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Puerto Rico Municipal Fiscal Scores

October 2015

Center for Integrity and Public Policy

Table of Contents

Executive Summary..... 3

Results: Index 2013..... 12

Appendix A: Consolidated 2013 17

Appendix B: Individual Indicators 18

Executive Summary

Measuring with the same stick

Carrying out a robust analysis of the finances of a municipality may require an extensive amount of time. In addition, the quantity of information and specialized knowledge that is required to complete such an analysis, represents a great challenge for the vast majority of citizens. Through this study, a measurement tool was developed, which allowed citizens to compare the fiscal situation in their respective municipality with others on the island. This was achieved by utilizing a series of standardized financial indicators. Though mayors may present their own conclusions about the fiscal health of their municipality, these conclusions may be based on non-verifiable information. They may also ignore values and details that are not favorable for their municipality. Because of this, the Center for Integrity and Public Policy (CIPP, for its initials in Spanish) decided to develop a standardized system of measurement, to provide an objective tool that will aid citizens in the evaluation and comparison of the fiscal condition of their municipality with others.

To develop these indicators, the CIPP utilized the audited financial statements of each municipality, corresponding to the year 2013. Using these statements (available on the organization's web page, abrepr.org), thirteen (13) indicators were developed to measure the fiscal health of each municipality. All of the indicators are adjusted to take into account each municipality's respective population, annual income, or the size of its assets. Each indicator is assigned an individual score and ranking position relative to the other municipalities. The scores of each indicator are then added to create a consolidated index.

During fiscal term 2012-13, the municipality with the highest index score was Fajardo, and the municipality with the lowest score was Yabucoa. The municipalities with the highest scores exhibit a financial position that is way above other municipalities. They also demonstrate a good fiscal performance during the year in evaluation. On the other hand, municipalities with the lowest scores, such as Yabucoa, possess significant long-term debt and negative balances on their governmental funds, while also registering poor fiscal performance throughout the year. Finally, during this initial year of the index, it was uncovered that a great deal of the municipalities have a delicate financial status. To exemplify, sixty-four percent (64%) of the municipalities operated with an income deficit on their general funds, and ninety percent (90%) have negative assets (not reserved). Notwithstanding, significant differences between municipalities were revealed to exist on all of the indicators.

This index provides citizens with a tool that is comprehensive, accessible and complete. The tool measures the fiscal health of different municipality, instead of requiring the evaluation of different indicators in isolated fashion. Citizens and the mayor alike, will be able to identify the critical indicators that affect the performance of their municipality.

Thus, allowing for the establishment of pertinent strategies for the improvement of their ranking in the upcoming fiscal year. More importantly, the publication of the index on a yearly basis will facilitate progress examinations regarding the fiscal health of the municipality, and the results brought forth by the strategies and measures taken.

Methodology

Measurement system

Due to the fiscal crisis and the poor performance of Puerto Rico’s economy, it is imperative to evaluate the financial condition of the municipalities. The island’s municipalities amount to seventy-eight (78). That entails seventy-eight (78) heads of independent governmental entities. The municipalities provide essential public services to its citizens, and they are a vital component of the administration of governmental programs, both at the local and federal level. There are no municipal credit scores from credit-rating agencies that could be used to evaluate and compare the finances of the municipalities. Consequently, citizens and constituents are not aware of the financial situation of their particular municipality. It is of utmost importance to be able to state, in a clear and transparent manner, which are the municipalities with prominent financial health. Traditionally, the deficit/surplus is utilized as an performance indicator. But, a balanced operational budget is not synonymous with good fiscal health. A deficit or surplus can be defined in various ways. For example, the municipality can exclude certain funds, or make references exclusively to certain items on the budget. More over, the budgetary performance does not measure the position of the municipality on a long-term basis. In other words, it does not measure the municipality’s debt, assets, or the balance of funds in its accounts. Therefore, in order to be able to measure the financial health of the municipalities, it is important to evaluate various factors, with a focus on short, medium and long-term. This is why the index was developed with the use of thirteen (13) performance indicators. This index takes the following factors into consideration: liquidity, fiscal discipline, debt, and the municipality's ability to sustain its operations with resources that are self-owned and recurrent.

