



CLAVERIA WATER DISTRICT

#69 Provincial Road, Centro 2, Claveria, Cagayan

Tel. No. (078) 395-0183

claveriawater_district@yahoo.com

ANNUAL REPORT

FY 2019

VISION

Envisioned to provide an abundant supply of potable water in every household of the town of Claveria.

MISSION

To bring an abundant supply of Water to as many Claverianos as possible and ensuring adequacy and safety of the water provided.

GOALS and OBJECTIVES

The Claveria Water Districts aims to be able to establish a water system that is not viable but progressive and responsive to the needs of its present concessionaires and the growing population of Claveria.

1. INTRODUCTION

Claveria Water District was created on April 21, 1982, thru a public hearing under the Administration of the late Mayor Placido Leano. The Water District started its operation on September 1, 1982 with 100 concessionaires, where its operation is governed by PD 198, otherwise known as "Provincial Water Utilities Act of 1973", as amended under Presidential Decree Nos. 768 and 1479. The decree authorized the formation of Local Water Districts and provided for their government and administration such powers are necessary to optimize public for their service utility operations and for other purpose. Currently, it is serving eleven barangays of the Municipality of Claveria, Cagayan with 1672 concessionaires.

Since 1992, by virtue of the Supreme Court en banc decision, G.R. No. 95237 (Davao City Water District, et al. vs. CSC et al.), Water Districts were declared Government Owned and/or Controlled Corporations (GOCCs) with original charter and as such under the jurisdiction of the public respondents Civil Service Commission and Commission on Audit. The District's primary objective is to supply potable water, which will meet the domestic demand through the creation, operation, maintenance and expansion of reliable and economically viable and sound water supply within the Municipality of Claveria.

In 1992, the District is categorized as small water district, and re-categorized as average water district last April 2008. As of December 2013, the district is classified as Category D, with eight (8) permanent employees under the leadership of General Manager. The Water District is managed trough policies, formulated by its Board of Directors, in accordance with the regulations imposed by the Local Water Utilities Administration, national government and other regulatory bodies.

It is worth mentioning that the District has been a recipient of Most Outstanding Water District under small category for three (3) consecutive years, starting 2002 to 2004, and for the years 2006 and 2007. In 2010, the District has been a nominee for outstanding water district under average water district category. In 2018, the District is again a recipient of Most Outstanding Water District Award (Luzon- Category D) and Most Outstanding Water District Award (National Level- Category D). This year; the District has been chosen by the Commission on Audit as one of this year's Outstanding Accounting Offices.

2. ORGANIZATIONAL SET-UP

Names and Designations of Key Officials

- | | | |
|------------------------------|---|-------------------------------------|
| a. Guillerma I. Martin, MBA | - | General Manager D |
| b. Dessa May V. Viloría | - | Accounting Processor A |
| c. Leticia V. Daquigan | - | Customer Service Assistant D |
| d. Dremio A. Cadang | - | Welder A |
| e. Romeo R. Valdez | - | Driver Mechanic B |
| f. Stanley Lyell E. Veracion | - | Administrative Services Aide |
| g. Domingo L. Ramos | - | Utility Worker A |
| h. Harold G. Somera | - | Water Resources Operator B |
| i. Roberto D. Caliva | - | Water Resources Facilities Tender A |

3. FINANCIAL HIGHLIGHTS

The district's assets, liabilities and equity are presented below:

	2019	2018	Increase/Decrease
Assets	16,396,441.69	14,657,263.30	1,739,178.39
Liabilities	1,461,496.15	721,997.10	(739,499.05)
Equity	14,934,945.54	13,935,266.20	999,679.34

The district derives its revenues from water sales. Presented below is a summary of the result of its operations:

	2019	2018	Increase/ Decrease
Income	7,720,544.40	7,196,768.94	523,775.46
Expenses	6,694,330.56	5,972,019.22	722,311.34
Net Income	1,026,213.84	1,224,749.72	(198,535.88)

4. OPERATIONAL HIGHLIGHTS

Indicator	2019	2018	Increase/ Decrease
Total Services Con.	1,788	1672	116
Volume of Water Delivered in cu.m.	358,631	342,185	16,446

5. SOCIO – ECONOMIC PROFILE

Province: **Cagayan**

Region: **Region 02, Northern Luzon**

Date Founded: **June 05, 1965**

Founder: **Gov. Gen. Narciso Claveria**

Official Flower: **Rose**

Income Classification: **3rd Class Municipality**

STRATEGIC LOCATION

The Municipality of Claveria is situated at approximately 121°05' north and 18°35' east. It lies in the north western part of the Province of Cagayan with an approximate distance of 216 km. from Tuguegarao City, 165 km. from Laoag City & 613 km. away from Manila via Ilocos Region. It is bounded on the North by the Babuyan Channel, on the east by the municipality of Sanchez Mira, on the West by the Municipality of Sta. Praxedes & on the South by the Province of Apayao. It is a very accessible place to everybody as attributed to its all the ways concrete surfaced national road & the very good roads connecting 41 barangays. The Municipality of Claveria has a total land area of 19,400 hectares with 41 barangays (8-urban & 33-rural). Climate is relatively dry from March to August and wet for the rest of the year.

ACCESSIBILITY

- Accessible by any kind of land transportation even to all its 41 barangays
- Concrete surfaced national road, and even most of the provincial and municipal roads
- Every barangay with concrete roads and all weather barangay roads (graveled/leveled)

RICH AND ABUNDANT NATURAL RESOURCES

- Vast and fertile agricultural lands suitable for growing palay, coconut, vegetables, root crops, fruits, bananas and other cash crops

- Lush green hills and mountains planted with commercial & indigenous forest & fruit trees, palma brava “labig” trees (only in Claveria)
- Extensive shoreline, clean beaches, large bodies of water (sea and rivers) rich in aqua-marine fishes, crabs, shells, seaweeds and other aqua marine products, corals, endangered species.

PEOPLE, CULTURE AND ARTS

- Total Population of 32,387 (PSA Census 2015), 6477 households (60% farmers, 15%fishermen & fish workers, 20% others-practice of profession, businessmen, competent and skilled laborers.
- Mostly industrious generous but frugal and hospitable, 98 Ilocanos
- Rich in culture, lovers of music, arts and dances and festivities.

SOCIAL SERVICES AND AMENITIES

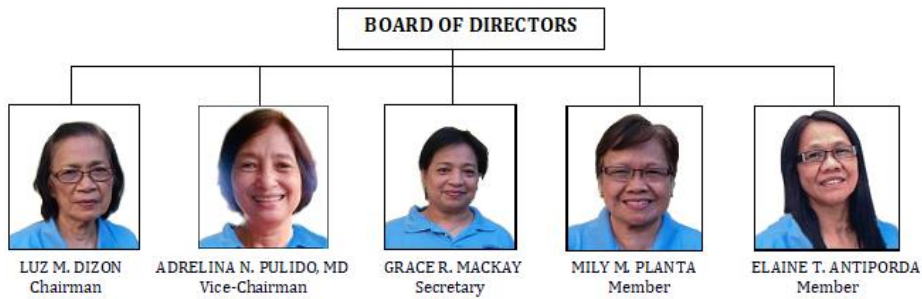
- Granting of cash assistance to poor but deserving college students
- Provision of relief assistance, to barangays/families affected by calamities
- Financial Assistance for repair and maintenance of daycare centers and various schools
- Intensified health services & reproductive health services throughout the 41 barangays
- Empowering women, out of school youths, elderly, disabled and farm/fisher folk families through capability building and skills training.
- Improvement of sports facilities and provision of sports equipment
- Outreach program such as medical mission, tree planting, clean and green program

The Claveria Water District has continued in the effective and efficient mobilization of its services; its employees and officials, its source of funds. Its workforce has been capacitated through trainings & seminars for better delivery of their representatives & functions. It has always the desire to work with healthier, more productive & secured Claverianos & other clients. On the other hand, the CWD has not stopped looking into improving development projects & better services to its people. It has always aimed to expand its coverage for more barangays & better services to its people & to be able to establish a water system that is not viable but progressive and responsive to the needs of its present concessionaires & the growing population of Claveria.

