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# VPS Program Quarter 2 2016 Review

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## Q2 2016 VPS Summary & Recommendations for Approval

September 9, 2016



# Agenda

- Program Update
- Quarterly Overview of Results
- Q4 2016 Forecast
- Financials
- Approval Request



# VPS Detailed Agenda Q3 '16

- Welcome
  - Antitrust Guidelines
  - Roll call
  - Agenda Approval
  
- Program Update
  
- Data Review & Recommendations for VPS Q3 2016
  
- Q4 2016 Forecast
  
- Fund Approval Request
  
- Other Information



# VPS Program Update

- 61 CSEs participate in the VPS Program
  - 54 CSEs requested funds for Q3
    - 52 requested funds in Q2
  
- End-market issues in the marketplace persist
  - Limited outlets for all fiber types
  - N66 is only fiber type in demand
  - Material deselected in favor of CA Material
  
- AUPs are currently being conducted on 3 CSEs
  
- All CSEs that requested funds are CARE members in good standing



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# VPS Summary Results



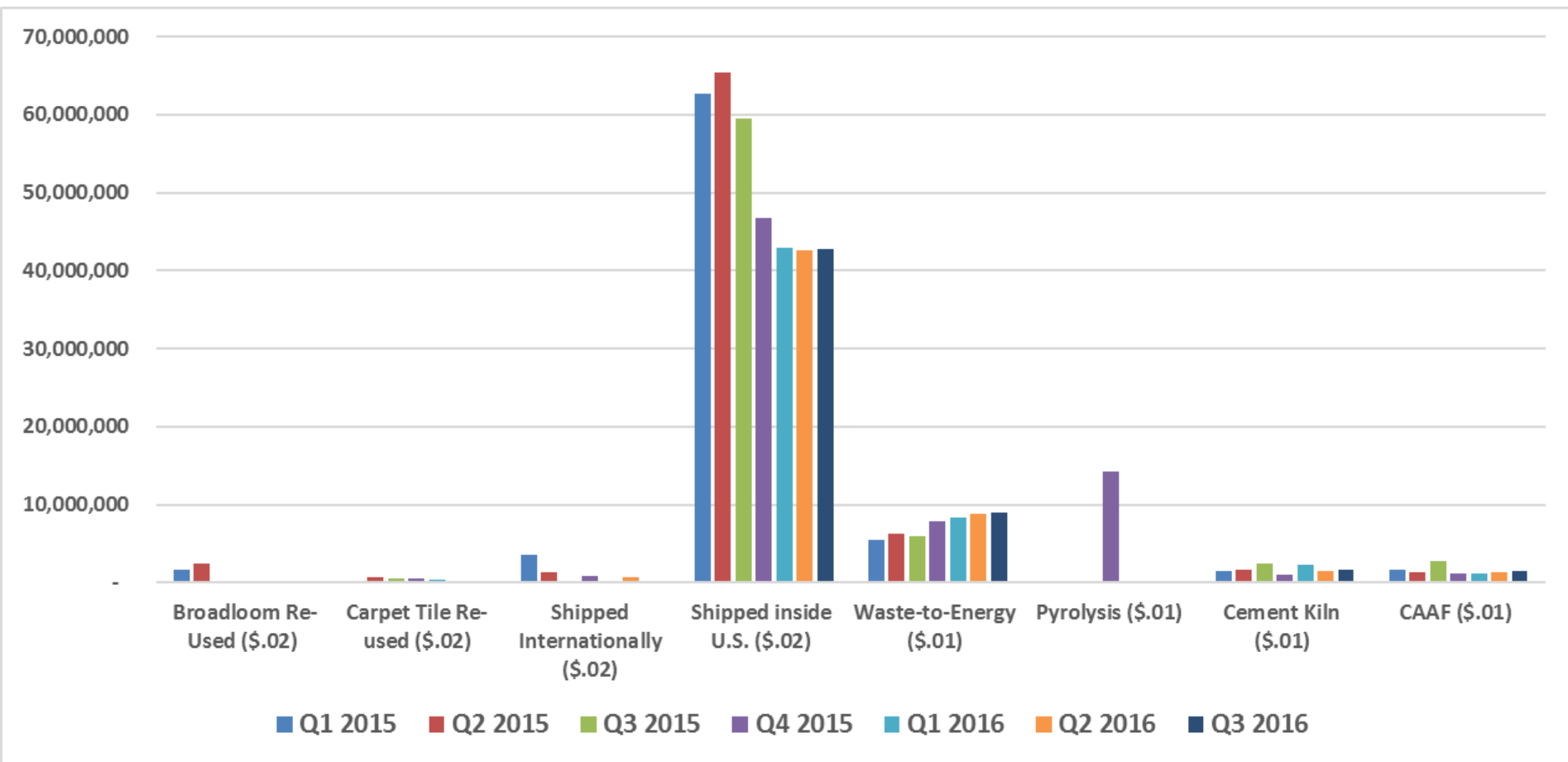
# Q3 2016 Summary Results

- 54 CSEs Requested Funds for Q3 2016
  - 61 CSEs participate in program (88% response rate)
  
- Output Eligible for Funding: 55,152,513
  - Total Output: 74,975,272
    - Landfilled: 14,218,688
    - Ending Inventory: 5,604,071
  
- **Total \$ Requested - \$916,338.21\***
  - \$975,157.77 before cap correction
  - No CSEs reached cap limit

\*Reporting error correction



# VPS Q3 Output Destinations (lbs.)



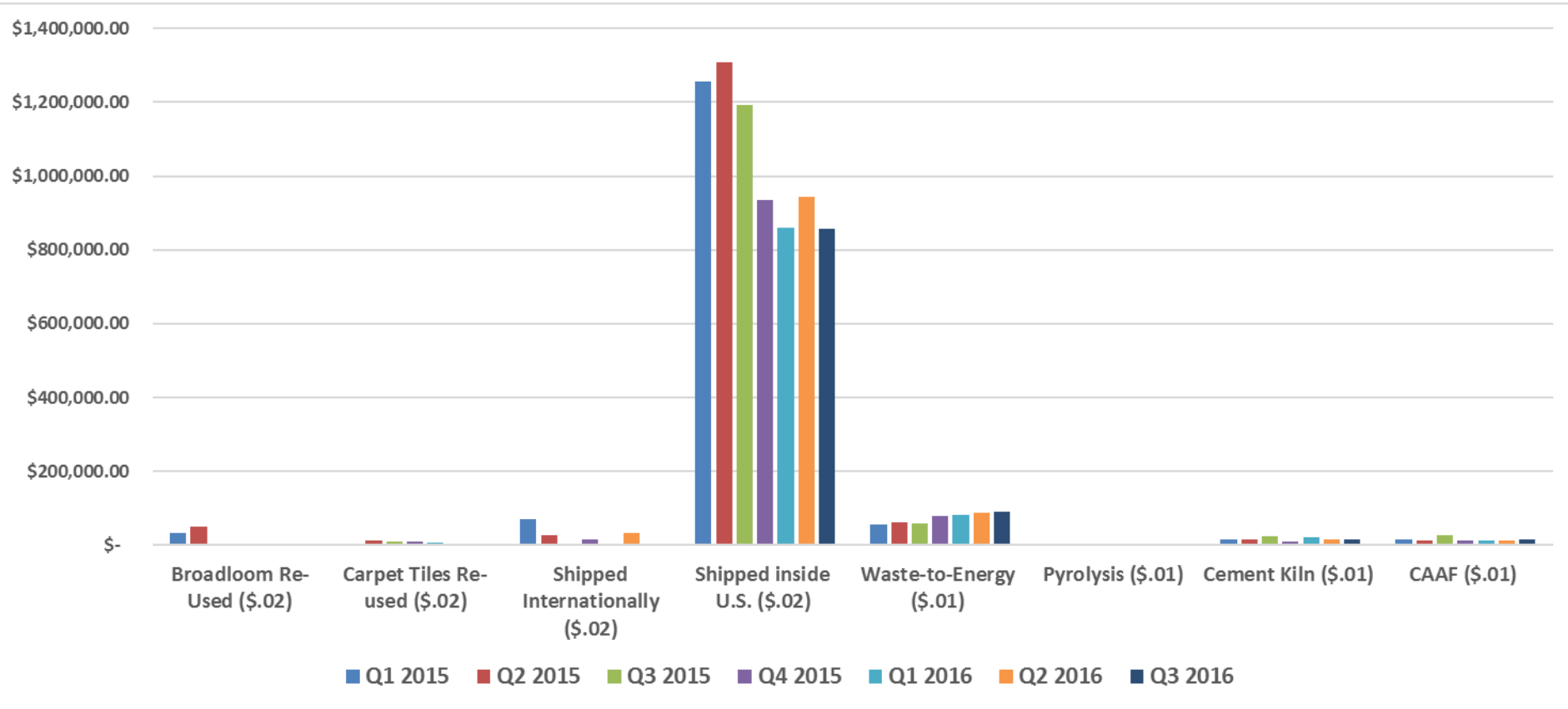
# VPS Q3 Output Destinations (lbs.)

