

Republic of the Philippines
VILLASIS WATER DISTRICT
Villasis, Pangasinan, 2427

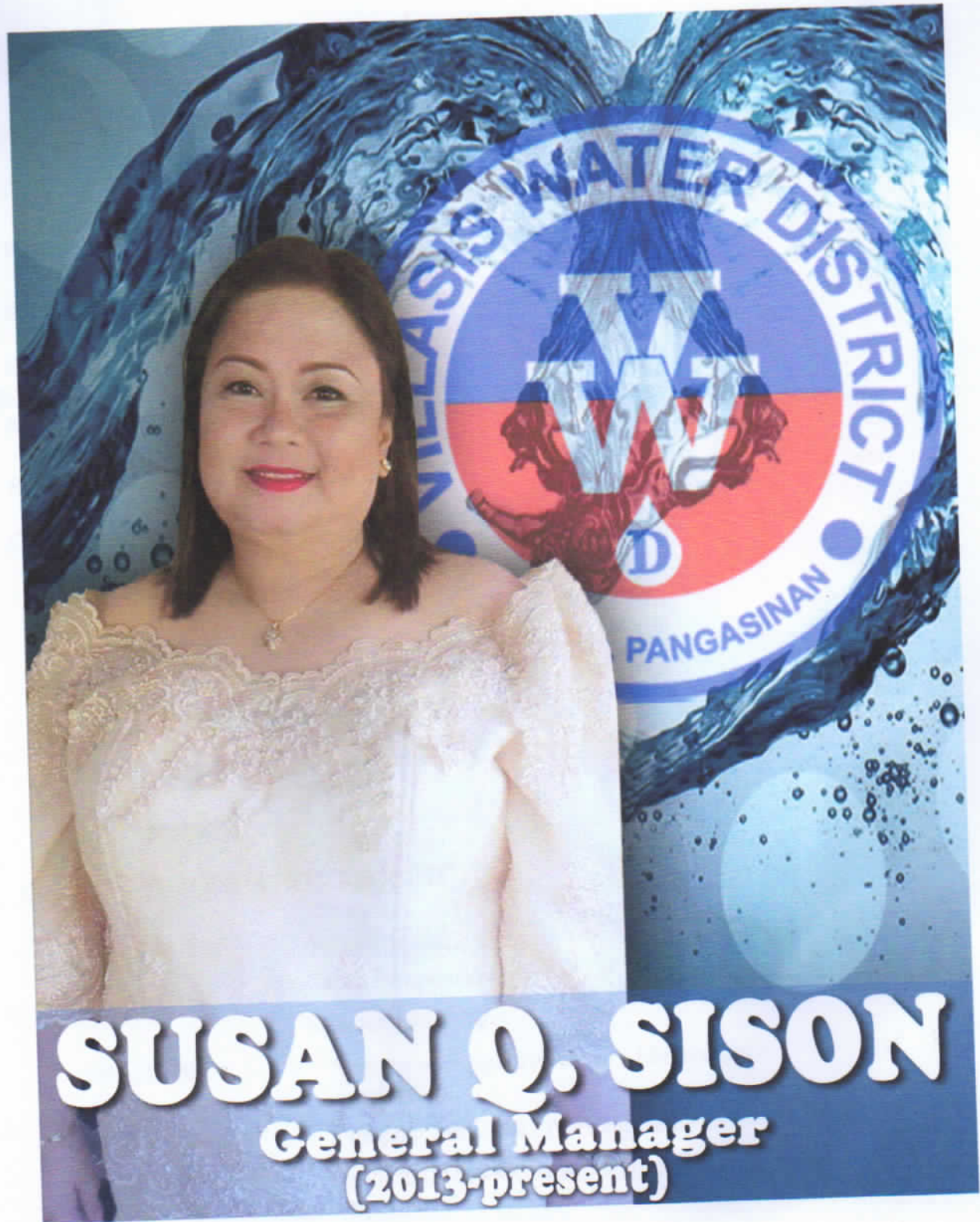


CORPORATE OPERATING BUDGET CY-2021

MARBEN A. SANTE

ORIGINAL COPY





SUSAN Q. SISON

**General Manager
(2013-present)**



Republic of the Philippines
Region I - Province of Pangasinan

Villasis Water District

(075) 632-1093 / (075) 632-1080 / 09178615250
www.villasiswaterdistrict.gov.ph * villasis_wd@yahoo.com
CCC # 95 * Poblacion Zone I, Villasis, 2427

