



AUOMA

Business Plan 2016 - 2018

Alberta Used Oil Management Association

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ACCOUNTABILITY STATEMENT

The Alberta Used Oil Management Association (“AUOMA”) Budget and Business Plan for the period January 1, 2016 through December 31, 2018 was prepared in accordance with the requirements of the *Lubricating Oil Material Recycling and Management Regulation*, as amended, which was enacted under the *Environmental Protection and Enhancement Act*. AUOMA’s business plan has been modeled after the Auditor General’s *Framework for Accountability*. All of AUOMA’s policy decisions as of December 1st, 2015, and all of the AUOMA’s accountability obligations and relationships have been considered in preparing this Budget and Business Plan. As well, the Government of Alberta’s and Department of Environment and Park’s Business Plans and priorities were taken into account in the development of AUOMA’s Business Plan.

AUOMA is committed to achieving the planned results laid out in this Budget and Business Plan.

Approved by the Board of Directors,
Alberta Used Oil Management Association
November 30th, 2015



Lee Wilkie
Chair

VISION

AUOMA is a renowned industry-driven organization facilitating the recycling of designated waste materials, and recognized leader in supporting industry best practices that achieve optimal recycling of materials and sound environmental outcomes for the benefit of all Albertans.

MISSION

AUOMA manages effective and efficient used oil materials waste minimization and recycling programs in Alberta, in keeping with Alberta Environment and Park's mission, to ensure effective stewardship of environmental systems that enable a sustained high quality of life in Alberta.

AUOMA will also fulfill its mission and realize its vision through sound policies and good governance, supporting and supported by engaged stakeholders, effective communication and full accountability.

LEGISLATIVE MANDATE AND PROGRAM OVERVIEW

AUOMA is an Alberta not-for-profit association established as a management board under the *Environmental Protection and Enhancement Act* to deliver programs and initiatives that facilitate the recovery and recycling of used oil and used oil materials for the benefit of all Albertans. Under the *Lubricating Oil Material Recycling and Management Regulation* (AR 82/97, "the Regulation"), AUOMA is charged with the responsibility to administer a fund consisting mainly of environmental handling charges, a regulated levy which is remitted by producers/primary suppliers of lubricating oil materials in and into Alberta. AUOMA is also bound by the requirements of the *Lubricating Oil Material Recycling and Management Regulation* (AR 227/2002) and the *Lubricating Oil Material Environmental Handling Charge Bylaw* (AR 228/2002), appendices to the primary regulation.

By virtue of the Regulation, and primary to its accountability to registered members, AUOMA is directly accountable to the Minister of Environment and Parks to carry out its mandate. AUOMA delivers programs and initiatives that align with the Government of Alberta's efforts to maximize waste diversion and recycling alternatives. AUOMA's program supports the Minister's mandate for sustaining the high quality of Alberta's environment. AUOMA is also accountable to its members and the Alberta public for the appropriate and transparent management of its funds, and to ensure sound environmental outcomes as a result of fund expenditure. AUOMA members are lubricating oil and oil products manufacturers and primary suppliers in Alberta who are committed to supporting used oil material management. Members remit the environmental handling charges as required under the Regulation, which supports used oil material recovery and recycling in the Province, as well as respective communications, education and advocacy initiatives. As a result, AUOMA and its members play an important role in the continuing effort to improve and sustain the quality of Alberta's environment.

AUOMA’s revenue consists primarily of environmental handling charges (EHC) which are to be remitted by first sellers of lubricating oil and related fluids, oil and related containers and oil filters in the Province of Alberta. EHC are set by Regulation and once remitted to AUOMA comprise the fund which is managed by AUOMA to support its program initiatives, such as program incentives for transportation and processing used oil materials.

AUOMA plans to continue its facilitation for recovery and recycling of used oil materials, and it will also strive to influence best industrial recycling practices and sound environmental outcomes.

In accordance with its delegated mandate, AUOMA ensures that the used oil management program is consistent with, and aligns with Government of Alberta goals in the following ways:

1. Through its programs dedicated to waste diversion, and used oil material recycling and processing particularly, AUOMA’s programs and goals also contribute to the goals of Alberta Environment and Parks:

Desired Outcomes One: Healthy environment and ecosystems

Albertans care about clean air, reduced greenhouse gases, quality water, sustainable water quantity, healthy and sustainable lands and biodiversity and conserved natural landscapes that support healthy ecosystems. To achieve these outcomes, the ministry works with Albertans to manage the cumulative effects of human development on the environment. Through managing provincial parks and protected areas, the ministry also conserves important ecosystems and ecosystem services. Stewardship of the environment requires a collaborative effort by all Albertans, including businesses, non-governmental organizations, communities and individuals. Direction to achieve the desired outcomes is provided by policy, regional plans and frameworks, and is supported by education, outreach, authorizations and compliance programs as well as AEMERA’s environmental trends and conditions monitoring, evaluating and reporting.

