

HEALTHCARE SERVICES INDUSTRY

***A COMPARATIVE
COST ANALYSIS FOR
INFORMATION ASSURANCE OPERATIONS***

The Boyd Company, Inc.
Location Consultants
Princeton, NJ

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**COMPARATIVE OPERATING
COST ANALYSIS:**

EXECUTIVE SUMMARY AND NOTES

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

Introduction

In the following Boyd analysis, major operating costs scaled to a representative 150-worker information assurance center are presented for a series of 50 comparative sites in the U.S. Annual operating cost totals are ranked in summary Exhibit I.

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 Boyd analysis focuses on those key geographically-variable cost elements considered to be most pivotal within the corporate site selection process. Geographically-variable operating cost differentials are statistically current for the **2006** planning period.

Operating costs are scaled to a hypothetical 150,000 sq. ft. information assurance center within the healthcare services industry, a leading edge sector of the burgeoning information security field. The analysis provides an independent and authoritative point of reference for the corporate planner's assessment of comparative operating cost levels in each of the surveyed sites. The format of the cost exhibits will allow the corporate planner to further tailor the cost data, occupancy assumptions and staffing levels to reflect alternate scales of operation and growth expectations.

About Boyd

Founded in 1975, The Boyd Company provides independent location counsel to leading U.S. and overseas corporations. Devoted exclusively to corporate mobility, Boyd clients include Time, Inc., Progressive Insurance, Aventis, Hewlett-Packard, Mayne Pharma, Philips, Pitney Bowes, MCI and numerous other **FORTUNE 500** firms.

About Information Assurance

According to the National Security Agency (NSA), information assurance involves protecting and defending information and information systems by “ensuring their availability, integrity, authentication, confidentiality, and non repudiation.” As the nation’s health care system’s dependence upon computers and networks continues to grow, its vulnerability to cyber attacks from hackers, fraudsters, organized crime, and terrorist elements is on the rise. Natural disasters, as seen in the destructive Gulf Coast hurricanes of 2005, pose a constant threat to regional and national computer and information security.

In response to the escalating problems of identity theft, unauthorized access to proprietary medical records, system penetration, computer theft by hackers as well as to heightened federal privacy, transaction, and security regulations mandated by the Health Insurance Portability and Assurance Act (HIPAA), the healthcare services industry has identified data security as a top priority concern and is factoring this issue heavily into their strategic planning. Information assurance is projected by The Boyd Company to be the next major wave of corporate re-engineering, capital spending and site selection planning in 2006 and the years beyond for the

healthcare services industry, especially those so-called covered entities of the HIPAA statute. These three covered entities include: (1) healthcare providers who transmit electronic healthcare information (laboratories, pharmacies, medical equipment suppliers, pharmaceutical companies, hospitals, physicians, e.g.); (2) health plans (insurance companies, HMO's, e.g.) and (3) clearinghouses (healthcare billing and data services, repricing companies, claims processing firms, e.g.).

Comparative Information Assurance Center Locations

For purposes of comparative economic analysis, major geographically-variable operating costs have been projected by Boyd for a series of 50 U.S. cities. Surveyed cities represent all regions of the country and house major concentrations of the healthcare services industry. These 50 U.S. cities are listed below:

New England Region

- Portland, Maine
- Boston, Massachusetts
- Springfield, Massachusetts
- Hartford, Connecticut
- Stamford, Connecticut

Middle Atlantic Region

- New York, New York
- Buffalo, New York
- Newark, New Jersey
- Philadelphia, Pennsylvania
- Pittsburgh, Pennsylvania

Southeast Region

- Baltimore, Maryland
- Louisville, Kentucky
- Memphis, Tennessee
- Birmingham, Alabama
- Atlanta, Georgia

Florida East Coast Region

- Orlando, Florida
- Jacksonville, Florida
- Palm Beach County, Florida
- Broward County, Florida
- Miami, Florida

Florida Gulf Coast Region

- Lee County, Florida
- Sarasota/Bradenton, Florida
- Tampa/ St. Petersburg, Florida
- Ft. Walton/Destin, Florida
- Pensacola, Florida

East North Central Region

- Cleveland, Ohio
- Columbus, Ohio
- Chicago, Illinois
- Ft. Wayne, Indiana
- Milwaukee, Wisconsin

West North Central Region

- Kansas City, Missouri
- Minneapolis/St. Paul, Minnesota
- Des Moines, Iowa
- Omaha, Nebraska
- Sioux Falls, South Dakota

South Central Region

- Tulsa, Oklahoma
- Dallas, Texas
- San Antonio, Texas
- Houston, Texas
- New Orleans, Louisiana

Mountain Region

- Denver, Colorado
- Phoenix, Arizona
- Salt Lake City, Utah
- Las Vegas, Nevada
- Colorado Springs, Colorado

West Coast Region

- Seattle, Washington
- San Francisco, California
- Sacramento, California
- Los Angeles, California
- San Diego, California

Comparative Labor Costs

Annual costs for labor, including positions in data security, network systems, telecom, web security, fraud detection and prevention and other support groups are presented in Exhibit II. Costs are based on a representative mix of job descriptions for the model 150-worker information assurance center.

Comparative labor costs for management were not included as these costs would tend not to vary as significantly by geography, but rather by individual healthcare services company compensation practices. Fringe benefit costs are included as a percent of annual base payroll costs and are assumed to include all statutory benefits, pay for time not worked, and company-sponsored benefits.

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 50 surveyed areas.

Comparative Land Acquisition and Construction Costs

Exhibit IV presents comparative costs for the purchase of commercially-zoned land and the construction of new information assurance center space in each of the 50 surveyed locations.

Comparative Ad Valorem and Sales Tax Costs

Exhibit V presents comparative ad valorem (property) tax costs in each of the 50 surveyed sites scaled to the land and building specifications of the model information assurance center. Also presented in this exhibit are comparative local and state sales tax costs based on a fixed annual purchase of supplies, furnishings, equipment and other taxable goods.

Comparative Heating and Air Conditioning Costs

Exhibit VI presents comparative annual costs for heating and air conditioning based on variances in climatic conditions and energy costs in the surveyed locations.

Comparative Corporate Travel Costs

Comparative annual on-site corporate travel costs in each of the 50 surveyed cities are presented in Exhibit VII. 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 management, technical support, regulators and other employee visitations to each of the 50 surveyed information assurance sites.

Total Annual Operating Cost Rankings

Taken from summary Exhibit I is an overall cost rankings of the 50 surveyed information assurance center sites.

Information Assurance Center Location	Total Annual Operating Costs
New York, NY	\$22,542,097
San Francisco, CA	\$21,889,593
Newark , NJ	\$21,227,240
Boston, MA	\$21,031,699
Stamford, CT	\$20,857,417
Chicago, IL	\$20,433,269
Los Angeles, CA	\$20,418,852
Hartford, CT	\$20,011,311
Philadelphia, PA	\$19,953,246

**A COMPARATIVE OPERATING
COST ANALYSIS**

**INFORMATION ASSURANCE
SITE SELECTION**

Information Assurance Center Location	Total Annual Operating Costs
San Diego, CA	\$19,456,506
Minneapolis/ St. Paul, MN	\$19,397,306
Seattle, WA	\$19,387,556
Denver, CO	\$19,363,954
Sacramento, CA	\$19,357,808
Houston, TX	\$19,167,191
Phoenix, AZ	\$19,152,212
Buffalo, NY	\$18,981,279
Las Vegas, NV	\$18,911,134
Springfield, MA	\$18,835,662
Milwaukee, WI	\$18,726,703
Miami, FL	\$18,686,514
Cleveland, OH	\$18,653,457
Dallas, TX	\$18,580,739
Portland , ME	\$18,516,170
Baltimore, MD	\$18,402,314
Kansas City, MO	\$18,263,342
Atlanta, GA	\$18,024,013
New Orleans, LA	\$17,957,749
Tampa/St. Petersburg, FL	\$17,878,383
Memphis, TN	\$17,804,433
Broward County, FL	\$17,801,719
Pittsburgh, PA	\$17,774,683
Palm Beach County, FL	\$17,730,237
Colorado Springs, CO	\$17,682,342
Columbus, OH	\$17,676,644
Des Moines, IA	\$17,533,654
Salt Lake City, UT	\$17,405,337
Louisville, KY	\$17,353,169
Omaha, NE	\$17,340,873
Tulsa, OK	\$17,322,960
Birmingham, AL	\$17,185,474
Sarasota/Bradenton, FL	\$17,136,032
Orlando, FL	\$17,076,394
Ft. Wayne, IN	\$17,062,231
San Antonio, TX	\$17,054,703
Lee County, FL	\$17,022,961
Jacksonville, FL	\$16,879,315
Pensacola, FL	\$16,562,083
Ft. Walton/Destin, FL	\$16,386,387
Sioux Falls, SD	\$16,131,793

**A COMPARATIVE OPERATING
COST ANALYSIS**

**INFORMATION ASSURANCE
SITE SELECTION**

**ECONOMIC ANALYSIS: COMPARATIVE OPERATING
COST EXHIBITS**

***COMPARATIVE OPERATING COST ANALYSIS I:
New England Region***

- **Portland, Maine**
- **Boston, Massachusetts**
- **Springfield, Massachusetts**
- **Hartford, Connecticut**
- **Stamford, Connecticut**

**EXHIBIT I
COMPARATIVE ANNUAL OPERATING COST SIMULATION SUMMARY(1)**

	Portland ME	Boston MA	Springfield MA	Hartford CT	Stamford CT
Labor Costs (2)					
Weighted Average Annual Earnings	\$64,047	\$70,616	\$65,442	\$68,790	\$71,440
Annual Base Payroll Costs	\$9,607,050	\$10,592,400	\$9,816,300	\$10,318,500	\$10,716,000
Fringe Benefits	\$3,554,609	\$3,919,188	\$3,632,031	\$3,817,845	\$3,964,920
Total Annual Labor Costs	\$13,161,659	\$14,511,588	\$13,448,331	\$14,136,345	\$14,680,920
Electric Power Costs (3)	\$216,374	\$270,468	\$180,672	\$205,285	\$205,285
Amortization Costs (4)	\$3,535,367	\$4,071,283	\$3,746,684	\$3,946,984	\$4,215,919
Property and Sales Tax Costs (5)	\$865,356	\$1,237,255	\$809,187	\$955,750	\$998,273
Heating and Air Conditioning Costs (6)	\$521,377	\$601,067	\$447,048	\$492,329	\$460,204
Corporate Travel Costs (7)	\$216,037	\$340,038	\$203,740	\$274,618	\$296,816
Total Annual Geographically- Variable Operating Costs	\$18,516,170	\$21,031,699	\$18,835,662	\$20,011,311	\$20,857,417

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.
- (7) See Exhibit VII.

**A COMPARATIVE OPERATING
COST ANALYSIS**

**INFORMATION ASSURANCE
SITE SELECTION**

**EXHIBIT II
COMPARATIVE ANNUAL LABOR COSTS**

Job Title	Number of Workers	Portland ME	Boston MA	Springfield MA	Hartford CT	Stamford CT
I.T. Group						
Medical Data Security Analyst	12	\$72,124	\$79,521	\$73,695	\$77,465	\$80,449
Medical Data Security Analyst, Sr.	6	\$92,112	\$101,559	\$94,117	\$98,932	\$102,743
Medical Data Security Analyst Manager	2	\$111,327	\$122,744	\$113,751	\$119,571	\$124,176
EDP Auditor	4	\$71,328	\$78,643	\$72,882	\$76,609	\$79,560
EDP Auditor, Sr.	2	\$87,756	\$96,754	\$89,667	\$94,252	\$97,883
I.S. Security Manager	2	\$118,222	\$130,346	\$120,797	\$126,975	\$131,866
Information Technology Auditor I	4	\$57,363	\$63,245	\$58,612	\$61,610	\$63,983
Information Technology Auditor II	2	\$70,581	\$77,819	\$72,118	\$75,807	\$78,727
Information Technology Auditor III	2	\$88,565	\$97,649	\$90,495	\$95,124	\$98,788
Network Systems Group						
Network Administrator I	4	\$53,936	\$59,468	\$55,112	\$57,930	\$60,162
Network Administrator II	2	\$65,099	\$71,776	\$66,516	\$69,919	\$72,613
Network Administrator III	2	\$77,663	\$85,627	\$79,354	\$83,413	\$86,626
Network Engineer I	4	\$69,808	\$76,967	\$71,329	\$74,976	\$77,864
Network Engineer II	2	\$81,887	\$90,284	\$83,669	\$87,949	\$91,337
Network Engineer III	2	\$98,913	\$109,057	\$101,067	\$106,237	\$110,329
Network Security Systems Manager	2	\$104,048	\$114,720	\$106,313	\$111,753	\$116,058
Security Administrator	6	\$85,295	\$94,043	\$87,154	\$91,611	\$95,140
Systems Administrator	4	\$78,089	\$86,097	\$79,790	\$83,871	\$87,102
Systems Administrator, Sr.	2	\$94,909	\$104,642	\$96,975	\$101,935	\$105,863
Telecom Group						
Telecommunications Engineer I	4	\$59,748	\$65,876	\$61,048	\$64,172	\$66,645
Telecommunications Engineer II	2	\$72,464	\$79,895	\$74,042	\$77,830	\$80,827
Telecommunications Engineer III	2	\$84,519	\$93,188	\$86,361	\$90,777	\$94,274
Telecommunications Manager	2	\$108,815	\$119,974	\$111,185	\$116,872	\$121,374
Test Engineer I	4	\$60,968	\$67,221	\$62,295	\$65,482	\$68,005
Test Engineer II	2	\$72,877	\$80,352	\$74,464	\$78,274	\$81,289
Test Engineer III	2	\$82,067	\$90,483	\$83,853	\$88,143	\$91,538

**A COMPARATIVE OPERATING
COST ANALYSIS**

**INFORMATION ASSURANCE
SITE SELECTION**

**EXHIBIT II
COMPARATIVE ANNUAL LABOR COSTS**

Health Information & Web Security Group	Number of Workers	Portland ME	Boston MA	Springfield MA	Hartford CT
Medical Records Technician I	12	\$30,405	\$33,523	\$31,066	\$32,656
Medical Records Technician II	6	\$41,242	\$45,472	\$42,140	\$44,297
Medical Records Technician III	2	\$45,609	\$50,287	\$46,603	\$48,986
Fraud Prevention Associate I	12	\$39,021	\$43,023	\$39,870	\$41,911
Fraud Prevention Associate II	6	\$44,604	\$49,179	\$45,576	\$47,907
Fraud Prevention Associate III	2	\$59,068	\$65,126	\$60,355	\$63,442
Fraud Prevention Manager	2	\$76,792	\$84,668	\$78,465	\$82,479
Web Security Administrator	4	\$98,210	\$108,281	\$100,348	\$105,481
Web Security Manager	2	\$137,180	\$151,250	\$140,168	\$147,338
Support Group					
Administrative Assistant	8	\$39,629	\$43,693	\$40,491	\$42,563
Secretary I	4	\$29,652	\$32,695	\$30,299	\$31,849
Secretary II	4	\$32,549	\$35,887	\$33,258	\$34,959
Executive Secretary	2	\$44,303	\$48,847	\$45,268	\$47,583
Total Workers	150				
Weighted Average Annual Earnings (1)		\$64,047	\$70,616	\$65,442	\$68,790
Total Annual Base Payroll Costs		\$9,607,050	\$10,592,400	\$9,816,300	\$10,318,500
Fringe Benefits (2)		\$3,554,609	\$3,919,188	\$3,632,031	\$3,817,845
Total Annual Labor Costs		\$13,161,659	\$14,511,588	\$13,448,331	\$14,136,345

NOTES:

- (1) For mature health care information assurance center in third year of operation based on current wage rates and benefits. Wage rates reflect Boyd location experience, field research, and Boyd BizCosts® data bank in Princeton. Job descriptions reflect a representative mix of key positions for a 150 worker center.
- (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.

**EXHIBIT III
ANNUAL ELECTRIC POWER COST COMPARISONS ⁽¹⁾**

Location	Electric Utility Company	Annual Electric Power Cost (1)	Annual Cost Per kWh (cents)
Portland , ME	Central Maine Power	\$216,374	10.02
Boston, MA	Boston Edison Company	\$270,468	12.52
Springfield, MA	Western Massachusetts Electric	\$180,672	8.36
Hartford, CT	Connectituct Light and Power Company	\$205,285	9.50
Stamford, CT	Connectituct Light and Power Company	\$205,285	9.50

NOTES:

- (1) Based on assumed monthly demand of 500 kW and 180,000 kWh monthly consumption.
Annual costs reflect comparative commercial general service rates.

