



***2022 COMPARATIVE
CORPORATE HEADQUARTERS
OPERATING COSTS***

The Boyd Company, Inc.
Location Consultants
of Princeton, NJ



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**COMPARATIVE OPERATING COST ANALYSIS:
EXECUTIVE SUMMARY AND NOTES**

Introduction

In the following analysis, major operating costs scaled to a representative corporate headquarters are presented for a series of 15 locations in the U.S. Findings are summarized in Exhibit I and show total annual operating costs ranging from a high of \$20.2 million in Bellevue, Washington, to a low of \$16.9 million in Punta Gorda, Florida.

Annual operating costs were projected solely for comparative purposes, with only major geographically-variable factors being considered. Those costs not varying significantly with geography, including relocation and start-up expenses, were not considered. The independent Boyd analysis focuses on those key geographically-variable cost elements considered to be most pivotal to the corporate site selection process.

Overall costs were scaled to a hypothetical 75,000 sq. ft. corporate head office employing 200 workers. The format of the cost exhibits will allow the tailoring of cost data and facility specifications to reflect alternate scales of operation and staffing. Geographically-variable operating cost differentials are based on first quarter 2022 BizCosts® data.

Trends and Comparative Headquarters Locations

Disappearing are the days of one large, downtown corporate headquarters office. Today, many companies are moving towards a hub-and-spoke model with one central head office hub and additional smaller spokes—or satellite offices for administrative support. Millions of office employees are still working from home because of the pandemic and will continue to do so long into the future due to its popularity among workers and the fact that for most companies productivity is

maintained and savings in real estate costs can be significant. The option to work remotely is also being used as a compelling HR recruiting tool in this era of severe worker shortages and the impact of the so-called “great resignation.”

Boyd sees opportunities for corporations to build on these new real estate and work/life dynamics and gain other economic advantages by including a corporate headquarters realignment as part of their post-pandemic real estate restructuring. Historically off the table in most corporate restructuring programs, the headquarters office is in play like never before.

Included in this new, post-pandemic realignment will be designating one of the new “satellite” offices as the company’s formal corporate headquarters. Such a move will enable the company to take advantage of superior business and tax climates and lifestyle amenities for the company, its C-Suite executives and downsized support staff.

Moreover, with a reduced head office staff and with other satellite offices performing many of the administrative functions historically carried out at the headquarters site, companies will be increasingly relocating to attractive, smaller market suburban locations offering lower operating cost profiles and superior state business climates to house their new downsized corporate headquarters office saving millions in annual operating costs and taxes.

The question then becomes, where should these new, downsized corporate headquarters be located? Major drivers behind the selection of these new headquarters locations will include: **(1)** States with superior corporate income tax climates for companies; **(2)** States with superior personal income tax climates for C-suite executives and staffs; **(3)** Locations with attractive lifestyle amenities; **(4)** Locations with favorable operating cost structures; **(5)** Locations with excellent travel & hospitality support services for periodic corporate-wide staff meetings, employee training & enrichment sessions as well as client-servicing functions; **(6)**

Locations showing positive demographic and business attraction trends; and (7)
Locations with attractive housing markets for C-suite executives.

Fifteen top U.S. locations meeting these new headquarters relocation drivers
have been identified by Boyd and are detailed below alphabetically by state:

- Lake Nona, Florida
- Punta Gorda, Florida
- St. Petersburg, Florida
- Westlake, Florida
- Minden, Nevada
- Cary, North Carolina
- Kannapolis, North Carolina
- Blue Ash, Ohio
- Dublin, Ohio
- Mt. Juliet, Tennessee
- Leander, Texas
- Plano, Texas
- Round Rock, Texas
- Woodlands, Texas
- Bellevue, Washington

Comparative Labor Costs

Annual costs for labor are presented in Exhibit II. Comparative costs are based on a mix of 200 representative corporate headquarters support staff positions scaled to the model office. Comparative labor costs for executive and top management positions were not included as these costs would tend not to vary significantly by geography, but rather by individual company compensation practices.

Fringe benefit costs are included as a percent of total annual base payroll costs and are assumed to include all statutory benefits, pay for time not worked and company-sponsored benefits consistent with local practices.

Comparative Electric Power Costs

Comparative annual electric power costs are presented in Exhibit III. Annual costs reflect commercial rate schedules of the various utilities serving each of the 15 surveyed areas.

Comparative Land Acquisition and Construction Costs

Exhibit IV presents comparative costs for the purchase of corporate office-zoned land and the construction of new Class-A office facilities in each of the surveyed locations.

Comparative Ad Valorem and Sales Tax Costs

Exhibit V presents comparative ad valorem (property) tax costs in each of the 15 headquarters locations scaled to the land and building specifications of the model office. Also presented in this exhibit are comparative local and state sales tax costs based on a fixed annual purchase of taxable supplies, furnishings and other taxable goods associated with the new headquarters office.

Comparative Corporate Travel Costs

Comparative annual on-site corporate travel costs in each of the 15 surveyed locations are presented in Exhibit VI. Costs include corporate traveler lodging, meals, local transportation and other business travel incidentals. Figures are indicative of local business travel cost structures expected to be incurred by company employees, technical support and other customer/vendor visitations to each of the surveyed locations.