(Environment and Sustainable Resource Development Business Plan 2015-2020)

2. AUOMA’s programs also contribute to the Department’s current waste policies that are contained in Alberta’s waste strategy, *Too Good to Waste*.

AUOMA is one organization in the used oil management system of Alberta businesses and services committed to minimizing waste used oil materials through effective recycling of these materials. In its eighteen year history, AUOMA has facilitated the recovery of over 1.4 billion litres of used oil, as well as over 116 million used oil filters and over 28 million kilograms of used oil containers. The program expects to recover and recycle used oil materials for 2015 as follows:

Used Oil Material	Recovery Volumes Projected 2015
Used Oil	94,874,239 litres
Used Oil Filters	7,681,027 filters
Used Containers	2,334,301 kg

AUOMA relies on a large network of used oil material generators/return collection facilities, registered collectors and processors who undertake material recovery, transportation and primary recycling.

AUOMA's funding is intended to support activities and projects that promote responsible stewardship of used oil materials, and which also support the Ministry's goals of achieving sound environmental outcomes. AUOMA's revenue is controlled by sales of new lubricating oil products in Alberta, on which EHC is levied, and restricted by the regulated level of EHC applied to the sale of these products. AUOMA's revenue is, therefore, dependent on economic factors which dictate the volume of oil and oil filter sales, and limited by the rate per unit as prescribed in provincial government regulation. AUOMA, however, is committed to managing its financial resources to ensure a sustainable program, and continue to facilitate environmentally sound recovery and recycling activities. This business plan contains strategies and a budget which reflects AUOMA's commitment to responsible spending, balanced with its environmental objectives and performance objectives, such as optimizing recovery rates for used oil material.

OPERATING PRINCIPLES

In delivering all of its programs, AUOMA follows a number of key principles which guide its policies, day-to-day operations, relationships with stakeholders and decision making activities:

Protection of the Environment: Used oil material recovery and recycling activities should result in optimal and measureable environmental outcomes.

Accountability: AUOMA is accountable to the Ministry, its members and all Albertans and, therefore, carries out activities in an open, transparent and fair manner.

Innovation: AUOMA encourages innovation and best practices in its business and networks.

Partner and Stakeholder Involvement: AUOMA collaborates with its partners and stakeholders in developing programs, and strives to create a level playing field for all those involved in used oil management activities, with minimal program impact on the used oil recycling market.

ENVIRONMENTAL SCAN

The used oil program administered by AUOMA has been in existence for eighteen years.

From its early beginnings, AUOMA worked with other jurisdictions to harmonize used oil material recovery and recycling programs across Canada. AUOMA, "a made in Alberta" program, became the model after which other Canadian programs were developed. Other countries, including Australia and New Zealand, consulted with AUOMA in developing their own used oil material management programs.

AUOMA has a track record of being recognized for its stewardship efforts and has been considered a leading edge program that received world-wide recognition for best practices in impacting recycling of used oil materials.

To-date the program has been very successful in improving the collection rates for used oil, used oil containers and used oil filters while at the same time facilitating the development of a healthy used oil product recycling industry in the province.

The program has achieved very high recovery rates for all three used oil material streams. This success threatens AUOMA's financial viability insofar as revenues from Environmental Handling Charges (EHC) are insufficient to adequately support Return Incentives (RI) paid to participants in the program in order to achieve these high recovery rates, and to fund compatible but unfunded products. Ironically, this creates a reverse incentive since increased recovery rates threaten program viability.

AUOMA research in 2011 and a business case for program improvement completed in 2012 contributed to AUOMA's participation in a regulatory review conducted by Alberta Environment and Parks (AEP). Subsequent to the review, AEP developed a draft Designated Materials Recycling Regulation, which address some key issues* for AUOMA. Ratification of a new regulation is now anticipated in 2016.

