



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

February 19, 2020

THE BOARD OF DIRECTORS
This District

Thru: EDUARDO ANTONIO R. MONTALVAN
Chairman

Sirs / Mesdames:

The Management of the Cagayan de Oro City Water District is respectfully submitting for your approval the Proposed COWD Budget for the Calendar Year 2020. The main features of the budget are the following:

1. The Proposed Utility Operating Revenue for CY 2020 is projected at One Billion, Three Hundred Fifty Four Million Four Hundred Sixty Eight Thousand Three Hundred Thirty Eight Pesos (₱1,354,468,338.00).
2. The Proposed Operating and Maintenance Expenses for CY 2020 is projected to amount to One Billion One Hundred Thirty Six Million Ninety Thousand Two Hundred Eighty Pesos (₱1,136,090,280.00).
3. The Debt Service for CY 2020 is expected to be One Hundred Thirty Five Million Eight Hundred Forty Six Thousand Seventy Two Pesos (₱135,846,072.00) broken down as follows:

i. LWUA (existing)	₱ 13,146,276.00
ii. DBP (existing)	115,443,325.00
iii. Proposed Loan	<u>7,256,471.00</u>
Total	₱ 135,846,072.00

4. The Capital Improvement Fund for CY 2020 is projected to be One Billion Sixteen Million Six Hundred Seventy One Thousand Six Hundred Sixty Three Pesos (₱ 1,016,671,663.00) broken down according to the following sources:

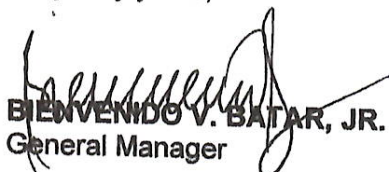
i. CY 2020 Revenues	₱ 67,254,232.00
ii. CAPEX Fund	194,804,431.00
iii. DBP NRW Loan Phase 2	254,613,000.00
iv. LGU Grant	<u>500,000,000.00</u>
Total	₱ 1,016,671,663.00

5. The Reserve Fund for CY 2020 allocated a budget of Five Million Six Hundred Six Eight Thousand Nine Hundred Seventy Seven Pesos (₱ 615,658,977.00) and the Contingency Fund for CY 2020 allocated a budget of Ten Million Pesos (₱ 10,000,000.00).
6. The Total Income for CY 2020, including the grant of Five Hundred Million Pesos (₱ 500,000.00) from the Local Government Unit of Cagayan de Oro City (LGU-CDO), is Six Hundred Fifteen Million Six Hundred Fifty Eight Thousand Nine Hundred Seventy Seven Pesos (₱ 615,658,977.00).
7. The Total Net Income for CY 2020 after interest charges and excluding the grant from the City Government is Seventy Five Million Eight Hundred Fifty One Thousand One Hundred Ten Pesos (₱ 75,851,110.00)

Attached are the details of the Proposed CY 2020 Budget for your reference.

We hope that you will find everything in order.

Very truly yours,


BIENVENIDO V. BATAR, JR.
General Manager

Encl.: as stated

CAGAYAN DE ORO CITY WATER DISTRICT
Corrales Avenue, Cagayan de Oro City

PROJECTION OF UTILITY OPERATING REVENUE
CALENDAR YEAR 2020

	Approved Budget 2019	Total Actual 2019	Proposed Budget 2020	Increase (Decrease)	% of Increase (Decrease)
UTILITY OPERATING INCOME					
Business Income					
Waterworks System Fees					
Metered Sales	1,183,544,521.00	1,071,904,552.00	1,206,288,120.00	22,743,599.00	2%
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	11,854,589.00	5,518,931.00	11,854,589.00	-	0%
Other Waterworks System Fees	4,789,767.00	4,949,699.00	5,453,400.00	663,633.00	14%
Total Water Sales	1,200,188,877.00	1,082,373,182.00	1,223,596,109.00	23,407,232.00	2%
Other Business and Service Income					
Seminar/Training Fees	1,650,000.00	1,700,293.00	1,992,446.00	342,446.00	21%
Interest Income	6,984,667.00	8,759,553.00	10,590,363.00	3,605,696.00	52%
Fines and Penalties	59,177,227.00	43,426,781.00	60,314,406.00	1,137,179.00	2%
Other Business Income	10,532,940.00	7,221,192.00	55,222,872.00	44,689,932.00	424%
Total Other Business and Service Income	78,344,834.00	61,107,759.00	128,120,087.00	49,775,253.00	64%
Assistance and Subsidy					
Assistance and Subsidy					
Subsidy from National Government					
Other Non-Operating Income					
Sale of Assets					
Sale of Unserviceable Property					
Miscellaneous Income					
Miscellaneous Income	5,689,236.00	2,501,947.00	2,752,142.00	(2,937,094.00)	-52%
Total Non-Operating Income	5,689,236.00	2,501,947.00	2,752,142.00	(2,937,094.00)	-52%
TOTAL UTILITY OPERATING REVENUES	1,284,222,947.00	1,145,982,888.00	1,354,468,338.00	70,245,391.00	5%

