possible Federal debt-related restructuring, and a FY21 debt-service payment schedule is to be determined. Initially placed debt-service figures drive part of the favorable variance that did not materialize in the amount of \$9.5M; as well as \$17.1M related to net balance-sheet related activity.

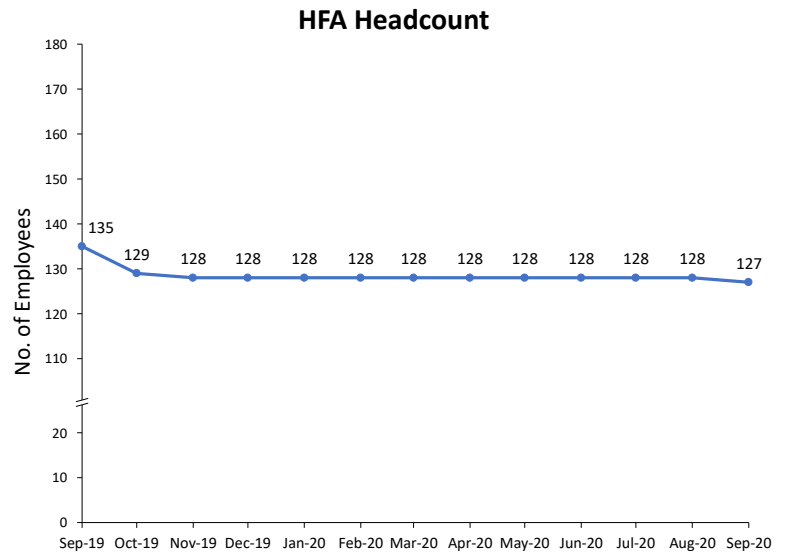
A. FY21 Operating Liquidity – Actuals¹⁹ and FY21 Liquidity Plan

1. \$31.6M YTD actuals vs. Liquidity Plan:
 - a. (\$3.7M) in unfavorable operating receipts.
 - b. (\$0.3M) in unfavorable commonwealth receipts.
 - c. \$1.9M in favorable federal fund net activity.
 - d. \$7.1M in favorable operating disbursements.
 - e. \$17.1M in favorable net balance sheet disbursements.
 - f. \$9.5M in favorable debt service activity.
2. (\$22.0M) cash reduction for the balance of FY21:
 - a. Cash Balance at the end of FY21 will be reforecasted once debt-related proceedings conclude.
 - b. Efforts are ongoing to better determine balance sheet-related activity for the remainder of the fiscal year, which to date is the main driver of variances to the Liquidity Plan.



B. Headcount / Payroll

1. Headcount FTEs: Decreased from 135 to 127 from the end of Q1 FY20 to the end of Q1 FY21.
 - a. This represents a total reduction of 8 full time employees for the trailing 12 months.
 - b. Headcount reduction is due to various VTP programs, normal course of attrition, as well as a reduction and turnover in management level officials.
2. Payroll: Disbursements are forecast to be \$6.8M for FY21. YTD payroll is \$1.5M.
 - a. YTD payroll is generally in line with forecast.

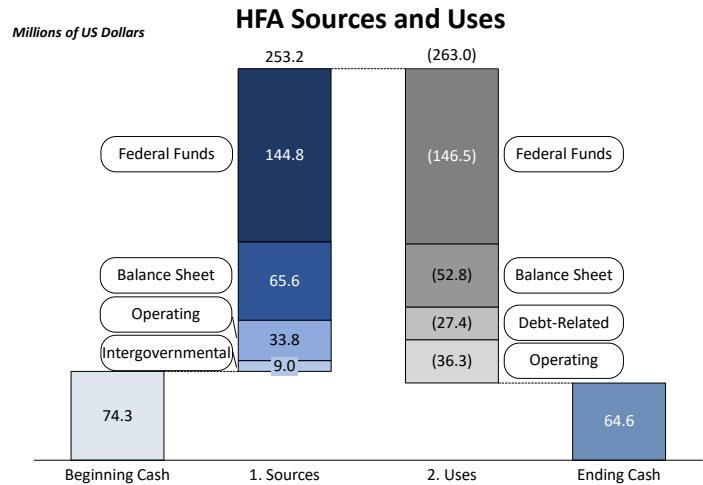


¹⁹ Appendix includes reconciliation between AAFAP reported cash figures and the figures in this report.

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

C. Full Year FY21 Sources and Uses of Funds

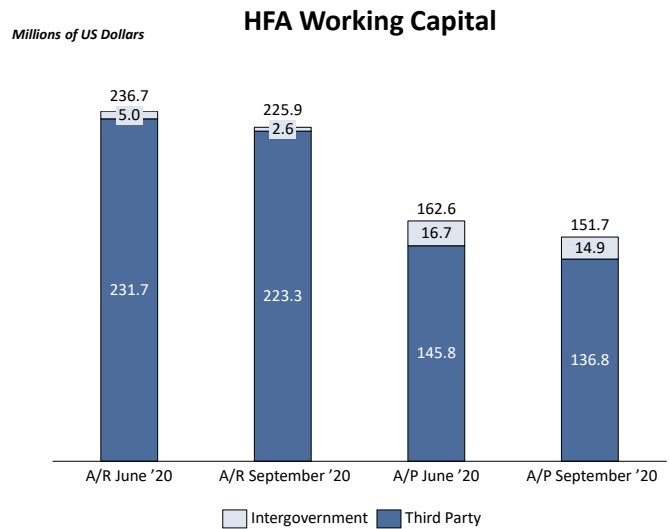
1. Sources \$253.2M:
 - a. \$144.8M in federal funds receipts.
 - b. \$65.6M in balance sheet receipts.
 - c. \$33.8M in operating receipts.
 - d. \$9.0M in intergovernmental receipts.
2. Uses (\$263.0M):
 - a. (\$146.5M) in federal funds disbursements.
 - b. (\$52.8M) in balance sheet disbursements.
 - c. (\$27.4M) in debt-related payments.
 - d. (\$36.3M) in operating disbursements.



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

D. Accounts Receivable / Accounts Payable²⁰

1. Accounts Receivable:
 - a. \$10.8M decrease from end of Q4 FY20 to end of Q1 FY21, primarily driven by third party activity.
2. Accounts Payable:
 - a. \$10.9M decrease from end of Q4 FY20 to end of Q1 FY21, primarily driven by third party activity.
3. Working Capital:
 - a. No significant change in working capital for the first quarter of FY21 due to the above changes in A/R offsetting against changes to A/P, excluding the impact of the increase in cash.



²⁰ Figures are unaudited and subject to change.

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

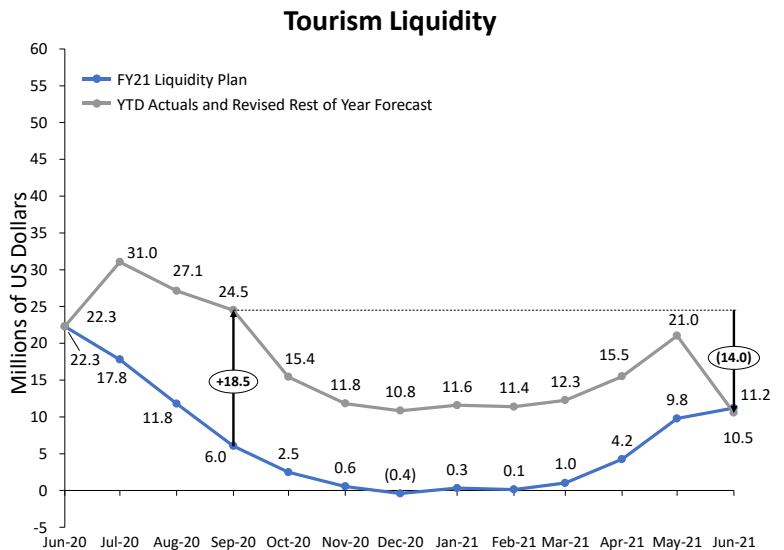
Primary Business Activity: Tourism’s purpose is to promote the tourism industry of Puerto Rico.