Total Annual Operating Cost Ranking

Taken from summary Exhibit I is an annual cost ranking of the 15 surveyed locations.

TOTAL GEOGRAPHICALLY-VARIABLE OPERATING COST RANKING	
Corporate Headquarters Location	Total Annual Operating Costs
Bellevue, Washington	\$20,203,816
Dublin, Ohio	\$19,561,200
Woodlands, Texas	\$18,927,207
Blue Ash, Ohio	\$18,854,990
Round Rock, Texas	\$18,779,442
Plano, Texas	\$18,704,283
Westlake, Florida	\$18,534,995
Leander, Texas	\$18,490,308
Cary, North Carolina	\$18,150,430
Kannapolis, North Carolina	\$17,922,285
St. Petersburg, Florida	\$17,861,141
Lake Nona, Florida	\$17,798,206
Mt. Juliet, Tennessee	\$17,220,436
Minden, Nevada	\$17,144,814
Punta Gorda, Florida	\$16,888,640

About Boyd

Devoted exclusively to corporate mobility, The Boyd Company, Inc., is recognized as a premier authority in comparative business cost analysis and strategic corporate site selection. Founded in 1975 in Princeton, NJ, Boyd (www.theboydcompany.com) provides independent location counsel to leading U.S. and overseas companies.

COMPARATIVE OPERATING COST ANALYSIS I

**A COMPARATIVE OPERATING
COST ANALYSIS**

**CORPORATE HEADQUARTERS
SITE SELECTION**

SERIES I - EXHIBIT I						
COMPARATIVE ANNUAL OPERATING COST SIMULATION SUMMARY⁽¹⁾						
	Lake Nona Florida	Punta Gorda Florida	St. Petersburg Florida	Westlake Florida	Minden Nevada	
Labor (2)						
Weighted Average Annual Earnings	\$52,613	\$50,288	\$53,078	\$54,164	\$51,683	
Annual Base Payroll Costs	\$10,522,600	\$10,057,600	\$10,615,600	\$10,832,800	\$10,336,600	
Fringe Benefits	\$3,893,362	\$3,721,312	\$3,927,772	\$4,008,136	\$3,824,542	
Total Annual Labor Costs	\$14,415,962	\$13,778,912	\$14,543,372	\$14,840,936	\$14,161,142	
Electric Power Costs (3)	\$68,820	\$62,388	\$64,713	\$62,388	\$61,380	
Amortization Costs (4)	\$2,087,462	\$2,005,924	\$2,092,924	\$2,271,220	\$1,980,120	
Property and Sales Tax Costs (5)	\$1,055,922	\$867,185	\$1,009,228	\$1,197,811	\$781,492	
Travel Costs (6)	\$170,040	\$174,231	\$150,904	\$162,640	\$160,680	
Total Annual Geographically- Variable Operating Costs	\$17,798,206	\$16,888,640	\$17,861,141	\$18,534,995	\$17,144,814	
NOTES:						
(1)	Includes all major geographically-variable operating costs. Start-up and relocation costs not considered.					
(2)	See Exhibit II.					
(3)	See Exhibit III.					
(4)	See Exhibit IV.					
(5)	See Exhibit V.					
(6)	See Exhibit VI.					

**A COMPARATIVE OPERATING
COST ANALYSIS**

**CORPORATE HEADQUARTERS
SITE SELECTION**

SERIES I - EXHIBIT II						
COMPARATIVE ANNUAL LABOR COSTS						
	Number of	Lake Nona	Punta Gorda	St. Petersburg	Westlake	Minden
Job Title	Workers	Florida	Florida	Florida	Florida	Nevada
Accounting Clerk I	8	\$43,401	\$41,483	\$43,785	\$44,680	\$42,634
Accounting Clerk II	4	\$47,307	\$45,216	\$47,726	\$48,702	\$46,471
Accounting Clerk III	3	\$56,422	\$53,928	\$56,920	\$58,084	\$55,424
Administrative Assistant I	15	\$46,874	\$44,802	\$47,288	\$48,255	\$46,045
Administrative Assistant II	12	\$52,949	\$50,609	\$53,417	\$54,510	\$52,013
Administrative Assistant III	8	\$58,158	\$55,587	\$58,673	\$59,872	\$57,130
Benefits Clerk, Sr.	8	\$65,102	\$62,224	\$65,678	\$67,021	\$63,951
Data Entry Clerk	6	\$49,043	\$46,875	\$49,477	\$50,488	\$48,176
Document Control Clerk	7	\$48,176	\$46,046	\$48,602	\$49,596	\$47,324
Executive Assistant	9	\$64,234	\$61,394	\$64,802	\$66,127	\$63,098
File Clerk	6	\$41,666	\$39,824	\$42,034	\$42,894	\$40,929
General Clerk I	10	\$37,325	\$35,675	\$37,655	\$38,425	\$36,665
General Clerk II	6	\$42,968	\$41,068	\$43,348	\$44,234	\$42,208
General Clerk III	2	\$47,307	\$45,216	\$47,726	\$48,702	\$46,471
HR Assistant, Sr.	6	\$60,762	\$58,076	\$61,300	\$62,553	\$59,688
Mail Clerk, Sr.	5	\$43,401	\$41,483	\$43,785	\$44,680	\$42,634
Payroll Clerk, Sr.	6	\$58,592	\$56,002	\$59,110	\$60,319	\$57,556
Receptionist	3	\$40,364	\$38,579	\$40,721	\$41,553	\$39,650
Records Clerk, Sr.	9	\$49,478	\$47,291	\$49,915	\$50,936	\$48,603
Secretary I	20	\$45,137	\$43,142	\$45,536	\$46,467	\$44,339
Secretary II	17	\$52,082	\$49,780	\$52,542	\$53,617	\$51,161
Secretary III	13	\$58,158	\$55,587	\$58,673	\$59,872	\$57,130
Secretary to Chief Operating Officer	5	\$81,161	\$77,573	\$81,879	\$83,553	\$79,726
Secretary of Chief Executive Officer	5	\$90,709	\$86,699	\$91,511	\$93,382	\$89,105
Travel Clerk, Sr. Corporate	7	\$57,724	\$55,172	\$58,234	\$59,425	\$56,703
Total Workers	200					