- ❖ *Support an increase in the eco-fee on oil containers to enable AUOMA to implement longer term program activities and attain financial sustainability.*
- ❖ *Amend the regulation to add additional automotive fluid containers to the regulated program so that an appropriate eco-fee can be collected to fund their recycling; e.g., antifreeze, glycol, windshield washer and diesel exhaust fluid containers.*
- ❖ *Amend the regulation to remove prescription on day-to-day business operations, and instead highlight the program outcomes AUOMA must work to achieve; i.e., remove AUOMA's fee and product bylaws from regulation, and enable the association to respond to recycling market needs better.*

1. Financial sustainability

Continued reviews of AUOMA's financial position indicate that current RI expenditures exceed current EHC revenues, continuing to result in approximately \$0.61 million in losses. The program has, in past, needed to access funds in its reserve fund to offset projected losses. Program expenditure reductions have improved AUOMA's financial position but a break-even position has been the best that could be expected, but not in 2015 or the foreseeable future under current financial circumstances. Some financial improvement has occurred from new product sales and sales of original equipment manufacturers for which EHC is now charged. AUOMA's reserve fund will be tapped again, as required, and investment into the program, through increased RI for example, will not occur, limiting AUOMA's ability to impact recycling activities and outcomes.

AUOMA Reserve Fund

	2014 Actual	2015 Projected	2016 Budget	2017 Budget	2018 Budget
Beginning Balance Reserve Fund	4,298,000	4,608,000	3,997,000	3,559,000	2,959,000
Actual/Forecasted Surplus (Deficit)	310,000	(611,000)	(438,000)	(600,000)	(692,000)
Ending Balance Reserve Fund	4,609,000	3,997,000	3,559,000	2,959,000	2,267,000

AUOMA's Board of Directors has approved a Reserve Fund limit equal to 12 months of budget. This is deemed to be a reasonable level to protect AUOMA's obligations to Processors, Collectors and legal obligations should the association be forced to wind down. Directors are concerned over the difficulty the association is having at maintaining the Fund at current level, let alone achieve the limit they set.

A review of AUOMA's Return Incentive Program indicates that, irrespective of reductions to program expenditures, and the impact of that change on recycling outcomes, AUOMA's incentives cannot be sustained. AUOMA's administration costs continue to remain low by design.

AUOMA continues to allow cross-subsidization of materials recycling, i.e., the EHC-RI surplus for lubricating oil offsets the EHC-RI deficit for oil containers. AUOMA prefers that each product pay for the recovery and recycling within its product stream, however, that is currently deemed difficult for containers. AUOMA cannot make changes to EHC revenue for containers as fees are fixed in regulation. AUOMA can only influence expenditures. Reducing the incentive paid for collection or processing of used oil containers creates the risk of reducing the volume of material recovered thereby reducing the recycling recovery rate. AUOMA takes some comfort in cross-subsidization of used oil containers by funds received from used oil in that container sales are directly linked to oil sales. The solution to cross-subsidization is currently tied to AUOMA's overall strategy for financial stability. Oil filters have been historically almost at a break-even product stream and, therefore, not deemed as big an issue.

EHC on original equipment manufacturers (OEM) was initiated in July 2013 across Canada. The EHC is now being applied to the applicable materials for the initial fill. EHC had always been remitted from these companies for the applicable materials sold into the after-market sales. This program addition is improving overall sales data against data on recycling outcomes and improved, necessary revenue for those outcomes. It is estimated that recovery rates for used oil and used filters have been slightly overstated due to the volumes from initial fill having not been previously included.

2. Continued Business Case for New Eligible Products

A business case has been made for automotive glycol containers (anti-freeze/diesel exhaust fluid(AF/DEF)). Their inclusion in new regulation is anticipated. Missing is a business case for windshield washer containers, which appear in used oil container collections, as do used AF/DEF containers, but not in volumes to convince regulators that the WW containers should be part of AUOMA's program.

Likewise missing is a business case for used anti-freeze. A small processing industry for AF exists in Alberta, albeit not part of AUOMA's program. The majority of used AF is unaccounted, much deemed to be disposed in vacated, deep oil wells. This practice is permissible in Alberta. AUOMA has been unsuccessful in obtaining information on the actual disposal practices, especially the magnitude of disposal. AUOMA continues to work with its affiliate associations across Canada on this matter, all which include anti-freeze in their programs.

3. A New Enabling Regulation

A new Designated Materials Recycling Regulation, if ratified, will have significant, positive impact on AUOMA's revenue opportunities and product mix. Despite the need for a business case for more eligible materials for AUOMA's program, a new regulation, as proposed, will enhance AUOMA's impact on used oil materials recycling and the association's financial sustainability. The regulation will tie AUOMA legally more closely to other environmental delegated administration authorities and include measures common and beneficial to the authorities. Of particular interest to AUOMA is removing specific product levies from regulation and enabling a fee-setting mechanism with stakeholder input.