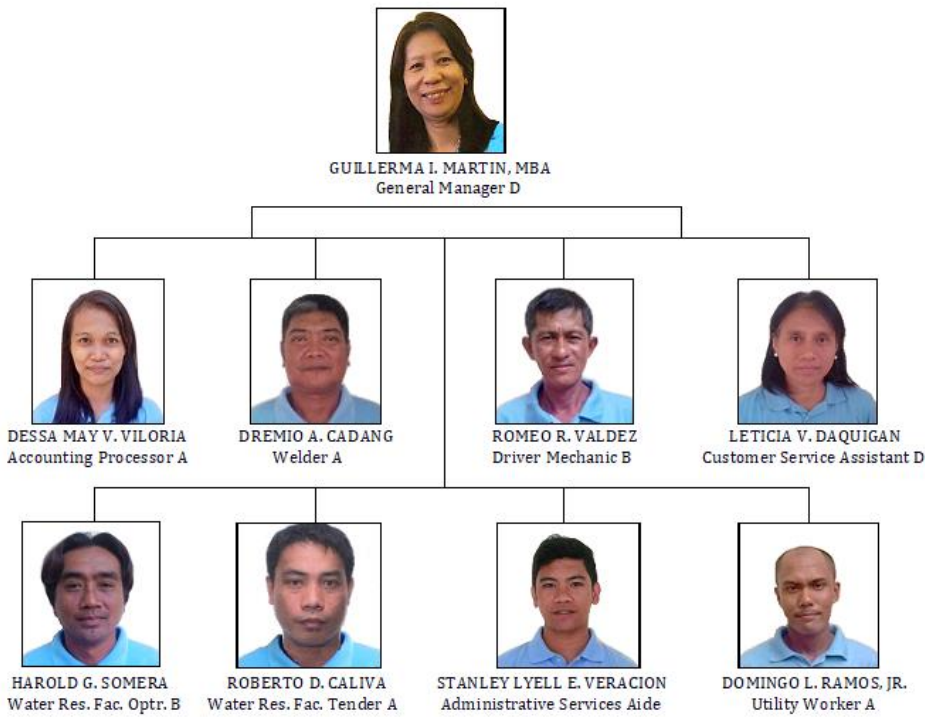
Attached are annexes from A to N showing the entire status of the Claveria Water District.

ANNEX A-B: FUNCTIONAL CHART and ORGANIZATIONAL CHART

**CLAVERIA (CAG) WATER DISTRICT
ORGANIZATIONAL CHART
CATEGORY D**



MANAGEMENT and STAFF



ANNEX C: PLANTILLA OF PERSONNEL

PLANTILLA OF PERSONNEL AND SALARY ADJUSTMENT FORM
Pursuant to Revised Local Water District Manual on Categorization, Recategorization and other Related Matters (LWD-MaCRO)

Agency: **CLAVERIA WATER DISTRICT**

Item No. FY 2015	DBM Approved Position Title	ACTUAL SALARY PER MONTH As of December 31, 2018					ADJUSTED BASIC SALARY PER MONTH EFFECTIVE January 1, 2019			SALARY INCREASE PER MONTH EFFECTIVE 01/01/2019	BALANCE OF TRANSITION ALLOWANCE	ADJUSTED SALARY EFFECTIVE 01/01/2019	NAME OF INCUMBENT	Status of Appt.
		Salary		BASIC SALARY	Transition Allowance	TOTAL	SALARY Grade	Step	Amount					
		Grade	Step											
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
1	General Manager D	24	2	74,397.00	0	74,397.00	24	2	84,767.00	10,370.00	0	84,767.00	GUILLERMA I. MARTIN	CO-TERM
2	Administrative/General Services Officer A	16	1	31,765.00	0	31,765.00	16	1	33,584.00	1,819.00	0	33,584.00	VACANT	
3	Engineer A	14	1	26,494.00	0	26,494.00	14	1	27,755.00	1,261.00	0	27,755.00	VACANT	
4	Utilities/Customer Service Assistant A	12	1	22,149.00	0	22,149.00	12	1	22,938.00	789.00	0	22,938.00	VACANT	
5	Welder A	8	2	16,433.00	0	16,433.00	8	2	16,910.00	477.00	0	16,910.00	DREMIO A. CADANG	Perm
6	Driver-Mechanic B	7	2	15,380.00	0	15,380.00	7	2	15,859.00	479.00	0	15,859.00	ROMEO R. VALDEZ	Perm
7	Accounting Processor A	8	1	16,282.00	0	16,282.00	8	1	16,758.00	476.00	0	16,758.00	DESSA MAY V. VILORIA	Perm
8	Utilities/Customer Service Assistant D	6	6	14,942.00	0	14,942.00	6	6	15,426.00	484.00	0	15,426.00	LETICIA V. DAQUIGAN	Perm
9	Water Resources Facilities Operator B	6	1	14,340.00	0	14,340.00	6	1	14,847.00	507.00	0	14,847.00	HAROLD G. SOMERA	Perm
10	Water Resources Facilities Tender A	5	1	13,481.00	0	13,481.00	5	1	14,007.00	526.00	0	14,007.00	VACANT	
11	Administrative Services Aide	4	2	12,778.00	0	12,778.00	4	1	13,316.00	538.00	0	13,316.00	STANLEY LYELL E. VERACION	Perm
12	Utility Worker A	1	2	10,602.00	0	10,602.00	3	1	12,466.00	1,864.00	0	12,466.00	DOMINGO L. RAMOS JR.	Perm

Prepared/Certified Correct:
Deessa May V. Viloria
DESSA MAY V. VILORIA
Accounting Processor A

Approved:
Guillerma I. Martin
GUILLERMA I. MARTIN, MBA
General Manager D

ANNEX D: SUMMARY OF POLICY SETTINGS RESOLUTIONS

RESOLUTION NO. 07
Series of 2017

A RESOLUTION ON OFFICE POLICIES REGARDING COLLECTION OF FEES.

WHEREAS, the operating expenses of the Claveria Water District has tremendously increased generally due to the present economic crisis and in particular to increased cost of materials and labor. Thus a need to analyze present policies on collection of fees and charges, that the District derives its operating revenues, not only from collection of water bills but also from fees and charges on its various services, have the following adjustments on charges be adopted:

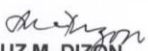
1. Installation of new Service Connection:
 - a. Application, Registration, Inspection Fee - P1,750.00
 - b. Meter Cost/Maintenance - 1,250.00
 - c. Guarantee Deposit (2mos. Minimum charge)
 - Regular - 340.00
 - Commercial - 510.00
2. Reconnection Fee - 350.00
3. Transfer/Relocation Fee – Cost of materials plus labor at - 300.00/day
4. Tunneling - 1,250.00
5. Change of Water Meter
 - A. Defective meter. - no charge
 - B. Damage due to negligence – current cost of meter to be charge to c customer.
6. Change of other damaged materials (pipes, gate valve, etc.- Labor and materials to be charged to customer
7. Cost of materials and labor for the above work to be adjusted to current cost.