Even though there are more than thirty (30) years of studies that measure the fiscal health of states/cities in the United States, a unique and universally accepted method of measurement is nonexistent. The methods and tools depend on various factors, such as, the availability of data, the entity under evaluation, and the particular interest of the investigator. To construct this index, the CIPP studied the methodologies used in the evaluation of the fiscal health of a city or state, through the use of financial statements prepared in accordance to the Generally Accepted Accounting Principles (GAAP). The Mercatus Center of the University of George Mason recently published an index of fiscal health that would measure the financial health of all the states. The Mercatus Center based its work on the investigations carried out by XiiiaoHu Wang, Lynda Dennis and Yuan Sen in 2007. Together, they published an important study about the financial evaluation of cities in the United States. Prior to their work, in 1993 the *Government Finance Officers Association*, one of the primary organizations in the United States in charge of evaluating

government entities on financial terms, published a point system that enables the comparison of financial performance between cities¹. Similarly, the accounting firm, Crawford & Associates developed a fiscal evaluation tool, utilizing eighteen (18) financial indicators². Based on the reach of the services they render and the legal particularity of the municipalities in Puerto Rico, the CIPP chose thirteen (13) indicators to measure the fiscal health of the municipalities, using the following financial statements: (1) Government-Wide Financial Statements and (2) Fund Financial Statements. A table describing the thirteen(13) indicators can be found below:

Table of Indicators

#	Indicador ³	Descripción	Dimensión
1	Net Change in Fund Balance (GF)	Examines the net change in the balance of the General Fund during the year 2013	Fiscal
	Total Revenue (GF)		
2	End of Year Fund Balance (GF)	Examines the size of the balance corresponding to the General Fund, relative to the annual expenses of said fund.	Financial Position
	Total Expenditures (GF)		
3	Total Assets (Excluding Capital)	Examines the assets of the municipality (excluding capital) relative to the population.	Financial Position
	Population		
4	Total Assets (Excluding Capital)	Examines the assets of the municipality (excluding capital) relative to current liabilities.	Financial Position
	Current Liabilities		
5	Long Term Debt	Examines long-term debt based on the population.	Financial Position
	Population		
6	General Revenues	Examines the general revenues of the municipality, relative to the municipality's long-term debt.	Financial Position
	Long Term Debt		
7	Debt Service	Examines the service of the debt, relative to annual general income.	Fiscal
	General Revenues		
	Excess of Revenues Over (Under) Expenditures (GF)	Examines the operational surplus/deficit of the General Fund,	Fiscal

¹ Brown Ken W, "The 10 Point Test of Financial Condition: Toward an Easy-to-Use Assessment Tool for Smaller Cities", Government Finance Officers Association, 1993.

² Crawford & Associates, PC, "The Performer" (Oklahoma City, OK), 2008.

³ Los indicadores están en inglés para mantener consistencia con los estados financieros auditados

8	Total Revenues (GF)	without accounting for loans or other transfers.	
9	Change in Net Position	Examines the change in net assets during the year, relative to the annual income.	Fiscal
	General Revenues		
10	Fund Balance (All Funds)	Examines the Balance of Funds (all funds) based on the population.	Financial Position
	Population		
11	End of Year Fund Balance (All Funds)	Examines the Balance of the Funds, relative to the long-term debt.	Financial Position
	Long Term Debt		
12	Intergovernmental Funds (GF)	Examines annual revenues the derive from the state, relative to the annual income for the municipality.	Fiscal
	Total Revenues (GF)		
13	Unrestricted Net Position	Examines the net balance of the non-restricted assets.	Financial Position
	Total Assets		

Each indicator measures the solvency of the municipality, based on one of the three before mentioned categories (liquidity, fiscal solidity, and the ability to sustain operations through recurrent and internal income). These thirteen (13) indicators ensure that the municipality's fiscal health is measured by taking short-term, medium-term and long-term factors into account. The selection of fiscal indicators represents a challenge in the United States. This is so because the states that conform the United States have distinct juridical systems, therefore the requirements for budgetary discipline vary significantly. The same challenges are met with tools that are developed with the purpose of comparing cities in the United States. Notwithstanding, the municipalities in Puerto Rico are covered under the *Autonomous Municipality Law*, and all of them fall under the same geographic and juridical unit. Because of this we feel comfortable in developing a tool that measures and compares the fiscal health of all the municipalities on the island.

Fiscal Health Index of the CIPP

$$Z = \frac{X - \bar{X}}{S}$$

X= valor municipio

\bar{X} = promedio municipios

S= Desviación Estándar

As previously stated, the CIPP created the thirteen (13) fiscal indicators utilizing the audited financial statements from each municipality. All of the indicators are adjusted to the municipality's volume of income or population, in order to carry out the comparison. Once the indicator is generated, a Z value is calculated for each respective municipality. The Z value establishes how far

the indicator is with respect to the average of all municipalities. The Z value is calculated by subtracting the value of the particular municipality from the municipal average. The result is then divided by the standard deviation.