4. The Impact of World Crude Oil Price on AUOMA

Oil prices began dropping in June 2014, where it sat at about \$115/bbl and reached a low point in December 2014, where it rested at about \$45/bbl, a little higher than where it currently sits a year later. Despite price fluctuations and improved price levels in the last year, and projections for improved pricing by end of 2015, the oil price is now not expected to improve appreciably over the next year.

Used oil pricing follows the crude oil price. The trend in sales of new oil and new oil products directly affects the sale of used oil and used oil materials, albeit with some obvious market delay. AUOMA and other used oil management associations are certainly not the only organizations affected by a slumping oil price. However, given AUOMA's existing financial circumstance, the added pressure of lowered revenue from lower new lubricating oil products further negatively impacts AUOMA's financial sustainability and an ability to help address used oil material market shortfalls.

Used oil material recovery and recycling have begun to decline. New lubricating oil material is entering the market at a lower rate and used oil material for recycling likewise. This should not represent a problem if the latter is a direct correlation to the former. However, due to low material prices for collector and processor sales, there is a new propensity amongst used oil material collectors to pay less or nothing to material generators for material collected, or in some cases charge generators for material pick-ups. Again, perhaps not a serious problem but it and the bigger, growing problem of collectors refusing to collect at all from lower producing generating sites runs the risk of influencing generators to dispose of used oil material improperly. There are new known cases of collections sites of used oil material limiting access to small generators of the material or closing their doors to these generators altogether. Some communities are newly left without convenient used oil material collection sites. AUOMA will continue its high RI to EHC ratio in an effort to add some stability to the important work by used oil material collectors and processors, and our work with municipalities on improving local collection site capacity.

5. Environmental Impact of Used Oil Materials Recycling

Previous research conducted for AUOMA has given insight to the environmental impacts of used oil material collection and recycling in Alberta. From environmental impact assessments conducted, it is evident that a hierarchy of environmental values for recycling outcomes exists. For example, re-refining used oil represents a better environmental outcome than utilizing used oil as fuel; clean/steam-washed and pelletized used oil container plastics applications are ranked higher than using semi or unwashed shredded plastic oily flake. However, the relative environmental benefits of some alternate applications of materials are not well understood; e.g., processing of used oil through heavy oil upgraders, utilization of used container plastics in plastic lumber. Despite the environmental valuations, market demands or limitations for recycled used oil materials has a significant bearing on actual end-uses.

AUOMA will continue to monitor environmental research on used oil materials to better determine what the environmental impact is for various end uses of these materials. Based upon these analyses, potential strategies to encourage the best possible environmental outcomes might be developed for review by AUOMA's Board of Directors, who in turn will determine if new measures for impacting specific environmental outcomes are justified within the parameters of sound market economics. AUOMA's financial abilities will have a direct impact on its ability to venture into new program areas.

GOALS, STRATEGIES AND PERFORMANCE MEASURES

AUOMA continues to build on its goals and measures of past. However, with financial sustainability still in question, AUOMA can best plan to protect its core Incentive Program with limited ability to undertake other initiatives. Some change remains at the discretion of AUOMA members and its Directors; some require help from Government. A new Designated Materials Recycling Regulation proposed by Alberta Environment and Parks is a positive step. It would, if approved, help AUOMA sustain its positive impact on rates of recovery of used oil materials, and improve its measurement of recovery and recycling. Improved regulation, program operations and recycling measurement would also help return AUOMA to its leadership in Canada as an environmental steward.

CORE BUSINESS ONE – PROGRAM AND FUND MANAGEMENT

GOAL ONE: Financial Sustainability – to ensure financial sustainability of Alberta’s used oil material recycling program.

This is been AUOMA’s first and most important goal for the past five years. It will remain AUOMA’s number one goal until a new revenue capability is established, or until AUOMA’s Board of Directors and Alberta’s Environment Minister decide on another course of action.