**EXHIBIT IV
COMPARATIVE LAND, CONSTRUCTION AND AMORTIZATION COSTS**

	Portland ME	Boston MA	Springfield MA	Hartford CT	Stamford CT
Site Acquisition: No. of Acres	50	50	50	50	50
Cost per Acre (1)	\$53,000	\$80,000	\$55,000	\$77,000	\$125,000
Site Improvement Cost (2)	--	--	--	--	--
Total Land Cost	\$2,650,000	\$4,000,000	\$2,750,000	\$3,850,000	\$6,250,000
Construction Cost (3)	\$17,964,231	\$23,149,782	\$20,441,258	\$21,783,945	\$22,663,637
Machinery and Equipment	\$22,500,000	\$22,500,000	\$22,500,000	\$22,500,000	\$22,500,000
Total Project Investment	\$43,114,231	\$49,649,782	\$45,691,258	\$48,133,945	\$51,413,637
Project Amortization					
Cost of Funds (Interest)	6.5	6.5	6.5	6.5	6.5
Payment Factor (4)	0.0820	0.0820	0.0820	0.0820	0.0820
Total Annual Amortization Cost	\$3,535,367	\$4,071,283	\$3,746,684	\$3,946,984	\$4,215,919

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 within a controlled business park setting.
- (2) Land preparation costs limited to normal grading and held constant for purposes of analysis.
- (3) Based on construction of fully equipped 150,000 sq. ft. health care information assurance center. Geographic differentials in building costs are based on latest Boyd BizCosts® construction cost index data.
- (4) Assumes 25-year level amortization payments at 6.5 percent.

**EXHIBIT V
AD VALOREM AND SALES TAX COSTS**

	Portland ME	Boston MA	Springfield MA	Hartford CT	Stamford CT
Real Property Tax Cost					
Land Cost (1)	\$2,650,000	\$4,000,000	\$2,750,000	\$3,850,000	\$6,250,000
Building Cost (2)	\$17,964,231	\$23,149,782	\$20,441,258	\$21,783,945	\$22,663,637
Total	\$20,614,231	\$27,149,782	\$23,191,258	\$25,633,945	\$28,913,637
Effective Tax Rate (3)	\$25.00	\$32.68	\$19.80	\$20.90	\$20.00
Real Property Tax Cost	\$515,356	\$887,255	\$459,187	\$535,750	\$578,273
Sales Tax Cost					
Taxable Goods Purchases	\$7,000,000	\$7,000,000	\$7,000,000	\$7,000,000	\$7,000,000
Sales Tax Rate (Percent)	5.00	5.00	5.00	6.00	6.00
Total Annual Sales Tax Cost (4)	\$350,000	\$350,000	\$350,000	\$420,000	\$420,000
Total Annual Ad Valorem and Sales Tax Costs	\$865,356	\$1,237,255	\$809,187	\$955,750	\$998,273

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 metropolitan area.

(4) Based on prevailing local and state sales tax levies on taxable purchases of supplies, furnishings, equipment and other taxable goods. Does not include sales tax rebates which could be available at selected locations.

**EXHIBIT VI
COMPARATIVE SPACE HEATING AND AIR CONDITIONING COSTS**

	Portland ME	Boston MA	Springfield MA	Hartford CT	Stamford CT
Space Heating					
Heating Degree Days	7,498	5,621	6,599	6,450	5,461
Annual Cost (1)	\$473,302	\$443,372	\$347,785	\$386,543	\$327,075
Air Conditioning					
Cooling Degree Days	252	661	623	584	735
Annual Cost (2)	\$48,075	\$157,695	\$99,263	\$105,786	\$133,129
Total Heating and Air Conditioning Costs	\$521,377	\$601,067	\$447,048	\$492,329	\$460,204

NOTES:

- (1) Based on variances in heating degree days and power cost differentials at alternate locations. Assumes heating of 150,000 sq. ft. of information assurance center space.
- (2) Based on variances in cooling degree days and power cost differentials at alternate locations. Assumes air conditioning of 150,000 sq. ft. of information assurance center space.

**EXHIBIT VII
COMPARATIVE ANNUAL ON-SITE CORPORATE TRAVEL COSTS**

Location	Per Diem Cost (1)	Annual Travel Days (2)	Total Annual Corporate Travel Cost
Portland , ME	\$259.66	832	\$216,037
Boston, MA	\$408.70	832	\$340,038
Springfield, MA	\$244.88	832	\$203,740
Hartford, CT	\$330.07	832	\$274,618
Stamford, CT	\$356.75	832	\$296,816

NOTES:

- (1) Reflects the estimated daily cost of corporate traveler lodging, three meals, rental car/local transit, and other incidentals based on latest BizCosts® data.
- (2) Based on an average of 16 billable per diem travel days per week at each of the destination locations.

***COMPARATIVE OPERATING COST ANALYSIS II:
Middle Atlantic Region***

- **New York, New York**
- **Buffalo, New York**
- **Newark, New Jersey**
- **Philadelphia, Pennsylvania**
- **Pittsburgh, Pennsylvania**

**EXHIBIT I
COMPARATIVE ANNUAL OPERATING COST SIMULATION SUMMARY(1)**

	New York NY	Newark NY	Buffalo NY	Philadelphia PA	Pittsburgh PA
Labor Costs (2)					
Weighted Average Annual Earnings	\$71,554	\$70,123	\$62,870	\$65,439	\$61,525
Annual Base Payroll Costs	\$10,733,100	\$10,518,450	\$9,430,500	\$9,815,850	\$9,228,750
Fringe Benefits	\$3,971,247	\$3,891,827	\$3,489,285	\$3,631,865	\$3,414,638
Total Annual Labor Costs	\$14,704,347	\$14,410,277	\$12,919,785	\$13,447,715	\$12,643,388
Electric Power Costs (3)	\$361,500	\$200,640	\$256,800	\$242,328	\$102,673
Amortization Costs (4)	\$4,772,873	\$4,544,102	\$3,669,963	\$4,207,486	\$3,703,194
Property and Sales Tax Costs (5)	\$1,273,762	\$1,285,687	\$1,349,124	\$1,179,794	\$844,566
Heating and Air Conditioning Costs (6)	\$986,725	\$475,957	\$558,022	\$579,914	\$243,950
Corporate Travel Costs (7)	\$442,890	\$310,577	\$227,585	\$296,009	\$236,912
Total Annual Geographically- Variable Operating Costs	\$22,542,097	\$21,227,240	\$18,981,279	\$19,953,246	\$17,774,683

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.
- (7) See Exhibit VII.

**A COMPARATIVE OPERATING
COST ANALYSIS**

**INFORMATION ASSURANCE
SITE SELECTION**

**EXHIBIT II
COMPARATIVE ANNUAL LABOR COSTS**

Job Title	Number of Workers	New York NY	Newark NY	Buffalo NY	Philadelphia PA	Pittsburgh PA
I.T. Group						
Medical Data Security Analyst	12	\$80,578	\$78,966	\$70,799	\$73,691	\$69,283
Medical Data Security Analyst, Sr.	6	\$102,908	\$100,850	\$90,419	\$94,113	\$88,484
Medical Data Security Analyst Manager	2	\$124,377	\$121,890	\$109,282	\$113,747	\$106,942
EDP Auditor	4	\$79,688	\$78,094	\$70,017	\$72,877	\$68,518
EDP Auditor, Sr.	2	\$98,040	\$96,079	\$86,142	\$89,661	\$84,298
I.S. Security Manager	2	\$132,078	\$129,436	\$116,049	\$120,790	\$113,565
Information Technology Auditor I	4	\$64,086	\$62,804	\$56,308	\$58,609	\$55,103
Information Technology Auditor II	2	\$78,854	\$77,277	\$69,284	\$72,115	\$67,801
Information Technology Auditor III	2	\$98,947	\$96,968	\$86,939	\$90,490	\$85,077
Network Systems Group						
Network Administrator I	4	\$60,258	\$59,053	\$52,946	\$55,108	\$51,812
Network Administrator II	2	\$72,729	\$71,274	\$63,902	\$66,513	\$62,534
Network Administrator III	2	\$86,764	\$85,029	\$76,235	\$79,349	\$74,603
Network Engineer I	4	\$77,990	\$76,430	\$68,525	\$71,324	\$67,058
Network Engineer II	2	\$91,484	\$89,654	\$80,381	\$83,665	\$78,661
Network Engineer III	2	\$110,507	\$108,297	\$97,096	\$101,063	\$95,017
Network Security Systems Manager	2	\$116,244	\$113,919	\$102,136	\$106,309	\$99,950
Security Administrator	6	\$95,293	\$93,387	\$83,728	\$87,149	\$81,936
Systems Administrator	4	\$87,242	\$85,497	\$76,655	\$79,786	\$75,014
Systems Administrator, Sr.	2	\$106,033	\$103,912	\$93,165	\$96,970	\$91,170
Telecom Group						
Telecommunications Engineer I	4	\$66,753	\$65,418	\$58,652	\$61,047	\$57,396
Telecommunications Engineer II	2	\$80,956	\$79,337	\$71,131	\$74,037	\$69,609
Telecommunications Engineer III	2	\$94,426	\$92,538	\$82,966	\$86,355	\$81,190
Telecommunications Manager	2	\$121,570	\$119,139	\$106,816	\$111,179	\$104,529
Test Engineer I	4	\$68,114	\$66,752	\$59,848	\$62,293	\$58,567
Test Engineer II	2	\$81,420	\$79,792	\$71,538	\$74,461	\$70,008
Test Engineer III	2	\$91,685	\$89,851	\$80,558	\$83,849	\$78,833

**A COMPARATIVE OPERATING
COST ANALYSIS**

**INFORMATION ASSURANCE
SITE SELECTION**

**EXHIBIT II
COMPARATIVE ANNUAL LABOR COSTS**

Health Information & Web Security Group	Number of Workers	New York NY	Newark NY	Buffalo NY	Philadelphia PA	Pittsburgh PA
Medical Records Technician I	12	\$33,968	\$33,289	\$29,846	\$31,065	\$29,207
Medical Records Technician II	6	\$46,076	\$45,155	\$40,484	\$42,138	\$39,618
Medical Records Technician III	2	\$50,955	\$49,936	\$44,771	\$46,600	\$43,813
Fraud Prevention Associate I	12	\$43,595	\$42,723	\$38,304	\$39,869	\$37,484
Fraud Prevention Associate II	6	\$49,832	\$48,835	\$43,785	\$45,574	\$42,847
Fraud Prevention Associate III	2	\$65,991	\$64,671	\$57,983	\$60,352	\$56,742
Fraud Prevention Manager	2	\$85,794	\$84,078	\$75,381	\$78,462	\$73,768
Web Security Administrator	4	\$109,721	\$107,527	\$96,405	\$100,344	\$94,341
Web Security Manager	2	\$153,260	\$150,195	\$134,660	\$140,161	\$131,778
Support Group						
Administrative Assistant	8	\$44,273	\$43,388	\$38,901	\$40,489	\$38,068
Secretary I	4	\$33,129	\$32,466	\$29,108	\$30,298	\$28,485
Secretary II	4	\$36,364	\$35,637	\$31,951	\$33,257	\$31,267
Executive Secretary	2	\$49,496	\$48,506	\$43,489	\$45,265	\$42,558
Total Workers	150					
Weighted Average Annual Earnings (1)		\$71,554	\$70,123	\$62,870	\$65,439	\$61,525
Total Annual Base Payroll Costs		\$10,733,100	\$10,518,450	\$9,430,500	\$9,815,850	\$9,228,750
Fringe Benefits (2)		\$3,971,247	\$3,891,827	\$3,489,285	\$3,631,865	\$3,414,638
Total Annual Labor Costs		\$14,704,347	\$14,410,277	\$12,919,785	\$13,447,715	\$12,643,388

NOTES:

- (1) For mature health care information assurance center in third year of operation based on current wage rates and benefits. Wage rates reflect Boyd location experience, field research, and Boyd BizCosts® data bank in Princeton. Job descriptions reflect a representative mix of key positions for a 150 worker center.
- (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.

**EXHIBIT III
ANNUAL ELECTRIC POWER COST COMPARISONS (1)**

Location	Electric Utility Company	Annual Electric Power Cost (1)	Annual Cost Per kWh (cents)
New York, NY	Consolidated Edison Company	\$361,500	16.74
Newark , NJ	PSE&G	\$200,640	9.29
Buffalo, NY	Niagara Mohawk Power Company	\$256,800	11.89
Philadelphia, PA	PECO Energy Company	\$242,328	11.22
Pittsburgh, PA	Duquesne Power	\$102,673	4.75

NOTES:

- (1) Based on assumed monthly demand of 500 kW and 180,000 kWh monthly consumption.
Annual costs reflect comparative commercial general service rates.

**EXHIBIT IV
COMPARATIVE LAND, CONSTRUCTION AND AMORTIZATION COSTS**

	New York NY	Newark NY	Buffalo NY	Philadelphia PA	Pittsburgh PA
Site Acquisition: No. of Acres	50	50	50	50	50
Cost per Acre (1)	\$180,000	\$155,000	\$33,000	\$130,000	\$50,000
Site Improvement Cost (2)	--	--	--	--	--
Total Land Cost	\$9,000,000	\$7,750,000	\$1,650,000	\$6,500,000	\$2,500,000
Construction Cost (3)	\$26,705,760	\$25,165,872	\$20,605,637	\$22,310,797	\$20,160,896
Machinery and Equipment	\$22,500,000	\$22,500,000	\$22,500,000	\$22,500,000	\$22,500,000
Total Project Investment	\$58,205,760	\$55,415,872	\$44,755,637	\$51,310,797	\$45,160,896
Project Amortization					
Cost of Funds (Interest)	6.5	6.5	6.5	6.5	6.5
Payment Factor (4)	0.0820	0.0820	0.0820	0.0820	0.0820
Total Annual Amortization Cost	\$4,772,873	\$4,544,102	\$3,669,963	\$4,207,486	\$3,703,194

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 within a controlled business park setting.
- (2) Land preparation costs limited to normal grading and held constant for purposes of analysis.
- (3) Based on construction of fully equipped 150,000 sq. ft. health care information assurance center. Geographic differentials in building costs are based on latest Boyd BizCosts® construction cost index data.
- (4) Assumes 25-year level amortization payments at 6.5 percent.

**EXHIBIT V
AD VALOREM AND SALES TAX COSTS**

	New York NY	Newark NY	Buffalo NY	Philadelphia PA	Pittsburgh PA
Real Property Tax Cost					
Land Cost (1)	\$9,000,000	\$7,750,000	\$1,650,000	\$6,500,000	\$2,500,000
Building Cost (2)	\$26,705,760	\$25,165,872	\$20,605,637	\$22,310,797	\$20,160,896
Total	\$35,705,760	\$32,915,872	\$22,255,637	\$28,810,797	\$22,660,896
Effective Tax Rate (3)	\$19.50	\$26.30	\$35.30	\$25.40	\$17.50
Real Property Tax Cost	\$696,262	\$865,687	\$785,624	\$731,794	\$396,566
Sales Tax Cost					
Taxable Goods Purchases	\$7,000,000	\$7,000,000	\$7,000,000	\$7,000,000	\$7,000,000
Sales Tax Rate (Percent)	8.25	6.00	8.05	6.40	6.40
Total Annual Sales Tax Cost (4)	\$577,500	\$420,000	\$563,500	\$448,000	\$448,000
Total Annual Ad Valorem and Sales Tax Costs	\$1,273,762	\$1,285,687	\$1,349,124	\$1,179,794	\$844,566

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 metropolitan area.
- (4) Based on prevailing local and state sales tax levies on taxable purchases of supplies, furnishings, equipment and other taxable goods. Does not include sales tax rebates which could be available at selected locations.

**EXHIBIT VI
COMPARATIVE SPACE HEATING AND AIR CONDITIONING COSTS**

	New York NY	Newark NY	Buffalo NY	Philadelphia PA	Pittsburgh PA
Space Heating					
Heating Degree Days	4,848	5,034	6,927	4,865	5,278
Annual Cost (1)	\$646,199	\$294,773	\$459,042	\$343,951	\$158,101
Air Conditioning					
Cooling Degree Days	1,068	1,024	437	1,104	948
Annual Cost (2)	\$340,526	\$181,184	\$98,980	\$235,963	\$85,849
Total Heating and Air Conditioning Costs	\$986,725	\$475,957	\$558,022	\$579,914	\$243,950

NOTES:

- (1) Based on variances in heating degree days and power cost differentials at alternate locations. Assumes heating of 150,000 sq. ft. of information assurance center space.
- (2) Based on variances in cooling degree days and power cost differentials at alternate locations. Assumes air conditioning of 150,000 sq. ft. of information assurance center space.

EXHIBIT VII
COMPARATIVE ANNUAL ON-SITE CORPORATE TRAVEL COSTS

Location	Per Diem Cost (1)	Annual Travel Days (2)	Total Annual Corporate Travel Cost
New York, NY	\$532.32	832	\$442,890
Newark , NJ	\$373.29	832	\$310,577
Buffalo, NY	\$273.54	832	\$227,585
Philadelphia, PA	\$355.78	832	\$296,009
Pittsburgh, PA	\$284.75	832	\$236,912

NOTES:

- (1) Reflects the estimated daily cost of corporate traveler lodging, three meals, rental car/local transit, and other incidentals based on latest BizCosts® data.
- (2) Based on an average of 16 billable per diem travel days per week at each of the destination locations.

