

Republic of the Philippines  
**DEL GALLEGO WATER DISTRICT**  
Province of Camarines Sur  
Del Gallego, Camarines Sur

**EXCERPTS FROM THE MINUTES OF THE REGULAR SESSION OF THE BOARD OF DIRECTORS OF DEL GALLEGO WATER DISTRICT, DEL GALLEGO, CAMARINES SUR, HELD ON DECEMBER 5, 2017 AT THE DEL GALLEGO WATER DISTRICT.**

RESOLUTION NO. 13  
Series of 2017

**TO APPROVE THE CORPORATE BUDGET FOR CY 2018 AMOUNTING TO TWELVE MILLION EIGHT HUNDRED NINETY-NINE THOUSAND FORTY-ONE PESOS (12,899,041.00).**

**WHEREAS**, it is paramount for DGWD to have corporate budget to serve as guiding policy in the operation and financial transaction of the district;

**WHEREAS**, corporate budget for CY 2018 is prepared and submitted to the Board through the General Manager;

**WHEREAS**, after scrutiny and deliberation, the BOD approved the corporate budget of TWELVE MILLION EIGHT HUNDRED NINETY-NINE THOUSAND FORTY-ONE PESOS (12,899,041.00) for CY 2018;

**NOW THEREFORE**, on joint and collective motion,

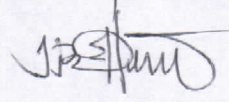
**BE IT RESOLVED AS IT IS HEREBY RESOLVED**, TO APPROVE THE CORPORATE BUDGET FOR CY 2018 AMOUNTING TO TWELVE MILLION EIGHT HUNDRED NINETY-NINE THOUSAND FORTY-ONE PESOS (12,899,041.00).

**UNANIMOUSLY APPROVED**, December 5, 2017.

  
**ENGR. MAURITO A. UBAÑA**  
CHAIRMAN

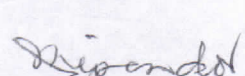
  
**REV. FR. JOSEPH ANGELO S. TOLEDO**  
VICE-CHAIRMAN

  
**MRS. MELITONA I. PENDOR**  
MEMBER

  
**MR. ISAIAS B. DOLLENTE**  
MEMBER

  
**MR. EDGARDO L. MERCADO**  
MEMBER

I hereby certify to the correctness of the foregoing Resolution.

  
**MRS. MELITONA I. PENDOR**  
BOD- Secretary





Republic of the Philippines  
**DEL GALEGO WATER DISTRICT**  
Del Gallego, Camarines Sur

**ANNUAL BUGET - YEAR 2018**

**BASIC ASSUMPTION:**

Del Gallego Water District, as of September 30, 2017, has a total of 1,595 active service connections of different classifications as shown below:

CLASSIFICATION	SIZE	NO. OF SERVICE CONNECTION	AVE. MO. CONSUMPTION
Residential/Government	1/2"	1,514	17
Commercial/Industrial	1/2"	24	44
Commercial - A	1/2"	21	17
Commercial - B	1/2"	30	16
Commercial - C	1/2"	6	31
<b>T O T A L</b>		1,595	

**BILLING AND COLLECTION**

As of September 2017, there will be a total of 1,776 service connection

CLASSIFICATION	SIZE	NO. OF SERVICE CONNECTION	AVERAGE CONSUMPTION FOR THE 1 <sup>ST</sup> 9 MONTHS
Residential/Government	1/2"	1,691	14
Commercial/Industrial	1/2"	28	37
Commercial - A	1/2"	21	18
Commercial - B	1/2"	30	16
Commercial - C	1/2"	6	24
<b>T O T A L</b>		1,776	

**WATER RATES:**

Effective: 2016

CLASSIFICATION	Minimum Charge	Commodity Charges				
		11-20	21-30	31-40	41 - 50	51-up
Residential/Government	280.00	30.00	33.50	37.00	44.00	46.00
Commercial/Industrial	560.00	60.00	67.00	74.00	88.00	92.00
Commercial A	437.50	47.25	67.00	74.25	73.50	77.00
Commercial B	375.00	40.50	47.25	52.50	63.00	66.00
Commercial C	312.50	33.75	39.35	43.75	52.50	55.00
Bulk/Whole Sale	750.00	81.00	94.50	105.00	126.00	132.00

**MARKET GROWTH** – Assumed at 250 connections for the year, 230 new connections for residential and 20 connections for commercial.