NOW THEREFORE, on motion of all the members present;


Be it resolved as it is hereby resolved to approve the office polices regarding Collection of Fees effective July 12, 2017.

APPROVED UNANIMOUSLY.

Attested by:



LUZ M. DIZON
Chairman of the Board



GRACE MARIE MACKAY
Board Secretary

RESOLUTION NO.01
SERIES OF 2013

A RESOLUTION GRANTING FIVE PERCENT DISCOUNT TO SENIOR CITIZENS CONSUMING NOT MORE THAN FIFTEEN CUBIC METERS.

PRESENT:

MRS. LUZ M. DIZON	CHAIRMAN OF THE BOARD
MR. RICHARD B. JAVIER	VICE-CHAIRMAN
MRS. GRACE MARIE R. MACKAY	MEMBER
MRS. PILAR B. FONACIER	MEMBER
MRS. MILY M. PLANTA	MEMBER
ADRELINA N. PULIDO, MD	GENERAL MANAGER

ABSENT: NONE

WHEREAS, A move by the Claveria Water Administration to grant a 5% percent discount to senior citizens consuming not more than fifteen cubic meters.

WHEREAS, It is based on Republic Act No. 9257 otherwise known as the Expanded Senior Citizen Act which provide, "to the extent possible, the government may grant special discounts on specific program for senior citizens on purchase of specific commodities,


WHEREAS, Upon unanimous motion of the body, be it,

RESOLVED AS IT IS HEREBY RESOLVED by the board of directors to grant the 5% discount to aforementioned consumers,

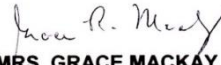
RESOLVED FURTHER, that a copy of this resolution be furnished to the office of the administrator for his information.

APPROVED UNANIMOUSLY

ATTESTED BY



MRS LUZ DIZON
Chairman of the Board



MRS. GRACE MACKAY
Board Secretary

ANNEX E: LIST OF REPORTS PREPARED REGULARLY

1. Statement of Financial Position
2. Statement of Comprehensive Income
3. Statement of Cash Flow
4. Monthly Data Sheet
5. Report on Bacteriological Test
6. Daily Chlorine Residual Monitoring
7. Report on Salaries and Allowances
8. Monitoring of Cash Advances
9. Report on Government Projects, Programs and Activities
10. Individual Performance Commitment Review
11. Office Performance Commitment Review

ANNEX F: FINANCIAL STATEMENTS

1. Composition of Cash and Cash in Bank

Accounts	2019	2018
Cash-Collecting Officer	25,450.05	6,422.46
Petty Cash	5,000.00	5,000.00
Cash in Bank-Local Currency, CA, LBP	764,913.62	1,736,256.12
Cash in Bank-Local Currency, SA, JSA	484,448.21	807,121.93
Cash in Bank-Local Currency, SA, CD	506,612.57	506,272.00
Cash in Bank-Local Currency, SA, SF	662,138.97	643,563.11
Total Cash and Cash Equivalents	P 2,448,563.42	P 3,704,635.62

2. Statement of Changes in Equity

**CLAVERIA WATER DISTRICT
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2019**

	Retained Earnings	Contributed Capital	TOTAL
BALANCE JANUARY 1, 2018	P 9,792,701.03	P 2,698,875.89	P 12,491,576.92
ADJUSTMENTS:			
Add/(Deduct)			
Prior Period Errors	-	-	-
Other Adjustments	-	-	-
RESTATED BALANCE AT JANUARY 1, 2018	9,792,701.03	2,698,875.89	12,491,576.92
Changes in Net Assets/Equity for CY 2018			
Add/(Deduct)			
Issuances of Share Capital	-	-	-
Additional Capital from National Government	-	-	-
Members' Contribution	-	-	-
Comprehensive Income for the Year	1,224,749.72	-	1,224,749.72
Dividends	-	-	-
Other Adjustments	218,939.56	-	218,939.56
BALANCE AT DECEMBER 31, 2018	11,236,390.31	2,698,875.89	13,935,266.20
Changes in Net Assets/Equity for CY 2019			
Add/(Deduct):			
Issuance of Share Capital	-	-	-
Additional Capital from National Government	-	-	-
Members' Contribution	-	-	-
Comprehensive Income for the Year	1,026,213.84	-	1,026,213.84
Dividends	-	-	-
Other Adjustments	(26,534.50)	-	(26,534.50)
BALANCE AT DECEMBER 31, 2019	P 12,236,069.65	P 2,698,875.89	P 14,934,945.54

3. Trial Balance

TRIAL BALANCE

December 31, 2019

Particulars	Acct. No.	Debit	Credit
Cash-Collecting Officer	10101010	25,450.05	
Petty Cash	10101020	5,000.00	
Cash in Bank-Local Currency, CA-LBP	10102010	764,913.62	
Cash in Bank-Local Currency, SA-LBP SF	10102020-1	662,138.97	
Cash in Bank-Local Currency, SA-LBP JSA	10102020-2	484,448.21	
Cash in Bank-Local Currency, SA-LBP C.D.	10102020-3	506,612.57	
Accounts Receivables	10301010	88,021.10	
Other Receivables	10305990	25,801.90	
Merchandise Inventory-Meters	10401010-1	47,698.97	
Merchandise Inventory-Service Connection Materials	10401010-2	193,588.51	
Merchandise Inventory-Trans. and Dist. Materials	10401010-3	370,472.84	
Land	10601010	17,500.00	
Plant-Utility Plant in Service (UPIS)	10603110	10,823,559.43	
Buildings	10604010	1,214,483.29	
Office Equipment	10605020	356,389.37	
Other Equipment	10605990	5,641,898.74	
Motor Vehicles	10606010	75,503.00	
Construction in Progress-Infrastructure Assets	10699910	2,440,797.62	
Construction in Progress-Buildings	10699930	386,367.42	
Other Prepayments	19902990	40,728.74	
Guaranty Deposit	19903020		
Other Assets	19999990	37,806.43	
Allowance for Impairment-Accounts Receivables	10301011		3,114.05
Allowance for Impairment-Other Receivables	10305991		993.91
Accumulated Depreciation-Other Land Improvements	10601011		-
Accumulated Depreciation- Plant(UPIS)	10603111		5,119,261.06
Accumulated Depreciation- Buildings	10604011		492,910.05
Accumulated Depreciation- Office Equipment	10605021		303,961.01
Accumulated Depreciation- Other Equipment	10605991		1,824,546.31
Accumulated Depreciation- Motor Vehicles	10606011		67,952.70
Accounts Payable	20101010		-
Due to Officers and Employees-SSS	20101020-2		4,410.00
Due to Officers and Employees-Terminal Leave Ben	20101020-4		175,000.00
Loans Payable-Domestic	20102040		562,791.48
Loans Payable-Current Portion of LTD	20102040		62,482.00
Due to BIR	20201010		7,828.00
Due to GSIS	20201020		2,287.54
Due to Pag-ibig	20201030		-
Due to PhilHealth	20201040		81.25
Due to NGA's	20201050		103,632.13
Customers' Deposit Payable	20401050		542,983.75
Retained Earnings	30701010		13,908,731.70
Fines and Penalties-Service Income	40201140		286,728.80
Other Service Income	40201990		476,527.67
Waterworks System Fees-Metered Sales	40202090		6,917,601.55
Interest Income	40202210		3,379.48
Assistance from Government Corporations	40301040		30,000.00
Miscellaneous Income	40603990		6 306 90

