

Hereunder are the assumptions used during the preparation of the third draft of the MRWD Budget for the year 2013 -

- Market growth is 1,500 connections (net) or 125 per month. 2,000 new connections will be targeted for installation during the year through rigorous marketing activities;
- An average monthly consumption of 22 cubic meters per connection; equivalent water rate (EWR) of P35.50 per cubic meter;
- Imposition of 10% penalty charges on all overdue accounts;
- The age of receivable is reduced to 50 days;
- Non-revenue water is programmed at 25% at year-end. This can be achieved by continuing the Water Supply Management activities (e.g. pressure monitoring activities, investigation of leakages and illegal withdrawal of water) being performed by the Engineering Department and the Production Department, and prioritizing the implementation of the NRW Reduction Program;
- Intensive monitoring of all expenses; prioritize revenue-producing capital expenditures.

The following is the summary of the MRWD Budget for the year 2013 -

1. Total revenues of P269,377,485 from total water sales of P261,798,485 and P7,579,000.00 from miscellaneous non-operating revenues, interest revenues and other operating revenues.

2. Total expenses amount to P 282,129,448. These include total Operating & Maintenance expenses, depreciation, and interest on long term debt, hence, a net loss of P 12,751,963 will be incurred during the budget period.

|                   |                |
|-------------------|----------------|
| Total Revenues    | P 269,377,485  |
| Total Expenses    | P 284,745,353  |
|                   | -----          |
| Net Income/(Loss) | P (15,367,868) |
|                   | =====          |

3. With a 97% Collection Efficiency (CE) forecast, MRWD projects total receipts of P285,023,107 from total water sales of P276,358,477 and P 8,664,630 from other receipts.



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4. The total budgeted disbursements of ₱293,730,791.96 for the year 2013 are reiterated as follows:

|  |                 |                  |
|--|-----------------|------------------|
| a) O & M   |                 | ₱ 160,037,887.20 |
| Payroll  | P 49,785,184.00 |                  |
| Power/Fuel   | 49,266,260.00   |                  |
| Chemicals  | 7,637,000.00    |                  |
| Other O & M  | 53,349,443.20   |                  |
| c) Debt Service  |                 | 119,129,051.76   |
| c) CAPEX   |                 | 14,563,853.00    |
| Office Equipment (221)-  |                 |                  |
| Provisions for fax machines, copiers, electronic calculators, among others |                 | 100,000.00       |
| Furniture & Fixtures (222)-  |                 |                  |
| Air-conditioning units (replacement and new)                               |                 | 100,000.00       |
| IT Equipment & Software (223)-   |                 |                  |
| 3 sets computers with printers   | 90,000          |                  |
| 1 unit laptop for off-site collection                                      | 60,000          |                  |
| 5 units printers, dot matrix for Tellers and Cust.Service officers         | 75,000          |                  |
| 8 units UPS  | 50,000          |                  |
|  |                 | 275,000.00       |
| Motor Vehicles (241)-  |                 |                  |
| 1 unit service vehicle, for CMD use  |                 | 1,000,000.00     |
| 1 unit service motorcycle, for meter reading                               |                 | 70,000.00        |
| General Plant (250-B)-   |                 |                  |
| Surveillance/Monitoring System (CCTV) for Panitan WTP                      |                 | 200,000.00       |
| Pumping Equipment (254.11.C)-  |                 |                  |
| EIM Actuator   |                 | 800,000.00       |
| Transmission & Distribution Mains (254.IV.C)-                              |                 |                  |
| Distribution line expansions on unserved areas                             |                 | 1,000,000.00     |
| NRW Reduction Program (see attached Annex A)                               |                 | 6,887,403.00     |
| Water Meters (254.IV.F)-   |                 |                  |
| 2,000 pcs.of ½"Ø, complete with accessories                                |                 | 3,666,000.00     |
| 50 pcs.of ¾"Ø, complete with accessories                                   |                 | 188,550.00       |
| 50 pcs.of 1"Ø, complete with accessories                                   |                 | 276,900.00       |

Thus,

|                             |                         |
|-----------------------------|-------------------------|
| Total Receipts              | ₱ 285,023,107.00        |
| Total Disbursements         | 293,730,791.96          |
| Net Receipt/(Disbursements) | <u>₱( 8,707,684.96)</u> |

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October 31, 2012  
NOV 28 2012