SERIES I - EXHIBIT II						
COMPARATIVE ANNUAL LABOR COSTS						
	Lake Nona Florida	Punta Gorda Florida	St. Petersburg Florida	Westlake Florida	Minden Nevada	
Weighted Average Annual Earnings (1)	\$52,613	\$50,288	\$53,078	\$54,164	\$51,683	
Total Annual Base Payroll Costs	\$10,522,600	\$10,057,600	\$10,615,600	\$10,832,800	\$10,336,600	
Fringe Benefits (2)	\$3,893,362	\$3,721,312	\$3,927,772	\$4,008,136	\$3,824,542	
Total Annual Labor Costs	\$14,415,962	\$13,778,912	\$14,543,372	\$14,840,936	\$14,161,142	
NOTES:						
(1) Comparative labor costs reflect 2022 BizCosts® salary data and Boyd field surveys. Job titles reflect a representative mix of nonexempt headquarters support staff positions totaling 200. Exempt positions, including executive salaries, were not included as these would not vary significantly by geography. Top executive salaries were not included as these would not vary significantly by geography.						
(2) Based on an estimated 37 percent of total annual base payroll costs. Costs include all statutory benefits, pay for time not worked and company-sponsored benefits.						

SERIES I - EXHIBIT III			
ANNUAL ELECTRIC POWER AND NATURAL GAS COST COMPARISONS			
	Electric Utility Company	Annual Electric Power Cost (1)	Annual Cost Per kWh (cents)
Location			
Lake Nona, Florida	Orlando Utilities Commission	\$68,820	8.88
Punta Gorda, Florida	Florida Power and Light	\$62,388	8.05
St. Petersburg, Florida	Tampa Electric	\$64,713	8.35
Westlake, Florida	Florida Power and Light	\$62,388	8.05
Minden, Nevada	Nevada Energy- Sierra Pacific Power	\$61,380	7.92
NOTES:			
(1)	Reflects an estimated total annual office use of 775,000 kWh based on latest available commercial rate schedule data.		

SERIES I - EXHIBIT IV					
OFFICE CONSTRUCTION AND AMORTIZATION COSTS					
	Lake Nona Florida	Punta Gorda Florida	St. Petersburg Florida	Westlake Florida	Minden Nevada
Site Acquisition: No. of Acres	12	12	12	12	12
Cost per Acre (1)	\$455,500	\$375,500	\$485,000	\$558,000	\$275,000
Site Improvement Cost (2)	--	--	--	--	--
Total Land Cost	\$5,466,000	\$4,506,000	\$5,820,000	\$6,696,000	\$3,300,000
Construction Cost (3)	\$21,220,500	\$20,747,500	\$20,962,500	\$23,220,000	\$21,500,000
Furnishings and Equipment	\$10,000,000	\$10,000,000	\$10,000,000	\$10,000,000	\$10,000,000
Total Project Investment	\$36,686,500	\$35,253,500	\$36,782,500	\$39,916,000	\$34,800,000
Project Amortization					
Cost of Funds (Interest)	3.0	3.0	3.0	3.0	3.0
Payment Factor (4)	0.0569	0.0569	0.0569	0.0569	0.0569
Total Annual Amortization Cost	\$2,087,462	\$2,005,924	\$2,092,924	\$2,271,220	\$1,980,120
NOTES:					
(1)	Boyd estimate only. Actual negotiated costs would vary by site specifics, including location, access, visibility, etc. Costs reflect fully serviced commercially-zoned land suitable for new office development.				
(2)	Land preparation costs limited to normal grading and held constant for purposes of analysis.				
(3)	Based on construction of fully equipped 75,000 sq. ft. Class-A office building. Geographic differentials in building costs are based on BizCosts® construction cost index data for the first quarter of 2022.				
(4)	Assumes 25-year level amortization payments at 3.0 percent.				

