



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

Component Unit Liquidity

FOR QUARTER 2, OF FISCAL YEAR 2022: OCTOBER THROUGH DECEMBER 2021

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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.
ARPA	American Rescue Plan Act of 2021, also called the COVID-19 Stimulus Package or American Rescue Plan.
ASEM	Puerto Rico Medical Services Administration, a public corporation and a component unit of the Commonwealth of Puerto Rico.
ASES	Puerto Rico Health Insurance Administration, a public corporation and a component unit of the Commonwealth of Puerto Rico.
ASSMCA	Administration of Mental Health and Anti-Addiction Services of Puerto Rico.
ATI	Puerto Rico Integrated Transit Authority.
ATM	Maritime Transportation Authority.
Bahía Urbana	Waterfront Park in San Juan, Puerto Rico.
CapEx	Capital expenditures.
Cardio	Cardiovascular Center of Puerto Rico and the Caribbean, a public corporation and a component unit of the Commonwealth of Puerto Rico.
CCDA	Puerto Rico Convention Center District Authority, a public corporation and a component unit of the Commonwealth of Puerto Rico.
CDBG	Community Development Block Grant – Disaster Recovery (CDBG – DR) is a program responsible to ensure decent affordable housing opportunities and provision of services, community assistance, and to expansion and conserve jobs.
CM	Conway MacKenzie, Inc.
CMS	The Centers for Medicare & Medicaid Services (CMS), is a federal agency within the United States Department of Health and Human Services (HHS) that administers the Medicare program and works in partnership with state governments to administer Medicaid, the Children's Health Insurance Program (CHIP), and health insurance portability standards.
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.
CRIM	Center for the Collection of Municipal Revenues rendering fiscal services in favor of the Municipalities and has the responsibility to notify, assess, collect, receive and distribute the public funds from the property tax, the state subsidy, funds from the Electronic Lottery, and any other funds that are disposed by law for the benefit of the Municipalities of Puerto Rico.
CU	See 'Component unit.'
DDEC	Puerto Rico Department of Economic Development and Commerce, a public corporation and a component unit of the Commonwealth of Puerto Rico.
Disaster-Related Disbursements	Expenditures related to the damages caused from hurricanes Irma and Maria.
Disaster-Related Receipts	Federal emergency funds, insurance related to hurricanes Irma and Maria.
DMO	Destination Marketing Organization.
FEDE	Special Fund for Economic Development, affiliated with PRIDCO.
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.

FMAP	Federal Medical Assistance Percentages (FMAP) are the percentage rates used to determine the matching funds rate allocated annually to certain medical and social service programs in the U.S.
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.
HUD	Department of Housing and Urban Development responsible for national policy and programs that address U.S. housing needs, improve and develop communities, and enforce fair housing laws.
Intergovernmental Receipts	General fund appropriations to and funds transferred between public corporations and municipalities.
Liquidity Plan (LP)	Projected cash flows for each component unit, based on their respective government FY22 Budget submission reviewed July 29 and 30, 2020.
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.
OpEx	Operating expenditures.
OPPEA	Office of the Ombudsman for the Elderly; Oficina Del Procurador De Las Personas De Edad Avanzada of Puerto Rico.
Other Inflows	Sales of toll tags, rental income, and impact fees.
Other Outflows	Payments to suppliers from prior years.
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.
Payroll and Related Costs	Salaries and wages paid to employees, along with taxes and employer matching payments.
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.
Premium Pay	Additional compensation payments distributed to eligible employees during the COVID-19 pandemic, which are sourced from State and Local Coronavirus Fiscal Recovery Fund of the American Rescue Plan Act of 2021 (ARPA).
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.
SBA	The U.S. Small Business Administration is a United States government agency that provides support to entrepreneurs and small businesses.

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”) 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 second quarter of fiscal year 2022 (“Q2-22”), and presents information with respect to 15 select CUs. Fiscal Year 2022 (“FY22”) Liquidity Plans for 15 CUs were completed and reviewed with the team from AAFAF in mid-August 2021. These final Liquidity Plans are used in this Q2-22 report.

13 of the 15 CUs have reported actual cash flow information through the month of December 2021 (“Dec-21”). 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 FY22¹. Analysis in section “A” includes details on actual receipts and expenses through Q2-22.

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 FY22 Sources and Uses of Funds is provided to allow readers to bridge the beginning cash balance as of June 26, 2021 and forecasted ending cash at July 1, 2022. 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 December 31, 2021 and the December 2021 AAFAF reported figures. The “Summary of Bank Account Balances for the Government of Puerto Rico and its Instrumentalities,” was released as of December 30, 2021. 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 through Q2-22 in this report refer to the period of June 26, 2021 through December 31, 2021, when the CUs performed their monthly cut off for cash flow reporting purposes.

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EXECUTIVE SUMMARY – OPERATING LIQUIDITY AS OF DECEMBER 2021

EXECUTIVE SUMMARY

Component Units Actual Results for the Month of December 2021

(figures in \$000's)	FY22 Actual YTD	FY22 LP YTD	Variance YTD FY22 vs. LP
Component Units			
Puerto Rico Ports Authority ("PORTS")			
PORTS Cash Inflow	\$73,604	\$55,318	\$18,285
PORTS Cash Outflow	(69,819)	(67,542)	(2,277)
PORTS Net Cash flow	\$3,785	(\$12,224)	\$16,009
PORTS Commentary:	Net cash flow vs. Liquidity Plan is \$16.0M favorable due to federal funds received led by ARPA and CARES Act funds, partially offset by lower maritime revenues due to cruise ship activity and timing variance in CapEx spending.		
Medical Services Administration ("ASEM")			
ASEM Cash Inflow	\$123,909	\$89,765	\$34,144
ASEM Cash Outflow	(127,883)	(86,516)	(41,366)
ASEM Net Cash flow	(\$3,973)	\$3,249	(\$7,222)
ASEM Commentary:	The unfavorable net cash flow vs. Liquidity Plan of (\$7.2M) is due primarily to lower physician and medical plan receipts vs. forecast. Liquidity risks at ASEM are due to a reduced General Fund appropriation(s) for operations relative to FY20 despite a similar operating budget, and timing/collection risk associated with large institutional payers within the Dept. of Health.		
Puerto Rico Integrated Transit Authority ("PRITA")			
PRITA Cash Inflow	\$71,182	\$64,339	\$6,843
PRITA Cash Outflow	(66,859)	(54,818)	(12,041)
PRITA Net Cash flow	\$4,323	\$9,520	(\$5,197)
PRITA Commentary:	Net cash flow vs. Liquidity Plan is (\$5.2M) unfavorable given variance in payroll expenses and purchased services (insurance), in addition to higher ferry CapEx, partially offset by timing in receipt of General Fund appropriations to cover CapEx and P3 payments at ATM.		
Puerto Rico State Insurance Fund Corporation ("FONDO")			
FONDO Cash Inflow	\$384,141	\$340,022	\$44,118
FONDO Cash Outflow	(275,600)	(255,981)	(19,619)
FONDO Net Cash flow	\$108,541	\$84,042	\$24,499
FONDO Commentary:	Favorable net cash flow compared to Liquidity Plan of \$24.5M is driven primarily by higher premiums collections than forecast year to date due to timing, which is partially offset by higher payroll due to employee transfers from PREPA. Premium collections year to date are \$384.1M.		
Health Insurance Administration ("ASES")			
ASES Cash Inflow	\$2,382,075	\$1,537,716	\$844,360
ASES Cash Outflow	(1,918,035)	(1,255,463)	(662,572)
ASES Net Cash flow	\$464,040	\$282,252	\$181,788
ASES Commentary:	Favorable net cash flow of \$181.8M compared to Liquidity Plan is due to recent increases in federal fund allotments from CMS, partially offset by higher premiums and related costs due to the increases in program expenses due to recent Budget reapportionments.		
Puerto Rico Public Buildings Authority ("PBA")			
PBA Cash Inflow	\$70,401	\$69,337	\$1,063
PBA Cash Outflow	(93,767)	(81,882)	(11,885)
PBA Net Cash flow	(\$23,366)	(\$12,544)	(\$10,822)
PBA Commentary:	Unfavorable net cash flow vs. Liquidity Plan of (\$10.8M) is primarily due to operating expenses led by purchased services, and permanent variance in FEMA and insurance projects. These were partially offset by funds received related to Premium Pay.		
Cardiovascular Center of Puerto Rico and the Caribbean ("Cardio")			
Cardio Cash Inflow	\$40,828	\$40,579	\$250
Cardio Cash Outflow	(44,836)	(38,342)	(6,494)
Cardio Net Cash flow	(\$4,008)	\$2,236	(\$6,244)
Cardio Commentary:	Unfavorable net cash flow vs. Liquidity Plan of (\$6.2M) is driven by lower receipts from patient collections (net) vs. forecast and higher disbursements for purchased services and medical supplies due to paydowns on prior periods' debt, partially offset by nursing and other incentives from Treasury and HHS to mitigate ongoing staffing shortages due to COVID-19.		

EXECUTIVE SUMMARY – OPERATING LIQUIDITY AS OF DECEMBER 2021 (Continued)

EXECUTIVE SUMMARY CONTINUED

Component Units Actual Results for the Month of December 2021

(figures in \$000's)	FY22 Actual YTD	FY22 LP YTD	Variance YTD FY22 vs. LP
Component Units			
Puerto Rico Industrial Development Company ("PRIDCO")			
PRIDCO Cash Inflow	n/a	n/a	n/a
PRIDCO Cash Outflow	n/a	n/a	n/a
PRIDCO Net Cash flow	n/a	n/a	n/a
PRIDCO Commentary:	Cash flow data not received for Dec-21. This information reflects actuals YTD through Nov-21.		
Puerto Rico Housing Finance Authority ("HFA")			
HFA Cash Inflow	\$274,883	\$128,720	\$146,164
HFA Cash Outflow	(176,235)	(147,541)	(28,694)
HFA Net Cash flow	\$98,648	(\$18,822)	\$117,470
HFA Commentary:	Favorable net cash flow variance to the Liquidity Plan of \$117.5M is due to variances driven by debt service of \$16.2M, net balance sheet activity of \$15.6M, net temporary variances from federal funds & CDBG of \$5.4M and \$7.4M, respectively. Operating disbursements resulted in a temporary variance of \$3.9M, while operating and intergovernmental receipts present a temporary variance of (\$4.8M). In Dec-21, HFA received \$73.8M in federal pass-through funds (ARPA) not forecast.		
Tourism Company of Puerto Rico ("Tourism")			
Tourism Cash Inflow	\$102,819	\$63,762	\$39,057
Tourism Cash Outflow	(63,811)	(62,455)	(1,356)
Tourism Net Cash flow	\$39,008	\$1,307	\$37,702
Tourism Commentary:	Favorable net cash flow variance of \$37.7M vs. Liquidity Plan is driven by outperformance of hotel room taxes and slot machine collections due to a strong rebound in tourism activity since Feb-21, including significantly improved hotel occupancy rates.		
Fiscal Agency and Financial Advisory Authority ("AAFAF")			
AAFAF Cash Inflow	51,609	\$41,697	\$9,912
AAFAF Cash Outflow	(48,715)	(46,913)	(1,801)
AAFAF Net Cash flow	\$2,895	(\$5,216)	\$8,111
AAFAF Commentary:	Favorable variance of \$8.1M vs. Liquidity Plan is due to \$9.9M in favorable operating receipts variance and appropriations for future legal settlement(s) not forecast, and \$5.0M in favorable disbursements variance partially offset by (\$6.8M) in unfavorable transfers of surplus monies to Treasury not forecast.		
Department of Economic Development and Commerce ("DDEC")			
DDEC Cash Inflow	\$138,926	\$154,526	(\$15,600)
DDEC Cash Outflow	(135,998)	(145,715)	9,717
DDEC Net Cash flow	\$2,928	\$8,812	(\$5,883)
DDEC Commentary:	Unfavorable (\$5.9M) variance in net cash flow is due to fewer intergovernmental receipts, \$0 in management fees, and increased payroll and related costs due to transfer of PREPA employees to DDEC.		
Puerto Rico Convention Center District Authority ("CCDA")			
CCDA Cash Inflow	\$50,495	\$21,703	\$28,791
CCDA Cash Outflow	(23,698)	(19,363)	(4,334)
CCDA Net Cash flow	\$26,797	\$2,340	\$24,457
CCDA Commentary:	Favorable net cash flow of \$24.5M compared to Liquidity Plan is due to \$23.6M in federal fund receipts (ARPA, SBA) due to loss revenues sustained since the onset of the COVID-19 pandemic not forecast, as well as continued deferral of utilities expenses to preserve operating liquidity, including \$2.7M in accrued FY21 expenses.		
Puerto Rico Administration for the Development of Agricultural Enterprises ("ADEA")			
ADEA Cash Inflow	\$41,885	\$44,467	(\$2,582)
ADEA Cash Outflow	(63,590)	(78,238)	14,648
ADEA Net Cash flow	(\$21,705)	(\$33,771)	\$12,066
ADEA Commentary:	Net cash flow vs. Liquidity Plan is \$12.1M favorable due lower operating expenses given reduced cafeteria operations, and \$13.0M favorable variance due to delay in subsidies and incentives, partially expected to reverse. These were partially offset by permanent variance in FEMA projects of (\$1.3M) and (\$2.5M) variance in operating revenues.		

EXECUTIVE SUMMARY – OPERATING LIQUIDITY AS OF DECEMBER 2021 (Continued)

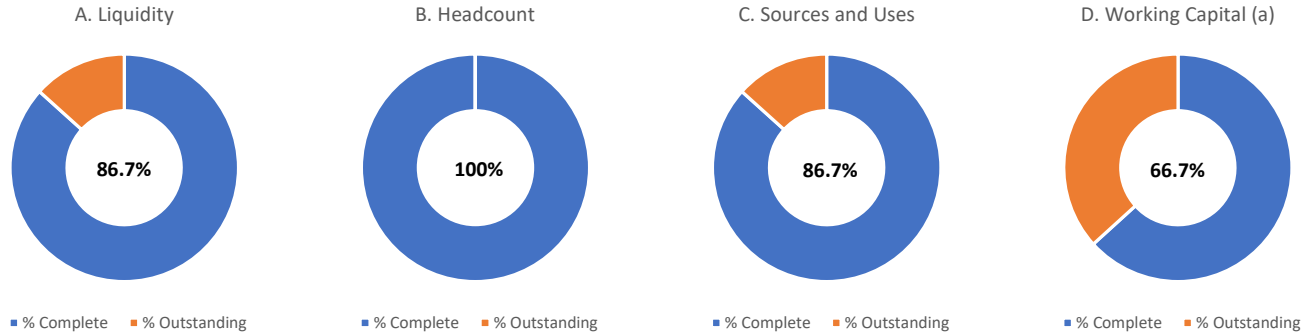
EXECUTIVE SUMMARY CONTINUED

Component Units Actual Results for the Month of December 2021

<i>(figures in \$000's)</i>	FY22 Actual YTD	FY22 LP YTD	Variance YTD FY22 vs. LP
Component Units			
Automobile Accident Compensation Administration ("ACAA")			
ACAA Cash Inflow	\$36,708	\$53,643	(\$16,935)
ACAA Cash Outflow	(73,259)	(82,697)	9,438
ACAA Net Cash flow	(\$36,552)	(\$29,054)	(\$7,498)
ACAA Commentary:	Unfavorable net cash flow of (\$7.5M) compared to Liquidity Plan is primarily due to unfavorable timing of premiums receipts as Dec-21 revenues have yet to be remitted from Treasury. Variance is partially offset by lower claims-related disbursements, which are timing related.		

SUMMARY – REPORTING COMPLIANCE FOR COMPONENT UNITS

13 of the 15 Component Units provided data for the second quarter of fiscal year 2022. 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 87%-100% compliant in providing data for: A. Liquidity, B. Headcount, and C. Sources / Uses. The 15 CUs included were overall 67% compliant in providing data for D. Working Capital. CUs that provided insufficient information for reporting are mentioned in note (a) below.



Notes:

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

- AAFAF
- ACAA (A/R only)
- DDEC
- FONDO (A/R only)
- PRITA
- PRIDCO

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 increased by \$3.8M from \$123.0M to \$126.8M. Cruise operations continue to be impacted by COVID-19 and its effects on the cruise line industry, while regional airport is performing in-line with the Liquidity Plan. Projected FY22 payroll and related costs are approximately 40% or \$9.3M higher than FY21 primarily due to the addition of 154 employees received from PREPA in Q1-FY22. Ports is in process of requesting funds from OGP to supplement these costs. Year to date, Ports has deferred \$12.3M in PayGo contributions given lower operating revenues from cruise operations. In Dec-21, Ports received \$20.0M in ARPA funds for operations, which have helped offset lower operating revenues and higher payroll and related expenses. Ports projects to end FY22 with \$138.5M, of which \$40.6M is for operations and remaining amounts are reserved for CapEx and insurance projects.