  
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**METRO ROXAS WATER DISTRICT**  
**COMPARATIVE CASH FLOW BUDGET - QUARTERLY**  
**For the Budget Year 2013**

| PARTICULARS                             | 2012                   | 2013                  | Q U A R T E R L Y B U D G E T S |                       |                       |                       |
|---|------------------------|-----------------------|---------------------------------|-----------------------|-----------------------|-----------------------|
|   | PROJECTED              | BUDGET                | FIRST                           | SECOND                | THIRD                 | FOURTH                |
| <b>RECEIPTS:</b>                        |                        |                       |                                 |                       |                       |                       |
| Collection of Water Sales               | 230,899,810.04         | 266,358,477.00        | 65,316,901.71                   | 66,200,985.82         | 67,030,524.97         | 67,810,064.50         |
| Collection of Other Water Revenue       | 4,585,882.02           | 5,314,630.00          | 1,328,657.50                    | 1,328,657.50          | 1,328,657.50          | 1,328,657.50          |
| Customers' & Meter Deposits             | 996,924.63             | 900,000.00            | 225,000.00                      | 225,000.00            | 225,000.00            | 225,000.00            |
| Refund of Adv.to Officers & Employees   | 434,280.09             | 100,000.00            | 25,000.00                       | 25,000.00             | 25,000.00             | 25,000.00             |
| Collection of arrears                   | 8,081,855.35           | 10,000,000.00         | 2,500,000.00                    | 2,500,000.00          | 2,500,000.00          | 2,500,000.00          |
| Interest in bank deposits               | 1,720,043.74           | 2,000,000.00          | 500,000.00                      | 500,000.00            | 500,000.00            | 500,000.00            |
| Other receipts                          | 509,016.51             | 350,000.00            | 87,500.00                       | 87,500.00             | 87,500.00             | 87,500.00             |
| <b>TOTAL RECEIPTS</b>                   | <b>247,227,812.38</b>  | <b>285,023,107.00</b> | <b>69,983,059.21</b>            | <b>70,867,143.32</b>  | <b>71,696,682.47</b>  | <b>72,476,222.00</b>  |
| <b>DISBURSEMENTS:</b>                   |                        |                       |                                 |                       |                       |                       |
| Payment of Accounts Payable             | 42,827,893.06          | 53,339,443.20         | 13,334,860.80                   | 13,334,860.80         | 13,334,860.80         | 13,334,860.80         |
| Fuel & power for pumping & WIP          | 44,448,143.20          | 49,266,260.00         | 12,316,565.00                   | 12,316,565.00         | 12,316,565.00         | 12,316,565.00         |
| Chemicals for water treatment           | 7,310,416.61           | 7,637,000.00          | 1,909,250.00                    | 1,909,250.00          | 1,909,250.00          | 1,909,250.00          |
| Payroll                                 | 44,824,481.13          | 49,785,184.00         | 11,785,716.50                   | 13,106,875.50         | 11,785,716.50         | 13,106,875.50         |
| Refund of Customers' & Meter Deposits   | 14,749.00              | 10,000.00             | 2,500.00                        | 2,500.00              | 2,500.00              | 2,500.00              |
| Refund of WM & Guaranty Deposits        | 2,500.00               | -                     | -                               | -                     | -                     | -                     |
| Debt service amortization-regular loans | 81,602,544.00          | 81,602,544.00         | 20,400,636.00                   | 20,400,636.00         | 20,400,636.00         | 20,400,636.00         |
| Accum.interest on the P710M loan        | 10,381,743.37          | 12,000,000.00         | 3,000,000.00                    | 3,000,000.00          | 3,000,000.00          | 3,000,000.00          |
| Accum.interest on the P193M loan        | 4,583,333.37           | 9,132,000.00          | 2,283,000.00                    | 2,283,000.00          | 2,283,000.00          | 2,283,000.00          |
| Int.Billings of the P193M loan          | 15,028,298.78          | 16,394,507.76         | 4,098,626.94                    | 4,098,626.94          | 4,098,626.94          | 4,098,626.94          |
| LBP Qrly.Int.Repricing                  | 4,443,326.40           | -                     | -                               | -                     | -                     | -                     |
| Acquisition of assets                   | 15,758,629.25          | 14,563,853.00         | 3,640,963.25                    | 3,640,963.25          | 3,640,963.25          | 3,640,963.25          |
| <b>TOTAL DISBURSEMENTS</b>              | <b>271,226,058.17</b>  | <b>293,730,791.96</b> | <b>72,772,118.49</b>            | <b>74,093,277.49</b>  | <b>72,772,118.49</b>  | <b>74,093,277.49</b>  |
| <b>NET RECEIPTS/ (DISBURSEMENTS)</b>    | <b>(23,998,245.79)</b> | <b>(8,707,684.96)</b> | <b>(2,789,059.28)</b>           | <b>(3,226,134.17)</b> | <b>(1,075,436.02)</b> | <b>(1,617,055.49)</b> |
| CASH BALANCE, BEGINNING                 | 168,256,503.65         | 144,258,257.86        | 144,258,257.86                  | 141,469,198.58        | 138,243,064.41        | 137,167,628.39        |
| <b>CASH BALANCE, ENDING</b>             | <b>144,258,257.86</b>  | <b>135,550,572.90</b> | <b>141,469,198.58</b>           | <b>138,243,064.41</b> | <b>137,167,628.39</b> | <b>135,550,572.90</b> |

