



GOVERNMENT OF
**PUERTO
RICO**

Puerto Rico Aqueduct and Sewer Authority

Preliminary Financial Results for the Second Quarter of
Fiscal Year 2024

January 2024



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
1,266,756 CUSTOMERS
(96% WATER / 59% WASTEWATER)

IN A SERVICE AREA OF
3,535 SQUARE MILES

WITH
4,549 EMPLOYEES



8 DAMS
Owned by PRASA



112 FILTRATION PLANTS
with 136 intakes



50 SEWER PLANTS



AROUND 3,800 AUXILIARY FACILITIES, INCLUDING:
TANKS - 1,569
PUMP STATIONS - 1,965
WATER WELLS - 244



OVER 20,000 MILES OF PIPES
Water & wastewater

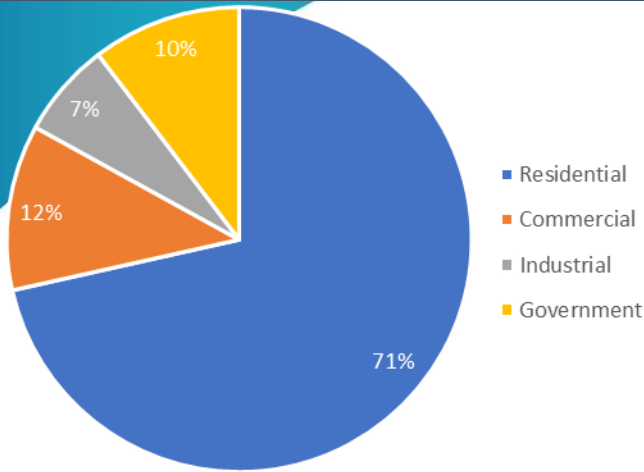
¹Preliminary data as of December 31, 2023



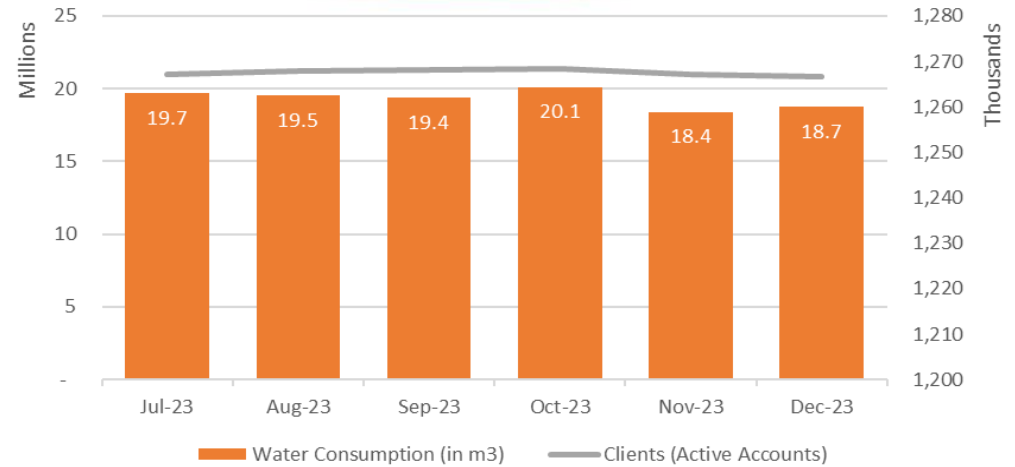
Operating Data

For the 6-month period ended on December 31, 2023

Consumption by Customer Type



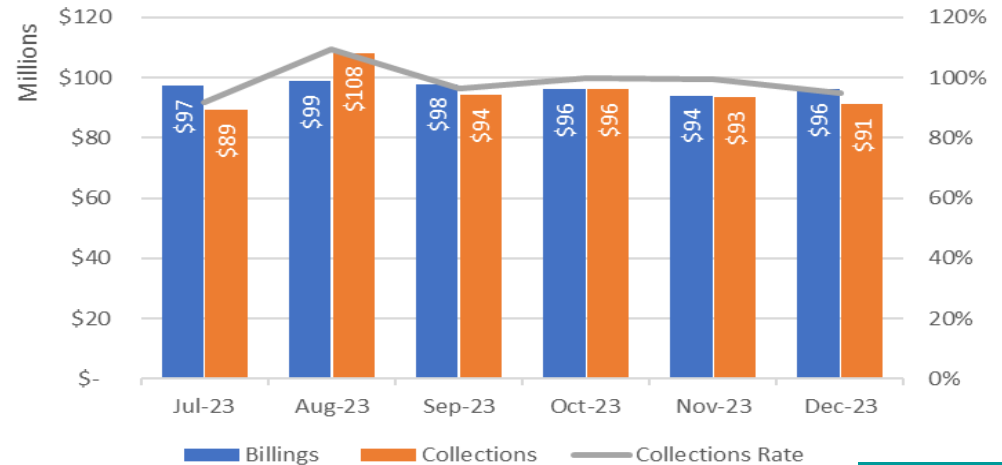
Consumption and Clients



Residential Accounts Statistics

Average Consumption	11 m ³
Average Bill (Water Only)	\$19.38
Average Bill (Water and Wastewater)	\$34.16

