

Tire Stewardship BC: Income & Expense Statement (CONFIDENTIAL)

WIP started Nov 9 2022

REVENUE		2020 Actual	2021 Actual	2022 draft actual	2023 budget approved	2023 budget amended	Difference
1.0	Revenue Collection	22,167,127	24,202,422	25,252,176	25,718,910	25,754,998	36,088
1.1	ADF-PLT	18,404,340	20,054,034	18,822,068	19,242,412	19,242,412	(0)
1.2	ADF-MT	3,088,674	3,618,054	5,810,967	5,885,670	5,927,186	41,516
1.3	ADF- AG	262,485	272,580	276,975	277,742	276,975	(767)
1.4	ADF- LS	122,115	136,010	138,425	143,086	138,425	(4,661)
	Sub total	21,877,614	24,080,678	25,048,435	25,548,910	25,584,998	36,088
1.5	C&E	123,719	124,279	103,829	50,000	50,000	
1.6	RIV	207,242	(3,169)	124,890	150,000	150,000	
1.7	RIV commission	(41,448)	634	(24,978)	(30,000)	(30,000)	
2.0	Interest (bank, investments, IDF)	650,700	630,076	(1,010,048)	412,782	311,998	(100,784)
2.1	Bank	10,363	18,576	21,119	10,000	10,000	
2.2	Investments	640,337	611,499	(1,031,167)	402,782	301,998	(100,784)
	Total revenue	\$ 22,817,827	\$ 24,832,498	\$ 24,242,127	26,131,692	26,066,997	(64,696)

EXPENSES		2020 Actual	2021 actual	2022 draft actual	2023 budget approved	2023 budget amended	Difference
3.0	Program Incentives	20,522,530	22,825,147	25,435,653	25,708,751	26,041,300	332,549
4.0	Program Management	1,101,155	1,285,855	1,374,915	1,577,551	1,588,919	11,368
4.1	Program Admin	583,025	647,024	660,901	622,273	622,996	
4.2	Operational expenses:	180,372	173,789	145,368	164,133	172,556	8,423
4.2.1	Mgt Travel	6,002	7,718	16,963	35,000	35,000	
4.2.2	Misc Business Exp	19,167	16,775	17,758	25,000	25,000	
4.2.3	Staff Education	1,059	1,905	907	5,000	5,000	
4.2.4	Phone/Internet	5,022	3,270	2,946	3,000	4,400	1,400
4.2.5	Amortization Exp - IT	149,122	144,122	106,794	96,133	103,156	7,023
4.3	Compliance Reviews	40,444	137,038	136,184	200,000	200,000	
4.4	Bad Debt	6,026	9,218	3,826	5,000	5,000	
4.45	Interest & Bank Charges	3,394	3,403	3,244	3,500	3,500	
4.5	Communciations & Education	287,893	315,382	425,392	582,645	584,867	2,222
5.0	Professional Services	208,488	193,159	286,718	308,522	300,722	(7,800)
5.1	External Audit / Accounting	47,550	53,684	52,259	56,920	56,920	
5.2	Legal	2,697	(3,083)	(1,135)	20,000	20,000	
5.3	Consulting	5,762	13,696	23,786	20,000	20,000	
5.4	IT application & env mgmt	128,130	113,762	201,859	191,602	183,802	(7,800)
5.5	IT Projects	24,350	15,100	9,950	20,000	20,000	
6.0	Board Expenses and Travel	159,831	179,194	200,360	204,717	209,849	
6.1	Insurance	9,516	10,701	10,726	12,306	11,197	
6.2	Travel / Conferences	3,887	21,772	40,783	40,000	40,000	
6.3	Director's Remuneration	146,428	146,721	148,851	152,411	158,652	
7.0	Other Programs	218,273	230,957	228,219	350,000	350,000	
7.1	Community Grant Program	206,692	188,975	185,825	300,000	300,000	
7.2	Special Projects	11,581	41,982	42,394	50,000	50,000	
7.3	R&D project grants	-	-	-	-	-	
7.4	R&D OTR and others	-	-	-	-	-	
	Total Expenditures	\$ 22,210,278	\$ 24,714,311	\$ 27,525,865	28,149,541	28,490,790	341,249
	Reserve	\$607,549	\$118,186	(\$3,283,738)	(\$2,017,849)	(\$2,423,794)	(\$405,945)

If new PI rate approved

(2,869,514) (851,665)