In order to calculate the consolidated index, a summation of all the municipal Z values done. Afterwards, all the municipalities are placed in order (1 to 78) based on the value corresponding to the sum of the thirteen (13) Z Values.

$$\text{Consolidated Fiscal Health} = \sum(Z_1 \dots Z_{13})$$

Besides the sum of the Z values, the CIPP methodology assigns different weights and importance to each of the indicators. The thirteen (13) indicators have been divided based on their particular dimension. The first dimension measures the fiscal performance of the municipality throughout the fiscal year. The indicators in this dimension take into consideration the municipality's surplus or deficit during the year and evaluate the movement in the balance of its funds and assets. The other dimension corresponds to financial position of the municipality. This dimension takes into account the amount of assets and liabilities of the municipality, as well as the balance of funds. The indicators that are associated with the fiscal performance throughout the year are granted a weight of sixty-five percent (65%) of the consolidated index. Consequently, the indicators associated with financial position are assigned a weight of thirty-five percent (35%).

Table of Indicators by Dimension

Fiscal Performance (65%)	Financial Position (35%)
<ul style="list-style-type: none"> ● Net Change in Fund Balance / Total Revenue (GF) ● Debt Service Expenditures/ General Revenues ● Excess of Revenues Over (Under) Expenditures / Total Revenues (GF) ● Change in Net Position / General Revenues ● Intergovernmental Funds (GF) / Total Revenues (GF) 	<ul style="list-style-type: none"> ● End of Year Fund Balance (GF) / Total Expenditures (GF) ● Total Assets / (except Capital) Per Capita ● Current Assets / Current Liabilities ● Long Term Debt / Per capita ● General Revenues / Long Term Debt ● Fund Balance (All Funds) / Per Capita ● End of year Fund Balance (All Funds) / Long Term Debt ● Unrestricted Net Position / Total Assets

The assignment of a predominant weight to the indicators of fiscal performance is due to the prevailing focus and emphasis on the municipality's performance during the observed year, in contrast to the financial state of the municipality as a result of retrospective accumulation.

Up next, the methodology used for calculating the index of a particular indicator, is illustrated. The calculation of the municipal consolidated index is also examined. The indicator, “*End of Year Fund Balance / Total Expenditures (GF)*”, on the municipality of Isabela (highest scoring municipality in that indicator) was chosen for the purpose of examination and conceptualization. At the end of the fiscal year, Isabela had a balance of funds in its general fund equal to \$23,670,188. Corresponding expenses totaled \$23,636,584 indicating that Isabela’s balance of funds represents more than 100% of its annual expenditure (100.15%). On the other hand, the municipal average for this indicator was -6.7% with a standard deviation of 30%. This reveals that significant dispersion exists between municipalities, with respect to that particular measure. To calculate Isabela’s index for this indicator, the following is done:

$$\begin{aligned}
 Z &= \frac{X - \bar{X}}{s} \\
 &= \frac{100.15\% - (-6.7\%)}{30\%} \\
 &= 3.5274
 \end{aligned}$$

The index of 3.5274 indicates that Isabela is 3.5 standard deviations above the municipal average. Isabela is significantly exceeding the other municipalities, with regards to the balance of funds. This same exercise is done with all thirteen (13) indicators. The Z Value could result in both positive and negative values. For example, the municipality of Patillas scored -2.1076 on the same indicator that was previously calculated for Isabela. This is due to the fact that Patillas’s balance of funds is -70.57% relative to its annual expenses.

To calculate the consolidated index, all calculated Z values of a respective municipality, are summed and then a pertinent weight is assigned. Isabela will continue to be the municipality of study, for conceptual purposes.

$$\begin{aligned}
 &\sum [\{Z_{(fiscal)} * (.65)\} + \{Z_{(mediano/largo\ plazo)} * (.35)\}] \\
 &= \sum [\{2.6551 * (.65)\} + \{10.7116\}] \\
 &= 5.47486
 \end{aligned}$$

Access to the information

A financial statement is a document that reveals the situation of a municipality, in fiscal terms. The income amassed as well as the expenses incurred throughout a fiscal year are stipulated in said document. These statements are significantly useful for defining how much a municipality spent, saved and invested throughout an annual time frame. This information serves as a foundation from which future plans will be developed. As excess expenses and benefits in certain areas is evaluated, more reflection can be exercised, and more effective tactics can be designed to correct errors and ensure precision. Financial statements are important because they are serious documents that possess official validation which provide an organized view of finances. These documents help to not only see the past, but to aid progress in the upcoming year, as well as make possible, clear and effective studies of savings and money squandering.

Article 7.010 of the Law for Autonomous Municipalities (Law 81-2001) requires municipalities to have audited financial statements every year.

