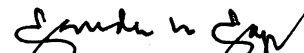


METRO LIPA WATER DISTRICT'S FINANCIAL BUDGET FOR THE YEAR 2018

As Approved by:

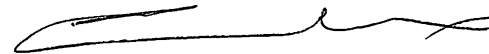
BOARD OF DIRECTORS


LOURDES M. LOPEZ
Member


MARIFLOR M. DE CASTRO
Member


FERNANDO L. UMALI
Member


CESAR L. CERA
Vice-Chairman



EDUARDO D. SEGISMUNDO
Chairman



**METRO LIPA WATER DISTRICT
PROJECTED CASH FLOW
FOR THE YEAR 2018**

	A	B	C	D	E	F	G
	BUDGET 2017	ESTIMATED ACTUAL 2017	Actual 2017 vs Budget 2017 VARIANCE INC(DEC)	(C/A) % INC(DEC)	BUDGET 2018	Budget 2018 vs Actual 2017 VARIANCE INC(DEC)	(F/B) % INC(DEC)
CASH INFLOW:							
Collection of Receivables from Water Sales	467,947,251	458,626,296	(9,320,955)	-1.99%	488,325,141	29,698,845.38	6.48%
Collection from Other Business Income	23,460,350	20,549,842	(2,910,508)	-12.41%	20,970,700	420,857.76	2.05%
Collection from Interest Income	2,500,000	2,319,376	(180,624)	-7.22%	2,400,000	80,623.84	3.48%
Collection from Miscellaneous Income	2,074,923	2,170,665	95,742	4.61%	2,190,500	19,834.74	0.91%
TOTAL RECEIPTS	495,982,524	483,666,179	(12,316,345)	-2.48%	513,886,341	30,220,161.71	6.25%
LESS: CASH OUTFLOW							
PERSONAL SERVICES, MAINT. & OTHER EXPENSES							
OFFICE OF THE GENERAL MANAGER	26,375,518	23,976,464	(2,399,054)	-9.10%	30,493,733	6,517,269.57	27.18%
ADMINISTRATIVE DIVISION	38,722,784	33,710,946	(5,011,837)	-12.94%	47,241,477	13,530,530.56	40.14%
ACCOUNTING & FINANCIAL MGMT. DIVISION	3,667,828	3,303,366	(364,462)	-9.94%	4,583,656	1,280,289.50	38.76%
COMMERCIAL DIVISION	19,446,589	18,934,424	(512,165)	-2.63%	21,011,366	2,076,942.28	10.97%
CONSTRUCTION DIVISION	18,116,628	17,096,188	(1,020,440)	-5.63%	22,321,440	5,225,252.80	30.56%
PIPELINES, APPURTENANCES & MAINT. DIVISION	29,561,813	26,535,475	(3,026,339)	-10.24%	32,830,285	6,294,810.11	23.72%
PRODUCTION DIVISION	168,991,501	164,140,179	(4,851,323)	-2.87%	203,882,296	39,742,116.99	24.21%
ENGINEERING DIVISION	4,445,721	4,148,353	(297,369)	-6.69%	5,166,215	1,017,862.69	24.54%
TOTAL PS, MAINT. & OTHER EXPENSES	309,328,382	291,845,394	(17,482,988)	-5.65%	367,530,469	75,685,074.51	25.93%
CAPITAL EXPENDITURES							
OFFICE OF THE GENERAL MANAGER	30,500	28,596	(1,904)	-6.24%	1,422,000	1,393,403.60	4872.65%
ADMINISTRATIVE DIVISION	23,164,625	18,266,358	(4,898,267)	-21.15%	7,532,050	(10,734,307.95)	-58.77%
ACCOUNTING & FINANCIAL MGMT. DIVISION	14,300	12,545	(1,755)	-12.27%	0	(12,545.00)	-100.00%
COMMERCIAL DIVISION	628,600	489,906	(138,694)	-22.06%	1,420,000	930,094.00	189.85%
CONSTRUCTION DIVISION	172,785,288	64,451,528	(108,333,760)	-62.70%	144,105,311	79,653,782.52	123.59%
PIPELINES, APPURTENANCES & MAINT. DIVISION	435,873	34,931	(400,942)	-91.99%	8,684,950	8,650,019.00	24763.16%
PRODUCTION DIVISION	17,008,740	7,479,880	(9,528,860)	-56.02%	28,883,000	21,403,120.00	286.14%
ENGINEERING DIVISION	165,000	144,106	(20,894)	-12.66%	0	(144,106.00)	-100.00%
TOTAL CAPEX	214,232,926	90,907,851	(123,325,076)	-57.57%	192,047,311	101,139,460.17	111.25%