**CAGAYAN DE ORO CITY WATER DISTRICT
PROJECTION OF UTILITY OPERATING EXPENSES
CALENDAR YEAR 2020**

	Approved Budget 2019	Total Actual 2019	Proposed Budget 2020	Actual vs Budget Increase (Decrease)	% of Increase (Decrease)	Approved Budget 2019 vs Proposed Budget 2020	% of Increase (Decrease)
A DEPARTMENT OPERATING & MAINTENANCE EXPENSES							
I PRODUCTION DEPARTMENT	768,651,924.00	659,506,957.00	729,385,248.00	70,878,291.00	11%	(39,266,676.00)	-5%
II ENGINEERING DEPARTMENT	44,320,740.00	40,472,242.58	46,190,856.00	5,718,613.42	14%	1,870,116.00	4%
III REPAIR AND MAINTENANCE DEPARTMENT	73,227,240.00	64,482,457.00	79,998,252.00	15,515,795.00	24%	6,771,012.00	9%
IV COMMERCIAL SERVICES DEPARTMENT	70,429,836.00	53,131,574.00	71,319,696.00	18,188,122.00	34%	889,860.00	1%
V ADMINISTRATIVE DEPARTMENT	112,185,372.00	92,454,430.00	124,837,188.00	32,382,758.00	35%	12,651,816.00	11%
VI FINANCE DEPARTMENT	37,915,236.00	36,307,132.00	41,002,392.00	4,695,260.00	13%	3,087,156.00	8%
VII MANAGEMENT DEPARTMENT	21,901,206.00	17,682,235.33	22,646,580.00	4,964,344.67	28%	745,374.00	3%
VIII OFFICE OF THE GENERAL MANAGER	14,451,660.00	8,481,735.00	14,202,492.00	5,720,757.00	67%	(249,168.00)	-2%
IX OFFICE OF THE BOARD OF DIRECTORS	5,155,938.00	4,746,464.00	6,507,576.00	1,761,112.00	37%	1,351,638.00	26%
TOTAL UTILITY OPERATING & MAINTENANCE EXPENSES	1,148,239,152.00	976,265,226.91	1,136,090,280.00	159,825,053.09	16%	(12,148,872.00)	-1%
B DEBT SERVICE							
I EXISTING							
LWUA (P+I)	13,146,276.00	13,146,276.00	13,146,276.00	-	0%	-	0%
DBP (P+I)	149,163,456.00	117,710,438.00	115,443,325.00	(2,267,113.00)	-2%	(33,720,131.00)	-23%
TOTAL EXISTING	162,309,732.00	130,856,714.00	128,589,601.00	(2,267,113.00)	-2%	(33,720,131.00)	-21%
II PROPOSED	2,400,000.00	-	7,256,471.00	7,256,471.00	#DIV/0!	4,856,471.00	202%
TOTAL DEBT SERVICE	164,709,732.00	130,856,714.00	135,846,072.00	4,989,358.00	4%	(28,863,660.00)	-18%
C CAPITAL IMPROVEMENT	61,140,211.00	54,558,779.00	67,254,232.00	12,695,453.00	23%	6,114,021.00	10%
D RESERVE	10,000,000.00	8,923,551.00	5,277,754.00	(3,645,797.00)	-41%	(4,722,246.00)	-47%
E CONTINGENCY	10,000,000.00	8,923,551.00	10,000,000.00	1,076,449.00	12%	-	0%
TOTAL UTILITY OPERATING EXPENSES	1,394,089,095.00	1,179,527,821.91	1,354,468,338.00	174,940,516.09	15%	(39,620,757.00)	-3%