***COMPARATIVE OPERATING COST ANALYSIS III:
Southeast Region***

- **Baltimore, Maryland**
- **Louisville, Kentucky**
- **Memphis, Tennessee**
- **Birmingham, Alabama**
- **Atlanta, Georgia**

**EXHIBIT I
COMPARATIVE ANNUAL OPERATING COST SIMULATION SUMMARY(1)**

	Baltimore MD	Louisville KY	Memphis TN	Birmingham AL	Atlanta GA
Labor Costs (2)					
Weighted Average Annual Earnings	\$62,867	\$60,853	\$61,036	\$59,201	\$61,464
Annual Base Payroll Costs	\$9,430,050	\$9,127,950	\$9,155,400	\$8,880,150	\$9,219,600
Fringe Benefits	\$3,489,119	\$3,377,342	\$3,387,498	\$3,285,656	\$3,411,252
Total Annual Labor Costs	\$12,919,169	\$12,505,292	\$12,542,898	\$12,165,806	\$12,630,852
Electric Power Costs (3)	\$183,036	\$125,400	\$115,882	\$158,892	\$138,240
Amortization Costs (4)	\$3,696,194	\$3,510,991	\$3,627,722	\$3,487,567	\$3,738,909
Property and Sales Tax Costs (5)	\$891,813	\$655,677	\$934,044	\$762,316	\$913,571
Heating and Air Conditioning Costs (6)	\$431,676	\$312,000	\$317,647	\$399,864	\$318,188
Corporate Travel Costs (7)	\$280,426	\$243,809	\$266,240	\$211,029	\$284,253
Total Annual Geographically- Variable Operating Costs	\$18,402,314	\$17,353,169	\$17,804,433	\$17,185,474	\$18,024,013

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.
- (7) See Exhibit VII.

**A COMPARATIVE OPERATING
COST ANALYSIS**

**INFORMATION ASSURANCE
SITE SELECTION**

**EXHIBIT II
COMPARATIVE ANNUAL LABOR COSTS**

Job Title	Number of Workers	Baltimore MD	Louisville KY	Memphis TN	Birmingham AL	Atlanta GA
I.T. Group						
Medical Data Security Analyst	12	\$70,795	\$68,527	\$68,733	\$66,667	\$69,215
Medical Data Security Analyst, Sr.	6	\$90,413	\$87,517	\$87,780	\$85,141	\$88,396
Medical Data Security Analyst Manager	2	\$109,276	\$105,775	\$106,093	\$102,904	\$106,837
EDP Auditor	4	\$70,013	\$67,770	\$67,974	\$65,930	\$68,451
EDP Auditor, Sr.	2	\$86,137	\$83,377	\$83,628	\$81,114	\$84,215
I.S. Security Manager	2	\$116,043	\$112,325	\$112,663	\$109,276	\$113,453
Information Technology Auditor I	4	\$56,305	\$54,501	\$54,665	\$53,022	\$55,049
Information Technology Auditor II	2	\$69,280	\$67,060	\$67,262	\$65,240	\$67,734
Information Technology Auditor III	2	\$86,933	\$84,148	\$84,401	\$81,865	\$84,993
Network Systems Group						
Network Administrator I	4	\$52,942	\$51,246	\$51,400	\$49,855	\$51,761
Network Administrator II	2	\$63,899	\$61,852	\$62,038	\$60,172	\$62,472
Network Administrator III	2	\$76,230	\$73,788	\$74,010	\$71,785	\$74,529
Network Engineer I	4	\$68,521	\$66,325	\$66,525	\$64,526	\$66,992
Network Engineer II	2	\$80,376	\$77,801	\$78,035	\$75,690	\$78,583
Network Engineer III	2	\$97,090	\$93,979	\$94,262	\$91,428	\$94,923
Network Security Systems Manager	2	\$102,131	\$98,859	\$99,156	\$96,175	\$99,852
Security Administrator	6	\$83,724	\$81,041	\$81,285	\$78,842	\$81,856
Systems Administrator	4	\$76,651	\$74,195	\$74,418	\$72,181	\$74,940
Systems Administrator, Sr.	2	\$93,159	\$90,175	\$90,446	\$87,727	\$91,080
Telecom Group						
Telecommunications Engineer I	4	\$58,648	\$56,769	\$56,940	\$55,228	\$57,339
Telecommunications Engineer II	2	\$71,128	\$68,849	\$69,056	\$66,980	\$69,540
Telecommunications Engineer III	2	\$82,961	\$80,303	\$80,545	\$78,124	\$81,110
Telecommunications Manager	2	\$106,810	\$103,388	\$103,699	\$100,581	\$104,425
Test Engineer I	4	\$59,844	\$57,927	\$58,101	\$56,355	\$58,509
Test Engineer II	2	\$71,535	\$69,243	\$69,451	\$67,364	\$69,939
Test Engineer III	2	\$80,553	\$77,972	\$78,207	\$75,856	\$78,756

**A COMPARATIVE OPERATING
COST ANALYSIS**

**INFORMATION ASSURANCE
SITE SELECTION**

**EXHIBIT II
COMPARATIVE ANNUAL LABOR COSTS**

Health Information & Web Security Group	Number of Workers	Baltimore MD	Louisville KY	Memphis TN	Birmingham AL	Atlanta GA
Medical Records Technician I	12	\$29,844	\$28,888	\$28,975	\$28,103	\$29,178
Medical Records Technician II	6	\$40,482	\$39,185	\$39,303	\$38,121	\$39,579
Medical Records Technician III	2	\$44,768	\$43,334	\$43,464	\$42,158	\$43,769
Fraud Prevention Associate I	12	\$38,303	\$37,075	\$37,187	\$36,069	\$37,447
Fraud Prevention Associate II	6	\$43,782	\$42,380	\$42,507	\$41,229	\$42,805
Fraud Prevention Associate III	2	\$57,980	\$56,122	\$56,291	\$54,599	\$56,686
Fraud Prevention Manager	2	\$75,378	\$72,963	\$73,182	\$70,982	\$73,695
Web Security Administrator	4	\$96,400	\$93,311	\$93,592	\$90,779	\$94,248
Web Security Manager	2	\$134,652	\$130,338	\$130,730	\$126,801	\$131,648
Support Group						
Administrative Assistant	8	\$38,898	\$37,652	\$37,765	\$36,630	\$38,030
Secretary I	4	\$29,107	\$28,174	\$28,259	\$27,409	\$28,458
Secretary II	4	\$31,949	\$30,925	\$31,018	\$30,087	\$31,237
Executive Secretary	2	\$43,487	\$42,093	\$42,220	\$40,950	\$42,515
Total Workers	150					
Weighted Average Annual Earnings (1)		\$62,867	\$60,853	\$61,036	\$59,201	\$61,464
Total Annual Base Payroll Costs		\$9,430,050	\$9,127,950	\$9,155,400	\$8,880,150	\$9,219,600
Fringe Benefits (2)		\$3,489,119	\$3,377,342	\$3,387,498	\$3,285,656	\$3,411,252
Total Annual Labor Costs		\$12,919,169	\$12,505,292	\$12,542,898	\$12,165,806	\$12,630,852

NOTES:

- (1) For mature health care information assurance center in third year of operation based on current wage rates and benefits. Wage rates reflect Boyd location experience, field research, and Boyd BizCosts® data bank in Princeton. Job descriptions reflect a representative mix of key positions for a 150 worker center.
- (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.

**EXHIBIT III
ANNUAL ELECTRIC POWER COST COMPARISONS (1)**

Location	Electric Utility Company	Annual Electric Power Cost (1)	Annual Cost Per kWh (cents)
Baltimore, MD	Baltimore Gas & Electric	\$183,036	8.47
Louisville, KY	Louisville Gas and Electric	\$125,400	5.81
Memphis, TN	Memphis Light, Gas, and Water	\$115,882	5.36
Birmingham, AL	Alabama Power Company	\$158,892	7.36
Atlanta, GA	Georgia Power Company	\$138,240	6.40

NOTES:

- (1) Based on assumed monthly demand of 500 kW and 180,000 kWh monthly consumption.
Annual costs reflect comparative commercial general service rates.

**EXHIBIT IV
COMPARATIVE LAND, CONSTRUCTION AND AMORTIZATION COSTS**

	Baltimore MD	Louisville KY	Memphis TN	Birmingham AL	Atlanta GA
Site Acquisition: No. of Acres	50	50	50	50	50
Cost per Acre (1)	\$78,000	\$35,000	\$85,000	\$50,000	\$100,000
Site Improvement Cost (2)	--	--	--	--	--
Total Land Cost	\$3,900,000	\$1,750,000	\$4,250,000	\$2,500,000	\$5,000,000
Construction Cost (3)	\$18,675,535	\$18,566,957	\$17,490,515	\$17,531,299	\$18,096,449
Machinery and Equipment	\$22,500,000	\$22,500,000	\$22,500,000	\$22,500,000	\$22,500,000
Total Project Investment	\$45,075,535	\$42,816,957	\$44,240,515	\$42,531,299	\$45,596,449
Project Amortization					
Cost of Funds (Interest)	6.5	6.5	6.5	6.5	6.5
Payment Factor (4)	0.0820	0.0820	0.0820	0.0820	0.0820
Total Annual Amortization	\$3,696,194	\$3,510,991	\$3,627,722	\$3,487,567	\$3,738,909

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 within a controlled business park setting.
- (2) Land preparation costs limited to normal grading and held constant for purposes of analysis.
- (3) Based on construction of fully equipped 150,000 sq. ft. health care information assurance center. Geographic differentials in building costs are based on latest Boyd BizCosts® construction cost index data.
- (4) Assumes 25-year level amortization payments at 6.5 percent.

**EXHIBIT V
AD VALOREM AND SALES TAX COSTS**

	Baltimore MD	Louisville KY	Memphis TN	Birmingham AL	Atlanta GA
Real Property Tax Cost					
Land Cost (1)	\$3,900,000	\$1,750,000	\$4,250,000	\$2,500,000	\$1,750,000
Building Cost (2)	\$18,675,535	\$18,566,957	\$17,490,515	\$17,531,299	\$18,096,449
Total	\$22,575,535	\$20,316,957	\$21,740,515	\$20,031,299	\$19,846,449
Effective Tax Rate (3)	\$24.00	\$11.60	\$16.40	\$10.10	\$19.40
Real Property Tax Cost	\$541,813	\$235,677	\$356,544	\$202,316	\$448,071
Sales Tax Cost					
Taxable Goods Purchases	\$7,000,000	\$7,000,000	\$7,000,000	\$7,000,000	\$7,000,000
Sales Tax Rate (Percent)	5.00	6.00	8.25	8.00	6.65
Total Annual Sales Tax Cost (4)	\$350,000	\$420,000	\$577,500	\$560,000	\$465,500
Total Annual Ad Valorem and Sales Tax Costs	\$891,813	\$655,677	\$934,044	\$762,316	\$913,571

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 metropolitan area.
- (4) Based on prevailing local and state sales tax levies on taxable purchases of supplies, furnishings, equipment and other taxable goods. Does not include sales tax rebates which could be available at selected locations.

**EXHIBIT VI
COMPARATIVE SPACE HEATING AND AIR CONDITIONING COSTS**

	Baltimore MD	Louisville KY	Memphis TN	Birmingham AL	Atlanta GA
Space Heating					
Heating Degree Days	4,729	4,645	3,227	2,844	3,095
Annual Cost (1)	\$252,252	\$171,171	\$110,068	\$130,514	\$125,307
Air Conditioning					
Cooling Degree Days	1,108	1,268	2,029	1,928	1,589
Annual Cost (2)	\$179,424	\$140,829	\$207,579	\$269,350	\$192,881
Total Heating and Air Conditioning Costs	\$431,676	\$312,000	\$317,647	\$399,864	\$318,188

NOTES:

- (1) Based on variances in heating degree days and power cost differentials at alternate locations. Assumes heating of 150,000 sq. ft. of information assurance center space.
- (2) Based on variances in cooling degree days and power cost differentials at alternate locations. Assumes air conditioning of 150,000 sq. ft. of information assurance center space.

**EXHIBIT VII
COMPARATIVE ANNUAL ON-SITE CORPORATE TRAVEL COSTS**

Location	Per Diem Cost (1)	Annual Travel Days (2)	Total Annual Corporate Travel Cost
Baltimore, MD	\$337.05	832	\$280,426
Louisville, KY	\$293.04	832	\$243,809
Memphis, TN	\$320.00	832	\$266,240
Birmingham, AL	\$253.64	832	\$211,029
Atlanta, GA	\$341.65	832	\$284,253

NOTES:

- (1) Reflects the estimated daily cost of corporate traveler lodging, three meals, rental car/local transit, and other incidentals based on latest BizCosts® data.
- (2) Based on an average of 16 billable per diem travel days per week at each of the destination locations.

***COMPARATIVE OPERATING COST ANALYSIS IV:
Florida East Coast Region***

- **Jacksonville, Florida**
- **Orlando, Florida**
- **Palm Beach County, Florida**
- **Broward County, Florida**
- **Miami, Florida**

**A COMPARATIVE OPERATING
COST ANALYSIS**

**INFORMATION ASSURANCE
SITE SELECTION**

**EXHIBIT I
COMPARATIVE ANNUAL OPERATING COST SIMULATION SUMMARY(1)**

	Jacksonville FL	Orlando FL	Palm Beach County FL	Broward County FL	Miami FL
Labor Costs (2)					
Weighted Average Annual Earnings	\$58,117	\$57,571	\$58,420	\$57,692	\$60,665
Annual Base Payroll Costs	\$8,717,550	\$8,635,650	\$8,763,000	\$8,653,800	\$9,099,750
Fringe Benefits	\$3,225,494	\$3,195,191	\$3,242,310	\$3,201,906	\$3,366,908
Total Annual Labor Costs	\$11,943,044	\$11,830,841	\$12,005,310	\$11,855,706	\$12,466,658
Electric Power Costs (3)	\$121,025	\$139,016	\$163,548	\$163,548	\$163,548
Amortization Costs (4)	\$3,447,050	\$3,589,691	\$3,868,678	\$4,007,201	\$4,139,456
Property and Sales Tax Costs (5)	\$801,623	\$820,343	\$882,350	\$948,998	\$1,066,384
Heating and Air Conditioning Costs (6)	\$325,043	\$425,662	\$560,360	\$588,381	\$591,874
Corporate Travel Costs (7)	\$241,530	\$270,841	\$249,991	\$237,885	\$258,594
Total Annual Geographically- Variable Operating Costs	\$16,879,315	\$17,076,394	\$17,730,237	\$17,801,719	\$18,686,514

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.
- (7) See Exhibit VII.

**A COMPARATIVE OPERATING
COST ANALYSIS**

**INFORMATION ASSURANCE
SITE SELECTION**

**EXHIBIT II
COMPARATIVE ANNUAL LABOR COSTS**

Job Title	Number of Workers	Jacksonville FL	Orlando FL	Palm Beach County FL	Broward County FL	Miami FL
I.T. Group						
Medical Data Security Analyst	12	\$65,446	\$64,831	\$65,787	\$64,968	\$68,315
Medical Data Security Analyst, Sr.	6	\$83,583	\$82,797	\$84,019	\$82,972	\$87,247
Medical Data Security Analyst Manager	2	\$101,019	\$100,070	\$101,546	\$100,281	\$105,448
EDP Auditor	4	\$64,723	\$64,115	\$65,061	\$64,251	\$67,561
EDP Auditor, Sr.	2	\$79,629	\$78,881	\$80,045	\$79,047	\$83,120
I.S. Security Manager	2	\$107,275	\$106,267	\$107,835	\$106,491	\$111,978
Information Technology Auditor I	4	\$52,051	\$51,562	\$52,323	\$51,671	\$54,333
Information Technology Auditor II	2	\$64,046	\$63,444	\$64,380	\$63,578	\$66,854
Information Technology Auditor III	2	\$80,365	\$79,610	\$80,784	\$79,777	\$83,888
Network Systems Group						
Network Administrator I	4	\$48,942	\$48,483	\$49,198	\$48,585	\$51,088
Network Administrator II	2	\$59,070	\$58,515	\$59,379	\$58,639	\$61,660
Network Administrator III	2	\$70,470	\$69,808	\$70,838	\$69,956	\$73,560
Network Engineer I	4	\$63,344	\$62,749	\$63,675	\$62,881	\$66,121
Network Engineer II	2	\$74,303	\$73,605	\$74,691	\$73,761	\$77,561
Network Engineer III	2	\$89,754	\$88,911	\$90,223	\$89,098	\$93,689
Network Security Systems Manager	2	\$94,415	\$93,528	\$94,908	\$93,725	\$98,554
Security Administrator	6	\$77,399	\$76,672	\$77,803	\$76,833	\$80,792
Systems Administrator	4	\$70,859	\$70,194	\$71,229	\$70,342	\$73,966
Systems Administrator, Sr.	2	\$86,120	\$85,311	\$86,570	\$85,491	\$89,896
Telecom Group						
Telecommunications Engineer I	4	\$54,217	\$53,708	\$54,500	\$53,821	\$56,594
Telecommunications Engineer II	2	\$65,753	\$65,136	\$66,096	\$65,273	\$68,636
Telecommunications Engineer III	2	\$76,694	\$75,973	\$77,094	\$76,133	\$80,056
Telecommunications Manager	2	\$98,739	\$97,812	\$99,254	\$98,018	\$103,068
Test Engineer I	4	\$55,323	\$54,803	\$55,611	\$54,918	\$57,748
Test Engineer II	2	\$66,131	\$65,509	\$66,476	\$65,648	\$69,030
Test Engineer III	2	\$74,467	\$73,768	\$74,856	\$73,923	\$77,732