Salaries and Wages-Regular	50101010	2,326,209.00	
Salaries and Wages-Casual/Contractual	50101020	26,250.00	
Personnel Economic Relief Allowance	50102010	198,000.00	
Representation Allowance (RA)	50102020	60,000.00	
Transportation Allowance (TA)	50102030	60,000.00	
Clothing/Uniform Allowance	50102040	48,000.00	
Longevity Pay	50102120	20,000.00	
Overtime and Night Pay	50102130	70,983.54	
Year-end Bonus	50102140	380,698.00	
Cash Gift	50102150	41,000.00	
Other Bonuses and Allowances-PEI	50102990-12	42,000.00	
Other Bonuses and Allowances-Other Bonuses	50102990-99	107,000.00	
Retirement and Life Insurance Premiums	50103010	279,145.08	
Pag-Ibig Contributions	50103020	46,524.18	
PhilHealth Contributions	50103030	24,599.16	
Employees Compensation Insurance Premiums	50103040	9,900.00	
Terminal Leave Benefits	50104030	75,000.00	
Travelling Expenses-Local	50201010	124,341.00	
Training Expenses	50202010	53,700.00	
Office Supplies Expense	50203010	34,524.68	
Accountable Forms Expenses	50203020	13,000.00	
Fuel, Oil and Lubricants Expenses-Motor Vehicle	50203090-2	33,028.20	
Fuel, Oil and Lubricants Expenses-Office	50203090-3	3,651.00	
Chemical and Filtering Supplies Expenses	50203130	109,280.00	
Semi Expandable Machinery & Equipment	50203210	15,890.00	
Electricity Expenses	50204020	24,791.57	
Postage and Courier Services	50205010	3,065.00	
Telephone Expenses-Mobile	50205020-2	50,355.00	
Internet Subscription Expenses	50205030	33,894.24	
Awards	50206010	5,400.00	
Generation, Transmission and Distribution Exp	50209010	1,082,088.51	
Extraordinary and Miscellaneous Expenses-Extraordin	50210030-1	7,824.00	
Auditing Services	50211020	123,632.13	
Other Professional Services	50211990	15,946.77	
Repairs & Maintenance-Infrastructure Assets	50213030-11	49,569.76	
Repairs & Maintenance-Bldgs. & Other Structures	50213040	3,568.00	
Repairs & Maintenance-Office Equipment	50213050-2	4,675.00	
Repairs & Maintenance-Other Machinery & Equipment	50213050-99	18,734.00	
Repairs & Maintenance-Transport Equipment-Motor Veh	50213060-1	1,042.00	
Taxes, Duties and Licences	50215010	221,847.09	
Fidelity Bond Premiums	50215020	6,226.50	
Insurance Expenses	50215030	1,399.75	
Advertising, Promotional and Marketing Expenses	50299010	400.00	
Representation Expenses	50299030	36,839.84	
Membership Dues and Contributions to Organization	50299060	4,997.00	
Donations	50299080	3,000.00	
Directors and Committee Members Fee	50299120	100,470.00	
Other Maintenance and Operating Expenses	50299990	20,605.00	
Depreciation-Infrastructure Assets-Plant (UPIS)	50501030-11	354,459.77	
Depreciation-Buildings and Other Structures	50501040	24,497.04	
Depreciation-Machinery and Equipment-Office Equipme	50501050-2	6,119.35	
Depreciation-Machinery and Equipment-Other Machinery	50501050-99	251,911.75	
Impairment Loss-Loans And Receivables	50503020	23,767.91	
Impairment Loss-Other Receivables	50503060	4,038.38	
Interest Expense	50301020	3,185.74	
Other Financial Charges	50301990	3,255.62	
TOTALS		30,903,511.34	30,903,511.34

4. Comparative Financial Position

**CLAVERIA WATER DISTRICT
CONDENSED STATEMENT OF FINANCIAL POSITION
AST AT DECEMBER 31, 2019**

	NOTE	2019	2018
ASSETS			
Current Assets			
Cash and Cash Equivalents	4	2,448,563.42	3,704,635.62
Receivables	5	109,715.04	158,773.98
Inventories	6	611,760.32	460,867.55
Other Current Assets	7	40,728.74	40,728.74
Total Current Assets		<u>3,210,767.52</u>	<u>4,365,005.89</u>
Non-Current Assets			
Property, Plant and Equipment	8	13,147,867.74	10,277,287.41
Other Non-Current Assets	9	37,806.43	14,970.00
Total Non-Current Assets		<u>13,185,674.17</u>	<u>10,292,257.41</u>
Total Assets		<u>16,396,441.69</u>	<u>14,657,263.30</u>
LIABILITIES			
Current Liabilities			
Financial Liabilities	10	179,410.00	104,410.00
Loans Payable-Current Portion of LTD	11	62,482.00	-
Inter-Agency Payables	12	113,828.92	112,088.35
Trust Liabilities	13	542,983.75	505,498.75
Total Current Liabilities		<u>898,704.67</u>	<u>721,997.10</u>
Non-Current Liabilities			
Loans Payable-Domestic	12	562,791.48	-
Total Non-Current Liabilities		<u>562,791.48</u>	<u>-</u>
Total Liabilities		<u>1,461,496.15</u>	<u>721,997.10</u>
EQUITY			
Government Equity		2,698,875.89	2,698,875.89
Retained Earnings		12,236,069.65	11,236,390.10
Total Equity		<u>14,934,945.54</u>	<u>13,935,265.99</u>
Total Liabilities and Equity		<u>16,396,441.69</u>	<u>14,657,263.09</u>

5. Comparative Income Statement

**CLAVERIA WATER DISTRICT
CONDENSED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED DECEMBER 31, 2019**

	NOTE	2019	2018
Income			
Service and Business Income	14	<u>7,720,544.40</u>	<u>7,196,768.94</u>
Total Income		<u>7,720,544.40</u>	<u>7,196,768.94</u>
Expenses			
Personnel Services	15	3,815,308.96	3,465,284.29
Maintenance and Other Operating Expenses	16	2,207,786.04	2,012,337.78
Financial Expenses	17	6,441.36	-
Non-Cash Expenses	18	<u>664,794.20</u>	<u>494,397.15</u>
Total Expenses		<u>6,694,330.56</u>	<u>5,972,019.22</u>
Comprehensive Income		<u><u>1,026,213.84</u></u>	<u><u>1,224,749.72</u></u>

6. Notes to Financial Statement

Notes to Financial Statements For the Year Ended December 31, 2019

1. General Information/Agency Profile

The financial statements of the Claveria Water District were authorized for issue on January 06, 2020 as shown in the Statement of Management Responsibility for Financial Statements signed by Guillerma I. Martin, MBA, Head of the Agency.

