



GOVERNMENT OF
**PUERTO
RICO**

Puerto Rico Aqueduct and Sewer Authority

Preliminary Financial Results for Fiscal Year 2023

August 31, 2023



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
1,267,429 CUSTOMERS
(96% WATER / 59% WASTEWATER)

IN A SERVICE AREA OF
3,535 SQUARE MILES

WITH
4,551 EMPLOYEES



8 DAMS
Owned by PRASA



112 FILTRATION PLANTS
with 136 intakes



51 SEWER PLANTS



AROUND 3,800 AUXILIARY FACILITIES, INCLUDING:
TANKS - 1,568
PUMP STATIONS – 1,981
WATER WELLS - 245



OVER 20,000 MILES OF PIPES
Water & wastewater

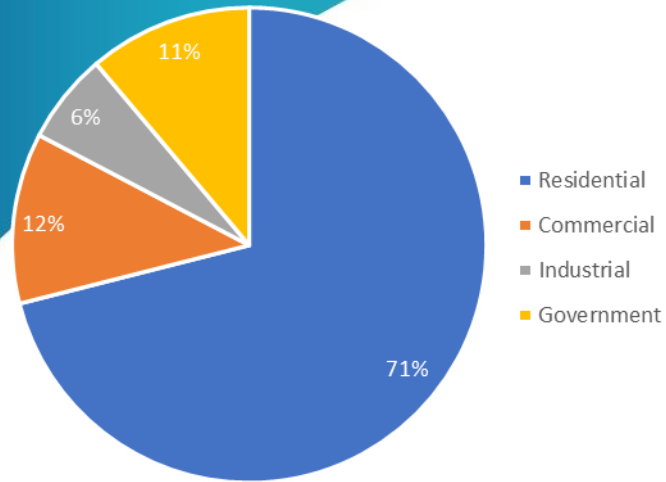
¹Preliminary data as of June 30, 2023



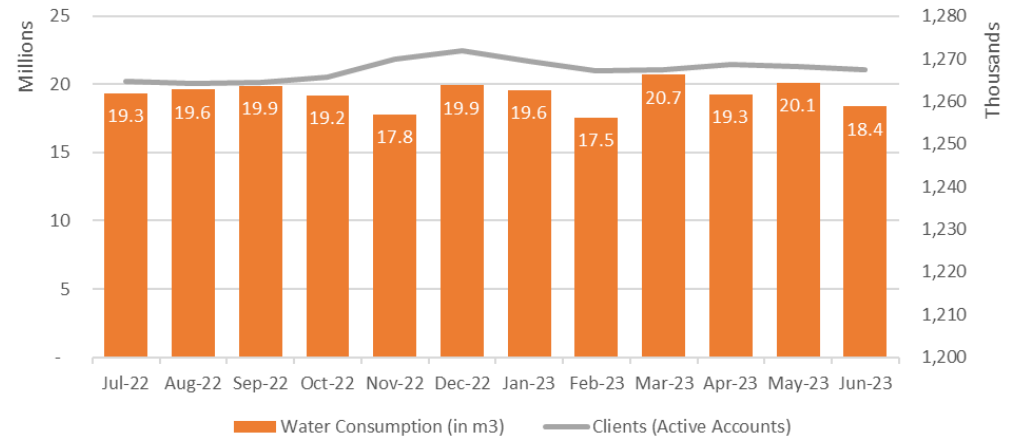
Operating Data

Fiscal Year 2023

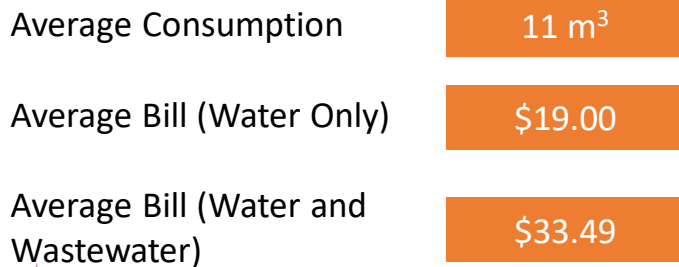
Consumption by Customer Type



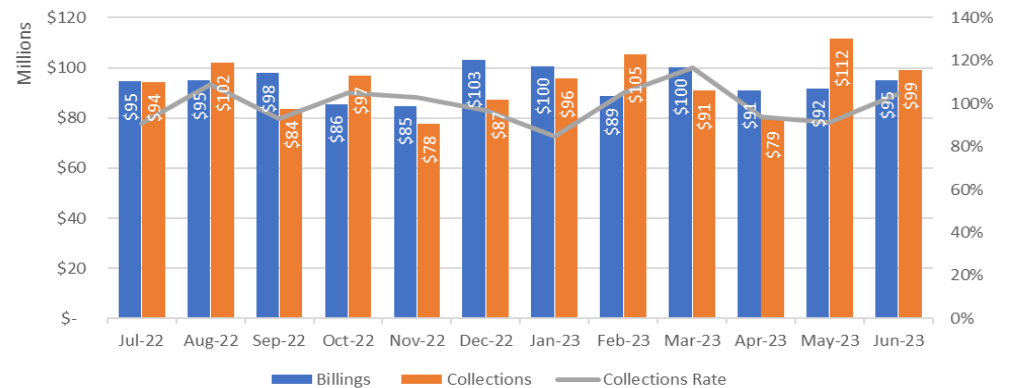
Consumption and Clients



Residential Accounts Statistics



Billings and Collections



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Preliminary Financial Results

Fiscal Year 2023

Results for the period were affected as a result of the impact of Hurricane Fiona.

