

**Tire Stewardship BC: Income & Expense Statement (CONFIDENTIAL)**

WIP started Nov 9 2022

<b>REVENUE</b>		<b>2019 Actual</b>	<b>2020 Actual</b>	<b>2021 Actual</b>	<b>2022 projected</b>	<b>2023 budget</b>
<b>1.0</b>	<b>Revenue Collection</b>	<b>22,429,037</b>	<b>22,167,127</b>	<b>24,202,422</b>	<b>24,850,956</b>	<b>25,718,910</b>
1.1	ADF-PLT	18,500,716	18,404,340	20,054,034	18,490,862	19,242,412
1.2	ADF-MT	3,211,884	3,088,674	3,618,054	5,770,265	5,885,670
1.3	ADF- AG	254,970	262,485	272,580	277,742	277,742
1.4	ADF- LS	120,680	122,115	136,010	143,086	143,086
	<i>Sub total</i>	22,088,250	21,877,614	24,080,678	24,681,956	25,548,910
1.5	C&E	176,705	123,719	124,279	65,000	50,000
1.6	RIV	205,102	207,242	(3,169)	130,000	150,000
1.7	RIV commission	(41,020)	(41,448)	634	(26,000)	(30,000)
<b>2.0</b>	<b>Interest (bank, investments, IDF)</b>	<b>954,166</b>	<b>650,700</b>	<b>630,076</b>	<b>(490,000)</b>	<b>412,782</b>
2.1	Bank	21,563	10,363	18,576	10,000	10,000
2.2	Investments	932,603	640,337	611,499	(500,000)	402,782
	<b>Total revenue</b>	<b>\$ 23,383,203</b>	<b>\$ 22,817,827</b>	<b>\$ 24,832,498</b>	<b>\$ 24,360,956</b>	<b>26,131,693</b>
<b>EXPENSES</b>						
		<b>2019 Actual</b>	<b>2020 Actual</b>	<b>2021 actual</b>	<b>2022 projected</b>	<b>2023 budget</b>
<b>3.0</b>	<b>Program Incentives</b>	<b>20,076,582</b>	<b>20,522,530</b>	<b>22,825,147</b>	<b>24,553,395</b>	<b>25,695,618</b>
3.1	Transportation	7,718,002	7,492,483	8,807,163	10,006,463	10,696,155
3.2	Processing	11,128,884	12,003,235	12,983,384	13,500,799	13,966,463
3.3	Manufacturing	1,229,695	1,026,812	1,034,600	1,046,133	1,033,000
<b>4.0</b>	<b>Program Management</b>	<b>1,650,195</b>	<b>1,101,155</b>	<b>1,285,855</b>	<b>1,408,054</b>	<b>1,584,845</b>
4.1	Program Admin	985,922	583,025	647,024	650,000	622,273
4.2	Operational expenses:	133,631	180,372	173,789	150,804	164,133
4.2.1	Mgt Travel	18,664	6,002	7,718	20,000	35,000
4.2.2	Misc Business Exp	23,620	19,167	16,775	20,000	25,000
4.2.3	Staff Education	1,407	1,059	1,905	907	5,000
4.2.4	Phone/Internet	5,379	5,022	3,270	2,952	3,000
4.2.5	Amortization Exp - IT	84,561	149,122	144,122	106,945	96,133
4.3	Compliance Reviews	244,160	40,444	137,038	170,000	200,000
4.4	Bad Debt	941	6,026	9,218	5,000	5,000
4.45	Interest & Bank Charges	2,802	3,394	3,403	3,500	3,500
4.5	Communciations & Education	282,739	287,893	315,382	428,750	589,938
<b>5.0</b>	<b>Professional Services</b>	<b>260,549</b>	<b>208,488</b>	<b>193,159</b>	<b>271,200</b>	<b>308,522</b>
5.1	External Audit / Accounting	50,539	47,550	53,684	53,200	56,920
5.2	Legal	15,282	2,697	(3,083)	-	20,000
5.3	Consulting	36,359	5,762	13,696	15,000	20,000
5.4	IT application & environment mgmt	122,169	128,130	113,762	190,000	191,602
5.5	IT Projects	36,200	24,350	15,100	13,000	20,000
<b>6.0</b>	<b>Board Expenses and Travel</b>	<b>181,116</b>	<b>159,831</b>	<b>179,194</b>	<b>192,577</b>	<b>204,717</b>
6.1	Insurance	7,522	9,516	10,701	10,726	12,306
6.2	Travel / Conferences	38,519	3,887	21,772	33,000	40,000
6.3	Director's Remuneration	132,025	146,428	146,721	148,851	152,411
6.4	Payroll expense	3,049	-	-	-	-
<b>7.0</b>	<b>Other Programs</b>	<b>491,484</b>	<b>218,273</b>	<b>230,957</b>	<b>225,825</b>	<b>350,000</b>
7.1	Community Grant Program	470,115	206,692	188,975	185,825	300,000
7.2	Special Projects	21,369	11,581	41,982	40,000	50,000
7.3	R&D project grants	-	-	-	-	-
7.4	R&D OTR and others	-	-	-	-	-
	<b>Total Expenditures</b>	<b>\$ 22,659,925</b>	<b>\$ 22,210,278</b>	<b>\$ 24,714,311</b>	<b>\$ 26,651,052</b>	<b>28,143,702</b>
	Transfer to (from) Program Reserve	<b>\$723,277</b>	<b>\$607,549</b>	<b>\$118,186</b>	<b>(\$2,290,096)</b>	<b>(\$2,012,009)</b>