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**METRO LIPA WATER DISTRICT
PROJECTED CASH FLOW
FOR THE YEAR 2018**

	A	B	C	D	E	F	G
	BUDGET	ESTIMATED	Actual 2017 vs Budget 2017	(C/A)	BUDGET	Budget 2018 vs Actual 2017	(F/B)
	2017	ACTUAL	VARIANCE	%	2018	VARIANCE	%
		2017	INC(DEC)	INC(DEC)		INC(DEC)	INC(DEC)
PRIOR YEAR'S OBLIGATIONS	103,781,747	87,980,844			159,314,632		
PBI 2015							
PBB 2015							
PBI 2016	517,920						
PBB 2016	2,091,000	1,971,499					
ISO CERTIFICATION	207,520	189,684					
COA AUDIT FEE-PREV.YRS.	195,000	194,861					
PROFESSIONAL FEE - STP	100,000	100,000					
BAC HONORARIUM	639,277	639,277					
RESERVE FUND	14,038,418	10,000,000			14,649,754		
TOTAL CASH OUTFLOW	645,132,190	483,829,408			733,542,165		
CASH BALANCE INCREASE(DECREASE)	(149,149,666)	(163,229)			(219,655,824)		
CASH BALANCE, BEGINNING	58,576,029	58,576,029			58,412,800		
CASH BALANCE, END	(90,573,637)	58,412,800			(161,243,024)		
SUPPLEMENTAL FROM RESERVE FUND	90,581,250				161,279,827		
CASH BALANCE, END	7,613				36,803		

Assumptions used:

1. Average Consumption is pegged at 24.5 cu.m.
2. There are estimated 330 additional New Service Connections per month effective January 2018.
3. Estimated service connections as of December 31, 2018 is 75,982.
4. Collection efficiency is pegged at 99%, current billing.
5. Availment of discount is pegged at 5.7% of gross sales.

**Metro Lipa Water District
Projected Income Statement
For the year 2018**

(Estimated Actual : Based from October 2017 data)

	A	B	C	D	E	F	G
	BUDGET	ESTIMATED	Actual 2017 vs Budget 2017 VARIANCE	(C/A) %	BUDGET	Budget 2018 vs Actual 2017 VARIANCE	(F/B) %
	2017	2017	INC(DEC)	INC(DEC)	2018	INC(DEC)	INC(DEC)
<u>Income</u>							
General Income Accounts							
Business Income							
Income from Waterworks Systems	497,551,570	486,808,342	(10,743,228)	-2.16%	523,072,872	36,264,530	7.45%
Other Business Income	23,460,350	20,549,842	(2,910,508)	-12.41%	20,970,700	420,858	2.05%
Interest Income	2,500,000	2,319,376	(180,624)	-7.22%	2,400,000	80,624	3.48%
Miscellaneous Income	2,075,139	2,170,665	95,526	4.60%	2,190,500	19,835	0.91%
<i>Gain/Loss on Sale of Disposed Assets</i>							
Gross Income	525,587,059	511,848,226	(13,738,833)	-2.61%	548,634,072	36,785,846	7.19%
Personal Services							
<u>Salaries and Wages</u>							
Salaries and Wages - Regular	46,722,938	45,621,040	(1,101,897)	-2.36%	51,381,465	5,760,425	12.63%
Salaries and Wages - Casual	2,622,121	2,152,549	(469,572)	-17.91%	4,594,602	2,442,053	113.45%
Salaries and Wages - Contractual	4,225,776	3,961,229	(264,546)	-6.26%	0	(3,961,229)	-100.00%
Total Salaries and Wages	53,570,834	51,734,819	(1,836,015)	-3.43%	55,976,067	4,241,248	8.20%
Other Personnel Benefits	41,746,517	35,538,594	(2,100,562)	-5.03%	48,463,796	12,925,203	36.37%
TOTAL PERSONAL SERVICES	95,317,351	87,273,412	(3,936,577)	-4.13%	104,439,863	17,166,451	19.67%

**Metro Lipa Water District
Projected Income Statement
For the year 2018**

(Estimated Actual : Based from October 2017 data)

