



REPUBLIC OF THE PHILIPPINES
CAGAYAN DE ORO CITY WATER DISTRICT
Corrales Avenue, Cagayan de Oro City



February 26, 2024

THE BOARD OF DIRECTORS

This District

Thru : DIRECTOR NELIA B. LEE
Chairperson

Sirs / Mesdames:

The Management of the Cagayan de Oro City Water District is respectfully submitting for your approval its proposed budget for Calendar Year 2024. The main features of the budget are the following:

1. *The projected Utility Operating Revenue for Calendar Year 2024 budget is One Billion, Five Hundred Ten Million, Eight Hundred Fifty-Nine Thousand, Four Hundred Fourteen Pesos. (₱ 1,510,859,415.00). This is higher by 11% as compared to 2023 budget of One Billion, Three Hundred Sixty-Six Million, Six Hundred Twenty-One Thousand, Four Hundred Eighty Pesos (₱ 1,366,621,480.00).*

The main sources of increase in projected revenues for Calendar Year 2024 are the following:

- a. Water rates increase by ten percent (10%) to effect on July 2024.
 - b. Water Septage fees effective October 2024.
2. The Operating and Maintenance Expenses is projected in the total amount of One Billion, Three Hundred Twenty-Three Million, Fifty-Eight Thousand, Five Hundred Seventy-Six Pesos (1,323,058,576.00) which is higher by 14% of the previous year budget by One Hundred Sixty-Two Million, Nine Hundred Thirty-Two Thousand, Five Hundred Ninety-Two Pesos (₱ 162,932,592.00).
 3. The Debt Service budget excluding the Gross Receipt Taxes for Calendar year 2024 is One Hundred Six Million, Fifty-Four Thousand, Eight Hundred Forty-Eight Pesos (₱ 106,054,848.00) broken down as follows:

a.	LWUA	₱	2,242,284.00
b.	DBP		51,668,088.00
c.	Proposed Loan		52,383,480.00
	Total	₱	106,054,848.00

WATER ACCESSIBILITY – OUR PRIORITY!

Hotlines: 555-9850 / 0906-007-0411 / 0966-419-5491 / 0919-066-1740

Emails: cowd@cowd.gov.ph / ogm@cowd.gov.ph



Water Accessibility - Our Priority!

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BAGONG PILIPINAS

4. The proposed budget for Capital Improvements for Calendar Year 2024 amounts to Three Hundred Four Million, Six Thousand, Two Hundred Eighty-Three Pesos (₱ 304,006,283.00).
5. The Reserve Fund has budget allocation of Ten Million Pesos (₱ 10,000,000.00) and the 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 2024.

Attached herein are the details of the proposed budget for Calendar Year 2024 as your references.

We hope that you will find everything in order and deserves your approval. Thank you.

Very truly yours,

ANTONIO B. YOUNG
General Manager

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CAGAYAN DE ORO CITY WATER DISTRICT
 Corrales Avenue, Cagayan de Oro City
PROJECTION OF UTILITY OPERATING REVENUE
 CALENDAR YEAR 2024

PARTICULARS	Approved Budget 2023	Total Actual 2023	Proposed Budget 2024	Amount of Increase (Decrease)	% of Increase (Decrease)
UTILITY OPERATING INCOME					
Business Income					
Waterworks System Fees					
Metered Sales	1,243,531,113.91	1,098,301,378.52	1,392,738,228.1	149,207,114.53	12%
Other Waterworks System Fees	5,936,579.32	16,796,850.45	8,078,736	2,142,157.03	36%
Total Water Sales	1,249,467,693.23	1,115,098,228.97	1,400,816,964.78	151,349,271.56	12%
Other Business and Service Income					
Seminar/Training Fees	1,948,683.00	-	-	(1,948,683.00)	
Interest Income	5,981,177.03	5,188,749.37	12,417,125	6,435,948.32	108%
Fines and Penalties	61,736,795.00	49,642,818.96	58,074,873.1	(3,661,921.84)	-6%
Other Business Income	2,597,052.12	-	1,790,145	(806,907.12)	-31%
Water Maintenance Fee	20,096,640.00	-	-	(20,096,640.00)	-100%
Installation Fee & Other Fees	13,104,000.00	8,246,465.59	10,650,000.1	(2,454,000.00)	-19%
Septage Fee			6,104,406		
Total Other Business and Service Income	105,464,347.14	63,078,033.92	89,036,550	(16,427,797.35)	-16%
Assistance and Subsidy					
Subsidy from National Government & Other Grants		1,244,752.87			
Other Non-Operating Income					
Sale of Assets					
Sale of Unserviceable Property	10,000,000.00	-	12,000,000		
Miscellaneous Income					
Miscellaneous Income	1,689,439.46	3,225,302.77	9,005,900	7,316,460.55	433%
Total Non-Operating Income	11,689,439.46	3,225,302.77	21,005,900.00	9,316,460.55	80%
TOTAL UTILITY OPERATING REVENUES	1,366,621,480.00	1,182,646,318.54	1,510,859,415	144,237,934.58	11%

