

27 November 2017

ATTY. FELIX S. RACADIO
President and CEO
Poro Point Management Corporation
City of San Fernando, La Union

Dear **Atty. Racadio**:

We are pleased to inform you that on 22 November 2017, the BCDA Board of Directors approved your 2018 budget in the amount of **NINETY-NINE MILLION TWO HUNDRED SIXTY-ONE THOUSAND FIVE HUNDRED NINETY-NINE AND 52/100 PESOS (Php99,261,599.52)** broken down as follows:

Particulars	BCDA Funded	PPMC Funded	Total
Estate Management Fee	63,224,676.00	4,255,474.19	67,480,150.19
Land Related Cost	30,144,007.74		30,144,007.74
Legal and Regulatory		1,637,441.59	1,637,441.59
Total	93,368,683.74	5,892,915.78	99,261,599.52

The approval of the 2018 budget is subject to the following conditions:

1. The BCDA-approved budget should be approved by the PPMC 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 RA 10149;
4. Implementation of Performance Based Bonus for the employees and Productivity Enhancement Incentive for the board of directors shall be subject to GCG approval;
5. The approved budget shall be released upon execution of the Revised Performance Agreement between PPMC and BCDA and BCDA Financial Policy No. 504-1;

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6. Authority to Purchase should first be secured from the Office of the President thru the Department of Budget and Management prior to the acquisition of motor vehicles;
7. Payment for outstanding obligations shall be allowed provided the obligations had been previously budgeted, approved for implementation and contracted prior to 2018; and
8. Disbursement of the budget should be in accordance with the government budgetary, accounting and auditing rules and regulations.

Please take note that the budget for PPMC's Water Cistern Project in the amount of Php19.5 million has been deferred pending the submission of study on the water distribution system and revised conceptual design.

We are enclosing your 2018 approved budget for your reference.

Thank you.

Very truly yours,


VIVENCIO B. DIZON
President and CEO


BCDA
Bureau of Competitiveness and
Development Assistance

In replying, please refer to this number



CB2017-1408

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PORO POINT MANAGEMENT CORPORATION
SUMMARY
Budget Year 2018

Particulars	2018 Approved Budget				2017 Approved Budget
	Estate Management Fee	Legal and Regulatory	Land Related Cost	Total	Total
Personal Services (Annex I)	25,275,664			25,275,664	25,703,984
Maintenance & Other Operating Expenses (Annex II)	32,250,086	1,537,442	23,234,008	57,021,535	52,288,177
BOD Expenses (Annex III)	7,148,400			7,148,400	7,148,400
Capital Outlay (Annex IV)	2,806,000	100,000	6,910,000	9,816,000	2,756,000
Total	67,480,150	1,637,442	30,144,008	99,261,600	87,896,561

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