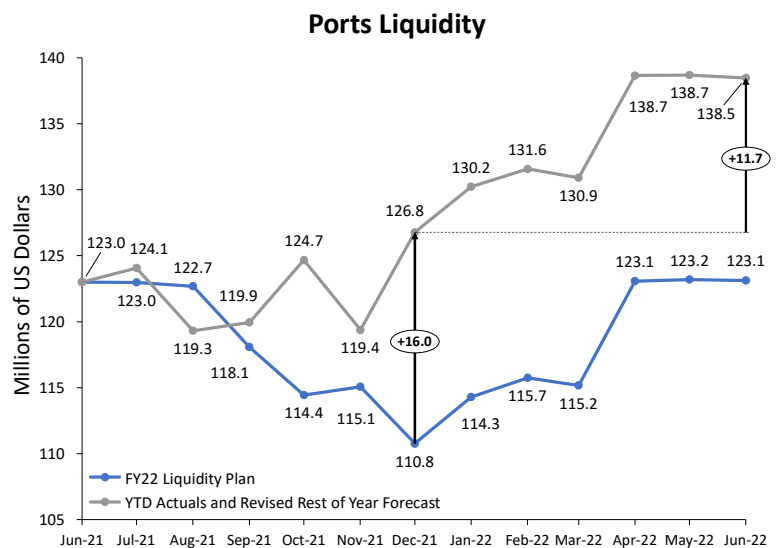
A. FY22 Operating Liquidity – Actuals² and FY22 Liquidity Plan

1. \$16.0M YTD actuals vs. Liquidity Plan:

- (\$7.6M) variance in operating receipts primarily related to (\$7.7M) permanent variance in maritime receipts due to cruise ship operations as the Certified Fiscal Plan does not consider COVID-19 impact on performance; however, operations continue to be affected from lower passenger traffic and ship volume, which is expected to continue throughout FY22 due to increased cases due to the Omicron COVID-19 variant.
- \$5.6M timing variance in other receipts driven by federal reimbursements from CapEx projects – expected to normalize in H2-FY22.
- \$20.3M permanent variance in other operating receipts due to \$20.0M in ARPA funds received, to be used for operations.
- \$0.7M favorable variance in operating disbursements, led by permanent variance in PayGo contributions. Given continued underperformance of cruise ship operations, Ports has deferred six (6) monthly PayGo contributions totaling \$12.3M. These were mostly offset by permanent variances of (\$11.5M) in operating disbursements led by past due payments to operator of cargo container scanning (“S2”) from ARPA funds.
- (\$3.0M) negative timing variance in CapEx disbursements and restricted account transfer(s).

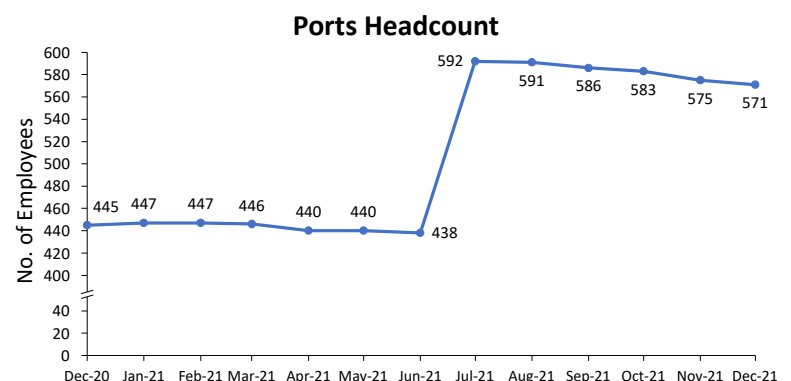
2. \$11.7M cash build for the balance of FY22:

- \$91.9M in forecasted total receipts, driven by \$42.0M in maritime operations, \$13.7M in airport and other operations, and \$36.2M in federal CapEx grant receipts.
- (\$80.2M) in forecasted total disbursements, driven by (\$15.5M) in payroll and related costs, (\$12.3M) in PayGo contributions, (\$16.8M) in operating disbursements, and (\$35.6M) in CapEx.



B. Headcount / Payroll

- Headcount FTEs: Increased from 445 to 571 from end of Q2-21 to end of Q2-22.
 - Headcount increase is primarily related to the addition of 154 former PREPA employees, partially offset by normal attrition factors.
- Payroll: Disbursements are forecast to be \$32.0M for FY22. YTD payroll is \$16.6M.
 - Ports continues to work with OGP on a reapportionment for funding of former PREPA employee payroll and benefits.

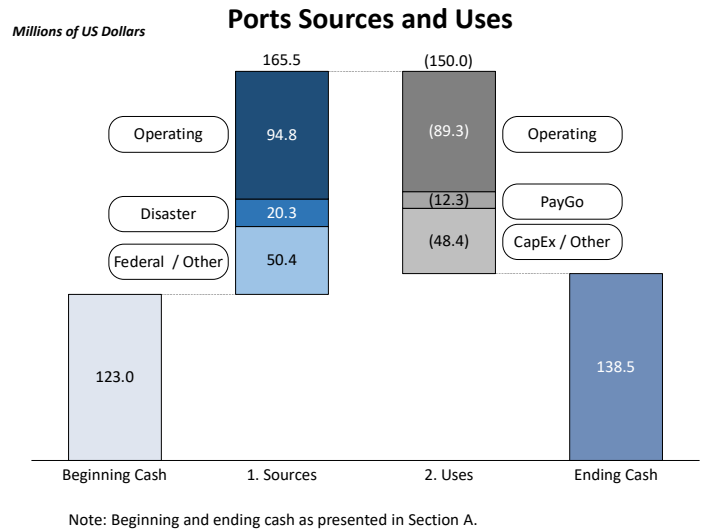


² Appendix includes reconciliation between AAFAF reported cash figures and the figures in this report.

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

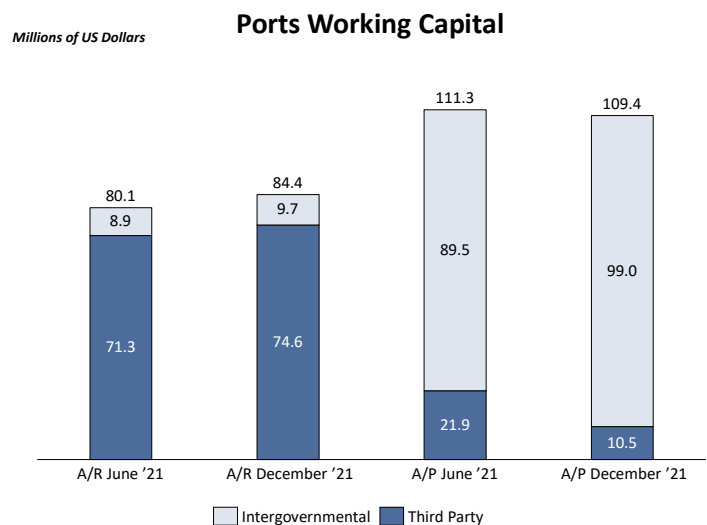
C. Full Year FY22 Sources and Uses of Funds

1. Sources \$165.5M:
 - a. Operating receipts of \$94.8M, comprised of \$74.3M in maritime receipts, \$20.3M in airport receipts, and \$0.2M in other receipts.
 - b. Disaster-related receipts of \$20.3M related to ARPA funding received in Q2-FY22 and an insurance settlement.
 - c. Federal and other funds total \$50.4M, comprised of \$49.1M in federal funds, and \$1.3M in General Fund appropriations primarily for Premium Pay.
2. Uses (\$150.0M):
 - a. Operating disbursements of (\$89.3M), driven by payroll and related costs of (\$32.0M), professional services of (\$29.2M), purchased services of (\$15.6M), utilities of (\$10.6M), and other expenses of (\$1.9M).
 - b. PayGo contributions of (\$12.3M).
 - c. CapEx and other (inclusive of net transfers) of (\$48.4M).



D. Accounts Receivable / Accounts Payable³

1. Accounts Receivable:
 - a. \$4.2M increase from end of Q4-21 to end of Q2-22 driven by third party receivables.
2. Accounts Payable:
 - a. \$1.9M decrease from end of Q4-21 to end of Q2-22 driven by a \$11.4M decrease in third party payables primarily related to a partial paydown of past due S2 scanning operator invoices, offset by a \$9.5M increase in intergovernmental payables driven by pension payables.
3. Working Capital:
 - a. Working capital changes thru Dec-21 were unfavorable by \$6.1M due to the above changes.



³ 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 decreased by (\$4.0M) from \$10.6M to \$6.6M. The cash decline is due primarily to (\$5.8M) in lower physician and medical plan receipts and institutional receipts (current year) collected vs. forecast. In Jul-21, ASEM collected \$32.1M from the Dept. of Health on prior years’ receivables not forecast, which were disbursed to UPR to eliminate outstanding debts incurred prior to FY22. There are ongoing risks to liquidity at ASEM primarily driven by reduced General Fund appropriations (budgeted) for operations in FY22 relative to FY20 despite a similar operating budget, and timing/collection risk associated with large institutional payers. In Jun-21, ASEM received ~85 employees from PREPA representing ~(\$4.8M) in incremental, annualized payroll and related expenses. ASEM requires additional funding to support these employees. Cash is currently projected to decline to \$0.0M by the end of FY22.

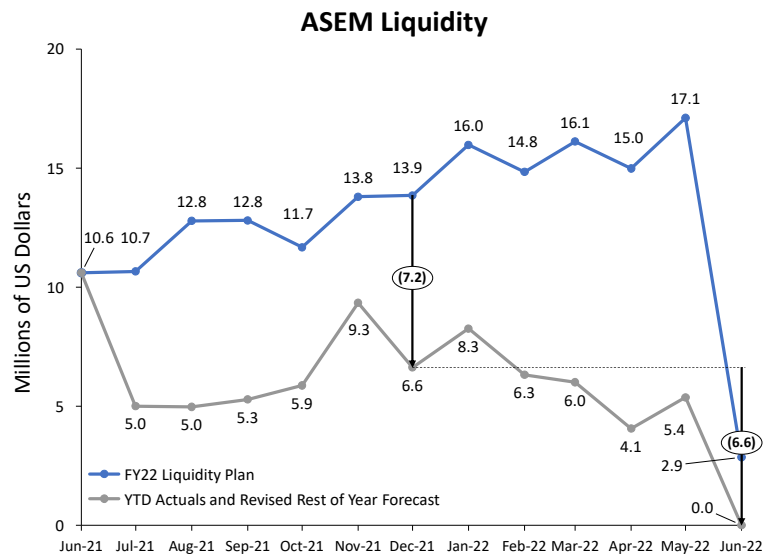
A. FY22 Operating Liquidity – Actuals⁴ and FY22 Liquidity Plan

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

- (\$5.8M) in unfavorable operating receipts variance driven by lower physician and medical plan receipts because of reduced elective procedures during the COVID-19 pandemic and revenue cycle management issues.
- \$36.4M in favorable institutional receipts variance due to \$39.9M collected from the Dept. of Health not forecast, including \$32.1M for prior years’ debt paydowns to UPR and \$7.8M for in-house neurosurgeons staffing. Variance partially offset by (\$3.4M) in lower receipts received on FY22 invoices vs. forecast.
- \$3.5M in favorable General Fund appropriations variance driven by Premium Pay incentives not forecast.
- (\$31.4M) in unfavorable professional services spend driven mostly by payments to UPR to settle outstanding debts prior to FY22, permanent.
- (\$2.5M) in PayGo contributions, timing.
- (\$7.4M) in other disbursements, including transfers (to)/from restricted account largely driven by CapEx not forecast in the Liquidity Plan.

2. (\$6.6M) cash reduction for the balance of FY22:

- The cash reduction will be driven by receipts insufficient to cover projected operating needs.



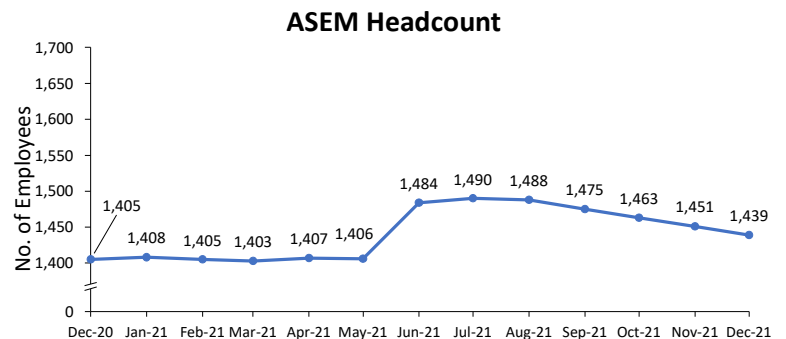
B. Headcount / Payroll

1. Headcount FTEs: Increased from 1,405 to 1,439 from end of Q2-21 to end of Q2-22.

- Increase in headcount is related to the addition of ~85 employees from PREPA, largely offset by employee turnover due to a highly competitive labor market for qualified nurses and other medical professionals, which has worsened due to the COVID-19 pandemic.

2. Payroll: Disbursements are forecast to be \$101.9M for FY22. YTD payroll is \$49.3M.

- Year to date, payroll and related disbursements are generally in-line with forecast.
- Payroll and related costs are anticipated to increase in the second half of FY22 due to incremental expenses associated with PREPA employee transfers not considered in the Certified Budget.



⁴ Appendix includes reconciliation between AAFAF reported cash figures and the figures in this report.

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

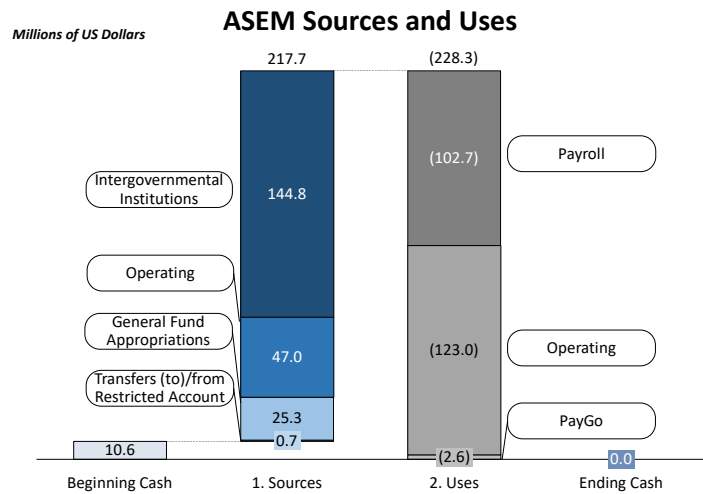
C. Full Year FY22 Sources and Uses of Funds

1. Sources \$217.7M:

- a. Institutional receipts of \$144.8M from intergovernmental entities including ASEM’s largest institutional payor the Dept. of Health. \$39.9M of these receipts relate to collections of prior years’ receivables from the Dept. of Health and are specified for ASEM to paydown (\$32.1M) to UPR to settle debts prior to FY22 and (\$7.8M) to cover costs associated with ASEM’s in-house neurosurgeons staff.
- b. General Fund appropriations of \$25.3M, which include \$3.5M in non-budgeted appropriations related to Premium Pay incentives payments.
- c. Third party operating receipts of \$47.0M comprised of \$36.7M of physician and medical plan receipts and \$10.3M in other receipts sourced mostly from Law 24-2017 and rental income.
- d. Transfers (to)/from restricted accounts of \$0.7M earmarked mostly for capital improvements.

2. Uses (\$228.3M):

- a. Payroll and related costs of (\$102.7M).
- b. Operating disbursements of (\$123.0M), comprised of professional services of (\$65.3M) including (\$32.1M) disbursed to UPR for prior periods’ debts, materials and supplies of (\$24.5M), purchased services of (\$5.6M), utilities of (\$9.2M), equipment purchases of (\$6.4M), and other operating payments of (\$12.0M).
- c. PayGo contributions of (\$2.6M).



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

D. Accounts Receivable / Accounts Payable⁵

1. Accounts Receivable:

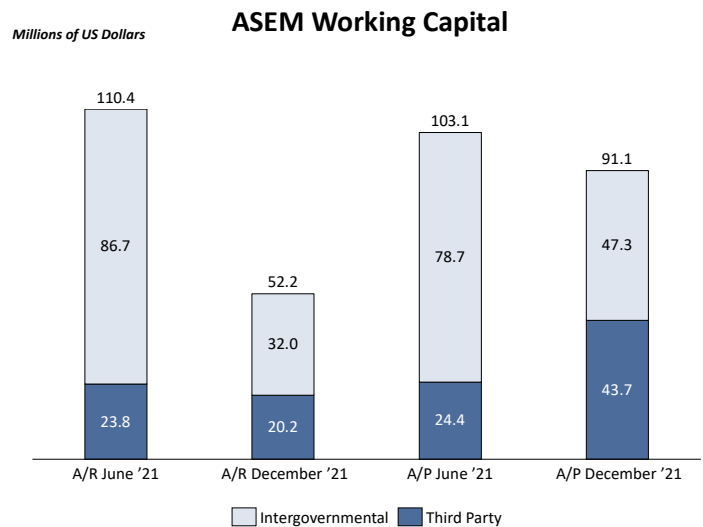
- a. \$58.2M decrease from end of Q4-21 to end of Q2-22 driven by a \$54.7M decrease in intergovernmental receivables due to collections from the Dept. of Health intended in part for ASEM to settle outstanding debts with UPR prior to FY22, and improved collection efforts with ACA and ASSMCA. These decreases were further exacerbated by a \$3.6M decrease in third party receivables.

2. Accounts Payable:

- a. \$12.0M decrease from end of Q4-21 to end of Q2-22 driven by a \$31.4M decrease in intergovernmental payables driven by payments made to UPR for prior periods’ debt, partially offset by a \$19.4M increase in third party payables related to unearned revenue from federal Coronavirus Relief Funds (CRF) and state appropriations to subsidize equipment purchases during the COVID-19 pandemic.

3. Working Capital:

- a. Working capital changes were favorable by \$46.2M through Dec-21 due to the above changes.



⁵ 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 increased by \$4.3M from \$18.5M to \$22.8M primarily due to the receipt of \$43.4M in General Fund appropriations, of which \$26.3M are for CapEx and for the P3 operator, and \$17.1M are for normal operations. Bus services continue to be significantly impacted by COVID-19, while ferry operations have rebounded and are in-line with Liquidity Plan revenue targets. ATM continues to make payments under their P3 agreement. PRITA’s operating liquidity position remains strained, and they continue to rely on allocations from the General Fund and from cigarette tax receipts to supplement operations. PRITA is expected to end FY22 with \$16.8M in liquidity.