Collection Efficiency is assumed to be 90% for current year billing. Collection on Prior year's receivable is also projected at 90%.

Miscellaneous service revenues includes among other, penalty charges of 10% for payment after due date, 2,500.00 for new connection, 300.00 for reconnection fee and 500.00 for transfer fee. Other charges and fees shall be in accordance with the approved policy guidelines on charges/fee for water service connections.

## **DISBURSEMENT AND EXPENSES**

### **I. PERSONAL SERVICES**

**5-01-01-010 SALARIES AND WAGES – REGULAR** Basic salary of 9 permanent employees per Plantilla of Position (see attached Plantilla of Personnel) **P 2,768,460.00**

**5-02-16-010 LABOR AND WAGES - 5** job order ( 1 office clerk, 1 Pump operator and 3 maintenance ) **P 369,600.00**

### **II. OTHER COMPENSATION**

**5-01-02-010 PERSONNEL ECONOMIC RELIEF ALLOWANCE (PERA) –** Allowance granted to 9 appointive government employees @ P 2,000.00 per employees/month **P 216,000.00**

**5-01-02-020 REPRESENTATION ALLOWANCE (RA) –** Incurred in connection with improving the general image of the Water District through representation with clients & non-clients **P 90,000.00.**

**5-01-02-030 TRANSPORTATION ALLOWANCE (TA) –** Granted to authorized officials for transportation **P 90,000.00.**

**5-01-02-040 CLOTHING/UNIFORM ALLOWANCE –** for 9 authorized government official/employees **P 45,000.00**

**5-01-02-990 OTHER BONUSES AND ALLOWANCES –** Productivity Enhancement Incentive PEI), Extra cash gift, PBB and others of 9 authorized government officials/employees **P 90,000.00**

**5-01-02-150 CASH GIFT -** Christmas gift for government employees @ 5,000.00 each 9 government officials and employees. **P 45,000.00**

**5-01-02-140 YEAR END BONUS –** A 2 months basic salary of authorized government official/employees (13<sup>th</sup> and 14<sup>th</sup> month pay) **P 404,050.00**

### **III. PERSONNEL BENEFITS CONTRIBUTIONS**

**5-01-03-010 RETIREMENT AND LIFE INSURANCE PREMIUMS –** Employer share of GSIS contribution is 12% of the monthly basic salary of each employee **P 290,916.00**

**5-01-03-020 PAG – IBIG CONTRIBUTIONS –** Employer share is 2% of the maximum monthly compensation of 5,000.00 of each employee under R.A # 9679 HDMF law of 2009 **P 10,800.00**

**5-01-3-030 PHILHEALTH CONTRIBUTIONS -** Employer share is Corresponds to PHIC schedules **P 24,150.00**

**5-01-03-040 EMPLOYEES COMPENSATION INSURANCE PREMIUMS –** Employees Compensation Commission Rate is 1% of the basic salary of each employee **P 24,243.00**

### **IV. OTHER PERSONNEL BENEFITS**

**5-01-04-030 TERMINAL LEAVE BENEFITS -** A money value of the accumulated leave credits of government officials and employees a total amount of **P 250,000.00**