EXCERPT FROM THE MINUTES OF THE PREVIOUS BOARD MEETING OF THE BOARD OF DIRECTORS ON THE 28TH DAY OF DECEMBER 2020 AT 9:30 A.M. AT THE OFFICE OF THE FEDERATION OF SENIOR CITIZEN ASSOCIATIONS OF VILLASIS, VILLASIS, PANGASINAN.

Directors Present:

- | | | |
|---------------------------|---|---------------|
| 1. Mr. Camilo L. Barrozo | - | Chairman |
| 2. Ms. Prescilla C. Bajit | - | Vice-chairman |
| 3. Mr. Jimmy Boy O. Chan | - | Member |
| 4. Ms. Josefina G. Robina | - | Member |
| 5. Mr. Ferdinand M. Sales | - | Member |

Others Present:

- | | | |
|-----------------------|---|---------------------------|
| 1. Ms. Susan Q. Sison | - | General Manager C |
| 2. Ms. Pauly V. Sales | - | Board Recording Secretary |

Resolution No. 01 Series 2021

RESOLUTION APPROVING THE CORPORATE OPERATING BUDGET FOR CALENDAR YEAR (CY) 2021.

WHEREAS, the Villasis Water District (VWD) hereby prepared its Annual Budget as a management tool that will sustain the agency's projected revenues and expenditures in its operation for the year 2021;

WHEREAS, the Management projected the amount of *Forty Two Million Seven Three Thousand Three Hundred Fifty Five Pesos and 40/100* (PhP 42,073,355.40) to be a realizable revenue from the following sources:

Operating Revenue	40,917,910.80
Non-Operating Revenue	1,155,444.60
TOTAL REVENUE	PhP 42,073,355.40

[Handwritten signatures]

WHEREAS, the Management estimated the amount of *Thirty Nine Million Nine Hundred Five Thousand Thirty Six Pesos and 43/100 (PhP 39,905,036.43)* as legitimate, ordinary and necessary expenditures of VWD for its operations as follows:

Personal Services Expenses	22,533,793.02
Maintenance and Other Operating Expenses	12,637,940.68
Non-Cash	4,733,302.73
TOTAL EXPENSES	PhP 39,905,036.43

WHEREAS, after careful and extensive scrutiny and deliberations of the items contained in the Budget for CY 2021 of the VWD, the Board of Directors and the Management unanimously agreed that this Budget is attainable;

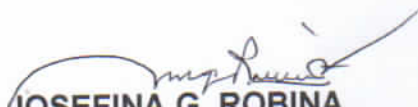
WHEREFORE, upon motion of Vice-chairman Prescilla C. Bajit and duly seconded by Director Josefina G. Robina, the Board,

RESOLVES, as it is hereby **RESOLVED**, to approve the Corporate Operating Budget for CY 2021.

RESOLVED FINALLY, to furnish copies of this Resolution to Local Water Utilities Administration (LWUA), Commission on Audit (COA), Department of Budget and Management (DBM) and other appropriate agencies for their information.

DONE AND APPROVED this 04th day of January 2021.


I hereby attest to the correctness of this Resolution.

