



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

May 7, 2018

BY ELECTRONIC MAIL

Ms. Natalie A. Jaresko  
Executive Director  
Financial Oversight and Management Board for Puerto Rico

**RE: AUDITED BASIC FINANCIAL STATEMENTS AND REQUIRED SUPPLEMENTARY  
INFORMATION**

Dear Ms. Jaresko,

I write in response to your letter dated April 30, 2018. In said letter, the Financial Oversight and Management Board for Puerto Rico ("FOMB") requested a timetable for the issuance of the audited Basic Financial Statements and Required Supplementary Information ("Financial Statements") for the Commonwealth of Puerto Rico. Below is the estimated timeline to issue the Financial Statements for the fiscal years ending on June 30, 2015 ("2015 Financial Statements"), June 30, 2016 ("2016 Financial Statements"), and June 30, 2017 ("2017 Financial Statements").

***I. Financial Statement for Fiscal Year ending June 30, 2015***

The Government of Puerto Rico ("Government") recently completed the auditing process for its agencies and component units. The Government's auditor, KPMG, is preparing the final version of the 2015 Financial Statements, which is expected to be completed and issued on or before June 8, 2018.

***II. Financial Statement for Fiscal Year ending June 30, 2016***

The auditing process for the 2016 Financial Statements is close to completion. For the Government to be able to issue its audited 2016 Financial Statements, the following 14 component units will need to complete their 2016 audits:

- Government Development Bank for Puerto Rico,
- Puerto Rico Sales Tax Financing Corporation,
- Puerto Rico Public Private Partnership Authority,
- Puerto Rico Safe Drinking Water Treatment Revolving Loan Fund,
- Puerto Rico Water Pollution Control Revolving Fund,
- Special Communities Perpetual Trust,
- Cardiovascular Center Corporation of Puerto Rico and the Caribbean,
- Puerto Rico Port of Ponce,

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- Port of the Americas,
- Employees Retirement System for the Government of the Commonwealth of Puerto Rico,
- Judicial Retirement System of the Commonwealth of Puerto Rico,
- Puerto Rico Electric Power Authority,
- Office of the Comptroller of Puerto Rico, and
- Puerto Rico Department of Economic Development and Commerce.

The Treasury Department has been active in requesting detailed timelines and progress reports on the status of the delivery of the audited financial statements of the aforementioned component units. The target date for the issuance of the 14 component units' 2016 audited financial statements is June 30, 2018. Upon completion of the component unit audits, the Government and its auditors estimate it will take approximately 1 month to complete and issue the 2016 Financial Statements. Therefore, the Government expects to have the 2016 Financial Statements issued on or before August 17, 2018.

### *III. Financial Statement for Fiscal Year ending June 30, 2017*

The Treasury Department's work plan estimates that the 2017 Financial Statements require approximately 6 months to complete once all of the 2017 expenses are properly recorded. For the audit process to be completed, it is indispensable that all matters regarding the proper recording of the accounts payable corresponding to fiscal year 2017 have been addressed. Assuming that the recording issue is resolved by June 30, 2018, the Government expects to issue the 2017 Financial Statements by the end of the first half of fiscal year 2019.

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I want to close by stating that the issuance of the Financial Statements is a top priority for this Administration as we endeavor to provide and foster transparency to all of our stakeholders.

Respectfully,



Gerardo Portela-Franco  
Executive Director

cc: Christian Sobrino-Vega  
Raúl Maldonado-Gautier