	A	B	C	D	E	F	G
	BUDGET	ESTIMATED	Actual 2017 vs Budget 2017 VARIANCE	(C/A) %	BUDGET	Budget 2018 vs Actual 2017 VARIANCE	(F/B) %
	2017	2017	INC(DEC)	INC(DEC)	2018	INC(DEC)	INC(DEC)
Maintenance and Other Operating Expenses							
Travelling Expenses - Local	915,500	702,440	(213,060)	-23.27%	982,500	280,060	39.87%
Travelling Expenses - Foreign					1,000,000	1,000,000	
Scholarship Expenses	0	0	0		0	0	
Training Expenses	2,579,671	2,392,123	(187,547)	-7.27%	3,500,000	1,107,877	46.31%
Supplies and Material Expenses	13,935,592	12,111,581	(1,824,011)	-13.09%	20,306,052	8,194,471	67.66%
<u>Utility Expenses</u>							
Water Expenses	55,000	46,046	(8,954)	-16.28%	64,500	18,454	40.08%
Electricity Expenses - see Annex B	131,842,595	131,641,194	(201,401)	-0.15%	159,607,003	27,965,809	21.24%
Communication Expenses	820,650	734,213	(86,437)	-10.53%	910,500	176,287	24.01%
Membership Dues and Contributions to Organizations	100,000	78,600	(21,400)	-21.40%	150,000	71,400	90.84%
Awards and Indemnities	30,000	29,305	(695)	-2.32%	105,000	75,695	258.30%
Advertising Expenses	200,000	61,958	(138,042)	-69.02%	200,000	138,042	222.80%
Printing and Binding Expenses	239,000	72,047	(166,953)	-69.85%	227,500	155,453	215.77%
Rent Expenses	3,144,800	3,107,534	(37,266)	-1.19%	3,519,100	411,566	13.24%
Representation Expenses	618,000	516,723	(101,277)	-16.39%	668,000	151,277	29.28%
Subscription Expenses	35,000	28,063	(6,937)	-19.82%	47,500	19,437	69.26%
Survey Expenses	10,000	0	(10,000)	-100.00%	10,000	10,000	
Professional Services	2,274,000	2,130,230	(143,770)	-6.32%	2,396,000	265,770	12.48%
Council / Board Members Allowances and Other Benefits	1,802,000	1,641,984	(160,016)	-8.88%	2,384,000	742,016	45.19%
Repair and Maintenance	32,398,500	27,609,850	(4,788,650)	-14.78%	35,681,000	8,071,150	29.23%

[Handwritten Signature]

**Metro Lipa Water District
Projected Income Statement
For the year 2018**

(Estimated Actual : Based from October 2017 data)

	A	B	C	D	E	F	G
		ESTIMATED	Actual 2017 vs Budget 2017	(C/A)		Budget 2018 vs Actual 2017	(F/B)
	BUDGET 2017	ACTUAL 2017	VARIANCE INC(DEC)	%	BUDGET 2018	VARIANCE INC(DEC)	%
Extraordinary Expenses	280,000	231,254	(48,746)	-17.41%	380,000	148,746	64.32%
Taxes, Insurance Premiums and Other Fees	10,283,600	9,981,998	(301,602)	-2.93%	10,946,158	964,160	9.66%
Total - Maintenance & Operating Expenses	201,563,907	193,117,144	(8,446,764)	-4.19%	243,084,813	49,967,670	25.87%
Non-Cash Expenses	38,769,137	37,919,314	(849,824)	-2.19%	38,374,514	455,200	1.20%
Research and Development	500,000	0	(500,000)	-100.00%	500,000	500,000	
Loss of Assets							
Other Maintenance and Other Operating Expenses	36,055,596	39,106,762	3,051,165	8.46%	49,020,795	9,914,033	25.35%
<u>Financial Expenses</u>							
Bank Charges	10,000	9,794	(206)	-2.06%	12,000	2,206	22.53%
Total Operating Expenses	372,215,992	357,426,425	(10,682,205)	-2.87%	435,431,985	78,005,560	17.91%
NET INCOME (LOSS)	153,371,067	154,421,801	(3,056,628)	-1.99%	113,202,087	(41,219,714)	-26.69%
Income from Waterworks Systems	497,551,570	486,808,342	(10,743,228)	-2.16%	523,072,872	36,264,530	7.45%
Less: Previous Years' Income from Waterworks System		435,595,465					
Variance		51,212,878					
% of Increase		11.76%					
Gross Income	525,587,059	511,848,226	(13,738,833)	-2.61%	548,634,072	36,785,846	7.19%
Less: Previous Years' Gross Income		463,401,271					
Variance		48,446,955					
% of Increase		10.45%					
Net Income	153,371,067	154,421,801	1,050,734	0.69%	113,202,087	(41,219,714)	-26.69%
Less: Previous Years' Net Income		138,087,376					
Variance		16,334,425					
% of Increase		11.83%					