

**METRO LIPA WATER DISTRICT'S
FINANCIAL BUDGET
FOR THE YEAR 2016**

As Approved by:


BOARD OF DIRECTORS


LOURDES M. LOPEZ
Member


CARLOS A. DE CASTRO
Member


ENGR. DOMINGO R. SEMAÑA
Member


EDUARDO D. SEGISMUNDO
Vice-Chairman


CESAR L. CERA
Chairman

**METRO LIPA WATER DISTRICT
PROJECTED CASH FLOW
FOR THE YEAR 2016**

	A	B	C	D	E	F	G	
	ACTUAL 2014	BUDGET 2015	ESTIMATED ACTUAL 2015	Actual 2015 vs Budget 2015 VARIANCE INC(DEC)	(C/A) % INC(DEC)	BUDGET 2016	Budget 2016 vs Actual 2015 VARIANCE INC(DEC)	(F/B) % INC(DEC)
CASH INFLOW:								
Collection of Receivables from Water Sales	362,155,897.13	374,486,244	375,765,357	1,279,113	0.34%	428,109,366	52,344,009	12.23%
Collection from Other Business Income	15,816,320.41	17,028,815	17,427,966	399,152	2.34%	18,255,082	827,116	4.53%
Collection from Interest Income	1,176,533.64	1,000,000	1,296,168	296,168	29.62%	1,300,000	3,832	0.30%
Collection from Miscellaneous Income	1,742,900.15	1,725,000	1,734,511	9,511	0.55%	1,882,267	147,756	8.52%
TOTAL RECEIPTS	388,639,332.09	394,240,059	396,224,002	1,983,943	0.50%	449,546,715	53,322,713	13.46%
LESS: CASH OUTFLOW								
PERSONAL SERVICES, MAINT. & OTHER EXPENSES								
OFFICE OF THE GEN. MANAGER	20,828,953.28	25,400,918	22,529,692	2,871,226	11.30%	24,445,728	1,916,035	8.50%
ADMINISTRATIVE DIVISION	19,399,414.26	21,037,481	18,857,536	2,412,012	11.45%	25,119,165	6,261,629	33.20%
ACCOUNTING & FINANCE DIVISION	4,697,026.65	5,579,140	5,170,604	405,146	7.24%	4,224,071	(946,533)	-18.31%
COMMERCIAL DIVISION	47,497,422.21	50,723,264	52,908,740	(2,185,476)	-4.31%	41,105,942	(11,802,798)	-22.31%
CONSTRUCTION & MAINTENANCE DIVISION	24,083,461.55	26,428,481	24,408,495	2,019,986	7.64%	14,532,539	(9,875,956)	-40.46%
PIPELINES & APPURTENANCES DIVISION	-	-	-	-	-	28,501,760	28,501,760	100.00%
PRODUCTION DIVISION	146,804,182.86	160,422,357	143,819,768	16,602,589	10.35%	148,440,032	4,620,265	3.21%
PLANNING & DESIGN	2,958,590.40	3,589,609	3,346,779	242,830	6.76%	3,596,587	249,808	7.46%
TOTAL PS, MAINT. & OTHER EXPENSES	266,269,051.21	293,181,250	271,041,615	22,368,313	7.63%	289,965,825	18,924,210	6.98%
CAPITAL EXPENDITURES								
OFFICE OF THE GEN. MANAGER	1,500,970.46	232,300	188,393	43,907	18.90%	196,000	7,607	4.04%
ADMINISTRATIVE DIVISION	1,241,460.00	11,247,425	10,546,924	700,501	6.23%	21,971,500	11,424,576	108.32%
ACCOUNTING & FINANCE DIVISION	90,580.15	29,000	22,790	6,210	21.41%	30,000	7,210	31.64%
COMMERCIAL DIVISION	3,434,337.00	3,041,900	3,001,469	40,431	1.33%	24,000	(2,977,469)	-99.20%
CONSTRUCTION & MAINTENANCE	16,188,943.62	26,170,215	25,072,112	1,098,103	4.20%	69,992,850	44,920,738	179.17%
PIPELINES & APPURTENANCES	-	-	-	-	-	334,550	-	-
PRODUCTION DIVISION	8,522,042.03	58,252,649	40,518,368	17,734,281	30.44%	75,963,500	35,445,132	87.48%
ENGINEERING	-	100,000	98,937	1,063	0.00%	32,000	(66,937)	-67.66%
TOTAL CAPEX	30,978,333.26	99,073,489	79,448,995	19,624,495	19.81%	168,544,400	88,760,855	111.72%
PRIOR YEAR'S OBLIGATIONS	4,114,791.27	27,018,885	19,066,017	7,952,868	29.43%	34,391,106	15,325,089	80.38%
PBI 2014	-	-	-	-	-	520,000	-	-
PBB & PBI 2015	-	-	-	-	-	3,880,000	-	-
COA AUDIT FEE-PREV.YRS.	-	86,000	-	86,000	100.00%	129,000	129,000	100.00%
BAC HONORARIUM	-	670,000	666,202	3,798	0.57%	679,000	12,798	1.92%
RESERVE FUND	-	512,226	36,500,000	(35,987,774)	-7025.77%	12,201,117	(24,298,883)	-66.57%
TOTAL CASH OUTFLOW	301,362,175.74	420,541,850.70	406,722,829.02	13,819,022	3.29%	510,310,447.83	(8,831,997)	-2.17%
CASH BALANCE INCREASE(DECREASE)	(35,093,124.53)	(26,301,792)	(10,498,827)			(60,763,733)		
CASH BALANCE, BEGINNING	67,458,840.61	32,365,716	26,924,787			16,425,960		
CASH BALANCE, END	32,365,716.08	6,063,924	16,425,960			(44,337,773)		
SUPPLEMENTAL FROM RESERVE FUND						44,400,000		
CASH BALANCE, END						62,227		