CAGAYAN DE ORO CITY WATER DISTRICT

Corrales Avenue, Cagayan de Oro City

**MONTHLY BUDGET PROPOSAL FOR METERED SALES, PENALTY CHARGES AND INSTALLATION FEES
CALENDAR YEAR 2024**

Month	Projected No. of Service Connection	Average Mo. Billing/Connection	Projected Metered/Ave. Sales to Customers	Penalty Charges	Total	Installation Fee (Residential)
December 2023 2024	111,229	<u>40%</u>		4.15		3,800.00
January	111,479	856.07	95,433,827.53	3,963,329.48	99,397,157.01	700,000.00
February	111,729	856.07	95,647,845.03	3,972,217.54	99,620,062.57	700,000.00
March	111,979	856.07	95,861,862.53	3,981,105.61	99,842,968.14	700,000.00
April	112,229	856.07	96,075,880.03	3,989,993.67	100,065,873.70	950,000.00
May	112,479	856.07	96,289,897.53	3,998,881.73	100,288,779.26	950,000.00
June	112,729	856.07	96,503,915.03	4,007,769.80	100,511,684.83	950,000.00
July	112,979	1,198.50	135,405,105.54	5,623,321.00	141,028,426.54	950,000.00
August	113,229	1,198.50	135,704,730.04	5,635,764.29	141,340,494.33	950,000.00
September	113,479	1,198.50	136,004,354.54	5,648,207.58	141,652,562.12	950,000.00
October	113,729	1,198.50	136,303,979.04	5,660,650.87	141,964,629.91	950,000.00
November	113,979	1,198.50	136,603,603.54	5,673,094.15	142,276,697.70	950,000.00
December	114,229	1,198.50	136,903,228.04	5,685,537.44	142,588,765.48	950,000.00
TOTAL			1,392,738,228.43	57,839,873.16	1,450,578,101.59	10,650,000.00

CAGAYAN DE ORO CITY WATER DISTRICT
PROJECTION OF UTILITY OPERATING EXPENSES AND OTHER EXPENDITURES
For Calendar Year 2024

PARTICULARS	Approved Budget 2023	Total Actual 2023	Proposed Budget 2024	Actual 2023 VS Proposed Budget 2024 Increase / (Decrease)		Approved Budget 2023 VS Proposed Budget 2024 Increase / (Decrease)	
				In Amount	In %	In Amount	In %
A DEPARTMENT'S OPERATING & MAINTENANCE EXPENSES							
I PRODUCTION DEPT.	768,761,424.00	702,040,767.91	885,426,312.00	183,385,544.09	26%	116,664,888.00	15%
II MAINTENANCE DEPT.	78,605,928.00	58,713,161.46	85,250,388.00	26,537,226.54	45%	6,644,460.00	8%
III COMMERCIAL DEPT.	65,062,944.00	55,026,532.92	72,438,948.00	17,412,415.08	32%	7,376,004.00	11%
IV ENGINEERING DEPT.	42,479,096.00	37,011,889.89	46,008,000.00	8,996,110.11	24%	3,528,904.00	8%
V ADMINISTRATIVE SERVICES DEPT.	126,902,876.00	104,618,958.97	140,824,948.00	36,205,989.03	35%	13,922,072.00	11%
VI MANAGEMENT SERVICES DEPT	22,680,876.00	18,091,111.25	33,442,560.00	15,351,448.75	85%	10,761,684.00	47%
VII FINANCE DEPT.	37,455,708.00	29,462,212.85	41,090,988.00	11,628,775.15	39%	3,635,280.00	10%
VIII OFFICE OF THE GENERAL MANAGER	14,033,364.00	7,246,216.70	13,328,400.00	6,082,183.30	84%	704,964.00	-5%
IX OFFICE OF THE BOARD OF DIRECTORS	4,143,768.00	3,411,153.18	5,248,032.00	1,836,878.82	54%	1,104,264.00	27%
TOTAL UTILITY O & M EXPENSES	1,160,125,984.00	1,015,622,005.13	1,323,058,576.00	307,436,570.87	30%	162,932,592.00	14%
B DEBT SERVICE	122,779,140.00	98,101,240.17	107,787,756.00	9,686,515.83	10%	- 14,991,384.00	-12%
I Existing Loan:							
1 LWUA	2,242,284.00	2,242,284.00	2,242,284.00	-	0%	-	0%
2 DBP	95,858,964.00	95,858,956.17	51,668,088.00	44,190,868.17	-46%	44,190,876.00	-46%
TOTAL EXISTING	98,101,248.00	98,101,240.17	53,910,372.00	44,190,868.17	-45%	44,190,876.00	-45%
II Proposed Loan	24,677,892.00		53,877,384.00	53,877,384.00	#DIV/0!	29,199,492.00	118%
C CAPITAL IMPROVEMENT	537,052,197.00	108,364,311.03	304,006,283.00	195,641,971.97	181%	- 233,045,914.00	-43%
D RESERVE	10,000,000.00	8,251,641.52	10,000,000.00	1,748,358.48	21%	-	0%
E CONTINGENCY	10,000,000.00	8,251,641.52	10,000,000.00	1,748,358.48	21%	-	0%
F CAPEX BUDGET FOR 2023 TO BE FUNDED IN 2024			63,716,356.00				
G MONETIZATION OF LEAVE CREDITS FOR 2024			13,340,964.00				
TOTAL UTILITY OPERATING EXPS & OTHER EXPENDITURES	1,839,957,321.00	1,238,590,839.37	1,831,909,935.00	593,319,095.63	48%	- 8,047,386.00	0%

LESS: NON-CASH EXPENSES - Impairment Loss 2,518,728.00
NET TOTAL UTILITY OPERATING EXPS & OTHER EXPENDITURES **1,829,391,207.00**

Sources of Funds:

Projected Revenue for 2024 1,510,859,415.00
Proposed Loan to fund the Capital Expenditures for 2024 250,000,000.00
Refund to General Fund from NRW Loan Fund and Capex Fund 47,576,012.00
DBP NRW Loan Proceeds Scheduled for 2024 (Part of 458.18M Loan) 44,072,238.00

Total Sources of Funds **1,852,507,665.00**

Less: Net Total Utility Operating Expenses & Other Expenditures **1,829,391,207.00**

Balance to General Fund **23,116,458.00**