ADF		2022 Actual (Oct 31) + Projected	
Per Tire Type		Units	\$
ADF-PLT	\$ 5	3,698,172	\$ 18,490,862
ADF-MT	\$ 14	412,162	\$ 5,770,265
ADF- AG	\$ 15	18,516	\$ 277,742
ADF- LS	\$ 35	4,088	\$ 143,086
		4,132,939	\$ 24,681,956
		C&E	\$ 65,000
		RIV	\$ 130,000
		<b>Total - All Rev</b>	<b>\$ 24,876,956</b>
		RIV Comm @ 20%	\$ (26,000)
		<b>Total</b>	<b>\$ 24,850,956</b>

2023 budget - draft		
Units	\$	
3,848,482	\$ 19,242,412	5 yr average
420,405	\$ 5,885,670	2022 projections plus 2%
18,516	\$ 277,742	same as 2022 projections
4,088	\$ 143,086	same as 2022 projections
4,291,492	\$ 25,548,910	
	C&E	\$ 50,000
	RIV	\$ 150,000
	<b>Total - All Rev</b>	<b>\$ 25,748,910</b>
	RIV Comm @ 20%	\$ (30,000)
	<b>Total</b>	<b>\$ 25,718,910</b>

**2023 Assumptions**

% or \$ used

**Regular Revenue**

Tire Type	Variance from 2022	Category	Source
PLTs	4.06%	Replacement (64% of rev)	For 2023, a 5 year average was reviewed for both PLT & MT. A spreadsheet with the various scenarios is filed in SP in the budget folder along with the commentary from both TRAC and NCDABC & Adrian Courtenay. The approach decided upon is as follows: 1. <b>PLTs:</b> use the 5 year average from 2017 to 2021, which gives us a modest increase over 2022 projections
		OEM (33% of rev)	
MTs	2.00%	2. MTs: the 5 year average was not appropriate for this category given the significant growth in unit sales in the last 5 years. Instead the approach is a 2% growth on the 2022 projections.	
AG	0.00%	insignificant volumes for forecasting but assuming similar to 2022	
LS	0.00%	insignificant volumes for forecasting but assuming similar to 2022	

**Compliance & Education**

\$ 50,000

**Registrar of Imported Vehicles**

\$ 150,000

Investment Income	
Budget 2022	\$ 269,283
2022 actual + projected	\$ (899,861)
2023 budget	\$ 402,782

Interest Revenue	
2022 budget	\$ 10,000
2022 actual + projected	\$ 10,000
2023 budget	\$ 10,000

