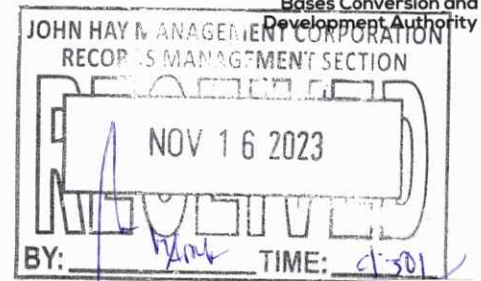


09 November 2023

**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 on 08 November 2023, the BCDA Board has approved John Hay Management Corporation's (JHMC) 2024 Operating Budget in the amount of Php207,316,367, broken down as follows:

Particulars	BCDA Funded	JHMC Funded	Total
Estate Management Fees	103,634,817		103,634,817
Land Related Cost	93,543,150		93,543,150
Regulatory and Historical Core		6,775,800	6,775,800
CUSA		3,362,600	3,362,600
Total	197,177,967	10,138,400	207,316,367

The approval of the 2024 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 budget and realignment of budget within the same expenditure group maybe allowed subject to the provisions of BCDA Financial Policy No. 503-1 (Request for Realignment and Supplemental Budget);
3. Prior written approval from BCDA and GCG shall be obtained in case of any change in the organizational structure that has present or future financial impact or increase in compensation package pursuant to Section 11 of Financial Policy No. 502-03, Republic Act (RA) No. 10149, Executive Order (EO) No. 150, series of 2022 and its implementing guidelines;
4. The approved budget shall be released based on the provisions of the Amended Performance Agreement dated 17 September 2021 and BCDA Financial Policy No. 504-1 (Budget Releases to Subsidiaries);
5. Payment of Retirement Benefits shall be subject to applicable laws and government accounting/auditing rules and regulations;
6. Procurement of motor vehicles shall be subject to the issuance of the Authority to Purchase from the Department of Budget and Management (DBM);

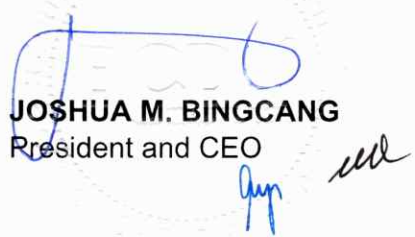
*[Handwritten signature]*

7. Procurement of infrastructure projects shall be in accordance with RA 9184;
8. Payment for the outstanding obligations shall be allowed provided that there is an allocated budget for the said obligations, the contracts for the subject infrastructure projects have been executed prior to 2024, and the implementation thereof have been duly approved; and
9. Disbursement of the budget shall be in accordance with the government budgetary, accounting and auditing rules and regulations.

Enclosed is JHMC's 2024 approved budget for your reference.

Thank you.

Very truly yours,

  
**JOSHUA M. BINGCANG**  
Resident and CEO



In replying, please refer to this number



**CB2023-1738**

**JOHN HAY MANAGEMENT CORPORATION**  
SUMMARY  
Budget Year 2024

Particulars	2024 Approved Budget					2023 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
Personnel Services	59,782,117				59,782,117	59,227,653		200,000		59,427,653
Maintenance & Other Operating Expenses	29,361,700	57,743,150	6,415,800	3,362,600	96,883,250	27,648,700	55,380,200	3,470,400	3,384,800	89,884,100
BOD Expenses	7,876,000				7,876,000	8,533,250				8,533,250
Capital Outlay	6,615,000	35,800,000	360,000		42,775,000	3,360,000	42,029,000	480,000		45,869,000
<b>Total</b>	<b>103,634,817</b>	<b>93,543,150</b>	<b>6,775,800</b>	<b>3,362,600</b>	<b>207,316,367</b>	<b>98,769,603</b>	<b>97,409,200</b>	<b>4,150,400</b>	<b>3,384,800</b>	<b>203,714,003</b>

Funded by JHMC Corporate funds

Particulars	Regulatory and Historical Core	CUSA	Total
<b>MOOE</b>			
Janitorial Services	985,000	1,345,000	2,330,000
Advertising, Promotional and Marketing	2,205,000		2,205,000
Environment/Sanitary Services	187,200	1,375,000	1,562,200
Professional Services	1,025,600	292,600	1,318,200
Repair and Maintenance	745,000		745,000
Water & Illumination	708,000		708,000
Representation Expenses	350,000		350,000
Supplies & Materials		350,000	350,000
Miscellaneous Expenses	100,000		100,000
General Services	75,000		75,000
Insurance Expenses	30,000		30,000
Communication Expenses	5,000		5,000
Capital Outlay			
Laptops	280,000		280,000
Desktops	80,000		80,000
<b>Total</b>	<b>6,775,800</b>	<b>3,362,600</b>	<b>10,138,400</b>