



Republic of the Philippines
CAGAYAN DE ORO CITY WATER DISTRICT
Corrales Avenue, Cagayan de Oro City

January 10, 2022

THE BOARD OF DIRECTORS
This District

Thru : **ATTY. DALE BRYAN D. MORDENO**
Acting Chairman

Sirs / Mesdames:

The Management of the Cagayan de Oro City Water District is respectfully submitting for your approval its proposed budget for Calendar Year 2022. The main features of the budget are the following:

1. The projected Utility Operating Revenue for Calendar Year 2022 budget is One Billion, Three Hundred Sixty-Two Million, Five Hundred Forty-Five Thousand, Six Hundred Ninety-Two Pesos. (₱ 1,362,545,692.00). This is higher by 4% in year 2021 budget of One Billion Three Hundred Twelve Million, Seven Hundred Eighty-Four Thousand, Nine Hundred Ninety-Five Pesos (₱ 1,312,784,995.00).
2. The Operating and Maintenance Expenses is projected in the total amount of One Billion, One Hundred Forty-Seven Million, Two Hundred Eighty-Two Thousand, Nine Hundred Eighty-Six Pesos (1,147,282,986.00) which is higher by 2% of the previous year budget in the amount of Twenty-One Million, Three Hundred Two Thousand, Seven Hundred Ninety pesos (₱ 21,302,790.00).
3. The Debt Service budget for Calendar year 2022 is totaled to One Hundred Twenty Million, Two Hundred Thirty Thousand, Two Hundred Fifty-Six Pesos (₱ 120,230,256.00) broken down as follows:


a.	LWUA	₱	2,242,284.00
b.	DBP		110,731,500.00
c.	Proposed Loan		<u>7,256,472.00</u>
	Total	₱	120,230,256.00

4. The proposed budget for Capital Improvements for Calendar Year 2022 amounts to Three Hundred Eighty-Two Million, Two Hundred Eighty Thousand, Four Hundred Fifty-Two Pesos (₱ 382,280,452.00).
5. The Reserve Fund is allocated at a budget of Ten Million Pesos (₱ 10,000,000.00) and a Contingency Fund to be used in funding other needs is also provided in the amount of Ten Million Pesos (₱ 10,000,000.00) for the Calendar Year 2022.
6. The main sources of increase in projected revenues for Calendar Year 2022 are the following:
 - a. Water rates increase by Ten Percent (10%) to effect on July 2022.
 - b. Service Connection Maintenance Fee of Php 20.00 per connection per month will be imposed starting April 2022.
 - c. Installation Fee will be increased by Php 1,000.00 starting April 2022.
7. A review of the Utility Revenue Budget will be done at the 1st Quarter to compare the forecasted revenue versus the actual business performance.

Attached herein are details of the proposed budget for Calendar Year 2022 as your references.

We hope that will find everything in order. Thank you and more power.

Very truly yours,


BIENVENIDO V. BATAC, JR.
General Manager

"WATER IS LIFE...DON'T WASTE IT"

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CAGAYAN DE ORO CITY WATER DISTRICT
Corrales Avenue, Cagayan de Oro City
PROJECTION OF UTILITY OPERATING REVENUE
CALENDAR YEAR 2022

PARTICULARS	Approved Budget 2021	Total Actual 2021	Proposed Budget 2022	Increase (Decrease)	% of Increase (Decrease)
UTILITY OPERATING INCOME					
Business Income					
Waterworks System Fees					
Metered Sales	1,189,708,155.00	1,014,047,365.76	1,241,894,835.00	52,186,680.00	4%
Unmetered Sales					
Sales to Irrigation Customers					
Private Fire Protection Service					
Public Fire Protection Service					
Sales to Other Water Utilities for Resale					
Sales to Government Agencies by Contract	6,052,422.20	8,453,175.16	9,298,492.68	3,246,070.48	54%
Other Waterworks System Fees	7,038,735.00	4,906,263.90	5,396,890.29	(1,641,844.71)	-23%
Total Water Sales	1,202,799,312.20	1,027,406,804.82	1,256,590,217.97	53,790,905.77	4%
Other Business and Service Income					
Seminar/Training Fees	-	-	-	-	0%
Interest Income	7,611,650.20	6,034,823.78	6,638,306.16	(973,344.04)	-13%
Fines and Penalties	59,485,408.00	46,860,051.70	62,094,742.00	2,609,334.00	4%
Other Business Income	7,068,898.10	4,195,348.58	4,614,883.44	(2,454,014.66)	-35%
Meter Maintenance Fee	19,369,800.00		20,212,200.00	842,400.00	4%
Installation Fee	11,559,600.00		11,559,600.00	-	0%
Total Other Business and Service Income	105,095,356.30	57,090,224.06	105,119,731.60	24,375.30	0%
Assistance and Subsidy					
Subsidy from National Government		1,276,197.14	-	-	0%
Other Non-Operating Income					
Sale of Assets					
Sale of Unserviceable Property					
Miscellaneous Income					
Miscellaneous Income	4,890,326.50	759,765.44	835,741.98	(4,054,584.51)	-83%
Total Non-Operating Income	4,890,326.50	759,765.44	835,741.98	(4,054,584.51)	-83%
TOTAL UTILITY OPERATING REVENUES	1,312,784,995.00	1,086,532,991.46	1,362,545,692.00	49,760,697.00	4%

CAGAYAN DE ORO CITY WATER DISTRICT
Corrales Avenue, Cagayan de Oro City
MONTHLY BUDGET PROPOSAL FOR METERED SALES, PENALTY CHARGES, METER MAINTENANCE FEES AND INSTALLATION FEES
CALENDAR YEAR 2022