Claveria Water District was created on April 21, 1982, thru a public hearing under the Administration of the late Mayor Placido Leño. The Water District started its operation on September 1, 1982 with 100 concessionaires, where its operation is governed by PD 198, otherwise known as "Provincial Water Utilities Act of 1973", as amended under Presidential Decree Nos. 768 and 1479. The decree authorized the formation of Local Water Districts and provided for their government and administration such powers as are necessary to optimize public for their service utility operations and for other purposes. Currently, it is serving eleven barangays of the Municipality of Claveria, Cagayan with 1,788 concessionaires.

Since 1992, by virtue of the Supreme Court en banc decision, G.R. No. 95237 (Davao City Water District, et al. vs. CSC et al.), Water Districts were declared Government Owned and/or Controlled Corporations (GOCCs) with original charter and as such under the jurisdiction of the public respondents Civil Service Commission and Commission on Audit.

The District's primary objective is to supply potable water, which will meet the domestic demand through the creation, operation, maintenance and expansion of reliable and economically viable and sound water supply within the Municipality of Claveria.

In 1992, the District is categorized as small water district, and re-categorized as average water district last April 2008. As of December 2013, the district is classified as Category D, with eight (8) permanent employees under the leadership of General Manager. The Water District is managed through policies, formulated by its Board of Directors, in accordance with the regulations imposed by the Local Water Utilities Administration, national government and other regulatory bodies.

It is worth mentioning that the District has been a recipient of Most Outstanding Water District under small category for three (3) consecutive years, starting 2002 to 2004, and again for the years 2006 and 2007. In 2010, the District has been a nominee for outstanding water district under average water district category. In 2018, the District is again a recipient of Most Outstanding Water District Award (Luzon- Category D) and Most Outstanding Water District Award (National Level- Category D). This year, the District has been chosen by the Commission on Audit as one of this year's Outstanding Accounting Offices.

2. Statement of Compliance and Basis of Preparation of Financial Statements

The financial statements have been prepared in accordance with the Philippine Financial Reporting Standards (PFRS) in compliance with Commission on Audit Resolution No. 2015-040 dated December 1, 2015.

The financial statements have been prepared on the basis of historical cost, unless stated otherwise. The Statement of Cash Flows is prepared using the direct method.

3. Summary of Significant Policies

3.1 Basis of Accounting

The financial statements are prepared on an accrual basis in accordance with the Philippine Financial Reporting Standards (PFRS).

3.2 Financial Instruments

a. Financial Assets

Initial Recognition and Measurement

The amortized cost of a financial asset is the amount at which financial asset is measured at initial recognition minus principal repayments, plus or minus the cumulative amortization using the effective interest method of any difference between that initial amount and the maturity amount, and minus any reduction (directly or through the use of an allowance account) for impairment or uncollectibility.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognized on the trade date, i.e., the date that the Claveria Water District commits to purchase or sell the asset.

The Claveria Water District's financial assets include: cash and cash equivalent; trade and other receivables.

Subsequent measurement

A financial asset or a group of financial assets is impaired and impairment losses are incurred if, and only if, there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized (such as an improvement in the debtor's credit rating), the previously recognized impairment loss shall be reversed either directly or by adjusting an allowance account. The reversal shall not result in a carrying amount of the financial asset that exceeds what the amortized cost would have been had the impairment not been recognized at the date the impairment is reversed. The amount of the reversal shall be recognized in profit or loss.

b. Financial Liabilities

Initial recognition and measurement

The amortized cost of a financial liability is the amount at which financial liability is measured at initial recognition minus principal repayments, plus or minus the cumulative amortization using the effective interest method of any difference between that initial amount and the maturity amount, and minus any reduction (directly or through the use of an allowance account) for impairment or uncollectibility.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings, plus directly attributable transaction costs.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognized in profit or loss.

c. Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the consolidated statement of financial position if, and only if, there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liabilities simultaneously.

3.3 Cash and Cash Equivalents

Cash and cash equivalents comprise cash on hand and cash at bank, deposits on call and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value. For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and short-term deposits as defined above, net of outstanding bank overdrafts.

3.4 Inventories

Inventories are measured at the lower of cost and net realizable value. The cost of inventories comprise all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

The cost of inventories of items that are not ordinarily interchangeable and goods or services produced and segregated for specific projects are assigned by using specific identification of their individual costs. The costs of inventories that are interchangeable are assigned by using the weighted average cost formula. An entity uses the same cost formula for all inventories having a similar nature and use to the entity.

Inventories are recognized as an expense when deployed for sale, utilization or consumption in the ordinary course of operations of the Claveria Water District.

3.5 Property, Plant and Equipment

Recognition

An item is recognized as property, plant, and equipment (PPE) if it meets the characteristics and recognition criteria as a PPE.

The characteristics of PPE are: tangible items; are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes; and are expected to be used during more than one reporting period.

An item of PPE is recognized as an asset if:

- It is probable that future economic benefits associated with the item will flow to the entity; and
- The cost or fair value of the item can be measured reliably.

Measurement at Recognition

An item recognized as property, plant, and equipment is measured at cost. Cost includes the following:

- Its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates;
- expenditure that is directly attributable to the acquisition of the items; and
- Initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which an entity incurs either when the item is acquired, or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period.

Measurement after Recognition

After recognition, all property, plant and equipment are stated at cost less accumulated depreciation and impairment losses.

When significant parts of property, plant and equipment are required to be replaced at intervals, the Claveria Water District recognizes such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major repair/replacement is done, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized as expense in profit or loss as incurred.

Depreciation

Each part of an item of property, plant, and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately. The depreciation charge for each period is recognized as expense unless it is included in the cost of another asset.

Initial Recognition of Depreciation

Depreciation of an asset begins when it is available for use such as when it is in the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation Method

The straight line method of depreciation is adopted for agency operation.

Estimated Useful Life

The Claveria Water District uses the Schedule on the Estimated Useful Life of PPE by classification prepared by COA.

The Claveria Water District uses a residual value equivalent to ten percent (10%) of the cost of the PPE.

Impairment

An asset's carrying amount is written down to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Derecognition

The Claveria Water District derecognizes items of property, plant and equipment and/or any significant part of an asset upon disposal or when no future economic benefits are expected from its continuing use. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the profit or loss when the asset is derecognized

3.6 Changes in accounting policies and estimates

The Claveria Water District recognizes the effects of changes in accounting policy retrospectively. The effects of changes in accounting policy are applied prospectively if retrospective application is impractical.

The Claveria Water District recognizes the effects of changes in accounting estimates prospectively by including in profit or loss.

The Claveria Water District corrects material prior period errors retrospectively in the first set of financial statements authorized for issue after their discovery by:

- Restating the comparative amounts for prior period(s) presented in which the error occurred; or

- If the error occurred before the earliest prior period presented, restating the opening balances of assets, liabilities and net assets/equity for the earliest prior period presented.

3.7 Revenue

Rendering of Services

The Claveria Water District recognizes revenue from rendering of services by reference to the stage of completion when the outcome of the transaction can be estimated reliably. The stage of completion is measured by reference to labor hours incurred to date as a percentage of total estimated labor hours.

Where the contract outcome cannot be measured reliably, revenue is recognized only to the extent that the expenses incurred are recoverable.