ADF		2022 Actual (Dec 31) - DRAFT	
Per Tire Type		Units	\$
ADF-PLT	\$ 5	3,764,414	\$ 18,822,068
ADF-MT	\$ 14	415,069	\$ 5,810,967
ADF- AG	\$ 15	18,465	\$ 276,975
ADF- LS	\$ 35	3,955	\$ 138,425
		4,201,903	\$ 25,048,435
		C&E	\$ 103,829
		RIV	\$ 124,890
		Total - All Rev	\$ 25,277,154
		RIV Comm @ 20%	\$ (24,978)
		Total	\$ 25,252,176

2023 budget - draft		
Units	\$	
3,848,482	\$ 19,242,412	5 yr average
423,370	\$ 5,927,186	2022 actual plus 2%
18,465	\$ 276,975	2022 actual
3,955	\$ 138,425	2022 actual
4,294,273	\$ 25,584,998	
	C&E	\$ 50,000
	RIV	\$ 150,000
	Total - All Rev	\$ 25,784,998
	RIV Comm @ 20%	\$ (30,000)
	Total	\$ 25,754,998

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. PLTs: 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%			
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

2.0 Other Revenue

Investment Income	
Budget 2022	\$ 269,283
2022 actual + projected	\$ (1,031,167)
2023 budget	\$ 301,998

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)
	\$ (1,031,167)	add projected investment income (per Dec 31 COB BMO stmt)
	\$ 10,111,355	Estimated 2022 ending/ 2023 starting bal
Projected rate of return	3.65%	per BMO Harris projections - gross return
	\$ 369,064	gross return
	\$ (67,066)	less mgt fees approx (0.521% sliding scale)
	\$ 301,998	net return
	2.35%	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	\$ -
	Net Total TI	\$ 9,176,430
2022 actual + projected	Volume:56,941.50	\$ 10,006,463

2023 budget	Volumes (tonnes)	56,503
	\$ per tonne	\$ 189.30
	Total \$	\$ 10,696,155
	Peace River Freight	345,683
	Net Total TI	\$ 11,041,837

New addition and based on May to Dec cost of \$

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**
 TI /per tonne (all costs) \$ 195.42

2022 BUDGET				\$	14,348,262
2022 actual + projections Volumes: 52,442.50				\$	13,500,799
2023 budget				\$	13,966,463
		VOL - tonnes	Rate	Total \$	
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	\$ -	
3R total		42,945		\$ 12,654,968	
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	\$ -	
4R Total		11,100		\$ 1,311,495	
Waste (5R)					
	Rubber Waste	840	\$ -	\$ -	
	Steel Waste	-	\$ -	\$ -	
	Fibre Waste	-	\$ -	\$ -	
5R Total		840		\$ -	
(2R/ 3R/4R/5R)		54,885		\$ 13,966,463	
Total PI				\$	254.47

Requested Rate	Projected Volumes	Total	Difference
3.25%			
\$ 348.15	28,571	\$ 9,946,707.97	
\$ 348.15	750	\$ 261,109.57	
\$ 158.54	8,100	\$ 1,284,177.04	
\$ 157.97	0	\$ -	
\$ 284.94	5,525	\$ 1,574,259.65	
\$ 214.24	0	\$ -	
		\$ 13,066,254.23	\$ 411,286.45
		\$ 252,000.00	
\$ 158.54	6,900	\$ 1,093,928.59	
\$ 153.18	0	\$ -	
		\$ 1,345,928.59	34,434
		\$ 14,412,182.81	\$ 445,720.04
		\$ 262.59	\$ 8.12

Assumptions/ Comments

- 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
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%

MANUFACTURER INCENTIVE (3.3)

Budget 2022				
Manufacturer	Volume(lb)	\$	Total	Comments
NWR	20,000,000	\$ 0.050	\$ 1,000,000	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	2,306,666	\$ 0.020	\$ 46,133	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>	
Totals	22,306,666		\$ 1,046,133	