Pounds of Output								
	Q1 2015	Q2 2015	Q3 2015	Q4 2015	Q1 2016	Q2 2016	Q3 2016	% +/- (Q2v.Q3)
<b>Broadloom Re-Used (\$.02)</b>	1,662,222	2,514,473	80,000	-	9,000	36,461	51,531	41%
<b>Carpet Tile Re-used (\$.02)</b>		639,206	550,980	559,536	377,437	99,400	159,755	61%
<b>Shipped Internationally (\$.02)</b>	3,576,893	1,403,553	79,004	841,259	-	862,600	-	-100%
<b>Shipped inside U.S. (\$.02)</b>	62,764,138	65,385,512	59,557,428	46,690,476	42,976,715	42,671,152	42,793,310	0%
<b>Waste-to-Energy (\$.01)</b>	5,501,436	6,243,524	6,015,714	7,892,383	8,362,449	8,902,747	9,044,459	2%
<b>Pyrolysis (\$.01)</b>	-	-	-	14,218,688	-	-	-	
<b>Cement Kiln (\$.01)</b>	1,444,065	1,583,132	2,481,035	1,068,195	2,297,386	1,488,314	1,572,613	6%
<b>CAAF (\$.01)</b>	1,648,083	1,262,845	2,732,455	1,162,065	1,162,065	1,397,981	1,530,845	10%
<b>Total</b>	<b>76,596,837</b>	<b>79,032,245</b>	<b>71,496,616</b>	<b>72,432,602</b>	<b>55,185,052</b>	<b>55,458,655</b>	<b>55,152,513</b>	