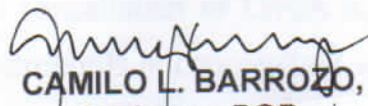

JOSEFINA G. ROBINA
Secretary, BOD

Attested by:


JIMMY BOY O. CHAN
PRO, BOD


PRESCILLA C. BAJIT
Vice-Chairman, BOD


FERDINAND M. SALES
Treasurer, BOD


CAMILO L. BARROZO, CPA
Chairman, BOD
01/04/2021



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CORPORATE OPERATING BUDGET CY 2021 EXECUTIVE SUMMARY

December 21, 2020

BOARD OF DIRECTORS

Villasis Water District
Villasis, Pangasinan

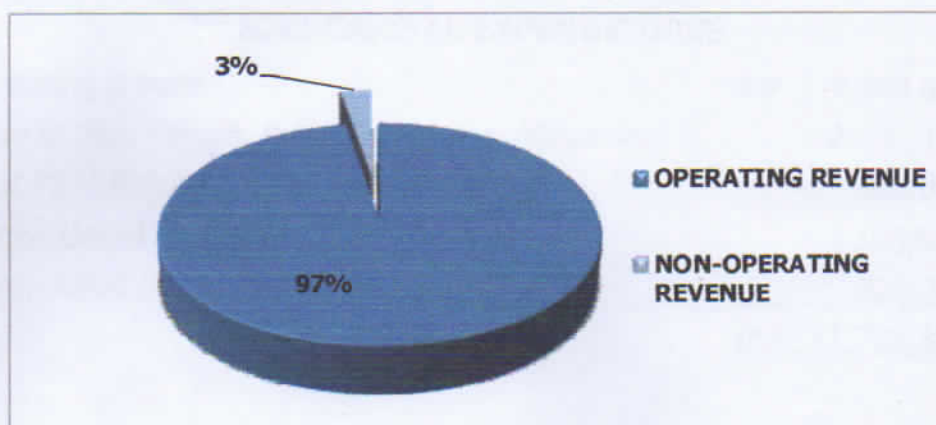
Ladies and Gentlemen:

The Villasis Water District (VWD) Corporate Operating Budget (COB) is the quantitative translation of its objectives in the coming year 2021 in line with its Vision and Mission which is to best provide safe and potable water supply to the townspeople of Villasis. Remarkably, the District will certainly attain another significant progress and development through its implementation of its programs, projects and activities for Calendar Year (CY) 2021.

For CY 2021, the District's forecasted revenue is PhP 42.07 million – an increase of 3.96% representing a total of PhP 1.6 million compared to the projected revenue by the end of 2020 in the amount of PhP 40.46 million. The increase reflects from the growing number of active consumers. For this budget year, the Local Water Utilities Administration (LWUA) approved 20.21% water rate increase or a total additional cost from the existing water rate of Thirty Eight Pesos (PhP 38.00) for the residential minimum rate remains to be put on hold due to the cancellation of LWUA approved financial assistance to VWD which the water tariff adjustment is in concomitant with.

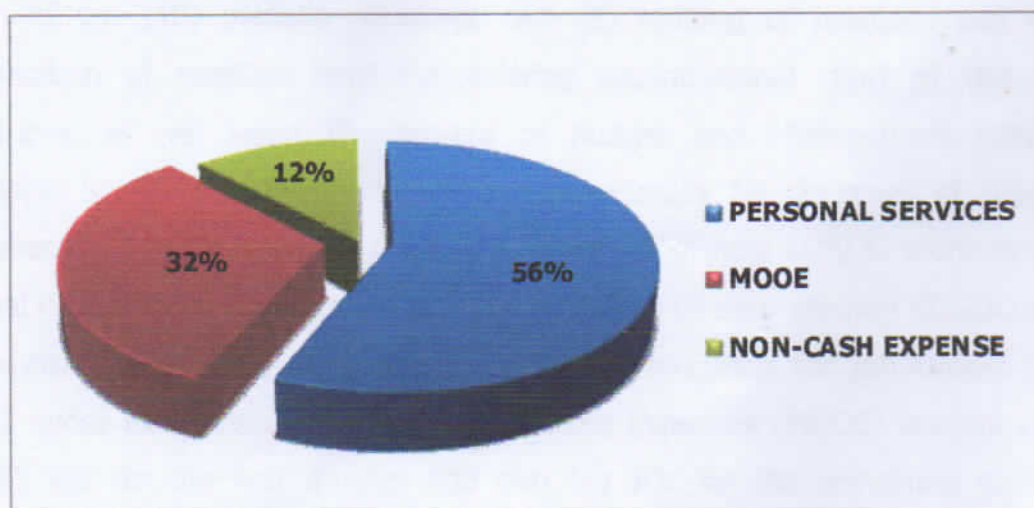
"Ditoy Villasis, Danum Nalinis"

