



Republic of the Philippines
BAGO CITY WATER DISTRICT
Social Justice Complex
Rafael Salas Drive
Bago City, Negros Occidental
Tel. No. 4610-365

RESOLUTION NO. 1
Series of 2017

RESOLUTION OF THE BOARD OF DIRECTORS OF THE BAGO CITY WATER DISTRICT (BACIWAD) APPROVING THE CALENDAR YEAR 2017 ANNUAL BUDGET WITH A TOTAL ESTIMATED REVENUES OF P33,792,530.00 AND A TOTAL PROJECTED EXPENDITURES OF P35,333,234.00.

WHEREAS, the BACIWAD proposed 2017 Annual Budget were properly presented by the General Manager to the Board for study and approval;

WHEREAS, the said Budget shows that there is an estimated annual revenue of P33,792,530.00 – collected from the existing service connections plus the projected 600 connections before the year ends including the fees, fines and penalties, interest income, miscellaneous income and the previous year's collections;

WHEREAS, the projected expenses totaling to P35,333,234.00 includes the 2nd tranche of the employees salary increase as prescribed by DBM, power cost, representation expenses, benefits, repairs and maintenances, taxes, duties and licenses and a total Capital Expenditures of P8 M for the structures, equipments, machineries, motor vehicles, generator sets, pumps, pipes and fittings and deep well source among others;

WHEREAS, the Body decided to have more projects and the provision of spare pumps and motors as well as generator sets are all reflected in this year's proposed Budget.

WHEREAS, the implementation of recategorization for Category C for the last quarter of this year was also included.

NOW THEREFORE, upon motion of Director Alice P. Balboa, unanimously seconded by all the Members of the Board present,


RESOLVED, as it is hereby resolved to approve the C.Y. 2017 Annual Budget with the total estimated Revenues of P33,792,530.00 and a total projected Expenditures of P35,333,234.00.

UNANIMOUSLY APPROVED:

Passed: January 9, 2017

We hereby certify to the correctness of the above-stated Resolution.


MARTIN SAMUEL MANUEL E. TORRES
Chairman


RAMANI G. JAVELOSA
Vice-Chairman


ALICE P. BALBOA
Director

BAGO CITY WATER DISTRICT
BAGO CITY
PROJECTED REVENUE AND EXPENSES
BUDGET YEAR 2017

Acct. No.	Description of Accounts	Estimated Annual Budget	Actual Income/ Expenses Jan. - Oct., 2016
Income			
628	Other Service Income	P 454,000.00	P 325,020.00
639	Income From Water Works System	31,390,500.00	25,094,403.40
649	Fines and Penalties - Business Income	1,473,030.00	1,148,975.10
664	Interest Income	150,000.00	90,152.57
678	Miscellaneous Income	325,000.00	150,593.16
TOTAL REVENUE		P 33,792,530.00	P 26,807,144.23
Less : Expenses			
Personal Services			
701	Salaries & Wages - Regular	P 6,241,800.00	P 4,412,714.65
705	Salaries & Wages - Casual	249,360.00	200,670.00
706	Salaries & Wages - Contractual	1,778,000.00	1,688,708.35
711	Personnel Economic Relief Allowance (PERA)	198,500.00	137,500.00
712	Additional Compensation (ADCOM)	589,500.00	412,500.00
713	Representation Allowance (RA)	102,000.00	75,000.00
714	Transportation Allowance (TA)	102,000.00	75,000.00
715	Clothing / Uniform Allowance	135,000.00	135,000.00
717	Productivity Incentive Allowance	492,600.00	412,500.00
719	Other Bonuses and Allowances	492,600.00	0.00
720	Honoraria	545,000.00	344,250.00
723	Overtime & Night Pay	400,920.00	134,291.05
724	Cash Gift	190,000.00	0.00
725	Year End Bonus	503,630.00	453,972.00
731	Life & Retirement Insurance Contributions	888,000.00	553,809.69
732	PAG-IBIG Contributions	39,600.00	27,500.00
733	PHILHEALTH Contributions	69,600.00	51,867.50
734	ECC Contributions	39,600.00	27,500.00
749	Other Personnel Benefits	880,000.00	499,913.21
Total Personal Services		P 13,933,710.00	P 9,642,517.45
Maintenance and Other Operating Expenses			
751	Traveling Expense - Local	P 300,000.00	P 215,827.09
753	Training Expenses	500,000.00	482,348.58
755	Office Supplies Expenses	348,000.00	258,339.33
760	Medical, Dental and Laboratory Supplies Expenses	600,000.00	321,745.07
761	Gasoline, Oil and Lubricants Expenses	600,000.00	352,963.12
767	Electricity Expenses	6,240,000.00	5,000,506.86
771	Postage and Deliveries	4,800.00	2,635.00
772	Telephone Expenses - Landline	72,000.00	62,829.03
773	Telephone Expenses - Mobile	90,000.00	65,484.90
774	Internet Expenses	24,000.00	13,105.98
775	Cable, Satellite, Telegraph and Radio Expenses	18,000.00	11,600.00
780	Advertising Expenses	126,000.00	1,500.00
782	Rent Expenses	144,000.00	5,830.00
783	Representation Expenses	240,000.00	202,638.61
786	Subscriptions Expenses	15,000.00	12,041.00
792	Auditing Services	30,000.00	0.00
799	Other Professional Services	30,000.00	10,000.00
811	Repairs & Maint. - Office Building	100,000.00	11,064.70
821	Repairs & Maint. - Office Equipment	30,000.00	650.00
822	Repairs & Maint. - Furniture and Fixtures	20,000.00	247.00
823	Repairs & Maint. - IT Equipment and Software	24,000.00	6,991.00