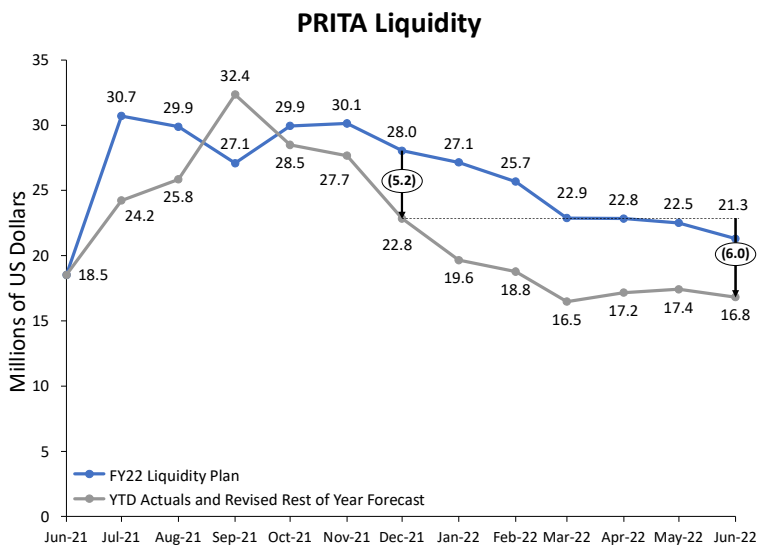
A. FY22 Operating Liquidity – Actuals⁶ and FY22 Liquidity Plan

1. (\$5.2M) YTD actuals vs. Liquidity Plan:

- a. (\$0.8M) unfavorable permanent variance in operating receipts due to the impact of COVID-19 on bus and ferry operations.
- b. \$1.8M permanent positive variance in other receipts due to collection of insurance proceeds related to hurricanes Maria and Irma.
- c. \$10.8M positive variance in General Fund appropriations received. \$1.9M is related to receipt of funds at ATM for fast ferry and vessel refurbishment, and \$8.9M is related to general budget allocation, of which \$1.2M is permanent relating to funds received to make Premium Pay payments.
- d. (\$5.7M) variance in receipt of cigarette tax allocation, timing.
- e. \$0.8M timing positive variance in receipt of federal funds for preventive maintenance related to bus and ferry operations.
- f. (\$3.9M) negative permanent variance in payroll and related costs due to (\$1.2M) in Premium Pay payments and due to higher run rate expenses.
- g. (\$3.4M) variance in operating expenses driven by timing of payments of insurance expenses at ATM.
- h. (\$4.8M) variance in CapEx payments primarily due to fast ferry maintenance and P3 payments at ATM.

2. (\$6.0M) cash reduction for the balance of FY22:

- a. \$43.5M in receipts, driven by \$2.5M in operating receipts from bus and ferry operations, \$30.9M in intergovernmental receipts, and \$10.1M in federal grant receipts for preventative maintenance and CapEx.
- b. (\$35.4M) in operating disbursements, driven by (\$21.8M) in payroll and related costs, (\$0.3M) in PayGo contributions, (\$7.9M) in materials and supplies, (\$0.6M) in utilities, and (\$4.8M) in other expenses.
- c. (\$14.1M) in CapEx, of which (\$8.6M) is related to fast ferry service expenses, P3 operator, and vessel refurbishment at ATM and (\$5.5M) related to AMA’s bus operations.



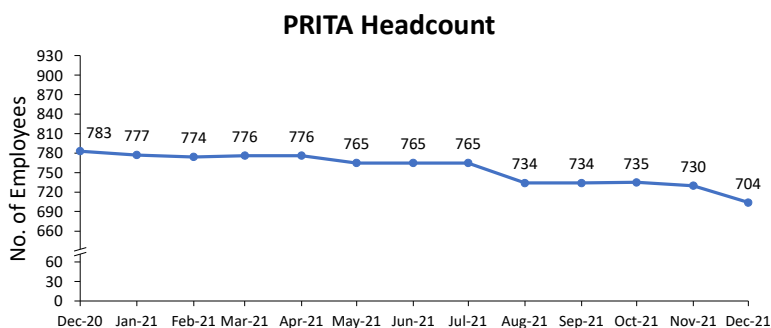
B. Headcount / Payroll

1. Headcount FTEs: Decreased from 783 to 704 from end of Q2-21 to end of Q2-22.

- a. Decrease in headcount is a result of employee turnover and mobility to other agencies, primarily at ATM.

2. Payroll: Disbursements are forecast to be \$46.2M for FY22. YTD payroll is \$24.3M.

- a. YTD payroll is \$3.8M higher than Liquidity Plan, of which \$1.2M is related to Premium Pay not forecast.



⁶ Appendix includes reconciliation between AAFAF reported cash figures and the figures in this report.

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

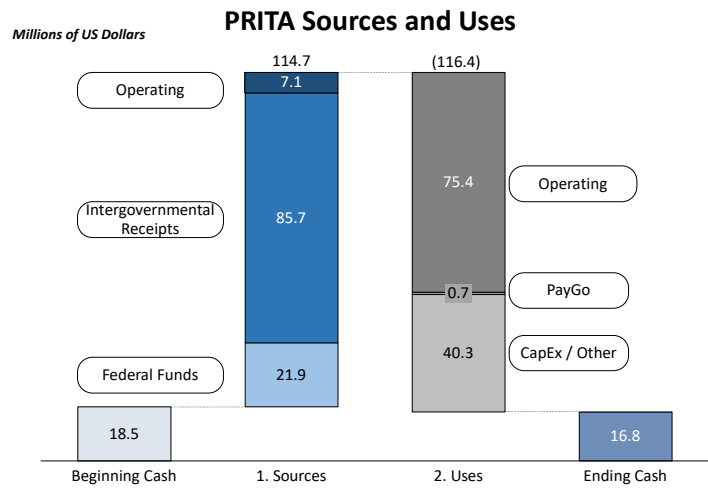
C. Full Year FY22 Sources and Uses of Funds

1. Sources \$114.7M:

- a. Operating receipts of \$7.1M, composed of \$3.3M for ferries/cargo, \$1.8M in bus fares, and \$2.0M in miscellaneous receipts, primarily from insurance.
- b. Intergovernmental receipts of \$85.7M, with \$34.2M in appropriations from the cigarette tax and \$51.5M from General Fund appropriations, including special government appropriation(s) earmarked for CapEx and the fast ferry service at ATM.
- c. \$21.9M of federal funds receipts related to grants for maintenance expenses and CapEx.

2. Uses (\$116.4M):

- a. Operating disbursements total (\$75.4M), of which payroll and related costs are (\$46.2M), materials and supplies are (\$15.8M), purchased services are (\$5.3M), facilities and payments for public services are (\$0.9M), and other at (\$7.2M).
- b. (\$0.7M) in PayGo contributions.
- c. CapEx is projected to be (\$40.3M), with YTD spend of (\$26.2M).



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

D. Accounts Receivable / Accounts Payable⁷

- 1. Accounts Receivable:
 - a. Information is not available.
- 2. Accounts Payable:
 - a. Information is not available.
- 3. Working Capital:
 - a. Analysis incomplete due to missing accounts receivable and accounts payable information.

⁷ 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 increased by \$108.5M from \$327.0M to \$435.5M. The cash build is primarily due to \$384.1M in premium collections, exceeding the (\$275.6M) in operating disbursements and checks outstanding. Premium collections are seasonal, with the majority of collections occurring in July/September and January/February of each fiscal year. 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. Fondo projects to end FY22 with \$371.3M in liquidity after budgeted transfers of (\$26.1M) are made to cover claims reserves.

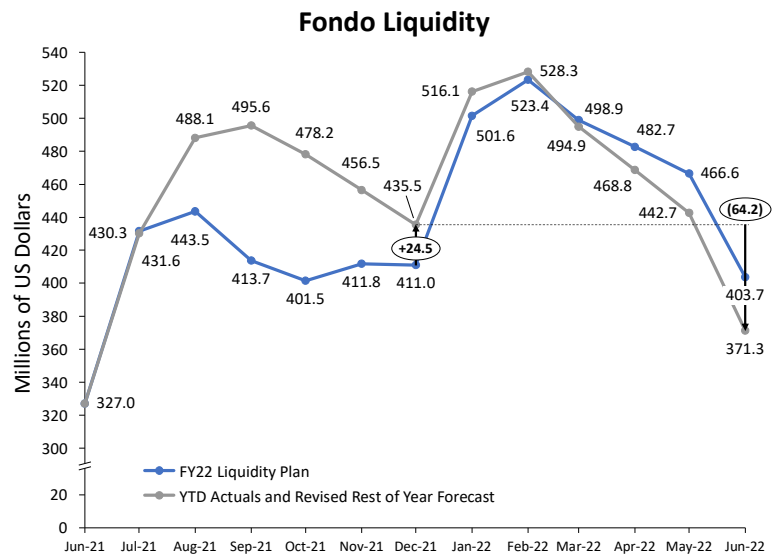
A. FY22 Operating Liquidity – Actuals⁸ and FY22 Liquidity Plan

1. \$24.5M YTD actuals vs. Liquidity Plan:

- a. \$44.1M in favorable premiums collections variance, which are expected to normalize over the remainder of the fiscal year.
- b. (\$24.6M) in unfavorable payroll and related costs variance, permanent. Year to date, FONDO has received more than 100 former employees from PREPA with annual recurring expenses of (\$7.5M) not considered in the Certified Budget.
- c. \$7.9M in PayGo contributions related to timing of payment for the Nov-21 invoice.
- d. (\$21.2M) in unfavorable contributions to other government entities, timing. These disbursements were not forecast to occur until later in the fiscal year.
- e. \$7.1M in favorable claims-related disbursements due to impacts from COVID-19, including operational closures and processing delays, permanent.
- f. \$2.0M in favorable purchased services and materials and supplies due to reduced medical services volumes experienced during the COVID-19 pandemic, which is expected to be permanent.
- g. \$8.7M in favorable equipment purchases, timing.
- h. \$0.5M positive variance in other cash receipts/disbursements due mostly to outstanding checks.

2. (\$64.2M) cash reduction for the balance of FY22:

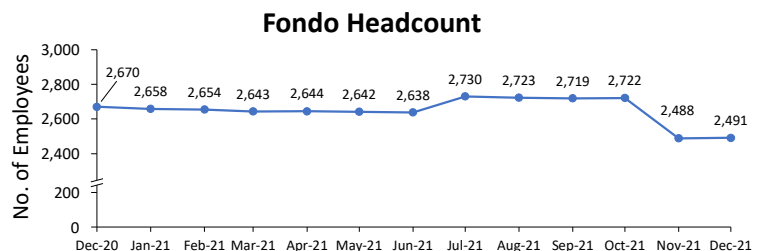
- a. Receipts of \$227.9M, driven by premiums collections.
- b. Disbursements of (\$266.0M), driven by payroll and related costs of (\$112.4M), PayGo contributions of (\$55.8M), claims-related disbursements of (\$29.7M), medical services and supplies of (\$34.4M), and other disbursements of (\$33.7M).
- c. Transfer(s) to investment account to cover claims reserves of (\$26.1M).



B. Headcount / Payroll

1. Headcount FTEs: Decreased from 2,670 to 2,491 from end of Q2-21 to end of Q2-22.

- a. 229 employees have participated in FY22 VTP phases, partially offset by ~108 former PREPA employees transferred to FONDO in the beginning of FY22 representing annual recurring expenses of \$7.5M not considered in the Certified Budget. Remaining reductions in headcount can be attributed to normal attrition factors and management generated efficiencies.



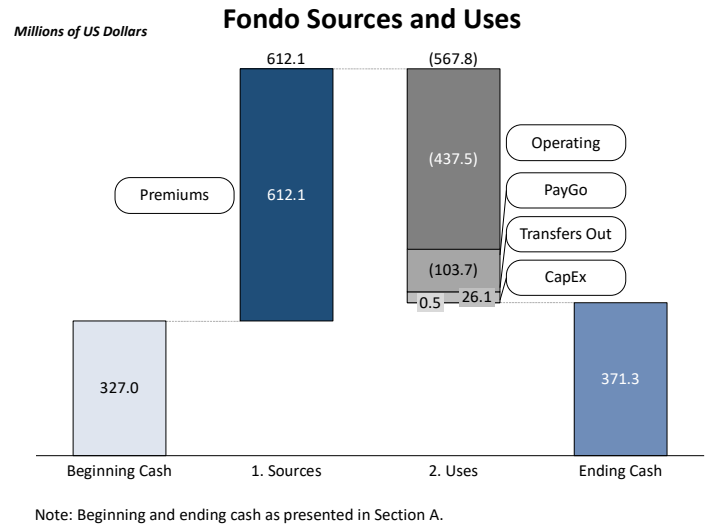
2. Payroll: Disbursements are forecast to be \$224.7M for FY22. YTD payroll is \$112.4M.

⁸ Appendix includes reconciliation between AAFAF reported cash figures and the figures in this report.

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

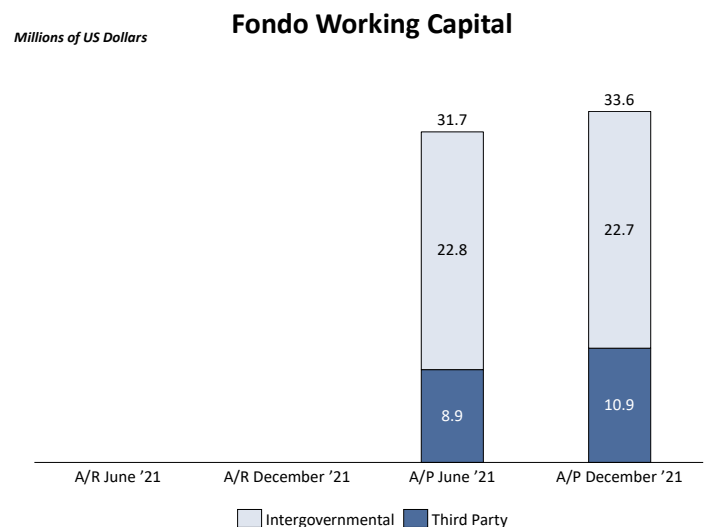
C. Full Year FY22 Sources and Uses of Funds

1. Sources \$612.1M:
 - a. Premium collections of \$612.1M.
2. Uses (\$567.8M):
 - a. Operating disbursements of (\$437.5M), consisting of (\$224.7M) in payroll and related costs and (\$212.8M) in additional operating disbursements, which include: claims-related disbursements of (\$59.4M), purchased services of (56.2M), contributions to government entities of (\$34.3M), equipment purchases of (\$18.4M), materials and supplies of (\$14.2M), utilities of (\$6.5M), professional services of (\$6.0M), and other operating disbursements of (\$17.8M).
 - b. PayGo contributions of (\$103.7M).
 - c. Transfers (to)/from investment account of (\$26.1M) budgeted to cover claims liabilities reserves.
 - d. CapEx of (\$0.5M).



D. Accounts Receivable / Accounts Payable⁹

1. Accounts Receivable:
 - a. Information is not available.
2. Accounts Payable:
 - a. \$1.9M increase from end of Q4-21 to end of Q2-22 driven by a \$2.0M increase in third party vendor payables, partially offset by a \$0.1M decrease in intergovernmental payables.
3. Working Capital:
 - a. Analysis incomplete due to missing accounts receivable information.



⁹ Figures are unaudited and subject to change.

V. HEALTH INSURANCE ADMINISTRATION (“ASES”)

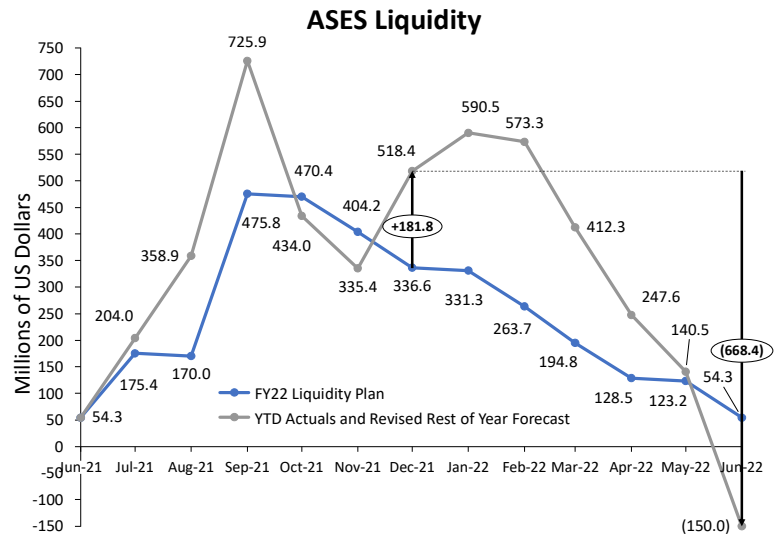
Primary Business Activity: ASES implements, administers, and negotiates the Medicaid Health Insurance System in Puerto Rico through contracts with third party insurance underwriters to provide quality medical and hospital care to the Puerto Rico Medicaid and Platino (Medicaid + Medicare dual-eligible)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

Key Takeaways: Year to date, cash increased by \$464.1M from \$54.3M to \$518.4M due to increased federal allotments authorized by the Center of Medicare and Medicaid Services (CMS) in Sep-21, which increases federal Medicaid funding to Puerto Rico to \$2.9B annually indexed to inflation. Subsequently, in Nov-21 the FOMB amended the FY22 Certified Budget to increase federal funds and subsequently decrease state funds by (\$786.7M) of identified savings to be withheld by Treasury under the Custody of OMB, increasing the administration’s Budget from \$2.5B to \$4.3B for FY22. Furthermore, the revised Certified Budget reflects an increase to the Federal Matching Assistant Percentage (FMAP) from 55% to 76% and 6.2% FMAP extension from the Families First Coronavirus Response Act. A revised multiyear fiscal plan is expected to be approved in Jan-21 to reflect these changes.