SERIES I - EXHIBIT V					
AD VALOREM AND SALES TAX COSTS					
	Lake Nona Florida	Punta Gorda Florida	St. Petersburg Florida	Westlake Florida	Minden Nevada
Real Property Tax Cost					
Land Cost (1)	\$5,466,000	\$4,506,000	\$5,820,000	\$6,696,000	\$3,300,000
Building Cost (2)	\$21,220,500	\$20,747,500	\$20,962,500	\$23,220,000	\$21,500,000
Total	\$26,686,500	\$25,253,500	\$26,782,500	\$29,916,000	\$24,800,000
Effective Tax Rate	\$21.30	\$13.55	\$18.08	\$22.49	\$10.04
Real Property Tax Cost (3)	\$568,422	\$342,185	\$484,228	\$672,811	\$248,992
Sales Tax Cost					
Taxable Goods Purchases	\$7,500,000	\$7,500,000	\$7,500,000	\$7,500,000	\$7,500,000
Sales Tax Rate (Percent)	6.50	7.00	7.00	7.00	7.10
Total Annual Sales Tax Cost (4)	\$487,500	\$525,000	\$525,000	\$525,000	\$532,500
Total Annual Ad Valorem and Sales Tax Costs	\$1,055,922	\$867,185	\$1,009,228	\$1,197,811	\$781,492
NOTES:					
(1) See Exhibit IV.					
(2) See Exhibit IV.					
(3) Based on nominal real property tax rate and assessment practices at each location based on \$1,000 of valuation. Petitions for abatements and lower assessments not considered. Effective tax rates are considered representative property tax levy amounts. Actual rates will vary based on alternate municipal, school, fire, and special assessment districts within each surveyed locations.					
(4) Based on prevailing local and state sales tax levies on taxable purchases of supplies, furnishings, and various other taxable goods. No rate concessions or incentives are assumed.					

SERIES I - EXHIBIT VI			
COMPARATIVE ON SITE TRAVEL COSTS			
Location	Per Diem Cost (1)	Annual Travel Days (2)	Total Annual Corporate Travel Cost
Minden, Nevada	\$309.00	520	\$160,680
Lake Nona, Florida	\$327.00	520	\$170,040
Punta Gorda, Florida	\$335.06	520	\$174,231
St. Petersburg, Florida	\$290.20	520	\$150,904
Westlake, Florida	\$312.77	520	\$162,640
NOTES:			
(1) Reflects the estimated daily cost of corporate traveler lodging, three meals, rental car/local transit and other incidentals based on first quarter 2022 BizCosts® data.			
(2) Based on an average of 10 billable per diem travel days per week at each of the surveyed office locations.			

COMPARATIVE OPERATING COST ANALYSIS II

SERIES II - EXHIBIT I					
COMPARATIVE ANNUAL OPERATING COST SIMULATION SUMMARY⁽¹⁾					
	Cary	Kannapolis	Blue Ash	Dublin	Mt. Juliet
	North Carolina	North Carolina	Ohio	Ohio	Tennessee
Labor (2)					
Weighted Average Annual Earnings	\$54,732	\$53,802	\$54,939	\$56,076	\$50,443
Annual Base Payroll Costs	\$10,946,400	\$10,760,400	\$10,987,800	\$11,215,200	\$10,088,600
Fringe Benefits	\$4,050,168	\$3,981,348	\$4,065,486	\$4,149,624	\$3,732,782
Total Annual Labor Costs	\$14,996,568	\$14,741,748	\$15,053,286	\$15,364,824	\$13,821,382
Electric Power Costs (3)	\$71,998	\$58,900	\$81,375	\$68,433	\$80,833
Amortization Costs (4)	\$2,092,270	\$2,059,211	\$2,312,473	\$2,400,952	\$1,947,317
Property and Sales Tax Costs (5)	\$848,939	\$909,993	\$1,273,810	\$1,598,889	\$1,220,322
Travel Costs (6)	\$140,655	\$152,433	\$134,046	\$128,102	\$150,582
Total Annual Geographically- Variable Operating Costs	\$18,150,430	\$17,922,285	\$18,854,990	\$19,561,200	\$17,220,436
NOTES:					
(1) Includes all major geographically-variable operating costs. Start-up and relocation costs not considered.					
(2) See Exhibit II.					
(3) See Exhibit III.					
(4) See Exhibit IV.					
(5) See Exhibit V.					
(6) See Exhibit VI.					