# VPS Q3 Output (\$s)

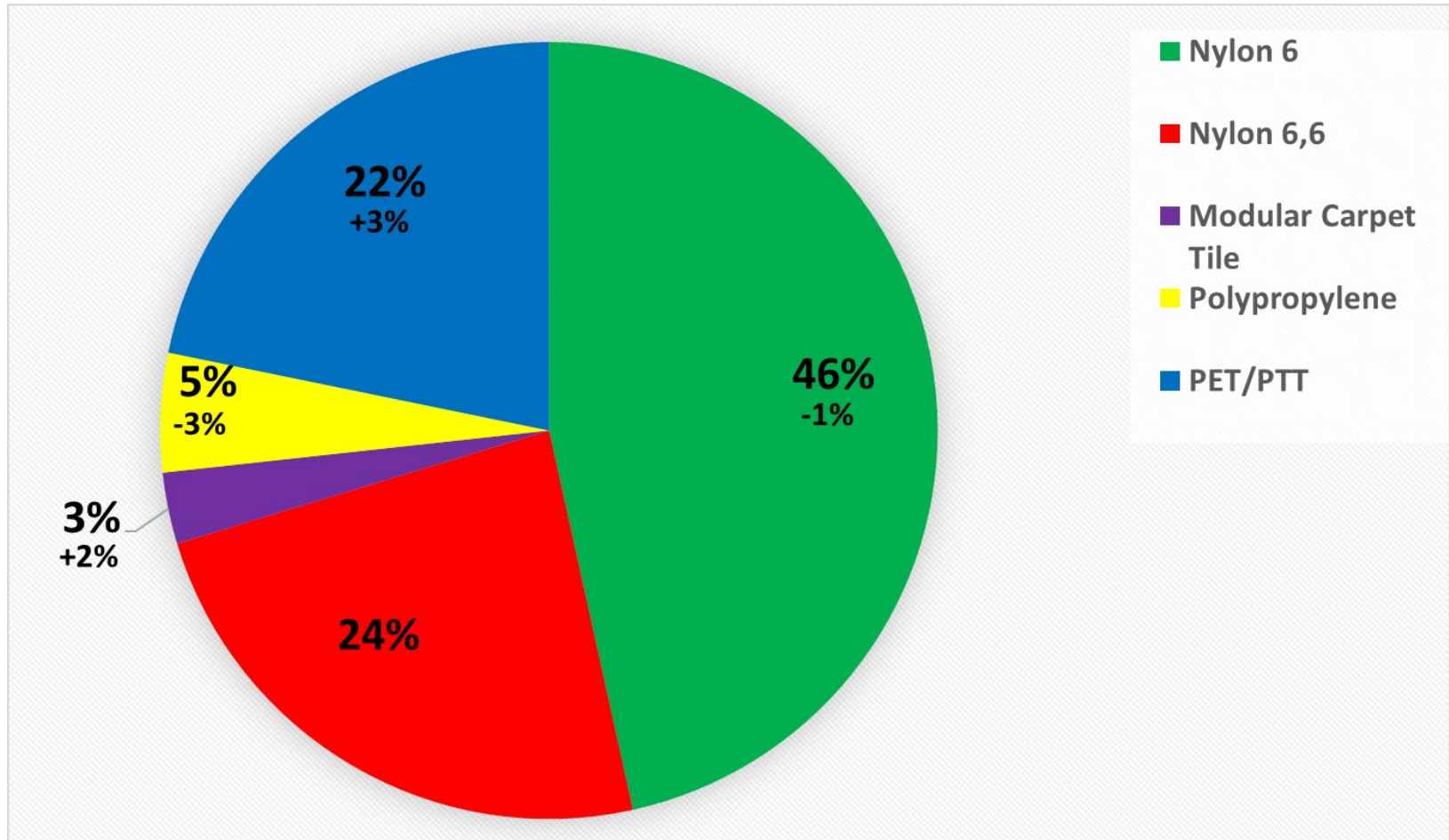


# VPS Q3 Output (\$s)

Output in \$s							
	Q1 2015	Q2 2015	Q3 2015	Q4 2015	Q1 2016	Q2 2016	Q3 2016
<b>Broadloom Re-Used (\$.02)</b>	\$ 33,244.44	\$ 50,289.46	\$ 1,600.00	\$ -	\$ 180.00	\$ 729.22	\$ 1,030.62
<b>Carpet Tiles Re-used (\$.02)</b>	\$ -	\$ 12,784.12	\$ 11,019.60	\$ 11,190.72	\$ 7,548.74	\$ 1,988.00	\$ 3,195.10
<b>Shipped Internationally (\$.02)</b>	\$ 71,537.86	\$ 28,071.06	\$ 1,580.08	\$ 16,825.18	\$ -	\$ 33,120.38	\$ -
<b>Shipped inside U.S. (\$.02)</b>	\$ 1,255,282.76	\$ 1,307,710.24	\$ 1,191,148.56	\$ 933,809.53	\$ 859,534.31	\$ 944,423.04	\$ 855,866.20
<b>Waste-to-Energy (\$.01)</b>	\$ 55,014.36	\$ 62,435.24	\$ 60,157.14	\$ 78,923.83	\$ 83,624.49	\$ 89,027.47	\$ 90,444.59
<b>Pyrolysis (\$.01)</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Cement Kiln (\$.01)</b>	\$ 14,440.65	\$ 15,831.32	\$ 24,810.35	\$ 10,681.95	\$ 22,973.86	\$ 14,883.14	\$ 15,726.13
<b>CAAF (\$.01)</b>	\$ 16,480.83	\$ 12,628.45	\$ 27,324.55	\$ 11,620.65	\$ 13,700.97	\$ 13,979.81	\$ 15,308.45
<b>Total Uncapped</b>	<b>\$ 1,446,000.90</b>	<b>\$ 1,509,630.17</b>	<b>\$ 1,317,640.28</b>	<b>\$ 1,063,051.86</b>	<b>\$ 987,562.37</b>	<b>\$ 1,098,151.06</b>	<b>\$ 981,571.09</b>
<b>Cap Correction</b>	\$ (142,735.90)	\$ (162,247.32)	\$ (190,941.56)	\$ (163,343.32)		\$ (45,767.12)	
<b>Overpayment Correction</b>							\$ (65,232.88)
<b>Grand Total Payout for Total</b>	<b>\$ 1,333,145.40</b>	<b>\$ 1,347,382.85</b>	<b>\$ 1,126,698.72</b>	<b>\$ 899,708.54</b>	<b>\$ 987,562.37</b>	<b>\$ 1,052,383.94</b>	<b>\$ 916,338.21</b>