A. FY22 Operating Liquidity – Actuals¹⁰ and FY22 Liquidity Plan

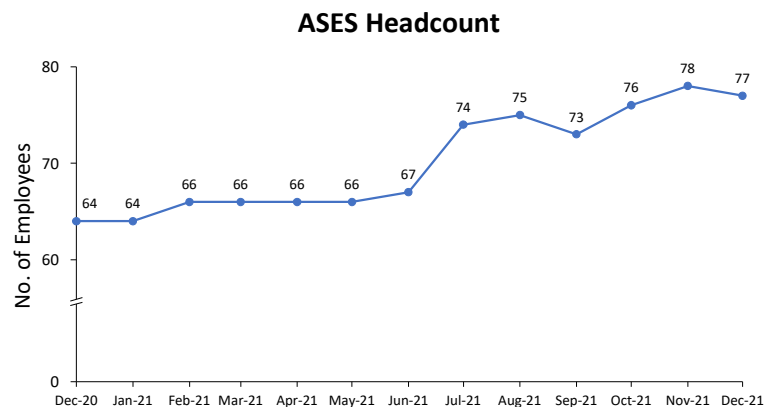
1. \$181.8M YTD actuals vs. Liquidity Plan:

- \$884.0M in favorable federal funds variance due to the increased federal funding allotments from CMS, permanent for FY22 purposes.
 - (\$101.6M) in General Fund appropriations variance, permanent. The increase in federal allotments to Puerto Rico subsequently reduced funds from state sources.
 - \$66.9M in prescription drug rebates (gross) variance due to utilization of certain high-cost drugs within Plan Vital, permanent.
 - (\$5.3M) in unfavorable municipalities (CRIM) and employer receipts variance, permanent. Due to increases in federal funds, state and special funds are reduced.
 - (\$660.7M) in unfavorable healthcare premiums and related program costs variance due to increased federal fund allotments not considered in the Certified Budget.
 - \$0.5M timing variance in payroll and related costs, which is expected to reverse due to recent hiring initiatives.
 - (\$2.0M) in other receipts/disbursements.
2. (\$668.4M) cash reduction for the balance of FY22:
- ASES projects to end FY22 with a deficit of ~(\$150.0M) due to lower receipts forecast for prescription drug rebates and CRIM due to increased federal funds in FY22. ASES projects to reimburse to CMS 77.7% of gross prescription drug rebates revenues earned in FY22 per federal requirement – percentages can vary by trimester based on actuarial information.



B. Headcount / Payroll

- Headcount FTEs: Increased from 64 to 77 from end of Q2-21 to end of Q2-22.
 - ASES has identified the need to create 25 new positions in FY22 as part of new operational and organizational restructuring initiatives aimed to promote administrative, ethical, and fiscal health of the administration.
- Payroll: Disbursements are forecast to be \$7.9M for FY22. YTD payroll is \$2.5M.
 - Payroll disbursements are forecast to increase in the second half of the fiscal year due to the above factors.

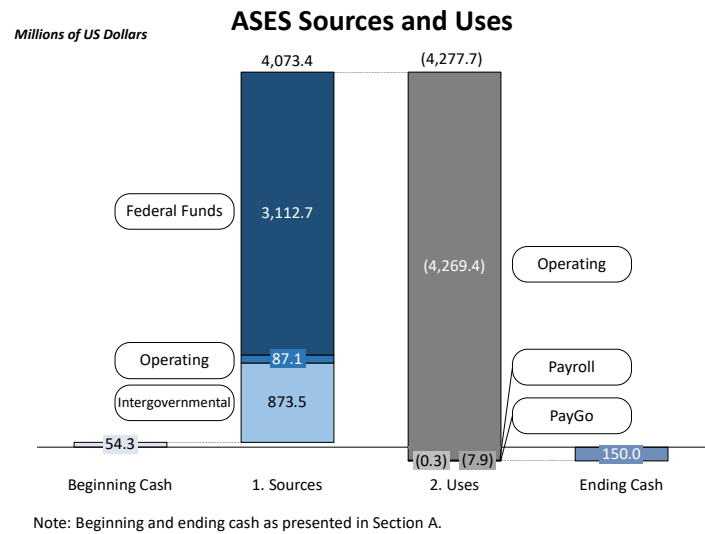


¹⁰ Appendix includes reconciliation between AAFAP reported cash figures and the figures in this report.

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

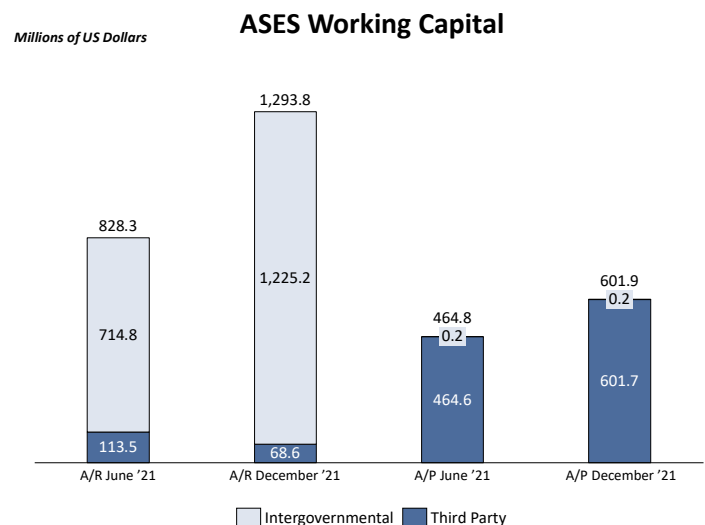
C. Full Year FY22 Sources and Uses of Funds

1. Sources \$4,073.4M:
 - a. Federal funding of \$3,112.7M.
 - b. Operating receipts of \$87.1M, consisting of \$248.9M in gross prescription drug rebates less (\$161.8M) in reimbursements to CMS.
 - c. Intergovernmental receipts of \$873.5M, consisting of \$750.5M in budgeted General Fund appropriations and \$123.0M in funding from municipalities (CRIM) and employers.
2. Uses (\$4,277.7M):
 - a. Operating disbursements of (\$4,269.4M), consisting primarily of healthcare premiums of (\$4,245.7M) and other operating payments of (\$23.7M), comprised of general overhead costs such as professional services, rent, and utilities for the ASES headquarters.
 - b. Payroll and related costs of (\$7.9M).
 - c. PayGo contributions of (\$0.3M).



D. Accounts Receivable / Accounts Payable¹¹

1. Accounts Receivable:
 - a. \$465.5M increase from end of Q4-21 to end of Q2-22 driven by an increase in intergovernmental receivables of \$510.4M due to federal funds from CMS, partially offset by a \$44.8M decrease in third party receivables due to collections of prescription drug rebates.
2. Accounts Payable:
 - a. \$137.1M increase from end of Q4-21 to end of Q2-22 driven by a \$137.1M increase in third party payables related to various suppliers.
3. Working Capital:
 - a. Working capital changes were unfavorable by \$328.4M through Dec-21 due to the changes above.



¹¹ 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 (\$23.4M) from \$144.1M to \$120.7M primarily due to payroll and related costs related to the addition of former PREPA employees, insurance payments, and maintenance expenses related to PBA buildings. Payroll and related costs for the six-month period through Dec-21 totaled (\$37.8M), representing a 58% increase in expenses over the same six-month period the previous fiscal year. PBA has yet to receive funds from OGP, or the General Fund, to account for the higher payroll and related expenses. PBA projects to end FY22 with \$111.3M in liquidity. Currently, PBA has \$58.1M in FEMA and insurance-related funds earmarked for CapEx and maintenance.

A. FY22 Operating Liquidity – Actuals¹² and FY22 Liquidity Plan

1. (\$10.8M) YTD actuals vs. Liquidity Plan:

a. \$1.1M in total receipts driven by:

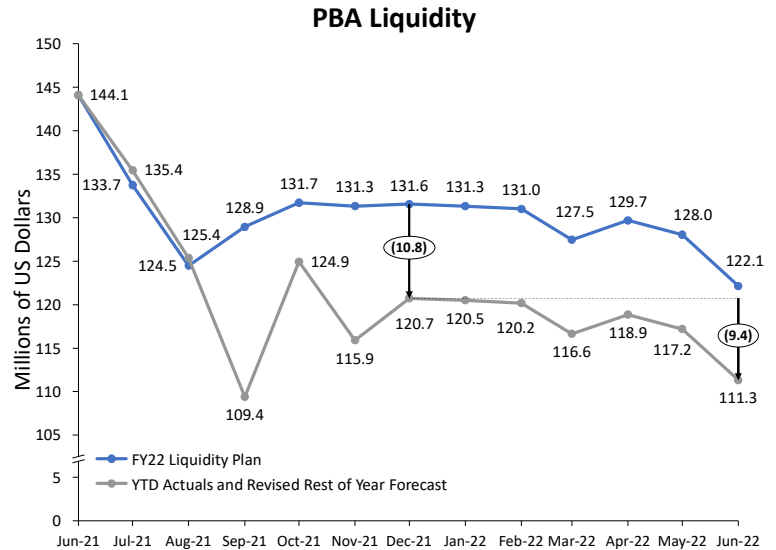
- i. \$3.5M favorable permanent variance in other receipts primarily due to COVID-19 bonus payments received for distribution to employees.
- ii. (\$2.4M) unfavorable timing variance in receipts from intergovernmental agencies and FEMA, expected to reverse.

b. (\$11.9M) in total disbursements driven by:

- i. \$1.7M positive variance in payroll and related costs related to lower disbursements than forecast, partially permanent.
- ii. (\$10.0M) negative permanent variance in purchased services due to high maintenance costs on PBA’s buildings, including roofing repairs.
- iii. (\$0.5M) negative variance in other disbursements.
- iv. (\$4.9M) negative permanent variance in expenses related to FEMA (\$2.0M) and insurance projects (\$2.9M).
- v. \$1.8M positive variance in CapEx given delayed initiation of projects, likely permanent.

2. (\$9.4M) cash reduction for the balance of FY22:

- a. \$69.4M in total forecasted receipts, driven by \$67.3M in intergovernmental receipts, \$1.4M in other operating receipts, and \$0.7M in disaster-related receipts.
- b. (\$78.8M) in operating disbursements, driven by payroll and related costs (\$39.4M), PayGo contributions (\$11.6M), utilities (\$9.1M), purchased services (\$5.6M), other expenses (\$5.9M), and CapEx (\$7.2M).



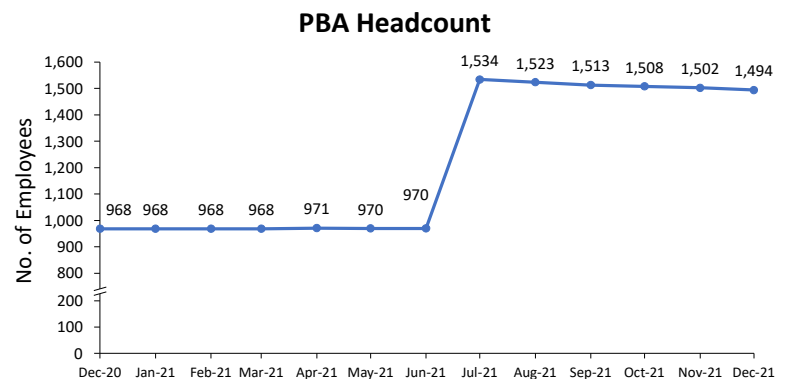
B. Headcount / Payroll

1. Headcount FTEs: Increased from 968 to 1,494 from end of Q2-21 to end of Q2-22.

- a. Increase in headcount is primarily due to addition of ~560 employees from PREPA and 18 from ATM.

2. Payroll: Disbursements are forecast to be \$77.2M for FY22. YTD payroll is \$37.8M.

- a. Year to date, payroll is currently tracking slightly lower than the Liquidity Plan, which included significant increases due to employees transferred from PREPA.
- b. PBA continues to work with OGP on a reapportionment for funding of PREPA employee payroll and benefits.



¹² Appendix includes reconciliation between AAFAP reported cash figures and the figures in this report.

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

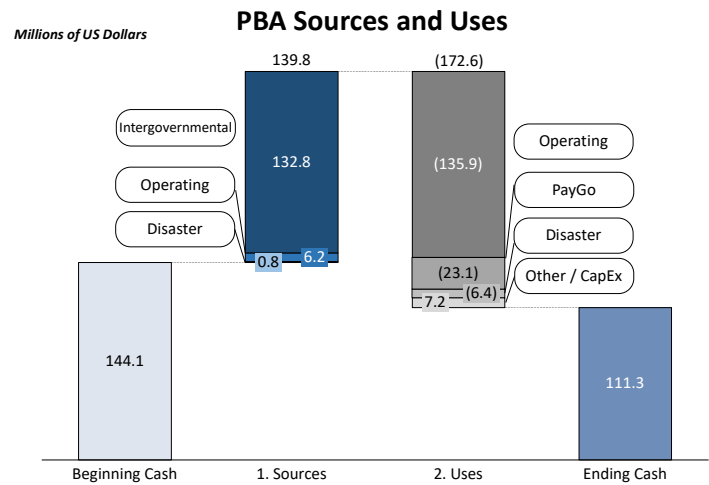
C. Full Year FY22 Sources and Uses of Funds

1. Sources \$139.8M:

- a. Intergovernmental receipts total \$132.8M, 100% of which PBA anticipates being paid via direct invoice.
- b. Disaster-related receipts total \$0.8M, which relates to FEMA claims from hurricanes Irma and Maria.
- c. Other operating receipts total \$6.2M, of which \$1.3M are related to income from third party occupancy and \$4.9M are related to other income, including interest income, and receipts from the General Fund related to employee COVID-19 bonus payments.

2. Uses (\$172.6M):

- a. Operating disbursements total (\$135.9M), consisting of payroll and related costs of (\$77.2M), purchased services of (\$36.4M), utilities of (\$15.7M), professional services of (\$0.9M), and other operating expenses of (\$5.7M).
- b. PayGo contributions of (\$23.1M).
- c. Disaster-related disbursements of (\$6.4M), of which (\$3.4M) are related to FEMA and (\$3.0M) are related to insurance-related and other projects.
- d. Other / CapEx disbursements of (\$7.2M).



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

D. Accounts Receivable / Accounts Payable¹³

1. Accounts Receivable:

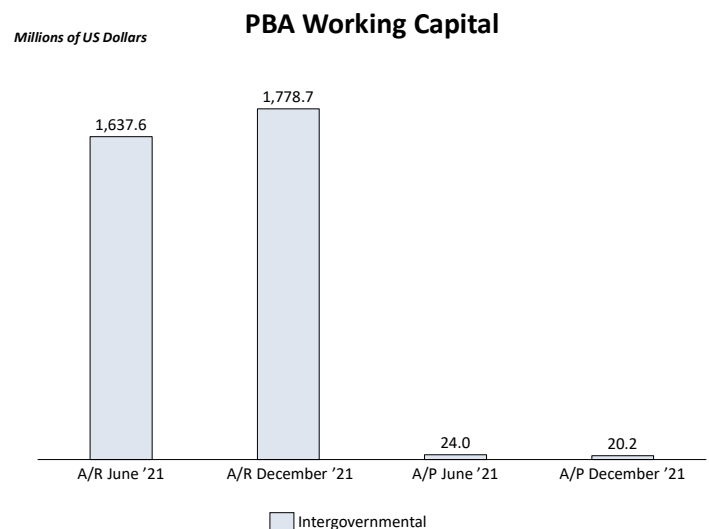
- a. \$141.1M increase from end of Q4-21 to end of Q2-22 driven by a non-cash adjustment to intergovernmental receivables related to the debt service portion of rent not being received.

2. Accounts Payable:

- a. \$3.8M decrease from end of Q4-21 to end of Q2-22 driven by paydowns of utilities payables of \$2.7M, supplier payments of \$0.6M, and travel expenses of \$0.3M.

3. Working Capital:

- a. Working capital changes were unfavorable by \$144.9M thru Dec-21 due to the above changes.



¹³ Figures are unaudited and subject to change.

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

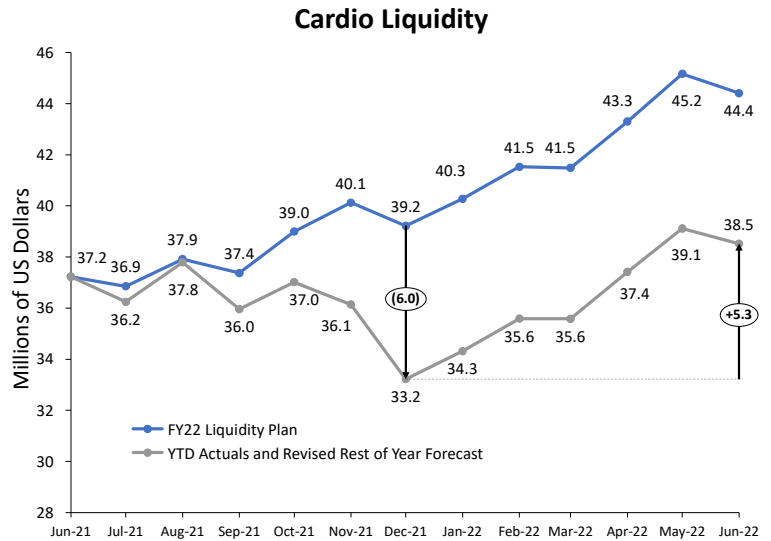
Primary Business Activity: Cardio is a general acute care hospital providing specialized treatment to patients suffering from cardiovascular diseases.