## **V. MAINTENANCE AND OPERATING EXPENSES**

- 5-02-01-010 TRAVELING EXPENSES – LOCAL** - to cover the cost of transportation, per diems, hotel accommodation and incidental expenses incurred on official trip undertaken by the Water District's Personnel and Board of Directors **P 201,200.00**
- 5-02-02-010 TRAINING EXPENSES** - For enhancement seminar and development training of all employees and Board of Directors **P 120,000.00.**
- 5-02-03-010 OFFICE SUPPLIES EXPENSES** – Cost of office and janitorial supplies, such as printer ink, bond paper, continues paper, ball pen, photocopy of assorted documents, etc. **P 50,000.00**
- 5-02-03-020 ACCOUNTABLE FORM EXPENSES** – Checks, Official and Billing receipts issued/used by the WD **P 70,000.00**
- 5-02-03-090 FUEL, OIL & LUBRICANTS EXPENSES** - Cost of Gasoline for Generator set used directly in the operation **P 600,000.00**
- 5-02-03-130 CHEMICAL AND FILTERING SUPPLIES EXPENSES** – to cover the cost of water disinfection and chlorination **P 30,000.00**
- 5-02-04-020 ELECTRICITY EXPENSES** – Cost of electric bills of Office building, elevated reservoir and pumping facilities/equipment. **P 1,600,000.00**
- 5-02-05-010 POSTAGE AND COURIER SERVICES** - Cost of postage/delivery of official forms/ documents records, etc. **P 3,000.00**
- 5-02-05-020 TELEPHONE EXPENSES** Cost of telephone bills such as long distance call to suppliers and other agencies/offices **P 10,000.00**
- 5-02-05-030 INTERNET SUBSCRIPTION EXPENSES** - Cost of transmitting message thru the internet **P 30,000.00**
- 5-02-05-040 CABLE SATELLITE, TELEGRAPH & RADIO EXPENSES** – Cost of transmitting message thru cable **P 6,000.00**
- 5-02-99-060 MEMBERSHIP DUE AND CONTRIBUTION TO ORGANIZATIONS** – Annual dues/contributions/fees to recognized organizations such as BIWADA, PWAD and others **P 10,000.00**
- 5-02-99-010 ADVERTISING, PROMOTIONAL AND MARKETING EXPENSES** – Cost of advertisement in newspapers/magazines/television/radio/other forms of media **P 5,000.00**
- 5-02-99-030 REPRESENTATION EXPENSES** – Expenses for official meeting /conference /entertainments **P 50,000.00.**
- 5-02-99-040 TRANSPORTATION AND DELIVERY EXPESES** – Cost of transporting government inventory/property/equipment **P 1,000.00**
- 5-02-99-070 SUBSCRIPTION EXPENSES** - Cost of subscription of reading materials and others **P 2,000.00**
- 5-02-11-010 LEGAL SERVICES** - Cost of authorized legal services rendered by private lawyer **P 20,000.00**



**5-02-11-020 AUDITING SERVICES** - Cost of services rendered by auditors and billed by the Commission on Audit **P 60,000.00**

**5-02-11-990 OTHER PROFESSIONAL SERVICES** - Cost of other professional services contracted by the agency and to cover the cost of per diems of 5 BOD members (see attached schedule) **P 228,176.00**

**V. REPAIR AND MAINTENANCE**

**5-02-13-040 REPAIR & MAINTENANCE – Building and Other Structures** – cost of repairing and maintaining irrigation and water system structures of the WD **P 100,000.00**

**5-02-13-050 REPAIR & MAINTENANCE – Machinery and Equipment** – Cost of repairing and maintaining on machinery, office equipment, information and communication technology (ICT) equipment and others used by the WD operations **P 65,000.00**

**5-02-13-060 REPAIR & MAINTENANCE – Transportation Equipment** – Cost of repairing and maintaining of motor vehicles and other transportation equipment used for the WD operations **P 1,000.00**

**5-02-13-070 REPAIR & MAINTENANCE – Furniture & fixtures** – Cost of repairing and maintaining of furniture and fixtures used by the WD **P 5,000.00**

