



REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF BUDGET AND MANAGEMENT
GENERAL SOLANO STREET, SAN MIGUEL, MANILA

CORPORATE OPERATING BUDGET

Fiscal Year 2025

TO: ORION WATER DISTRICT

Your Corporate Operating Budget (COB) for FY 2025 per approved Orion Water District Board Resolution No. 12 dated December 10, 2024, submitted pursuant to Section 6 of Executive Order (EO) No. 518, series of 1979 and Section 19, Chapter 3, Book VI of EO No. 292, series of 1987, is hereby recommended for a total amount of **FORTY NINE MILLION TWO HUNDRED FIFTY NINE THOUSAND AND 0/100 (P 49,259,000.00)**, details of which are shown below:

PARTICULARS	PROPOSAL (a)	RECOMMENDED (b)	VARIANCE (c=b-a)
TOTAL SOURCES	P 50,991	P 50,991	P -
Corporate Funds	50,991	50,991	-
National Government (NG) Subsidy	-	-	-
TOTAL USES	P 50,155	P 49,259	P (896)
Personnel Services (PS)	22,302	22,290 a/	(12)
Maintenance & Other Operating Expenses (MOOE)	20,423	19,539 b/	(884)
Capital Outlays (CO)	7,430	7,430 c/	-
Excess	P 836	P 1,732	P 896

Footnotes:

a/ The recommended PS level is based on existing rates per prescribed guidelines and issuances. The variance is due to additional appropriation under per diem of the board.

b/ The recommended MOOE level is computed considering the agency's absorptive capacity i.e., historical budget utilization rates (BURs) of at least three (3) immediately preceding years, and *(as applicable)* the latest report on expenditures of the current year and the doable programs, activities and projects of the LWD until the end of the

c/ The recommended CO level considers the implementation-readiness of the projects and activities under the respective CO items, as well as the National Government support, as applicable.

Notwithstanding the aforementioned variances in PS, MOOE, and CO, the ORION WATER DISTRICT still has the flexibility to modify its utilization within the total DBM-reviewed budget level.

Further, the following conditions shall be observed and complied with:

- All expenditures, whether for current operating expenditures or for COs, shall be made within the limits of available funds realized from corporate receipts, authorized corporate borrowings and NG budgetary support either in the form of subsidy, equity or loans outlay.

TO: ORION WATER DISTRICT

2. Any increase in the approved principal COB in the course of the budget year, as may be warranted by additional corporate receipts, shall require the submission of a supplemental COB to cover the additional expenditures.
3. This approval shall not be construed as an authorization for specific expenditure items under PS which requires prior approval by the OP. **Disbursements for PS shall strictly observe pertinent compensation laws, rules and regulations**, including EO Nos. 7 and 24 dated September 8, 2010 and February 10, 2011, respectively and EO No. 150 for Government-Owned or-Controlled Corporations (GOCCs) covered by RA No. 10149. Such expenditures shall also be subject to relevant conditions under the GPs of the annual General Appropriations Act (GAA) or any specific law or approval of the President of the Philippines and/or Secretary of Budget and Management or the Governance Commission for GOCCs, as the case may be.
4. Disbursements for Extraordinary and Miscellaneous Expenses and other MOOE expenditures shall be subject to the relevant provisions of the annual GAA, among others.
5. For equipment outlays included in the Annual Procurement Program that require specific clearance/approval from the agencies concerned, the same shall be secured before acquisition thereof. Example: OP/Department of Budget and Management/Supervising Department for the purchase of MV, if any, in accordance with the provisions of the Budget Circular No. 2022-01 dated February 11, 2022 (Omnibus Guidelines on the Acquisition, Use, Rental, and Replacement of MVs), RA No. 9184 (Government Procurement Reform Act) and its Implementing Rules and Regulations, among others.
6. Electronic payment shall be observed in the disbursement of corporate and public funds. In case the same is impracticable, the GOCC shall be allowed to continue with the existing payment scheme.
7. Pursuant to AO No. 6 dated September 19, 2017, no irregular, unnecessary, extravagant, excessive and unconscionable expenses shall be incurred. Furthermore, existing laws, rules and regulations mandating the judicious and prudent use of government funds shall be observed.
8. It is understood that this review action does not authorize any item of expenditure that is prohibited by or inconsistent with the provisions of existing laws, rules and regulations.
9. Any and all officials or employees who will authorize, allow or permit, as well as those who are negligent in the performance of their duties and functions which resulted in the incurrence or payment of unauthorized and unlawful obligation or expenditure shall be personally liable to the government for the full amount committed or expended and subject to disciplinary actions in accordance with Section 43, Chapter 5 and Section 80, Chapter 7, Book VI of EO No. 292.