Assumptions 2023:

Reserves BMO Harris	\$ 12,872,554	Balance at Jan 1 2022
	\$ -	add contributions
	\$ (1,730,032)	less withdrawals in 2022 (YTD Oct 31, 2022)
	\$ (899,861)	add projected investment income (per Nov 25 COB BMO stmt)
	\$ 10,242,661	Estimated 2022 ending/ 2023 starting bal
Projected rate of return	3.65%	per BMO Harris projections - gross return
	\$ 469,848	gross return
	\$ (67,066)	less mgt fees approx (0.521% sliding scale )
	\$ 402,782	net return
	3.13%	net return %

2022 Budget	Volumes (tonnes)	54,203
	\$ per tonne	\$ 179.26
	Total \$	\$ 9,176,430
	less WRP Processor Culls vol	-
	cull rate per tonne	\$ -
	WRP processor cull deduction	\$ -
	<b>Net Total TI</b>	<b>\$ 9,176,430</b>
<b>2022 actual + projected</b>	<b>Volume:56,941.50</b>	<b>\$ 10,006,463</b>

2023 budget	Volumes (tonnes)	56,503
	\$ per tonne	\$ 189.30
	Total \$	\$ 10,696,155
	less WRP Processor Culls vol	-
	<b>cull rate per tonne</b>	<b>\$ -</b>
	WRP processor cull deduction	\$ -
	<b>Net Total TI</b>	<b>\$ 10,696,155</b>

**Assumptions for 2023**

**Volumes**

Volume projected by WRP 56,503

**Rates**

2022 rate \$ 182.90 avg of Sept and Oct 2022 actual TI rate  
 Rate increase factor 3.50% 80% non fuel at Jan 1 and 20% fuel every month  
 2023 RATE \$ 189.30

<b>2022 BUDGET</b>				\$	14,348,262
2022 actual + projections		Volumes: 52,442.50		\$	13,500,799
<b>2023 budget</b>				\$	13,966,463
		<b>VOL - tonnes</b>	<b>Rate</b>	<b>Total \$</b>	
Processor Culling (2R)	WRP Culls	-	\$ -	\$ -	
Tire Derived Product (3R)					
	Crumb	28,571	\$ 337.19	\$ 9,633,615	
	Coloured Crumb	750	\$ 337.19	\$ 252,891	
	Steel	8,100	\$ 153.55	\$ 1,243,755	
	Fibre		\$ 153.00	\$ -	
	Mulch	5,525	\$ 275.98	\$ 1,524,707	
	Uncoloured Mulch	-	\$ 207.50	\$ -	
<b>3R total</b>		<b>42,945</b>		<b>\$ 12,654,968</b>	
Tire Derived Fuel (4R)					
	Shred		\$ 131.76	\$ -	
	Whole Tire	4,200	\$ 60.00	\$ 252,000	
	Fibre	6,900	\$ 153.55	\$ 1,059,495	
	Steel		\$ 148.36		
<b>4R Total</b>		<b>11,100</b>		<b>\$ 1,311,495</b>	
Waste (5R)					
	Rubber Waste	840	\$ -	\$ -	
	Steel Waste	-	\$ -	\$ -	
	Fibre Waste	-	\$ -	\$ -	
<b>5R Total</b>		<b>840</b>		<b>-</b>	
<b>(2R/ 3R/4R/5R)</b>		<b>54,885</b>		<b>\$ 13,966,463</b>	
<b>Total PI</b>		<b>54,885</b>		<b>\$ 13,966,463</b>	

**Assumptions/ Comments** \$ 254.47

- projections for crumb, mulch, steel, whole tire TDF, shred TDF, Fibre TDF from WRP
- WRP will renew agreement with Lehigh in 2022 for 3,600 tonnes

2023 Targets

	Recycling	Energy Recovery	Landfill	
Rubber	34,845	4,200	840	39,885
Steel	8,100		-	8,100
Fibre		6,900	-	6,900
	42,945	11,100	840	54,885

  