Key Takeaways: Year to date, cash has increased by \$2.2M from \$22.3M to \$24.5M. The cash increase is driven primarily by (1) higher slot machine receipts received than forecast due to delays in the transition of these operations to the Gaming Division and (2) delays in marketing and other operating disbursements due to ongoing liquidity concerns. Tourism has requested permission to utilize its FY20 surplus to fund ongoing operations, as funds received in FY21 year to date are insufficient; this request is pending with OMB and FOMB. Slot machine and room tax collections, which are the primary funding source for Tourism’s activities, have been minimal since the onset of COVID-19 and the associated lockdowns and other restrictions on activities. After intermittent casino closures, casinos reopened in Sep-20 at 25% capacity while hotel occupancy remains well below pre-COVID-19 levels. Collections are expected to be minimal in the short and medium term, which coupled with increasing working capital needs pose significant risk to ongoing liquidity. As of Sep-20, Tourism has transitioned all slot machine operations, including collection and distribution of related taxes, to the Gaming Division. As a result, ~\$20.0M in slot machine operating disbursements was transferred from Tourism to the Gaming Division in FY21.

A. FY21 Operating Liquidity – Actuals²¹ and FY21 Liquidity Plan

1. \$18.5M YTD actuals vs. Liquidity Plan:

- a. \$0.4M favorable slot machine collections net of waterfall disbursements, which is timing related. Delays in the transition of slot machine operations to the Gaming Division has led to higher-than-forecast gross collections received year to date in the Liquidity Plan, which considers net collections. (~\$4.0M) remains pending to be disbursed through the waterfall to both UPR and Hacienda.
- b. \$7.4M favorable room tax collections net of waterfall disbursements, \$7.0M of which is expected to be permanent. While room tax collections are favorable to forecast, collections were \$9.7M in Q1 FY21 compared to \$18.5M in Q1 FY20.
- c. \$9.1M favorable transfers to a restricted account related to debt service obligations; timing related.
- d. \$6.5M favorable appropriations to the DMO, which is timing related.
- e. (\$1.4M) unfavorable payroll, the majority of which is expected to be permanent. Line item was underbudgeted by OMB.
- f. (\$1.9M) unfavorable PayGo disbursements, which is permanent. Variance pertains to disbursements made on past-due invoices from FY20.
- g. (\$1.6M) in other receipts/disbursements, which primarily consist of payments on past-due invoices related to cruise line incentives not considered in the Liquidity Plan.

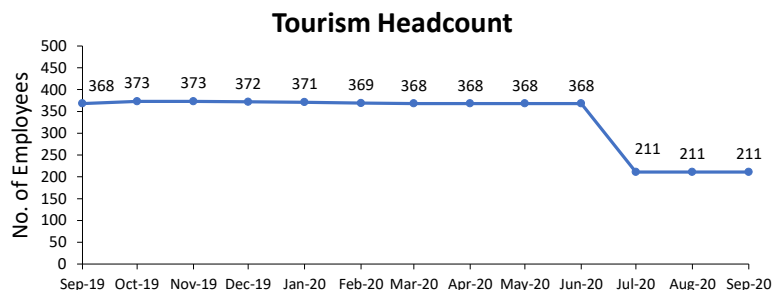


2. (\$14.0M) cash reduction for the balance of FY21:

- a. The projected decline in cash will be driven by depressed slot machine and room tax collections due to adverse impacts from the ongoing COVID-19 crisis and a catch up on material disbursement items, including for debt service and contractual obligations (DMO, CCDA, etc.).

B. Headcount / Payroll

- 1. Headcount FTEs: Decreased from 368 to 211 from end of Q1 FY20 to end of Q1 FY21.
 - a. Reduction in headcount is primarily due to the transfer of slot machine operations personnel to the Gaming Division.
- 2. Payroll: Disbursements are forecast to be \$11.6M for FY21. YTD payroll is \$3.2M.
 - a. YTD payroll is generally in line with forecast.



²¹ Appendix includes reconciliation between AAFAP reported cash figures and the figures in this report.

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

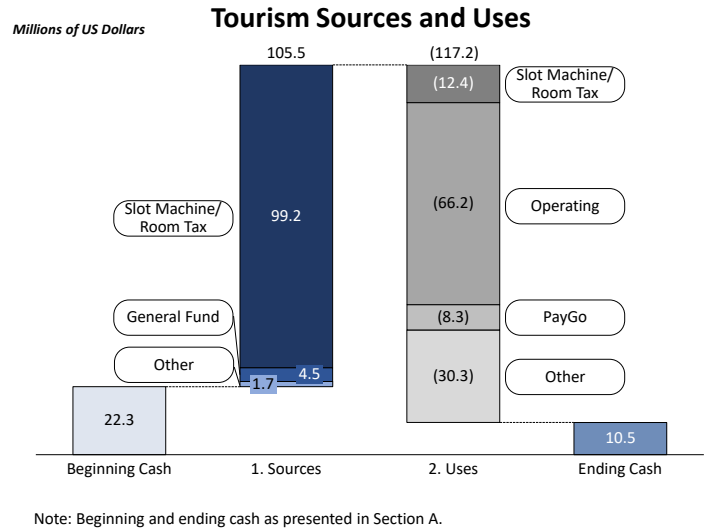
C. Full Year FY21 Sources and Uses of Funds

1. Sources \$105.5M:

- a. Tourism’s primary sources of funds are slot machine revenues of \$46.0M, or 44% of total revenue, and room tax revenues of \$53.2M, or 50% of total revenue. 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. New for FY21, slot machine operations were transferred to the Gaming Division. While Tourism will receive net collections as part of the waterfall in FY21 instead of gross collections (pre-FY21), Tourism is no longer responsible for slot machine operations-related costs.
- b. General Fund appropriations are \$4.5M, which pertain to amounts received to pay down remaining FY20 obligations to the DMO previously deferred due to liquidity concerns.
- c. Other receipts total \$1.7M, which consist mostly of fares and/or fines charged by Tourism to local street vendors.