854 Repairs & Maint. - Artesian Wells,Reservoirs, Pumping Stations and Conduits	900,000.00	702,559.92
878 Donations	18,000.00	10,530.00
884 Miscellaneous Expenses	24,000.00	3,805.00
881 Taxes, Duties and Licenses	570,000.00	507,130.08
802 Fidelity Bond Premiums	3,600.00	2,988.75
893 Insurance Expenses	30,000.00	15,598.63
971 Bank Charges	1,000.00	575.00
Total Maintenance and Other Operating Expenses	P 11,256,800.00	P 8,405,041.06
Capital Expenditures		
215 Other Structures	300,000.00	0.00
221 Office Equipments	100,000.00	0.00
222 Furnitures and Fixtures	80,000.00	17,814.00
223 IT Equipment and Software	200,000.00	80,005.00
229 Communication Equipments	80,000.00	0.00
235 Sports Equipment	20,000.00	0.00
240 Other Machineriss and Equipment	1,000,000.00	7,500.00
241 Motor Vehicles	230,000.00	0.00
254 Artesian Wells,Reservoirs,Pumping Stations and Conduits	6,000,000.00	982,344.13
Total Capital Expenditures	P 8,000,000.00	P 1,065,663.13
DEBT SERVICES	P 2,132,724.00	P 1,777,270.00
TOTAL EXPENSES	P 35,333,234.00	P 20,890,491.64
Net Income(Loss)	P -1,540,704.00	P 5,918,652.59

Note: Additional Capital Expenditures:
To be taken from the previous year's savings.

Prepared by :


LEO J. ESPADA
General Manager

Board Action :

Approved by :


MARTIN SM E. TORRES
Chairman
As per BD Resolution No. _____
Dated : _____

BAGO CITY WATER DISTRICT
BAGO CITY
ESTIMATED WATER REVENUE
BUDGET YEAR 2017

OPERATING REVENUES :

Assumptions :

1. Computation of Metered Sales to General Customers were based on existing minimum charge of P 152.00 for Residential/Government and P 304.00 for commercial.
2. Average consumption per connection per month is 22 cu.m. or equivalent to P 345.50 for residential and P 691.00 for commercial.
3. Estimated market growth of 60 connections per month for the 1st 2 quarters and 40 connections per month for the next 2 quarters.
4. Service Charge / application fee is at P 1,550.00 per connection plus P 60.00 inspection fee.
5. Commercial Connections are 4.5 percent of the total service connections.
6. Total Year to Date Collection Efficiency is 90 percent.