**A COMPARATIVE OPERATING
COST ANALYSIS**

**CORPORATE HEADQUARTERS
SITE SELECTION**

SERIES II - EXHIBIT II						
COMPARATIVE ANNUAL LABOR COSTS						
	Number of	Cary	Kannapolis	Blue Ash	Dublin	Mt. Juliet
Job Title	Workers	North Carolina	North Carolina	Ohio	Ohio	Tennessee
				1.063	1.085	
Accounting Clerk I	8	\$45,149	\$44,382	\$45,320	\$46,258	\$41,611
Accounting Clerk II	4	\$49,213	\$48,376	\$49,399	\$50,421	\$45,356
Accounting Clerk III	3	\$58,694	\$57,696	\$58,916	\$60,135	\$54,094
Administrative Assistant I	15	\$48,762	\$47,933	\$48,946	\$49,959	\$44,940
Administrative Assistant II	12	\$55,082	\$54,146	\$55,290	\$56,434	\$50,765
Administrative Assistant III	8	\$60,501	\$59,472	\$60,729	\$61,986	\$55,759
Benefits Clerk, Sr.	8	\$67,724	\$66,573	\$67,980	\$69,387	\$62,416
Data Entry Clerk	6	\$51,018	\$50,151	\$51,211	\$52,271	\$47,020
Document Control Clerk	7	\$50,116	\$49,264	\$50,305	\$51,347	\$46,188
Executive Assistant	9	\$66,821	\$65,685	\$67,073	\$68,461	\$61,584
File Clerk	6	\$43,344	\$42,607	\$43,508	\$44,408	\$39,947
General Clerk I	10	\$38,828	\$38,168	\$38,975	\$39,782	\$35,785
General Clerk II	6	\$44,698	\$43,939	\$44,867	\$45,796	\$41,195
General Clerk III	2	\$49,213	\$48,376	\$49,399	\$50,421	\$45,356
HR Assistant, Sr.	6	\$63,210	\$62,135	\$63,448	\$64,761	\$58,255
Mail Clerk, Sr.	5	\$45,149	\$44,382	\$45,320	\$46,258	\$41,611
Payroll Clerk, Sr.	6	\$60,952	\$59,916	\$61,182	\$62,448	\$56,175
Receptionist	3	\$41,989	\$41,276	\$42,148	\$43,020	\$38,698
Records Clerk, Sr.	9	\$51,471	\$50,596	\$51,665	\$52,734	\$47,437
Secretary I	20	\$46,955	\$46,157	\$47,132	\$48,108	\$43,275
Secretary II	17	\$54,179	\$53,259	\$54,384	\$55,510	\$49,933
Secretary III	13	\$60,501	\$59,472	\$60,729	\$61,986	\$55,759
Secretary to Chief Operating Officer	5	\$84,430	\$82,995	\$84,749	\$86,503	\$77,813
Secretary of Chief Executive Officer	5	\$94,362	\$92,758	\$94,719	\$96,679	\$86,966
Travel Clerk, Sr. Corporate	7	\$60,048	\$59,028	\$60,275	\$61,523	\$55,342
Total Workers	200					

SERIES II - EXHIBIT II						
COMPARATIVE ANNUAL LABOR COSTS						
		Cary	Kannapolis	Blue Ash	Dublin	Mt. Juliet
		North Carolina	North Carolina	Ohio	Ohio	Tennessee
Weighted Average Annual Earnings (1)		\$54,732	\$53,802	\$54,939	\$56,076	\$50,443
Total Annual Base Payroll Costs		\$10,946,400	\$10,760,400	\$10,987,800	\$11,215,200	\$10,088,600
Fringe Benefits (2)		\$4,050,168	\$3,981,348	\$4,065,486	\$4,149,624	\$3,732,782
Total Annual Labor Costs		\$14,996,568	\$14,741,748	\$15,053,286	\$15,364,824	\$13,821,382
NOTES:						
(1) Comparative labor costs reflect 2022 BizCosts® salary data and Boyd field surveys. Job titles reflect a representative mix of nonexempt headquarters support staff positions totaling 200. Exempt positions, including executive salaries, were not included as these would not vary significantly by geography. Top executive salaries were not included as these would not vary significantly by geography.						
(2) Based on an estimated 37 percent of total annual base payroll costs. Costs include all statutory benefits, pay for time not worked and company-sponsored benefits.						

SERIES II - EXHIBIT III				
ANNUAL ELECTRIC POWER AND NATURAL GAS COST COMPARISONS				
		Electric Utility Company	Annual Electric	Annual Cost
Location			Power Cost (1)	Per kWh (cents)
Cary, North Carolina		Duke Energy Progress	\$71,998	9.29
Kannapolis, North Carolina		Duke Energy Carolinas	\$58,900	7.60
Blue Ash, Ohio		Duke Ohio	\$81,375	10.50
Dublin, Ohio		AEP	\$68,433	8.83
Mt. Juliet, Tennessee		Middle Tennessee Electric	\$80,833	10.43
NOTES:				
(1)	Reflects an estimated total annual office use of 775,000 kWh based on latest available commercial rate schedule data.			

