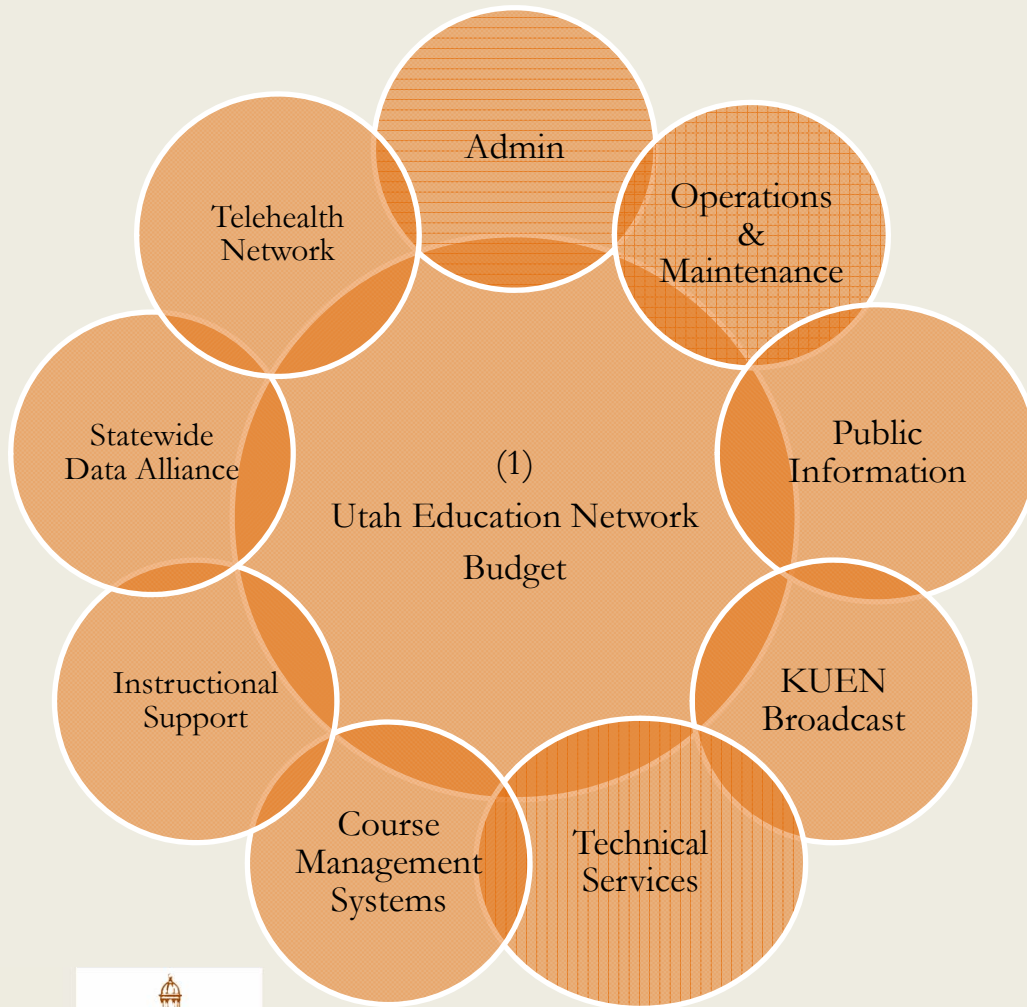


Utah Education Network



(2) BUDGET STRESSING

(3) BUDGET REQUESTS

COBI

BUDGET STRESSING

- Turnover as the baby boomer generation and other workers retire or find other employment (\$112,500)
- Shift off capital & maintenance purchases (\$276,000)
- Shift to private providers (\$450,000)