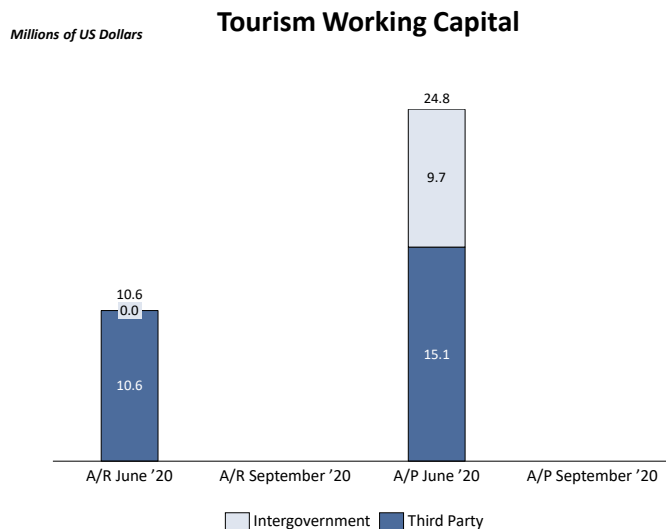
2. Uses (\$117.2M):

- 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 (\$7.3M) and (\$5.1M) are made from slot machines and room taxes, respectively. While Tourism no longer manages slot machine operations, delays in the transition of these operations to the Gaming Division caused Tourism to manage the collections and waterfall disbursements process longer than originally anticipated. Slot machine waterfall disbursements were not originally forecast in the Liquidity Plan.
- b. Operating expenses are projected to be (\$66.2M), built from payroll of (\$11.6M), DMO expenses of (\$25.0M), media/ads of (\$4.4M), purchased services of (\$3.1M), professional service fees of (\$3.0M), and other operating expenses of (\$19.1M) consisting of event/promotions costs, air access incentives, utilities, and transportation costs.
- c. (\$8.3M) in PayGo expenses.
- d. Other disbursements are (\$30.3M) in transfers to a restricted account.



D. Accounts Receivable / Accounts Payable²²

- 1. Working Capital information for the end of Q1-21 not available.



²² Figures are unaudited and subject to change.

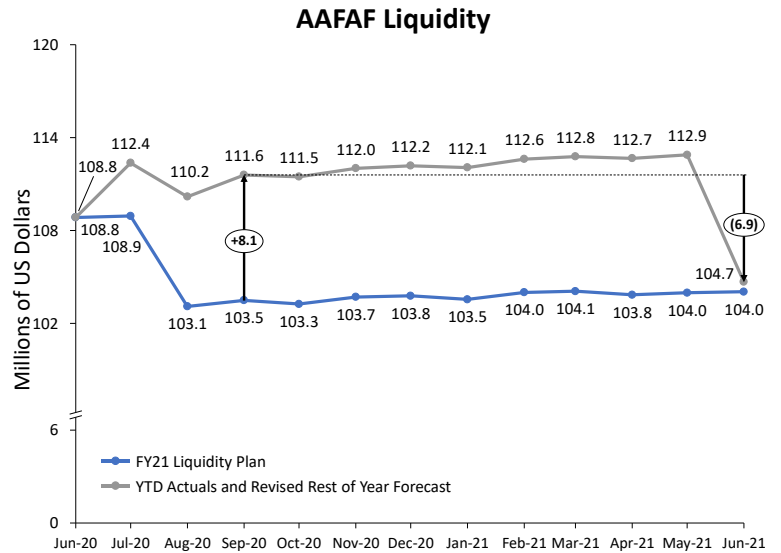
XI. FISCAL AGENCY AND FINANCIAL ADVISORY AUTHORITY (“AAFAF”)

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: Year to date, cash has increased by \$2.7M from \$108.8M to \$111.6M. AAFAF's largest expenditures have pertained to professional service fees as budgeted. The build in liquidity is due to timing of General Fund appropriations in excess of normal operating and Title III expenses, which is expected to normalize.

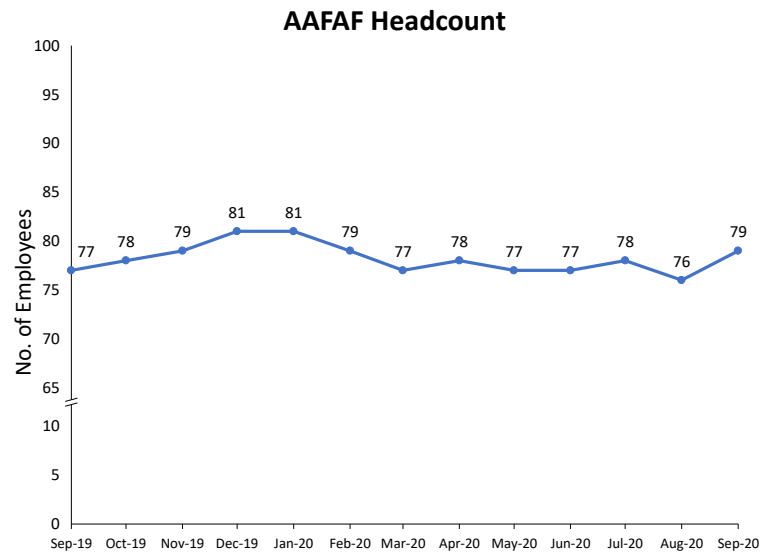
A. FY21 Operating Liquidity – Actuals²³ and FY21 Liquidity Plan

1. \$8.1M YTD actuals vs. Liquidity Plan:
 - a. \$5.4M favorable intergovernmental receipts primarily due to the timing of General Fund appropriations.
 - b. \$0.6M favorable other receipts consisting primarily of agency fees and interest income, which is expected to be permanent.
 - c. \$0.2M favorable payroll, which is timing related.
 - d. \$3.0M favorable professional services (Budget + Title III), which is timing related.
 - e. (\$1.1M) unfavorable in other operating expenditures primarily related to purchased services and other operating expenses, which is timing related.
2. \$6.9M cash reduction for the balance of FY21:
 - a. AAFAF’s decline in cash is driven primarily by anticipated expenditures on professional fees. AAFAF is expected to spend (\$56.3M) on professional fees through year end mainly due to a buildup of Title III professional fees whose invoices are awaiting approval by a court-appointed fee examiner.



B. Headcount / Payroll

1. Headcount FTEs: Increased from 77 to 79 from end of Q1 FY20 to end of Q1 FY21.
 - a. Headcount increases are driven by normal attrition and hiring factors.
2. Payroll: Disbursements are forecast to be \$8.7M for FY21. YTD payroll is \$1.7M.
 - a. YTD payroll is behind forecast as the Liquidity Plan considered additional hiring in FY21, which has only recently started.

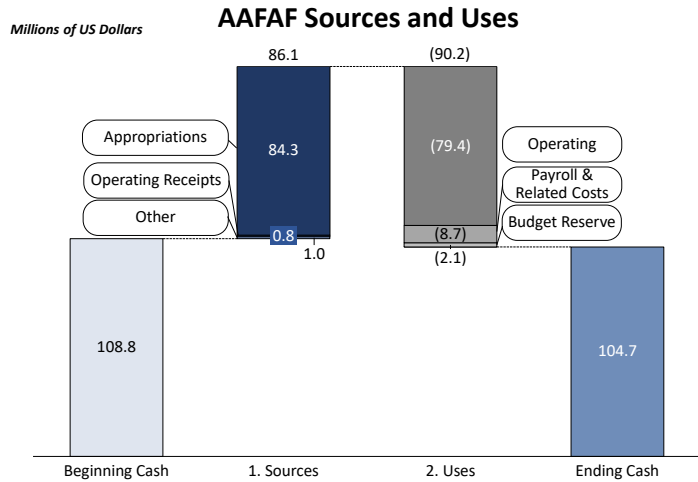


²³ Appendix includes reconciliation between AAFAF reported cash figures and the figures in this report.

