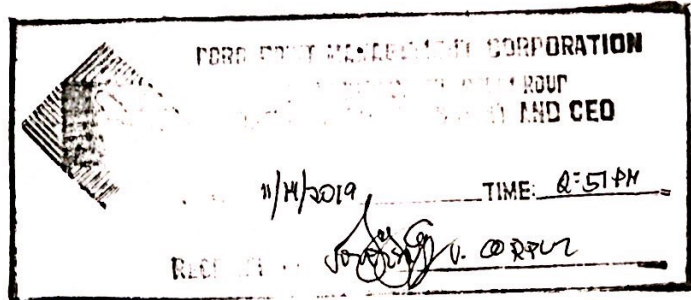


11 November 2019

**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 06 November 2019, the BCDA Board of Directors approved your 2020 budget in the amount of Php156,034,358.82 broken down as follows:

Particulars	BCDA Funded	PPMC Funded	Total
Estate Management Fee	93,266,134.48		93,266,134.48
Land Related Cost	61,110,770.50		61,110,770.50
Legal and Regulatory		1,657,453.84	1,657,453.84
<b>Total</b>	<b>154,376,904.98</b>	<b>1,657,453.84</b>	<b>156,034,358.82</b>

The approval of the 2020 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 Executive Order No. 36 and its implementing guidelines;
4. The approved budget shall be released based on the provisions of the Performance Agreement dated 22 May 2018 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. Procurement of Infrastructure projects shall be in accordance with Republic Act No. 9184;

Nov. 14, 2019: PLS. endorse this to: Finance, HR/ASMO/IT/ENR & Archt. Aquino

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 should 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.

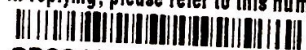
Very truly yours,

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



**BCDA**  
Bases Conversion and  
Development Authority

In replying, please refer to this number



CB2019 – 1682

**PORO POINT MANAGEMENT CORPORATION**  
**SUMMARY**  
**Budget Year 2020**

Particulars	2020 Approved Budget				2019 Approved Budget			
	Estate Management Fee	Legal and Regulatory	Land Related Cost	Total	Estate Management Fee	Legal and Regulatory	Land Related Cost	Total
Personal Services (Annex I)	51,081,776			51,081,776	52,212,523			52,212,523
Maintenance & Other Operating Expenses (Annex II)	32,256,359	1,352,454	29,450,171	63,058,983	30,761,070	2,339,188	26,088,976	59,189,234
BOD Expenses (Annex III)	9,070,000			9,070,000	10,288,400			10,288,400
Capital Outlay (Annex IV)	858,000	305,000	31,660,600	32,823,600	1,068,000	235,000	23,061,250	24,364,250
<b>Total</b>	<b>93,266,134</b>	<b>1,657,454</b>	<b>61,110,771</b>	<b>156,034,359</b>	<b>94,329,993</b>	<b>2,574,188</b>	<b>49,150,226</b>	<b>146,054,407</b>

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**PORO POINT MANAGEMENT CORPORATION**  
**Personal Services**  
**Budget Year 2020**

<b>Particulars</b>	<b>2020 Approved Budget</b>	<b>2019 Approved Budget</b>
Salaries & Wages	34,595,268	33,615,166
Mid-Year Bonus	2,884,316	2,774,183
Year-End Bonus	2,878,895	2,775,217
Overtime	2,171,073	1,823,368
SSS, Philhealth & Pag-ibig Fund Premiums	1,697,004	1,339,330
Representation and Transportation Allowance	1,620,000	1,620,000
Performance-Based Bonus	1,588,900	1,534,366
Personnel Economic Relief Allowance	1,560,000	1,524,000
Leave Monetization	1,026,319	964,202
Uniform Allowance	390,000	378,000
Productivity Enhancement Incentives	325,000	319,000
Cash Gift	325,000	315,000
Loyalty Incentives	20,000	80,000
Retirement Benefit	-	3,150,692
<b>Total PS</b>	<b>51,081,776</b>	<b>52,212,523</b>

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**Annex III**  
**PORO POINT MANAGEMENT CORPORATION**  
**BOD Expenses**  
**Budget Year 2020**