Reviewed by:


JENINA M. PINEDA

OIC Chief BMS

Date: JAN 22 2025


ROSALIE C. ABESAMIS

Director IV, DBM Regional Office III

Date: JAN 22 2025

cf: **The Chairman**
Board of Directors, Orion Water District

The Resident Auditor
COA - Orion Water District

COB No. ROIII-B-2025-0008

Date: JAN 22 2025

GOCC under:

- DBM
- GCG

NG Budgetary Support:

- Asking
- Non-Asking

Particulars	In Thousand Pesos			Remarks																												
	Proposal	Recommendation	Variance																													
Sources of Funds																																
The sources of funds are derived from the following:																																
1. Operating Revenue	44,739	44,739.00	-	Itemize GOCC's sources of funds such as corporate receipts , authorized corporate borrowings , and National Government budgetary support (current year General Appropriations Act (GAA) and prior year's unutilized allotment as authorized in its Special Provision)																												
2. Other Revenues	6,252	6,252.00	-																													
Total Sources	50,991	50,991.00	-																													
Uses of Funds																																
Personnel Services (PS)	22,302	22,290		(12) For GOCCs under the coverage of the GCG, PS is recommended as proposed , provided that the PS requirements is based on the approved Compensation and Position Classification System (CPCS) as governed by EO 150 and its IRR, while other specific benefits is in accordance with the applicable CPCS issuances on the matter. All the salaries of the jobe order/contractual personnel charged against PS. For GOCCs under the coverage of DBM, PS shall be computed per separate schedules as follows: 1. Schedule I-A - Permanent Positions 2. Schedule I-B - Non- Permanent /Contractual Pos. 3. Schedule I-C - RATA 4. Schedule I-D- Per Diem																												
Maintenance & Other Operating Expenses (MOOE)	20,423	19,539		(884) The recommended MOOE level is computed considering the agency's absorptive capacity: a. historical budget utilization rates (BURs) of at least three (3) immediately preceding years and apply the year with the highest BUR to compute the MOOE level for the year; and b. latest report on expenditures of the current year and the doable programs, activities and projects of the GOCC until the end of the year.																												
				<table border="1"> <thead> <tr> <th>Particulars</th> <th>FY 2022</th> <th>FY 2023</th> <th>FY 2024</th> </tr> </thead> <tbody> <tr> <td>DBM-recommended COB</td> <td>17,561</td> <td>21,741</td> <td>21,061</td> </tr> <tr> <td>Actual Expenditures</td> <td>16,085</td> <td>15,214</td> <td>18,569</td> </tr> <tr> <td>Unutilized Balance</td> <td>1,476</td> <td>6,527</td> <td>2,492</td> </tr> <tr> <td>OBUR</td> <td>91.60</td> <td>69.98</td> <td>88.17</td> </tr> <tr> <td>Actual Disbursement</td> <td>15,014</td> <td>14,190</td> <td>17,765</td> </tr> <tr> <td>DBUR</td> <td>93.34</td> <td>93.27</td> <td>95.67</td> </tr> </tbody> </table>	Particulars	FY 2022	FY 2023	FY 2024	DBM-recommended COB	17,561	21,741	21,061	Actual Expenditures	16,085	15,214	18,569	Unutilized Balance	1,476	6,527	2,492	OBUR	91.60	69.98	88.17	Actual Disbursement	15,014	14,190	17,765	DBUR	93.34	93.27	95.67
Particulars	FY 2022	FY 2023	FY 2024																													
DBM-recommended COB	17,561	21,741	21,061																													
Actual Expenditures	16,085	15,214	18,569																													
Unutilized Balance	1,476	6,527	2,492																													
OBUR	91.60	69.98	88.17																													
Actual Disbursement	15,014	14,190	17,765																													
DBUR	93.34	93.27	95.67																													
Capital Outlay (CO)	7,430	7,430		<table border="1"> <tbody> <tr> <td>Proposed MOOE</td> <td>20,423</td> <td>MOOE</td> <td>20,416</td> </tr> <tr> <td>x Highest BUR</td> <td>95.67%</td> <td>F NEX</td> <td>7</td> </tr> <tr> <td>MOOE Level</td> <td>19,539</td> <td></td> <td>20,423</td> </tr> </tbody> </table>	Proposed MOOE	20,423	MOOE	20,416	x Highest BUR	95.67%	F NEX	7	MOOE Level	19,539		20,423																
Proposed MOOE	20,423	MOOE	20,416																													
x Highest BUR	95.67%	F NEX	7																													
MOOE Level	19,539		20,423																													
Investment Outlay				Supported by a Certification signed by the GOCC head that the proposed project/s are implementation-ready and will be completed within the fiscal year. For Multi-year projects, the same is supported by a Certificate of Budget Inclusion, duly approved by the Governing Board.																												
Loans Outlay																																
Investment Property Outlay																																
Land and Land Improvements Outlay																																
Infrastructure Outlay	300	300																														
Buildings and Other Structures	5,100	5,100																														
Machinery and Equipment Outlay	400	400																														
Furniture and Fixtures, Books Outlay	1,630	1,630																														
Transportation Equipment				Transportation Equipment is evaluated in accordance with the provisions of Budget Circular No. 2022-1 dated February 11, 2022.																												
Total	50,155	49,259	(896)																													