	Recycling	Energy Recovery	Landfill	
Rubber	87.4%	10.5%	2.1%	100%
Steel	100%			100%
Fibre		100%	0%	100%

	Recycling	Energy Recovery	Landfill
Rubber	2022 - 23: 88% 2024 - 26: 90%	2022 - 23: 11% 2024 - 26: 9%	1%
Steel	100%		
Fibre		98%	2%

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**MANUFACTURER INCENTIVE (3.3)**

3.3 Incentives-MI

Budget 2022				
Manufacturer	Volume(lb)	\$	Total	Comments
NWR	<b>20,000,000</b>	\$ 0.050	\$ <b>1,000,000</b>	NWR request 40 m lb Oct 27 2021 email.
<i>split as MI</i>	<i>20,000,000</i>	<i>\$ 0.030</i>	<i>\$ 600,000</i>	
<i>split as IDF</i>	<i>20,000,000</i>	<i>\$ 0.020</i>	<i>\$ 400,000</i>	
Promat	<b>2,306,666</b>	\$ 0.020	\$ <b>46,133</b>	Promat request 2.31 m lb Nov 2 2021 email.
<i>split as MI</i>	<i>2,306,666</i>	<i>\$ 0.010</i>	<i>\$ 23,067</i>	
<i>split as IDF</i>	<i>2,306,666</i>	<i>\$ 0.010</i>	<i>\$ 23,067</i>	
<b>Totals</b>	<b>22,306,666</b>		\$ <b>1,046,133</b>	

<i>2022 projected</i>	\$ 1,046,133
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Budget 2023				
Manufacturer	Volume(lb)	\$	Total	Comments
NWR	<b>20,000,000</b>	\$ 0.050	\$ <b>1,000,000</b>	NWR commitment to WRP 36M lbs
<i>split as MI</i>	<i>20,000,000</i>	<i>\$ 0.020</i>	<i>\$ 400,000</i>	
<i>split as IDF</i>	<i>20,000,000</i>	<i>\$ 0.030</i>	<i>\$ 600,000</i>	
Promat	<b>1,650,000</b>	\$ 0.020	\$ <b>33,000</b>	Request received December 14 2022
<i>split as MI</i>	<i>1,650,000</i>	<i>\$ 0.010</i>	<i>\$ 16,500</i>	
<i>split as IDF</i>	<i>1,650,000</i>	<i>\$ 0.010</i>	<i>\$ 16,500</i>	
<b>Totals</b>	<b>21,650,000</b>		\$ <b>1,033,000</b>	

**Program Admin (4.1)** Wages, benefits & payroll costs plus rent & associated office space costs

**2022 budget**

\$ **650,000**

*2022 projected*

\$ 650,000

**2023 budget**

\$ **622,273**

**OPERATIONAL EXPENSES (4.2)**

	2022 budget	2022 projected	2023 budget	
<b>MGT TRAVEL &amp; EXPENSES</b>	\$ 35,000	\$ 20,000	\$ 35,000	
<b>MISC BUSINESS EXPENSE</b>	\$ 25,000	\$ 20,000	\$ 25,000	
<b>STAFF EDUCATION</b>	\$ 5,000	\$ 907	\$ 5,000	
<b>TELEPHONE &amp; INTERNET</b>	\$ 2,952	\$ 2,952	\$ 3,000	
<b>AMORTIZATION EXPENSE</b>	\$ 120,255	\$ 106,945	\$ 96,133	all from 5.0 IT projects amortization
	<b>\$ 188,207</b>	<b>\$ 150,804</b>	<b>\$ 164,133</b>	

**COMPLIANCE REVIEWS (4.3)**

**2022 budget**

\$ **200,000**

*2022 projected*

\$ **170,000**

**2023 budget**

\$ **200,000**

**2023 assumptions**

IntegriServ to conduct reviews  
 Mix of desk and on site  
 Includes CATRA harmonized compliance reviews