**A COMPARATIVE OPERATING
COST ANALYSIS**

**INFORMATION ASSURANCE
SITE SELECTION**

**EXHIBIT II
COMPARATIVE ANNUAL LABOR COSTS**

	Number of Workers	Jacksonville FL	Orlando FL	Palm Beach County FL	Broward County FL	Miami FL
Health Information & Web Security Group						
Medical Records Technician I	12	\$27,589	\$27,330	\$27,733	\$27,388	\$28,799
Medical Records Technician II	6	\$37,424	\$37,073	\$37,620	\$37,151	\$39,065
Medical Records Technician III	2	\$41,386	\$40,997	\$41,602	\$41,083	\$43,200
Fraud Prevention Associate I	12	\$35,408	\$35,075	\$35,592	\$35,149	\$36,960
Fraud Prevention Associate II	6	\$40,475	\$40,094	\$40,686	\$40,179	\$42,249
Fraud Prevention Associate III	2	\$53,599	\$53,096	\$53,879	\$53,207	\$55,949
Fraud Prevention Manager	2	\$69,682	\$69,027	\$70,046	\$69,173	\$72,737
Web Security Administrator	4	\$89,116	\$88,279	\$89,581	\$88,465	\$93,023
Web Security Manager	2	\$124,480	\$123,310	\$125,129	\$123,570	\$129,937
Support Group						
Administrative Assistant	8	\$35,959	\$35,622	\$36,147	\$35,697	\$37,536
Secretary I	4	\$26,908	\$26,656	\$27,049	\$26,712	\$28,088
Secretary II	4	\$29,536	\$29,259	\$29,690	\$29,320	\$30,831
Executive Secretary	2	\$40,200	\$39,822	\$40,409	\$39,906	\$41,962
Total Workers	150					
Weighted Average Annual Earnings ⁽¹⁾		\$58,117	\$57,571	\$58,420	\$57,692	\$60,665
Total Annual Base Payroll Costs		\$8,717,550	\$8,635,650	\$8,763,000	\$8,653,800	\$9,099,750
Fringe Benefits ⁽²⁾		\$3,225,494	\$3,195,191	\$3,242,310	\$3,201,906	\$3,366,908
Total Annual Labor Costs		\$11,943,044	\$11,830,841	\$12,005,310	\$11,855,706	\$12,466,658

NOTES:

- (1) For mature health care information assurance center in third year of operation based on current wage rates and benefits. Wage rates reflect Boyd location experience, field research, and Boyd BizCosts® data bank in Princeton. Job descriptions reflect a representative mix of key positions for a 150 worker center.
- (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.

**EXHIBIT III
ANNUAL ELECTRIC POWER COST COMPARISONS (1)**

Location	Electric Utility Company	Annual Electric Power Cost (1)	Annual Cost Per kWh (cents)
Jacksonville, FL	Jacksonville Electric Authority	\$121,025	5.60
Orlando, FL	Orlando Utilities	\$139,016	6.40
Palm Beach County, FL	Florida Power and Light Company	\$163,548	7.60
Broward County, FL	Florida Power and Light Company	\$163,548	7.60
Miami, FL	Florida Power and Light Company	\$163,548	7.60

NOTES:

- (1) Based on assumed monthly demand of 500 kW and 180,000 kWh monthly consumption.
Annual costs reflect comparative commercial general service rates.

**EXHIBIT IV
COMPARATIVE LAND, CONSTRUCTION AND AMORTIZATION COSTS**

	Jacksonville FL	Orlando FL	Palm Beach County FL	Broward County FL	Miami FL
Site Acquisition: No. of Acres	50	50	50	50	50
Cost per Acre (1)	\$63,560	\$85,350	\$155,000	\$185,000	\$210,000
Site Improvement Cost (2)	--	--	--	--	--
Total Land Cost	\$3,178,000	\$4,267,500	\$7,750,000	\$9,250,000	\$10,500,000
Construction Cost (3)	\$16,359,189	\$17,009,216	\$16,929,000	\$17,118,302	\$17,481,170
Machinery and Equipment	\$22,500,000	\$22,500,000	\$22,500,000	\$22,500,000	\$22,500,000
Total Project Investment	\$42,037,189	\$43,776,716	\$47,179,000	\$48,868,302	\$50,481,170
Project Amortization					
Cost of Funds (Interest)	6.5	6.5	6.5	6.5	6.5
Payment Factor (4)	0.0820	0.0820	0.0820	0.0820	0.0820
Total Annual Amortization	\$3,447,050	\$3,589,691	\$3,868,678	\$4,007,201	\$4,139,456

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 within a controlled business park setting.
- (2) Land preparation costs limited to normal grading and held constant for purposes of analysis.
- (3) Based on construction of fully equipped 150,000 sq. ft. health care information assurance center. Geographic differentials in building costs are based on latest Boyd BizCosts ® construction cost index data.
- (4) Assumes 25-year level amortization payments at 6.5 percent.

EXHIBIT V
AD VALOREM AND SALES TAX COSTS

	Jacksonville FL	Orlando FL	Palm Beach County FL	Broward County FL	Miami FL
Real Property Tax Cost					
Land Cost (1)	\$3,178,000	\$4,267,500	\$7,750,000	\$9,250,000	\$10,500,000
Building Cost (2)	\$16,359,189	\$17,009,216	\$16,929,000	\$17,118,302	\$17,481,170
Total	\$19,537,189	\$21,276,716	\$24,679,000	\$26,368,302	\$27,981,170
Effective Tax Rate (3)	\$18.10	\$17.50	\$17.60	\$19.00	\$22.10
Real Property Tax Cost	\$353,623	\$372,343	\$434,350	\$500,998	\$618,384
Sales Tax Cost					
Taxable Goods Purchases	\$7,000,000	\$7,000,000	\$7,000,000	\$7,000,000	\$7,000,000
Sales Tax Rate (Percent)	6.40	6.40	6.40	6.40	6.40
Total Annual Sales Tax Cost (4)	\$448,000	\$448,000	\$448,000	\$448,000	\$448,000
Total Annual Ad Valorem and Sales Tax Costs	\$801,623	\$820,343	\$882,350	\$948,998	\$1,066,384

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 metropolitan area.
- (4) Based on prevailing local and state sales tax levies on taxable purchases of supplies, furnishings, equipment and other taxable goods. Does not include sales tax rebates which could be available at selected locations.

**EXHIBIT VI
COMPARATIVE SPACE HEATING AND AIR CONDITIONING COSTS**

	Jacksonville FL	Orlando FL	Palm Beach County FL	Broward County FL	Miami FL
Space Heating					
Heating Degree Days	1,327	733	299	280	206
Annual Cost (1)	\$47,593	\$29,821	\$14,618	\$14,618	\$8,771
Air Conditioning					
Cooling Degree Days	2,596	3,226	3,786	3,982	4,038
Annual Cost (2)	\$277,450	\$395,841	\$545,742	\$573,763	\$583,103
Total Heating and Air Conditioning Costs	\$325,043	\$425,662	\$560,360	\$588,381	\$591,874

NOTES:

- (1) Based on variances in heating degree days and power cost differentials at alternate locations. Assumes heating of 150,000 sq. ft. of information assurance center space.
- (2) Based on variances in cooling degree days and power cost differentials at alternate locations. Assumes air conditioning of 150,000 sq. ft. of information assurance center space.

EXHIBIT VII
COMPARATIVE ANNUAL ON-SITE CORPORATE TRAVEL COSTS

Location	Per Diem Cost (1)	Annual Travel Days (2)	Total Annual Corporate Travel Cost
Jacksonville, FL	\$290.30	832	\$241,530
Orlando, FL	\$325.53	832	\$270,841
Palm Beach County, FL	\$300.47	832	\$249,991
Broward County, FL	\$285.92	832	\$237,885
Miami, FL	\$310.81	832	\$258,594

NOTES:

- (1) Reflects the estimated daily cost of corporate traveler lodging, three meals, rental car/local transit, and other incidentals based on latest BizCosts® data.
- (2) Based on an average of 16 billable per diem travel days per week at each of the destination locations.

***COMPARATIVE OPERATING COST ANALYSIS V:
Florida Gulf Coast Region***

- **Lee County, Florida**
- **Sarasota/Bradenton, Florida**
- **Tampa/St. Petersburg, Florida**
- **Ft. Walton/Destin, Florida**
- **Pensacola, Florida**

EXHIBIT I
COMPARATIVE ANNUAL OPERATING COST SIMULATION SUMMARY(1)

	Lee County FL	Sarasota/ Brandenton FL	Tampa/ St. Petersburg FL	Ft. Walton/ Destin FL	Pensacola FL
Labor Costs (2)					
Weighted Average Annual Earnings	\$56,964	\$57,268	\$59,694	\$55,933	\$56,297
Annual Base Payroll Costs	\$8,544,600	\$8,590,200	\$8,954,100	\$8,389,950	\$8,444,550
Fringe Benefits	\$3,161,502	\$3,178,374	\$3,313,017	\$3,104,282	\$3,124,484
Total Annual Labor Costs	\$11,706,102	\$11,768,574	\$12,267,117	\$11,494,232	\$11,569,034
Electric Power Costs (3)	\$163,548	\$163,548	\$163,548	\$142,488	\$142,488
Amortization Costs (4)	\$3,653,308	\$3,736,950	\$3,830,184	\$3,426,317	\$3,460,098
Property and Sales Tax Costs (5)	\$710,425	\$717,949	\$818,406	\$741,122	\$780,868
Heating and Air Conditioning Costs (6)	\$555,786	\$528,531	\$520,633	\$386,983	\$404,923
Corporate Travel Costs (7)	\$233,792	\$220,480	\$278,495	\$195,245	\$204,672
Total Annual Geographically- Variable Operating Costs	\$17,022,961	\$17,136,032	\$17,878,383	\$16,386,387	\$16,562,083

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.
- (7) See Exhibit VII.

**A COMPARATIVE OPERATING
COST ANALYSIS**

**INFORMATION ASSURANCE
SITE SELECTION**

**EXHIBIT II
COMPARATIVE ANNUAL LABOR COSTS**

Job Title	Number of Workers	Lee County FL	Sarasota/ Bradenton FL	Tampa/ St. Petersburg FL	Ft. Walton/ Destin FL	Pensacola FL
I.T. Group						
Medical Data Security Analyst	12	\$64,148	\$64,489	\$67,222	\$62,986	\$63,396
Medical Data Security Analyst, Sr.	6	\$81,925	\$82,361	\$85,851	\$80,442	\$80,965
Medical Data Security Analyst Manager	2	\$99,016	\$99,543	\$103,761	\$97,223	\$97,856
EDP Auditor	4	\$63,440	\$63,778	\$66,480	\$62,291	\$62,697
EDP Auditor, Sr.	2	\$78,050	\$78,465	\$81,790	\$76,637	\$77,135
I.S. Security Manager	2	\$105,147	\$105,707	\$110,186	\$103,244	\$103,916
Information Technology Auditor I	4	\$51,019	\$51,290	\$53,464	\$50,095	\$50,421
Information Technology Auditor II	2	\$62,776	\$63,110	\$65,784	\$61,639	\$62,041
Information Technology Auditor III	2	\$78,771	\$79,190	\$82,546	\$77,345	\$77,848
Network Systems Group						
Network Administrator I	4	\$47,972	\$48,227	\$50,271	\$47,103	\$47,410
Network Administrator II	2	\$57,899	\$58,207	\$60,673	\$56,851	\$57,221
Network Administrator III	2	\$69,073	\$69,441	\$72,383	\$67,822	\$68,264
Network Engineer I	4	\$62,088	\$62,418	\$65,063	\$60,964	\$61,360
Network Engineer II	2	\$72,830	\$73,218	\$76,320	\$71,511	\$71,977
Network Engineer III	2	\$87,974	\$88,442	\$92,190	\$86,381	\$86,943
Network Security Systems Manager	2	\$92,542	\$93,035	\$96,977	\$90,867	\$91,458
Security Administrator	6	\$75,864	\$76,268	\$79,499	\$74,490	\$74,975
Systems Administrator	4	\$69,454	\$69,824	\$72,783	\$68,197	\$68,641
Systems Administrator, Sr.	2	\$84,412	\$84,862	\$88,458	\$82,884	\$83,424
Telecom Group						
Telecommunications Engineer I	4	\$53,142	\$53,425	\$55,689	\$52,180	\$52,519
Telecommunications Engineer II	2	\$64,449	\$64,792	\$67,538	\$63,282	\$63,694
Telecommunications Engineer III	2	\$75,173	\$75,573	\$78,775	\$73,812	\$74,292
Telecommunications Manager	2	\$96,781	\$97,296	\$101,419	\$95,029	\$95,647
Test Engineer I	4	\$54,225	\$54,514	\$56,824	\$53,244	\$53,590
Test Engineer II	2	\$64,819	\$65,164	\$67,926	\$63,646	\$64,060
Test Engineer III	2	\$72,990	\$73,379	\$76,488	\$71,669	\$72,135

**EXHIBIT II
COMPARATIVE ANNUAL LABOR COSTS**

	Number of Workers	Lee County FL	Sarasota/ Bradenton FL	Tampa/ St. Petersburg FL	Ft. Walton/ Destin FL	Pensacola FL
Health Information & Web Security Group						
Medical Records Technician I	12	\$27,042	\$27,186	\$28,338	\$26,553	\$26,726
Medical Records Technician II	6	\$36,682	\$36,877	\$38,440	\$36,018	\$36,252
Medical Records Technician III	2	\$40,565	\$40,781	\$42,509	\$39,830	\$40,090
Fraud Prevention Associate I	12	\$34,705	\$34,890	\$36,369	\$34,077	\$34,299
Fraud Prevention Associate II	6	\$39,672	\$39,883	\$41,573	\$38,954	\$39,207
Fraud Prevention Associate III	2	\$52,536	\$52,816	\$55,054	\$51,585	\$51,921
Fraud Prevention Manager	2	\$68,300	\$68,664	\$71,573	\$67,064	\$67,500
Web Security Administrator	4	\$87,349	\$87,814	\$91,535	\$85,767	\$86,325
Web Security Manager	2	\$122,011	\$122,661	\$127,858	\$119,802	\$120,582
Support Group						
Administrative Assistant	8	\$35,246	\$35,434	\$36,935	\$34,608	\$34,833
Secretary I	4	\$26,375	\$26,515	\$27,639	\$25,897	\$26,066
Secretary II	4	\$28,950	\$29,105	\$30,338	\$28,426	\$28,611
Executive Secretary	2	\$39,402	\$39,612	\$41,291	\$38,689	\$38,941
Total Workers	150					
Weighted Average Annual Earnings (1)		\$56,964	\$57,268	\$59,694	\$55,933	\$56,297
Total Annual Base Payroll Costs		\$8,544,600	\$8,590,200	\$8,954,100	\$8,389,950	\$8,444,550
Fringe Benefits (2)		\$3,161,502	\$3,178,374	\$3,313,017	\$3,104,282	\$3,124,484
Total Annual Labor Costs		\$11,706,102	\$11,768,574	\$12,267,117	\$11,494,232	\$11,569,034

NOTES:

- (1) For mature health care information assurance center in third year of operation based on current wage rates and benefits. Wage rates reflect Boyd location experience, field research, and Boyd BizCosts® data bank in Princeton. Job descriptions reflect a representative mix of key positions for a 150 worker center.
- (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.

**EXHIBIT III
ANNUAL ELECTRIC POWER COST COMPARISONS (1)**

Location	Electric Utility Company	Annual Electric Power Cost (1)	Annual Cost Per kWh (cents)
Lee County, FL	Florida Power and Light Company	\$163,548	7.57
Sarasota/ Bradenton, FL	Florida Power and Light Company	\$163,548	7.57
Tampa/ St. Petersburg, FL	Florida Power and Light Company	\$163,548	7.57
Ft. Walton/ Destin, FL	Gulf Power	\$142,488	6.60
Pensacola, FL	Gulf Power	\$142,488	6.60

NOTES:

- (1) Based on assumed monthly demand of 500 kW and 180,000 kWh monthly consumption.
Annual costs reflect comparative commercial general service rates.

