

MWD GENERAL ANNUAL BUDGET 2016



BUDGET APPROPRIATION REQUEST

CY 2016

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Basic Features

- THE EXISTING WATER RATES WILL BE MAINTAINED WITH A PROJECTED EFFECTIVE RATE OF PHP 19.00 PER CUBIC METER.

	MIN. CHARGE	COMMODITY CHARGE				
		11-20 C.U.M.	21-30 C.U.M.	31-40 C.U.M.	41-50 C.U.M.	51 C.U.M-UP
DOMESTIC/RESIDENTIAL	185.00	20.00	21.95	24.20	26.90	30.00
COMMERCIAL/INDUSTRIAL	370.00	40.00	43.90	48.40	53.80	60.00
COMMERCIAL A	323.75	35.00	38.40	42.35	47.05	52.50
COMMERCIAL C	231.25	25.00	27.40	30.25	33.60	37.50

- THE MWD MANAGEMENT IS SETTING THE FOLLOWING PERFORMANCE TARGETS WHICH ARE WITHIN INDUSTRY AVERAGE FOR VIABLE AND INDEPENDENT WATER DISTRICT;
 - ON-TIME PAID COLLECTION: 45%
 - COLLECTION EFFICIENCY: 98%
 - COLLECTION RATIO: 100%
- MARKET GROWTH IS 110 NEW SERVICE CONNECTIONS FOR MONCADA AND SAN MANUEL SERVICE AREAS. INCLUDED ARE THE POTENTIAL NEW CONSUMERS IN THE PROPOSED EXPANSION PROJECT IN BRGY. BANAANG EAST AND BRGY. STA. MARIA, MONCADA, TARLAC AND OTHER PARTS OF SAN MANUEL, TARLAC.
- MONTHLY AVERAGE CONSUMPTION PER SERVICE CONNECTION IS 19 CUBIC METERS.
- NON-REVENUE WATER (NRW) TARGET FOR THE YEAR IS 20%.
- THE DISTRICT IS PROJECTING A TOTAL WATER PRODUCTION OF 1,275,660 CUBIC METERS, OF WHICH THE PUMPED PRODUCTION FOR THE DISTRICTS PUMP STATIONS IS 1,023,660 CUBIC METERS AND A BULK WATER PROCUREMENT OF 252,000 CUBIC METERS, WILL BE DELIVERED TO 5,650 ACTIVE CONSUMERS.
- THE DISTRICT IS TARGETING A NET INCOME OF PHP 2,249,612.16 FROM GROSS RECEIPTS OF PHP 28,789,094.88 AND OPERATING EXPENSE OF PHP 26,539,482.77
- CAPITAL EXPENDITURES FOR THE YEAR IS PHP 2,000,000.00
- FRANCHISE TAX PAYABLE TO BIR IS PHP 575,781.90.
- ADDITIONAL HIRING OF EMPLOYEES (PERMANENT, CONTRACT OF SERVICE AND JOB ORDERS) IS NECESSARY TO COMPLY WITH THE INDUSTRY AVERAGE FOR EMPLOYEE – CUSTOMER RATIO OF 1:100 AND TO FURTHER IMPROVE THE DELIVERY OF SERVICES TO CUSTOMERS.
- ALL OTHER IMPROVEMENTS AND EXPANSION PROJECTS NOT INCLUDED IN THE CAPITAL EXPENDITURES SHALL BE IMPLEMENTED UPON AVAILABILITY OF FUNDS GENERATED FROM THE DISTRICT'S SAVINGS.

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General Data

SERVICE CONNECTIONS:

BEGINNING: 5,540
ENDING: 5,650

MARKET GROWTH:

110 NEW SERVICE CONNECTIONS

AVERAGE MONTHLY CONSUMPTION PER SERVICE CONNECTION;

NINETEEN (19) CUBIC METERS (cu.m.) PER MONTH

BILLED WATER:

DISTRICT: 1,023,660 cubic meters
BULK WATER: 252,000 cubic meters

NON - REVENUE WATER;

TWENTY (20) PERCENT

WATER RATE:

MINIMUM RATE: Php 185.00 at 10 cubic meters
EFFECTIVE RATE: Php 19.00 per cubic meter