“The mayor shall submit, to the Assembly and Commission, the reports provided by auditors, within the term previously established by said auditor, based on regulation. Said reports shall be placed in at least two (2) visible places, and made available to the public of the Town Hall, the collectors offices of the Internal Revenue Service the judicial centers or in whichever other place accessible to the general public, at least during the fifteen (15) days following the date of the documents submission to the Mayor and the Assembly. The aforementioned shall bear no impairment on the right of citizens to examine such documents in the place where they be archived, after the lapse of said term for their publication.”

Regardless of this, none of the municipalities has their financial statements available on the web. Citizens have to physically visit the town hall of a municipality and solicit the documentation. In many occasions access to the documents is denied. The law also demands that a copy of the statements be sent to the Office of the Comptroller of Puerto Rico (OCPR in Spanish). Because of this, ABRE Puerto Rico established a collaboration agreement with the OCPR in order to obtain copy of all the statements. Once in possession, a digitalization process ensued which finalized in uploading the open data to the ABRE Puerto Rico website (abrepr.org). From this point forward, all the audited financial statements of the municipalities will be made available in ABRE Puerto Rico’s platform.



Results: Index 2013

Status of the municipalities

After evaluating the results of 2013, a significant discrepancy was revealed to exist between the municipalities on all the indicators of the index. This was evidenced by the size of the standard deviation. As a means of example, a summary with descriptive statistics for each indicator is illustrated below:

Descriptive Statistics Index 2013

Indicator	Average	Standard Deviation	Max	Min
Net change in Fund Balance / Total Revenue (GF)	-2.3%	11.3%	38.1%	-37.8%
End of Year- Fund Balance (GF) / Total Expenditures	-6.7%	30.3%	100.2%	-70.6%
Total Assets/ (Excluding Capital) Per Capita	\$613.34	\$500.33	\$3,112.17	\$150.65
Current Assets / Current Liabilities	2.8	1.8	9.7	0.5
Long Term Debt / Per Capita	\$1,101.47	\$668.23	\$3,686.88	\$272.18
General Revenues / Long Term Debt	68.8%	28.0%	153.9%	30.3%
Debt Service Expenditures / General Revenues	13.2%	5.2%	28.5%	1.9%
Excess of Revenues Over (Under) Expenditures/ Total Revenues (GF)	-5.2%	12.1%	19.6%	-56.7%
Change in Net Position / General Revenues	-4.8%	23.3%	63.8%	-93.9%
Fund Balance (All Funds) / Per Capita	\$311.98	\$430.33	\$2,608.56	-\$251.99
End of Year Fund Balance (All Funds) / Long Term Debt	31.2%	33.6%	199.1%	-37.6%
Intergovernmental Funds (GF) / Total Revenues (GF)	40.4%	19.7%	81.1%	8.9%
Unrestricted Net Position/Total Assets	-22.2%	22.7%	10.5%	-126.1%

This table presents not only the size of the standard deviation relative to the average, but the distance between the municipality with the highest indicator and the one with the lowest. Even more worrisome, most

municipalities have very delicate finances. The principle findings are here summarized:

- Seventy (70) municipalities have a negative net asset (non-restricted) position;
- Fifty (50) municipalities have a deficit of income over expenses, in their general fund;
- Forty-three (43) municipalities have accumulated deficits in their general fund;
- Twenty-four municipalities spend more than 15% of their income on the payment of debt;
- Forty (40) municipalities acquire more than 40% of their operational income from the state-level government;
- In total, the long-term debt of all the municipalities surpasses \$5 billion dollars.

Consolidated Index-2013

By the year 2013, the municipalities with superior indexes were Fajardo, Barranquitas, Isabela, Culebra, and Naranjito. The financial position of these municipalities was above the financial position of the other municipalities. In addition to their financial position, the before mentioned municipalities had good fiscal performance throughout the year. All (except for Culebra) fell among the twenty (20) best municipal indexes associated with annual fiscal performance. The indicators that were most outstanding for these municipalities were: positive balances on governmental funds, abundant current assets and healthy net assets (unrestricted).