SERIES II - EXHIBIT IV					
OFFICE CONSTRUCTION AND AMORTIZATION COSTS					
	Cary	Kannapolis	Blue Ash	Dublin	Mt. Juliet
	North Carolina	North Carolina	Ohio	Ohio	Tennessee
Site Acquisition: No. of Acres	12	12	12	12	12
Cost per Acre (1)	\$385,500	\$355,000	\$385,500	\$425,500	\$325,500
Site Improvement Cost (2)	--	--	--	--	--
Total Land Cost	\$4,626,000	\$4,260,000	\$4,626,000	\$5,106,000	\$3,906,000
Construction Cost (3)	\$22,145,000	\$21,930,000	\$26,015,000	\$27,090,000	\$20,317,500
Furnishings and Equipment	\$10,000,000	\$10,000,000	\$10,000,000	\$10,000,000	\$10,000,000
Total Project Investment	\$36,771,000	\$36,190,000	\$40,641,000	\$42,196,000	\$34,223,500
Project Amortization					
Cost of Funds (Interest)	3.0	3.0	3.0	3.0	3.0
Payment Factor (4)	0.0569	0.0569	0.0569	0.0569	0.0569
Total Annual Amortization Cost	\$2,092,270	\$2,059,211	\$2,312,473	\$2,400,952	\$1,947,317
NOTES:					
(1) Boyd estimate only. Actual negotiated costs would vary by site specifics, including location, access, visibility, etc. Costs reflect fully serviced commercially-zoned land suitable for new office development.					
(2) Land preparation costs limited to normal grading and held constant for purposes of analysis.					
(3) Based on construction of fully equipped 75,000 sq. ft. Class-A office building. Geographic differentials in building costs are based on BizCosts® construction cost index data for the first quarter of 2022.					
(4) Assumes 25-year level amortization payments at 3.0 percent.					

**A COMPARATIVE OPERATING
COST ANALYSIS**

**CORPORATE HEADQUARTERS
SITE SELECTION**

SERIES II - EXHIBIT V					
AD VALOREM AND SALES TAX COSTS					
	Cary	Kannapolis	Blue Ash	Dublin	Mt. Juliet
	North Carolina	North Carolina	Ohio	Ohio	Tennessee
Real Property Tax Cost					
Land Cost (1)	\$4,626,000	\$4,260,000	\$4,626,000	\$5,106,000	\$3,906,000
Building Cost (2)	\$22,145,000	\$21,930,000	\$26,015,000	\$27,090,000	\$20,317,500
Total	\$26,771,000	\$26,190,000	\$30,641,000	\$32,196,000	\$24,223,500
Effective Tax Rate	\$11.40	\$14.70	\$22.48	\$32.19	\$20.19
Real Property Tax Cost (3)	\$305,189	\$384,993	\$688,810	\$1,036,389	\$489,072
Sales Tax Cost					
Taxable Goods Purchases	\$7,500,000	\$7,500,000	\$7,500,000	\$7,500,000	\$7,500,000
Sales Tax Rate (Percent)	7.25	7.00	7.80	7.50	9.75
Total Annual Sales Tax Cost (4)	\$543,750	\$525,000	\$585,000	\$562,500	\$731,250
Total Annual Ad Valorem and Sales Tax Costs	\$848,939	\$909,993	\$1,273,810	\$1,598,889	\$1,220,322
NOTES:					
(1) See Exhibit IV.					
(2) See Exhibit IV.					
(3) Based on nominal real property tax rate and assessment practices at each location based on \$1,000 of valuation. Petitions for abatements and lower assessments not considered. Effective tax rates are considered representative property tax levy amounts. Actual rates will vary based on alternate municipal, school, fire, and special assessment districts within each surveyed locations.					
(4) Based on prevailing local and state sales tax levies on taxable purchases of supplies, furnishings, and various other taxable goods. No rate concessions or incentives are assumed.					

SERIES II - EXHIBIT VI			
COMPARATIVE ON SITE TRAVEL COSTS			
Location	Per Diem Cost (1)	Annual Travel Days (2)	Total Annual Corporate Travel Cost
Cary, North Carolina	\$270.49	520	\$140,655
Kannapolis, North Carolina	\$293.14	520	\$152,433
Blue Ash, Ohio	\$257.78	520	\$134,046
Dublin, Ohio	\$246.35	520	\$128,102
Mt. Juliet, Tennessee	\$289.58	520	\$150,582
NOTES:			
(1) Reflects the estimated daily cost of corporate traveler lodging, three meals, rental car/local transit and other incidentals based on first quarter 2022 BizCosts® data.			
(2) Based on an average of 10 billable per diem travel days per week at each of the surveyed office locations.			

COMPARATIVE OPERATING COST ANALYSIS III

**A COMPARATIVE OPERATING
COST ANALYSIS**

**CORPORATE HEADQUARTERS
SITE SELECTION**

SERIES III - EXHIBIT I					
COMPARATIVE ANNUAL OPERATING COST SIMULATION SUMMARY⁽¹⁾					
	Leander Texas	Plano Texas	Round Rock Texas	Woodlands Texas	Bellevue Washington
Labor (2)					
Weighted Average Annual Earnings	\$54,732	\$55,404	\$55,197	\$55,611	\$58,660
Annual Base Payroll Costs	\$10,946,400	\$11,080,800	\$11,039,400	\$11,122,200	\$11,732,000
Fringe Benefits	\$4,050,168	\$4,099,896	\$4,084,578	\$4,115,214	\$4,340,840
Total Annual Labor Costs	\$14,996,568	\$15,180,696	\$15,123,978	\$15,237,414	\$16,072,840
Electric Power Costs (3)	\$64,480	\$64,558	\$64,480	\$61,690	\$71,843
Amortization Costs (4)	\$2,137,221	\$2,196,909	\$2,212,329	\$2,187,777	\$2,686,875
Property and Sales Tax Costs (5)	\$1,145,441	\$1,124,003	\$1,223,518	\$1,270,244	\$1,187,403
Travel Costs (6)	\$146,598	\$138,117	\$155,137	\$170,082	\$184,855
Total Annual Geographically- Variable Operating Costs	\$18,490,308	\$18,704,283	\$18,779,442	\$18,927,207	\$20,203,816
NOTES:					
(1) Includes all major geographically-variable operating costs. Start-up and relocation costs not considered.					
(2) See Exhibit II.					
(3) See Exhibit III.					
(4) See Exhibit IV.					
(5) See Exhibit V.					
(6) See Exhibit VI.					