**BAD DEBT (4.4)**

**2022 budget**

\$ **7,500**

*2022 projected*

\$ 5,000

**2023 budget**

\$ **5,000**

**INTEREST & BANK CHARGES (4.45)**

**2022 budget**

\$ **5,000**

*2022 projected*

\$ 3,500

**2023 budget**

\$ **3,500**

**Communication & Education (4.5)**

Budget 2022	\$	486,261
2022 actual + projected	\$	428,750

Service Provider	Comments	2023
<b>Education &amp; Outreach:</b>		<b>\$ 482,400</b>
Wirtz	Media Buys - bus	\$ 57,000
Wirtz	Media Buys - radio ads	\$ 56,000
Wirtz	Media Buys - digital ads	\$ 38,000
Wirtz	Media Buys - TV	\$ 80,000
Wirtz	Fee	\$ 4,000
Somaworks	Attendance at community events	\$ 73,000
Bianca Bujan	To coordinate plan execute all comms initiatives	\$ 62,400
Kari Kylo	to create media releases etc (shared resource with Oil)	\$ 42,000
Here Be Monsters etc	Creative (Ret educ program, TV ads & web site update)	\$ 70,000
<b>Other:</b>		<b>\$ 30,500</b>
Artist Response Team	Children's Education Program & Video	\$ 7,500
Fuse Interactive	Web hosting, updates, minor changes	\$ 3,000
Leger	Consumer Awareness Survey (requirement)	\$ 10,000
Various	SWAG, SM contest etc, FB boosts	\$ 5,000
Short Creative etc	Design (info graphics, collection event ads etc)	\$ 5,000
<b>Membership:</b>		<b>\$ 49,971</b>
First Nations Coordinator	Joint coordinator with other SABC stewards	\$ 4,200
RCBC	Stewards portion of hotline and Recyclepedia app	\$ 18,076
CATRA	Membership (projects under special projects or compliance)	\$ 17,150
Stewardship Agencies of BC	Membership	\$ 9,200
Coast Waste Mgt Assoc	Membership	\$ 400
WCTDA	Membership	\$ 120
RCBC	Membership	\$ 475
Indigneous Zero Waste TAG	Membership	\$ 350
<b>Sponsorships</b>		<b>\$ 15,500</b>
TRAC	?	\$ 5,000
CWMA	Oct-23	\$ 5,000
Canadian Stewardship Conference	Not in 2023	\$ -
Indigneous Zero Waste TAG	2023 conference	\$ 1,500
UBCM Trade Booth	Fall 2023	\$ 4,000
<b>Total</b>		<b>\$ 578,371</b>
Contingency	2% of total	\$ 11,567
<b>Total for 2023</b>		<b>\$ 589,938</b>