# Face Fiber Breakdown of Sorted Output

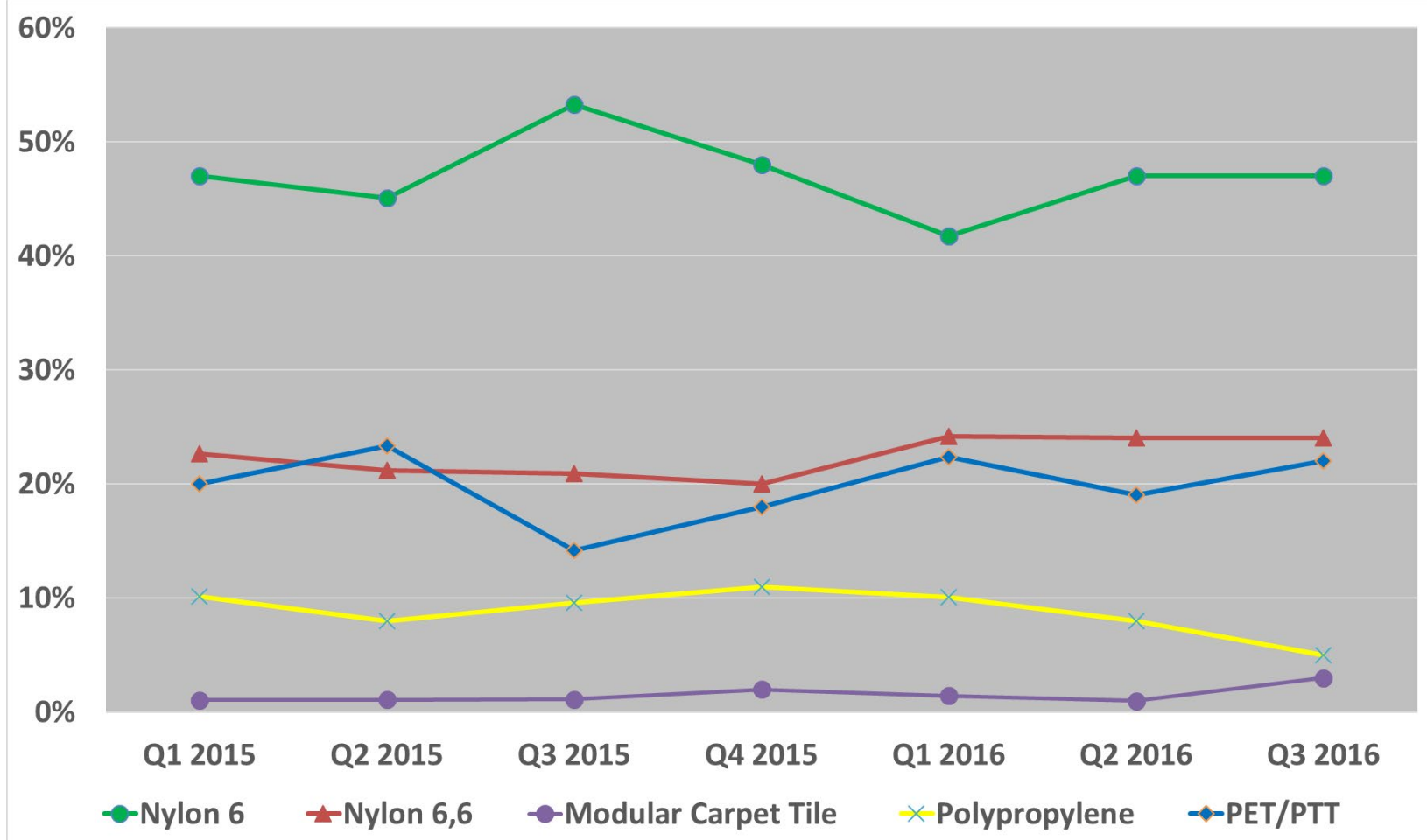


# Face Fiber Breakdown

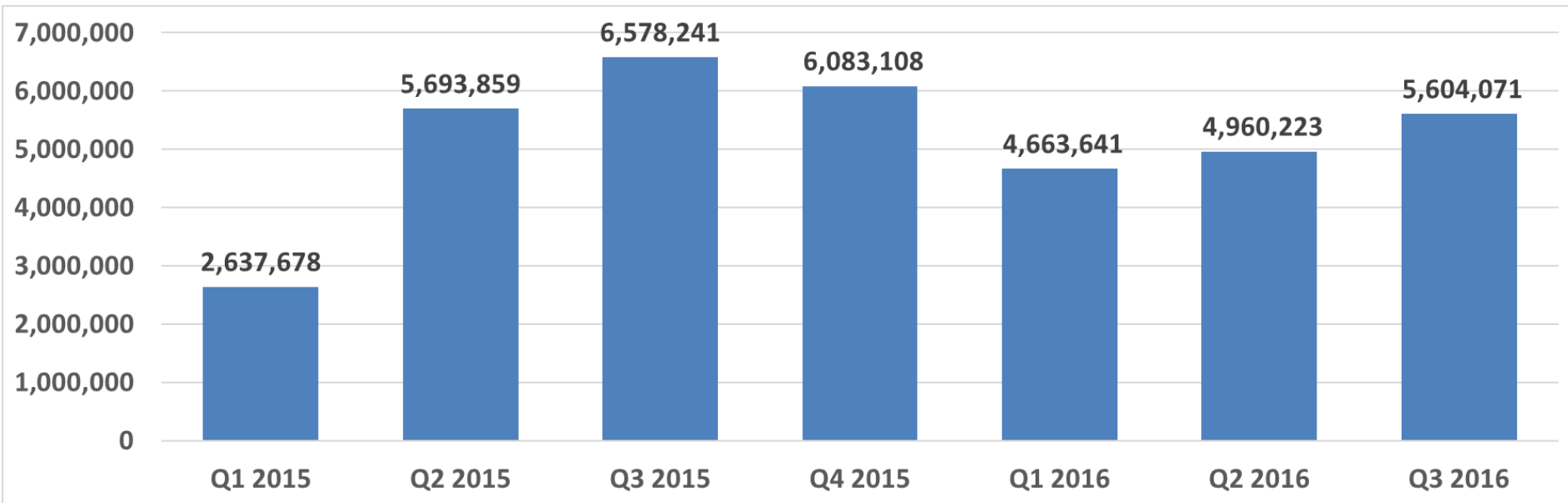
Face Fiber Breakdown - Shipped and Sold							
	Q1 2015	Q2 2015	Q3 2015	Q4 2015	Q1 2016	Q2 2016	Q3 2016
Nylon 6	47%	45%	53%	48%	42%	47%	47%
Nylon 6,6	23%	21%	21%	20%	24%	24%	24%
Modular Carpet Tile	1%	1%	1%	2%	1%	1%	3%
Polypropylene	10%	8%	10%	11%	10%	8%	5%
PET/PTT	20%	23%	14%	18%	22%	19%	22%
Other/Mixed Fibers	0%	1%	1%	0%	0%	0%	0%