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

C. Full Year FY21 Sources and Uses of Funds

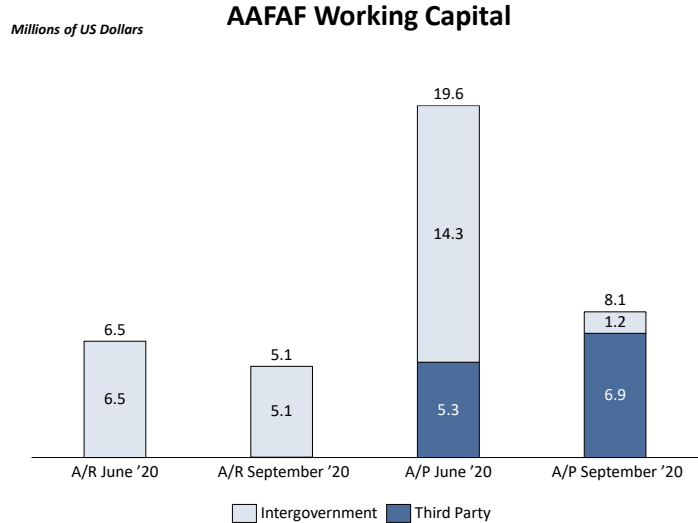
1. Sources \$86.1M:
 - a. \$84.3M in General Fund appropriations.
 - b. \$0.8M in operating receipts consisting of fiscal agency fees and interest income.
 - c. \$1.0M in other income.
2. Uses (\$90.2M):
 - a. (\$79.4M) in operating expenditures consisting of professional fees (\$77.0M), purchased services (\$1.2M), and (\$1.2M) in other costs including materials and supplies, facilities payments, transportation, PayGo, and other.
 - b. (\$8.7M) in payroll and related costs.
 - c. (\$2.1M) in budget reserves.



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

D. Accounts Receivable / Accounts Payable²⁴

1. Accounts Receivable:
 - a. \$1.4M decrease from end of Q4 FY20 to end of Q1 FY21 driven by a decrease in intergovernmental receivables mostly pertaining to municipalities and government agencies.
2. Accounts Payable:
 - a. \$11.5M decrease from end of Q4 FY20 to end of Q1 FY21 driven by a \$13.1M decrease in intergovernmental payables and partially offset by a \$1.6M increase in third party vendor payables related to Title III and Non-Title III contracts.
3. Working Capital:
 - a. Working capital is unfavorable by \$10.1M.



²⁴ Figures are unaudited and subject to change.

XII. 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: Information not available.

A. FY21 Operating Liquidity – Actuals²⁵ and FY21 Liquidity Plan

1. Information not available.

B. Headcount / Payroll

1. Information not available.

²⁵ Appendix includes reconciliation between AAFAF reported cash figures and the figures in this report.

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

C. Full Year FY21 Sources and Uses of Funds

1. Information not available.

D. Accounts Receivable / Accounts Payable²⁶

1. Information not available.

²⁶ Figures are unaudited and subject to change.

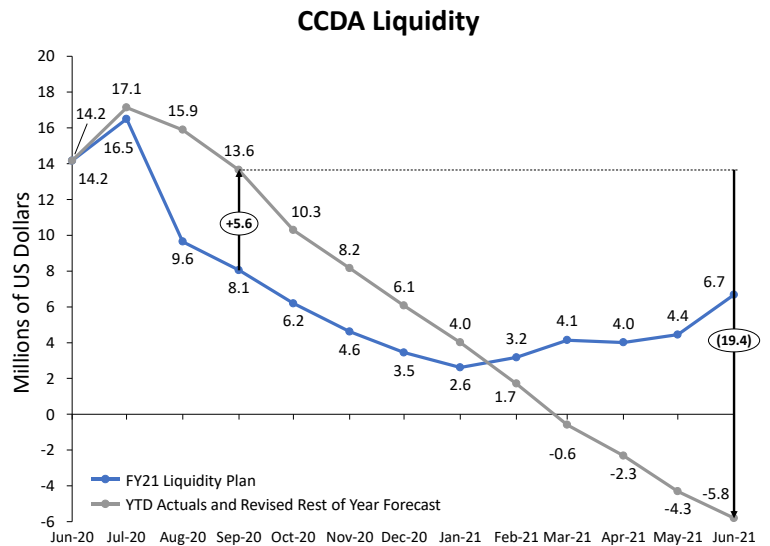
XIII. PUERTO RICO CONVENTION CENTER DISTRICT AUTHORITY (“CCDA”)

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: Year to date, cash has decreased by \$0.5M from \$14.2M to \$13.6M. The cash decrease is due to declines in event-related revenue due to COVID-19, which has been partially offset by \$5.0M in General Fund appropriations received in Jul-20 to mitigate operating losses at the Convention Center. There are significant risks to liquidity in FY21, which are driven by a major reduction in events and subsequent revenues, the result of COVID-19 and associated lockdowns, and other restrictions on activities. Events are currently restricted to 25% capacity. Cash is projected to further decline due to continued operating losses and will be further exacerbated by a catch up on previously deferred spend mostly pertaining to the Convention Center and CCDA's FY20 property insurance obligation, of which \$2.0M is due in Oct-20. CCDA is requesting additional funds to mitigate an immediate and growing liquidity need, including securing short-term funding for payroll and other operating needs. An (~\$15.0M) operating deficit is currently projected for FY21.

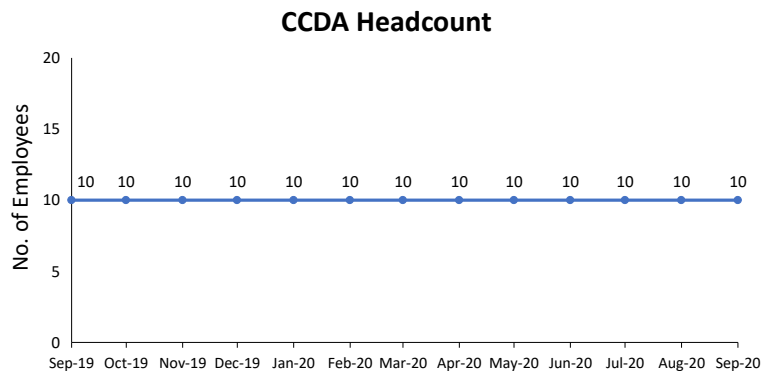
A. FY21 Operating Liquidity – Actuals²⁷ and FY21 Liquidity Plan

1. \$5.6M YTD actuals vs. Liquidity Plan:
 - a. \$1.9M favorable receipts as rental receipts generated by the Convention Center year to date were higher than originally forecast. This variance could reverse, as event-related receipts are expected to be minimal due to depressed event-related activity, including ongoing capacity restrictions. Future event bookings remain uncertain.
 - b. \$2.7M favorable purchased services spend is due to fewer events being held at the Coliseum and the Convention Center. These disbursements are driven by the number and frequency of events held, and relate to expenses for concessions, security expenses, ticketing, etc.
 - c. \$1.3M favorable utilities spend due to the decline in events.
 - d. (\$0.1M) in other disbursements.
2. (\$19.4M) cash reduction for the balance of FY21:
 - a. CCDA is projected to see a significant decline in its cash position through the balance of the year due to an absence of current and future events at the PR Coliseum and Convention Center; cash is projected to decline to (\$5.8M) by year end. Management is carefully monitoring expenditures and only purchasing essential services to maintain assets through the pandemic.



