

25 November 2024

**ATTY. MARLO IGNACIO V. QUADRA**

President and CEO  
John Hay Management Corporation  
John Hay Special Economic Zone  
Baguio City

Dear **President Quadra**:

We are pleased to inform you that on 20 November 2024, the BCDA Board has approved John Hay Management Corporation's (JHMC) 2025 Operating Budget in the amount of Php266,387,960, detailed as follows:

Particulars	BCDA Funded	JHMC Funded	Total
Estate Management Fees	123,235,302		123,235,302
Land Related Cost	127,818,208		127,818,208
Regulatory and Historical Core		11,926,850	11,926,850
CUSA		3,407,600	3,407,600
Total	251,053,510	15,334,450	266,387,960

The approval of the 2025 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. The VAT for Estate Management Fee and Land Related Cost shall be subject to the Financial Policy to be issued by the BCDA

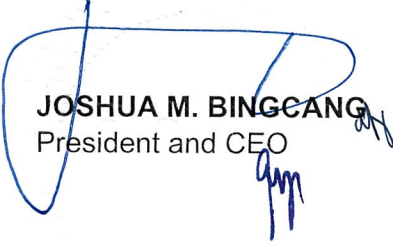


6. Procurement of motor vehicles shall be subject to the issuance of the Authority to Purchase from the Department of Budget and Management (DBM);
7. Procurement of infrastructure projects shall be in accordance with RA 9184;
8. Payment for the outstanding obligations shall be allowed provided that there is an allocated budget for the said obligations and the contracts for the subject infrastructure projects have been executed prior to 2025; and
9. Disbursement of the budget shall be in accordance with the government budgetary, accounting and auditing rules and regulations.

Enclosed is JHMC's 2025 approved budget for your reference.

Thank you.

Very truly yours,



**JOSHUA M. BINGCANG**  
President and CEO

**JOHN HAY MANAGEMENT CORPORATION**  
**SUMMARY**  
 Budget Year 2025

Particulars	2025 Approved Budget					2024 Approved Budget					Increase/ (Decrease)
	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	60,357,970				60,357,970	62,198,352				62,198,352	(1,840,382)
Maintenance & Other Operating Expenses	31,927,550	60,923,400	5,926,850	3,407,600	102,185,400	29,461,700	56,741,902	6,415,800	3,362,600	95,982,002	6,203,398
BOD Expenses	8,656,000				8,656,000	8,787,000				8,787,000	(131,000)
Turnover Related Expenses	3,120,000				3,120,000						3,120,000
Capital Outlay	5,970,000	53,200,000	6,000,000		65,170,000	6,615,000	35,800,000	360,000		42,775,000	22,395,000
Value Added Tax	13,203,782	13,694,808			26,898,590						
<b>Total</b>	<b>123,235,302</b>	<b>127,818,208</b>	<b>11,926,850</b>	<b>3,407,600</b>	<b>266,387,960</b>	<b>107,062,052</b>	<b>92,541,902</b>	<b>6,775,800</b>	<b>3,362,600</b>	<b>209,742,354</b>	<b>29,747,016</b>

Funded by JHMC Corporate funds

Particulars	Regulatory and Historical Core	CUSA	Total
Turnover Related Expenses			
MOOE			
Janitorial Services	985,000	1,345,000	2,330,000
Environment/Sanitary Services	348,250	1,420,000	1,768,250
Professional Services	1,025,600	292,600	1,318,200
Advertising, Promotional and Marketing	1,250,000		1,250,000
Insurance Expenses	380,000		380,000
Water, Illumination & Power	708,000		708,000
Supplies & Materials	340,000	350,000	690,000
Representation Expenses	450,000		450,000
R&M Building & Facilities	250,000		250,000
General Services	100,000		100,000
R&M Furniture & Fixtures	70,000		70,000
Communication Expenses	10,000		10,000
Printing and Binding	10,000		10,000
Capital Outlay			
Historical Core Phase 3	6,000,000		6,000,000
<b>Total</b>	<b>11,926,850</b>	<b>3,407,600</b>	<b>15,334,450</b>

Subject to Actual Reimbursement

Particulars	Amount
Personnel Services	
Leave Monetization	2,595,644
Retirement Benefits	
BOD Expenses	
Travelling Expenses	1,500,000
Meal Expenses	800,000
Training and Continuing Program	300,000
Turnover Related Expenses	
Environment/Sanitary Services	1,420,000
Office Supplies & Materials	850,000
Insurance Expenses	500,000
Representation Expenses	200,000
Building & Other Structures	150,000
<b>Total</b>	<b>8,315,644</b>