Key Takeaways: Year to date, cash decreased by (\$4.0M) from \$37.2M to \$33.2M. The cash decline is due primarily to lower patient collections (net) than forecast and higher disbursements for purchased services and medical supplies due to paydowns on prior years’ debt. The cash decline is partially offset by special appropriations and incentives from Treasury and the U.S. Dept. of Health and Human Services (HHS) primarily aimed at mitigating ongoing staffing shortages, which have worsened since the onset of the COVID-19 pandemic. Cash is forecasted to increase to \$38.5M at the end of FY22 with an anticipated increase in patient collections (net). There are no liquidity issues forecasted.

A. FY22 Operating Liquidity – Actuals¹⁴ and FY22 Liquidity Plan

1. (\$6.0M) YTD actuals vs. Liquidity Plan:

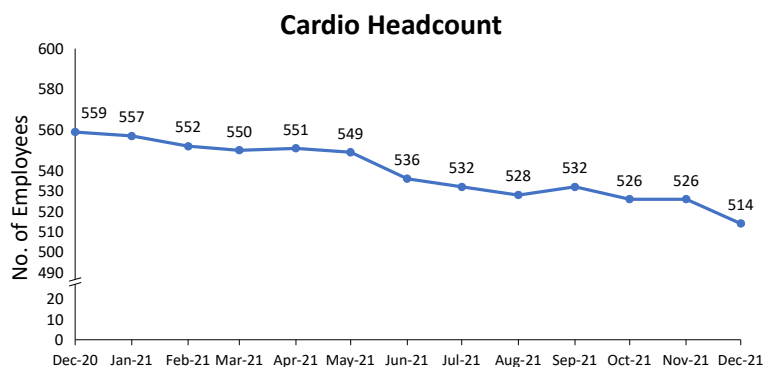
- (\$4.3M) in unfavorable operating receipts variance from patient collections (net), which is expected to be permanent due to lower elective procedures due to the COVID-19 pandemic.
 - \$3.2M in favorable other receipts variance driven by special appropriations from Treasury and HHS for nursing and other COVID-19 related incentives not forecast.
 - \$0.9M in payroll and related disbursements variance, which is expected to be permanent due to increased attrition rates accelerated by COVID-19.
 - \$0.1M in favorable PayGo contributions variance, timing.
 - (\$5.9M) in unfavorable operating disbursements variance due to paydowns on prior years’ obligations for purchased services and medical supplies, as well increased spending in FY22 to meet higher volumes driven by recent surges in COVID-19 cases.
2. \$5.3M cash build for the balance of FY22:
- The projected cash build is expected to be driven by increases in patient collections (net). Historically, the highest patient collections (net) are observed in the final quarter of the fiscal year.



B. Headcount / Payroll

1. Headcount FTEs: Decreased from 559 to 514 from end of Q2-21 to end of Q2-22.

- Historically, Cardio has experienced issues with staffing turnover due to a competitive hiring environment for nurses and other skilled positions.
 - Staffing shortages at acute care facilities have worsened since the onset of COVID-19 due to increased physical and mental health distress, and higher workload exacerbating burnout. Despite monetary incentives, nurses are increasingly leaving inpatient roles for less demanding roles in outpatient or nonpatient care, traveling positions offering better compensation, or leaving nursing altogether for retirement or other career fields.
2. Payroll: Disbursements are forecast to be \$27.0M for FY22. YTD payroll is \$13.1M.
- Year to date, payroll and related disbursements are \$0.9M behind forecast, which is expected to be permanent due to the above factors.

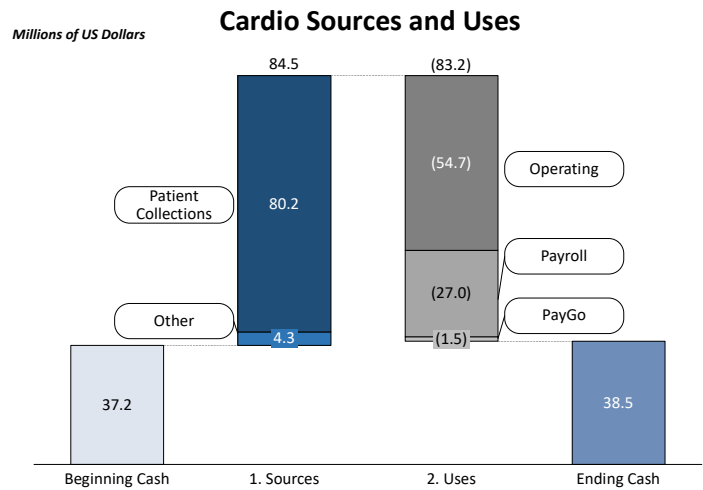


¹⁴ Appendix includes reconciliation between AAFAF reported cash figures and the figures in this report.

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

C. Full Year FY22 Sources and Uses of Funds

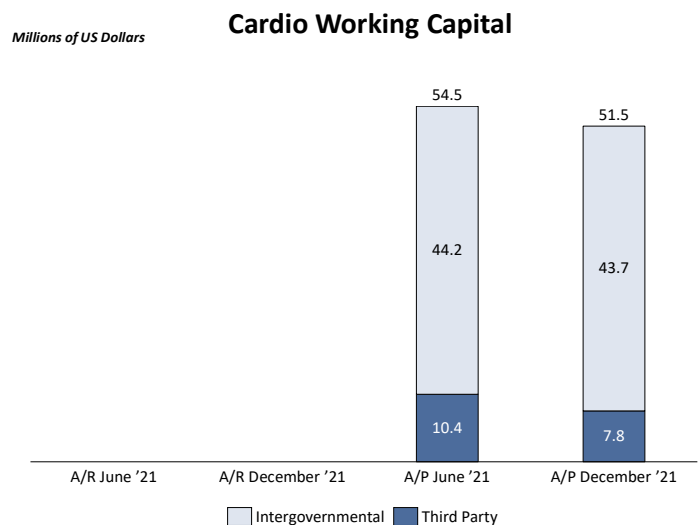
1. Sources \$84.5M:
 - a. Patient collections (net) of \$80.2M.
 - b. Other receipts of \$4.3M, consisted of \$3.2M in special appropriations from Treasury and HHS for nursing incentives to mitigate attrition during the COVID-19 pandemic and \$1.1M of rental receipts.
2. Uses (\$83.2M):
 - a. Operating disbursements of (\$54.7M), comprised of materials and supplies of (\$30.9M), purchased services of (\$8.6M), professional services of (\$6.5M), utilities of (\$6.3M), and other operating payments of (\$2.4M).
 - b. Payroll and related costs of (\$27.0M).
 - c. PayGo contributions of (\$1.5M).



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

D. Accounts Receivable / Accounts Payable¹⁵

1. Accounts Receivable:
 - a. Information is not available.
2. Accounts Payable:
 - a. \$3.1M decrease from end of Q4-21 to end of Q2-22 driven by a \$2.6M decrease in third party payables due to paydowns on prior years’ debt related to various medical services and supplies spend, which is exacerbated by a \$0.5M decrease in intergovernmental payables due to paydowns on accrued utilities obligations to PREPA.
3. Working Capital:
 - a. Analysis incomplete due to missing accounts receivable information.



¹⁵ 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 is not available.

A. FY22 Operating Liquidity – Actuals¹⁶ and FY22 Liquidity Plan

1. Information is not available.

B. Headcount / Payroll

1. Information is not available.

¹⁶ 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 FY22 Sources and Uses of Funds

1. Information is not available.

D. Accounts Receivable / Accounts Payable¹⁷

1. Accounts Receivable:
 - a. Information is not available.
2. Accounts Payable:
 - a. Information is not available.
3. Working Capital:
 - a. Analysis incomplete due to missing accounts receivable and accounts payable information.

¹⁷ 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 increased by \$98.6M from \$117.5M to \$216.1M. Variances to the Liquidity Plan in the amount of \$117.5M are mainly driven by debt service variances of \$16.2M, net balance sheet activity of \$15.6M, as well as net temporary variances from federal funds and CDBG activity of \$5.4M and \$7.4M respectively. Operating disbursements resulted in a permanent variance of \$3.9M, and operating and intergovernmental receipts present a permanent variance of (\$4.8M). Other federal funds made available to HFA via ARPA awards were received during Dec-21 in the amount of \$73.8M. These pass-through federal funds were not expected nor considered in the Liquidity Plan, nor are they anticipated to be fully utilized during FY22 and present a temporary favorable variance that will continue throughout the fiscal year. Cash is forecasted to decline by (\$55.3M) to \$160.8M at the end of FY22.

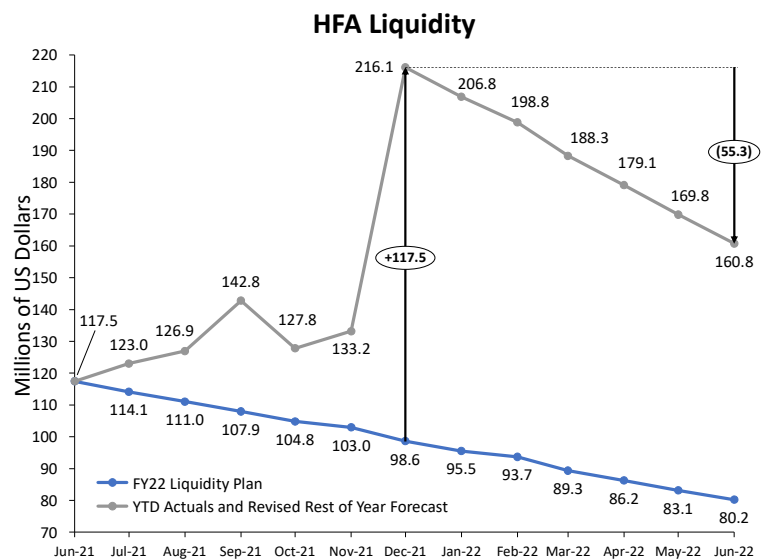
A. FY22 Operating Liquidity – Actuals¹⁸ and FY22 Liquidity Plan

1. \$117.5M YTD actuals vs. Liquidity Plan:

- (\$3.9M) unfavorable in operating receipts, considered permanent.
- (\$0.9M) unfavorable in Commonwealth receipts, considered temporary.
- \$73.8M favorable in ARPA federal funds, considered temporary.
- \$7.4M favorable in CDBG federal funds, considered temporary.
- \$5.4M in favorable HOME and HUD federal funds, considered temporary.
- \$15.6M in favorable net balance sheet activity, considered permanent.
- \$3.9M in favorable operating disbursements, considered permanent.
- \$16.2M in favorable debt-related disbursements, considered permanent.

2. (\$55.3M) cash reduction for the balance of FY22:

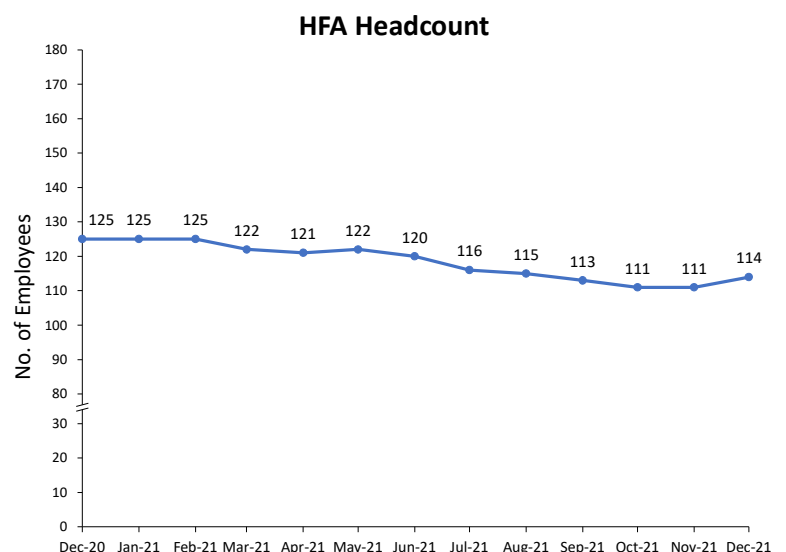
- Per the Liquidity Plan, HFA is to experience a (\$55.3M) cash reduction, or (26%), for the balance of FY22.
- Ending cash balance at fiscal year-end is forecast to be \$160.8M.



B. Headcount / Payroll

1. Headcount FTEs: Decreased from 125 to 114 from end of Q2-21 to end of Q2-22.

- HFA has experienced significant turnover throughout FY21 and FY22.
 - Continued efforts are being carried out by management to hire adequate and required staffing.
 - FOMB has approved budgetary redistributions, should HFA need additional funding for payroll.
- #### 2. Payroll: Disbursements are forecast to be \$9.0M for FY22. YTD payroll is \$4.5M.
- Full-year payroll and related costs forecast assumes hiring of additional FTEs as intended by management.

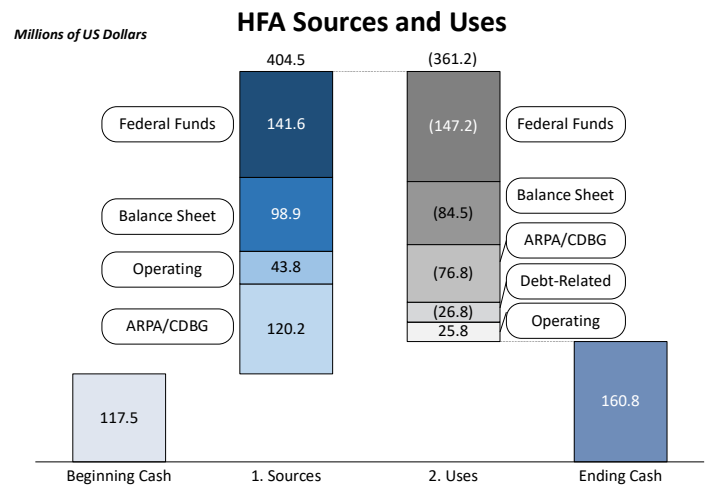


¹⁸ Appendix includes reconciliation between AAFAP reported cash figures and the figures in this report.

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

C. Full Year FY22 Sources and Uses of Funds

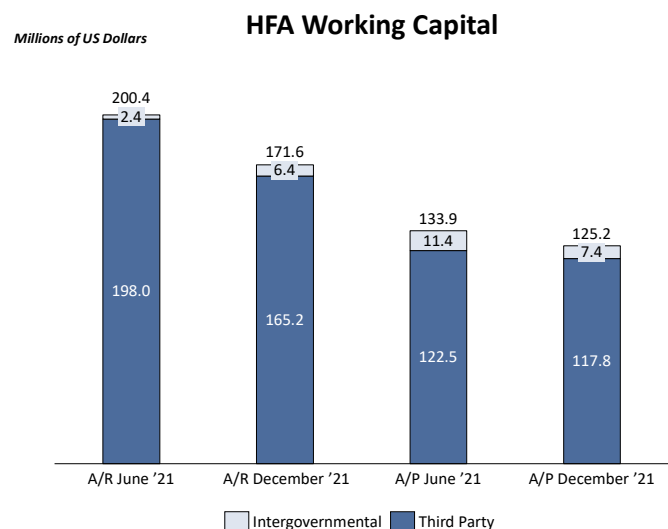
1. Sources \$404.5M:
 - a. \$141.6M in federal funds from HOME and HUD.
 - b. \$120.2M in federal funds from ARPA and CDBG.
 - c. \$98.9M in balance sheet receipts.
 - d. \$43.8M in operating receipts.
2. Uses (\$361.2M):
 - a. (\$147.2M) in federal funds from HOME and HUD.
 - b. (\$76.8M) in federal funds from ARPA and CDBG.
 - c. (\$84.5M) in balance sheet disbursements.
 - d. (\$26.8M) in debt service disbursements.
 - e. (\$25.8M) in operating disbursements.



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

D. Accounts Receivable / Accounts Payable¹⁹

1. Accounts Receivable:
 - a. \$28.8M decrease from end of Q4-21 to end of Q2-22 driven by third-party loan and interest receivables.
2. Accounts Payable:
 - a. \$8.7M decrease from end of Q4-21 to end of Q2-22 driven by third-party related activity.
3. Working Capital:
 - a. Working capital changes were favorable by \$20.1M thru Dec-21 due to the above changes.



¹⁹ Figures are unaudited and subject to change.

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

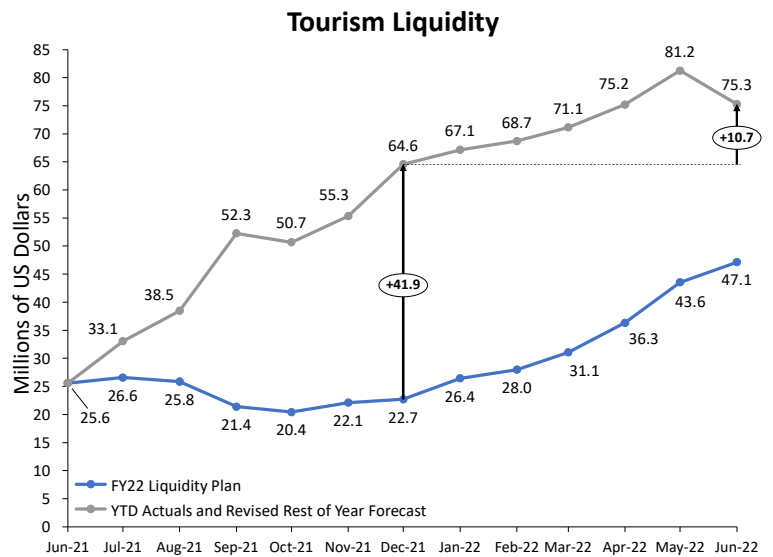
Primary Business Activity: Tourism’s purpose is to promote the tourism industry of Puerto Rico.