B. Headcount / Payroll

1. Headcount FTEs: No change from 10 to 10 from end of Q1-20 to end of Q1-21.
 - a. Headcounts only consider administrative employees of the district, and do not consider employees of the Convention Center and Coliseum.
2. Payroll: Disbursements are forecast to be \$0.8M for FY21. YTD payroll is \$0.2M.
 - a. Payroll YTD is over budget and projected to be permanent.

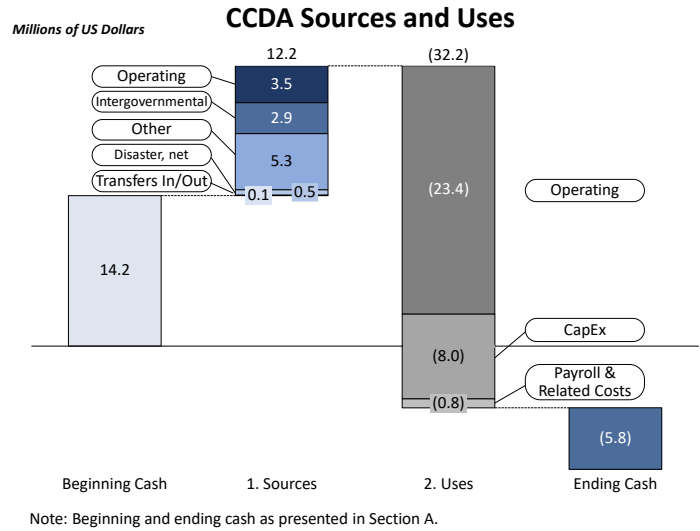


²⁷ Appendix includes reconciliation between AAFAF reported cash figures and the figures in this report.

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

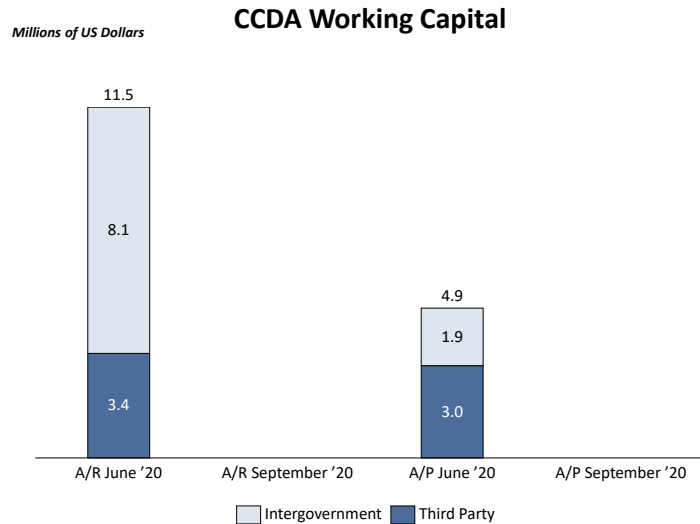
C. Full Year FY21 Sources and Uses of Funds

1. Sources \$12.2M:
 - a. \$3.5M in operating receipts related to rental income of \$0.5M, PR Coliseum receipts of \$0.2M, and PR Convention Center receipts of \$2.7M.
 - b. \$2.9M in Law 272 room tax receipts.
 - c. \$5.3M in other receipts, consisting of \$5.0M in restricted General Fund appropriations.
 - d. \$0.5M in FEMA-related receipts.
 - e. \$0.1M in temporary transfers in/(out).
2. Uses (\$32.2M):
 - a. (\$23.4M) consisting of purchased services at (\$15.2M), utilities payments at (\$7.8M), professional services at (\$0.2M), and other operating costs of (\$0.2M).
 - b. (\$8.0M) in CapEx.
 - c. (\$0.8M) in payroll and related costs.



D. Accounts Receivable / Accounts Payable²⁸

1. Working Capital information for the end of Q1-21 not available.



²⁸ Figures are unaudited and subject to change.

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

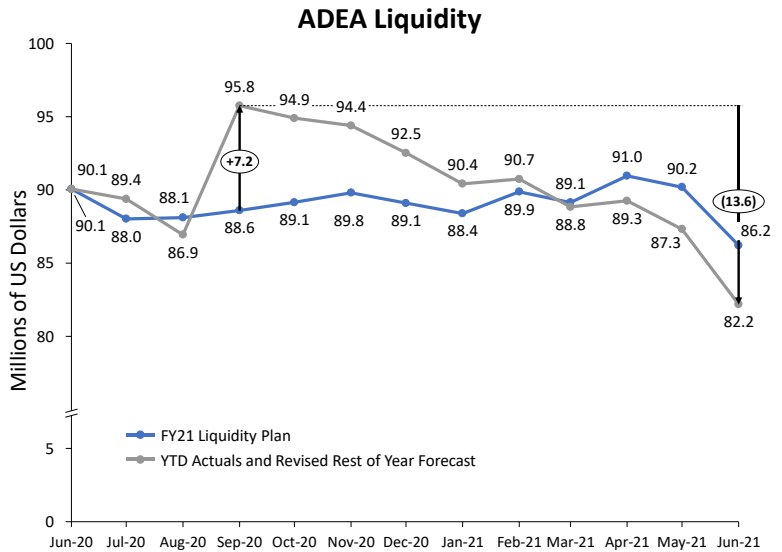
Primary Business Activity: ADEA provides services to the agricultural sector, with the goal of supporting its economic development. Services include: rural infrastructure development, providing incentives and subsidies to the industry, agricultural product market making, and other related services.

Key Takeaways: Year to date, cash has increased by \$5.7M from \$90.1M to \$95.8M. This is driven by delays in subsidy and incentive payments. Delays in subsidy payments are expected to reverse by Q3 FY21. This was partially offset by minimal school cafeteria program receipts for the quarter due to the continued impact of COVID-19. Coffee operations were slightly ahead of plan through September. ADEA projects to end FY21 with \$82.2M in liquidity.

A. FY21 Operating Liquidity – Actuals²⁹ and FY21 Liquidity Plan

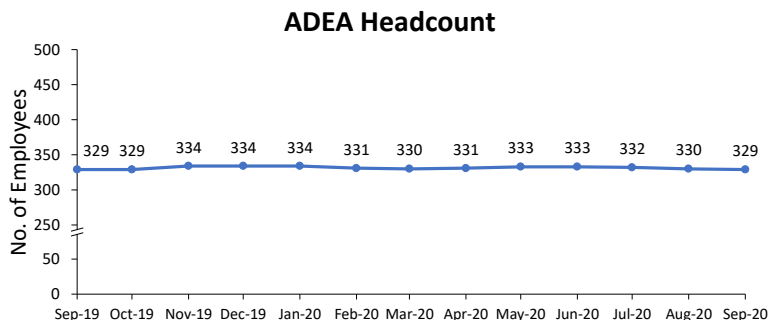
1. \$7.2M YTD actuals vs. Liquidity Plan:

- a. (\$5.6M) unfavorable variance in operating revenues, led by a (\$6.2M) timing variance in school cafeterias and (\$1.0M) in other revenue, partially offset by a \$1.6M permanent variance in coffee operations.
 - b. \$4.9M favorable variance in intergovernmental receipts due to the receipt of \$5.2M destined for the Land Authority Agency, which is partially offset by (\$0.3M) related to a 2.5% fee from Hacienda on General Fund transfers not in the original LP.
 - c. (\$0.7M) permanent variance related to payroll. ADEA will need to work with OGP to increase the budget, which would be funded by ADEA’s own operating inflows.
 - d. \$0.9M favorable variance in PayGo.
 - e. \$11.4M favorable variance in payment of subsidies and incentives, which is expected to reverse. Payment of incentives and subsidies has been delayed due to COVID-19 as well as additional delays from revised payment calculation exercises.
 - f. (\$6.7M) negative permanent variance in rural infrastructure expenses. The program moved to the Land Authority of Puerto Rico, along with General Funds received and remaining balances previously received.
 - g. \$3.2M favorable variance in operating disbursements, driven by a favorable \$2.1M variance in timing of WIC and OPPEA disbursements and a \$2.0M timing variance in other operating expenses related to coffee market making operations and school cafeterias, which are partially offset by (\$0.9M) in other expenses.
 - h. (\$0.2M) unfavorable permanent variance due to transfers of funds to non-operating accounts.
2. \$13.6M cash reduction for the balance of FY21:
- a. \$105.0M forecast in total receipts led by \$43.3M of coffee market making receipts, \$18.1M from school cafeterias, \$37.7M in intergovernmental receipts, and \$5.9M in other receipts including WIC and OPPEA.
 - b. (\$118.6M) forecast in total disbursements, led by (\$56.6M) in subsidy and incentive payments, (\$42.3M) in operating expenses from the school cafeteria and coffee market making programs, (\$7.3M) in payroll, (\$3.7M) in PayGo, and (\$8.7M) in other operating expenses.



B. Headcount / Payroll

- 1. Headcount FTEs: no change from end of Q1 FY20 to end of Q1 FY21.
- 2. Payroll: Disbursements are forecast to be \$10.3M for FY21. YTD payroll is \$3.1M.
 - a. YTD payroll through Sep-21 is \$0.7M above the Liquidity Plan, which is not expected to reverse.
 - b. Variance is due to budgeting process issue that ADEA is working to resolve.

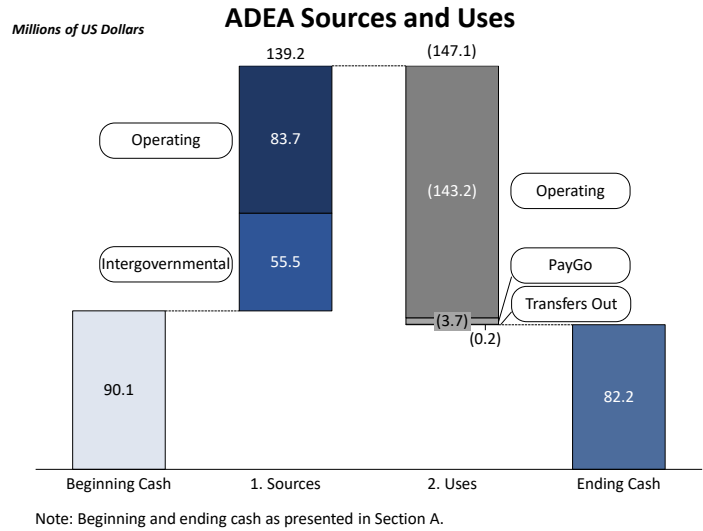


²⁹ Appendix includes reconciliation between AAFAP reported cash figures and the figures in this report.

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

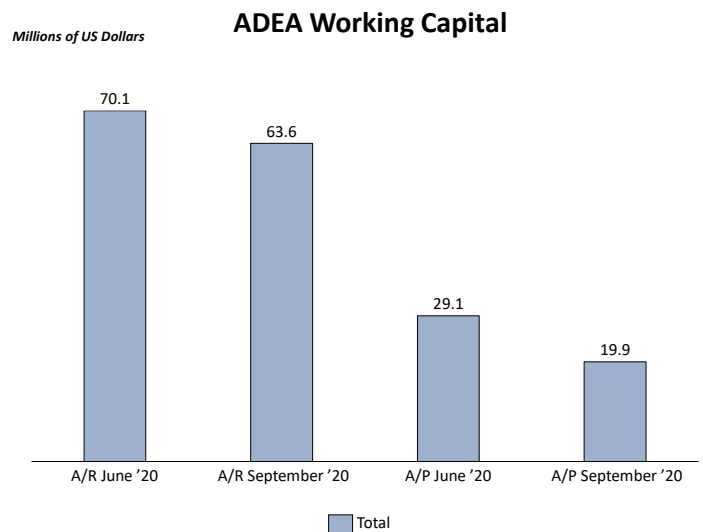
C. Full Year FY21 Sources and Uses of Funds

1. Sources \$139.2M:
 - a. \$83.7M in operating receipts comprised of \$58.0M in coffee market making operations, \$19.3M in school cafeteria programs, and \$6.4M in other receipts.
 - b. \$55.5M in intergovernmental transfers.
2. Uses (\$147.1M):
 - a. (\$143.2M) in operating disbursements including (\$53.8M) in other operating expenses primarily related to the school cafeteria and coffee programs, payroll of (\$10.3M), incentives and subsidy programs of (\$60.6M), rural infrastructure outflows of (\$6.7M), and facilities and payments to public services of (\$0.7M). Other operating expenses, including pass-through disbursements tied to government programs, total (\$11.1M).
 - b. (\$3.7M) in PayGo disbursements.
 - c. (\$0.2M) in transfers to non-operating accounts.



D. Accounts Receivable / Accounts Payable³⁰

1. Accounts Receivable:
 - a. \$6.5M decrease from the end of Q4 FY20 to the end of Q1 FY21.
2. Accounts Payable:
 - a. \$9.2M decrease from the end of Q4 FY20 to the end of Q1 FY21 primarily driven by \$4.3M decrease in G&A accounts payable and \$4.7M decrease in accounts payable related to school cafeteria and coffee operations.
3. Working Capital:
 - a. \$2.7M decrease in working capital driven by the changes listed above.



³⁰ Figures are unaudited and subject to change.

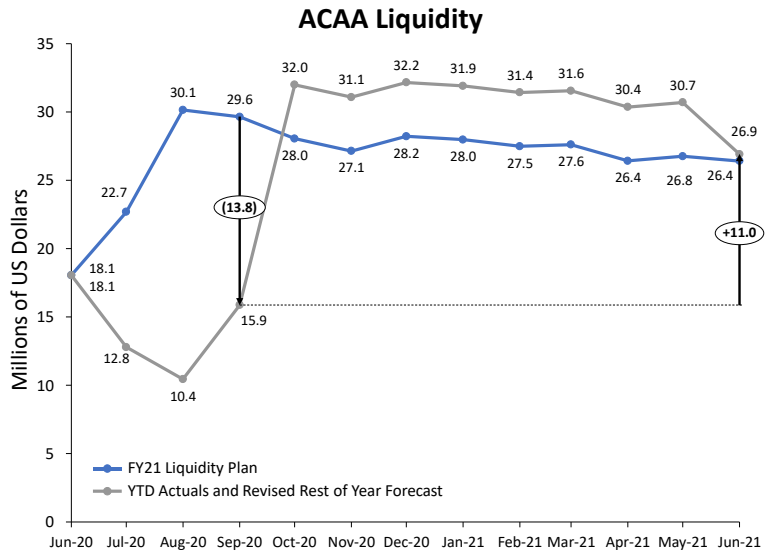
XV. AUTOMOBILE ACCIDENT COMPENSATION ADMINISTRATION (“ACAA”)

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: Year to date, cash has decreased by \$2.2M from \$18.1M to \$15.9M. The cash decrease is primarily due to delays in premiums collections which is expected to reverse in Oct-20, including \$17.0M in premiums collections expected in the first week of Oct-20.