The COB for CY 2021 consists of operating and non-operating revenue. The projected operating revenue amounting to PhP 40.91 million is from water sales and other business income - operating while non-operating revenue of PhP 1.15 million includes interest revenue, rental income and penalty charges.



Revenue Distribution Chart CY 2021

The District projected expenses for CY 2021 in the amount of PhP 39.90 million which consists of Personal Services (PS) Expense amounting to PhP 22.53 million, Maintenance and Other Operating Expense (MOOE) of PhP 12.63 million and non-cash expenses totaled PhP 4.73 million. The interest expense from the supposedly grant of financial assistance from LWUA as well as the withdrawn loan application with Landbank of the Philippines (LBP) were not considered.



Expenditure Distribution Chart CY 2021

The Capital Expenditures (CAPEX) for CY 2021 totaled PhP 11.77 million will be utilized using the income from the year 2020, available cash from fund reserve account of the District and the joint-savings account of VWD and LWUA.

2021 CAPITAL EXPENDITURES

Admin Building (Phase I)	PhP 7,000,000.00
Expansion in Sitio Tangat, Brgy. Caramutan (<i>Reserves</i>)	2,450,306.25
Genset at PS VIII (Lipay)	900,000.00
Lot in Brgy. Unzad (400sq.m)	1,100,000.00
Lot in Brgy. Labit (400sq.m)	<u>328,000.00</u>
TOTAL	<u>PhP 11,778,306.25</u>

The Unzad, Capulaan and Labit (UNCALAB) expansion project is temporarily not included in the budget since the funding source is deferred and/or still to be decided.

VWD has adopted the proposed Salary Standardization Law (SSL) V under Senate Bill No. 49 dated 01 July 2019; an act adjusting the salary schedule of civilian personnel in the government, and for other purposes which mandates a three-year increase at 10% of basic salary per year. For CY 2021, the Management applied the second tranche of the said law starting January 01, 2021. Moreover, it includes the creation of ten (10) plantilla positions, two (2) retitling of positions and one (1) reclassification of position from the existing organizational chart of the District. Furthermore, as per latest Department of Budget and Management (DBM) and Commission on Audit (COA) Joint Memorandum Circular No. 2, series of 2020 dated 20 October 2020, agencies may engage the services of new COS/JO workers through individual contract and renew the individual contracts of their existing COS/JO workers until December 31, 2022, hence, there is budget allocation for Job Orders (JO) for CY 2021 under Maintenance and Other Operating Expenses (MOOE) account covering eight (8) JOs for the first quarter and two (2) JOs for the remaining quarters to augment the available regular plantilla positions of the District.

The expected total active connections by the end of December 2021 will be 7,456 which cover all residential, government and commercial establishments or a projected increase of 468 connections from the projected beginning number of connections in CY 2021 or an equivalent increase of 6.70%. With these projections, the VWD is expected to generate PhP 2.16 million income or an average of PhP .54 million quarterly income. To facilitate and maintain all the essential activities pertaining to the budget for CY 2021, the Management projected a sound budgeting which is specific, measurable, attainable, realistic and time bounded.