FY2023 Budget reflect all amendments as approved by the FOMB

(\$000's)

June 30, 2023 - YTD

	Budget	Actual	Variance (\$)
<u>Authority Revenues</u>			
1 Service Revenues - Regular	899,733	910,412	10,678
2 Service Revenues - Government	198,449	200,337	1,888
3 Miscellaneous & Insurance (BI)	5,300	4,856	(444)
4 Transfer to the RSA	(20,000)	(20,000)	-
5 Total Authority Revenues	1,083,483	1,095,605	12,122
6 Senior and Senior Sub Debt	(246,834)	(244,521)	2,313
<u>Operating Expenses</u>			
7 Payroll & Related	(316,122)	(306,032)	10,090
8 Electricity	(176,970)	(172,586)	4,384
9 Maintenance & Repair	(62,543)	(73,052)	(10,509)
10 Chemicals	(69,851)	(70,519)	(668)
11 Other Expenses	(191,839)	(182,804)	9,035
12 Total Net Operating Expenses	(817,325)	(804,992)	12,333
13 FEMA / ARPA Funds	15,034	19,683	4,649
14 Operating Reserve Fund	(12,070)	(13,218)	(1,149)
15 Capital Improvement Fund	(20,476)	(20,476)	0
15 Balance	1,812	32,080	30,268

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. Budget for FY2023 presented as certified by the Oversight Board (including amendments) and actual numbers are presented as preliminary and subject to material change.



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Capital Improvement Program (“CIP”)

Fiscal Year 2023

(Amounts expressed in \$000's)

	Fiscal Year 2023		
	Budget	Actual	Variance (\$)
Reconstruction & Recovery	\$ 117,037	\$ 92,138	24,899
Renewal & Replacement	49,388	51,801	(2,413)
Mandatory Compliance	34,400	30,355	4,046
Non-Mandatory Compliance	34,420	33,205	1,215
Quality	12,767	12,007	761
Electric Generators and Meters	16,115	11,577	4,538
Fleet and IT	15,968	21,031	(5,064)
Mitigation & Resiliency	758	0	758
Safety & Growth	7,302	5,626	1,676
Others & Accruals	21,053	31,127	(10,074)
Total CIP Incurred	\$ 309,208	\$ 288,866	\$ 20,341

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. Also, Hurricane Fiona resulted in changes to the projects schedules

Source: CIP Budget as included in the FY2023 Budget certified by the Oversight Board, as amended 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

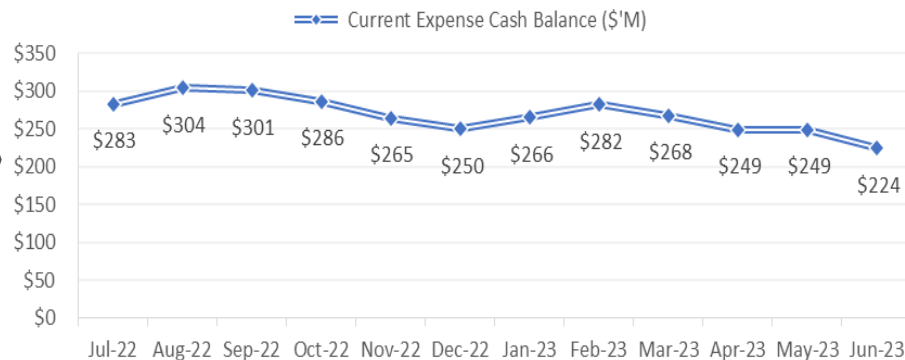
Cash Balances

Group of Funds	June 30, 2023 (\$'000)
Debt Service Account	167,882
Debt Service Reserve	94,075
Restricted for Debt Service	261,957
Capital Improvement	21,078
Construction Fund	47,533
Disaster Recovery (FEMA/Insurance)	71,588
FEMA (FAAST WCA)/ARPA Advances	303,969
Compliance Escrow Accounts	3,293
Restricted for CIP and Compliance	447,460
Operating Reserve	236,221
Operating Reserve Fund	236,221
Current Expense and Petty Cash	225,331
Revenue Fund	10,007
Other Funds	235,338
Total	\$ 1,180,976

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 June 30, 2023 had over **90 days of cash on hand**. The balance reduction during June 2023 is due to the deposit of \$20 million into the Revenue Stabilization Account (“RSA”)



Debt and Debt Service Coverage

Outstanding Senior Debt

(in \$000s)

30-Jun-23

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	560,677
2020 State Revolving Fund Loans	65,884 *
2019 Rural Development Loans	395,414
	1,021,975

Total Senior Debt

\$ 3,986,365

* Since August 2020, the Authority has entered into \$291.8 million in new SRF loans. The balance shown reflect amounts drawn down under such loans as of 6/30/2023.

Debt Service Coverage (FY2023 Preliminary)

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

4.48

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

1.27

All Obligations Coverage Ratio

1.03



**For questions or additional information
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