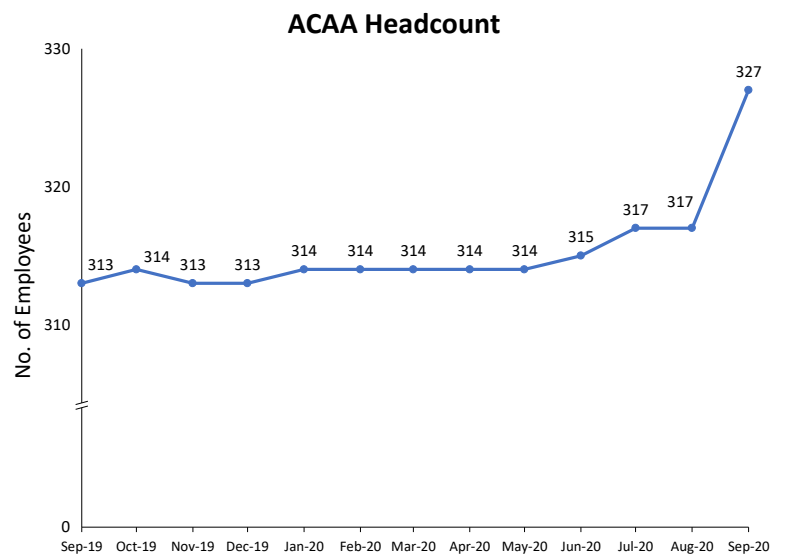
A. FY21 Operating Liquidity – Actuals and FY21 Liquidity Plan

1. (\$13.8M) YTD actuals vs. Liquidity Plan:
 - a. (\$20.3M) unfavorable operating receipts primarily due to unfavorable premium collections which is timing related resulting from a month delay in collections which have not been remitted from the Treasury. Variance is expected to reverse in Oct-20.
 - b. \$0.4M favorable payroll and related costs, which are timing related.
 - c. \$3.1M favorable in PayGo obligations which are timing related.
 - d. \$1.5M in favorable claims-related disbursements due to a reduction in claims filed as a result of the pandemic, which is expected to become permanent.
 - e. \$1.5M favorable purchased services due to contracting delays as a result of the pandemic, which is timing related.
 - f. \$0.2M in other receipts/disbursements.
2. \$11.0M cash build for the balance of FY21:
 - a. Cash is expected to increase as forecasted collections of \$82.2M are expected to outpace operating disbursements of (\$71.2M).



B. Headcount / Payroll

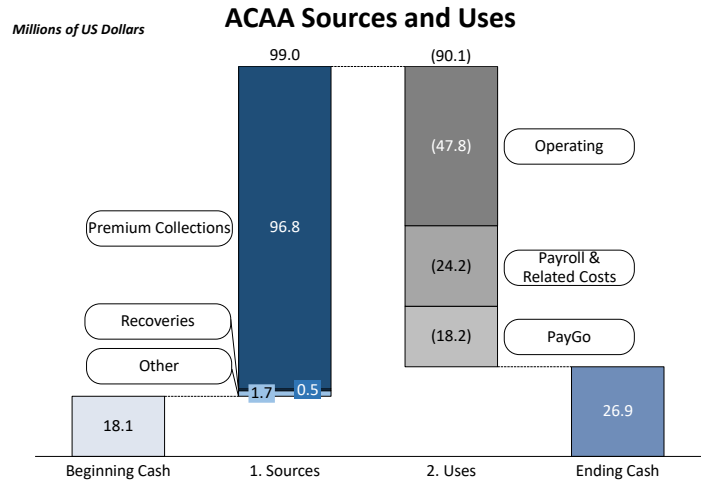
1. Headcount FTEs: Increased from 313 to 327 from end of Q1 FY20 to end of Q1 FY21.
 - a. Several positions that were budgeted were filed in Sep-20.
2. Payroll: Disbursements are forecast to be \$24.2M for FY21. YTD payroll is \$4.8M.
 - a. While payroll is currently \$0.4M favorable to forecast year to date, this variance is expected to reverse due to the increase in headcount.



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

C. Full Year FY21 Sources and Uses of Funds

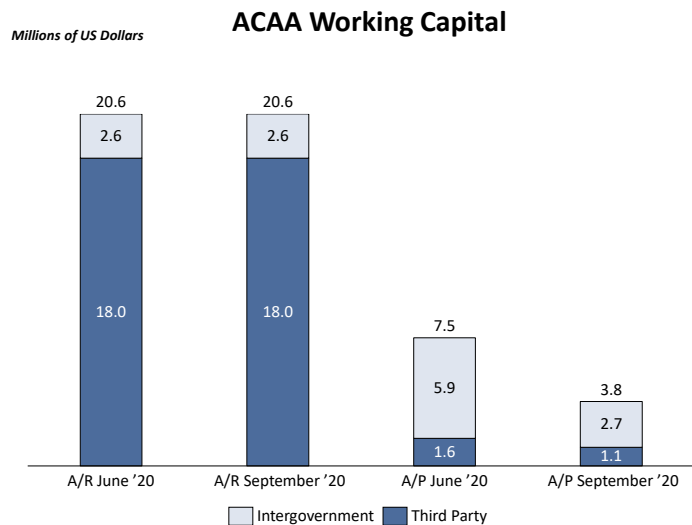
1. Sources \$99.0M:
 - a. \$96.8M of premium collections.
 - b. \$0.5M of recoveries.
 - c. \$1.7M of other operating receipts.
2. Uses (\$90.1M):
 - a. (\$47.8M) in operating disbursements consisting of: claims-related disbursements of (\$33.3M), purchased services of (\$7.9M), contributions to government entities of (\$1.9M), professional fees of (\$1.8M), and other operating costs of (\$2.8M).
 - b. (\$24.2M) in payroll and related costs.
 - c. (\$18.2M) in PayGo obligations.



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

D. Accounts Receivable / Accounts Payable

1. Accounts Receivable:
 - a. No changes in accounts receivable from end of Q4 FY20 to end of Q1 FY21.
2. Accounts Payable:
 - a. \$3.7M decrease from end of Q4 FY20 to end of Q1 FY21 driven by a \$3.2M decrease in intergovernmental payables related to paydowns on PayGo invoices.
3. Working Capital:
 - a. Working capital changes are unfavorable by \$3.7M.