Month	Projected No. of Service Connection	Average Mo. Billing/Connection	Projected Metered/Ave. Sales to Customers	Penalty Charges	Total	Meter Maintenance Fee	Installation Fee (Residential)
December 2021	109,170						
2022							
January	109560	885.00	96,615,450.00	4,830,773.00	101,446,223.00		670,800.00
February	109950	885.00	96,960,600.00	4,848,030.00	101,808,630.00		670,800.00
March	110340	885.00	97,305,750.00	4,865,288.00	102,171,038.00		670,800.00
April	110730	885.00	97,650,900.00	4,882,545.00	102,533,445.00	2,214,600.00	1,060,800.00
May	111120	885.00	97,996,050.00	4,899,803.00	102,895,853.00	2,222,400.00	1,060,800.00
June	111510	885.00	98,341,200.00	4,917,060.00	103,258,260.00	2,230,200.00	1,060,800.00
July	111900	973.50	108,554,985.00	5,427,749.00	113,982,734.00	2,238,000.00	1,060,800.00
August	112290	973.50	108,934,650.00	5,446,733.00	114,381,383.00	2,245,800.00	1,060,800.00
September	112680	973.50	109,314,315.00	5,465,716.00	114,780,031.00	2,253,600.00	1,060,800.00
October	113070	973.50	109,693,980.00	5,484,699.00	115,178,679.00	2,261,400.00	1,060,800.00
November	113460	973.50	110,073,645.00	5,503,682.00	115,577,327.00	2,269,200.00	1,060,800.00
December	113850	973.50	110,453,310.00	5,522,666.00	115,975,976.00	2,277,000.00	1,060,800.00
TOTAL			1,241,894,835.00	62,094,742.00	1,303,989,577.00	20,212,200.00	11,559,600.00

CAGAYAN DE ORO CITY WATER DISTRICT
PROJECTION OF UTILITY OPERATING EXPENSES
For Calendar Year 2022

PARTICULARS		Approved Budget 2021	Total Actual 2021	Proposed Budget 2022	Actual 2021 VS Budget 2022 Increase (Decrease)	% of Increase (Decrease)	Approved Budget 2021 VS Proposed Budget 2022	% of Increase (Decrease)
A	DEPARTMENT'S OPERATING & MAINTENANCE EXPENSES							
I	PRODUCTION DEPT.	746,583,336.00	622,682,906.18	764,773,452.00	142,090,545.82	23%	18,190,116.00	2%
II	MAINTENANCE DEPT.	78,066,444.00	50,941,412.80	77,382,048.00	26,440,635.20	52%	684,396.00	-1%
III	COMMERCIAL DEPT.	67,503,552.00	49,796,530.60	65,189,772.00	15,393,241.40	31%	2,313,780.00	-4%
IV	ENGINEERING DEPT.	40,877,592.00	42,083,739.21	41,173,326.00	910,413.21	-2%	295,734.00	1%
V	ADMINISTRATIVE SERVICES DEPT.	120,156,504.00	72,965,331.33	121,775,280.00	48,809,948.67	67%	1,618,776.00	1%
VI	MANAGEMENT SERVICES DEPT	19,137,612.00	16,034,207.28	21,792,060.00	5,757,852.72	36%	2,654,448.00	12%
VII	FINANCE DEPT.	34,687,080.00	26,913,839.49	37,725,876.00	10,812,036.51	40%	3,038,796.00	8%
VIII	OFFICE OF THE GENERAL MANAGER	13,696,524.00	7,480,433.31	13,415,256.00	5,934,822.69	79%	281,268.00	-2%
IX	OFFICE OF THE BOARD OF DIRECTORS	5,271,552.00	4,110,614.69	4,055,916.00	54,698.69	-1%	1,215,636.00	-30%
	TOTAL UTILITY O & M EXPENSES	1,125,980,196.00	893,009,014.89	1,147,282,986.00	254,273,971.11	28%	21,302,790.00	2%
B	DEBT SERVICE	128,917,200.00	121,660,705.13	120,230,256.00	1,430,449.13	-1%	8,686,944.00	-7%
I	Existing Loan:							
1	LWUA	8,602,908.00	8,602,896.88	2,242,284.00	6,360,612.88	-74%	6,360,624.00	-284%
2	DBP	113,057,820.00	113,057,808.25	110,731,500.00	2,326,308.25	-2%	2,326,320.00	-2%
	TOTAL EXISTING	121,660,728.00	121,660,705.13	112,973,784.00	8,686,921.13	-7%	8,686,944.00	-8%
II	Proposed Loan	7,256,472.00		7,256,472.00			-	0%
C	CAPITAL IMPROVEMENT	290,883,336.00	81,504,935.81	382,280,452.00	300,775,516.19	369%	91,397,116.00	24%
D	RESERVE	10,000,000.00	4,386,166.32	10,000,000.00	5,613,833.68	128%	-	0%
E	CONTINGENCY	10,000,000.00	8,310,668.36	10,000,000.00	1,689,331.64	20%	-	0%
	TOTAL UTILITY OPERATING EXPENSES	1,565,780,732.00	1,108,871,490.51	1,669,793,694.00	560,922,203.49	51%	104,012,962.00	6%

Source of Fund:

Projected Revenue 2022	1,362,545,692.00
DBP Loan Proceeds (2nd release)	79,196,567.00
General Reserve Fund	228,051,435.00
Total	1,669,793,694.00