

04 November 2020

MR. ALLAN R. GARCIA

President and CEO

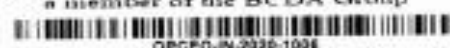
John Hay Management Corporation

John Hay Special Economic Zone

Baguio City



John Hay Management Corporation
a member of the BCDA Group



Dear **President Garcia**:

We are pleased to inform you that the BCDA Board during the meeting held on 04 November 2020 has approved your 2021 operating budget in the amount of Php218,326,504.30, broken down as follows:

Particular	BCDA Funded	JHMC Funded	Total
Estate Management Fee	82,122,744.30		82,122,744.30
Land Related Cost	128,987,760.00		128,987,760.00
Regulatory and Historical Core		4,085,000.00	4,085,000.00
CUSA		3,131,000.00	3,131,000.00
Total	211,110,504.30	7,216,000.00	218,326,504.30

The approval of the 2021 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 viceversa. 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. Release of funds for Leave Monetization and Retirement and Terminal Leave Benefits shall be subject to actual disbursement;
6. Procurement of motor vehicles shall be subject to the approval of the Authority to Purchase from the Office of the President and/or DBM;

7. Implementation of infrastructure projects shall be in accordance with Republic Act No. 9184;
8. Payment for outstanding obligations shall be allowed provided the obligations had been previously budgeted, approved for implementation and contracted prior to 2021; and
9. Disbursement of the budget shall be in accordance with the government budgetary, accounting and auditing rules and regulations.

We are enclosing your 2021 approved budget for your reference.

Thank you.

Very truly yours,


NENA D. RADO
SVP and Chief Financial Officer





JOHN HAY MANAGEMENT CORPORATION
SUMMARY
Budget Year 2021

Particulars	2021 Approved Budget					2020 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	52,005,206		250,000		52,255,206	52,855,704		250,000		53,105,704
Maintenance & Other Operating Expenses	21,541,538	45,284,000	3,835,000	3,131,000	73,791,538	32,263,696	47,498,000	4,316,000	2,183,000	86,260,696
BOD Expenses	7,076,000				7,076,000	8,626,000				8,626,000
Capital Outlay	1,500,000	83,703,760			85,203,760	6,520,550	110,179,760			116,700,310
Total	82,122,744	128,987,760	4,085,000	3,131,000	218,326,504	100,265,950	157,677,760	4,566,000	2,183,000	264,692,710

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