**EXHIBIT IV
COMPARATIVE LAND, CONSTRUCTION AND AMORTIZATION COSTS**

	Lee County FL	Sarasota/ Bradenton FL	Tampa/ St. Petersburg FL	Ft. Walton/ Destin FL	Pensacola FL
Site Acquisition: No. of Acres	50	50	50	50	50
Cost per Acre (1)	\$108,800	\$121,600	\$133,120	\$65,000	\$70,000
Site Improvement Cost (2)	--	--	--	--	--
Total Land Cost	\$5,440,000	\$6,080,000	\$6,656,000	\$3,250,000	\$3,500,000
Construction Cost (3)	\$16,612,540	\$16,992,567	\$17,553,556	\$16,034,358	\$16,196,322
Machinery and Equipment	\$22,500,000	\$22,500,000	\$22,500,000	\$22,500,000	\$22,500,000
Total Project Investment	\$44,552,540	\$45,572,567	\$46,709,556	\$41,784,358	\$42,196,322
Project Amortization					
Cost of Funds (Interest)	6.5	6.5	6.5	6.5	6.5
Payment Factor (4)	0.0820	0.0820	0.0820	0.0820	0.0820
Total Annual Amortization	\$3,653,308	\$3,736,950	\$3,830,184	\$3,426,317	\$3,460,098

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 within a controlled business park setting.
- (2) Land preparation costs limited to normal grading and held constant for purposes of analysis.
- (3) Based on construction of fully equipped 150,000 sq. ft. health care information assurance center. Geographic differentials in building costs are based on latest Boyd BizCosts[®] construction cost index data.
- (4) Assumes 25-year level amortization payments at 6.5 percent.

**EXHIBIT V
AD VALOREM AND SALES TAX COSTS**

	Lee County FL	Sarasota/ Bradenton FL	Tampa/ St. Petersburg FL	Ft. Walton/ Destin FL	Pensacola FL
Real Property Tax Cost					
Land Cost (1)	\$5,440,000	\$6,080,000	\$6,656,000	\$3,250,000	\$3,500,000
Building Cost (2)	\$16,612,540	\$16,992,567	\$17,553,556	\$16,034,358	\$16,196,322
Total	\$22,052,540	\$23,072,567	\$24,209,556	\$19,284,358	\$19,696,322
Effective Tax Rate (3)	\$11.90	\$11.70	\$15.30	\$15.20	\$16.90
Real Property Tax Cost	\$262,425	\$269,949	\$370,406	\$293,122	\$332,868
Sales Tax Cost					
Taxable Goods Purchases	\$7,000,000	\$7,000,000	\$7,000,000	\$7,000,000	\$7,000,000
Sales Tax Rate (Percent)	6.40	6.40	6.40	6.40	6.40
Total Annual Sales Tax Cost (4)	\$448,000	\$448,000	\$448,000	\$448,000	\$448,000
Total Annual Ad Valorem and Sales Tax Costs	\$710,425	\$717,949	\$818,406	\$741,122	\$780,868

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 metropolitan area.
- (4) Based on prevailing local and state sales tax levies on taxable purchases of supplies, furnishings, equipment and other taxable goods. Does not include sales tax rebates which could be available at selected locations.

**EXHIBIT VI
COMPARATIVE SPACE HEATING AND AIR CONDITIONING COSTS**

	Lee County FL	Sarasota/ Bradenton FL	Tampa/ St. Petersburg FL	Ft. Walton/ Destin FL	Pensacola FL
Space Heating					
Heating Degree Days	457	668	718	1,428	1,578
Annual Cost (1)	\$20,465	\$32,159	\$35,083	\$58,583	\$66,224
Air Conditioning					
Cooling Degree Days	3,711	3,441	3,366	2,613	2,695
Annual Cost (2)	\$535,321	\$496,372	\$485,550	\$328,400	\$338,699
Total Heating and Air Conditioning Costs	\$555,786	\$528,531	\$520,633	\$386,983	\$404,923

NOTES:

- (1) Based on variances in heating degree days and power cost differentials at alternate locations. Assumes heating of 150,000 sq. ft. of information assurance center space.
- (2) Based on variances in cooling degree days and power cost differentials at alternate locations. Assumes air conditioning of 150,000 sq. ft. of information assurance center space.

**EXHIBIT VII
COMPARATIVE ANNUAL ON-SITE CORPORATE TRAVEL COSTS**

Location	Per Diem Cost (1)	Annual Travel Days (2)	Total Annual Corporate Travel Cost
Lee County, FL	\$281.00	832	\$233,792
Sarasota/ Bradenton, FL	\$265.00	832	\$220,480
Tampa/ St. Petersburg, FL	\$334.73	832	\$278,495
Ft. Walton/ Destin, FL	\$234.67	832	\$195,245
Pensacola, FL	\$246.00	832	\$204,672

NOTES:

- (1) Reflects the estimated daily cost of corporate traveler lodging, three meals, rental car/local transit, and other incidentals based on latest BizCosts® data.
- (2) Based on an average of 16 billable per diem travel days per week at each of the destination locations.

***COMPARATIVE OPERATING COST ANALYSIS VI:
East North Central Region***

- **Cleveland, Ohio**
- **Columbus, Ohio**
- **Chicago, Illinois**
- **Ft. Wayne, Indiana**
- **Milwaukee, Wisconsin**

EXHIBIT I
COMPARATIVE ANNUAL OPERATING COST SIMULATION SUMMARY(1)

	Cleveland OH	Columbus OH	Chicago IL	Ft. Wayne IN	Milwaukee WI
Labor Costs (2)					
Weighted Average Annual Earnings	\$62,503	\$61,647	\$69,331	\$60,003	\$64,400
Annual Base Payroll Costs	\$9,375,450	\$9,247,050	\$10,399,650	\$9,000,450	\$9,660,000
Fringe Benefits	\$3,468,917	\$3,421,409	\$3,847,871	\$3,330,167	\$3,574,200
Total Annual Labor Costs	\$12,844,367	\$12,668,459	\$14,247,521	\$12,330,617	\$13,234,200
Electric Power Costs (3)	\$238,956	\$129,996	\$163,416	\$128,952	\$167,892
Amortization Costs (4)	\$3,835,474	\$3,604,579	\$4,135,200	\$3,488,369	\$3,675,411
Property and Sales Tax Costs (5)	\$982,764	\$788,853	\$1,141,636	\$576,464	\$1,052,127
Heating and Air Conditioning Costs (6)	\$497,529	\$257,097	\$426,000	\$319,595	\$383,299
Corporate Travel Costs (7)	\$254,367	\$227,660	\$319,496	\$218,234	\$213,774
Total Annual Geographically- Variable Operating Costs	\$18,653,457	\$17,676,644	\$20,433,269	\$17,062,231	\$18,726,703

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.
- (7) See Exhibit VII.

**A COMPARATIVE OPERATING
COST ANALYSIS**

**INFORMATION ASSURANCE
SITE SELECTION**

**EXHIBIT II
COMPARATIVE ANNUAL LABOR COSTS**

Job Title	Number of Workers	Cleveland OH	Columbus OH	Chicago IL	Ft. Wayne IN	Milwaukee WI
I.T. Group						
Medical Data Security Analyst	12	\$70,385	\$69,421	\$78,072	\$67,570	\$72,521
Medical Data Security Analyst, Sr.	6	\$89,890	\$88,659	\$99,708	\$86,294	\$92,618
Medical Data Security Analyst Manager	2	\$108,644	\$107,156	\$120,508	\$104,298	\$111,940
EDP Auditor	4	\$69,608	\$68,655	\$77,210	\$66,824	\$71,720
EDP Auditor, Sr.	2	\$85,639	\$84,465	\$94,991	\$82,213	\$88,237
I.S. Security Manager	2	\$115,371	\$113,791	\$127,970	\$110,756	\$118,872
Information Technology Auditor I	4	\$55,979	\$55,213	\$62,093	\$53,740	\$57,678
Information Technology Auditor II	2	\$68,879	\$67,936	\$76,401	\$66,124	\$70,969
Information Technology Auditor III	2	\$86,430	\$85,247	\$95,870	\$82,973	\$89,053
Network Systems Group						
Network Administrator I	4	\$52,636	\$51,915	\$58,384	\$50,531	\$54,233
Network Administrator II	2	\$63,529	\$62,659	\$70,466	\$60,988	\$65,456
Network Administrator III	2	\$75,789	\$74,751	\$84,066	\$72,757	\$78,089
Network Engineer I	4	\$68,125	\$67,192	\$75,564	\$65,400	\$70,191
Network Engineer II	2	\$79,912	\$78,817	\$88,639	\$76,716	\$82,337
Network Engineer III	2	\$96,529	\$95,206	\$107,069	\$92,668	\$99,457
Network Security Systems Manager	2	\$101,540	\$100,149	\$112,629	\$97,478	\$104,621
Security Administrator	6	\$83,239	\$82,099	\$92,331	\$79,909	\$85,766
Systems Administrator	4	\$76,206	\$75,163	\$84,529	\$73,158	\$78,518
Systems Administrator, Sr.	2	\$92,620	\$91,351	\$102,735	\$88,915	\$95,430
Telecom Group						
Telecommunications Engineer I	4	\$58,309	\$57,510	\$64,677	\$55,977	\$60,078
Telecommunications Engineer II	2	\$70,716	\$69,748	\$78,438	\$67,887	\$72,862
Telecommunications Engineer III	2	\$82,482	\$81,351	\$91,489	\$79,183	\$84,984
Telecommunications Manager	2	\$106,191	\$104,737	\$117,788	\$101,943	\$109,413
Test Engineer I	4	\$59,497	\$58,683	\$65,995	\$57,117	\$61,303
Test Engineer II	2	\$71,121	\$70,147	\$78,887	\$68,276	\$73,279
Test Engineer III	2	\$80,088	\$78,990	\$88,833	\$76,885	\$82,518

**A COMPARATIVE OPERATING
COST ANALYSIS**

**INFORMATION ASSURANCE
SITE SELECTION**

**EXHIBIT II
COMPARATIVE ANNUAL LABOR COSTS**

	Number of Workers	Cleveland OH	Columbus OH	Chicago IL	Ft. Wayne IN	Milwaukee WI
Health Information & Web Security Group						
Medical Records Technician I	12	\$29,672	\$29,265	\$32,915	\$28,485	\$30,572
Medical Records Technician II	6	\$40,248	\$39,697	\$44,648	\$38,638	\$41,469
Medical Records Technician III	2	\$44,510	\$43,900	\$49,376	\$42,730	\$45,860
Fraud Prevention Associate I	12	\$38,081	\$37,559	\$42,244	\$36,558	\$39,236
Fraud Prevention Associate II	6	\$43,529	\$42,933	\$48,288	\$41,788	\$44,850
Fraud Prevention Associate III	2	\$57,644	\$56,854	\$63,946	\$55,338	\$59,393
Fraud Prevention Manager	2	\$74,942	\$73,914	\$83,135	\$71,944	\$77,215
Web Security Administrator	4	\$95,842	\$94,529	\$106,319	\$92,008	\$98,749
Web Security Manager	2	\$133,873	\$132,039	\$148,509	\$128,518	\$137,936
Support Group						
Administrative Assistant	8	\$38,674	\$38,144	\$42,901	\$37,127	\$39,847
Secretary I	4	\$28,939	\$28,542	\$32,101	\$27,781	\$29,817
Secretary II	4	\$31,764	\$31,329	\$35,237	\$30,493	\$32,729
Executive Secretary	2	\$43,235	\$42,642	\$47,961	\$41,506	\$44,546
Total Workers	150					
Weighted Average Annual Earnings (1)		\$62,503	\$61,647	\$69,331	\$60,003	\$64,400
Total Annual Base Payroll Costs		\$9,375,450	\$9,247,050	\$10,399,650	\$9,000,450	\$9,660,000
Fringe Benefits (2)		\$3,468,917	\$3,421,409	\$3,847,871	\$3,330,167	\$3,574,200
Total Annual Labor Costs		\$12,844,367	\$12,668,459	\$14,247,521	\$12,330,617	\$13,234,200

NOTES:

- (1) For mature health care information assurance center in third year of operation based on current wage rates and benefits. Wage rates reflect Boyd location experience, field research, and Boyd BizCosts® data bank in Princeton. Job descriptions reflect a representative mix of key positions for a 150 worker center.
- (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.

**EXHIBIT III
ANNUAL ELECTRIC POWER COST COMPARISONS ⁽¹⁾**

Location	Electric Utility Company	Annual Electric Power Cost (1)	Annual Cost Per kWh (cents)
Cleveland, OH	Cleveland Electric Illuminating Compa	\$238,956	11.06
Columbus, OH	AEP- Columbus Southern Power	\$129,996	6.02
Chicago, IL	Commonwealth Edison Company	\$163,416	7.57
Ft. Wayne, IN	AEP	\$128,952	5.97
Milwaukee, WI	Wisconsin Electric Power Company	\$167,892	7.77

NOTES:

- (1) Based on assumed monthly demand of 500 kW and 180,000 kWh monthly consumption.
Annual costs reflect comparative commercial general service rates.

**EXHIBIT IV
COMPARATIVE LAND, CONSTRUCTION AND AMORTIZATION COSTS**

	Cleveland OH	Columbus OH	Chicago IL	Ft. Wayne IN	Milwaukee WI
Site Acquisition: No. of Acres	50	50	50	50	50
Cost per Acre (1)	\$75,000	\$35,000	\$110,000	\$37,000	\$40,000
Site Improvement Cost (2)	--	--	--	--	--
Total Land Cost	\$3,750,000	\$1,750,000	\$5,500,000	\$1,850,000	\$2,000,000
Construction Cost (3)	\$20,524,068	\$19,708,280	\$22,429,265	\$18,191,082	\$20,322,090
Machinery and Equipment	\$22,500,000	\$22,500,000	\$22,500,000	\$22,500,000	\$22,500,000
Total Project Investment	\$46,774,068	\$43,958,280	\$50,429,265	\$42,541,082	\$44,822,090
Project Amortization					
Cost of Funds (Interest)	6.5	6.5	6.5	6.5	6.5
Payment Factor (4)	0.0820	0.0820	0.0820	0.0820	0.0820
Total Annual Amortization	\$3,835,474	\$3,604,579	\$4,135,200	\$3,488,369	\$3,675,411

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 within a controlled business park setting.
- (2) Land preparation costs limited to normal grading and held constant for purposes of analysis.
- (3) Based on construction of fully equipped 150,000 sq. ft. health care information assurance center. Geographic differentials in building costs are based on latest Boyd BizCosts® construction cost index data.
- (4) Assumes 25-year level amortization payments at 6.5 percent.

**EXHIBIT V
AD VALOREM AND SALES TAX COSTS**

	Cleveland OH	Columbus OH	Chicago IL	Ft. Wayne IN	Milwaukee WI
Real Property Tax Cost					
Land Cost (1)	\$3,750,000	\$1,750,000	\$5,500,000	\$1,850,000	\$2,000,000
Building Cost (2)	\$20,524,068	\$19,708,280	\$22,429,265	\$18,191,082	\$20,322,090
Total	\$24,274,068	\$21,458,280	\$27,929,265	\$20,041,082	\$22,322,090
Effective Tax Rate (3)	\$20.30	\$16.70	\$20.70	\$11.30	\$30.20
Real Property Tax Cost	\$492,764	\$358,353	\$578,136	\$226,464	\$674,127
Sales Tax Cost					
Taxable Goods Purchases	\$7,000,000	\$7,000,000	\$7,000,000	\$7,000,000	\$7,000,000
Sales Tax Rate (Percent)	7.00	6.15	8.05	5.00	5.40
Total Annual Sales Tax Cost (4)	\$490,000	\$430,500	\$563,500	\$350,000	\$378,000
Total Annual Ad Valorem and Sales Tax Costs	\$982,764	\$788,853	\$1,141,636	\$576,464	\$1,052,127

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 metropolitan area.
- (4) Based on prevailing local and state sales tax levies on taxable purchases of supplies, furnishings, equipment and other taxable goods. Does not include sales tax rebates which could be available at selected locations.

EXHIBIT VI
COMPARATIVE SPACE HEATING AND AIR CONDITIONING COSTS

	Cleveland OH	Columbus OH	Chicago IL	Ft. Wayne IN	Milwaukee WI
Space Heating					
Heating Degree Days	6,154	5,702	6,127	6,209	7,444
Annual Cost (1)	\$381,991	\$179,923	\$292,500	\$234,168	\$324,073
Air Conditioning					
Cooling Degree Days	613	809	925	748	450
Annual Cost (2)	\$115,538	\$77,174	\$133,500	\$85,427	\$59,226
Total Heating and Air Conditioning Costs	\$497,529	\$257,097	\$426,000	\$319,595	\$383,299

NOTES:

- (1) Based on variances in heating degree days and power cost differentials at alternate locations. Assumes heating of 150,000 sq. ft. of information assurance center space.
- (2) Based on variances in cooling degree days and power cost differentials at alternate locations. Assumes air conditioning of 150,000 sq. ft. of information assurance center space.

EXHIBIT VII
COMPARATIVE ANNUAL ON-SITE CORPORATE TRAVEL COSTS

Location	Per Diem Cost (1)	Annual Travel Days (2)	Total Annual Corporate Travel Cost
Cleveland, OH	\$305.73	832	\$254,367
Columbus, OH	\$273.63	832	\$227,660
Chicago, IL	\$384.01	832	\$319,496
Ft. Wayne, IN	\$262.30	832	\$218,234
Milwaukee, WI	\$256.94	832	\$213,774

NOTES:

- (1) Reflects the estimated daily cost of corporate traveler lodging, three meals, rental car/local transit, and other incidentals based on latest BizCosts® data.
- (2) Based on an average of 16 billable per diem travel days per week at each of the destination locations.