<b>Particulars</b>	<b>2020 Approved Budget</b>	<b>2019 Approved Budget</b>
<b>I. Per Diems</b>		
Regular Board	1,344,000	1,344,000
Committee Meetings	792,000	792,000
Corporate Secretary	120,000	120,000
<b>II. Other Expenses</b>		
Transportation Expenses	1,320,000	1,320,000
Representation Expenses	1,320,000	1,320,000
Communication Expenses	330,000	330,000
Performance Based Incentive	704,000	1,922,400
Travelling Expenses	2,640,000	2,640,000
Meals	500,000	500,000
<b>TOTAL</b>	<b>9,070,000</b>	<b>10,288,400</b>

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Annex IV  
**PORO POINT MANAGEMENT CORPORATION**  
 Capital Outlay  
 Budget Year 2020

Particulars	QTY	Unit	Unit Cost	Budget Classification			Approved Budget
				Estate Management Fee	Legal and Regulatory	Land Related Cost	
<b>Office Furniture, Fixture and Equipment</b>							
Closed Circuit Regulator for Airfield Lighting System	1	lot	800,000			800,000	800,000
Steel Cabinet	14	units	25,000	350,000		120,000	350,000
Aircon - 2HP Window Type	4	units	30,000			113,100	113,100
Curtains/ Blinds	1	lot	113,100			96,000	96,000
Aircon - Split Type, 3 tons Floor Mounted with Installation	1	unit	96,000			92,000	92,000
Aircon - Split Type, 1 ton Wall Mounted with Installation	2	units	46,000		75,000		75,000
Steel Cabinet with Lock	3	units	25,000	73,000			73,000
Aircon - Split Type, 2 tons Wall Mounted with Installation	1	unit	73,000			62,000	62,000
Aircon - Split Type, 2 tons Wall Mounted with Installation	1	unit	62,000			55,500	55,500
Aircon - Split Type, 2 tons Wall Mounted with Installation	3	units	18,500			50,000	50,000
Electric Motor Pump	2	sets	25,000			20,000	20,000
Steel Cabinet	1	unit	20,000			40,000	40,000
Aircon - 1HP Window Type	2	units	20,000			40,000	40,000
Grasscutter	1	set	40,000			40,000	40,000
40" LED TV with Outdoor Antenna	1	set	40,000			32,000	32,000
Sofa Set	2	pcs	16,000			30,000	30,000
Tractor Mower/ Sweeper Tire	1	set	30,000			30,000	30,000
Power Spray	1	set	30,000			25,000	25,000
Battery Charger	1	unit	25,000	25,000			
Portable TV/Monitor Rack/Stand with Shelf	1	unit	20,000	20,000			
32" Smart Television	1	unit	20,000	20,000			
Grasscutter	1	unit	20,000	20,000			
Electric Motor Pump	1	unit	20,000	20,000			
Sub-Total				508,000	75,000	1,620,600	2,203,600
<b>IT Equipment</b>							
Laptop (Intel Core i5 8250U)	3	unit	45,000	135,000			135,000
Laptop (Intel Pentium Quad Core N4200)	2	units	30,000	60,000			60,000
Laptop (Intel i5-8300H)	1	unit	60,000	60,000			60,000
DSLR Camera	1	unit	60,000	60,000			60,000
Laptop (Intel Core i5)	1	set	40,000	35,000		40,000	40,000
Document Camera	1	unit	35,000				35,000
Laptop (Intel Pentium Quad Core N4200)	1	unit	30,000		30,000		30,000
Sub-Total				350,000	30,000	40,000	420,000
Motorcycle	1	unit	150,000		200,000		200,000
<b>Infrastructure Projects</b>							
Interim Water Connectivity	1	lot	19,500,000			19,500,000	19,500,000
San Fernando Airport Runway Slope Protection	1	lot	10,500,000			10,500,000	10,500,000
Sub-Total						30,000,000	30,000,000
<b>Grand Total</b>				<b>858,000</b>	<b>305,000</b>	<b>31,660,600</b>	<b>32,823,600</b>

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**PORO POINT MANAGEMENT CORPORATION**  
**Maintenance & Other Operating Expenses**  
**Budget Year 2020**

