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EXHIBIT 2
DATE 2/20/09
HB 2
DOL

10 year model

This model maintains the statust quo. DOL would rerecord all $60,000 brands in 2011. One-tenth of the revenue is available for use each year. Interest is earned on the declining balance of the rerecord fees. FY 2011 expenditures include DP601.

FY	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	TEN YEAR TOTAL	
Fund Balance	$214,986	$137,668	$264,342	$374,860	$455,139	$500,527	$495,405	$437,185	$325,211	$158,806		
Revenues	1,441,300	1,484,539	1,529,075	1,574,947	1,622,196	1,670,862	1,720,988	1,772,617	1,825,796	1,880,570	$16,522,889	Revenues for other activities are indexed at 3%
Rerecord revenue:	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000	$6,000,000	Rerecord revenues are limited to 10% of the collection in year one
Rerecord Interest	132,300	175,200	178,500	168,300	154,050	124,800	93,600	62,400	31,200	0	$1,120,350	Interest on the rerecord portion @ TJ provided rates
Est. Expense	(2,250,918)	(2,133,065)	(2,197,057)	(2,262,969)	(2,330,858)	(2,400,784)	(2,472,807)	(2,546,991)	(2,623,401)	(2,702,103)	($23,920,953)	Estimated expenses base indexed at 3%
Ending Fund	$137,668	$264,342	$374,860	$455,139	$500,527	$495,405	$437,185	$325,211	$158,806	($62,728)	$3,086,415	Fund Balance

Transition to 1/10th per year w/ 1.0 FTE

This model would establish FY2011 as a transition year. See Table below. After FY11 only a portion of brands would rerecord. The difference is the influx of income in FY11. This is the income to record a brand for the period of time between FY11 and the rerecord year they are assigned to.

FY	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020		
Fund Balance	$214,986	$2,775,412	$2,785,587	$2,792,253	$2,789,574	$2,777,606	$2,744,172	$2,685,663	$2,600,075	$2,485,280		
Revenues	1,441,300	1,484,539	1,529,075	1,574,947	1,622,196	1,670,862	1,720,988	1,772,617	1,825,796	1,880,570	$16,522,889	Revenues for other activities are indexed at 3%
Rerecord revenue:	3,300,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000	$8,700,000	Rerecord revenues are deposited as received
Fund Balance Int	$70,044	$101,303	$118,527	$130,538	$143,245	$144,435	$142,697	$139,654	$135,204	$129,235	$1,254,881	Interest on the rerecord portion @ TJ provided rates
Est. Expense	(2,250,918)	(2,175,666)	(2,240,936)	(2,308,164)	(2,377,409)	(2,448,731)	(2,522,193)	(2,597,859)	(2,675,795)	(2,756,069)	($24,353,741)	Estimated expenses base + one FTE indexed at 3%
Ending Fund	$2,775,412	$2,785,587	$2,792,253	$2,789,574	$2,777,606	$2,744,172	$2,685,663	$2,600,075	$2,485,280	$2,339,015		

Transition year and 1/10 per year

				Fiscal Years							
			FY 2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Brands	Year Zero Rate	Total										
6000	10	60,000		600,000								
6000	20	120,000			600,000							
6000	30	180,000				600,000						
6000	40	240,000					600,000					
6000	50	300,000						600,000				
6000	60	360,000							600,000			
6000	70	420,000								600,000		
6000	80	480,000									600,000	
6000	90	540,000										600,000
6000	100	600,000										
60000												
	Revenue		3,300,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000