We are looking forward that the District will utilize the projected revenue for the continuity of its supply of quality water to its consumers which includes better maintenance of pipeline networks, an increase on the total number of serviced active connections, additional expansions and improved services to ensure that the supply challenges are managed in future to ensure sustainability.

Thank you for the usual support and guidance and rest assured that this Corporate Operating Budget for CY 2021 will be our guide in achieving good governance.



SUSAN Q. SISON, RN, DPA
General Manager C



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BUDGETED INCOME STATEMENT AND EXPENSES For Calendar Year 2021

OPERATING REVENUE		Budgeted for 2021				
		1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	TOTAL
Waterworks System Fees		9,524,280.75	9,675,808.05	9,827,335.35	9,978,862.65	39,006,286.80
Other Business Income - Operating		484,656.00	475,656.00	475,656.00	475,656.00	1,911,624.00
Total Operating Revenue		10,008,936.75	10,151,464.05	10,302,991.35	10,454,518.65	40,917,910.80
NON-OPERATING REVENUE						
Interest Revenue		9,000.00	9,000.00	9,000.00	9,000.00	36,000.00
Fines and Penalty Charges		222,703.49	265,775.10	254,072.04	238,893.97	981,444.60
Rent Income		34,500.00	34,500.00	34,500.00	34,500.00	138,000.00
Total Non-Operating Revenue		266,203.49	309,275.10	297,572.04	282,393.97	1,155,444.60
TOTAL REVENUE		10,275,140.24	10,460,739.15	10,600,563.39	10,736,912.62	42,073,355.40
DISBURSEMENTS:						
PERSONAL SERVICES EXPENSE						
Salaries and Wages	Account Code	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	TOTAL
Source of Supply - Maintenance Supervision	5-01-01-010	-	-	-	-	-
Pumping Expenses - Pumping Labor	5-01-01-010-05	362,553.00	751,353.00	751,353.00	751,353.00	2,616,612.00
Trans and Dist. Expenses - Maintenance Supervision	5-01-01-010-07	536,784.00	536,784.00	536,784.00	536,784.00	2,147,136.00
Customer Account Expenses - Supervision	5-01-01-010-08	437,988.00	437,988.00	437,988.00	437,988.00	1,751,952.00
Customer Account Expenses - Meter Reading Expenses	5-01-01-010-09	238,758.00	238,758.00	238,758.00	238,758.00	955,032.00
Customer Account Expenses - Cust. Record and Collection	5-01-01-010-10	245,766.00	245,766.00	245,766.00	245,766.00	983,064.00
Administrative and General Salaries - Supervision	5-01-01-010-11	1,311,705.00	1,354,905.00	1,354,905.00	1,354,905.00	5,376,420.00
Total Salaries and Wages		3,133,554.00	3,565,554.00	3,565,554.00	3,565,554.00	13,830,216.00
Other Compensation						
Personnel Economic Relief Allowance (PERA)	5-01-02-010	330,000.00	330,000.00	330,000.00	330,000.00	1,320,000.00
Representation Allowance (RA)	5-01-02-020	40,500.00	40,500.00	40,500.00	40,500.00	162,000.00
Transportation Allowance (TA)	5-01-02-030	40,500.00	40,500.00	40,500.00	40,500.00	162,000.00
Clothing/Uniform Allowance	5-01-02-040	330,000.00	-	-	-	330,000.00
Honoraria	5-01-02-100	-	-	-	-	-
Hazard Pay	5-01-02-110-01	-	-	-	-	-
Overtime and Night Pay	5-01-02-130	-	-	-	-	-
Year-End Bonus	5-01-02-140	-	-	-	-	-
Cash Gift	5-01-02-150	-	-	-	1,188,518.00	1,188,518.00
Mid-Year Bonus	5-01-02-160	-	-	-	275,000.00	275,000.00
Directors and Committee Members' Fee	5-01-02-170	114,660.00	114,660.00	-	-	1,044,518.00
Other Bonus and Allowances	5-01-02-990	275,000.00	-	352,800.00	114,660.00	696,780.00
Total Other Compensations		1,130,660.00	1,570,178.00	1,239,956.80	2,264,178.00	6,204,972.80
Personnel Benefit Contributions						
Retirement and Life Insurance Premiums	5-01-03-010	414,906.48	414,906.48	414,906.48	414,906.48	1,659,625.92
Pag-IBIG Contributions	5-01-03-020	16,500.00	16,500.00	16,500.00	16,500.00	66,000.00
PhilHealth Contributions	5-01-03-030	53,483.31	53,483.31	53,483.31	53,483.31	213,933.24
Employees Compensation Insurance Premiums (ECC)	5-01-03-040	16,500.00	16,500.00	16,500.00	16,500.00	66,000.00
Total Personnel Benefit Contributions		501,389.79	501,389.79	501,389.79	501,389.79	2,005,559.16
Other Personnel Benefits						
Terminal Leave Benefits	5-01-04-030	488,045.06	-	-	-	488,045.06
Other Personnel Benefits	5-01-04-990	-	-	5,000.00	-	5,000.00
Total Personnel Benefits		488,045.06	-	5,000.00	-	493,045.06
TOTAL PERSONAL SERVICES EXPENSE		5,253,648.85	5,637,121.79	5,311,900.59	6,331,121.79	22,533,793.02



