



GOVERNMENT OF  
**PUERTO  
RICO**

# **FY2021 Quarterly Financial Report**

## **For the nine-month period ending on March 31, 2021**

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**Puerto Rico Aqueduct and Sewer Authority**  
GOVERNMENT OF PUERTO RICO

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# The Authority at a Glance<sup>1</sup>

The Authority was created by Act 49 of 1945 as a governmental instrumentality of the Commonwealth for the purpose of owning and operating the potable water supply and wastewater systems in Puerto Rico and is the sole provider of potable water and wastewater services

SERVING  
**1,245,279 CUSTOMERS**  
(96% WATER/59% WASTEWATER)

IN A SERVICE AREA OF  
**3,535 SQUARE MILES**

WITH  
**4,610 EMPLOYEES**



**8 DAMS**



**113 FILTER PLANTS**



**51 SEWER PLANTS**



**OVER 3,700  
AUXILIARY FACILITIES:  
TANKS - 1,557  
PUMP STATIONS - 1,981  
WATER WELLS - 249**



**OVER 20,000 MILES  
OF PIPES**

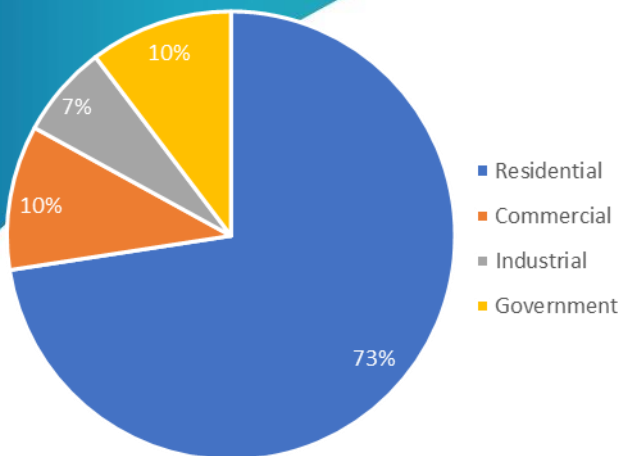
<sup>1</sup>Preliminary data as of March 31, 2021