***COMPARATIVE OPERATING COST ANALYSIS VII:
West North Central Region***

- **Kansas City, Missouri**
- **Minneapolis/ St. Paul, Minnesota**
- **Des Moines, Iowa**
- **Omaha, Nebraska**
- **Sioux Falls, South Dakota**

EXHIBIT I
COMPARATIVE ANNUAL OPERATING COST SIMULATION SUMMARY(1)

	Kansas City	Minneapolis/ St. Paul	Des Moines	Omaha	Sioux Falls
	MO	MN	IA	NE	SD
Labor Costs (2)					
Weighted Average Annual Earnings	\$61,727	\$64,032	\$61,508	\$58,895	\$55,646
Annual Base Payroll Costs	\$9,259,050	\$9,604,800	\$9,226,200	\$8,834,250	\$8,346,900
Fringe Benefits	\$3,425,849	\$3,553,776	\$3,413,694	\$3,268,673	\$3,088,353
Total Annual Labor Costs	\$12,684,899	\$13,158,576	\$12,639,894	\$12,102,923	\$11,435,253
Electric Power Costs (3)	\$125,184	\$124,308	\$106,680	\$112,559	\$108,804
Amortization Costs (4)	\$3,803,443	\$3,960,573	\$3,506,808	\$3,686,364	\$3,256,753
Property and Sales Tax Costs (5)	\$1,069,174	\$1,532,049	\$766,548	\$905,848	\$830,614
Heating and Air Conditioning Costs (6)	\$337,423	\$360,227	\$296,131	\$315,087	\$317,762
Corporate Travel Costs (7)	\$243,219	\$261,573	\$217,593	\$218,092	\$182,607
Total Annual Geographically- Variable Operating Costs	\$18,263,342	\$19,397,306	\$17,533,654	\$17,340,873	\$16,131,793

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.
- (7) See Exhibit VII.

**A COMPARATIVE OPERATING
COST ANALYSIS**

**INFORMATION ASSURANCE
SITE SELECTION**

**EXHIBIT II
COMPARATIVE ANNUAL LABOR COSTS**

Job Title	Number of Workers	Kansas City MO	Minneapolis/ St. Paul MN	Des Moines IA	Omaha NE	Sioux Falls SD
I.T. Group						
Medical Data Security Analyst	12	\$69,512	\$72,108	\$69,265	\$66,323	\$62,664
Medical Data Security Analyst, Sr.	6	\$88,775	\$92,090	\$88,460	\$84,702	\$80,030
Medical Data Security Analyst Manager	2	\$107,295	\$111,302	\$106,914	\$102,373	\$96,725
EDP Auditor	4	\$68,744	\$71,311	\$68,499	\$65,590	\$61,972
EDP Auditor, Sr.	2	\$84,576	\$87,734	\$84,274	\$80,696	\$76,244
I.S. Security Manager	2	\$113,939	\$118,194	\$113,534	\$108,712	\$102,715
Information Technology Auditor I	4	\$55,284	\$57,349	\$55,088	\$52,749	\$49,839
Information Technology Auditor II	2	\$68,025	\$70,565	\$67,783	\$64,903	\$61,323
Information Technology Auditor III	2	\$85,358	\$88,546	\$85,055	\$81,442	\$76,949
Network Systems Group						
Network Administrator I	4	\$51,982	\$53,923	\$51,799	\$49,598	\$46,862
Network Administrator II	2	\$62,740	\$65,083	\$62,518	\$59,862	\$56,560
Network Administrator III	2	\$74,848	\$77,643	\$74,583	\$71,414	\$67,475
Network Engineer I	4	\$67,279	\$69,791	\$67,040	\$64,193	\$60,651
Network Engineer II	2	\$78,920	\$81,867	\$78,639	\$75,299	\$71,145
Network Engineer III	2	\$95,329	\$98,889	\$94,992	\$90,956	\$85,939
Network Security Systems Manager	2	\$100,279	\$104,024	\$99,923	\$95,679	\$90,401
Security Administrator	6	\$82,206	\$85,276	\$81,914	\$78,435	\$74,108
Systems Administrator	4	\$75,260	\$78,071	\$74,993	\$71,808	\$67,847
Systems Administrator, Sr.	2	\$91,470	\$94,886	\$91,146	\$87,274	\$82,460
Telecom Group						
Telecommunications Engineer I	4	\$57,585	\$59,735	\$57,381	\$54,943	\$51,912
Telecommunications Engineer II	2	\$69,838	\$72,446	\$69,589	\$66,634	\$62,958
Telecommunications Engineer III	2	\$81,458	\$84,500	\$81,169	\$77,721	\$73,433
Telecommunications Manager	2	\$104,874	\$108,790	\$104,501	\$100,062	\$94,542
Test Engineer I	4	\$58,760	\$60,954	\$58,550	\$56,064	\$52,971
Test Engineer II	2	\$70,238	\$72,861	\$69,988	\$67,015	\$63,319
Test Engineer III	2	\$79,093	\$82,047	\$78,813	\$75,464	\$71,302

**A COMPARATIVE OPERATING
COST ANALYSIS**

**INFORMATION ASSURANCE
SITE SELECTION**

**EXHIBIT II
COMPARATIVE ANNUAL LABOR COSTS**

Health Information & Web Security Group	Number of Workers	Minneapolis/				
		Kansas City MO	St. Paul MN	Des Moines IA	Omaha NE	Sioux Falls SD
Medical Records Technician I	12	\$29,303	\$30,397	\$29,199	\$27,958	\$26,416
Medical Records Technician II	6	\$39,748	\$41,232	\$39,607	\$37,925	\$35,833
Medical Records Technician III	2	\$43,957	\$45,598	\$43,800	\$41,940	\$39,627
Fraud Prevention Associate I	12	\$37,609	\$39,013	\$37,474	\$35,882	\$33,903
Fraud Prevention Associate II	6	\$42,989	\$44,594	\$42,836	\$41,016	\$38,754
Fraud Prevention Associate III	2	\$56,929	\$59,055	\$56,726	\$54,317	\$51,320
Fraud Prevention Manager	2	\$74,011	\$76,775	\$73,748	\$70,616	\$66,720
Web Security Administrator	4	\$94,652	\$98,187	\$94,316	\$90,310	\$85,328
Web Security Manager	2	\$132,212	\$137,149	\$131,742	\$126,146	\$119,187
Support Group						
Administrative Assistant	8	\$38,194	\$39,620	\$38,057	\$36,441	\$34,431
Secretary I	4	\$28,579	\$29,646	\$28,478	\$27,268	\$25,764
Secretary II	4	\$31,371	\$32,542	\$31,259	\$29,931	\$28,280
Executive Secretary	2	\$42,699	\$44,293	\$42,547	\$40,739	\$38,492
Total Workers	150					
Weighted Average Annual Earnings (1)		\$61,727	\$64,032	\$61,508	\$58,895	\$55,646
Total Annual Base Payroll Costs		\$9,259,050	\$9,604,800	\$9,226,200	\$8,834,250	\$8,346,900
Fringe Benefits (2)		\$3,425,849	\$3,553,776	\$3,413,694	\$3,268,673	\$3,088,353
Total Annual Labor Costs		\$12,684,899	\$13,158,576	\$12,639,894	\$12,102,923	\$11,435,253

NOTES:

- (1) For mature health care information assurance center in third year of operation based on current wage rates and benefits. Wage rates reflect Boyd location experience, field research, and Boyd BizCosts® data bank in Princeton. Job descriptions reflect a representative mix of key positions for a 150 worker center.
- (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.

**EXHIBIT III
ANNUAL ELECTRIC POWER COST COMPARISONS (1)**

Location	Electric Utility Company	Annual Electric Power Cost (1)	Annual Cost Per kWh (cents)
Kansas City, MO	Kansas City Power and Light	\$125,184	5.80
Minneapolis/St. Paul, MN	Xcel Energy	\$124,308	5.76
Des Moines, IA	MidAmerican Energy	\$106,680	4.94
Omaha, NE	Omaha Public Power District	\$112,559	5.21
Sioux Falls, SD	Xcel Energy	\$108,804	5.04

NOTES:

- (1) Based on assumed monthly demand of 500 kW and 180,000 kWh monthly consumption.
Annual costs reflect comparative commercial general service rates.

**EXHIBIT IV
COMPARATIVE LAND, CONSTRUCTION AND AMORTIZATION COSTS**

	Kansas City	Minneapolis/ St. Paul	Des Moines	Omaha	Sioux Falls
	MO	MN	IA	NE	SD
Site Acquisition: No. of Acres	50	50	50	50	50
Cost per Acre (1)	\$66,000	\$65,000	\$42,400	\$88,000	\$20,000
Site Improvement Cost (2)	--	--	--	--	--
Total Land Cost	\$3,300,000	\$3,250,000	\$2,120,000	\$4,400,000	\$1,000,000
Construction Cost (3)	\$20,583,457	\$22,549,674	\$18,145,942	\$18,055,664	\$16,216,500
Machinery and Equipment	\$22,500,000	\$22,500,000	\$22,500,000	\$22,500,000	\$22,500,000
Total Project Investment	\$46,383,457	\$48,299,674	\$42,765,942	\$44,955,664	\$39,716,500
Project Amortization					
Cost of Funds (Interest)	6.5	6.5	6.5	6.5	6.5
Payment Factor (4)	0.0820	0.0820	0.0820	0.0820	0.0820
Total Annual Amortization	\$3,803,443	\$3,960,573	\$3,506,808	\$3,686,364	\$3,256,753

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 within a controlled business park setting.
- (2) Land preparation costs limited to normal grading and held constant for purposes of analysis.
- (3) Based on construction of fully equipped 150,000 sq. ft. health care information assurance center. Geographic differentials in building costs are based on latest Boyd BizCosts® construction cost index data.
- (4) Assumes 25-year level amortization payments at 6.5 percent.

EXHIBIT V
AD VALOREM AND SALES TAX COSTS

	Kansas City MO	Minneapolis/ St. Paul MN	Des Moines IA	Omaha NE	Sioux Falls SD
Real Property Tax Cost					
Land Cost (1)	\$3,300,000	\$3,250,000	\$2,120,000	\$4,400,000	\$1,000,000
Building Cost (2)	\$20,583,457	\$22,549,674.00	\$18,145,942	\$18,055,664	\$16,216,500
Total	\$23,883,457	\$25,799,674	\$20,265,942	\$22,455,664	\$17,216,500
Effective Tax Rate (3)	\$24.25	\$40.39	\$17.10	\$21.48	\$23.85
Real Property Tax Cost	\$579,174	\$1,042,049	\$346,548	\$482,348	\$410,614
Sales Tax Cost					
Taxable Goods Purchases	\$7,000,000	\$7,000,000	\$7,000,000	\$7,000,000	\$7,000,000
Sales Tax Rate (Percent)	7.00	7.00	6.00	6.05	6.00
Total Annual Sales Tax Cost (4)	\$490,000	\$490,000	\$420,000	\$423,500	\$420,000
Total Annual Ad Valorem and Sales Tax Costs	\$1,069,174	\$1,532,049	\$766,548	\$905,848	\$830,614

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 metropolitan area.
- (4) Based on prevailing local and state sales tax levies on taxable purchases of supplies, furnishings, equipment and other taxable goods. Does not include sales tax rebates which could be available at selected locations.

**EXHIBIT VI
COMPARATIVE SPACE HEATING AND AIR CONDITIONING COSTS**

	Kansas City MO	Minneapolis/ St. Paul MN	Des Moines IA	Omaha NE	Sioux Falls SD
Space Heating					
Heating Degree Days	5,357	8,159	6,710	6049	7,838
Annual Cost (1)	\$195,568	\$296,104	\$208,828	\$198,624	\$248,782
Air Conditioning					
Cooling Degree Days	1,285	585	928	1,173	719
Annual Cost (2)	\$141,855	\$64,123	\$87,303	\$116,463	\$68,980
Total Heating and Air Conditioning Costs	\$337,423	\$360,227	\$296,131	\$315,087	\$317,762

NOTES:

- (1) Based on variances in heating degree days and power cost differentials at alternate locations. Assumes heating of 150,000 sq. ft. of information assurance center space.
- (2) Based on variances in cooling degree days and power cost differentials at alternate locations. Assumes air conditioning of 150,000 sq. ft. of information assurance center space.

**EXHIBIT VII
COMPARATIVE ANNUAL ON-SITE CORPORATE TRAVEL COSTS**

Location	Per Diem Cost (1)	Annual Travel Days (2)	Total Annual Corporate Travel Cost
Kansas City, MO	\$292.33	832	\$243,219
Minneapolis/St. Paul, MN	\$314.39	832	\$261,573
Des Moines, IA	\$261.53	832	\$217,593
Omaha, NE	\$262.13	832	\$218,092
Sioux Falls, SD	\$219.48	832	\$182,607

NOTES:

- (1) Reflects the estimated daily cost of corporate traveler lodging, three meals, rental car/local transit, and other incidentals based on latest BizCosts® data.
- (2) Based on an average of 16 billable per diem travel days per week at each of the destination locations.

***COMPARATIVE OPERATING COST ANALYSIS VIII:
South Central Region***

- **Tulsa, Oklahoma**
- **Dallas, Texas**
- **San Antonio, Texas**
- **Houston, Texas**
- **New Orleans, Louisiana**

EXHIBIT I
COMPARATIVE ANNUAL OPERATING COST SIMULATION SUMMARY(1)

	Tulsa OK	Dallas TX	San Antonio TX	Houston TX	New Orleans LA
Labor Costs (2)					
Weighted Average Annual Earnings	\$59,690	\$63,046	\$57,977	\$63,802	\$59,894
Annual Base Payroll Costs	\$8,953,500	\$9,456,900	\$8,696,550	\$9,570,300	\$8,984,100
Fringe Benefits	\$3,312,795	\$3,499,053	\$3,217,724	\$3,541,011	\$3,324,117
Total Annual Labor Costs	\$12,266,295	\$12,955,953	\$11,914,274	\$13,111,311	\$12,308,217
Electric Power Costs (3)	\$127,956	\$197,832	\$133,162	\$221,572	\$166,380
Amortization Costs (4)	\$3,564,253	\$3,548,200	\$3,370,123	\$3,708,313	\$3,553,829
Property and Sales Tax Costs (5)	\$797,581	\$1,037,073	\$1,039,636	\$1,178,624	\$1,164,530
Heating and Air Conditioning Costs (6)	\$356,429	\$589,419	\$380,522	\$655,064	\$469,633
Corporate Travel Costs (7)	\$210,446	\$252,262	\$216,986	\$292,307	\$295,160
Total Annual Geographically- Variable Operating Costs	\$17,322,960	\$18,580,739	\$17,054,703	\$19,167,191	\$17,957,749

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.
- (7) See Exhibit VII.