Expense Title	2020 Approved Budget				2019 Approved Budget			
	Estate Management Fee	Legal and Regulatory	Land Related Cost	Total	Estate Management Fee	Legal and Regulatory	Land Related Cost	Total
Travelling Expenses	1,700,000			1,700,000	1,200,000			1,200,000
Communication Expenses	900,000		12,000	912,000	900,000			900,000
Internet Expense	500,000			500,000	500,000			500,000
Repair and Maintenance								
Building and Facilities	740,000	165,000	4,560,000	5,465,000	1,518,700	1,214,000	4,047,300	6,780,000
Office Furniture, Fixtures and Equipment	250,000			250,000	250,000			250,000
Supplies and Materials								
Office Supplies and Materials	3,297,748	169,920	637,860	4,105,528	3,226,959	186,000	498,895	3,911,854
Spare Parts and Servicing	800,000		1,400,000	2,200,000	700,000		1,400,000	2,100,000
Gasoline, Oil and Lubricants	900,000	100,000	100,000	1,100,000	900,000	100,000	100,000	1,100,000
Water, Illumination and Power Services	1,100,000	100,000	2,900,955	4,100,955	1,100,000	100,000	1,500,000	2,700,000
Audit Expenses	1,298,867			1,298,867	1,690,501			1,690,501
Trainings and Seminar	1,220,000			1,220,000	1,000,000			1,000,000
Corporate Planning	500,000		500,000	500,000	500,000			500,000
Extraordinary and Miscellaneous Expense	400,000		400,000	400,000	400,000			400,000
Representation Expenses	1,000,000			1,000,000	1,000,000			1,000,000
Subscription Expenses	95,000			95,000	95,000			95,000
Taxes, Duties and Licenses	200,000			200,000	200,000			200,000
Income Tax	2,000,000			2,000,000	2,000,000			2,000,000
Marketing and Advertising	2,500,000			2,500,000	2,500,000			2,500,000
Fidelity Bond and Insurance Premium	2,000,000			2,000,000	1,500,000			1,500,000
Directors and Officers Liability Insurance	250,000		600,000	850,000	247,239		602,761	850,000
Insurance and Registration	90,000			90,000	100,000			100,000
Fidelity Bond	154,878	22,418	3,146,387	3,323,683	154,878	22,418	3,146,387	3,323,683
Insurance on Runway, Buildings, etc.								
Other Services:								
Sillag - The Poro Point Festival of Lights	2,800,000			2,800,000	2,800,000			2,800,000
Gender and Development Expense	360,000			360,000	360,000			360,000
Professional and Consultancy Services								
Fees for Outside Services	640,366	640,366	14,088,048	15,368,780	586,258	586,258	13,000,000	14,172,516
Security Services	309,500	154,750	1,238,000	1,702,250	391,535	130,512	926,713	1,448,760
Janitorial Services								
Special Projects:								
Trade Mission	1,000,000			1,000,000	1,000,000			1,000,000
Corporate Social Responsibility	1,000,000			1,000,000	1,000,000			1,000,000
ISO Certification	500,000			500,000	500,000			500,000
Stakeholders Satisfaction Survey	500,000			500,000	500,000			500,000
Annual Report	200,000			200,000	200,000			200,000
Business Research	100,000			100,000	100,000			100,000
Competency-Based HR System	1,100,000			1,100,000	1,100,000			1,100,000
Competency of Building and Occupancy Permit System	200,000			200,000	200,000			200,000
Automation of Business Registration and Accreditation	200,000			200,000	200,000			200,000
Financial Assistance			400,000	400,000			500,000	500,000
Aerodome Certification (AO 139)			241,920	241,920			241,920	241,920
Legal Expenses					500,000			500,000
Website Development System	1,450,000			1,450,000	500,000			500,000
Environmental Mgmt. System (ISO 14001-2015)					100,000			100,000
Document Tracking System					100,000			100,000
Human Resource Information System					100,000			100,000
Survey and Other Related Works								
<b>Total MOOE</b>	<b>32,256,359</b>	<b>1,352,454</b>	<b>29,450,171</b>	<b>63,058,983</b>	<b>30,761,070</b>	<b>2,339,188</b>	<b>26,088,976</b>	<b>59,189,234</b>