EFFICIENCY:

ON-TIME PAID: 45%
COLLECTION EFFICIENCY: 98%
COLLECTION RATIO: 100%

DEBT SERVICE:

PHP 2,628,992.00

FRANCHISE TAX:

2% OF GROSS RECEIPTS

PENALTY CHARGES:

4% OF WATER SALES

OTHER REVENUES:

REGISTRATION / INSTALLATION FEE: PHP 242,000.00
SALE OF MATERIALS: PHP 440,000.00

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CAPITAL EXPENDITURES

I. MATERIALS FOR NEW SERVICE CONNECTIONS IS AT PHP 4,000.00 PER NEW SERVICE CONNECTION.

Market Growth for the year: 110 new service connections

Costs of materials per new service connections

Materials (PE tubings, saddle clamps, and other fittings)

$$\text{Php } 4,000.00 \times 110 =$$

Php 440,000.00

II. PURCHASE OF WATER METERS

New Water Meters: 300 pieces

$$\text{Php } 1,000.00 \times 300 =$$

Php 300,000.00

III. IMPROVEMENTS / INFRASTRUCTURES AND OTHERS:

A. Expansion, rehabilitation, extensions and relocation of main distribution lines.

Purchase of Materials / Services=

Php 600,000.00

B. Purchase of Transportation Equipment.

-Downpayment & Installment Payment for eleven (11) months (Feb - Dec 2016)

Purchase of Service Vehicle=

Php 660,000.00

TOTAL PROJECTED CAPITAL EXPENDITURES:

Php 2,000,000.00

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MWD's Projections

PROJECTED BILLINGS

Month	No. of Service Connections	Billed Water (cubic meters)	Water Sales	Penalty	Total Billing Water Sales
January	5,540	105,260	₱2,284,142.00	₱91,365.68	₱2,375,507.68
February	5,550	105,450	₱2,288,265.00	₱91,530.60	₱2,379,795.60
March	5,560	105,640	₱2,292,388.00	₱91,695.52	₱2,384,083.52
April	5,570	105,830	₱2,296,511.00	₱91,860.44	₱2,388,371.44
May	5,580	106,020	₱2,300,634.00	₱92,025.36	₱2,392,659.36
June	5,590	106,210	₱2,304,757.00	₱92,190.28	₱2,396,947.28
July	5,600	106,400	₱2,308,880.00	₱92,355.20	₱2,401,235.20
August	5,610	106,590	₱2,313,003.00	₱92,520.12	₱2,405,523.12
September	5,620	106,780	₱2,317,126.00	₱92,685.04	₱2,409,811.04
October	5,630	106,970	₱2,321,249.00	₱92,849.96	₱2,414,098.96
November	5,640	107,160	₱2,325,372.00	₱93,014.88	₱2,418,386.88
December	5,650	107,350	₱2,329,495.00	₱93,179.80	₱2,422,674.80
TOTAL:		<u>1,275,660</u>	<u>₱27,681,822.00</u>	<u>₱1,107,272.88</u>	<u>₱28,789,094.88</u>

PROJECTED COLLECTIONS

MONTH	CURRENT (48%)	ARREARS (52%)	COLLECTIONS (98%)
January	1,096,388.16	1,235,263.99	2,331,652.15
February	1,098,367.20	1,237,493.71	2,335,860.91
March	1,100,346.24	1,239,723.43	2,340,069.67
April	1,102,325.28	1,241,953.15	2,344,278.43
May	1,104,304.32	1,244,182.87	2,348,487.19
June	1,106,283.36	1,246,412.59	2,352,695.95
July	1,108,262.40	1,248,642.30	2,356,904.70
August	1,110,241.44	1,250,872.02	2,361,113.46
September	1,112,220.48	1,253,101.74	2,365,322.22
October	1,114,199.52	1,255,331.46	2,369,530.98
November	1,116,178.56	1,257,561.18	2,373,739.74
December	1,118,157.60	1,259,790.90	2,377,948.50
TOTAL:	<u>13,287,274.56</u>	<u>14,970,329.34</u>	<u>28,257,603.90</u>