Sale of Goods

Revenue from the sale of goods is recognized when the significant risks and rewards of ownership have been transferred to the buyer, usually on delivery of the goods and when the amount of revenue can be measured reliably and it is probable that the economic benefits associated with the transaction will flow to the Claveria Water District.

3.8 Budget Information

The annual budget is prepared on a cash basis and is submitted to the Department of Budget and Management.

3.9 Impairment

Claveria Water District assesses at the end of each reporting period whether there is any indication that an asset may be impaired. If any such indication exists, the agency estimates the recoverable amount of the asset.

Irrespective of whether there is any indication of impairment, the agency shall test an intangible asset with an indefinite useful life or an intangible asset not yet available for use for impairment annually by comparing its carrying amount with its recoverable amount. However, if such an intangible asset was initially recognized during the current annual period, that intangible asset shall be tested for impairment before the end of the current annual period.

3.10 Employee Benefits

The employees of Claveria Water District are members of the Government Service Insurance System (GSIS), which provides life and retirement insurance coverage.

The Claveria Water District recognizes the undiscounted amount of short term employee benefits, like salaries, wages, bonuses, allowance, etc., as expense unless capitalized, and as a liability after deducting the amount paid.

The Claveria Water District recognizes expenses for accumulating compensated absences when these are paid (commuted or paid as terminal leave benefits). An unused entitlement that has accumulated at the reporting date is not recognized as expense. Non-accumulating compensated absences, like special leave privileges, are not recognized.

3.11 Borrowing Costs

The Claveria Water District capitalizes borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset as part of the cost of that asset. The Claveria Water District recognizes other borrowing costs as an expense in the period in which it incurs them.

3.12 Measurement Uncertainty

The preparation of financial statements in conformity with PFRS, requires management to make estimates and assumptions that affect the reporting amounts of assets and liabilities, and disclosure of contingent assets and liabilities, at the date of the financial statements and the reported amounts of the revenues and expenses during the period.

Estimates are based on the best information available at the time of preparation of the financial statements and are reviewed annually to reflect new information as it becomes available. Measurement uncertainty exists in these financial statements. Actual results could differ from these estimates.

4. Cash and Cash Equivalents

Accounts	2019	2018
Cash-Collecting Officer	25,450.05	6,422.46
Petty Cash	5,000.00	5,000.00
Cash in Bank-Local Currency, CA, LBP	764,913.62	1,736,256.12
Cash in Bank-Local Currency, SA, LBP-JSA	484,448.21	807,121.93
Cash in Bank-Local Currency, SA, LBP-CD	506,612.57	506,272.00
Cash in Bank-Local Currency, SA, LBP-SF	662,138.97	643,563.11
Total Cash and Cash Equivalents	2,448,563.42	P 3,704,635.62

- 4.1 Cash-Collecting Officer account includes the undeposited collections of water sales.
- 4.2 Petty Cash Fund account represents revolving fund maintained under the imprest system.
- 4.3 Cash in Bank-Current Account-LBP pertains to daily collections of the Agency from October 2001 to present.
- 4.4 Cash in Bank- Savings Account –LBP-Joint Savings Account refers to the reserve fund of the District for replacement of equipment and spare parts, which are fully depreciated
- 4.5 Cash in Bank- Savings Account- LBP- Customer Deposit represents deposits made by customers as security for the payment of their subsequent bills.
- 4.6 Cash in Bank- Savings Account- LBP-Sinking Fund represent one percent of the gross sales allocated for the retirement of the employees of the District.

5. Receivables

5.1. Receivables

Accounts	2019	2018
Accounts Receivable	88,021.10	133,135.35
<i>Allowance for Impairment - Accounts Receivable</i>	(3,114.05)	(5,093.29)
<i>Net Value - Accounts Receivable</i>	84,907.05	128,042.06
Other Receivables	25,801.90	32,142.65
<i>Allowance for Impairment - Other Receivable</i>	(993.91)	(1,410.73)
<i>Net Value - Other Receivable</i>	24,808.00	30,731.92
TOTALS	109,715.04	158,773.98

5.2. Aging/Analysis of Receivables

As at December 31, 2019

Accounts	Total	<u>Not Past Due</u>	<u>Past due</u>		
			<30 days	30-60 days	>60 days
Accounts Receivables	3,114.05	263.67	122.52	72.80	2,655.06
Other Receivables	993.91	35.53	68.53	76.95	812.90
Total	4,107.96	299.20	191.05	149.75	3,467.96

6. Inventories

Accounts	2019	2018
Merchandise Inventory- Meters	47,698.97	29,768.24
Merchandise Inventory- Service Connection Materials	193,588.51	160,104.89
Merchandise Inventory- Trans./Dist. Pipes & Fittings	370,472.84	270,994.42
Total	611,760.32	460,867.55

Accounts	2019	2018
Inventory Held for Sale		
Carrying Amount, January 1, 2019	189,873.13	155,165.40
Purchases during the year	388,568.74	246,546.50
Sold During the Year	(337,154.39)	(211,838.77)
Carrying Amount, December 31, 2019	241,287.48	189,873.13
Inventory Held for Distribution		
Carrying Amount, January 1, 2019	270,994.42	220,494.84
Purchases during the year	1,027,886.25	71,400.00
Distributed During the Year	(928,407.83)	(20,900.42)
Carrying Amount, December 31, 2019	370,472.84	270,994.42
Total Carrying Amount	611,760.32	460,867.55

Inventories Held for Sale are the Merchandise Inventory for Meters and Service Connection Materials. Inventories held for distribution is the Transmission/ Distribution Pipes/ Fittings. The amount of inventories recognized as an expense during the period are those fittings that were used for new installations, disconnection, reconnection and replacement of mainlines, relocation of water meters, replacement of defective meters, for repair of pumping stations and leak repairs.

7. Other Assets – Current

Particulars	2019	2018
Other Prepayments	40,728.74	40,728.74

The account Other Prepayments pertains to the security deposit to Cagayan Electric Cooperative-II and Bureau of Telecommunications.

8. Property, Plant and Equipment

Property, Plant and Equipment	Carrying Amount, January 1, 2019	Additions/ Acquisitions	Total	Depreciation (As per Statement of Financial Performance)	Carrying amount, December 31, 2019 (As per Statement of Financial Position)
Land	17,500.00	0.00	17,500.00	(0.00)	17,500.00
Infrastructure Assets	6,611,897.51	(553,139.37)	6,058,758.14	(354,459.77)	5,704,298.37
Buildings & Other Structures	746,070.28	0.00	746,070.28	(24,497.04)	721,573.24
Machinery & Equipment	2,294,533.32	1,833,278.57	4,127,811.89	(258,031.10)	3,869,780.79
Transportation Equipment	7,550.30	0.00	7,550.30	0.00	7,550.30
Construction in Progress	599,736.00	2,227,429.04	2,827,165.04	0.00	2,827,165.04
TOTAL PPE	10,277,287.41	3,507,568.24	13,784,855.65	(636,987.91)	13,147,867.74

Property, Plant and Equipment	Gross Cost (Asset Account Balance per Statement of Financial Position)	Less: Accumulated Depreciation	Carrying Amount, December 31, 2019 (As per Statement of Financial Position)
Land	17,500.00	(0.00)	17,500.00
Infrastructure Assets	10,823,559.43	(5,119,261.06)	5,704,298.37
Buildings and Other Structures	1,214,483.29	(492,910.05)	721,573.24
Machinery and Equipment	5,998,288.11	(2,128,507.32)	3,869,780.79
Transportation Equipment	75,503.00	(67,952.70)	7,550.30
Construction in Progress	2,827,165.04	(0.00)	2,827,165.04
Total PPE	20,956,498.87	(7,808,631.13)	13,147,867.74

9. Other Assets – Non Current

Particulars	2019	2018
Other Assets	37,806.43	14,970.00

This account pertains to various unserviceable office equipment and water meters (stock up and broken water meters) retrieved from customers amounting to 37,806.43 as of December 31, 2019.