**METRO LIPA WATER DISTRICT
PROJECTED CASH FLOW
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Assumptions used:

- 1. Average Consumption is pegged at 25 cu.m. per month per connection.**
- 2. There are estimated 250 additional New Service Connections per month effective January 2016.**
- 3. Estimated service connections as of December 31, 2016 is 65,888.**
- 4. Collection efficiency is pegged at 99%, current billing.**
- 5. Availment of discount is pegged at 5% of gross sales.**
- 6. Water rates increase will be implemented on July 2016 billing.**

Metro Lipa Water District
 Projected Income Statement
 For the year 2016
 (Est. Actual : based from October 2015 data)

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	A	B	C	D	E	F	G	
	ACTUAL 2014	BUDGET 2015	ESTIMATED ACTUAL 2015	Actual 2015 vs Budget 2015 VARIANCE INC(DEC)	(C/A) % INC(DEC)	BUDGET 2016	Budget 2016 vs Actual 2015 VARIANCE INC(DEC)	(F/B) % INC(DEC)
Income								
General Income Accounts								
Business Income								
Income from Waterworks Systems	365,814,038	374,486,244	375,765,357	1,279,113	0.34%	432,433,703	56,668,346	15.08%
Other Business Income	15,816,320	16,944,815	17,427,966	483,152	2.85%	18,255,082	827,116	4.75%
Interest Income	1,176,534	1,000,000	1,296,167.93	296,168	29.62%	1,300,000	3,832	0.30%
Miscellaneous Income	1,742,900	1,809,000	1,734,511	(74,489)	-4.12%	1,882,267	147,756	8.52%
Gross Income	384,549,792	394,240,059	396,224,002	1,983,943	0.50%	453,871,052	57,647,050	14.55%
Personal Services								
Salaries and Wages								
Salaries and Wages - Regular	39,975,302	40,719,355	39,332,743	1,386,612	3.41%	40,559,330	1,226,587	3.12%
Salaries and Wages - Casual	359,876	924,975	713,444	211,530	22.87%	1,481,263	767,818	107.62%
Salaries and Wages - Contractual	2,492,715	4,053,409	3,365,749	687,660	16.96%	4,277,101	911,353	27.08%
Total Salaries and Wages	42,827,893	45,697,738	43,411,936	2,285,802	5.00%	46,317,694	2,905,758	6.69%
Other Personnel Benefits	33,462,917	37,008,588	32,881,189	4,127,399	11.15%	33,318,920	437,731	1.33%
TOTAL PERSONAL SERVICES	76,290,810	82,706,326	76,293,125	6,413,201	7.75%	79,636,614	3,343,489	4.38%
Maintenance and Other Operating Expenses								
Travelling Expenses - Local	758,723	1,042,336	822,500	219,836	21.09%	898,989	76,489	9.30%
Training Expenses	2,328,372	2,000,000	2,158,697	(158,697)	-7.93%	2,000,000	(158,697)	-7.35%
Scholarship Expenses	224,214	243,000	198,783	44,217	18.20%	200,000	1,217	0.61%