APPENDIX A: RECONCILIATION BETWEEN SEPTEMBER 2020 AAFAP REPORTED FIGURES³¹ AND THE FIGURES IN THIS REPORT³²

Millions of US Dollars

Agency ID	COMPONENT UNIT	AAFAF Reported Balance	Actual Balance 9/25/2020	Variance	Variance due to:		Comments
					Timing (b)	Non-operational Accounts	
168	PUERTO RICO PORTS AUTHORITY ("PORTS")	86.9	44.3	42.6	36.3	6.3	\$6.3M of net restricted cash is excluded from Port's balances. Remaining variance is due to timing differences as (\$34.7M) was disbursed between 9/25 and 9/30 related to an insurance settlement.
90	MEDICAL SERVICES ADMINISTRATION ("ASEM") (a)	96.2	17.1	79.1	0.7	78.4	CU reported cash does not consider restricted bank accounts, including: CapEx \$75.6M, Malpractice Insurance Reserve \$1.9M, and FEMA Funding \$0.9M. Remaining variance is due to timing differences.
285	PUERTO RICO INTEGRATED TRANSIT AUTHORITY ("PRITA")	30.7	30.1	0.7	0.9	(0.2)	\$0.2M held in a non-operational accounts. Remaining variance is due to timing differences.
70	STATE INSURANCE FUND CORPORATION ("FONDO") (a)	431.5	435.0	(3.5)	(4.2)	0.7	Non-operational accounts pertain to petty lunch/transportation expense accounts for injured workers not considered in the cash flow. Remaining variance is due to timing differences.
187	HEALTH INSURANCE ADMINISTRATION ("ASES") (a)	673.5	467.2	206.3	206.3	-	Variance is due to timing of federal fund receipts. Approximately ~\$208.0M was received in the week ending 10/2, and the remaining variance of ~\$2.3M is timing related.
162	PUERTO RICO PUBLIC BUILDINGS AUTHORITY ("PBA")	87.7	59.8	27.9	1.5	26.4	Funds held in non-operational accounts at PBA are earmarked for the following: \$12.9M for debt service for bonds pertaining to Resolution 468, \$7.1M for debt service for bonds related to Construction Series R and N, and \$6.4M in other restricted cash accounts. Remaining variance due to timing differences.
188	CARDIOVASCULAR CENTER OF PUERTO RICO AND THE CARIBBEAN ("Cardio")	34.7	34.9	(0.3)	(1.1)	0.8	Restricted and other non-operational cash not considered account for \$0.8M of AAFAP cash. Remaining variance is due to timing differences.
166	PUERTO RICO INDUSTRIAL DEVELOPMENT COMPANY ("PRIDCO")	116.0	59.2	56.8	0.8	56.1	\$56.1M in restricted funds pertain to FEDE, Rums, and other incentives. Remaining variance due to timing differences.
235	HOUSING FINANCE AUTHORITY ("HFA") (a)	88.3	86.6	1.7	1.7	-	Variances are related to timing of outstanding checks.
180	PUERTO RICO TOURISM COMPANY ("TOURISM")	142.4	24.5	117.9	(0.4)	118.3	Funds in non-operational accounts consist of \$105.0M in non-operational accounts and \$13.3M in Tourism subsidiary accounts not included in Tourism operating cash. Remaining variance is due to timing differences.
295	FISCAL AGENCY AND FINANCIAL ADVISORY AUTHORITY ("AAFAF")	73.9	111.6	(37.7)	0.3	(38.0)	AAFAF Title III and Escrow bank accounts are not considered in AAFAP's inventory of accounts. Accounts opened during August and September of 2019, respectively. Remaining variance is due to timing differences.
119	DEPARTMENT OF ECONOMIC DEVELOPMENT AND COMMERCE ("DDEC")	73.5	74.4	(0.9)	(0.9)	-	Variance is due to timing differences.
303	CONVENTION CENTER DISTRICT AUTHORITY ("CCDA")	15.2	13.6	1.5	(0.1)	1.6	Non-operational accounts include \$1.6M in special purpose funds from ticket sales that do not belong to CCDA. Remaining variance is due to timing differences.
277	PUERTO RICO AGRICULTURAL DEVELOPMENT ADMINISTRATION ("ADEA")	115.4	95.8	19.6	(0.2)	19.8	\$19.8M in net non-operational accounts not reported in CU cash balances and CU accounts not reported at AAFAP. Remaining variance is due to timing differences.
79	Automobile Accident Compensation Administration ("ACAA")	150.8	15.9	134.9	6.2	128.7	Non-operational accounts consist of \$128.7M, which are investment accounts managed by a third party to maintain ACAA's liquidity reserve. Remaining variance is due to timing differences related to premiums receipts.

Footnotes:

(a) ASEM, Fondo, ASES, and HFA report book balances.

(b) AAFAP reported balance as of 9/30/20, while CU reported balances for cash flow purposes are as of 9/25/20. Material timing variances may be present.

³¹ AAFAP reported figures as per "Summary of Bank Account Balances for the Government of Puerto Rico and its Instrumentalities" report dated September 30, 2020.

³² This report is prepared based on reported operational cash balances as of June 26, 2020, 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

**COMMONWEALTH OF PUERTO RICO
COMPONENT UNIT REPORTING**

Headcount

	Actual Sep-20
<i>(figures in \$000's)</i>	
Headcount	
Puerto Rico Ports Authority ("Ports")	456
Medical Services Administration ("ASEM")	1,406
Puerto Rico Integrated Transit Authority ("PRITA")	786
Puerto Rico State Insurance Fund Corporation ("Fondo")	2,672
Health Insurance Administration ("ASES")	67
Puerto Rico Public Buildings Authority ("PBA")	972
Cardiovascular Center of Puerto Rico and the Caribbean ("Cardio")	560
Puerto Rico Industrial Development Company ("PRIDCO")	140
Puerto Rico Housing Finance Authority ("HFA")	127
Tourism Company of Puerto Rico ("Tourism")	211
Fiscal Agency and Financial Advisory Authority ("AAFAF")	79
Department of Economic Development and Commerce ("DDEC")	419
Puerto Rico Convention Center District Authority ("CCDA")	10
Puerto Rico Administration for the Development of Agricultural Enterprises ("ADEA")	329
Automobile Accident Compensation Administration ("ACAA")	327
Total Component Unit Headcount	8,561

**COMMONWEALTH OF PUERTO RICO
COMPONENT UNIT REPORTING**

Payroll and Related Cost Disbursements

	Actual Sep-20	Actual YTD
<i>(figures in \$000's)</i>		
Payroll and Related Cost Disbursements		
Puerto Rico Ports Authority ("Ports")	(\$1,637)	(\$5,725)
Medical Services Administration ("ASEM")	(6,033)	(20,183)
Puerto Rico Integrated Transit Authority ("PRITA")	(3,348)	(10,095)
Puerto Rico State Insurance Fund Corporation ("Fondo")	(16,515)	(53,844)
Health Insurance Administration ("ASES")	(78)	(924)
Puerto Rico Public Buildings Authority ("PBA")	(3,092)	(12,335)
Cardiovascular Center of Puerto Rico and the Caribbean ("Cardio")	(2,012)	(6,496)
Puerto Rico Industrial Development Company ("PRIDCO")	(1,025)	(2,707)
Puerto Rico Housing Finance Authority ("HFA")	(484)	(1,525)
Tourism Company of Puerto Rico ("Tourism")	(571)	(3,183)
Fiscal Agency and Financial Advisory Authority ("AAFAF")	(535)	(1,673)
Department of Economic Development and Commerce ("DDEC")	(915)	(4,333)
Puerto Rico Convention Center District Authority ("CCDA")	(44)	(223)
Puerto Rico Administration for the Development of Agricultural Enterprises ("ADEA")	(755)	(3,070)
Automobile Accident Compensation Administration ("ACAA")	(1,106)	(4,824)
Total Component Unit Payroll and Related Cost Disbursements	(\$38,149)	(\$131,140)