10. Financial Liabilities

Particulars	2019	2018
Due to Officers and Employees	179,410.00	104,410.00

11. Loans Payable

Particulars	2019	2018
Loans Payable-Domestic	625,273.48	0.00

The Loans Payable represents the Emergency Loan (Loan Account No. 4-2845) availed from the Local Water Utilities Administration on June 2019 amounting to P651, 123.48. The amortization is payable over 120 months at one percent (1%) interest rate per annum.

12. Inter-Agency Payables

Accounts	2019	2018
Due to BIR	7,828.00	109,719.56
Due to GSIS	2,287.54	2,287.54
Due to Philhealth	81.25	81.25
Due to NGA's	103,632.13	0.00
Total Inter-Agency Payables	113,828.92	112,088.35

Inter-Agency Payables account includes withholding taxes withheld from payroll, taxes withheld from purchase of goods and services, premiums to GSIS and PHIC, and cost of auditing services by the Commission on Audit to be paid or remitted in January 2020.

13. Trust Liabilities

Particulars	2019	2018
Customers' Deposits Payable	542,983.75	505,498.75
Total Trust Liabilities	542,983.75	505,498.75

Customer Deposits represents guaranty deposits equivalent to two (2) months minimum bill of concessionaires. These deposits were made by the concessionaires as security for subsequent water bills.

14. Service and Business Income

Particulars	2019	2018
Waterworks System Fees	6,917,601.55	6,622,606.06
Interest Income	3,379.48	5,364.52
Other service Income	476,527.67	311,085.58
Fines and Penalties-Service Income	286,728.80	254,212.78
Total Service and Business Income	7,684,237.50	7,193,268.94
Miscellaneous Income	6,306.90	3,500.00
Financial Assistance from GOCC	30,000.00	0.00
Total Income	7,720,544.40	7,196,768.94

15. Personnel Services

15.1. Salaries and Wages

Particulars	2019	2018
Salaries and Wages – Regular	2,326,209.00	2,100,936.00
Salaries and Wages - Casual/Contractual	26,250.00	0.00
Total Salaries and Wages	2,352,459.00	2,100,936.00

15.2. Other Compensation

Particulars	2019	2018
Personal Economic Relief Allowance (PERA)	198,000.00	192,000.00
Representation Allowance (RA)	60,000.00	60,000.00
Transportation Allowance (TA)	60,000.00	60,000.00
Clothing/Uniform Allowance	48,000.00	48,000.00
Year End Bonus	421,698.00	390,204.00
Longevity Pay	20,000.00	0.00
Overtime and Night Pay	70,983.54	51,126.43
Other Bonuses and Allowances	149,000.00	135,636.15
Total Other Compensation	1,027,681.54	936,966.58

15.3. Personnel Benefit Contributions

Particulars	2019	2018
Retirement and Life Insurance Premiums	279,154.08	253,642.55
Pag-ibig Contributions	46,524.18	42,018.72
PhilHealth Contributions	24,599.16	23,195.86
Employees Compensation Insurance Premiums	9,900.00	9,714.53
Total Personnel Benefit Contributions	360,168.42	328,571.66

15.4 Other Personnel Benefits

Particulars	2019	2018
Retirement Gratuity	0.00	50,000.00
Terminal Leave Benefits	75,000.00	48,810.05
Total Other Personnel Benefit Contributions	75,000.00	98,810.05

16. Maintenance and Other Operating Expenses

16.1. Traveling Expenses

Particulars	2019	2018
Traveling Expenses – Local	124,341.00	74,217.00
Total Traveling Expenses	124,341.00	74,217.00

16.2. Training and Scholarship Expenses

Particulars	2019	2018
Training Expenses	53,700.00	24,500.00
Total Training and Scholarship Expenses	53,700.00	24,500.00

16.3. Supplies and Materials Expenses

Particulars	2019	2018
Office Supplies Expenses	34,524.68	61,202.60
Accountable Forms Expenses	13,000.00	0.00
Fuel, Oil and Lubricants Expenses	36,679.20	324,116.35
Semi Expendable Machinery and Equipment	15,890.00	8,730.00
Chemical and Filtering Supplies Expenses	109,280.00	78,540.00
Total Supplies and Materials Expenses	209,373.88	472,588.95

16.4. Utility Expenses

Particulars	2019	2018
Electricity Expenses	24,791.57	967,373.58
Total Utility Expenses	24,791.57	967,373.58

16.5. Communication Expenses

Particulars	2019	2018
Postage and Courier Services	3,065.00	2,399.00
Telephone Expenses	50,355.00	49,507.00
Internet Subscription Expenses	33,894.24	33,827.99
Total Communication Expenses	87,314.24	85,733.99

16.6. Awards/Rewards, Prizes and Indemnities

Particulars	2019	2018
Awards	5,400.00	0.00
Total Awards/Rewards, Prizes and Indemnities	5,400.00	0.00

16.7. Generation, Transmission and Distribution Expenses

Particulars	2019	2018
Generation, Transmission & Dist. Expenses	1,082,088.51	0.00
Total Generation, Trans. & Distribution	1,082,088.51	0.00

16.8. Confidential, Intelligence and Extraordinary Expense

Particulars	2019	2018
Extraordinary and Miscellaneous Expenses	7,824.00	7,969.00
Total Confidential, Intelligence & Extraordinary Expenses	7,824.00	7,969.00

16.9. Professional Services

Particulars	2019	2018
Auditing Services	123,632.13	0.00
Other Professional Services	15,946.77	0.00
Total Professional Services	139,578.90	0.00

16.10. Repairs and Maintenance

Particulars	2019	2018
Repairs & Maint - Infrastructure Assets	49,569.76	19,798.7
Repairs & Maint- Buildings and Other Structures	3,568.00	5,839.00
Repairs & Maintenance - Machinery & Equipment	23,409.00	18,364.00
Repairs & Maint - Transportation Equipment	1,042.00	1,820.00
Total Repairs and Maintenance Expenses	77,588.76	45,821.70

16.11. Taxes, Insurance Premiums and Other Fees

Particulars	2019	2018
Taxes, Duties and Licenses	221,847.09	116,145.55
Fidelity Bond Premiums	6,226.50	6,226.50
Insurance Expenses	1,399.75	5,390.36
Total Taxes, Insurance & Other Fees	229,473.34	127,762.41

16.12. Other Maintenance and Operating Expenses

Particulars	2019	2018
Advertising Expenses	400.00	6,318.00
Representation Expenses	36,839.84	28,480.00
Directors and Committee Members Fee	100,470.00	149,277.00
Membership Dues and Contributions to Organizations	4,997.00	5,803.00
Donations	3,000.00	3,000.00
Other Maintenance and Operating Expenses	20,605.00	13,493.15
Total Other Maintenance and Operating Expenses	166,311.84	206,371.15