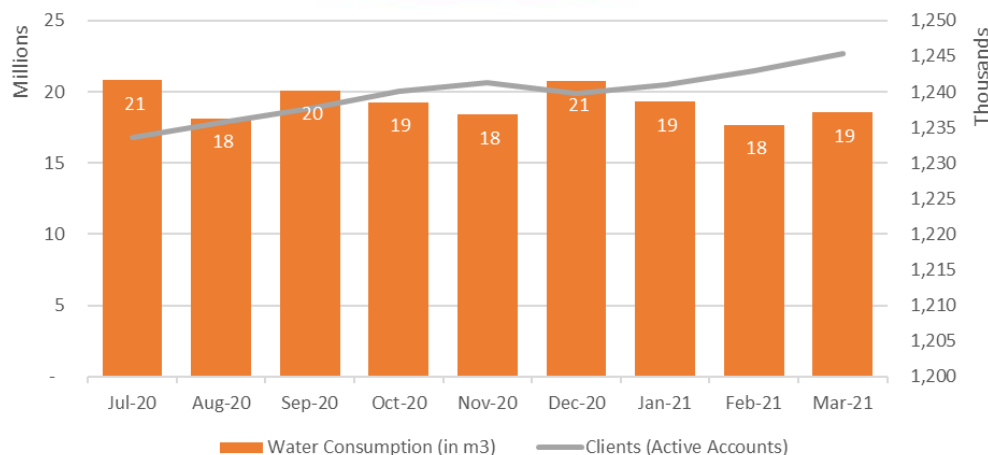
# Operating Data

## As of March 31, 2021

### Consumption by Customer Type



### Consumption and Clients



### Residential Accounts Statistics

Average Consumption

11 m<sup>3</sup>

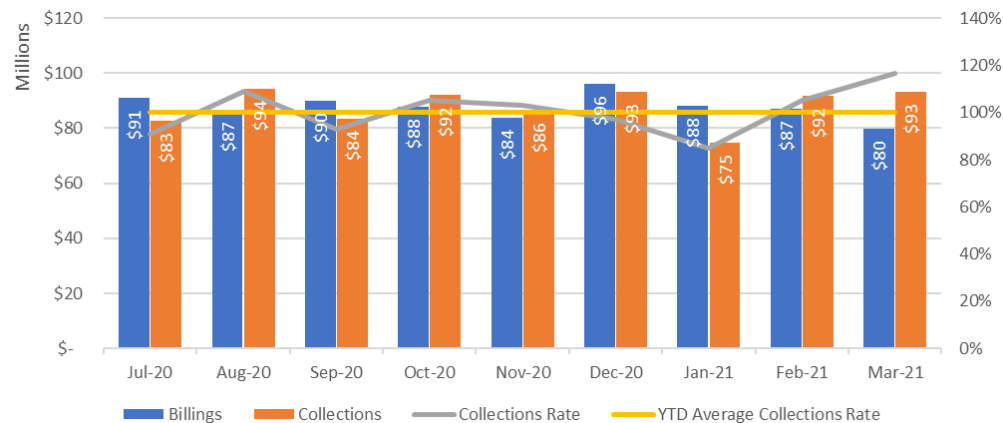
Average Bill (Water Only)

\$22.46

Average Bill (Water and Wastewater)

\$40.82

### Billings and Collections



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Source: BW/SAP – Preliminary information subject to change

# Financial Results

For the nine-month period ending on March 31, 2021

(\$000's)	March 31, 2021 - YTD		
	Budget	Actual	Variance (\$)
<b><u>Authority Revenues</u></b>			
1 Service Revenues - Regular	\$ 654,343	\$ 636,840	\$ (17,503)
2 Service Revenues - Government	130,240	147,696	17,456
3 Miscellaneous & Insurance (BI)	1,500	2,508	1,008
4 Total Authority Revenues	786,083	787,044	961
5 Senior and Senior Sub Debt	(189,747)	(182,672)	7,076
<b><u>Operating Expenses</u></b>			
6 Payroll & Related	(217,608)	(225,197)	(7,589)
7 Electricity	(96,548)	(91,807)	4,740
8 Maintenance & Repair	(42,134)	(35,305)	6,829
9 Chemicals	(31,749)	(32,087)	(338)
10 Other Expenses	(133,105)	(121,511)	11,594
11 Total Net Operating Expenses	(521,144)	(505,908)	15,236
12 FEMA / Insurance Reimb.	32,250	20,157	(12,092)
13 Operating Reserve Fund	(25,151)	(25,256)	(105)
14 Capital Improvement Fund	(68,208)	(60,630)	7,578
15 Commonwealth Payment Fund	(19,467)	(10,815)	8,652
16 <b>Balance</b>	<b>\$ (5,384)</b>	<b>\$ 21,922</b>	<b>\$ 27,305</b>

Source: SAP for operating expenses (accrual basis) and cash flow for other line items (cash basis). Presented based on the Master Agreement of Trust ("MAT") flow of funds.  
Preliminary information subject to change



# Capital Improvement Program (“CIP”)

For the nine-month period ending on March 31, 2021

\$'000	March 31, 2021 - YTD		
	Budget	Actual	Variance (\$)
Emergency / Permanent Works	\$ 94,023	\$ 4,088	\$ 89,935
Renewal & Replacement*	73,189	38,595	34,594
Mandatory Compliance	33,005	3,495	29,510
Non Mandatory Compliance	21,892	54	21,838
Optimization & Emergencies	11,250	-	11,250
Fleet & IT	10,839	3,727	7,112
Quality	10,837	829	10,008
Meter Replacement	750	572	178
Safety & Other	5,813	3,210	2,603
<b>Total CIP Incurred</b>	<b>\$ 261,597</b>	<b>\$ 54,569</b>	<b>\$ 207,028</b>

\* Includes cost for emergency units generated previously reported under Emergency/Permanent Works

Source: CIP Budget as included in the FY2021 Budget certified by the Oversight Board and actual based on CIP incurred costs recorded in SAP.