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BUDGETED INCOME STATEMENT AND EXPENSES For Calendar Year 2021

DISBURSEMENTS:

MAINTENANCE AND OTHER OPERATING EXPENSE	Account Code	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	TOTAL
Research, Exploration and Development Expenses	5-02-07-020	-	-	-	-	-
Generation, Transmission and Distribution Expenses	5-02-09-010	1,326,000.00	1,332,000.00	1,332,000.00	1,332,000.00	5,322,000.00
Extra - Ordinary and Miscellaneous Expenses (EME)	5-02-10-30	29,100.00	29,100.00	29,100.00	29,100.00	116,400.00
Other General Services (Job Orders)	5-02-12-990	409,593.60	102,398.40	102,398.40	106,398.40	720,788.80
Travel and Educational Expense						
Traveling Expenses	5-02-01-010	113,587.50	113,587.50	113,587.50	113,587.50	454,350.00
Training Expenses	5-02-02-010	60,000.00	105,000.00	105,000.00	30,000.00	300,000.00
Total Travel and Educational Expense		173,587.50	218,587.50	218,587.50	143,587.50	754,350.00
Supplies Expense						
Office Supplies Expenses	5-02-03-010	50,000.00	50,000.00	50,000.00	50,000.00	200,000.00
Accountable Forms Expense	5-02-03-020	15,000.00	15,000.00	15,000.00	15,000.00	60,000.00
Non-Accountable Forms Expense	5-02-03-030	7,650.00	7,650.00	7,650.00	7,650.00	30,600.00
Fuel, Oil and Lubricants Expenses	5-02-03-090	105,000.00	105,000.00	105,000.00	105,000.00	420,000.00
Semi-Expendable Machinery and Equipment Expenses	5-02-03-210	25,000.00	25,000.00	25,000.00	25,000.00	100,000.00
Semi-Expendable Furniture, Fixtures and Books Expenses	5-02-03-220	25,000.00	25,000.00	25,000.00	25,000.00	100,000.00
Electrical Supplies and Materials Expenses	5-02-03-260	7,500.00	7,500.00	7,500.00	7,500.00	30,000.00
Supplies and Materials for Water System Operations Expense	5-02-03-270	75,000.00	75,000.00	75,000.00	75,000.00	300,000.00
Housekeeping/Cleaning Supplies Expense	5-02-03-280	24,000.00	24,000.00	24,000.00	24,000.00	96,000.00
Other Supplies & Materials Expenses	5-02-03-990	25,000.00	25,000.00	25,000.00	25,000.00	100,000.00
Total Supplies Expenses		359,150.00	359,150.00	359,150.00	359,150.00	1,436,600.00
Utility Expense						
Electricity Expenses	5-02-04-020	150,000.00	150,000.00	150,000.00	240,000.00	690,000.00