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	ACTUAL	BUDGET	ESTIMATED	Actual 2015 vs Budget 2015 VARIANCE	(C/A) %	BUDGET	Budget 2016 vs Actual 2015 VARIANCE	
	2014	2015	2015	INC(DEC)	INC(DEC)	2016	INC(DEC)	
							%	
							INC(DEC)	
Supplies and Material Expenses	11,186,284	10,871,500	11,268,378	(396,878)	-3.65%	11,482,000	213,622	1.90%
<u>Utility Expenses</u>								
Water Expenses	44,701	53,000	42,368	10,632	20.06%	43,000	632	1.49%
Electricity Expenses - see Annex B	114,296,596	124,715,767	111,176,300	13,539,467	10.86%	118,270,193	7,093,894	6.38%
Communication Expenses	453,320	642,300	551,395	90,905	14.15%	755,300	203,905	36.98%
Membership Dues and Contributions to Organization	65,564	209,817	246,950	(37,133)	-17.70%	150,000	(96,950)	-39.26%
Awards and Indemnities	12,734	17,000	15,107	1,893	11.13%	20,000	4,893	32.39%
Advertising Expenses	105,966	105,000	93,585	11,415	10.87%	94,000	415	0.44%
Printing and Binding Expenses	36,272	78,000	16,371	61,629	79.01%	16,700	329	2.01%
Rent Expenses	2,600,311	2,765,000	3,136,074	(371,074)	-13.42%	2,965,000	(171,074)	-5.46%
Representation Expenses	420,251	450,000	416,768	33,232	7.38%	498,000	81,232	19.49%
Subscription Expenses	42,165	45,300	42,102	3,198	0.00%	43,300	1,198	2.85%
Professional Services	1,684,651	2,205,032	1,875,256	329,776	14.96%	2,276,000	400,744	21.37%
Council / Board Members Allowances and Other Benefits	1,793,044	1,802,000	1,775,448	26,552	1.47%	2,544,000	768,552	43.29%
Repair and Maintenance	23,935,699	25,749,100	22,303,453	3,445,647	13.38%	27,110,000	4,806,547	21.55%
Extraordinary Expenses	350,980	350,000	359,889	(9,889)	-2.83%	380,000	20,111	5.59%
Taxes, Insurance Premiums and Other Fees	7,535,307	8,037,000	8,283,523	(246,523)	-3.07%	9,067,270	783,747	9.46%
Total - Maintenance & Operating Expenses	167,875,153	181,381,152	164,782,945	16,598,207	9.15%	178,813,752	14,030,808	7.85%
Non-Cash Expenses	27,697,137	27,470,529	30,818,691	(3,348,162)	-12.19%	32,165,321	1,346,630	4.37%

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Research and Development	35,428	1,500,000	-	1,500,000	100.00%	1,500,000	1,500,000	100.00%
Other Maintenance and Other Operating Expenses	25,841,856	26,491,412	29,956,888	(3,465,475)	-13.08%	30,004,459	47,571	0.16%
Financial Expenses								
Bank Charges	8,743	12,960	8,657	4,303	33.20%	11,000	2,343	27.06%
Total Operating Expenses	297,749,127	319,562,379	301,860,305	17,702,074	5.54%	322,131,146	20,270,840	6.72%
NET INCOME (LOSS)	86,800,665	74,677,680	94,363,697	(19,686,017)	-26.36%	131,739,906	37,376,209	39.61%
Income from Waterworks Systems	365,814,038	374,486,244	375,765,357	1,279,113	0.34%	432,433,703	56,668,346	15.08%
Less: Previous Years' Income from Waterworks Sys	357,051,253		365,814,038					
Variance	8,762,784		9,951,319					
% of Increase	2.45%		2.79%					
Gross Income	384,549,792	394,240,059	396,224,002	1,983,943	0.50%	453,871,052	57,647,050	14.55%
Less: Previous Years' Gross Income	375,812,718		384,549,792					
Variance	8,737,074		11,674,210					
% of Increase	2.32%		3.11%					
Net Income	86,800,665	74,677,680	94,363,697	(19,686,017)	-26.36%	131,739,906	37,376,209	39.61%
Less: Previous Years' Net Income	77,456,359		86,800,665					
Variance	9,344,306		7,563,031					
% of Increase	12.0%		9.7%					