**A COMPARATIVE OPERATING
COST ANALYSIS**

**CORPORATE HEADQUARTERS
SITE SELECTION**

SERIES III - EXHIBIT II						
COMPARATIVE ANNUAL LABOR COSTS						
	Number of Workers	Leander Texas	Plano Texas	Round Rock Texas	Woodlands Texas	Bellevue Washington
Job Title						
Accounting Clerk I	8	\$45,149	\$45,704	\$45,533	\$45,874	\$48,390
Accounting Clerk II	4	\$49,213	\$49,817	\$49,631	\$50,003	\$52,745
Accounting Clerk III	3	\$58,694	\$59,415	\$59,193	\$59,636	\$62,906
Administrative Assistant I	15	\$48,762	\$49,360	\$49,176	\$49,544	\$52,261
Administrative Assistant II	12	\$55,082	\$55,758	\$55,550	\$55,966	\$59,035
Administrative Assistant III	8	\$60,501	\$61,243	\$61,015	\$61,472	\$64,843
Benefits Clerk, Sr.	8	\$67,724	\$68,555	\$68,300	\$68,811	\$72,584
Data Entry Clerk	6	\$51,018	\$51,645	\$51,452	\$51,837	\$54,680
Document Control Clerk	7	\$50,116	\$50,731	\$50,542	\$50,921	\$53,713
Executive Assistant	9	\$66,821	\$67,641	\$67,389	\$67,893	\$71,616
File Clerk	6	\$43,344	\$43,876	\$43,712	\$44,040	\$46,454
General Clerk I	10	\$38,828	\$39,305	\$39,158	\$39,452	\$41,615
General Clerk II	6	\$44,698	\$45,247	\$45,078	\$45,416	\$47,906
General Clerk III	2	\$49,213	\$49,817	\$49,631	\$50,003	\$52,745
HR Assistant, Sr.	6	\$63,210	\$63,986	\$63,747	\$64,224	\$67,746
Mail Clerk, Sr.	5	\$45,149	\$45,704	\$45,533	\$45,874	\$48,390
Payroll Clerk, Sr.	6	\$60,952	\$61,700	\$61,470	\$61,930	\$65,326
Receptionist	3	\$41,989	\$42,505	\$42,346	\$42,663	\$45,003
Records Clerk, Sr.	9	\$51,471	\$52,102	\$51,908	\$52,297	\$55,164
Secretary I	20	\$46,955	\$47,531	\$47,354	\$47,709	\$50,325
Secretary II	17	\$54,179	\$54,845	\$54,640	\$55,049	\$58,068
Secretary III	13	\$60,501	\$61,243	\$61,015	\$61,472	\$64,843
Secretary to Chief Operating Officer	5	\$84,430	\$85,466	\$85,147	\$85,785	\$90,489
Secretary of Chief Executive Officer	5	\$94,362	\$95,521	\$95,164	\$95,877	\$101,134
Travel Clerk, Sr. Corporate	7	\$60,048	\$60,786	\$60,559	\$61,012	\$64,358
Total Workers	200					

SERIES III - EXHIBIT II						
COMPARATIVE ANNUAL LABOR COSTS						
		Leander Texas	Plano Texas	Round Rock Texas	Woodlands Texas	Bellevue Washington
Weighted Average Annual Earnings (1)		\$54,732	\$55,404	\$55,197	\$55,611	\$58,660
Total Annual Base Payroll Costs		\$10,946,400	\$11,080,800	\$11,039,400	\$11,122,200	\$11,732,000
Fringe Benefits (2)		\$4,050,168	\$4,099,896	\$4,084,578	\$4,115,214	\$4,340,840
Total Annual Labor Costs		\$14,996,568	\$15,180,696	\$15,123,978	\$15,237,414	\$16,072,840
NOTES:						
(1) Comparative labor costs reflect 2022 BizCosts® salary data and Boyd field surveys. Job titles reflect a representative mix of nonexempt headquarters support staff positions totaling 200. Exempt positions, including executive salaries, were not included as these would not vary significantly by geography. Top executive salaries were not included as these would not vary significantly by geography.						
(2) Based on an estimated 37 percent of total annual base payroll costs. Costs include all statutory benefits, pay for time not worked and company-sponsored benefits.						