Table representing First and Last Index Scores for 2013

Top 10			Bottom 10		
Municipality	Rank	Index	Municipality	Rank	Index
Fajardo	1	9.54163	Yabucoa	78	-7.36936
Barranquitas	2	6.20694	Ponce	77	-5.53295
Culebra	3	5.50444	Guayanilla	76	-5.39719
Isabela	4	5.47486	Las Piedras	75	-5.33528
Naranjito	5	4.40963	Juncos	74	-5.33073
Quebradillas	6	4.25135	Maunabo	73	-5.21315
Aibonito	7	3.28081	Patillas	72	-4.59197
San Sebastián	8	3.25832	Guánica	71	-4.56241
Peñuelas	9	3.25466	Toa Baja	70	-4.52559

Lares	10	3.14814		Cabo Rojo	69	-3.98916
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Fajardo - # 1

Fajardo is the municipality with the highest score. Based on its financial statements, Fajardo is the municipality with the best reserves, relative to its population and annual income. The municipality possesses a balance of over \$84 million on its governmental funds, is one of the eight (8) municipalities with positive net assets (unrestricted), and is the municipality with the highest surplus of income over expenses during 2013. Fajardo's most significant indicators are demonstrated below:

Indicator	Indicator Fajardo	Rank	Average-Indicator
End of Year Fund Balance (GF) / Total Expenditures	68.94%	3	-6.71%
Total Assets / (Excluding Capital) Per Capita	\$2,786	2	\$613
Current Assets / Current Liabilities	9.2	2	2.8
Excess of Revenues Over (Under) Expenditures / Total Revenues	19.63%	1	-5.18%
Fund Balance (All Funds) / Per Capita	\$2,421	2	\$312
End of Year Fund Balance (All Funds) / Long Term Debt	199.10%	1	31.15%
Unrestricted Net Position / Total Assets	5.82%	2	-22.20%

The municipalities with the lowest score (Yabucoa, Maunabo, Ponce, Las Piedras and Guayanilla) have much in common. They all have a considerable amount of long-term debt, negative balances on their governmental funds, and a poor fiscal performance during 2013.

Yabucoa- # 78

Yabucoa is the lowest scoring municipality of the index. It has a negative balance on governmental funds, totaling \$7.3 million. Furthermore, its current assets per capita, equal just \$247 (the average is \$618). Finally, during 2013 Yabucoa had the largest deficit of income over expenses in Puerto Rico, equivalent to \$8 million (57 of its income from the general fund). Yabucoa's most important indicators are demonstrated below:

Indicator	Indicator Yabucoa	Rank	Average-Indicator
End of Year Fund Balance (GF) / Total Expenditures	-37.81%	78	-2.30%
Total Assets / (Excluding Capital) Per Capita	\$248	67	\$613
Current Assets / Current Liabilities	0.76	74	2.8
Excess of Revenues Over (Under) Expenditures / Total Revenues	-56.71%	78	-5.18%
Fund Balance (All Funds) / Per Capita	-\$59	71	\$312
End of Year Fund Balance (All Funds) / Long Term Debt	-8.47%	73	31.15%

Size doesn't matter

In Puerto Rico there is a tendency to signal the biggest municipalities as the ones with the best fiscal health. The index reveals that this isn't necessarily true; "size doesn't matter". No correlation exists between the size of a municipality and its fiscal healthy. The upcoming table displays the ten (10) municipalities with both the most and least population, together with their respective position on the index.

Table of Biggest and Smallest Population Index 2013

Largest Population			Smallest Population		
Municipality	Population	Rank	Municipality	Population	Rank
San Juan	372,815	26	Culebra	1,817	3
Bayamón	197,813	33	Maricao	6,090	63
Carolina	168,611	31	Vieques	9,172	47
Ponce	156,456	77	Las Marías	9,353	58
Caguas	138,760	49	Maunabo	11,746	73
Guaynabo	94,207	42	Florida	12,504	37
Arecibo	92,951	61	Ceiba	12,878	21
Toa Baja	85,546	70	Rincón	14,879	12
Mayagüez	83,726	43	Jayuya	15,936	46
Toa Alta	74,833	54	Hormigueros	16,885	50

We also have small municipalities on the list of the first and last ten (10) municipalities.

The years the mayor has been in office do not matter

Another common theory or belief that exists is the one where political stability and fiscal health in a municipality correlate. This means that the more years a particular mayor holds office, the better the fiscal health of that municipality. The CIPP team wanted to put this theory to the test. The table below presents the municipalities that have the mayors with the longest incumbency.

Table of Sustained Mayoral Incumbency and Better Score Index 2013

Most Time in Office				Higher Scores		
Municipality	Amount of Years	Rank		Municipality	Rank	Amount of Years
Manatí	39	36		Fajardo	1	26
Fajardo	26	1		Barranquitas	2	18
Sabana Grande	22	42		Culebra	3	2
Mayagüez	22	43		Isabela	4	14
Guaynabo	22	35		Naranjito	5	7
Barranquitas	18	23		Quebradillas	6	10
Peñuelas	18	2		Aibonito	7	7
Cayey	18	14		San Sebastián	8	11
Aguadilla	18	30		Peñuelas	9	18
Dorado	18	9		Lares	10	11

It can be observed how the municipalities with mayors with longer years in office do not necessarily obtain the highest scores on the index. Likewise, the ten (10) best-scoring municipalities don't have consistent mayors with many years in charge of town hall. More data would have to be included in order to develop better statistical models and provide a deeper understanding of the hypothesis. Not only would the current incumbency have to be evaluated, but also the incumbency of past mayors, in order to measure the consistency in the management of town hall. The data of other years would have to be included as well.