5

**LWD: ORION WATER DISTRICT
PERFORMANCE REVIEW FOR COB
FOR FY 2024**

SCHEDULE II

A. PHYSICAL PERFORMANCE

PROGRAM INDICATORS	ANNUAL TARGET	ACCOMPLISHMENT	REMARKS
Percentage of households with access to potable wter againsts the total number of household within the coverage of the LWD	81%	85%	
Percentage of household connections receiving 24/7 supply of water	100%	100%	
Source Capacity of LWD to meet demands for 24/7 supply of water	4.27:1	1.9:1	
In compliance with the Department of Health (DOH) Administrative Order No. 2014-0027, LWDs among others, has been required to develop and implement a Water Safety Plan (WSP) to ensure safe delivery of safe drinking water.	WSP reviewed and approved. 85.33% acceptance rating	WSP reviewed and approved.	
Percentage of unbilled water to water production	19%	20%	
All water samples during the year should pass the physical chemical and microbiological tests as required by PNSDW 2017. Daily Chlorine residual requirement should be at least 0.3 ppm at the farthest point. In case the LWD is using chlorine dioxide, the allowable level should be at least 0.2 to 0.4 ppm	Complied	Physical Chemical test once a year, microbiological test every month, 0.6-0.7 always within the acceptable range	
Average response time in hours to restore service (major repair) when there are interruptions due to line breaks and/or production equipment or facility breakdown as reflected in the updated Citizen's or Service Charter of the LWD	Minor repairs-30 minutes Major repairs-Maximum of 8 hours	Minor repairs-30 minutes Major repairs-Maximum of 8 hours	
Categories A,B,C = 1 staff for every one hundred twenty (120) service connections (1:120)	1:120	1:120	
Microbiological/Bacteriological Reports, Physical and Chemical Reports, and Chlorine Residual Reports	Complied	Complied	

B. FINANCIAL PERFORMANCE

PARTICULARS	BOARD APPROVED LEVEL	ACTUAL UTILIZATION	REMARKS
PS	21,230,017.29	19,028,890.73	Based on the Financial Audit Report and Form 703-A
MOOE + FINEX	21,060,912.00	18,568,839.33	Based on the FY 2023 Financial Audit Report, Form 703 and 703-B include the Financial Expenses
CO	5,448,500.00	4,944,898.92	Based on SABUDB
Total	47,739,429.29	42,542,628.98	

C. FINANCIAL RATIOS (as applicable)**1. Revenue to Expense Ratio**

Particulars	Amount (In Thousand Pesos)		
	FY 2022 Audited	FY 2023 Audited/Actual	FY 2024 Estimates
Operating Income (OI)	37,549	38,009	50,331
Operating Expense (OE)	35,349	36,230	39,804
Revenue to Expense Ration (OI/OE)	106.22	104.91	126.45

2. Capital Adequacy Ratio

Particulars	Amount (In Thousand Pesos)		
	FY 2022 Audited 1/	FY 2023 Audited/Actual 1/	FY 2024 Estimates 2/
Cash and Cash Equivalent (CCE)	Not Applicable	Not Applicable	Not Applicable
Tier 1 Capital			
Tier 2 Capital			
Less: Required Deductions			
Total Qualifying Capital			
Risk Weighted Assets			
Total Capital Adequacy Ratio (CAR)			

1/ Per COA Audit Report of the GOCC

2/ To be provided by the Agency as submitted to the Bangko Sentral ng Pilipinas