Key Takeaways: Year to date, cash increased by \$39.0M from \$25.6M to \$64.6M. The cash increase is driven by a strong rebound of operating receipts since Feb-21 due to high volumes of tourist travel to Puerto Rico driven by various factors, which include improved vaccination rates and easement of restrictions on travel and gathering, lack of passport and re-entry requirements for U.S. travelers, increased passenger arrivals due to new air and cruise line routes, and targeted marketing efforts. According to Puerto Rico’s Destination Marketing Organization *Discover Puerto Rico*, Puerto Rico tourism hit a new record in 2021 as an estimated 4.3M travelers visited the island. Hotel room taxes collected during the first eight (8) months of 2021 were the highest figures on record. While recent surges in COVID-19 cases have led to a tightening of restrictions on travel and gatherings in late Dec-21, operating receipts performance is expected to remain strong throughout the fiscal year. Year to date, Tourism has funded \$18.2M to CCDA. There are no liquidity issues forecast and cash is projected to increase to \$75.3M by the end of FY22.

A. FY22 Operating Liquidity – Actuals²⁰ and FY22 Liquidity Plan

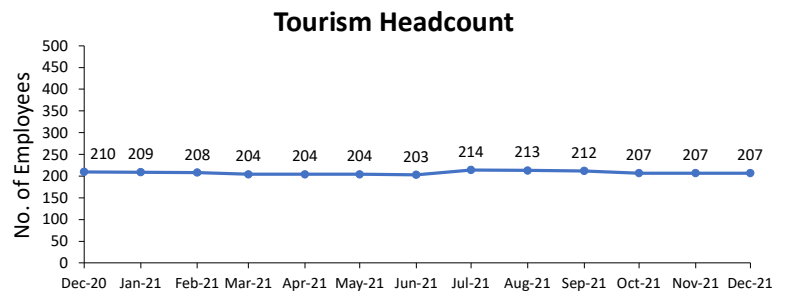
1. \$41.9M YTD actuals vs. Liquidity Plan:

- a. \$34.5M in favorable operating receipts variance, (net) of waterfall disbursements, permanent. Hotel room taxes collections (net) were favorable to forecast by \$18.9M. Slot machine collections (net) were favorable to forecast by \$15.6M.
 - b. \$9.6M in favorable miscellaneous receipts not forecast due to \$7.0M in intercompany transfers in and \$3.0M in Coronavirus Relief Funds (CRF) received from the Commonwealth for economic development initiatives.
 - c. (\$1.4M) in unfavorable payroll and related costs variance, permanent. Budgeted payroll and related expenses do not consider transfers of former employees from PREPA.
 - d. \$0.1M in PayGo contributions, timing.
 - e. (\$2.2M) in media and ads spend due to carry-over disbursements made on FY21 invoices, permanent.
 - f. \$1.4M in other receipts/disbursements variance.
2. \$10.7M cash build for the balance of FY22:
- a. Projected receipts of \$67.1M based on current run rates are anticipated to exceed forecasted disbursements of (\$44.3M) and transfers to the CCDA debt service reserve of (\$12.1M).



B. Headcount / Payroll

1. Headcount FTEs: Decreased from 210 to 207 from end of Q2-21 to end of Q2-22.
2. Payroll: Disbursements are forecast to be \$12.5M for FY22. YTD payroll is \$6.3M.
 - a. Year to date, payroll disbursements are unfavorable to the Liquidity Plan by (\$1.4M) considerate of (\$0.1M) in Christmas bonus payments not considered in the Certified Budget.
 - b. ~12 employees were transferred from PREPA to Tourism in Jun-21 with estimated annual recurring expenses of \$0.6M not considered in the Certified Budget. Tourism continues to work with OGP on a reapportionment for funding of PREPA employee payroll and benefits.



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

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

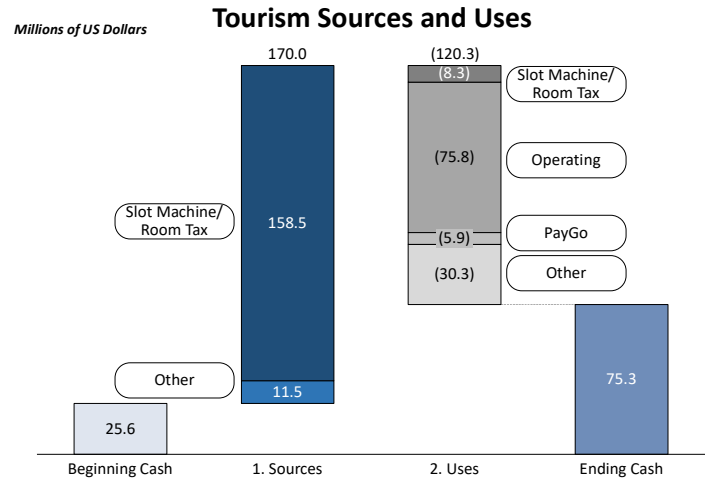
C. Full Year FY22 Sources and Uses of Funds

1. Sources \$170.0M:

- a. Operating receipts of \$158.5M, of which \$71.9M, or 42% of total receipts is from slot machines (net) via the Gaming Commission, and \$86.6M, or 51% of total receipts is from hotel room taxes. There is seasonality in the receipt of hotel room taxes collections, which may create temporary timing variances. Tourism funds the entirety of its operations and intergovernmental obligations to CCDA through various waterfall distributions explained below.
- b. Other receipts of \$11.5M, or 7% of total receipts include \$7.0M in intercompany transfers (to)/from Tourism subsidiaries and other accounts, \$3.0M in Coronavirus Relief Funds (CRF) allocated from the Commonwealth, and \$1.5M in misc. receipts from vendor fees and fines.

2. Uses (\$120.3M):

- a. Slot machine and hotel room taxes waterfall disbursements of (\$8.3M): slot machine funds are historically disbursed to casinos, UPR, and Hacienda; hotel room taxes funds are disbursed to CCDA and intercompany marketing and promotion funds. Tourism retains leftover funds after waterfall disbursements are distributed, including ~(\$4.9M) annually to CCDA (Law 272). While Tourism no longer manages slot machine operations, delays in the transition of these operations to the Gaming Commission in Q1-FY21 caused Tourism to manage the collections and waterfall disbursements process longer than originally anticipated. In Aug-21, Tourism disbursed (\$3.0M) to UPR for remaining slot machine waterfall obligations incurred in FY21.
- b. Operating disbursements of (\$75.8M), built from payroll and related costs of (\$12.4M), appropriations to the DMO of (\$29.0M), purchased services of (\$5.3M), media/ads of (\$3.6M), professional services of (\$2.8M), and other operating payments of (\$22.7M) consisting of event and promotions costs, air access incentives, utilities, transportation costs, and intercompany transfers (out).
- c. PayGo contributions of (\$5.9M).
- d. Transfers (to)/from CCDA debt service reserve account of (\$30.3M).



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

D. Accounts Receivable / Accounts Payable²¹

1. Accounts Receivable:

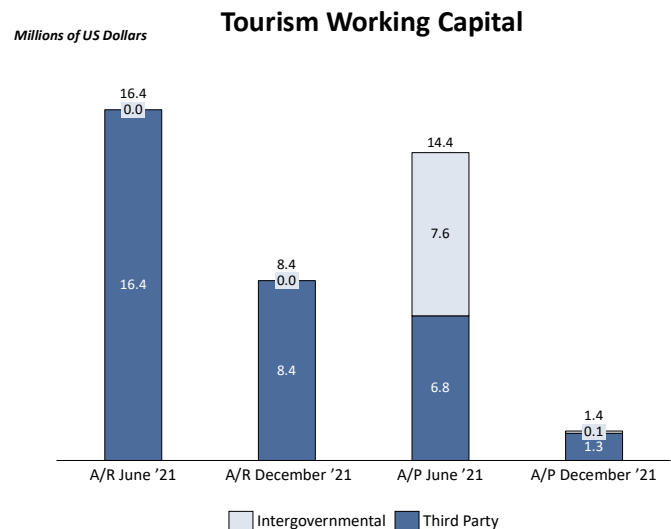
- a. \$8.0M decrease from end of Q4-21 to end of Q2-22 driven by a decrease in third party payables due to collection of hotel room taxes.

2. Accounts Payable:

- a. \$13.0M decrease from end of Q4-21 to end of Q2-22 driven by a \$7.5M decrease in intergovernmental payables due to paydowns to UPR, Hacienda, and CCDA for slot machine and hotel room taxes waterfall distributions. The decrease was further exacerbated by a \$5.5M decrease in third party payables driven by paydowns of past-due amounts owed to the DMO.

3. Working Capital:

- a. Working capital changes were unfavorable by \$5.0M thru Dec-21 due to the above changes.



²¹ Figures are unaudited and subject to change.

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

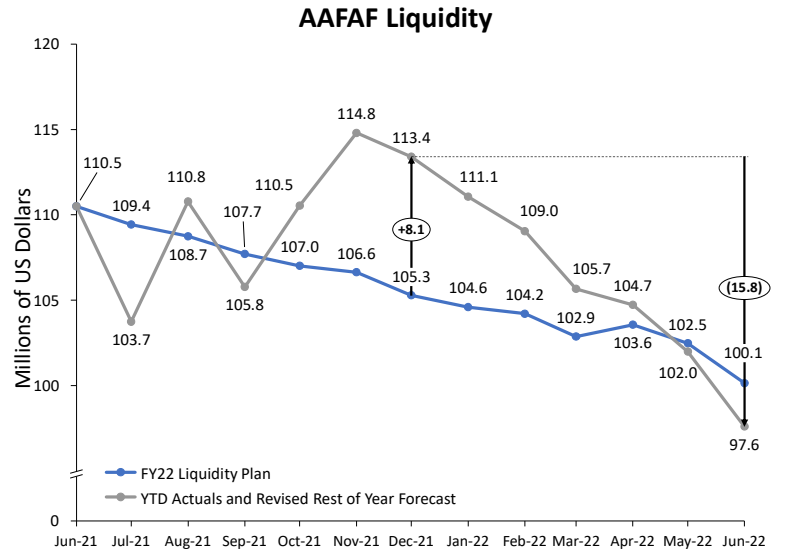
Primary Business Activity: AAFAF acts as fiscal agent, financial advisor, and reporting agent for the Government of Puerto Rico and certain related entities. It was established pursuant to the Puerto Rico Emergency Moratorium and Financial Rehabilitation Act.

Key Takeaways: Year to date, cash has increased by \$2.9M from \$110.5M to \$113.4M. Favorable receipts from fiscal agency fees and MOUs of \$3.5M vs. forecast and \$3.0M in appropriations received in Sep-21 not forecast intended for future legal settlement(s), as well as favorable professional services spend of \$9.4M were partially offset by (\$6.8M) in transfers of surplus monies to Treasury. In Aug-21, AAFAF received \$3.4M in non-operating receipts from federal fund sources (CRF, ARPA, etc.), which were administered to various municipalities in Sep-21. AAFAF's largest expenditures are related to professional service fees, as budgeted. There are no projected risks to liquidity.

A. FY22 Operating Liquidity – Actuals²² and FY22 Liquidity Plan

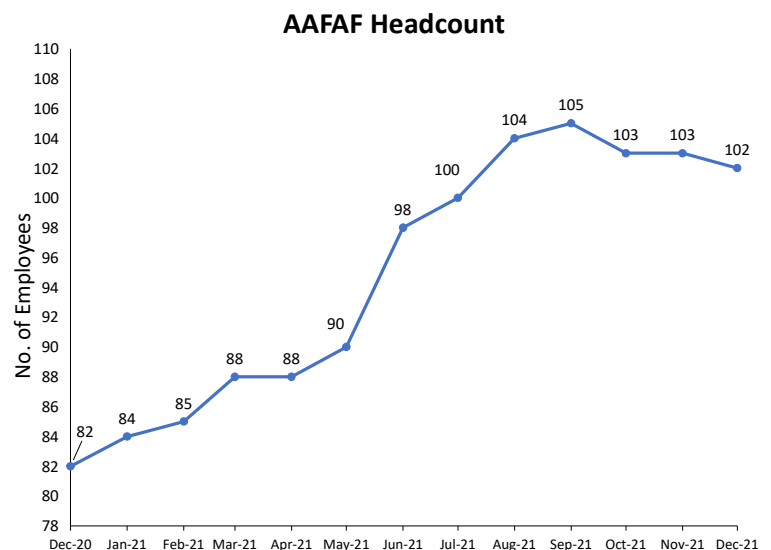
1. \$8.1M YTD actuals vs. Liquidity Plan:

- \$3.0M in favorable General Fund appropriations received in Sep-21 not forecast and intended for future legal settlement(s) to be disbursed on behalf of the Commonwealth.
 - \$1.2M favorable operating receipts variance driven entirely by fiscal agency fees from PRASA received in Aug-21 not forecast.
 - \$5.7M in favorable other receipts variance driven primarily by \$3.4M in non-operating federal funds assigned to AAFAF to administer to various municipalities. Remaining variance pertains to reimbursement monies received and not forecast.
 - (\$0.5M) in payroll and related costs, permanent.
 - \$5.5M in other disbursements variance driven largely by \$9.4M timing variance in professional services spend, partially offset by (\$4.4M) in non-operating federal funds administered by AAFAF to various municipalities in Sep-21 not forecast.
 - (\$6.8M) in transfers in/(out) of FY21 Title III funds surplus to Treasury not forecast.
2. (\$15.8M) cash reduction for the balance of FY22:
- Receipts of \$43.6M, driven by \$43.0M in General Fund appropriations and \$0.6M in other receipts.
 - Disbursements of (\$59.4M), driven by (\$49.1M) in professional services (Title III and non-Title III), (\$4.6M) in payroll and related costs, and (\$5.7M) in other operating disbursements.



B. Headcount / Payroll

- Headcount FTEs: Increased from 82 to 102 from end of Q2-21 to end of Q2-22.
 - Headcount increases are driven by planned hirings to reinforce the organizational structure of the agency including backfilling vacant positions.
 - In Jun-21, AAFAF received eight (8) former PREPA employees, which represent ~\$0.4M in annual recurring expenses not considered in the Certified Budget.
- Payroll: Disbursements are forecast to be \$9.6M for FY22. YTD payroll is \$5.1M.

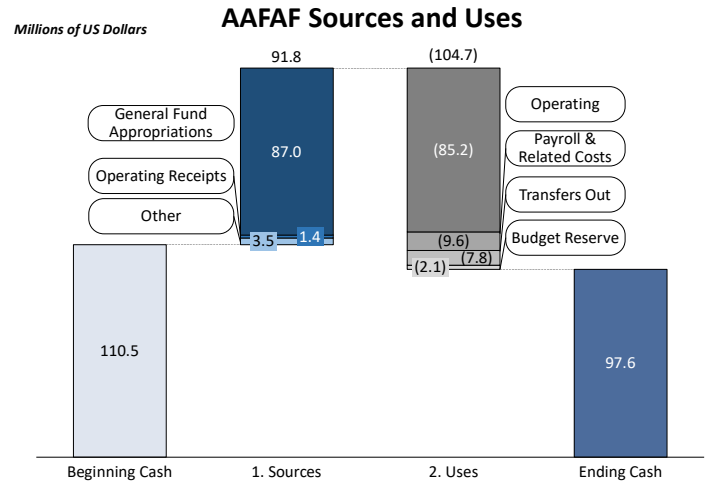


²² Appendix includes reconciliation between AAFAF reported cash figures and the figures in this report.

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

C. Full Year FY22 Sources and Uses of Funds

1. Sources \$91.8M:
 - a. General Fund appropriations of \$87.0M.
 - b. Operating receipts of \$1.4M consisting of fiscal agency fees and interest income.
 - c. Other receipts of \$3.5M, including non-operating federal fund pass-through amounts and reimbursement monies.
2. Uses (\$104.7M):
 - a. Operating disbursements of (\$85.2M), consisting of professional services of (\$79.3M), purchased services of (\$3.3M), and other costs of (\$2.6M) including materials and supplies, utilities, transportation, PayGo contributions, and other.
 - b. Payroll and related costs of (\$9.6M).
 - c. Budget reserves of (\$2.1M).
 - d. Transfers in/(out) of (\$7.8M).



D. Accounts Receivable / Accounts Payable²³

1. Accounts Receivable:
 - a. Information is not available.
2. Accounts Payable:
 - a. Information is not available.
3. Working Capital:
 - a. Analysis incomplete due to missing accounts receivable and accounts payable information.

²³ 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 is not available.

A. FY22 Operating Liquidity – Actuals²⁴ and FY22 Liquidity Plan

1. Information is not available.

B. Headcount / Payroll

1. Information is not available.

²⁴ 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 FY22 Sources and Uses of Funds

1. Information is not available.

D. Accounts Receivable / Accounts Payable²⁵

1. Accounts Receivable:
 - a. Information is not available.
2. Accounts Payable:
 - a. Information is not available.
3. Working Capital:
 - a. Analysis incomplete due to missing accounts receivable and accounts payable information.