Other Utility Expenses	5-02-04-990	5,000.00	5,000.00	5,000.00	5,000.00	20,000.00
Total Utility Expense		155,000.00	155,000.00	155,000.00	245,000.00	710,000.00
Communication Expense						
Postage and Courier Services	5-02-05-010	2,500.00	2,500.00	2,500.00	2,500.00	10,000.00
Telephone Expenses - Mobile	5-02-05-020-01	28,500.00	28,500.00	28,500.00	28,500.00	114,000.00
Telephone Expenses - Land Line	5-02-05-020-02	12,000.00	12,000.00	12,000.00	15,000.00	51,000.00
Internet Subscription Expenses	5-02-05-030	19,500.00	19,500.00	19,500.00	25,500.00	84,000.00
Cable, Satellite, Telegraph and Radio Expenses	5-02-05-040	3,000.00	3,000.00	3,000.00	4,500.00	13,500.00
Total Communication Expense		65,500.00	65,500.00	65,500.00	76,000.00	272,500.00
Professional Services Expense						
Legal Services	5-02-11-010	6,000.00	6,000.00	6,000.00	6,000.00	24,000.00
Auditing Services	5-02-11-020	-	-	-	-	-
Other Professional Services	5-02-11-030	7,500.00	7,500.00	7,500.00	7,500.00	30,000.00
Computer Data Processing Services	5-02-11-990	50,000.00	-	-	-	50,000.00
Total Professional Services Expense		63,500.00	13,500.00	13,500.00	13,500.00	104,000.00
Repairs and Maintenance Expense						
Other Land Improvements	5-02-13-020-990	5,000.00	5,000.00	5,000.00	5,000.00	20,000.00
Water Supply System	5-02-13-030-04	12,500.00	12,500.00	12,500.00	12,500.00	50,000.00
Building and Other Structure	5-02-13-040	52,500.00	57,500.00	5,000.00	5,000.00	120,000.00
Machinery and Equipment (Office Equipment)	5-02-13-050-01	2,500.00	2,500.00	2,500.00	2,500.00	10,000.00
Machinery and Equipment (IT Equipment)	5-02-13-050-02	5,000.00	5,000.00	5,000.00	5,000.00	20,000.00
Machinery and Equipment (OME)	5-02-13-050-99	7,500.00	7,500.00	7,500.00	7,500.00	30,000.00
Land Transport Equipment	5-02-13-060	43,750.00	43,750.00	43,750.00	43,750.00	175,000.00
Furniture and Fixtures	5-02-013-070	2,500.00	2,500.00	2,500.00	2,500.00	10,000.00
Total Repairs and Maintenance Expense		131,250.00	136,250.00	83,750.00	83,750.00	435,000.00



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BUDGETED INCOME STATEMENT AND EXPENSES For Calendar Year 2021

