



GOVERNMENT OF
**PUERTO
RICO**

Puerto Rico Aqueduct and Sewer Authority

Preliminary Financial Results for 1st Quarter of
Fiscal Year 2023

October 24, 2022



Puerto Rico Aqueduct and Sewer Authority
GOVERNMENT OF PUERTO RICO

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The Authority at a Glance¹

The Puerto Rico Aqueduct and Sewer Authority (the “Authority” or “PRASA”) owns and operates the potable water supply and wastewater systems in Puerto and endeavors to provide high-quality water and wastewater services at an affordable cost



SERVING
1,267,633 CUSTOMERS
(96% WATER / 59% WASTEWATER)

IN A SERVICE AREA OF
3,535 SQUARE MILES

WITH
4,627 EMPLOYEES



8 DAMS
Owned by PRASA



112 FILTRATION PLANTS



51 SEWER PLANTS



AROUND 3,800 AUXILIARY FACILITIES, INCLUDING:
TANKS - 1,566
PUMP STATIONS – 1,967
WATER WELLS - 238



OVER 21,000 MILES OF PIPES
Water & wastewater

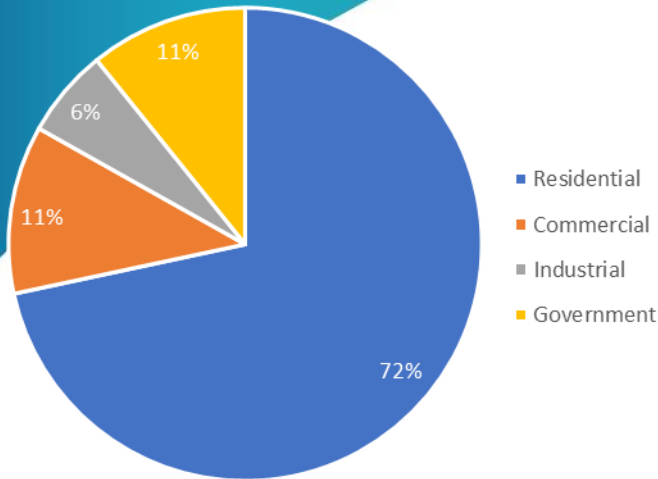
¹Preliminary data as of September 30, 2022



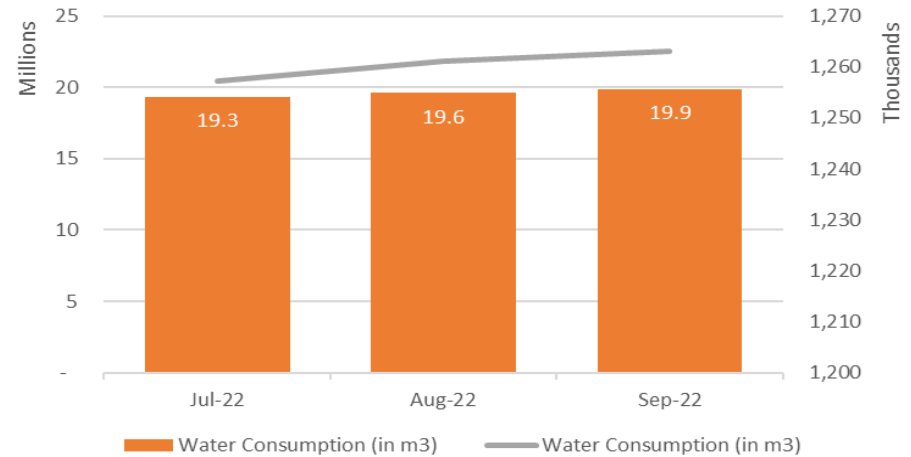
Operating Data

As of September 30, 2022

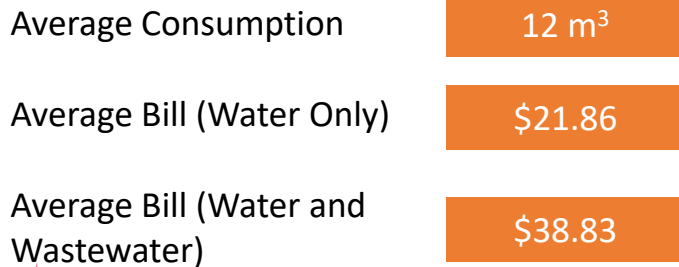
Consumption by Customer Type



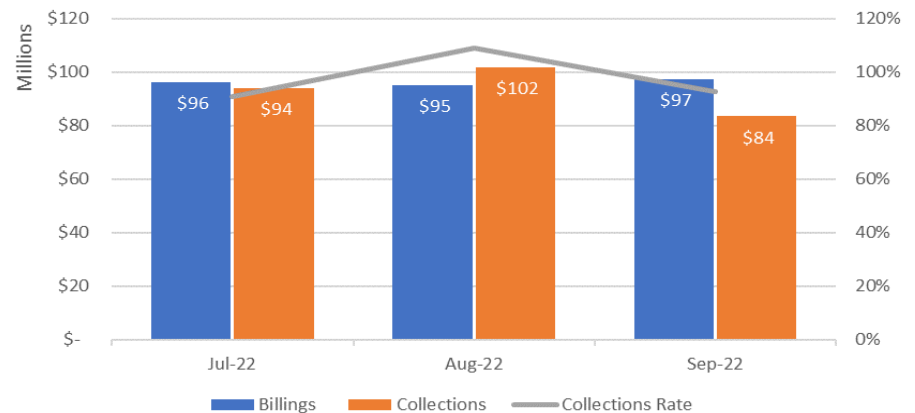
Consumption and Clients



Residential Accounts Statistics



Billings and Collections



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Preliminary Financial Results