²⁵ 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 increased by \$26.8M from \$13.8M to \$40.6M due to \$23.6M in federal fund receipts from ARPA and the U.S. Small Business Administration (SBA) made eligible to CCDA due to ~(\$34.0M) in loss revenues sustained during the COVID-19 pandemic. Only \$10.0M in federal funds sourced from the SBA are eligible for operations. Furthermore, cash increased due to deferral of past due utilities payments to preserve operating liquidity. Year to date, receipts generated from events have outperformed forecast by \$1.7M; however, due to recent surges in COVID-19 cases, outdoor gatherings have been restricted to a maximum occupancy of 250 persons, which is expected to have a material impact on CCDA’s operating receipts indefinitely. There is continued risk that CCDA will not receive \$4.9M in hotel room taxes from Tourism considered in the Certified Budget, as proposed amendments to Law 272 are pending in the Legislature. These funds are critical to fund CapEx projects required for CCDA to sustain operations, promote safety and enhancement initiatives, and maintain the overall competitiveness of its venues. CCDA currently projects to end FY22 with \$19.1M in liquidity; however, a material portion of CCDA’s reported cash balances consist of non-operating funds for CapEx, promoter ticket sales reserves, and federal funds - ARPA.

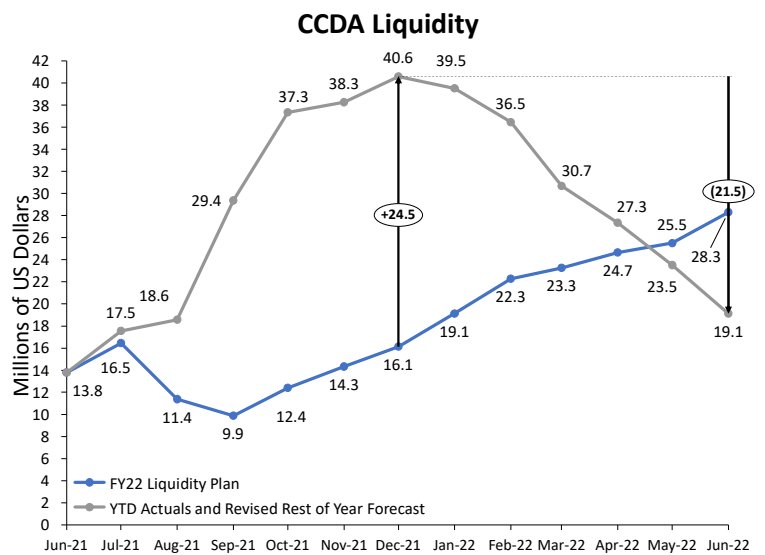
B. FY22 Operating Liquidity – Actuals²⁶ and FY22 Liquidity Plan

1. \$24.5M YTD actuals vs. Liquidity Plan:

- a. \$2.1M in favorable operating receipts variance driven by receipts from events held at the Coliseum and rent from the District and Convention Center. There is risk to these receipts due to recent Executive Orders on gathering due to COVID-19.
- b. (\$1.3M) in intergovernmental receipts variance due to delays in the collection of hotel room taxes from Tourism due to pending legislative approval of Law 272, which may become permanent.
- c. \$27.9M in other receipts variance driven by \$23.6M in federal funds from ARPA and SBA, and \$4.3M in proceeds from sale of properties and other not forecast.
- d. \$6.3M in utilities variance due to deferred utilities payments, including \$2.7M accrued in FY21. Reapportionments submitted to OGP for emergency funds were denied.
- e. (\$8.5M) in purchased services variance, permanent. While the Certified Fiscal Plan assumes an increase in event receipts in FY22, it does not consider increases to volume-based expenses such as concessions, security, ticketing, etc.
- f. (\$2.0M) in other receipts/disbursements and transfers in/(out).

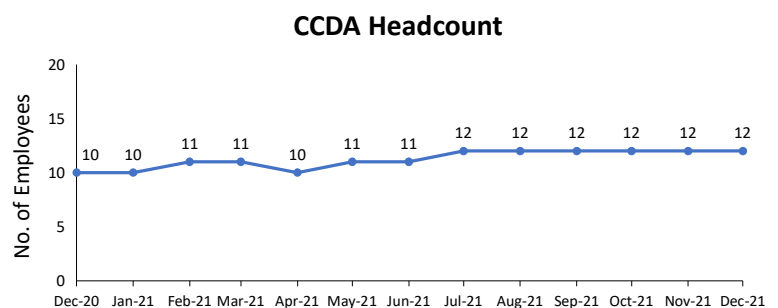
2. (\$21.5M) cash reduction for the balance of FY22:

- a. The forecasted decline in cash will be largely driven by (\$17.0M) in paydowns on accrued utilities expenses and CapEx, and a projected decline in operating receipts in Q3-FY22 due to recent surges in COVID-19 cases.



C. Headcount / Payroll

- 1. Headcount FTEs: Increased from 10 to 12 from end of Q2-21 to end of Q2-22.
 - a. Headcount only considers administrative employees of the District and does not consider employees of the Coliseum and Convention Center.
- 2. Payroll: Disbursements are forecast to be \$1.0M for FY22. YTD payroll is \$0.6M.
 - a. Payroll disbursements are generally in-line with forecast year to date.



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

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

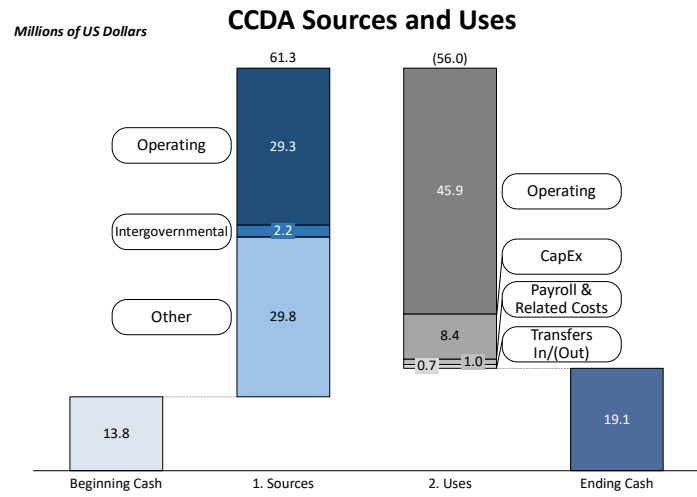
D. Full Year FY22 Sources and Uses of Funds

1. Sources \$61.3M:

- a. Operating receipts of \$29.3M, consisting of: rental income at District of \$1.6M, Coliseum receipts of \$15.1M, and Convention Center receipts of \$12.6M.
- b. Intergovernmental receipts of \$2.2M, including Law 272 hotel room taxes receipts of \$1.6M from the Tourism Company and \$0.6M in receipts from tax incremental financing collected from District vendors per Law 157 - 2014.
- c. Other receipts of \$29.8M, including: \$10.0M of federal funds awarded to CCDA by the SBA for a “Shuttered Venue Operator Grant”, \$13.6M of CRF/ARPA funds earmarked for non-operating costs associated with strategic promotional initiatives, and \$1.9M in proceeds from a scheduled land swap with the Ports Authority, and \$4.3M in other receipts including proceeds from asset sales.

2. Uses (\$56.0M):

- a. Operating disbursements of (\$45.9M), consisting of purchased services of (\$31.4M), utilities of (\$12.8M), professional services of (\$0.9M), and other operating costs of (\$0.8M).
- b. Payroll and related costs of (\$1.0M)
- c. CapEx of (\$8.4M).
- d. Transfers in/(out) of (\$0.7M).



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

E. Accounts Receivable / Accounts Payable²⁷

1. Accounts Receivable:

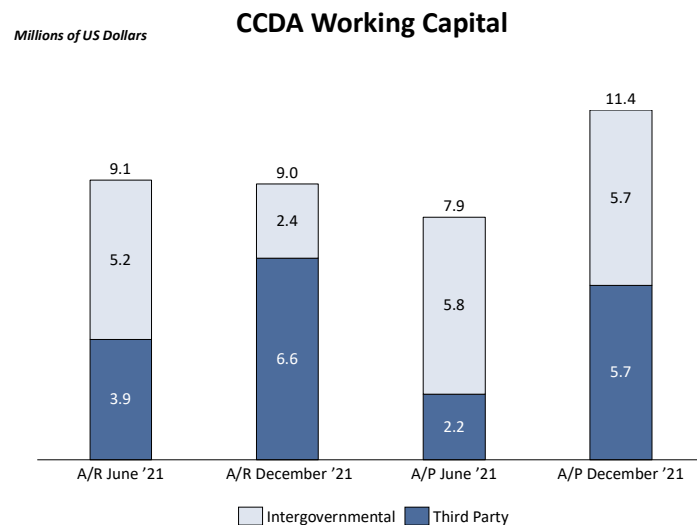
- a. \$0.1M decrease from end of Q4-21 to end of Q2-22 driven by a \$2.8M decrease in intergovernmental receivables due to collections of FY21 hotel room taxes from Tourism (5% reserve) and collection of monies from FEMA, largely offset by a \$2.7M increase in third party receivables related to event ticket sales.

2. Accounts Payable:

- a. \$3.5M increase from end of Q4-21 to end of Q2-22 driven by a \$3.5M increase in third party payables related to scheduled events.

3. Working Capital:

- a. Working capital changes were favorable by \$3.6M thru Dec-21 due to the above changes.



²⁷ 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 decreased by (\$21.7M) from \$107.5M to \$85.8M. The decrease in cash is driven by nonreceipt of General Fund allocations, which are not considered in the FY22 Certified Budget for ADEA. In FY21, ADEA received \$51.0M in General Fund appropriations (net) of holdbacks for PayGo and for Law 40. This is partially offset by favorable operating receipts from coffee market making operations and the school cafeteria program. The school cafeteria program continues to be impacted by COVID-19 and related school closures. Year to date, ADEA made (\$22.5M) in subsidies and incentives payments, which is \$13.1M lower than the Liquidity Plan; however, this variance is expected to partially reverse by fiscal year end. ADEA projects to end FY22 with \$43.0M in liquidity.

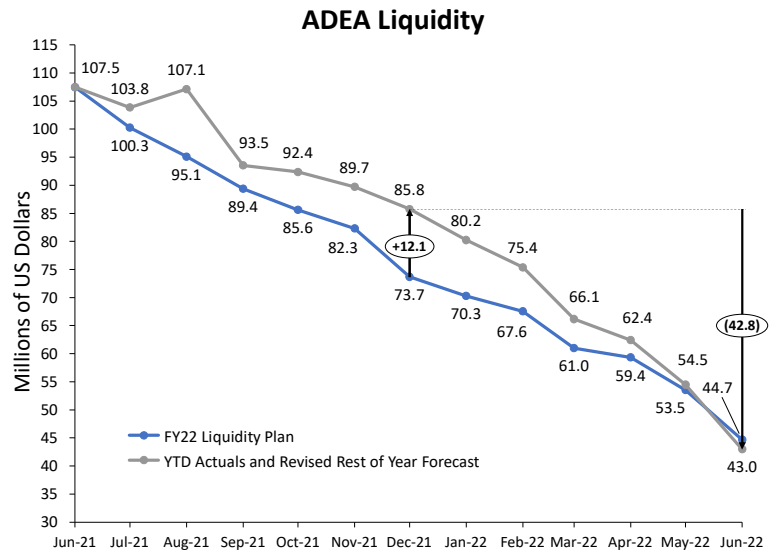
A. FY22 Operating Liquidity – Actuals²⁸ and FY22 Liquidity Plan

1. \$12.1M YTD actuals vs. Liquidity Plan:

- a. (\$2.6M) unfavorable variance in operating receipts led by a (\$3.9M) permanent variance in school cafeteria revenues due to impact from COVID-19, partially offset by a \$0.3M favorable variance in coffee operations and \$1.0M in other revenues led by General Fund receipts for Premium Pay.
- b. (\$2.3M) permanent variance in payroll and related costs, which ADEA will be working on a reapportionment to address.
- c. (\$1.9M) unfavorable timing variance in PayGo.
- d. \$13.1M favorable timing variance in payment of subsidies and incentives. Payment of subsidies and incentives continues to be delayed due to COVID-19 and delays from revised payment calculation reconciliations.
- e. (\$4.7M) negative permanent variance in rural infrastructure expenses. The program moved to the Land Authority of Puerto Rico, and ADEA is sending remaining account balances previously received.
- f. \$10.5M favorable variance in other operating disbursements considerate of COVID-19 impact on school cafeterias.

2. (\$42.8M) cash reduction for the balance of FY22:

- a. \$40.4M forecasted in total receipts, led by \$32.8M of coffee market making receipts, \$7.4M from school cafeterias, and \$0.2M in other receipts.
- b. (\$83.2M) forecasted in total disbursements, led by (\$41.6M) in subsidies and incentives payments, (\$30.1M) in operating disbursements from the cafeteria / coffee market making programs, (\$5.7M) in payroll and related costs, (\$1.3M) in PayGo contributions, and (\$4.5M) in other operating disbursements, including WICC & OPPEA.



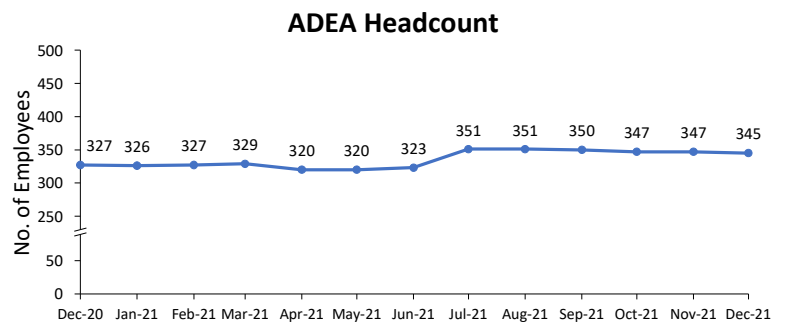
B. Headcount / Payroll

1. Headcount FTEs: Increased from 327 to 345 from end of Q2-21 to end of Q2-22.

- a. Increase in headcount is related to the addition of 26 employees from PREPA in FY22, partially offset by normal employee turnover.

2. Payroll: Disbursements are forecast to be \$13.2M for FY22. YTD payroll is \$7.6M.

- a. YTD payroll is \$2.3M above the Liquidity Plan due to budgeting process issues that ADEA is working to resolve in addition to new PREPA employees not considered in the Certified Budget.
- b. ADEA continues to work with OGP on a reapportionment for funding of PREPA employee payroll and benefits.

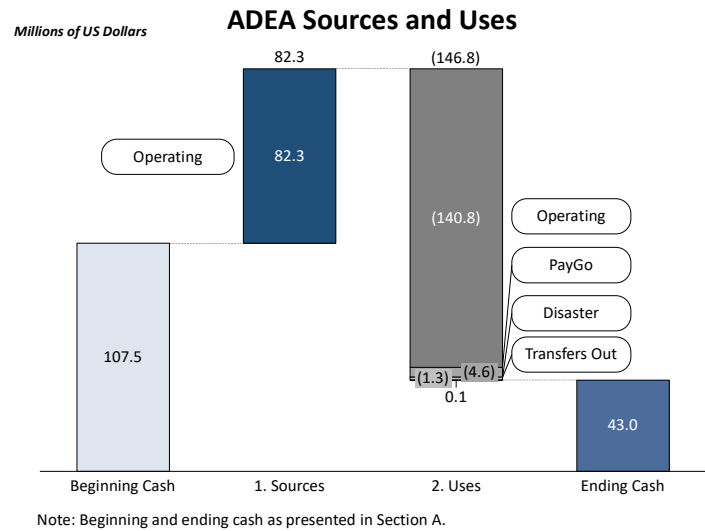


²⁸ Appendix includes reconciliation between AAFAP reported cash figures and the figures in this report.

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

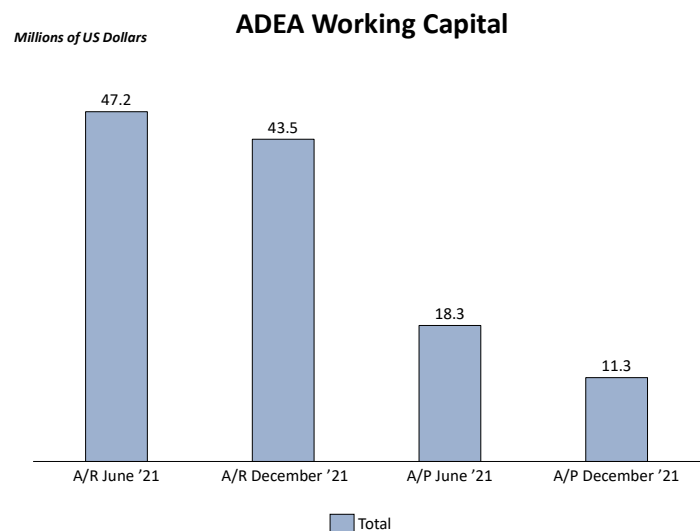
C. Full Year FY22 Sources and Uses of Funds

1. Sources \$82.3M:
 - a. \$82.3M in operating receipts comprised of \$63.5M in coffee market making operations, \$15.8M in school cafeteria programs, and \$3.0M in other receipts including production of seeds.
 - b. ADEA does not project to receive any General Fund appropriations in FY22.
2. Uses (\$146.8M):
 - a. (\$140.8M) in operating disbursements including subsidies and incentives programs of (\$64.2M), (\$48.4M) in other operating expenses primarily related to the school cafeteria and coffee programs, rural infrastructure outflows of (\$5.2M), payroll and related costs of (\$13.2M), and other operating expenses, including pass-through disbursements tied to government programs, total (\$9.8M).
 - b. (\$4.6M) in PayGo contributions.
 - c. (\$1.3M) in disaster-related FEMA expenses.
 - d. (\$0.1M) in transfer(s) to non-operating accounts.