Computations :

Acct. No. 628 :	Other Service Income :		
	a. Application Fee (P 640.00 x 600 connections) P	384,000.00	
	b. Reconnections / Transfer Fees	<u>70,000.00</u>	
		P 454,000.00	
Acct. No. 639 :	Income from Water Works System		
	<u>Month</u>	<u>Estimated No. of Service Connections</u>	<u>Water Sales</u>
	Jan.	6000	P 1,950,000.00
	Feb.	6060	1,969,500.00
	Mar.	6120	1,989,000.00
	Apr.	6180	2,008,500.00
	May	6240	2,028,000.00
	Jun.	6300	2,047,500.00
	Jul.	6340	2,060,500.00
	Aug.	6380	2,073,500.00
	Sept.	6420	2,086,500.00
	Oct.	6460	2,099,500.00
	Nov.	6500	2,112,500.00
	Dec.	6540	<u>2,125,500.00</u>
			P 24,560,500.00
ADD :	Previous Years Collectibles		P 3,000,000.00
	Water Sales to Putugandan at an average monthly billings of P 320,000.00 x 12 months =		<u>P 3,840,000.00</u>
	TOTAL WATER SALES		P 31,390,500.00
Acct. No. 649 :	Fines and Penalties - Business Income		
	Estimated that 60 percent of the total concessionaires will be charge 10 % for delayed payments P 24,560,500.00 (0.6) (0.10) =		P 1,473,030.00
Acct. No. 664 :	Interest Income		P 150,000.00
Acct. No. 678 :	Miscellaneous Income		P 325,000.00
	Profit from sale of water supply materials and labor for concrete cutting.		
	TOTAL REVENUE		<u>P 33,792,530.00</u>

Acct. Number	Account Name				
712	Additional Compensation (ADCOM) (Note : 27 personnels x 12 mos. , 20 personnels for 3 mos. only at P 1,500.00 each mo., plus one (1) personnel for 9 months only)	Average Monthly	P	49,125.00	
		Annually	P	589,500.00	
713	Representation Allowance (RA)	Monthly	P	8,500.00	(DBM CIR. # 546)
		Annually	P	102,000.00	
714	Transportation Allowance (TA)	Monthly	P	8,500.00	(DBM CIR. # 546)
		Annually	P	102,000.00	
715	Clothing / Uniform Allowance For 27 personnels at P 5,000.00 each	Annually	P	135,000.00	
717	Productivity Incentive Allowance / Performance Base Bonus (PBB) For 27 personnels at one (1) month salary	Annually	P	492,600.00	
719	Other Bonuses and Allowances Mid-Year Bonus for 28 personnels at one (1) month salary each	Annually	P	492,600.00	
720	Honoraria				
	1. Per Diem of 5 BOD's (2 meetings/mo.)	Monthly	P	40,000.00	
		Annually	P	480,000.00	
	2. Year End Bonus (P5,000.00 + 1 month per diem)	Annually	P	65,000.00	
	TOTAL Annually	P		545,000.00	
723	Overtime & Night Pay Maximum 5 percent of total salaries of regular and casual employees.	Monthly	P	33,410.00	
		Annually	P	400,920.00	

Acct. Number	Account Name			
724	Cash Gift	For 28 personnels at P 5,000.00 each, 20 additional personnels at P 2,500.00 each.		
		Annually	P	190,000.00
725	Year End Bonus	For 28 personnels x 1 month basic salaries and 20 additional is at 40% of their basic pay		
		Annually	P	503,620.00
731	Life & Retirement Insurance Contributions	Payment for GSIS (Govt. Share) for 28 employees whole year and 20 employees for 3 mos. only.		
		Monthly	P	74,000.00
		Annually	P	888,000.00
732	PAG-IBIG Contributions	For 28 employees (Govt. Share) plus 20 employees for 3 mos. only.		
		Monthly	P	3,300.00
		Annually	P	39,600.00
733	PHILHEALTH Contributions	For 28 employees (Govt. Share) plus 20 employees for 3 mos. only.		
		Monthly	P	5,800.00
		Annually	P	69,600.00
734	ECC Contributions	For 28 employees (Govt. Share) plus 20 employees for 3 mos. only.		
		Monthly	P	3,300.00
		Annually	P	39,600.00
749	Other Personnel Benefits			
	a. Monetization of leave credits (at least 20 days) including terminal leaves	Annually	P	600,000.00
	b. Digong Bonuses at P 10,000.00 each	Annually	P	280,000.00
	TOTAL Annually	P		880,000.00

MAINTENANCE AND OTHER OPERATING EXPENSES

Acct. Number	Account Name			
751	Traveling Expense - Local	Annually	P	300,000.00
753	Training Expenses	Annually	P	500,000.00
755	Office Supplies Expenses	Monthly	P	29,000.00
		Annually	P	348,000.00
760	Medical, Dental and Laboratory Supplies Expenses			
	Payment for chlorination,disinfection and equipments for testing our water supply.	Monthly	P	50,000.00
		Annually	P	600,000.00
761	Gasoline, Oil and Lubricants Expenses	Monthly	P	50,000.00
		Annually	P	600,000.00
767	Electricity Expenses	Monthly	P	520,000.00
		Annually	P	6,240,000.00
771	Postage and Deliveries	Monthly	P	400.00
		Annually	P	4,800.00
772	Telephone Expenses - Landline	Monthly	P	6,000.00
		Annually	P	72,000.00
773	Telephone Expenses - Mobile	Monthly	P	7,500.00
		Annually	P	90,000.00
774	Internet Expenses	Monthly	P	2,000.00
		Annually	P	24,000.00