<i>2022 projected</i>	\$ 1,046,133
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Budget 2023				
Manufacturer	Volume(lb)	\$	Total	Comments
NWR	20,000,000	\$ 0.050	\$ 1,000,000	NWR commitment to WRP 36M lbs
<i>split as MI</i>	<i>20,000,000</i>	<i>\$ 0.015</i>	<i>\$ 300,000</i>	
<i>split as IDF</i>	<i>20,000,000</i>	<i>\$ 0.035</i>	<i>\$ 700,000</i>	
Promat	1,650,000	\$ 0.020	\$ 33,000	Request received December 14 2022
<i>split as MI</i>	<i>1,650,000</i>	<i>\$ 0.005</i>	<i>\$ 8,250</i>	
<i>split as IDF</i>	<i>1,650,000</i>	<i>\$ 0.015</i>	<i>\$ 24,750</i>	
Totals	21,650,000		\$ 1,033,000	

Program Admin (4.1)

Wages, benefits & payroll costs plus rent & associated office space costs

2022 budget

\$ 650,000

2022 projected

\$ 650,000

2023 budget

\$ 622,996

OPERATIONAL EXPENSES (4.2)

	2022 budget	2022 projected	2023 budget
MGT TRAVEL & EXPENSES	\$ 35,000	\$ 20,000	\$ 35,000
MISC BUSINESS EXPENSE	\$ 25,000	\$ 20,000	\$ 25,000
STAFF EDUCATION	\$ 5,000	\$ 907	\$ 5,000
TELEPHONE & INTERNET	\$ 2,952	\$ 2,952	\$ 4,400
AMORTIZATION EXPENSE	\$ 120,255	\$ 106,945	\$ 103,156
	\$ 188,207	\$ 150,804	\$ 172,556

all from 5.0 IT projects amortization

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

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4.5 Comm & Ed

Communication & Education (4.5)

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

Service Provider	Comments	2023
Education & Outreach:		\$ 484,800
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	\$ 64,800
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
Other:		\$ 30,500
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
Membership:		\$ 42,599
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)	\$ 9,778
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
Sponsorships		\$ 15,500
TRAC	Oct-23	\$ 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
Total		\$ 573,399
Contingency	2% of total	\$ 11,468
Total for 2023		\$ 584,867

slight increase

amended to reflect r

5.0 Prof Services

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	\$ 183,802			
IT projects	\$ 22,000	\$ 13,000	\$ 20,000			
	\$ 320,017	\$ 271,200	\$ 300,722			
Accounting and Audit (5.1)						
2023						
External audit	\$ 37,370					
NFI audit	\$ 17,410					
Misc	\$ 2,140					
	\$ 56,920					
Legal (5.2)						
2023						
As and when required:	\$ 20,000			Could include: non compliance issues, SABC work, renewal of proc/manu agreements, plan approval appeal		
Consulting (5.3)						
2023						
Misc	\$ 20,000			Pool for projects identified that require consultants, incl OTR		
IT app & env management (5.4)						
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					
Environment Mgt (infrastructure)						
2023						
Ongoing maintenance & 365	\$ 7,200			amended		
Cloud hosting & maintenance	\$ 9,492			amended		
Hardware	\$ 4,500			1 laptop up for replacement plus any misc		
	\$ 21,192					
IT Projects (5.5)						
2023						
E-Manifests (amortize 2023)	\$ 55,000			June 1 2023 go-live AMENDED POST AIC meeting		
Financial interface upgrade	\$ 10,000					
BA support (ongoing support)	\$ 10,000					
BA support - e-manifest implementation (amortize)	\$ 25,000			June 1 2023 go-live		
	\$ 100,000					
Amortization exp in 2021 (with 4.2.5)						
Future Amortization	\$ -	\$ 42,233	\$ 84,467	\$ 84,467	\$ 42,233	\$ -
PICTUS Claims						
Insights			\$ 18,689	\$ 32,038	\$ 32,038	\$ 13,349
E-manifests						
	\$ -	\$ 42,233	\$ 103,156	\$ 116,505	\$ 74,271	\$ 13,349

6.0 Board expenses

Type	2022 budget	2022 projected	2023 budget
Insurance	\$ 12,841	\$ 10,726	\$ 11,197
Board Travel & Conferences	\$ 40,000	\$ 33,000	\$ 40,000
Board remuneration	\$ 148,851	\$ 148,851	\$ 152,411
Board source deductions	\$ -	\$ -	\$ 6,242
	\$ 201,693	\$ 192,577	\$ 203,608

Actual based on documents from Hub
 assumes regular travel / in person meetings / conferences etc
 In 2022 was included in program admin (wrong place, should be here)

6.0%

Board remuneration breakdown	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
Total	\$ 73,986	\$ 78,425	\$ 152,411

\$ 1,722.80
 \$ 1,826.17

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