D. Accounts Receivable / Accounts Payable²⁹

1. Accounts Receivable:
 - a. \$3.7M decrease from end of Q4-21 to end of Q2-22.
2. Accounts Payable:
 - a. \$7.0M decrease from end of Q4-21 to end of Q2-22 driven by a \$4.6M decrease in general and other vendor payables and a \$2.3M decrease in school and coffee operations payables.
3. Working Capital:
 - a. Working capital changes were unfavorable by \$3.3M through Dec-21 due to the above changes.



²⁹ Figures are unaudited and subject to change.

XV. AUTOMOBILE ACCIDENT COMPENSATION ADMINISTRATION (“ACAA”)

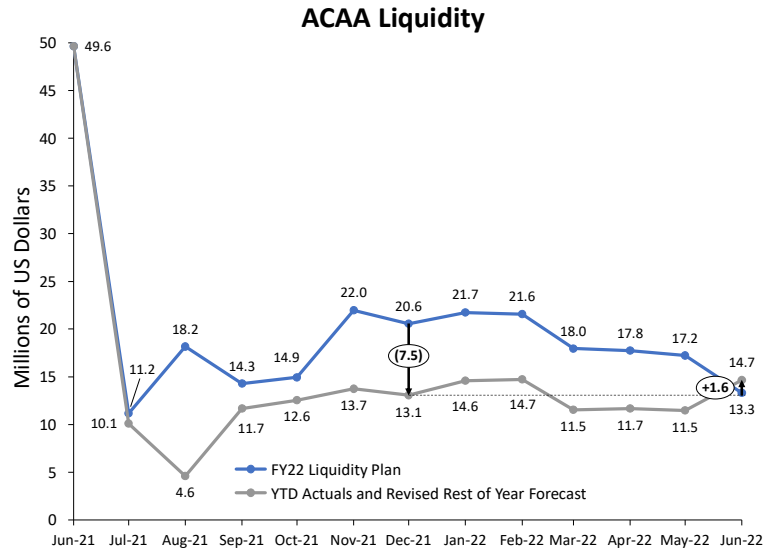
Primary Business Activity: ACAA administers insurance for health services and compensation to benefit victims of car accidents and their dependents. ACAA pays for medical-hospital services offered by third party providers and compensates victims and dependents of deceased victims who were involved in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

Key Takeaways: Year to date, cash decreased by (\$36.5M) from \$49.6M to \$13.1M due to ACAA making a transfer of (\$35.0M) to investment account(s) in Jul-21 to fund claims reserves, as well as timing delays in the collection of Dec-21 premiums revenues pending to be remitted by Treasury. Cash is expected to increase throughout the remaining forecast period due to \$55.3M in forecasted receipts exceeding (\$53.7M) in forecasted disbursements. Year to date, ACAA received 117 employee transfers from PREPA estimated to cost (\$6.2M) annually – additional employee transfers from PREPA may be forthcoming. Reapportionments for funds to supplement these employees are pending with OGP. There are currently no forecasted risks to liquidity in FY22.

A. FY22 Operating Liquidity – Actuals and FY22 Liquidity Plan

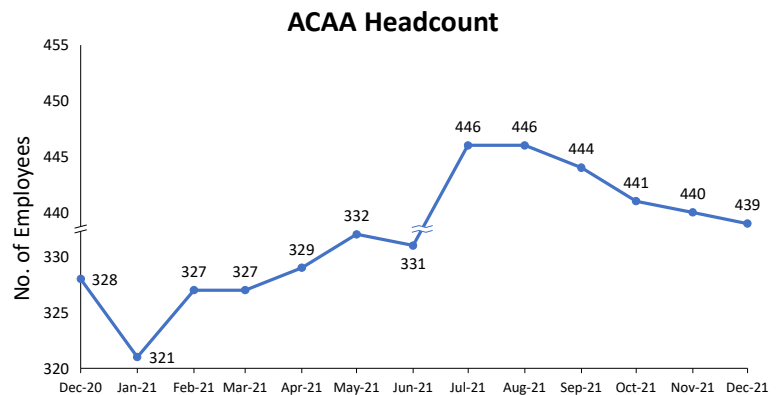
1. (\$7.5M) YTD actuals vs. Liquidity Plan:

- a. (\$10.1M) in unfavorable premiums receipts due to a one-month delay in collection of Dec-21 revenues, which have not been remitted from the Treasury.
 - b. (\$7.2M) in timing of General Fund appropriations based on pending reapportionments to cover payroll and related expenses of former PREPA employees. Variance is expected to reverse in Q4-FY22 subject to OGP approval.
 - c. \$1.7M in favorable payroll and related costs variance, which is expected to be permanent as costs associated with employee transfers from PREPA were originally forecast to be higher than actual costs year to date.
 - d. \$5.3M in favorable claims-related disbursements due to claims processing delays driven by ongoing adjustments to the benefit adjudication system to meet compliance requirements.
 - e. \$1.1M in favorable purchased services variance due to contracting delays, which is expected to normalize throughout FY22.
 - f. \$1.7M in other receipts/disbursements variances.
2. \$1.6M cash build for the balance of FY22:
- a. Cash build is expected to be driven by \$55.3M in forecasted receipts exceeding (\$53.7M) in forecasted disbursements.
 - b. The forecasted cash build considers receipt of \$6.2M in General Fund appropriations to cover FY22 payroll and related costs of PREPA employees received year to date.



B. Headcount / Payroll

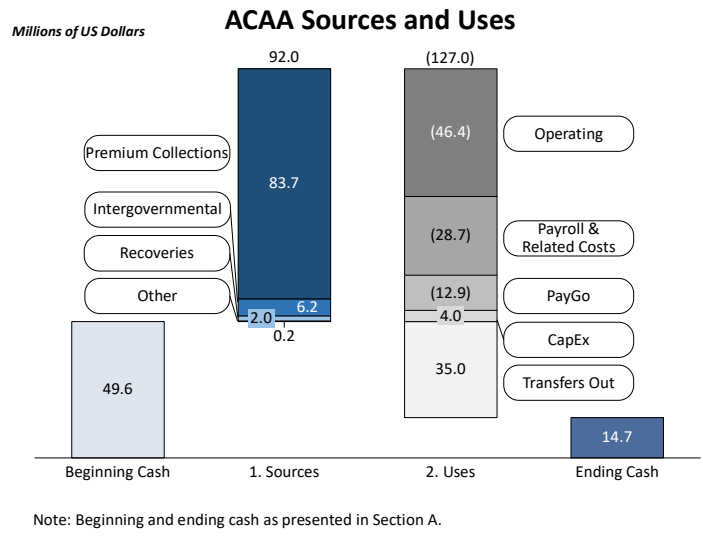
- 1. Headcount FTEs: Increased from 328 to 439 from end of Q2-21 to end of Q2-22.
 - a. 117 employees were transferred from PREPA to ACAA in Jul-21 with estimated annual recurring expenses of \$6.2M not considered in the Budget.
- 2. Payroll: Disbursements are forecast to be \$28.7M for FY22. YTD payroll is \$13.5M.
 - a. The reforecast considers lower payroll and related costs for PREPA employees than originally anticipated in the Liquidity Plan.



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

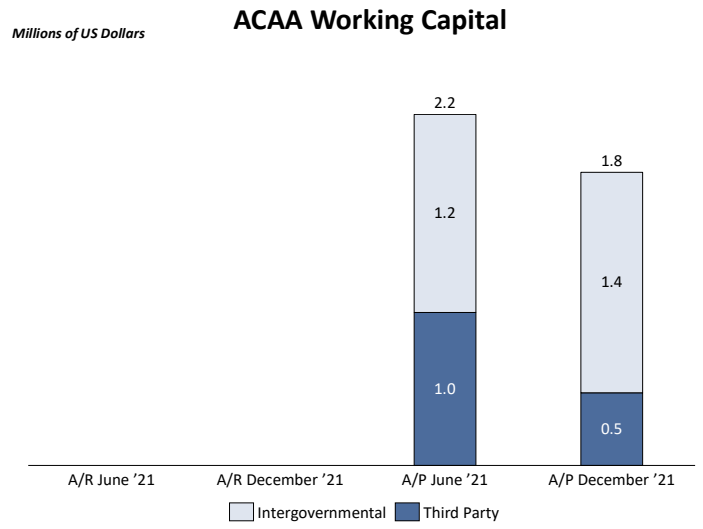
C. Full Year FY22 Sources and Uses of Funds

1. Sources \$92.0M:
 - a. Premium collections of \$83.7M.
 - b. Recoveries of \$2.0M.
 - c. Intergovernmental receipts of \$6.2M, which are anticipated to be appropriated from the Commonwealth to fund employee transfers from PREPA.
 - d. Other operating receipts of \$0.2M.
2. Uses (\$127.0M):
 - a. Operating disbursements of (\$46.4M), consisting of claims-related disbursements of (\$33.0M), purchased services of (\$4.5M), professional services of (\$2.0M), contributions to government entities of (\$1.9M), and other operating costs of (\$5.0M).
 - b. Payroll and related costs of (\$28.7M).
 - c. PayGo contributions of (\$12.9M).
 - d. CapEx of (\$4.0M).
 - e. Transfers (to)/from restricted account of (\$35.0M) to cover claims reserves.



D. Accounts Receivable / Accounts Payable

1. Accounts Receivable:
 - a. Information is not available.
2. Accounts Payable:
 - a. \$0.4M decrease from end of Q4-21 to end of Q2-22 driven by a \$0.5M decline in third party payables mostly offset by a \$0.1M increase in intergovernmental payables.
3. Working Capital:
 - a. Analysis incomplete due to missing accounts receivable information.



APPENDIX A: RECONCILIATION BETWEEN DECEMBER 2021 AAFAF REPORTED FIGURES³⁰ AND THE FIGURES IN THIS REPORT³¹

Millions of US Dollars

Agency ID	COMPONENT UNIT	AAFAF Reported		Actual Balance		Variance	Variance due to:		Comments
		Balance (a)	12/31/2021 (b)	12/31/2021 (b)	12/31/2021 (b)		Timing (b)	Non-operational Accounts	
168	PUERTO RICO PORTS AUTHORITY ("PORTS")	114.6	126.8	(12.2)	0.0	(12.2)			\$12.2M of net non-operational funds for CapEx are excluded from AAFAF's balances.
90	MEDICAL SERVICES ADMINISTRATION ("ASEM")	99.0	6.6	92.4	0.2	92.2	0.2	92.2	CU reported cash does not consider non-operating funds including: CapEx \$89.6M, Malpractice Insurance Reserve \$1.9M, and FEMA Funding \$0.7M. Remaining variance is due to book vs. bank timing differences.
285	PUERTO RICO INTEGRATED TRANSIT AUTHORITY ("PRITA")	22.0	22.8	(0.9)	(0.2)	(0.7)	(0.2)	(0.7)	\$0.7M held in a reserve accounts not included in AAFAF inventory of accounts. Remaining variance is due to book vs. bank timing differences.
70	STATE INSURANCE FUND CORPORATION ("FONDO")	471.0	435.5	35.4	(0.0)	35.4	(0.0)	35.4	Non-operational funds pertain to COVID-related claims reserve account established by Act. 56 - 2020.
187	HEALTH INSURANCE ADMINISTRATION ("ASES")	520.0	518.4	1.7	1.7	-	1.7	-	Variance represents <1% of total cash reported.
162	PUERTO RICO PUBLIC BUILDINGS AUTHORITY ("PBA")	150.6	120.7	29.9	0.0	29.9	0.0	29.9	Funds held in non-operational accounts at PBA are earmarked for the following: \$12.9M for debt service for bonds pertaining to Resolution 468, \$6.8M for debt service for bonds related to Construction Series R and N, and \$10.2M in other restricted cash accounts.
188	CARDIOVASCULAR CENTER OF PUERTO RICO AND THE CARIBBEAN ("Cardio")	34.1	33.2	0.8	0.0	0.8	0.0	0.8	Non-operational funds not considered account for \$0.8M of AAFAF cash, which are reserved for CapEx.
166	PUERTO RICO INDUSTRIAL DEVELOPMENT COMPANY ("PRIDCO")	103.7	-	-	-	-	-	-	Data for Dec-21 was not received prior to publication of this report.
235	HOUSING FINANCE AUTHORITY ("HFA")	522.2	216.1	306.1	(3.7)	309.8	(3.7)	309.8	Variance is mainly driven by \$309.8M in non-operational accounts including accounts at Banco Popular Trust Division as well as accounts at the Economic Development Bank. Remaining variance is due to timing differences.
180	PUERTO RICO TOURISM COMPANY ("TOURISM")	228.1	64.6	163.5	-	163.5	-	163.5	Funds in non-operational accounts consist of: \$151.8M in CCDA debt-service reserve funds; \$9.6M in Tourism subsidiary accounts not included in Tourism operating cash; and \$2.1M in other including FEMA.
295	FISCAL AGENCY AND FINANCIAL ADVISORY AUTHORITY ("AAFAF")	378.2	113.4	264.8	1.5	263.3	1.5	263.3	Non-operational account(s) include \$256.2M in newly received federal passthrough funds for management of APPA - PRIFA Project. Improvements to Education Institutions and \$7.1M related to CARES Act. relief funds. Remaining variance is due to book vs. bank timing differences.
119	DEPARTMENT OF ECONOMIC DEVELOPMENT AND COMMERCE ("DDEC")	86.2	103.3	(17.1)	(2.4)	(14.7)	(2.4)	(14.7)	Favorable ending cash position is due to the inclusion of the Puerto Rico Trade and Export Company bank balances in the DDEC cash flow, which have not been reclassified for cash inventory purposes. Remaining variance is due to timing differences.
303	CONVENTION CENTER DISTRICT AUTHORITY ("CCDA")	65.4	40.6	24.8	0.0	24.8	0.0	24.8	Non-operational accounts include \$24.8M in special purpose funds from ticket sales that do not belong to CCDA.
277	PUERTO RICO AGRICULTURAL DEVELOPMENT ADMINISTRATION ("ADEA")	114.7	85.8	28.9	(0.0)	28.9	(0.0)	28.9	\$28.9M in accounts not reported in CU cash balances, of which \$8.4M are related to Milk subsidies not part of ADEA, \$21.0M in pass through accounts not in the CU build, and \$0.4M in accounts at ADEA not in the AAFAF build.
79	Automobile Accident Compensation Administration ("ACAA")	196.6	13.1	183.5	2.3	181.2	2.3	181.2	Non-operational accounts consist of \$181.2M, which are investment accounts managed by a third party to maintain ACAA's claims liability reserve. Remaining variance is due to book vs. bank timing differences.

Footnotes:

(a) AAFAF reported balance is as of 12/30/21.

(b) Ending cash balance reported in Component Unit cash flow reports.

³⁰ AAFAF reported figures as per "Summary of Bank Account Balances for the Government of Puerto Rico and its Instrumentalities" report dated December 30, 2021.

³¹ This report is prepared based on reported operational cash balances as of December 31, 2021, 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

	<u>Actual Dec-21</u>
Headcount	
Puerto Rico Ports Authority ("Ports")	571
Medical Services Administration ("ASEM")	1,439
Puerto Rico Integrated Transit Authority ("PRITA")	704
Puerto Rico State Insurance Fund Corporation ("Fondo")	2,491
Health Insurance Administration ("ASES")	77
Puerto Rico Public Buildings Authority ("PBA")	1,494
Cardiovascular Center of Puerto Rico and the Caribbean ("Cardio")	514
Puerto Rico Industrial Development Company ("PRIDCO")	53
Puerto Rico Housing Finance Authority ("HFA")	114
Tourism Company of Puerto Rico ("Tourism")	207
Fiscal Agency and Financial Advisory Authority ("AAFAF")	102
Department of Economic Development and Commerce ("DDEC")	518
Puerto Rico Convention Center District Authority ("CCDA")	12
Puerto Rico Administration for the Development of Agricultural Enterprises ("ADEA")	345
Automobile Accident Compensation Administration ("ACAA")	439
Total Component Unit Headcount	<u><u>9,080</u></u>

COMMONWEALTH OF PUERTO RICO

COMPONENT UNIT REPORTING

Payroll and Related Cost Disbursements

(figures in \$000's)

Payroll and Related Cost Disbursements

	<u>Actual Dec-21</u>	<u>Actual YTD</u>
Puerto Rico Ports Authority ("Ports")	(\$3,049)	(\$16,581)
Medical Services Administration ("ASEM")	(7,886)	(49,328)
Puerto Rico Integrated Transit Authority ("PRITA")	(4,086)	(24,345)
Puerto Rico State Insurance Fund Corporation ("Fondo")	(16,885)	(112,352)
Health Insurance Administration ("ASES")	(487)	(2,473)
Puerto Rico Public Buildings Authority ("PBA")	(7,930)	(37,775)
Cardiovascular Center of Puerto Rico and the Caribbean ("Cardio")	(3,427)	(13,057)
Puerto Rico Industrial Development Company ("PRIDCO") (b)	(514)	(3,289)
Puerto Rico Housing Finance Authority ("HFA")	(734)	(4,451)
Tourism Company of Puerto Rico ("Tourism")	(1,207)	(6,274)
Fiscal Agency and Financial Advisory Authority ("AAFAF")	(790)	(5,071)
Department of Economic Development and Commerce ("DDEC")	(2,928)	(16,941)
Puerto Rico Convention Center District Authority ("CCDA")	(124)	(581)
Puerto Rico Administration for the Development of Agricultural Enterprises ("ADEA")	(1,238)	(7,561)
Automobile Accident Compensation Administration ("ACAA")	(3,045)	(13,521)
Total Component Unit Payroll and Related Cost Disbursements	<u><u>(\$54,328)</u></u>	<u><u>(\$313,600)</u></u>

Footnotes:

(a) Headcount not available for December 2021. Data reflects headcount as of November 2021.

(b) Cash flow data not available for December 2021. Data reflects payroll figures as of November 2021.