# Face Fiber Breakdown



# Inventory Levels

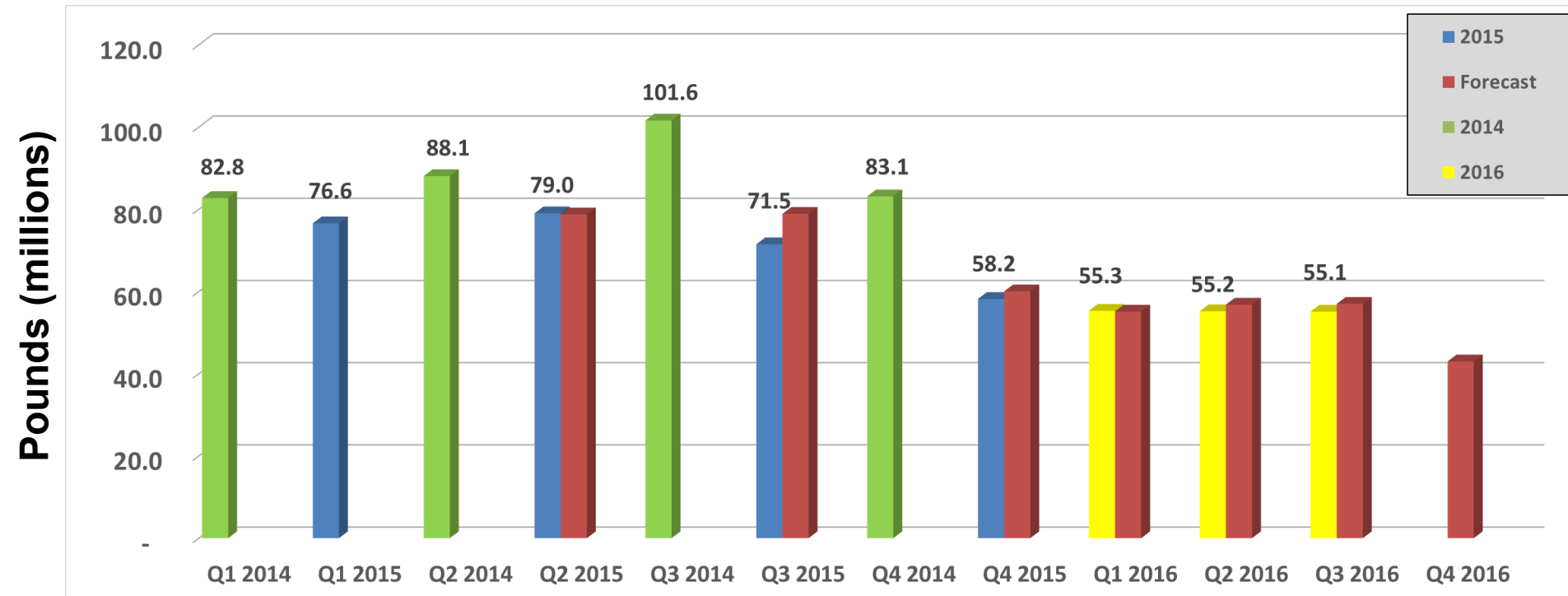


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# VPS Q3 2016 Forecast

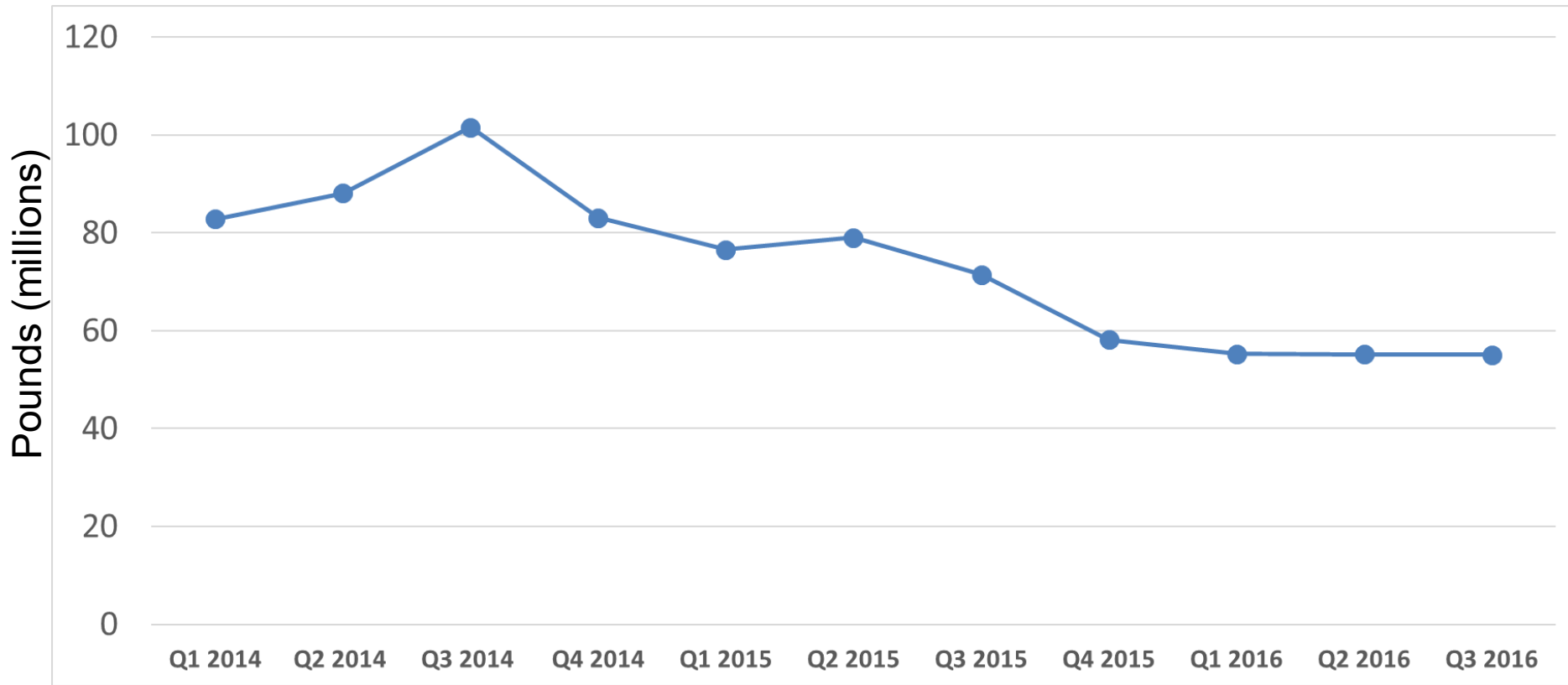


# Results and Forecasts





# Sorted Output Trend



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# VPS Financials



# Accounting Details for Quarter

<b>Q3 2016 Financial Analysis</b>	
Starting Balance	\$ 10,000.00
Admin Expenses	\$ (35,699.70)
CSE Payout	\$ (916,338.21)
Reserve	\$ (10,000.00)
<b>Transfer Amount</b>	<b>\$ (952,037.91)</b>