Preliminary information, subject to change

Actual CIP costs are lower than projected because (i) the obligation of funds from FEMA for Permanent Work did not occur until January 2021 and (ii) other projects not financed by FEMA funds experienced delays as a result of the lockdown forced by the COVID-19 Pandemic. It should be noted that obligation of funds from FEMA does not constitute an authorization for construction and each project must be submitted to FEMA for eligibility determination and formulation.

**Budget included herein is based on the Certified Fiscal Plan dated June 29, 2020 but PRASA’s CIP has been reviewed to incorporate the impact of the recent FEMA award and updates to the execution timelines.**





# Liquidity

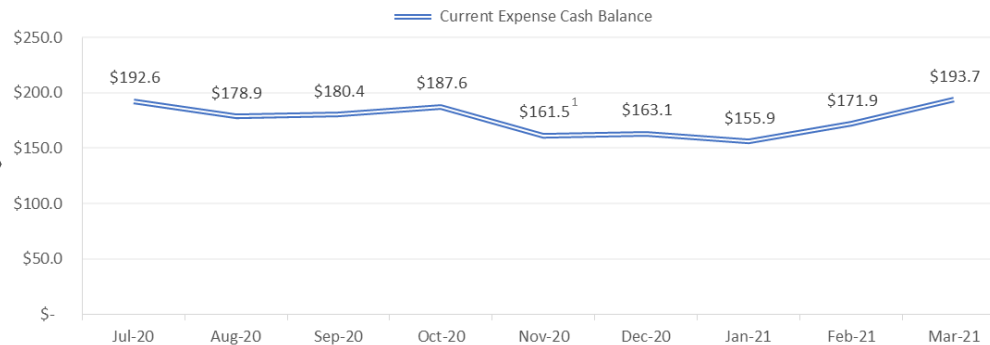
Cash Balances

Group of Funds	March 31, 2021 (\$'000)
Debt Service Account	83,960
Debt Service Reserve	99,517
<b>Restricted for Debt Service</b>	<b>183,477</b>
Capital Improvement	147,425
Disaster Recovery (FEMA/Insurance)	79,977
Construction Fund	69,837
Compliance Escrow Accounts	1,370
<b>Restricted for CIP and Compliance</b>	<b>298,609</b>
Operating Reserve	176,926
<b>Operating Reserve Fund</b>	<b>176,926</b>
Current Expense Fund and Petty Cash	195,093
Revenue Fund	8,584
<b>Other Funds</b>	<b>203,677</b>
<b>Total</b>	<b>\$ 862,690</b>

The Debt Service Reserve Fund is for the 2008A Bonds only

The Authority has an operating reserve fund, which as required by the MAT, is expected to reach **90 days of operating expenses** by the end of FY2021

Current Expense Fund



Cash available for operations in the Current Expense Fund:  
**90 days of cash on hand**

<sup>1</sup>Reduction of \$20.5 million for one-time payment for the settlement of an Authority obligation with the GDB Debt Recovery Authority.





# Debt and Debt Service Coverage

## Outstanding Senior Debt

<i>(in \$000s)</i>	Balance as of March 31, 2021
<u>Senior Bonds</u>	
2008 Series A Bonds (CAB)	87,215
2012 Series A Bonds	1,695,055
2012 Series B Bonds	153,585
2020 Series A Bonds	1,351,300
2020 Series B Bonds	18,775
	<b>3,305,930</b>
<u>Other Senior Indebtedness</u>	
2019 State Revolving Fund Loans	580,677
2020 State Revolving Fund Loans	10,970
2019 Rural Development Loans	399,496
	<b>991,143</b>
<b>Total Senior Debt</b>	<b>\$ 4,297,073</b>

## Debt Service Coverage (FY2021 Budget)

Senior Debt Service Coverage Ratio (Over Authority Revenues – Current MAT)

4.24

Senior Debt Service Coverage Ratio (Over Net Revenues – Proposed MAT Amendment)

1.59

All Obligations Coverage Ratio

1.00



For questions or additional  
information please contact:

Omar Rivera Rolón – Finance Director  
[omar.rivera@acueductospr.com](mailto:omar.rivera@acueductospr.com)



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