Appendix A: Consolidated 2013

Rank	Municipality	Index	Rank	Municipality	Index
1	Fajardo	9.54163	40	Río Grande	0.33561
2	Barranquitas	6.20694	41	Hatillo	0.32095
3	Culebra	5.50444	42	Guaynabo	0.30103
4	Isabela	5.47486	43	Mayagüez	0.29297
5	Naranjito	4.40963	44	Utua	0.13312
6	Quebradillas	4.25135	45	Morovis	-0.13345
7	Aibonito	3.28081	46	Jayuya	-0.34016
8	San Sebastián	3.25832	47	Vieques	-0.43933
9	Peñuelas	3.25466	48	Loíza	-0.66951
10	Lares	3.14814	49	Caguas	-0.90678
11	Coamo	3.12293	50	Hormigueros	-1.12415
12	Rincón	3.11520	51	Cataño	-1.15508
13	Camuy	2.86147	52	Villalba	-1.16067
14	Cayey	2.73639	53	Lajas	-1.16758
15	Aguada	2.62277	54	Toa Alta	-1.29635
16	Comerio	2.53797	55	Salinas	-1.33672
17	Humacao	2.44886	56	Barceloneta	-1.62126
18	Vega Alta	2.43234	57	Vega Baja	-1.96086
19	Naguabo	2.37946	58	Las Marías	-2.11471
20	Corozal	2.27335	59	Trujillo Alto	-2.17493
21	Ceiba	1.98351	60	Guayama	-2.39922
22	Adjuntas	1.91743	61	Arecibo	-2.44233
23	Aguadilla	1.91149	62	Ciales	-2.59220
24	Luquillo	1.90887	63	Maricao	-2.93001
25	Canóvanas	1.86581	64	Arroyo	-2.93631
26	San Juan	1.29149	65	Yauco	-3.04464
27	Orocovis	1.23645	66	Santa Isabel	-3.26204
28	Aguas Buenas	1.02363	67	San Lorenzo	-3.44287
29	Añasco	0.93957	68	Gurabo	-3.97427
30	Dorado	0.93078	69	Cabo Rojo	-3.98916
31	Carolina	0.91702	70	Toa Baja	-4.52559
32	San Germán	0.85714	71	Guánica	-4.56241
33	Bayamón	0.73105	72	Patillas	-4.59197
34	Cidra	0.67951	73	Maunabo	-5.21315
35	Sabana Grande	0.51056	74	Juncos	-5.33073
36	Manatí	0.44445	75	Las Piedras	-5.33528
37	Florida	0.38200	76	Guayanilla	-5.39719
38	Moca	0.35040	77	Ponce	-5.53295
39	Juana Díaz	0.34685	78	Yabucoa	-7.36936

Appendix B: Individual Indicators

Net Change in Fund Balance / Total Revenue (GF)

Municipality	Net Change FB	Total Revenue	Indicator	Rank
Salinas	\$4,258,418	\$11,165,833	38.14%	1
San Juan	\$115,264,585	\$420,339,200	27.42%	2
Morovis	\$2,228,321	\$11,045,046	20.17%	3
Quebradillas	\$1,827,059	\$10,093,717	18.10%	4
Naranjito	\$1,516,049	\$12,617,260	12.02%	5
Yabucoa	-\$5,352,686	\$14,156,580	-37.81%	78
Cabo Rojo	-\$6,389,132	\$18,892,751	-33.82%	77
Las Piedras	-\$3,551,072	\$11,680,313	-30.40%	76
Guayanilla	-\$1,874,941	\$8,692,752	-21.57%	75
Guayama	-\$4,754,714	\$24,844,857	-19.14%	74

End of Year Fund Balance (GF) / Total Expenditures

Municipality	Fund Balance	Expenditures	Indicator	Rank
Isabela	\$23,670,188	\$23,632,584	100.16%	1
Barranquitas	\$7,532,729	\$10,884,444	69.21%	2
Fajardo	\$13,188,053	\$19,130,646	68.94%	3
Quebradillas	\$4,154,469	\$9,202,471	45.15%	4
Cayey	\$10,127,003	\$28,260,647	35.83%	5
Patillas	-\$7,727,477	\$10,949,778	-70.57%	78
Ciales	-\$6,755,707	\$9,964,342	-67.80%	77
Vieques	-\$6,387,348	\$10,074,426	-63.40%	76
Maricao	-\$2,759,995	\$5,950,637	-46.38%	75
Guayanilla	-\$4,131,070	\$10,345,762	-39.93%	74