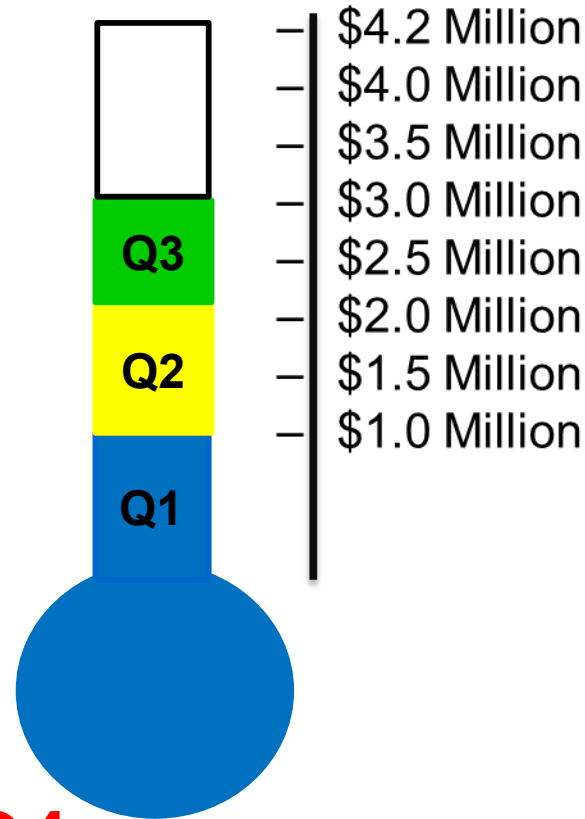


# VPS Payout vs. Budget

Q3 Actual Payout – \$952,037

Q2 Actual Payout - \$1,104,003

Q1 Actual Payout - \$1,005,519



**\$1,138,440 Left for Q4**



# Recommendations for VPS Approval

- 1) Approve transfer of \$952,037.91
- 2) Approve CSE Distribution of \$916,338.21
- 3) Approve Administrative reimbursements of \$35,699.70

*Total Payout Q2: \$952K*



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# End of Review

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