Acct. Number	Account Name			
775	Cable,Satellite,Telegraph & Radio Expenses	Monthly	P	1,500.00
		Annually	P	18,000.00
780	Advertising Expenses	Monthly	P	10,500.00
		Annually	P	126,000.00
782	Rent Expenses (office and other equipments)	Monthly	P	12,000.00
		Annually	P	144,000.00
783	Repraesentation Expenses Assembly meetings, Year-End parties,accommodations of visitors & other officials.	Monthly	P	20,000.00
		Annually	P	240,000.00
786	Subscriptions Expenses Aquarious and other official publications	Annually	P	15,000.00
792	Auditing Services	Annually	P	30,000.00
799	Other Professional Services	Annually	P	30,000.00
811	Repairs & Maint. - Office Buildings	Annually	P	100,000.00
821	Repairs & Maint. - Office Equipment	Annually	P	30,000.00
822	Repairs & Maint. - Furniture & Fixtures	Annually	P	20,000.00
823	Repairs & Maint. - IT Equipment and Software	Monthly	P	2,000.00
		Annually	P	24,000.00

Acct. Number	Account Name			
840	Repairs & Maint. - Other Machineries and Equipments	Monthly	P	500.00
		Annually	P	6,000.00
841	Repairs & Maint. - Motor Vehicles	Monthly	P	13,200.00
		Annually	P	158,400.00
854	Repairs & Maint. - Artesian Wells, Reservoirs, Pumping Stations and Conduits	Monthly	P	75,000.00
		Annually	P	900,000.00
878	Donations	Monthly	P	1,500.00
		Annually	P	18,000.00
884	Miscellaneous Expenses	Monthly	P	2,000.00
		Annually	P	24,000.00
891	Taxes, Duties and Licenses	Monthly	P	47,500.00
		Annually	P	570,000.00
892	Fidelity Bond Premiums	Annually	P	3,600.00
893	Insurance Expenses	Annually	P	30,000.00
971	Bank Charges	Annually	P	1,000.00


CAPITAL EXPENDITURES (CAPEX)

Acct. Number	Account Name			
215	Other Structures			
	Expenses to construct improvements of facilities, buildings and other new structures.			
		Annually	P	300,000.00

Acct. Number	Account Name				
221	Office Equipment	Annually	P	100,000.00	
222	Furnitures and Fixtures	Annually	P	90,000.00	
223	IT Equipment and Software	Annually	P	200,000.00	
229	Communication Equipment	Annually	P	60,000.00	
235	Sports Equipment	Annually	P	20,000.00	
240	Other Machineries & Equipments	Annually	P	1,000,000.00	
241	Motor Vehicles	Annually	P	230,000.00	
254	Artesian Wells, Reservoirs, Pumping Stations and Conduits				P 6,000,000.00
254.I.A	Source of Supply Plant - Structure and Improvements		P	240,000.00	
254.I.D	Wells		P	1,900,000.00	
254.I.I.A	Pumping Plant - Structure and Improvements		P	200,000.00	
254.I.I.B	Power Production Equipments		P	850,000.00	
254.I.C	Pumping Equipment		P	700,000.00	
254.I.I.A	Water Treatment Plant - Structure and Improvements		P	50,000.00	
254.I.V.B	Reservoirs and Tanks		P	50,000.00	
254.I.V.C	Transmission and Distribution Mains		P	1,000,000.00	
254.I.V.E	Services - expenses for new connections		P	1,000,000.00	
254.I.V.H	Hydrants		P	10,000.00	
DEBT SERVICES (LWUA)					
		Monthly	P	177,727.00	
		Annually	P	2,132,724.00	

Note : Additional Capital Expenditures : To be taken from the previous year's savings.

Prepared by :


LEO J. ESPADA
General Manager

Board Action :

Approved by :


MARTIN S.M. E. TORRES
Chairman

As per BD Resolution No. 01-f 2017
Dated JAN 9, 2017