**Total Assets /
(except Capital)
Per Capita**

Municipality	Current Assets	Population	Indicator	Rank
Culebra	\$5,654,810	1,817	\$3,112	1
Fajardo	\$97,142,946	34,864	\$2,786	2
Mayagüez	\$125,552,566	83,726	\$1,500	3
San Juan	\$548,169,000	372,815	\$1,470	4
Guaynabo	\$133,147,927	94,207	\$1,413	5
Ciales	\$2,708,563	-\$1,190,102	\$151	78
Morovis	\$5,244,019	\$2,228,321	\$162	77
Loíza	\$4,859,347	\$146,381	\$170	76
Yauco	\$6,976,417	\$394,884	\$176	75
Río Grande	\$10,341,929	-\$384,688	\$194	74

**Current Assets /
Current Liabilities**

Municipality	Current Assets	Current Liabilities	Indicator	Rank
Culebra	\$5,654,810	\$584,455	9.68	1
Fajardo	\$97,142,946	\$10,484,280	9.27	2
Coamo	\$20,004,830	\$3,187,165	6.28	3
Ceiba	\$7,769,130	\$1,240,977	6.26	4
Canóvanas	\$30,027,668	\$4,950,943	6.07	5
Ciales	\$2,708,563	\$5,584,636	0.49	78
Yauco	\$6,976,417	\$12,416,093	0.56	77
Loíza	\$4,859,347	\$7,455,930	0.65	76
Cataño	\$22,411,725	\$30,941,498	0.72	75
Yabucoa	\$9,013,747	\$11,908,650	0.76	74

Long Term Debt / Per Capita

Municipality	Long Term Debt	Population	Indicator	Rank
Lares	\$7,840,171	28,805	\$272.18	1
Naguabo	\$9,026,098	26,917	\$335.33	2
Utua	\$12,004,138	31,582	\$380.09	3
Aguas Buenas	\$11,585,513	27,799	\$416.76	4
Comerio	\$8,726,593	20,396	\$427.86	5
Guaynabo	\$347,330,004	94,207	\$3,686.88	78
Culebra	\$5,132,531	1,817	\$2,824.73	77
San Juan	\$1,042,800,903	372,815	\$2,797.10	76
Barceloneta	\$61,405,000	24,938	\$2,462.31	75
Maricao	\$14,795,279	6,090	\$2,429.44	74

General Revenues / Long Term Debt

Municipality	General Revenues	Long Term Debt	Indicator	Rank
Lares	\$12,067,434	\$7,840,171	153.92%	1
Ciales	\$13,834,587	\$9,275,000	149.16%	2
Naguabo	\$13,234,127	\$9,026,098	146.62%	3
Orocovis	\$13,562,956	\$9,761,130	138.95%	4
Comerio	\$11,605,908	\$8,726,593	132.99%	5
Ponce	\$97,509,764	\$321,678,631	30.31%	78
Toa Baja	\$54,624,415	\$178,471,147	30.61%	77
Vega Baja	\$26,443,528	\$74,532,002	35.48%	76
Toa Alta	\$18,188,015	\$50,124,324	36.29%	75
Guayanilla	\$8,760,968	\$22,882,449	38.28%	74

**Debt Service
Expenditures /
General Revenues**

Municipality	Debt Service	General Revenues	Indicator	Rank
Culebra	\$104,575	\$5,514,147	1.90%	1
Comerío	\$410,845	\$11,605,908	3.54%	2
Camuy	\$832,345	\$19,118,156	4.35%	3
Villalba	\$604,219	\$12,342,968	4.90%	4
Naranjito	\$954,949	\$16,342,344	5.84%	5
Vega Baja	\$7,542,084	\$26,443,528	28.52%	78
Toa Alta	\$4,087,359	\$18,188,015	22.47%	77
Caguas	\$26,661,643	\$122,608,363	21.75%	76
Bayamón	\$32,773,356	\$152,360,660	21.51%	75
Las Piedras	\$2,914,984	\$13,785,840	21.14%	74

**Excess of
Revenues Over
(Under)
Expenditures /
Total Revenues**

Municipality	Over (under)	Total Revenues	Indicator	Rank
Fajardo	\$4,672,658	\$23,803,304	19.63%	1
Adjuntas	\$1,334,190	\$9,710,660	13.74%	2
Morovis	\$1,414,073	\$11,045,046	12.80%	3
Naranjito	\$1,516,049	\$12,617,260	12.02%	4
San Sebastián	\$1,725,783	\$14,911,952	11.57%	5
Yabucoa	\$(8,029,313)	\$14,156,580	-56.72%	78
Cabo Rojo	\$(6,607,860)	\$18,892,751	-34.98%	77
Las Piedras	\$(3,277,420)	\$11,680,313	-28.06%	76
San Lorenzo	\$(3,604,329)	\$14,964,436	-24.09%	75
Guánica	\$(2,525,277)	\$10,488,083	-24.08%	74