OPTION: OLDER GENERATION EXITS WORKFORCE/OTHERS COME ONLINE

Yield and Demographics

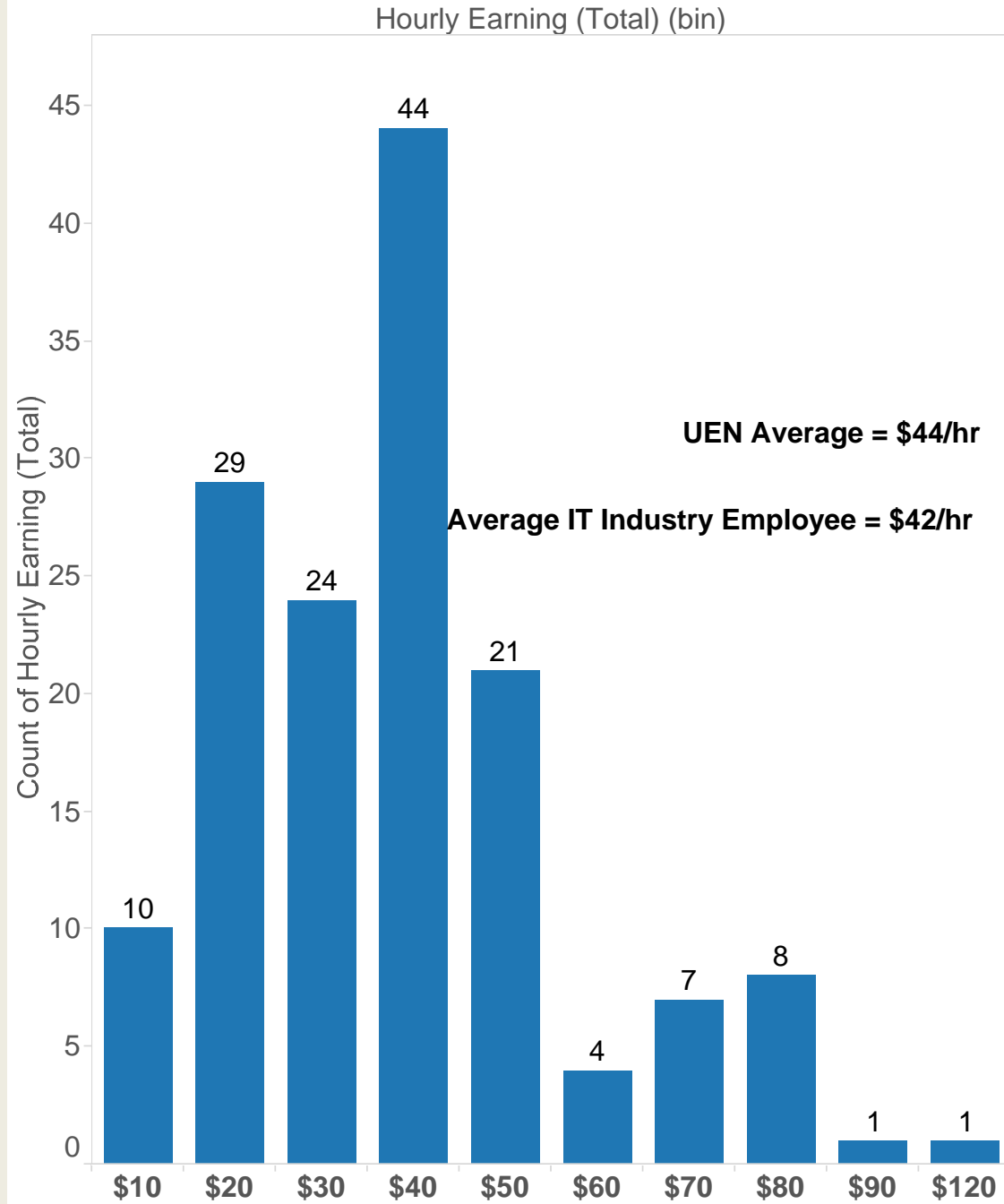


Sources: LFA, Quandl, Moody's

Measure Names
■ Percentage of Population
■ Yield

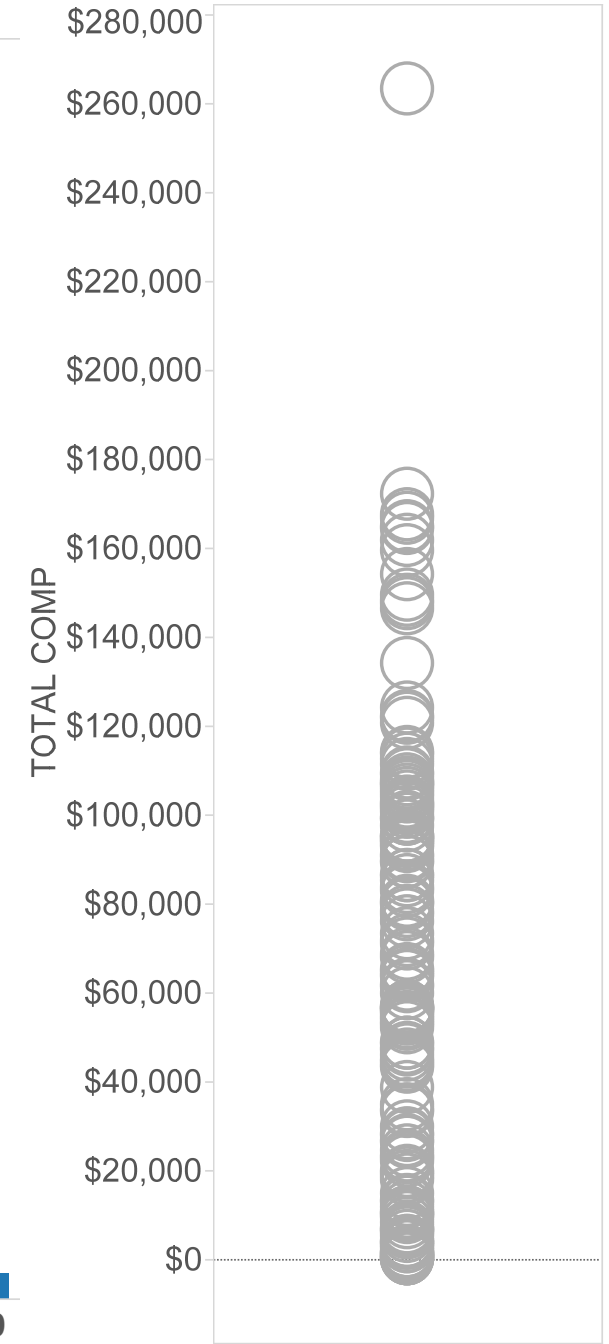
OPTION: OLDER GENERATION EXITS WORKFORCE

Hourly Earnings by Number of Individuals in Each Category



Sources: UEN, DWS, LFA

Total Compensation Detail



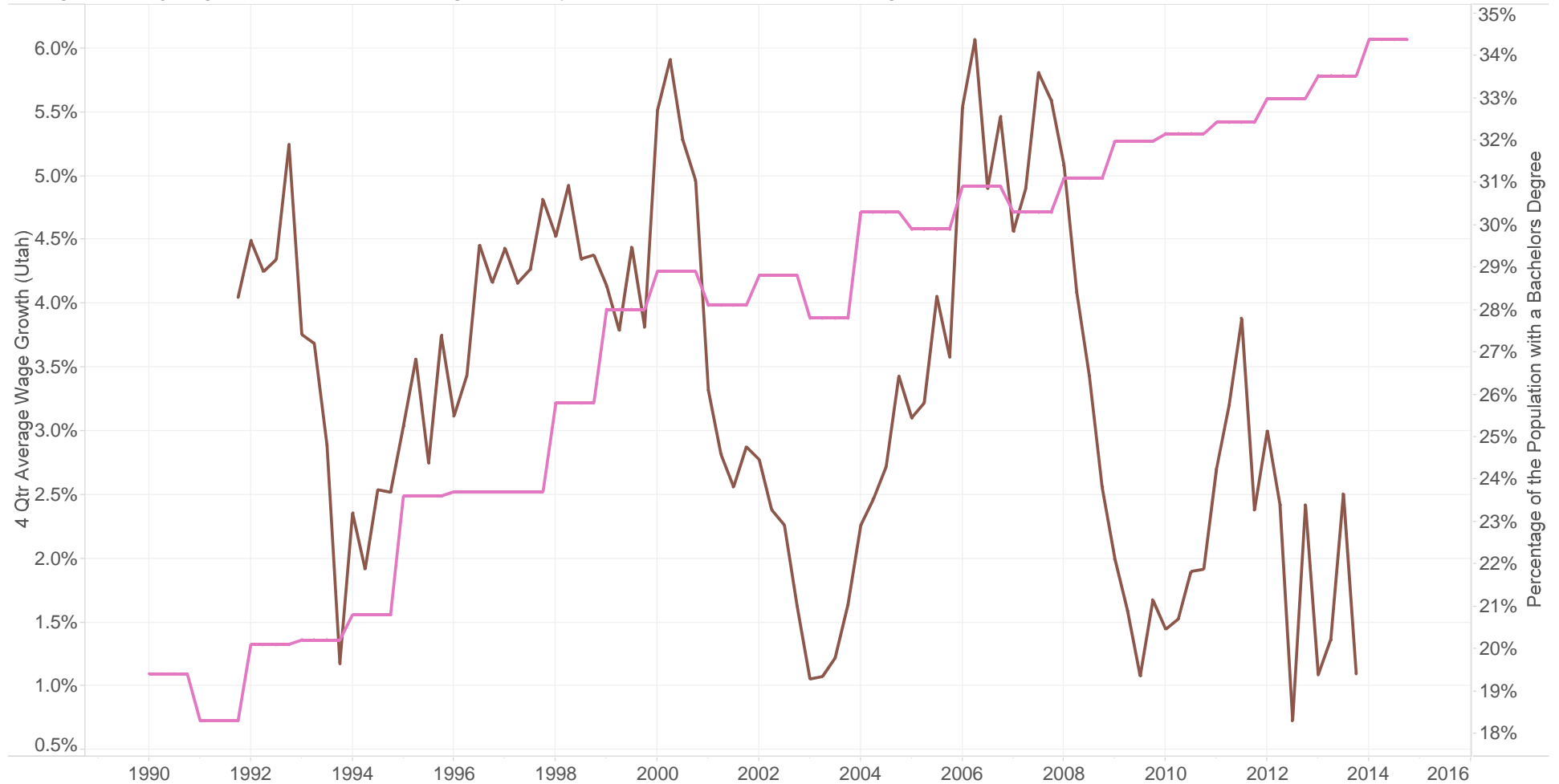
Source: UEN

OPTION: SHIFT CAPITAL & MAINTENANCE PURCHASES

UEN SERVICES	TOTAL	PUBLIC EDUCATION	HIGHER EDUCATION	OTHER CUSTOMERS
NETWORKING SERVICES	\$26,850,469	\$17,345,474	\$5,972,186	\$3,532,809
Wide Area Network (WAN)	\$22,534,268	\$15,323,302	\$4,957,539	\$2,253,427
Internet Access	\$852,551	\$281,342	\$485,954	\$85,255