**A COMPARATIVE OPERATING
COST ANALYSIS**

**INFORMATION ASSURANCE
SITE SELECTION**

**EXHIBIT II
COMPARATIVE ANNUAL LABOR COSTS**

Job Title	Number of Workers	Tulsa OK	Dallas TX	San Antonio TX	Houston TX	New Orleans LA
I.T. Group						
Medical Data Security Analyst	12	\$67,217	\$70,997	\$65,289	\$71,849	\$67,447
Medical Data Security Analyst, Sr.	6	\$85,845	\$90,672	\$83,382	\$91,760	\$86,138
Medical Data Security Analyst Manager	2	\$103,753	\$109,587	\$100,777	\$110,902	\$104,108
EDP Auditor	4	\$66,474	\$70,212	\$64,568	\$71,055	\$66,701
EDP Auditor, Sr.	2	\$81,784	\$86,382	\$79,438	\$87,419	\$82,063
I.S. Security Manager	2	\$110,178	\$116,373	\$107,018	\$117,770	\$110,554
Information Technology Auditor I	4	\$53,460	\$56,466	\$51,926	\$57,144	\$53,643
Information Technology Auditor II	2	\$65,779	\$69,477	\$63,892	\$70,311	\$66,003
Information Technology Auditor III	2	\$82,541	\$87,180	\$80,173	\$88,226	\$82,821
Network Systems Group						
Network Administrator I	4	\$50,267	\$53,093	\$48,825	\$53,730	\$50,438
Network Administrator II	2	\$60,670	\$64,081	\$58,929	\$64,850	\$60,877
Network Administrator III	2	\$72,378	\$76,448	\$70,302	\$77,365	\$72,626
Network Engineer I	4	\$65,059	\$68,717	\$63,192	\$69,542	\$65,281
Network Engineer II	2	\$76,315	\$80,605	\$74,126	\$81,572	\$76,575
Network Engineer III	2	\$92,183	\$97,366	\$89,539	\$98,534	\$92,498
Network Security Systems Manager	2	\$96,970	\$102,422	\$94,188	\$103,651	\$97,301
Security Administrator	6	\$79,493	\$83,962	\$77,213	\$84,970	\$79,764
Systems Administrator	4	\$72,777	\$76,868	\$70,689	\$77,790	\$73,025
Systems Administrator, Sr.	2	\$88,451	\$93,425	\$85,914	\$94,546	\$88,754
Telecom Group						
Telecommunications Engineer I	4	\$55,684	\$58,815	\$54,086	\$59,521	\$55,874
Telecommunications Engineer II	2	\$67,533	\$71,330	\$65,595	\$72,186	\$67,764
Telecommunications Engineer III	2	\$78,769	\$83,198	\$76,510	\$84,196	\$79,038
Telecommunications Manager	2	\$101,412	\$107,113	\$98,503	\$108,398	\$101,757
Test Engineer I	4	\$56,820	\$60,014	\$55,190	\$60,734	\$57,013
Test Engineer II	2	\$67,920	\$71,738	\$65,971	\$72,599	\$68,151
Test Engineer III	2	\$76,482	\$80,783	\$74,289	\$81,752	\$76,744

**A COMPARATIVE OPERATING
COST ANALYSIS**

**INFORMATION ASSURANCE
SITE SELECTION**

**EXHIBIT II
COMPARATIVE ANNUAL LABOR COSTS**

	Number of Workers	Tulsa OK	Dallas TX	San Antonio TX	Houston TX	New Orleans LA
Health Information & Web Security Group						
Medical Records Technician I	12	\$28,336	\$29,928	\$27,523	\$30,287	\$28,432
Medical Records Technician II	6	\$38,436	\$40,597	\$37,334	\$41,084	\$38,567
Medical Records Technician III	2	\$42,506	\$44,896	\$41,286	\$45,435	\$42,651
Fraud Prevention Associate I	12	\$36,366	\$38,411	\$35,323	\$38,872	\$36,491
Fraud Prevention Associate II	6	\$41,569	\$43,907	\$40,377	\$44,434	\$41,712
Fraud Prevention Associate III	2	\$55,050	\$58,144	\$53,470	\$58,842	\$55,237
Fraud Prevention Manager	2	\$71,568	\$75,591	\$69,515	\$76,498	\$71,812
Web Security Administrator	4	\$91,528	\$96,675	\$88,903	\$97,835	\$91,841
Web Security Manager	2	\$127,847	\$135,036	\$124,180	\$136,656	\$128,284
Support Group						
Administrative Assistant	8	\$36,933	\$39,010	\$35,873	\$39,478	\$37,060
Secretary I	4	\$27,635	\$29,189	\$26,843	\$29,539	\$27,730
Secretary II	4	\$30,334	\$32,041	\$29,464	\$32,426	\$30,439
Executive Secretary	2	\$41,289	\$43,611	\$40,105	\$44,134	\$41,431
Total Workers	150					
Weighted Average Annual Earnings (1)		\$59,690	\$63,046	\$57,977	\$63,802	\$59,894
Total Annual Base Payroll Costs		\$8,953,500	\$9,456,900	\$8,696,550	\$9,570,300	\$8,984,100
Fringe Benefits (2)		\$3,312,795	\$3,499,053	\$3,217,724	\$3,541,011	\$3,324,117
Total Annual Labor Costs		\$12,266,295	\$12,955,953	\$11,914,274	\$13,111,311	\$12,308,217

NOTES:

- (1) For mature health care information assurance center in third year of operation based on current wage rates and benefits. Wage rates reflect Boyd location experience, field research, and Boyd BizCosts® data bank in Princeton. Job descriptions reflect a representative mix of key positions for a 150 worker center.
- (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.

**EXHIBIT III
ANNUAL ELECTRIC POWER COST COMPARISONS (1)**

Location	Electric Utility Company	Annual Electric Power Cost (1)	Annual Cost Per kWh (cents)
Tulsa, OK	Public Service Company of Oklahon	\$127,956	5.92
Dallas, TX	TXU	\$197,832	9.16
San Antonio, TX	San Antonio Public Service	\$133,162	6.17
Houston, TX	Reliant Energy	\$221,572	10.26
New Orleans, LA	Entergy New Orleans	\$166,380	7.70

NOTES:

- (1) Based on assumed monthly demand of 500 kW and 180,000 kWh monthly consumption.
Annual costs reflect comparative commercial general service rates.

EXHIBIT IV
COMPARATIVE LAND, CONSTRUCTION AND AMORTIZATION COSTS

	Tulsa OK	Dallas TX	San Antonio TX	Houston TX	New Orleans LA
Site Acquisition: No. of Acres	50	50	50	50	50
Cost per Acre (1)	\$95,000	\$80,000	\$44,000	\$105,300	\$75,000
Site Improvement Cost (2)	--	--	--	--	--
Total Land Cost	\$4,750,000	\$4,000,000	\$2,200,000	\$5,265,000	\$3,750,000
Construction Cost (3)	\$16,216,500	\$16,770,735	\$16,399,057	\$17,458,335	\$17,089,379
Machinery and Equipment	\$22,500,000	\$22,500,000	\$22,500,000	\$22,500,000	\$22,500,000
Total Project Investment	\$43,466,500	\$43,270,735	\$41,099,057	\$45,223,335	\$43,339,379
Project Amortization					
Cost of Funds (Interest)	6.5	6.5	6.5	6.5	6.5
Payment Factor (4)	0.0820	0.0820	0.0820	0.0820	0.0820
Total Annual Amortization	\$3,564,253	\$3,548,200	\$3,370,123	\$3,708,313	\$3,553,829

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 within a controlled business park setting.
- (2) Land preparation costs limited to normal grading and held constant for purposes of analysis.
- (3) Based on construction of fully equipped 150,000 sq. ft. health care information assurance center. Geographic differentials in building costs are based on latest Boyd BizCosts® construction cost index data.
- (4) Assumes 25-year level amortization payments at 6.5 percent.

**EXHIBIT V
AD VALOREM AND SALES TAX COSTS**

	Tulsa OK	Dallas TX	San Antonio TX	Houston TX	New Orleans LA
Real Property Tax Cost					
Land Cost (1)	\$4,750,000	\$4,000,000	\$2,200,000	\$5,265,000	\$3,750,000
Building Cost (2)	\$16,216,500	\$16,770,735	\$16,399,057	\$17,458,335	\$17,089,379
Total	\$20,966,500	\$20,770,735	\$18,599,057	\$22,723,335	\$20,839,379
Effective Tax Rate (3)	\$12.50	\$22.80	\$25.60	\$26.30	\$25.65
Real Property Tax Cost	\$262,081	\$473,573	\$476,136	\$597,624	\$534,530
Sales Tax Cost					
Taxable Goods Purchases	\$7,000,000	\$7,000,000	\$7,000,000	\$7,000,000	\$7,000,000
Sales Tax Rate (Percent)	7.65	8.05	8.05	8.30	9.00
Total Annual Sales Tax Cost (4)	\$535,500	\$563,500	\$563,500	\$581,000	\$630,000
Total Annual Ad Valorem and Sales Tax Costs	\$797,581	\$1,037,073	\$1,039,636	\$1,178,624	\$1,164,530

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 metropolitan area.

(4) Based on prevailing local and state sales tax levies on taxable purchases of supplies, furnishings, equipment and other taxable goods. Does not include sales tax rebates which could be available at selected locations

**EXHIBIT VI
COMPARATIVE SPACE HEATING AND AIR CONDITIONING COSTS**

	Tulsa OK	Dallas TX	San Antonio TX	Houston TX	New Orleans LA
Space Heating					
Heating Degree Days	3,680	2,382	2,167	1,434	1,465
Annual Cost (1)	\$137,027	\$137,606	\$83,800	\$92,401	\$71,336
Air Conditioning					
Cooling Degree Days	1,949	2,587	2,538	2,888	2,706
Annual Cost (2)	\$219,402	\$451,813	\$296,722	\$562,663	\$398,297
Total Heating and Air Conditioning Costs	\$356,429	\$589,419	\$380,522	\$655,064	\$469,633

NOTES:

- (1) Based on variances in heating degree days and power cost differentials at alternate locations. Assumes heating of 150,000 sq. ft. of information assurance center space.
- (2) Based on variances in cooling degree days and power cost differentials at alternate locations. Assumes air conditioning of 150,000 sq. ft. of information assurance center space.

EXHIBIT VII
COMPARATIVE ANNUAL ON-SITE CORPORATE TRAVEL COSTS

Location	Per Diem Cost (1)	Annual Travel Days (2)	Total Annual Corporate Travel Cost
Tulsa, OK	\$252.94	832	\$210,446
Dallas, TX	\$303.20	832	\$252,262
San Antonio, TX	\$260.80	832	\$216,986
Houston, TX	\$351.33	832	\$292,307
New Orleans, LA	\$354.76	832	\$295,160

NOTES:

- (1) Reflects the estimated daily cost of corporate traveler lodging, three meals, rental car/local transit, and other incidentals based on latest BizCosts® data.
- (2) Based on an average of 16 billable per diem travel days per week at each of the destination locations.

***COMPARATIVE OPERATING COST ANALYSIS IX:
Mountain Region***

- **Denver, Colorado**
- **Phoenix, Arizona**
- **Salt Lake City, Utah**
- **Las Vegas, Nevada**
- **Colorado Springs, Colorado**

EXHIBIT I
COMPARATIVE ANNUAL OPERATING COST SIMULATION SUMMARY(1)

	Denver CO	Phoenix AZ	Salt Lake City UT	Las Vegas NV	Colorado Springs CO
Labor Costs (2)					
Weighted Average Annual Earnings	\$64,185	\$62,732	\$59,874	\$61,564	\$59,996
Annual Base Payroll Costs	\$9,627,750	\$9,409,800	\$8,981,100	\$9,234,600	\$8,999,400
Fringe Benefits	\$3,562,268	\$3,481,626	\$3,323,007	\$3,416,802	\$3,329,778
Total Annual Labor Costs	\$13,190,018	\$12,891,426	\$12,304,107	\$12,651,402	\$12,329,178
Electric Power Costs (3)	\$145,157	\$145,740	\$120,264	\$184,404	\$108,277
Amortization Costs (4)	\$4,071,250	\$4,006,195	\$3,664,408	\$4,328,737	\$3,764,398
Property and Sales Tax Costs (5)	\$1,372,839	\$1,321,037	\$780,253	\$822,039	\$997,448
Heating and Air Conditioning Costs (6)	\$334,824	\$516,840	\$308,154	\$619,250	\$248,417
Corporate Travel Costs (7)	\$249,866	\$270,974	\$228,151	\$305,302	\$234,624
Total Annual Geographically- Variable Operating Costs	\$19,363,954	\$19,152,212	\$17,405,337	\$18,911,134	\$17,682,342

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.
- (7) See Exhibit VII.

**A COMPARATIVE OPERATING
COST ANALYSIS**

**INFORMATION ASSURANCE
SITE SELECTION**

**EXHIBIT II
COMPARATIVE ANNUAL LABOR COSTS**

Job Title	Number of Workers	Denver CO	Phoenix AZ	Salt Lake City UT	Las Vegas NV	Colorado Springs CO
I.T. Group						
Medical Data Security Analyst	12	\$72,279	\$70,643	\$67,424	\$69,327	\$67,563
Medical Data Security Analyst, Sr.	6	\$92,310	\$90,221	\$86,110	\$88,541	\$86,285
Medical Data Security Analyst Manager	2	\$111,567	\$109,042	\$104,074	\$107,011	\$104,286
EDP Auditor	4	\$71,480	\$69,862	\$66,679	\$68,562	\$66,816
EDP Auditor, Sr.	2	\$87,943	\$85,952	\$82,036	\$84,352	\$82,204
I.S. Security Manager	2	\$118,475	\$115,794	\$110,518	\$113,638	\$110,745
Information Technology Auditor I	4	\$57,486	\$56,185	\$53,625	\$55,139	\$53,734
Information Technology Auditor II	2	\$70,733	\$69,133	\$65,982	\$67,845	\$66,117
Information Technology Auditor III	2	\$88,756	\$86,748	\$82,795	\$85,132	\$82,964
Network Systems Group						
Network Administrator I	4	\$54,051	\$52,828	\$50,421	\$51,844	\$50,525
Network Administrator II	2	\$65,238	\$63,761	\$60,856	\$62,573	\$60,981
Network Administrator III	2	\$77,828	\$76,067	\$72,601	\$74,651	\$72,750
Network Engineer I	4	\$69,958	\$68,374	\$65,259	\$67,101	\$65,392
Network Engineer II	2	\$82,062	\$80,204	\$76,550	\$78,711	\$76,707
Network Engineer III	2	\$99,126	\$96,883	\$92,468	\$95,078	\$92,657
Network Security Systems Manager	2	\$104,272	\$101,913	\$97,269	\$100,016	\$97,467
Security Administrator	6	\$85,479	\$83,545	\$79,738	\$81,989	\$79,901
Systems Administrator	4	\$78,257	\$76,486	\$73,001	\$75,061	\$73,150
Systems Administrator, Sr.	2	\$95,112	\$92,959	\$88,724	\$91,228	\$88,906
Telecom Group						
Telecommunications Engineer I	4	\$59,878	\$58,523	\$55,856	\$57,432	\$55,970
Telecommunications Engineer II	2	\$72,618	\$70,975	\$67,741	\$69,653	\$67,880
Telecommunications Engineer III	2	\$84,701	\$82,783	\$79,012	\$81,243	\$79,173
Telecommunications Manager	2	\$109,048	\$106,580	\$101,724	\$104,596	\$101,932
Test Engineer I	4	\$61,099	\$59,715	\$56,995	\$58,604	\$57,112
Test Engineer II	2	\$73,034	\$71,381	\$68,129	\$70,052	\$68,268
Test Engineer III	2	\$82,243	\$80,381	\$76,719	\$78,885	\$76,875

**A COMPARATIVE OPERATING
COST ANALYSIS**

**INFORMATION ASSURANCE
SITE SELECTION**

**EXHIBIT II
COMPARATIVE ANNUAL LABOR COSTS**

	Number of Workers	Denver CO	Phoenix AZ	Salt Lake City UT	Las Vegas NV	Colorado Springs CO
Health Information & Web Security Group						
Medical Records Technician I	12	\$30,470	\$29,780	\$28,423	\$29,225	\$28,481
Medical Records Technician II	6	\$41,331	\$40,395	\$38,555	\$39,643	\$38,634
Medical Records Technician III	2	\$45,707	\$44,672	\$42,637	\$43,841	\$42,724
Fraud Prevention Associate I	12	\$39,106	\$38,220	\$36,479	\$37,509	\$36,553
Fraud Prevention Associate II	6	\$44,700	\$43,689	\$41,698	\$42,875	\$41,784
Fraud Prevention Associate III	2	\$59,195	\$57,855	\$55,219	\$56,777	\$55,332
Fraud Prevention Manager	2	\$76,958	\$75,216	\$71,789	\$73,815	\$71,935
Web Security Administrator	4	\$98,421	\$96,195	\$91,811	\$94,403	\$91,999
Web Security Manager	2	\$137,475	\$134,364	\$128,242	\$131,862	\$128,504
Support Group						
Administrative Assistant	8	\$39,714	\$38,816	\$37,047	\$38,093	\$37,123
Secretary I	4	\$29,717	\$29,044	\$27,721	\$28,503	\$27,778
Secretary II	4	\$32,620	\$31,881	\$30,429	\$31,288	\$30,491
Executive Secretary	2	\$44,398	\$43,393	\$41,416	\$42,585	\$41,500
Total Workers	150					
Weighted Average Annual Earnings (1)		\$64,185	\$62,732	\$59,874	\$61,564	\$59,996
Total Annual Base Payroll Costs (2)		\$9,627,750	\$9,409,800	\$8,981,100	\$9,234,600	\$8,999,400
Fringe Benefits (3)		\$3,562,268	\$3,481,626	\$3,323,007	\$3,416,802	\$3,329,778
Total Annual Labor Costs		\$13,190,018	\$12,891,426	\$12,304,107	\$12,651,402	\$12,329,178

NOTES:

- (1) For mature health care information assurance center in third year of operation based on current wage rates and benefits. Wage rates reflect Boyd location experience, field research, and Boyd BizCosts® data bank in Princeton. Job descriptions reflect a representative mix of key positions for a 150 worker center.
- (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.

**EXHIBIT III
ANNUAL ELECTRIC POWER COST COMPARISONS (1)**

Location	Electric Utility Company	Annual Electric Power Cost (1)	Annual Cost Per kWh (cents)
Denver , CO	Public Service of Colorado	\$145,157	6.72
Phoenix, AZ	Arizona Public Service	\$145,740	6.75
Salt Lake City, UT	PacifiCorp	\$120,264	5.57
Las Vegas, NV	Nevada Power Company	\$184,404	8.54
Colorado Springs, CO	Colorado Springs Dept. of Utilities	\$108,277	5.01

NOTES:

- (1) Based on assumed monthly demand of 500 kW and 180,000 kWh monthly consumption.
Annual costs reflect comparative commercial general service rates.

