

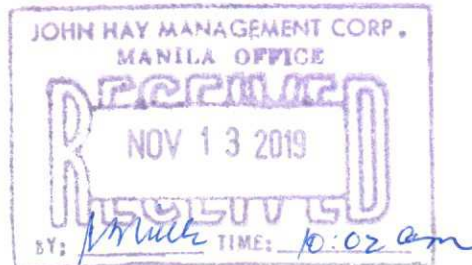
**John Hay Management Corporation**  
a member of the BCDA Group  
OPCEO-IN-2019-1338

Republic of the Philippines  
Office of the President



11 November 2019

**MR. ALLAN R. GARCIA**  
President and CEO  
John Hay Management Corporation  
John Hay Special Economic Zone  
Baguio City



Dear **President Garcia**:

We are pleased to inform you that on 06 November 2019, the BCDA Board of Directors approved your 2020 budget in the amount of Php256,144,760.06 broken down as follows:

Particulars	BCDA Funded	JHMC Funded	Total
Estate Management Fee	91,062,000.06		91,062,000.06
Land Related Cost	158,333,760.00		158,333,760.00
Regulatory and Historical Core		4,566,000.00	4,566,000.00
CUSA		2,183,000.00	2,183,000.00
<b>Total</b>	<b>249,395,760.06</b>	<b>6,749,000.00</b>	<b>256,144,760.06</b>

The approval of the 2020 budget is subject to the following conditions:

1. The BCDA-approved budget should be approved by the JHMC Board prior to its implementation;
2. All expenditures should be disbursed within the approved budget. Supplemental and realignments of budgets within the same expenditure group maybe allowed subject to the provisions of BCDA Financial Policy No. 503-1;
3. Budget for Personal Services should not be realigned to any expense items, and vice-versa. Any change in the organizational structure that has present or future financial impact or increase in compensation package shall require BCDA and GCG's written approval prior to its implementation pursuant to Section 7 of Financial Policy No. 103-2 and Executive Order No. 36 and its implementing guidelines;
4. The approved budget shall be released based on the provisions of the Performance Agreement dated 13 February 2017 and BCDA Financial Policy No. 504-1;
5. Procurement of motorcycle shall be subject to the approval of the Authority to Purchase from DBM;
6. Implementation of infrastructure projects shall be subject to the following conditions:



Project	Amount (Php Million)	Remarks
Asphalt Overlay	74.4	Implementation shall be subject to the issuance of demand letter to CJHDevco. JHMC to coordinate with BCDA-Legal Department the preparation of the demand letter
Rehabilitation of Bell House – Phase 3	6	Implementation shall be subject to the approval of the detailed design from the National Historical Commission
Tree Survey with Health Assessment	26.8	Procurement shall be in accordance with R.A. 9184
Slope Protection at Brgy. Hillside	1	

7. Payment for outstanding obligations shall be allowed provided the obligations had been previously budgeted, approved for implementation and contracted prior to 2020; and
8. Disbursement of the budget shall be in accordance with the government budgetary, accounting and auditing rules and regulations.

We are enclosing your 2020 approved budget for your reference.

Thank you.

Very truly yours,

**NENA D. RADO**  
SVP and Chief Financial Officer

**BCDA**  
Base Conversion and  
Development Authority

In replying, please refer to this number



**CB2019 – 1680**

**JOHN HAY MANAGEMENT CORPORATION**  
**SUMMARY**  
**Budget Year 2020**

Particulars	2020 Approved Budget				2019 Approved Budget					
	Estate Management Fee	Land Related Cost	Regulatory and Historical Core	CUSA	Total	Estate Management Fee	Land Related Cost	Regulatory and Historical Core	CUSA	Total
Personal Services	52,855,704		250,000		53,105,704	52,841,598		250,000		53,091,598
Maintenance & Other Operating Expenses	27,885,296	49,854,000	4,316,000	2,183,000	84,238,296	28,885,377	51,782,000	3,415,000	1,950,000	86,032,377
BOD Expenses	8,626,000				8,626,000	8,326,000				8,326,000
Capital Outlay	1,695,000	108,479,760			110,174,760	1,168,000	117,150,000			118,318,000
<b>Total</b>	<b>91,062,000</b>	<b>158,333,760</b>	<b>4,566,000</b>	<b>2,183,000</b>	<b>256,144,760</b>	<b>91,220,975</b>	<b>168,932,000</b>	<b>3,665,000</b>	<b>1,950,000</b>	<b>265,767,975</b>

*John*