Network Support and Security Monitoring	\$1,837,690	\$1,211,724	\$315,416	\$310,550
Broadcast	\$1,523,408	\$426,554	\$213,277	\$883,577
Internet Filtering	\$102,552	\$102,552	\$0	\$0
APPLICATION SERVICES	\$5,841,429	\$2,966,981	\$2,662,362	\$212,086
Interactive Video Conferencing (IVC)	\$1,966,987	\$413,067	\$1,494,910	\$59,010
Learning Management System (LMS)	\$591,223	\$195,104	\$396,119	\$0
Teaching and Learning Tools	\$2,735,765	\$2,161,621	\$574,144	\$0
Pioneer Library	\$459,228	\$153,076	\$153,076	\$153,076
Web Conferencing	\$88,226	\$44,113	\$44,113	\$0
SUPPORT SERVICES	\$1,824,893	\$1,486,050	\$254,889	\$83,954
Training	\$1,062,036	\$743,425	\$254,889	\$63,722
Regional Support	\$699,631	\$699,631	\$0	\$0
E-Rate Support	\$63,226	\$42,994	\$0	\$20,232
OPERATIONAL SERVICES	\$3,773,438	\$2,339,531	\$1,056,563	\$377,344
Operational Services	\$3,773,438	\$2,339,531	\$1,056,563	\$377,344

OPTION: SHIFT TO PRIVATE PROVIDERS

Average Quarterly Wage Growth and the Percentage of the Population over 25 with a Bachelors Degree



Sources: LFA, DWS, Moody's

Measure Names

- 4 Qtr Average
- Percentage of the Population with a Bachelors Degree

BUDGET REQUESTS

- Sustainability (\$4.5 million)
- Equipment (\$6.2 million)
- UTN: Operational Support (\$105,000)
- UTN: Core Network Infrastructure (\$37,000)
- UTN: Upgrade network equipment (\$243,300)
- Reliability of network (\$108,500)
- Installation costs for rural health care facilities, 3 – 6 sites (\$150,000)