EXHIBIT IV
COMPARATIVE LAND, CONSTRUCTION AND AMORTIZATION COSTS

	Denver CO	Phoenix AZ	Salt Lake City UT	Las Vegas NV	Colorado Springs CO
Site Acquisition: No. of Acres	50	50	50	50	50
Cost per Acre (1)	\$155,000	\$174,240	\$87,500	\$195,000	\$88,000
Site Improvement Cost (2)	--	--	--	--	--
Total Land Cost	\$7,750,000	\$8,712,000	\$4,375,000	\$9,750,000	\$4,400,000
Construction Cost (3)	\$19,399,393	\$17,644,038	\$17,812,903	\$20,539,470	\$19,007,292
Machinery and Equipment	\$22,500,000	\$22,500,000	\$22,500,000	\$22,500,000	\$22,500,000
Total Project Investment	\$49,649,393	\$48,856,038	\$44,687,903	\$52,789,470	\$45,907,292
Project Amortization					
Cost of Funds (Interest)	6.5	6.5	6.5	6.5	6.5
Payment Factor (4)	0.0820	0.0820	0.0820	0.0820	0.0820
Total Annual Amortization	\$4,071,250	\$4,006,195	\$3,664,408	\$4,328,737	\$3,764,398

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 within a controlled business park setting.
- (2) Land preparation costs limited to normal grading and held constant for purposes of analysis.
- (3) Based on construction of fully equipped 150,000 sq. ft. health care information assurance center. Geographic differentials in building costs are based on latest Boyd BizCosts ® construction cost index data.
- (4) Assumes 25-year level amortization payments at 6.5 percent.

EXHIBIT V
AD VALOREM AND SALES TAX COSTS

	Denver CO	Phoenix AZ	Salt Lake City UT	Las Vegas NV	Colorado Springs CO
Real Property Tax Cost					
Land Cost (1)	\$7,750,000	\$8,712,000	\$4,375,000	\$9,750,000	\$4,400,000
Building Cost (2)	\$19,399,393	\$17,644,038	\$17,812,903	\$20,539,470	\$19,007,292
Total	\$27,149,393	\$26,356,038	\$22,187,903	\$30,289,470	\$23,407,292
Effective Tax Rate (3)	\$32.26	\$31.00	\$15.29	\$10.50	\$21.38
Real Property Tax Cost	\$875,839	\$817,037	\$339,253	\$318,039	\$500,448
Sales Tax Cost					
Taxable Goods Purchases	\$7,000,000	\$7,000,000	\$7,000,000	\$7,000,000	\$7,000,000
Sales Tax Rate (Percent)	7.10	7.20	6.30	7.20	7.10
Total Annual Sales Tax Cost (4)	\$497,000	\$504,000	\$441,000	\$504,000	\$497,000
Total Annual Ad Valorem and Sales Tax Costs	\$1,372,839	\$1,321,037	\$780,253	\$822,039	\$997,448

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 metropolitan area.
- (4) Based on prevailing local and state sales tax levies on taxable purchases of supplies, furnishings, equipment and other taxable goods. Does not include sales tax rebates which could be available at selected locations.

EXHIBIT VI
COMPARATIVE SPACE HEATING AND AIR CONDITIONING COSTS

	Denver CO	Phoenix AZ	Salt Lake City UT	Las Vegas NV	Colorado Springs CO
Space Heating					
Heating Degree Days	6,016	1,552	5,983	2,601	6,473
Annual Cost (1)	\$254,803	\$65,912	\$209,819	\$140,093	\$204,389
Air Conditioning					
Cooling Degree Days	625	3,508	927	2,946	461
Annual Cost (2)	\$80,021	\$450,928	\$98,335	\$479,157	\$44,028
Total Heating and Air Conditioning Costs	\$334,824	\$516,840	\$308,154	\$619,250	\$248,417

NOTES:

- (1) Based on variances in heating degree days and power cost differentials at alternate locations. Assumes heating of 150,000 sq. ft. of information assurance center space.
- (2) Based on variances in cooling degree days and power cost differentials at alternate locations. Assumes air conditioning of 150,000 sq. ft. of information assurance center space.

**EXHIBIT VII
COMPARATIVE ANNUAL ON-SITE CORPORATE TRAVEL COSTS**

Location	Per Diem Cost (1)	Annual Travel Days (2)	Total Annual Corporate Travel Cost
Denver , CO	\$300.32	832	\$249,866
Phoenix, AZ	\$325.69	832	\$270,974
Salt Lake City, UT	\$274.22	832	\$228,151
Las Vegas, NV	\$366.95	832	\$305,302
Colorado Springs, CO	\$282.00	832	\$234,624

NOTES:

- (1) Reflects the estimated daily cost of corporate traveler lodging, three meals, rental car/local transit, and other incidentals based on latest BizCosts® data.
- (2) Based on an average of 16 billable per diem travel days per week at each of the destination locations.

***COMPARATIVE OPERATING COST ANALYSIS X:
West Coast Region***

- **Seattle, Washington**
- **San Francisco, California**
- **Sacramento, California**
- **Los Angeles, California**
- **San Diego, California**

EXHIBIT I
COMPARATIVE ANNUAL OPERATING COST SIMULATION SUMMARY(1)

	Seattle WA	San Francisco CA	Sacramento CA	Los Angeles CA	San Diego CA
Labor Costs (2)					
Weighted Average Annual Earnings	\$66,777	\$72,174	\$66,400	\$68,999	\$64,957
Annual Base Payroll Costs	\$10,016,550	\$10,826,100	\$9,960,000	\$10,349,850	\$9,743,550
Fringe Benefits	\$3,706,124	\$4,005,657	\$3,685,200	\$3,829,445	\$3,605,114
Total Annual Labor Costs	\$13,722,674	\$14,831,757	\$13,645,200	\$14,179,295	\$13,348,664
Electric Power Costs (3)	\$149,940	\$290,376	\$170,087	\$161,583	\$261,672
Amortization Costs (4)	\$4,078,014	\$5,132,129	\$4,151,854	\$4,644,193	\$4,357,532
Property and Sales Tax Costs (5)	\$924,898	\$1,050,526	\$851,137	\$928,847	\$916,303
Heating and Air Conditioning Costs (6)	\$230,839	\$287,964	\$313,301	\$226,513	\$283,448
Corporate Travel Costs (7)	\$281,191	\$296,841	\$226,229	\$278,421	\$288,887
Total Annual Geographically- Variable Operating Costs	\$19,387,556	\$21,889,593	\$19,357,808	\$20,418,852	\$19,456,506

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.
- (7) See Exhibit VII.

**A COMPARATIVE OPERATING
COST ANALYSIS**

**INFORMATION ASSURANCE
SITE SELECTION**

**EXHIBIT II
COMPARATIVE ANNUAL LABOR COSTS**

Job Title	Number of Workers	Seattle WA	San Francisco CA	Sacramento CA	Los Angeles CA	San Diego CA
I.T. Group						
Medical Data Security Analyst	12	\$75,198	\$81,267	\$74,766	\$77,691	\$73,140
Medical Data Security Analyst, Sr.	6	\$96,037	\$103,789	\$95,486	\$99,222	\$93,410
Medical Data Security Analyst Manager	2	\$116,072	\$125,441	\$115,406	\$119,922	\$112,897
EDP Auditor	4	\$74,366	\$80,370	\$73,940	\$76,834	\$72,333
EDP Auditor, Sr.	2	\$91,494	\$98,878	\$90,968	\$94,527	\$88,990
I.S. Security Manager	2	\$123,260	\$133,209	\$122,552	\$127,348	\$119,888
Information Technology Auditor I	4	\$59,806	\$64,634	\$59,463	\$61,790	\$58,171
Information Technology Auditor II	2	\$73,589	\$79,528	\$73,166	\$76,029	\$71,575
Information Technology Auditor III	2	\$92,341	\$99,794	\$91,811	\$95,403	\$89,815
Network Systems Group						
Network Administrator I	4	\$56,235	\$60,773	\$55,911	\$58,099	\$54,696
Network Administrator II	2	\$67,872	\$73,351	\$67,483	\$70,124	\$66,016
Network Administrator III	2	\$80,972	\$87,507	\$80,506	\$83,657	\$78,756
Network Engineer I	4	\$72,783	\$78,657	\$72,364	\$75,196	\$70,791
Network Engineer II	2	\$85,376	\$92,267	\$84,886	\$88,207	\$83,040
Network Engineer III	2	\$103,127	\$111,452	\$102,536	\$106,548	\$100,307
Network Security Systems Manager	2	\$108,482	\$117,239	\$107,860	\$112,081	\$105,515
Security Administrator	6	\$88,932	\$96,109	\$88,420	\$91,880	\$86,498
Systems Administrator	4	\$81,418	\$87,988	\$80,949	\$84,117	\$79,189
Systems Administrator, Sr.	2	\$98,952	\$106,939	\$98,384	\$102,234	\$96,245
Telecom Group						
Telecommunications Engineer I	4	\$62,295	\$67,324	\$61,938	\$64,362	\$60,592
Telecommunications Engineer II	2	\$75,551	\$81,650	\$75,118	\$78,057	\$73,485
Telecommunications Engineer III	2	\$88,121	\$95,233	\$87,614	\$91,043	\$85,710
Telecommunications Manager	2	\$113,452	\$122,609	\$112,800	\$117,214	\$110,348
Test Engineer I	4	\$63,565	\$68,696	\$63,200	\$65,673	\$61,826
Test Engineer II	2	\$75,983	\$82,117	\$75,548	\$78,504	\$73,905
Test Engineer III	2	\$85,563	\$92,470	\$85,072	\$88,401	\$83,223

**A COMPARATIVE OPERATING
COST ANALYSIS**

**INFORMATION ASSURANCE
SITE SELECTION**

**EXHIBIT II
COMPARATIVE ANNUAL LABOR COSTS**

	Number of Workers	Seattle WA	San Francisco CA	Sacramento CA	Los Angeles CA	San Diego CA
Health Information & Web Security Group						
Medical Records Technician I	12	\$31,701	\$34,274	\$31,532	\$32,766	\$30,847
Medical Records Technician II	6	\$43,000	\$46,491	\$42,772	\$44,445	\$41,842
Medical Records Technician III	2	\$47,552	\$51,414	\$47,301	\$49,152	\$46,273
Fraud Prevention Associate I	12	\$40,685	\$43,988	\$40,469	\$42,053	\$39,589
Fraud Prevention Associate II	6	\$46,505	\$50,281	\$46,259	\$48,069	\$45,253
Fraud Prevention Associate III	2	\$61,585	\$66,585	\$61,258	\$63,655	\$59,927
Fraud Prevention Manager	2	\$80,065	\$86,566	\$79,641	\$82,757	\$77,909
Web Security Administrator	4	\$102,395	\$110,708	\$101,851	\$105,837	\$99,637
Web Security Manager	2	\$143,028	\$154,639	\$142,268	\$147,835	\$139,175
Support Group						
Administrative Assistant	8	\$41,318	\$44,653	\$41,081	\$42,688	\$40,188
Secretary I	4	\$30,917	\$33,413	\$30,740	\$31,943	\$30,072
Secretary II	4	\$33,938	\$36,676	\$33,742	\$35,062	\$33,008
Executive Secretary	2	\$46,190	\$49,919	\$45,926	\$47,723	\$44,927
Total Workers	150					
Weighted Average Annual Earnings ⁽¹⁾		\$66,777	\$72,174	\$66,400	\$68,999	\$64,957
Total Annual Base Payroll Costs		\$10,016,550	\$10,826,100	\$9,960,000	\$10,349,850	\$9,743,550
Fringe Benefits ⁽²⁾		\$3,706,124	\$4,005,657	\$3,685,200	\$3,829,445	\$3,605,114
Total Annual Labor Costs		\$13,722,674	\$14,831,757	\$13,645,200	\$14,179,295	\$13,348,664

NOTES:

- (1) For mature health care information assurance center in third year of operation based on current wage rates and benefits. Wage rates reflect Boyd location experience, field research, and Boyd BizCosts® data bank in Princeton. Job descriptions reflect a representative mix of key positions for a 150 worker center.
- (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.

**EXHIBIT III
ANNUAL ELECTRIC POWER COST COMPARISONS (1)**

Location	Electric Utility Company	Annual Electric Power Cost (1)	Annual Cost Per kWh (cents)
Seattle, WA	Puget Sound Energy	\$149,940	6.94
San Francisco, CA	Pacific Gas and Electric	\$290,376	13.44
Sacramento, CA	Sacramento Municipal Utility	\$170,087	7.87
Los Angeles, CA	Los Angeles Department of Power	\$161,583	7.48
San Diego, CA	San Diego Gas & Electric	\$261,672	12.11

NOTES:

- (1) Based on assumed monthly demand of 500 kW and 180,000 kWh monthly consumption.
Annual costs reflect comparative commercial general service rates.

**EXHIBIT IV
COMPARATIVE LAND, CONSTRUCTION AND AMORTIZATION COSTS**

	Seattle WA	San Francisco CA	Sacramento CA	Los Angeles CA	San Diego CA
Site Acquisition: No. of Acres	50	50	50	50	50
Cost per Acre (1)	\$130,000	\$310,000	\$125,000	\$250,000	\$185,000
Site Improvement Cost (2)	--	--	--	--	--
Total Land Cost	\$6,500,000	\$15,500,000	\$6,250,000	\$12,500,000	\$9,250,000
Construction Cost (3)	\$20,731,873	\$24,586,933	\$21,882,370	\$21,636,501	\$21,390,632
Machinery and Equipment	\$22,500,000	\$22,500,000	\$22,500,000	\$22,500,000	\$22,500,000
Total Project Investment	\$49,731,873	\$62,586,933	\$50,632,370	\$56,636,501	\$53,140,632
Project Amortization					
Cost of Funds (Interest)	6.5	6.5	6.5	6.5	6.5
Payment Factor (4)	0.0820	0.0820	0.0820	0.0820	0.0820
Total Annual Amortization	\$4,078,014	\$5,132,129	\$4,151,854	\$4,644,193	\$4,357,532

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 within a controlled business park setting.
- (2) Land preparation costs limited to normal grading and held constant for purposes of analysis.
- (3) Based on construction of fully equipped 150,000 sq. ft. health care information assurance center. Geographic differentials in building costs are based on latest Boyd BizCosts® construction cost index data.
- (4) Assumes 25-year level amortization payments at 6.5 percent.

**EXHIBIT V
AD VALOREM AND SALES TAX COSTS**

	Seattle WA	San Francisco CA	Sacramento CA	Los Angeles CA	San Diego CA
Real Property Tax Cost					
Land Cost (1)	\$6,500,000	\$15,500,000	\$6,250,000	\$12,500,000	\$9,250,000
Building Cost (2)	\$20,731,873	\$24,586,933	\$21,882,370	\$21,636,501	\$21,390,632
Total	\$27,231,873	\$40,086,933	\$28,132,370	\$34,136,501	\$30,640,632
Effective Tax Rate (3)	\$12.50	\$11.80	\$10.10	\$10.60	\$11.40
Real Property Tax Cost	\$340,398	\$473,026	\$284,137	\$361,847	\$349,303
Sales Tax Cost					
Taxable Goods Purchases	\$7,000,000	\$7,000,000	\$7,000,000	\$7,000,000	\$7,000,000
Sales Tax Rate (Percent)	8.35	8.25	8.10	8.10	8.10
Total Annual Sales Tax Cost (4)	\$584,500	\$577,500	\$567,000	\$567,000	\$567,000
Total Annual Ad Valorem and Sales Tax Costs	\$924,898	\$1,050,526	\$851,137	\$928,847	\$916,303

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 metropolitan area.
- (4) Based on prevailing local and state sales tax levies on taxable purchases of supplies, furnishings, equipment and other taxable goods. Does not include sales tax rebates which could be available at selected locations.

**EXHIBIT VI
COMPARATIVE SPACE HEATING AND AIR CONDITIONING COSTS**

	Seattle WA	San Francisco CA	Sacramento CA	Los Angeles CA	San Diego CA
Space Heating					
Heating Degree Days	4,727	3,080	2,843	1,245	1,507
Annual Cost (1)	\$206,374	\$259,535	\$139,851	\$57,769	\$116,934
Air Conditioning					
Cooling Degree Days	183	108	1,159	1,185	722
Annual Cost (2)	\$24,465	\$28,429	\$173,450	\$168,744	\$166,514
Total Heating and Air Conditioning Costs	\$230,839	\$287,964	\$313,301	\$226,513	\$283,448

NOTES:

- (1) Based on variances in heating degree days and power cost differentials at alternate locations. Assumes heating of 150,000 sq. ft. of information assurance center space.
- (2) Based on variances in cooling degree days and power cost differentials at alternate locations. Assumes air conditioning of 150,000 sq. ft. of information assurance center space.

**EXHIBIT VII
COMPARATIVE ANNUAL ON-SITE CORPORATE TRAVEL COSTS**

Location	Per Diem Cost (1)	Annual Travel Days (2)	Total Annual Corporate Travel Cost
Seattle, WA	\$337.97	832	\$281,191
San Francisco, CA	\$356.78	832	\$296,841
Sacramento, CA	\$271.91	832	\$226,229
Los Angeles, CA	\$334.64	832	\$278,421
San Diego, CA	\$347.22	832	\$288,887

NOTES:

- (1) Reflects the estimated daily cost of corporate traveler lodging, three meals, rental car/local transit, and other incidentals based on latest BizCosts® data.
- (2) Based on an average of 16 billable per diem travel days per week at each of the destination locations.