Strategies

Year	Strategy
2016	<ol style="list-style-type: none">1. Continue work with Minister, AEP, DAO, et.al., on enacting a new Designated Materials Recycling Regulation, pursuant to Minister’s draft regulation, including parameters that better enable AUOMA to set environmental levies and applicable products.2. Review Incentive Program, pursuant to EHC and revenue performance, to determine if change is warranted.3. Undertake new research on EHC and RI requirements, if any, for liquid automotive glycol products; i.e., anti-freeze.
2017	<ol style="list-style-type: none">1. Adjust financial planning if new regulation passes, and adjust EHC and eligible products likewise.2. Continue responsible management of AUOMA finances, including AUOMA’s Reserve Fund, particularly according to regulatory direction.

2018	1. Review and report on program and financial changes.
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Performance Measure

AUOMA operating in a financially responsible manner, with low administrative expenses and managed financial reserves, and maximizing program return incentive expenses and impact.

	Actual 2014	Projected 2015	Target 2016	Target 2017	Target 2018
Reserve Fund Balance*	\$4,609,000	\$3,997,000	\$3,560,000	\$2,960,000	\$2,268,000
Administrative Expenses as a percentage of total revenue**	4.10%	4.75%	4.50%	4.80%	4.65%
Excess of revenue over expenditures (deficit)***	\$856,000	(\$611,000)	(\$438,000)	(\$600,000)	(\$692,000)

*AUOMA’s Board of Directors, at its June 15th, 2012 Meeting, approved a one year budget limit on its Reserve Fund, equivalent to \$16.5 million in 2016.

**Administrative expenses are projected to rise slightly due to maintaining, largely co-operative services against decreasing revenues.

***Assumptions

Growth/Change	2015 Projection	2016 Budget
Oil - EHC	-10.3%	-2.5%
- RI	-3.4%	-2.0%
Filters - EHC	-5.8%	-3.0%
- RI	-14.9%	-4.0%
Containers - EHC	-7.8%	-0.3%
- RI	-0.1%	-5.0%

GOAL TWO: An Advanced Recycling Network in Alberta for Used Oil Materials – to impact optimal recovery and recycling of Alberta’s used oil and related materials.

AUOMA began paying RI solely to registered processors in 2015. This change acknowledged an established used oil materials recycling network in Alberta, a more realistic adherence to a supply chain business model and an opportunity to better measure the movement of the lubricating oil materials through their life-cycle. All but one processor/collector registered with AUOMA prior to change re-registered with AUOMA under the new RI terms. There have also been additional, new registrants of both processors and collectors.

Strategies

Year	Strategy
2016	<ol style="list-style-type: none"> 1. Build on new monitoring system for RI claims and develop new compliance measures for processors and collectors, if/as required. 2. With advice and help from AAMD&C, AUMA and others, advance work on a reliable urban and rural collection Alberta network for used oil and related materials. 3. In collaboration with Used Oil Management Associations in western Canada, commence development of a new eClaims system. 4. Undertake promotional initiatives pursuant to communications plan, including reporting to key stakeholders.
2017	<ol style="list-style-type: none"> 1. Monitor and report on EHC and RI compliance. 2. Review new network of return collection facilities.
2018	<ol style="list-style-type: none"> 1. Continue monitoring program changes and budget.

Performance Measures

2a. Percentage of used oil materials recovered

Methodology: Calculated based upon the amount of material recovered versus the amount of material available for collection based upon sales of new lubricating oil and glycol material on which an EHC was paid to AUOMA.

Material	2014 Actual (%)	2015 Projected (%)	2016 Target (%)	2017 Target (%)	2018 Target (%)
Used Oil	76.6	85.0	85.0	85.0	86.0
Used Oil Filters	89.3	84.0	83.0	84.0	85.0
Used Containers*	81.4	90.5	86.0	87.0	87.5

*Used Containers recovered includes, in addition to used oil containers, used glycol and diesel exhaust fluid containers that AUOMA does not receive an EHC for but does deem eligible for RI payments. Based on studies it is estimated that glycol and diesel exhaust fluid containers make up 17% of the volumes recovered.

2b. Communications – Public Awareness and Support

	Actual 2012 (%)	Target 2016 (%)	Target 2017 (%)	Target 2018 (%)
Support for a used oil materials recycling program	95	85	85	90
Support for a lubricating oil materials recycling levy (EHC)	75	65	65	70

GOAL THREE: Contributing to Improved Environmental Outcomes – to continue examining AUOMA’s Incentive Program for better measurement and achievement of optimal environmental outcomes, within the economies allowed.