As of September 30, 2022

Budget for FY2023
is presented as
certified by the
Oversight Board

(\$000's)	Sep 30, 2022 - YTD		
	Budget	Actual	Variance (\$)
<u>Authority Revenues</u>			
1 Service Revenues - Regular	229,999	226,345	(3,654)
2 Service Revenues - Government	48,047	49,703	1,656
3 Miscellaneous & Insurance (BI)	625	951	326
4 Total Authority Revenues	278,671	276,999	(1,672)
5 Senior and Senior Sub Debt	(63,594)	(61,130)	2,464
<u>Operating Expenses</u>			
6 Payroll & Related	(77,193)	(79,047)	(1,854)
7 Electricity	(51,714)	(50,626)	1,089
8 Maintenance & Repair	(14,486)	(10,262)	4,224
9 Chemicals	(13,891)	(17,363)	(3,472)
10 Other Expenses	(47,448)	(46,495)	953
11 Total Net Operating Expenses	(204,732)	(203,793)	939
12 FEMA / Insurance Reimb.	-	2,109	2,109
13 Operating Reserve Fund	(3,712)	(3,712)	0
14 Capital Improvement Fund	(3,244)	(3,244)	0
15 Balance	3,388	7,228	3,841

Source: SAP for operating expenses (accrual basis) and cash flow for other line items (cash basis).

Notes: Information presented based on the Master Agreement of Trust ("MAT") flow of funds.

Numbers are presented as preliminary and subject to material change.



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Capital Improvement Program (“CIP”)

As of September 30, 2022

(Amounts expressed in \$000's)

	Sep 30, 2022 - YTD		
	Budget	Actual	Variance (\$)
Reconstruction & Recovery	\$ 68,558	10,807	57,750
Renewal & Replacement	13,796	14,179	(383)
Mandatory Compliance	23,707	7,842	15,865
Non-Mandatory Compliance	12,808	7,653	5,154
Quality	9,680	2,508	7,172
Electric Generators and Meters	6,650	2,445	4,205
Fleet and IT	5,857	2,771	3,086
Emergency & Contingencies	250	-	250
Safety & Growth	3,132	789	2,342
Others	7,103	2,177	4,927
Total CIP Incurred	\$ 151,540	\$ 51,172	\$ 100,368

Actual CIP costs are lower than projected as most projects are in planning or design stages. Additionally, the process for approval and fund disbursement for Reconstruction & Recovery projects is under development and the COVID-19 pandemic continues to affect the coordination and procurement process as well as resources availability.

Source: CIP Budget as included in the FY2023 Budget certified by the Oversight Board and actual based on CIP incurred costs recorded in SAP, prior to overhead charges and other fiscal year end adjustments.
Preliminary, subject to change.



Liquidity

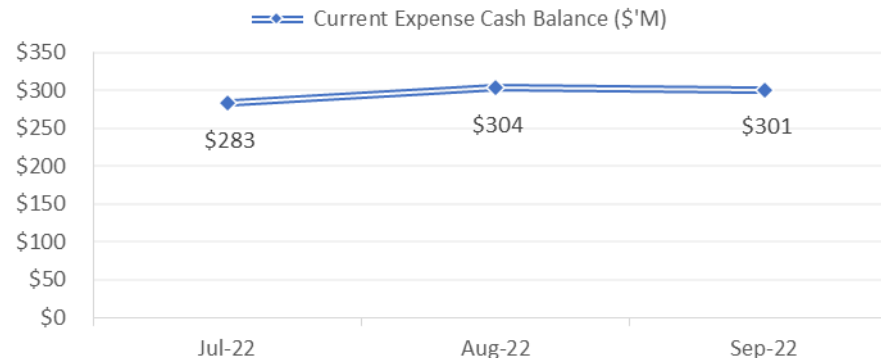
Cash Balances

Group of Funds	September 30, 2022 (\$'000)
Debt Service Account	61,359
Debt Service Reserve	91,722
Restricted for Debt Service	153,081
Capital Improvement	37,794
Construction Fund	122,709
Disaster Recovery (FEMA/Insurance)	76,224
FEMA (FAASt WCA)/ARPA Advances	234,492
Compliance Escrow Accounts	3,288
Restricted for CIP and Compliance	474,507
Operating Reserve	200,492
Operating Reserve Fund	200,492
Current Expense and Petty Cash	302,622
Revenue Fund	8,354
Other Funds	310,976
Total	\$ 1,139,056

Debt Service Reserve Fund is for the benefit of outstanding 2008A Bonds only

The Authority has an operating reserve fund ("ORF") with a balance of **90 days of operating expenses per MAT**. The ORF is available for operating expenses, if and as needed.

Current Expense Fund



In addition to the ORF, the Current Expense Fund as of September 30, 2022 had around **120 days of cash on hand**



Debt and Debt Service Coverage

Outstanding Senior Debt

(in \$000s)

30-Sep-22

Senior Bonds

2008 Series A Bonds (CAB)	46,195
2020 Series A Bonds	1,305,545
2020 Series B Bonds	17,095
2021 Series A Bonds	85,270
2021 Series B Bonds	827,510
2021 Series C Bonds	155,090
2022 Series A Bonds	527,685
	2,964,390

Other Senior Indebtedness

2019 State Revolving Fund Loans	565,677
New State Revolving Fund Loans	38,799
2019 Rural Development Loans	396,417
	1,000,893

Total Senior Debt \$ 3,965,283

Debt Service Coverage (FY2023 Budget)

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

4.33

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

1.11

All Obligations Coverage Ratio

1.00



**For questions or additional information
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