Billings and Collections



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Source: BW/SAP – Preliminary information subject to change

Preliminary Financial Results

For the 6-month period ended on December 31, 2023

(\$000's)	December 31, 2023 - YTD		
	Budget	Actual	Variance (\$)
<u>Authority Revenues</u>			
1 Service Revenues - Regular	457,944	477,483	19,540
2 Service Revenues - Government	101,144	96,630	(4,514)
3 Miscellaneous & Insurance (BI)	2,250	1,166	(1,084)
4 Total Authority Revenues	561,338	575,279	13,942
5 Senior and Senior Sub Debt	(127,168)	(123,806)	3,362
<u>Operating Expenses</u>			
6 Payroll & Related	(156,129)	(154,633)	1,496
7 Electricity	(96,473)	(72,341)	24,132
8 Maintenance & Repair	(32,475)	(30,270)	2,205
9 Chemicals	(36,142)	(36,170)	(28)
10 Other Expenses	(104,028)	(100,908)	3,121
11 Total Net Operating Expenses	(425,245)	(394,320)	30,925
12 FEMA / ARPA Funds	8,500	18,621	10,121
13 Operating Reserve Fund	(2,897)	(2,897)	0
14 Capital Improvement Fund	(16,283)	(13,648)	2,635
15 Balance	(1,756)	59,228	60,985

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 FY2024 presented as certified by the Oversight Board (including amendments) and actual numbers are presented as preliminary and subject to material change.



Capital Improvement Program (“CIP”)

For the 6-month period ended on December 31, 2023

Actual CIP costs are lower than projected as most projects are in planning or design stages.

(Amounts expressed in \$000's)

	December 31, 2023 - YTD		
	Budget	Actual	Variance (\$)
Reconstruction & Recovery	\$ 263,381	109,125	154,255
Renewal & Replacement	33,705	26,402	7,303
Mandatory Compliance	59,762	21,342	38,420
Non-Mandatory Compliance	31,418	23,415	8,004
Quality	15,367	7,852	7,515
Electric Generators and Meters	21,244	11,227	10,017
Fleet and IT	6,881	9,454	(2,573)
Mitigation & Resiliency / Emergency & Contingencies	3,546	3,630	(84)
Safety & Growth	15,394	5,653	9,742
Others & Accruals	27,259	26,008	1,250
Total CIP Incurred	\$ 477,957	\$ 244,107	\$ 233,850

Source: CIP Budget as included in the FY2024 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

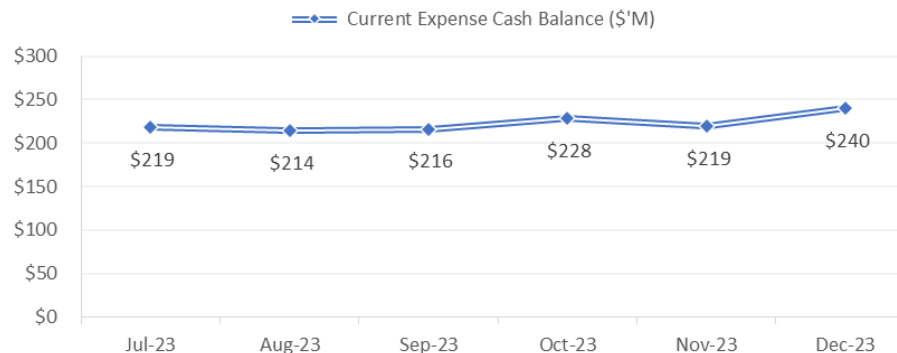
Cash Balances

Group of Funds	December 31, 2023 (\$'000)
Debt Service Account	128,584
Debt Service Reserve	96,286
Restricted for Debt Service	224,870
Capital Improvement	2,999
Construction Fund	151,100
Disaster Recovery (FEMA/Insurance)	95,100
FEMA (FAASt WCA)/ARPA Advances	277,040
Compliance Escrow Accounts	3,299
Restricted for CIP and Compliance	529,538
Operating Reserve	244,752
Operating Reserve Fund	244,752
Current Expense and Petty Cash	241,921
Revenue Fund	8,728
Other Funds	250,649
Total	\$ 1,249,809

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 over **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 December 31, 2023 had over **100 days of cash on hand**.

Debt and Debt Service Coverage

Outstanding Senior Debt

(in \$000s)

December 31, 2023

Senior Bonds

2008 Series A Bonds (CAB)	\$	23,785
2020 Series A Bonds		1,292,175
2020 Series B Bonds		16,070
2021 Series A Bonds		85,270
2021 Series B Bonds		827,510
2021 Series C Bonds		107,125
2022 Series A Bonds		527,685
		2,879,620

Other Senior Indebtedness

2019 State Revolving Fund Loans		555,677
2020 State Revolving Fund Loans	*	82,977
2019 Rural Development Loans		393,397
		1,032,051

Total Senior Debt

\$ 3,911,671

* 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 12/31/2023.

Debt Service Coverage (FY2024 Budget)

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

4.43

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

1.16

All Obligations Coverage Ratio

1.00



**For questions or additional information
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