Strategies

Year	Strategy
2016	<ol style="list-style-type: none"> 1. Undertake research as practicable and as advised by network. 2. As part of compliance measurement development, work with registered processors on improved measures for the flow and ultimate disposition of materials.
2017	<ol style="list-style-type: none"> 1. Research recycling industry best practices and relative Alberta used oil material industry practices.
2018	<ol style="list-style-type: none"> 1. Review Incentive Program pursuant to results from previous best practices research.

Performance Measure

New baseline data on end use of recycled used oil materials to be developed in 2016.

CORE BUSINESS TWO – GOVERNANCE AND ACCOUNTABILITY

GOAL FOUR: Accountability and Transparency – to be accountable and transparent on all business of the association.

AUOMA will maintain, and be governed by, its policies and procedures set out in its Governance Manual. AUOMA is accountable to the Minister of Alberta Environment and Parks, its members and all Albertans, and will carry out its business in an open, transparent and fair manner. AUOMA will continue to work cooperatively with the Ministry to develop clear expectations for the used oil recovery and recycling program, and program reporting. AUOMA will continue to report on performance through its Annual Report and as required.

AUOMA has good municipal representation through Alberta Association of Municipal Districts and Counties seat on the Board of Directors, which satisfies rural Alberta interests in AUOMA’s business. Representation from cities, towns and villages would round out Board links to the regions. However, there is history with AUOMA and BCMB deciding years ago to engage separate municipal association representatives, whereby AUMA would be represented at BCMB and AAMD&C at AUOMA.

Strategies

Year	Strategy
2016	<ol style="list-style-type: none"> 1. Review arrangements with core service providers, and tender anew as appropriate, but create contracts or agreements with all to clarify and ensure the mutual benefits of the service. 2. Review the rationale and opportunity of an Alberta Urban Municipalities Association representative added to AUOMA Board of Directors.
On-going	<ol style="list-style-type: none"> 1. Directors will: <ul style="list-style-type: none"> • review the Governance Manual to ensure governance and operations standards remain high and Board and staff are fulfilling their obligations. 2. Continue to report on: <ul style="list-style-type: none"> • program results based on business plan strategies; • program budgets and changes to budgets.

Performance Measure

Governance requirements are met

	Actual 2014	Projected 2015	Target 2016	Target 2017	Target 2018
All reporting requirements are completed (Business Plan, Annual Report, Regular Financial Reports)	Completed	Completed	Completed	Completed	Completed
Annual Board Evaluation and Assessment is conducted	Completed	Completed	Completed	Completed	Completed
Annual Executive Director Assessment is conducted	Completed	Completed	Completed	Completed	Completed
Review and update service agreements tri-annually	n/a	n/a	Updates completed	n/a	n/a
Decision on new (Municipal - AUMA) Director	n/a	n/a	Completed	n/a	n/a
Full Governance Review	n/a	n/a	Completed	n/a	n/a

BUDGET 2016 - 2018

(AUOMA's fiscal year-end is December 31st)

	2015 Projection	2016 Budget	2017 Budget	2018 Budget
	(In 000's)	(In 000's)	(In 000's)	(In 000's)
Revenue:				
Environmental Handling Charge	16,281	15,942	15,756	15,689
Interest income	20	20	20	20
Registration fees	4	3	3	3
Total Revenue	16,305	15,965	15,779	15,712
Expenditures:				
Program Management Costs:				
Return Incentives	15,685	15,156	15,074	15,126
Communications and public relations	210	201	205	207
Management/Administration Contracts	70	106	106	109
Consulting	80	110	110	110
Legal	75	50	50	50
Compliance Reviews	50	50	50	50
Program Related Travel	4	12	13	14
Allowance for bad debt	-	5	5	5
Total Program Management Costs	16,174	15,680	15,613	15,671

BUDGET (continued)
Expenditures (continued)

	2015 Projection	2016 Budget	2017 Budget	2018 Budget
	(In 000's)	(In 000's)	(In 000's)	(In 000's)
Administrative Costs:				
Management/Administration Contracts	474	424	423	435
Office and general expenses	85	92	94	96
Legal	70	50	50	50
Audit	52	48	51	53
Rent	50	48	48	48
Board expenses*	43	49	100	49
Amortization	2	2	2	2
Total Administrative Costs	777	710	764	730
Total Expenditures	16,951	16,401	16,378	16,402
Excess Revenue Over Expenditures(Deficit) before Investments*	(646)	(425)	(587)	(679)
Revenue:				
Investment Income	35	0	0	0
Excess Revenue Over Expenditures(Deficit)	(611)	(438)	(600)	(692)

* AUOMA will be hosting the national UOMA conference in 2017