17. Financial Expenses**17.1 Financial Expenses**

Particulars	2019	2018
Interest Expenses	3,185.74	0.00
Other Financial Charges	3,255.62	0.00
Total Other Maintenance and Operating Expenses	6,441.36	0.00

18. Non-Cash Expenses**18.1 Depreciation**

Particulars	2019	2018
Depreciation - Infrastructure Assets	354,459.77	325,925.25
Depreciation - Buildings and Other Structures	24,497.04	24,391.14
Depreciation - Machinery and Equipment	258,031.10	144,080.76
Total Depreciation	636,987.91	494,397.15

18.2 Impairment Loss

Particulars	2019	2018
Impairment Loss- Loans and Receivables	23,767.91	0.00
Impairment Loss- Other Receivables	4,038.38	0.00
Total Impairment Loss	27,806.29	0.00

ANNEX G: SUMMARY OF LOAN PAYMENTS

Lending institution	Loan amount	Loan purpose	Date of first release	Loan Balance
LWUA	0.651	Acquisition of Genset	June 2019	FULL

Period	Monthly Amortization Due	Interest	Principal	Loan Outstanding
Amount of Loan Amortized				651,123.48
August	5,704.00	543.00	5,161.00	645,962.48
September	5,704.00	538.00	5,166.00	640,796.48
October	5,704.00	534.00	5,170.00	635,626.48
November	5,704.00	530.00	5,174.00	630,452.48
December	5,704.00	525.00	5,179.00	625,273.48

ANNEX H: WATER RATES

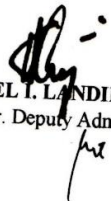
**CLAVERIA (Cagayan) WATER DISTRICT
SCHEDULE OF APPROVED WATER RATES
(per LWUA Board Resolution No. 218 s. 2006)**

A. Effective January 2007 & lapse of 7 calendar days posting as required by law

Classification	Size	Minimum Charge	Commodity Charge			
			11-20	21-30	31-40	41-up
Residential/Gov't	1/2"	170.00	19.00	21.10	23.45	25.95
	3/4"	272.00	19.00	21.10	23.45	25.95
	1"	544.00	19.00	21.10	23.45	25.95
	1 1/2"	1,360.00	19.00	21.10	23.45	25.95
	2"	3,400.00	19.00	21.10	23.45	25.95
	3"	6,120.00	19.00	21.10	23.45	25.95
	4"	12,240.00	19.00	21.10	23.45	25.95
Commercial/Industrial A	1/2"	340.00	38.00	42.20	46.90	51.90
	3/4"	544.00	38.00	42.20	46.90	51.90
	1"	1,088.00	38.00	42.20	46.90	51.90
	1 1/2"	2,720.00	38.00	42.20	46.90	51.90
	2"	6,800.00	38.00	42.20	46.90	51.90
	3"	12,240.00	38.00	42.20	46.90	51.90
	4"	24,480.00	38.00	42.20	46.90	51.90
Commercial A B	1/2"	297.50	33.25	36.90	41.00	45.40
	3/4"	476.00	33.25	36.90	41.00	45.40
	1"	952.00	33.25	36.90	41.00	45.40
	1 1/2"	2,380.00	33.25	36.90	41.00	45.40
	2"	5,950.00	33.25	36.90	41.00	45.40
	3"	10,710.00	33.25	36.90	41.00	45.40
	4"	21,420.00	33.25	36.90	41.00	45.40
Commercial B C	1/2"	255.00	28.50	31.65	35.15	38.90
	3/4"	408.00	28.50	31.65	35.15	38.90
	1"	816.00	28.50	31.65	35.15	38.90
	1 1/2"	2,040.00	28.50	31.65	35.15	38.90
	2"	5,100.00	28.50	31.65	35.15	38.90
	3"	9,180.00	28.50	31.65	35.15	38.90
	4"	18,360.00	28.50	31.65	35.15	38.90

Classification	Size	Minimum Charge	Commodity Charge			
			11-20	21-30	31-40	41-UP
Commercial C	1/2"	212.50	23.75	26.35	29.30	32.40
	3/4"	340.00	23.75	26.35	29.30	32.40
	1"	680.00	23.75	26.35	29.30	32.40
	1 1/2"	1,700.00	23.75	26.35	29.30	32.40
	2"	4,250.00	23.75	26.35	29.30	32.40
	3"	7,650.00	23.75	26.35	29.30	32.40
	4"	15,300.00	23.75	26.35	29.30	32.40
Bulk/Wholesale	1/2"	510.00	57.00	63.30	70.35	77.85
	3/4"	816.00	57.00	63.30	70.35	77.85
	1"	1,632.00	57.00	63.30	70.35	77.85
	1 1/2"	4,080.00	57.00	63.30	70.35	77.85
	2"	10,200.00	57.00	63.30	70.35	77.85
	3"	18,360.00	57.00	63.30	70.35	77.85
	4"	36,720.00	57.00	63.30	70.35	77.85

Note: Flat rate shall be computed based on the actual average consumption of a metered 1/2" Residential Connection times the existing metered rates (Minimum Charge + Commodity Charges) for said connection.


DANIEL I. LADINGIN
 Acting Sr. Deputy Administrator

ANNEX I: SUMMARY OF WATER PRODUCTION AND CONSUMPTION

<i>Month</i>	<i>Production</i>	<i>Consumption</i>
<i>January</i>	28,137	26,455
<i>February</i>	25,100	23,271
<i>March</i>	27,185	24,940
<i>April</i>	28,301	26,170
<i>May</i>	32,845	30,397
<i>June</i>	31,662	29,202
<i>July</i>	32,571	29,910
<i>August</i>	33,566	30,950
<i>September</i>	32,808	30,102
<i>October</i>	28,433	26,270
<i>November</i>	31,862	29,263
<i>December</i>	26,171	24,296

ANNEX J: WD WATER SOURCES

1. Deepwell #1- Centro 7, Claveria, Cagayan
2. Deepwell #2- Centro 8, Claveria, Cagayan

ANNEX K: SERVICE CONNECTION GROWTH

<i>Month</i>	<i>New</i>	<i>Reconnected</i>	<i>Disconnected</i>	<i>Growth</i>	<i>Balance</i>
<i>January</i>	5	10	6	9	9
<i>February</i>	10	7	0	17	26
<i>March</i>	15	7	4	18	44
<i>April</i>	8	4	0	12	56
<i>May</i>	15	5	3	17	73
<i>June</i>	9	3	3	9	82
<i>July</i>	19	4	10	13	95
<i>August</i>	5	5	8	2	97
<i>September</i>	8	4	7	5	102
<i>October</i>	8	1	5	4	106
<i>November</i>	4	1	2	3	109
<i>December</i>	4	5	2	7	116

ANNEX L: LIST OF MAJOR EQUIPMENTS

1. Chlorinator
2. Electric motor
3. Generator Sets
4. Panel Control
5. Pump
6. Diesel Engine (4RAGD drive)

ANNEX M: SUMMARY OF BACTERIOLOGICAL ANALYSIS

Claveria Water District meets the Mandatory Drinking Water Quality Parameters as prescribed in the 2017 Philippine National Drinking Water for FY 2019.

ANNEX N: SUMMARY OF MONTHLY DATA SHEET

Submitted monthly at LWUA-WDDD Area 1.