**5-02-13-990 REPAIR & MAINTENANCE – Other Property, Plant & Equipment** – Cost of repairing and maintaining other types of property plant and equipment not classified under specific repair and maintenance accounts **P 5,000.00**

**5-02-15-010 TAXES, DUTIES AND LICENSES** – To cover payment for water rights, franchise tax, renewal of license to BIR annual dues and others. **P 200,000.00**

**5-02-15-020 FIDELITY BOND PREMIUMS** - To cover payment for premiums on fidelity bond of accountable officers. **P 5,000.00**

**5-02-15-030 INSURANCE EXPENSES** – To cover payment of premiums for the insurance of Water District properties. **P 20,000.00**

**VI. NON - CASH EXPENSES**

**5-05-03-020 IMPAIRMENT LOSS – LOANS AND RECEIVABLES** - Amount of receivables estimated to be uncollectible. **P 25,000.00**

**VI. DEPRECIATION** - Includes expenses of all fixed assets incurred during the period.

**5-05-01-040 DEPRECIATION – Building and Other Structures** – **P 2,000,000.00**

**5-05-01-050 DEPRECIATION – Machinery and Equipment** - **P 535,000.00**

**5-05-01-070 DEPRECIATION – Furniture and Fixtures** – **P 40,000.00**

**5-05-01-60 DEPRECIATION – Transportation Equipment** - **P 5,000.00**

**5-05-01-990 DEPRECIATION – Other Property, Plant & Equipment** - **P 5,000.00**

**VIII. OTHER MAINTENANCE AND OPERATING EXPENSES**

**5-02-99-990 OTHER MAINTENANCE & OPERATING EXP.** – To cover payment for water analysis, bacteriological test, penalty charges for late payment of mandatory obligation and other expenses not otherwise classified under the specific maintenance and other operating expense accounts. **P 50,000.00**



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- **GAD BUDGET** from MOOE and PS attributions - **P 50,000.00**

## X. FINANCIAL EXPENSES

**5-03-01-040 BANK CHARGES** - Amount charged by a bank for various services rendered  
**P 2,000.00**

**5-03-01-020 INTEREST EXPENSES** - Charges for the use of borrowed money **P 1,945,000.00**

### CASH FLOW STATEMENT

#### A. Receipts

1. Collection of Water sales is computed on 90% collection efficiency.
2. Collection of account receivable computed at 10% of water sales
2. Collection of other operation and non - operation revenues was computed based on the average for nine (9) months of 2017.

#### B. Disbursements

1. The same assumption on income statement expenses with additional provision for the following:
  - **CAPITAL EXPENDITURES** - Pertains to the cost of fixed assets (UPIS) (see attached schedule) **P 335,000.00**
  - **PURCHASE OF MATERIALS** - Pertains to the cost of materials for accountable forms, water treatment and new connections and repairs of water system and improvement. **P 636,970.00**
  - **SINKING FUND RESERVE** - 3% of gross water sales **P 364,920.12**
  - **DEBT SERVICE** - The amortization of the loans to LWUA, is based on the amortization schedule (See attached schedule): **P 44,699,556.09**
  - **ACCOUNTS PAYABLE:**
    - Payable to supplier Migsystem Inc. **P 108,264.00**
    - Payable to Ivanka Trading **P 28,750.00**
    - Payable to V/G Gasoline Station **P 91,416.33**
  - **DUE TO OFFICERS AND EMPLOYEES**
    - Unpaid TEV's of GM. Evelyn B. Garcia **P 90,008.68**
  - **DUE TO NGA's**
    - Billing of audit services rendered **P 469,780.20**

Prepared by:

**FLORENDA B. VALENCIA**  
Senior Accounting Processor - A

Approved by:

**EVELYN B. GARCIA,DDM.**  
General Manager - D

Approved per Board Resolution No. **13** Series of 2017

**MAURITO A. UBAÑA**  
Chairman of the Board