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**METRO ROXAS WATER DISTRICT**  
**COMPARATIVE INCOME STATEMENT BUDGET- QUARTERLY**  
For the Budget Year 2013

| ACCT. NO.                                    | ACCOUNT TITLE                          | 2012            | 2013            | Q U A R T E R L Y B U D G E T S |                |                |                |
|--|--|-----------------|-----------------|---------------------------------|----------------|----------------|----------------|
|  |  | PROJECTED       | BUDGET          | FIRST                           | SECOND         | THIRD          | FOURTH         |
| <b>Operating Revenue:</b>                    |  |                 |                 |                                 |                |                |                |
| 600  | Water Sales                            | 237,345,746.10  | 261,798,485.00  | 64,002,957.22                   | 65,009,032.51  | 65,949,798.36  | 66,836,696.91  |
| 612-614                                      | Other Operating Revenue                | 14,282,852.33   | 5,479,000.00    | 1,471,250.00                    | 1,493,000.00   | 1,305,250.00   | 1,209,500.00   |
| 500  | TOTAL OPERATING REVENUE                | 251,628,598.43  | 267,277,485.00  | 65,474,207.22                   | 66,502,032.51  | 67,255,048.36  | 68,046,196.91  |
| <b>Other Revenue:</b>                        |  |                 |                 |                                 |                |                |                |
| 524  | Interest Revenue                       | 1,209,240.88    | 1,600,000.00    | 400,000.00                      | 400,000.00     | 400,000.00     | 400,000.00     |
| 526  | Misc. Non-operating Revenue            | 349,150.00      | 500,000.00      | 125,000.00                      | 125,000.00     | 125,000.00     | 125,000.00     |
|  | TOTAL OTHER REVENUE                    | 1,558,390.88    | 2,100,000.00    | 525,000.00                      | 525,000.00     | 525,000.00     | 525,000.00     |
|  | TOTAL REVENUE                          | 253,186,989.31  | 269,377,485.00  | 65,999,207.22                   | 67,027,032.51  | 67,780,048.36  | 68,571,196.91  |
| <b>Operation &amp; Maintenance Expenses:</b> |  |                 |                 |                                 |                |                |                |
| 501  | Operating Expenses                     | 115,337,817.41  | 133,567,267.00  | 32,920,691.00                   | 33,862,942.50  | 32,920,691.00  | 33,862,942.50  |
| 502  | Maintenance Expenses                   | 25,120,622.84   | 32,387,225.00   | 7,907,352.50                    | 8,286,260.00   | 7,907,352.50   | 8,286,260.00   |
|  | TOTAL OPERATION & MAINTENANCE EXPENSES | 140,458,440.25  | 165,954,492.00  | 40,828,043.50                   | 42,149,202.50  | 40,828,043.50  | 42,149,202.50  |
| <b>Other Expenses:</b>                       |  |                 |                 |                                 |                |                |                |
| 503  | Depreciation                           | 43,502,501.40   | 42,000,000.00   | 10,500,000.00                   | 10,500,000.00  | 10,500,000.00  | 10,500,000.00  |
| 527  | Non-operating revenue deduction        | 35,250.00       | 45,000.00       | 11,250.00                       | 11,250.00      | 11,250.00      | 11,250.00      |
| 530  | Interest on Long Term Debt (LWUA)      | 81,704,871.76   | 76,745,861.00   | 19,186,465.25                   | 19,186,465.25  | 19,186,465.25  | 19,186,465.25  |
|  | TOTAL OTHER EXPENSES                   | 125,242,623.16  | 118,790,861.00  | 29,697,715.25                   | 29,697,715.25  | 29,697,715.25  | 29,697,715.25  |
|  | TOTAL EXPENSES                         | 265,701,063.41  | 284,745,353.00  | 70,525,758.75                   | 71,846,917.75  | 70,525,758.75  | 71,846,917.75  |
|  | NET INCOME BEFORE RESERVES             | (12,514,074.10) | (15,367,868.00) | (4,526,551.53)                  | (4,819,885.24) | (2,745,710.39) | (3,275,720.84) |
| 537  | Misc. Amortizations-RESERVES           |                 |                 |                                 |                |                |                |
|  | NET INCOME                             | (12,514,074.10) | (15,367,868.00) | (4,526,551.53)                  | (4,819,885.24) | (2,745,710.39) | (3,275,720.84) |