

**FINANCIAL OVERSIGHT AND MANAGEMENT BOARD
FOR PUERTO RICO**



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Executive Director

BY ELECTRONIC MAIL

February 21, 2019

Raúl Maldonado Gautier
Chief Financial Officer
Government of Puerto Rico

Dear Mr. Maldonado Gautier,

We write in response to your letter dated February 19, 2019, in which you certified revenue projections for the first six months of the fiscal year 2018-2019. The Oversight Board will review the certification and revert to your office with a final sign off before March 1.

Once the Oversight Board accepts the revenue certification, the Government will be able to release the five percent holdback on April 1. However, the Government is not authorized to encumber said funds until April 1. The budget resolution provides clear language on this matter. The control mechanisms are meant to protect the Commonwealth from revenue shortfalls and overspending that have plagued the Commonwealth in the past, and permitting the Government to encumber said funds before April 1 would undermine this goal.

Sincerely,

Natalie A. Jaresko

CC: Christian Sobrino Vega