MAINTENANCE AND OTHER OPERATING EXPENSE	Account Code	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	TOTAL
Taxes, Duties and Premiums Expense						
Taxes Duties and Licenses	5-02-15-010	220,000.00	220,000.00	220,000.00	220,000.00	880,000.00
Fidelity Bond Premiums	5-02-15-020	48,187.50	-	48,187.50	-	96,375.00
Insurance Premiums	5-02-15-030	68,885.22	68,885.22	68,885.22	68,885.22	275,540.88
Total Taxes, Duties and Premiums Expense		337,072.72	288,885.22	337,072.72	288,885.22	1,251,915.88
Other Maintenance and Operating Expenses						
Advertising, Promotional and Marketing Expenses	5-02-99-010	17,500.00	7,500.00	7,500.00	232,500.00	265,000.00
Printing and Publication Expense	5-02-99-020	7,500.00	7,500.00	7,500.00	7,500.00	30,000.00
Representation Expenses	5-02-99-030	46,537.50	46,537.50	46,537.50	106,537.50	246,150.00
Rent/Lease Expense	5-02-99-050	-	-	-	-	-
Membership Dues and Contributions to Organizations	5-02-99-060	26,684.00	26,684.00	26,684.00	26,684.00	106,736.00
Donations	5-02-99-080	-	-	-	-	-
Major Events and Conventions Expense	5-02-99-180	192,500.00	220,000.00	110,000.00	165,000.00	687,500.00
Other Maintenance and Operating Expenses	5-02-99-990	43,500.00	43,500.00	43,500.00	43,500.00	174,000.00
Total Other Maintenance and Operating Expenses		334,221.50	351,721.50	241,721.50	581,721.50	1,509,386.00
Financial Expense						
Interest Expense	5-03-01-020	-	-	-	-	-
Bank Charges	5-03-01-040	1,250.00	1,250.00	1,250.00	1,250.00	5,000.00
Total Financial Expense		1,250.00	1,250.00	1,250.00	1,250.00	5,000.00
TOTAL MAINTENANCE AND OTHER OPERATING EXPENSES		3,385,225.32	3,053,342.62	2,939,030.12	3,260,342.62	12,637,940.68
NON-CASH EXPENSE						
Depreciation Expenses						
Other Land Improvements	5-05-01-020	27,706.26	27,706.26	27,706.26	27,706.26	110,825.04
Plant (UPIS)	5-05-01-030-11	686,862.94	686,862.94	686,862.94	686,862.94	2,747,451.74
Buildings	5-05-01-040-01	11,075.52	11,075.52	11,075.52	11,075.52	44,302.08
Water Plant, Structures and Improvements	5-05-01-040-07	8,652.39	8,652.39	8,652.39	8,652.39	34,609.56
Machinery and Equipment (Office Equipment)	5-05-01-050-02	13,873.76	13,873.76	13,873.76	13,873.76	55,495.03
Machinery and Equipment (IT Equipment)	5-05-01-050-03	57,629.52	57,629.52	57,629.52	57,629.52	230,518.08
Machinery and Equipment (OME)	5-05-01-050-99	231,156.48	231,156.48	231,156.48	231,156.48	924,625.92
Motor Vehicles	5-05-01-060	69,299.07	69,299.07	69,299.07	69,299.07	277,196.28
Furniture and Fixtures	5-05-01-070	7,563.51	7,563.51	7,563.51	7,563.51	30,254.04
Other PPE	5-05-01-990	2,256.24	2,256.24	2,256.24	2,256.24	9,024.96
Total Depreciation Expense		1,116,075.68	1,116,075.68	1,116,075.68	1,116,075.68	4,464,302.73
Impairment Loss - Loans and Receivables	5-05-03-020	-	30,000.00	-	30,000.00	60,000.00
Impairment Loss - Property, Plant and Equipment	5-05-03-090	75,000.00	-	75,000.00	-	150,000.00
Amortization - Intangible Assets	5-05-02-010	14,750.00	14,750.00	14,750.00	14,750.00	59,000.00
TOTAL NON-CASH EXPENSE		1,205,825.68	1,160,825.68	1,205,825.68	1,160,825.68	4,733,302.73
TOTAL EXPENSES		9,844,699.85	9,851,290.09	9,456,756.39	10,752,290.09	39,905,036.42
NET UTILITY OPERATING INCOME (LOSS)		430,440.39	609,449.05	1,143,807.00	(15,377.47)	2,168,318.97
NET INCOME RATIO		4.52%	6.30%	11.64%	-0.15%	5.56%

Prepared by:

MARBEN A. SANTE
Division Manager C

Recommended by:

SUSAN Q. SISON
General Manager C

Approved by:

For the Board:

CAMILO J. BARROJO
Chairman of the Board