SERIES III - EXHIBIT III			
ANNUAL ELECTRIC POWER AND NATURAL GAS COST COMPARISONS			
	Electric Utility Company	Annual Electric	Annual Cost
Location		Power Cost (1)	Per kWh (cents)
Leander, Texas	Oncor Electric Delivery	\$64,480	8.32
Plano, Texas	Oncor Electric Delivery	\$64,558	8.33
Round Rock, Texas	Round Rock Electricity	\$64,480	8.32
Woodlands, Texas	CenterPoint Energy	\$61,690	7.96
Bellevue, Washington	Puget Sound Energy	\$71,843	9.27
NOTES:			
(1)	Reflects an estimated total annual office use of 775,000 kWh based on latest available commercial rate schedule data.		

SERIES III - EXHIBIT IV					
OFFICE CONSTRUCTION AND AMORTIZATION COSTS					
	Leander Texas	Plano Texas	Round Rock Texas	Woodlands Texas	Bellevue Washington
Site Acquisition: No. of Acres	12	12	12	12	12
Cost per Acre (1)	\$415,500	\$485,000	\$525,500	\$498,500	\$575,500
Site Improvement Cost (2)	--	--	--	--	--
Total Land Cost	\$4,986,000	\$5,820,000	\$6,306,000	\$5,982,000	\$6,906,000
Construction Cost (3)	\$22,575,000	\$22,790,000	\$22,575,000	\$22,467,500	\$30,315,000
Furnishings and Equipment	\$10,000,000	\$10,000,000	\$10,000,000	\$10,000,000	\$10,000,000
Total Project Investment	\$37,561,000	\$38,610,000	\$38,881,000	\$38,449,500	\$47,221,000
Project Amortization					
Cost of Funds (Interest)	3.0	3.0	3.0	3.0	3.0
Payment Factor (4)	0.0569	0.0569	0.0569	0.0569	0.0569
Total Annual Amortization Cost	\$2,137,221	\$2,196,909	\$2,212,329	\$2,187,777	\$2,686,875
NOTES:					
(1) Boyd estimate only. Actual negotiated costs would vary by site specifics, including location, access, visibility, etc. Costs reflect fully serviced commercially-zoned land suitable for new office development.					
(2) Land preparation costs limited to normal grading and held constant for purposes of analysis.					
(3) Based on construction of fully equipped 75,000 sq. ft. Class-A office building. Geographic differentials in building costs are based on BizCosts® construction cost index data for the first quarter of 2022.					
(4) Assumes 25-year level amortization payments at 3.0 percent.					

**A COMPARATIVE OPERATING
COST ANALYSIS**

**CORPORATE HEADQUARTERS
SITE SELECTION**

SERIES III - EXHIBIT V					
AD VALOREM AND SALES TAX COSTS					
	Leander Texas	Plano Texas	Round Rock Texas	Woodlands Texas	Bellevue Washington
Real Property Tax Cost					
Land Cost (1)	\$4,986,000	\$5,820,000	\$6,306,000	\$5,982,000	\$6,906,000
Building Cost (2)	\$22,575,000	\$22,790,000	\$22,575,000	\$22,467,500	\$30,315,000
Total	\$27,561,000	\$28,610,000	\$28,881,000	\$28,449,500	\$37,221,000
Effective Tax Rate	\$19.11	\$17.66	\$20.94	\$22.90	\$11.55
Real Property Tax Cost (3)	\$526,691	\$505,253	\$604,768	\$651,494	\$429,903
Sales Tax Cost					
Taxable Goods Purchases	\$7,500,000	\$7,500,000	\$7,500,000	\$7,500,000	\$7,500,000
Sales Tax Rate (Percent)	8.25	8.25	8.25	8.25	10.10
Total Annual Sales Tax Cost (4)	\$618,750	\$618,750	\$618,750	\$618,750	\$757,500
Total Annual Ad Valorem and Sales Tax Costs	\$1,145,441	\$1,124,003	\$1,223,518	\$1,270,244	\$1,187,403
NOTES:					
(1) See Exhibit IV.					
(2) See Exhibit IV.					
(3) Based on nominal real property tax rate and assessment practices at each location based on \$1,000 of valuation. Petitions for abatements and lower assessments not considered. Effective tax rates are considered representative property tax levy amounts. Actual rates will vary based on alternate municipal, school, fire, and special assessment districts within each surveyed locations.					
(4) Based on prevailing local and state sales tax levies on taxable purchases of supplies, furnishings, and various other taxable goods. No rate concessions or incentives are assumed.					

SERIES III - EXHIBIT VI			
COMPARATIVE ON SITE TRAVEL COSTS			
Location	Per Diem Cost (1)	Annual Travel Days (2)	Total Annual Corporate Travel Cost
Leander, Texas	\$281.92	520	\$146,598
Plano, Texas	\$265.61	520	\$138,117
Round Rock, Texas	\$298.34	520	\$155,137
Woodlands, Texas	\$327.08	520	\$170,082
Bellevue, Washington	\$355.49	520	\$184,855
NOTES:			
(1) Reflects the estimated daily cost of corporate traveler lodging, three meals, rental car/local transit and other incidentals based on first quarter 2022 BizCosts® data.			
(2) Based on an average of 10 billable per diem travel days per week at each of the surveyed office locations.			