Rec'd but to be appr



Type	2022 budget	2022 projections	2023 budget			
Accounting / Audit	\$ 53,200	\$ 53,200	\$ 56,920	Reflects BT rising costs (wages, hardware & rent)		
Legal	\$ 20,000	\$ -	\$ 20,000			
Consulting Fees	\$ 18,000	\$ 15,000	\$ 20,000			
IT app & Env mgmt	\$ 206,817	\$ 190,000	\$ 191,602			
IT projects	\$ 22,000	\$ 13,000	\$ 20,000			
	\$ 320,017	\$ 271,200	\$ 308,522			
<b>Accounting and Audit (5.1)</b>						
	2023					
External audit	\$ 37,370					
NFI audit	\$ 17,410					
Misc	\$ 2,140					
	\$ 56,920					
<b>Legal (5.2)</b>						
	2023					
As and when required:	\$ 20,000			Could include: non compliance issues, SABC work, renewal of proc/manu agreements, plan approval appeal		
<b>Consulting (5.3)</b>						
	2023					
Misc	\$ 20,000			Pool for projects identified that require consultants, incl OTR		
<b>IT app &amp; env management (5.4)</b>						
	2023					
Application Mgt (SMART & Pictus)						
Ongoing maintenance - SMART	\$ 1,000			SMART still "alive" until staff comfortable to shutdown		
Monthly Fee - PICTUS revenue	\$ 72,407			assumes 3% COLA adjustment Oct 1 2023		
Monthly Fee - PICTUS claims	\$ 69,203			assumes 3% COLA adjustment Oct 1 2023		
Monthly Fee - PICTUS insights	\$ -			TSBC not pursuing at this time		
Minor Enhancements- PICTUS (rev & claims)	\$ 15,000			a bucket for work not included in monthly fee hours		
Major Enhancements- PICTUS revenue	\$ -			none anticipated for 2023		
Major Enhancements - PICTUS claims	\$ 5,000			Just in case		
Contingency	\$ -			for any business driven changes. Staff may need to ask for \$ if any unusual circumstances		
	\$ 162,610					
<b>Environment Mgt (infrastructure)</b>						
	2023					
Ongoing maintenance & 365	\$ 14,400					
Cloud hosting & maintenance	\$ 10,092					
Hardware	\$ 4,500			1 laptop up for replacement plus any misc		
	\$ 28,992					
<b>IT Projects (5.5)</b>						
	2023					
E-Manifests (amortize 2023)	\$ 35,000			June 1 2023 go-live		
Financial interface upgrade	\$ 10,000					
BA support (ongoing support)	\$ 10,000					
BA support - e-manifest implementation (amortize)	\$ 25,000					
	\$ 80,000					
Amortization exp in 2021 (with 4.2.5)						
Future Amortization		Amortization exp in 2022 (with 4.2.5)	Amortization exp in 2023 (with 4.2.5)	Amortization Exp in 2024 (with 4.2.5)	Amortization Exp in 2025 (with 4.2.5)	Amortization Exp in 2025 (with 4.2.5)
PICTUS Claims	\$ -	\$ 42,233	\$ 84,467	\$ 84,467	\$ 42,233	\$ -
Insights						
E-manifests			\$ 11,667	\$ 20,000	\$ 20,000	\$ 8,333
	\$ -	\$ 42,233	\$ 96,133	\$ 104,467	\$ 62,233	\$ 8,333

Type	2022 budget	2022 projected	2023 budget
Insurance	\$ 12,841	\$ 10,726	\$ 12,306
Board Travel & Conferences	\$ 40,000	\$ 33,000	\$ 40,000
Board remuneration	\$ 148,851	\$ 148,851	\$ 152,411
	<b>\$ 201,693</b>	<b>\$ 192,577</b>	<b>\$ 204,717</b>

Reflects an estimated increase of 15% to 2022 rates (per Hub) assumes regular travel / in person meetings / conferences etc

6.0%

<b>Board remuneration breakdown</b>	Jan to June 2023 period	July to Dec 2023 period	Total for 2023
<i>Tim H</i>	\$ 9,298	\$ 9,856	\$ 19,154
<i>Carol H / Glenn M</i>	\$ 10,337	\$ 10,957	\$ 21,294
<i>Glen R</i>	\$ 16,039	\$ 17,002	\$ 33,041
<i>Norm S</i>	\$ 10,845	\$ 11,496	\$ 22,340
<i>Ken R</i>	\$ 8,311	\$ 8,810	\$ 17,121
<i>Mark E</i>	\$ 8,311	\$ 8,810	\$ 17,121
<i>Adrian C</i>	\$ 10,845	\$ 11,496	\$ 22,340
<b>Total</b>	<b>\$ 73,986</b>	<b>\$ 78,425</b>	<b>\$ 152,411</b>

**Community Grant Program (7.1)**

2022 budget	
\$	350,000
2022 projected	
\$	185,825
2023 budget	
\$	300,000

**Special Projects (7.2)**

2022 budget	To include projects such as:		
\$	43,200	Tire Round Ups	\$ 20,000 covers cost of rims and non program material collected at these events
2022 projected		Stipends	\$ 10,000 Local Govts eg RDCariboo, Saltspring, Haida Gwaii, Mt. Waddington, RDEK
\$	40,000	Special Collections	\$ 20,000 Examples: additional costs beyond TI, such as FN
2023 budget			
\$	50,000		\$ 50,000

**R&D Program (7.3)- Grants & Contributions**

2021 budget	
\$	-
2022 projected	
\$	-
2023 budget	
\$	-

Any request to be **funded** from reserve account