Change in Net Position / General Revenues

Municipality	Change in Net Position	General Revenues	Indicator	Rank
Barranquitas	\$6,481,185	\$10,163,691	63.77%	1
Camuy	\$7,626,795	\$19,118,156	39.89%	2
Naguabo	\$4,753,396	\$13,234,127	35.92%	3
Aibonito	\$3,513,912	\$11,221,987	31.31%	4
Río Grande	\$6,095,224	\$21,911,943	27.82%	5
Juncos	-28,644,318	\$30,505,816	-93.90%	78
Guánica	-6,155,582	\$9,922,047	-62.04%	77
Hormigueros	-6,203,984	\$10,503,005	-59.07%	76
Utua	-6,690,164	\$12,944,850	-51.68%	75
Maunabo	-3,746,120	\$8,775,586	-42.69%	74

Fund Balance (All Funds) / Per Capita

Municipality	Fund Balance (All Funds)	Population	Indicator	Rank
Culebra	\$4,739,758	1,817	\$2,609	1
Fajardo	\$84,420,774	34,864	\$2,421	2
Cayey	\$38,712,530	46,783	\$827	3
Mayagüez	\$68,629,740	83,726	\$820	4
Carolina	\$133,411,335	168,611	\$791	5
Cataño	-6,747,630	\$22,411,725	-\$252	78
Ciales	-3,484,624	\$2,708,563	-\$194	77
Yauco	-5,439,678	\$6,976,417	-\$137	76
Maunabo	-\$1,098,092	\$4,307,020	-\$93	75
Villalba	-2,183,985	\$5,116,365	-\$88	74

End of Year Fund Balance (All Funds) / Long Term Debt

Municipality	Fund Balance (All Funds)	Long Term Debt	Indicator	Rank
Fajardo	\$84,420,774	\$42,400,133	199.10%	1
Isabela	\$34,033,613	\$30,976,204	109.87%	2
Culebra	\$4,739,758	\$5,132,531	92.35%	3
Vega Alta	\$18,878,080	\$20,795,757	90.78%	4
Utua	\$10,066,320	\$12,004,138	83.86%	5
Ciales	-3,484,624	\$9,275,000	-37.57%	78
Villalba	-2,183,985	\$14,480,033	-15.08%	77
Cataño	-6,747,630	\$57,086,872	-11.82%	76
Yauco	-5,439,678	\$48,138,582	-11.30%	75
Guánica	-1,411,519	\$15,137,697	-9.32%	74

Intergovernmental Funds (GF) / Total Revenue (GF)

Municipality	State Funds	Total Revenue	Indicator	Rank
San Juan	\$37,509,558	\$420,339,200	8.92%	1
Guaynabo	\$14,023,203	\$144,208,560	9.72%	2
Canóvanas	\$2,797,718	\$24,947,178	11.21%	3
Carolina	\$15,426,024	\$130,138,322	11.85%	4
Bayamón	\$18,655,958	\$134,172,816	13.90%	5
Maunabo	\$6,254,021	\$7,714,060	81.07%	78
Comerio	\$8,049,626	\$10,924,239	73.69%	77
Patillas	\$7,557,929	\$10,269,345	73.60%	76
Las Marías	\$5,785,831	\$8,013,656	72.20%	75
Maricao	\$3,769,114	\$5,301,790	71.09%	74

**Unrestricted Net
Position /
Total Assets**

Municipality	Unrestricted Net Position	Total Assets	Indicator	Rank
Isabela	\$11,442,023	\$109,153,551	10.48%	1
Fajardo	\$11,546,506	\$198,407,096	5.82%	2
Vega Alta	\$1,836,050	\$79,755,306	2.30%	3
Aguadilla	\$2,121,666	\$255,785,864	0.83%	4
Humacao	\$1,630,250	\$223,191,356	0.73%	5
Salinas	-\$29,919,785	\$23,718,087	-126.15%	78
Santa Isabel	-\$28,020,793	\$31,922,520	-87.78%	77
Toa Baja	-\$134,707,795	\$194,340,115	-69.32%	76
Las Marías	-\$16,099,302	\$26,090,740	-61.71%	75
Guánica	-\$13,893,810	\$23,949,525	-58.01%	74