

Flowers Baking Company of Henderson, LLC

501 Conestoga Way, Henderson, NV 89002

Judd Price, General Manager

Date: September 23, 2021

Application Facts:

Industry	Manufacturing
NAICS	311812
Type of App	Expansion
Location	Clark County
RDA	LVGEA, Perry Ursem

Company Profile

Flowers Baking Company of Henderson, LLC (Flowers) plans to expand its existing Henderson facility. Flowers is a food manufacturing company producing sliced bread and buns. The company produces national brands such as Wonder Bread and Nature's Own Bread. Flowers is expanding in Nevada to meet high demand for another of its brands, Dave's Killer Bread, and will be adding a new organic bread baking line to its operations. Flowers is focused on environmental sustainability efforts. The company is an Energy Star certified bakery and has also participated in the local water conservation efforts. Additionally, In 2018, the company donated more than \$672,000 worth of products to food banks and other charitable causes. Flowers is Global Food Safety Initiative (GFSI) certified, and nurtures a culture that is inclusive, respectful, and creative. Flowers encourages the support of local communities through volunteerism and donations focused on feeding families, helping children, and supporting veterans. *Source: Flowers Baking Company of Henderson, LLC*

Tax Abatement Requirements:

	<u>Statutory</u>	<u>Company Application</u>	<u>Meeting Requirements</u>
Job Creation	25	66	Yes
Average Wage	\$24.16	\$24.85	Yes
Equipment Capex (SU & MBT)	\$511,616	\$30,347,452	Yes
Equipment Capex (PP)			

Note: As the company submitted its application, prior to 1 July, 2021 - the statewide average wage for FY 21 (\$24.16) is still applicable.

Additional Requirements:

Health Insurance	65%	88%	Yes
Revenues generated outside NV	51%	80%	Yes
Business License	<input checked="" type="checkbox"/> Current	<input type="checkbox"/> Pending	<input type="checkbox"/> Will comply

Total Tax Liability (without tax abatements)

Direct (company)
\$4,745,883

Total
\$9,856,850

Tax Abatements

	<u>Contract Terms</u>	<u>Estimated Tax Abatement</u>
Sales Tax Abmt.	4.6% for 2 years	\$1,145,616
Modified Business Tax Abmt.	50% for 4 years	\$78,703
Personal Property Tax Abmt.	50% for 10 years	\$1,023,439
Total Estimated Tax Abatement over 10 yrs.		\$2,247,758

Net New Tax Revenues

	<u>Direct</u>	<u>Indirect</u>	<u>Taxes after Abatements</u>
Local Taxes			
Property	\$994,843	\$2,434,006	\$3,428,849
Sales	\$799,393	\$1,275,264	\$2,074,657
Lodging	\$0	\$66,201	\$66,201
State Taxes			
Property	\$54,412	\$141,623	\$196,035
Sales	\$610,199	\$425,620	\$1,035,819
Modified Business	\$417,179	\$369,083	\$786,262
Lodging	\$0	\$21,269	\$21,269
Total Estimated New Tax Revenue over 10 yrs.			\$7,609,092

Economic Impact over 10 yrs.

	<u>Total</u>	<u>Construction</u>	<u>Total</u>
Total Jobs Supported	141	2	143
Total Payroll Supported	\$68,648,364	\$133,606	\$68,781,970
Total Economic Value	\$395,592,361	\$352,861	\$395,945,222

IMPORTANT TERMS & INFORMATION

Tax Abatements are reduction or discount of tax liability and companies do not receive any form of payment.

Total Estimated Tax Abatement is a tax reduction estimate. This estimated amount will be discounted from total tax liability.

Estimated New Tax Revenue is amount of tax revenues local and state government will collect after the abatement was given to applying company.

Economic Impact is economic effect or benefits that this company and it's operations will have on the community and state economy measured by total number of jobs, payroll and created output.



June 30, 2021

Mr. Michael Brown
Executive Director
Nevada Governor's Office of Economic Development
555 E. Washington Avenue, Suite 5400
Las Vegas, Nevada 89101

Dear Mr. Brown,

Flowers Baking Company of Henderson, LLC (Herein known as Flower Baking) is applying to the State of Nevada for the Sales and Use Tax, Modified Business Tax, and Personal Property Tax Abatements. We request their application be placed on the agenda for the September 2021 GOED Board Meeting.

Flowers Baking is exploring their options to expand operations in Southern Nevada from a current staff of 130 by hiring 66 additional employees over the next 24 months. These new hires will make an average hourly wage of \$24.85 and be provided with a comprehensive benefits package. Flowers Baking will also make an investment of \$30 million dollars in capital equipment.

Our team has reviewed Flowers Baking application and found it to comply with Nevada's statutory requirements for tax abatements. This application has the full support and endorsement of the Las Vegas Global Economic Alliance. Thank you for your consideration.

Sincerely,

A handwritten signature in black ink, appearing to read 'Perry Ursem', with a long horizontal flourish extending to the right.

Perry Ursem
Vice President, Business Retention and Expansion

Enclosure



Flowers Baking Co.
of Henderson, LLC

501 Conestoga Way; Henderson, NV, 89002 | (Ph) 702-567-6401 | (Fax) 702-945-0310 – NEW FAX

June 30, 2021

To: Michael Brown
Executive Director, Nevada Governor's Office of Economic Development
555 E Washington Ave. Ste 5400
Las Vegas, NV 89101

Re: Business Expansion in Nevada

Dear Sir,

We are writing to request the Sales & Use Tax Abatement, Modified Business Tax Abatement and Personal Property Tax Abatement incentives for our planned company expansion in Nevada. I represent Flowers Baking Company of Henderson, LLC and we are a food manufacturing company producing sliced bread and buns. We produce national brands such as Wonder Bread and Nature's Own Bread. We are expanding in Nevada to meet our high demand for another one of brands, Dave's Killer Bread, and will be adding a new organic bread baking line to our operations. Our parent company, Flowers Foods, owns 45 bakeries across the United States which produce these various brands and more (TastyTake, Canyon Bakehouse, Mrs. Freshley's, etc.). Dave's Killer Bread is the number 1 organic bread in the nation and this expansion is necessary for our business. Our Henderson bakery services Southern Nevada, Southern California and also parts of Utah. With this expansion, our Henderson bakery will be known as the showcase bakery within Flowers Foods and will be one of our "bakeries of the future" with brand new and state of the art equipment.

The expansion will occur at our Henderson bakery and we will be creating more jobs locally (66 new positions). We started doing business in Henderson in November 2013 and we continue to grow. We take pride in being able to run our operations, while also providing jobs and support for our local community in Henderson. While being in Henderson, we have worked with many local organizations to help support local events that they form. Some examples include donating to the Nevada Partnership for Homeless Youth, Peggy's Attic and Child Haven, USO at Nellis Air Force Base, Nevada State College and the Central Church in Henderson just to name a few. We also like to work with local colleges and tech schools for recruitment, especially to our Engineering Apprenticeship program that we have. We have partnered with the College of Southern Nevada and Southeast Tech High School and have gotten some great employees from these resources.

Our parent company is also very supportive of environmental sustainability efforts. We are an Energy Star certified bakery and met the EPA Energy Star challenge in 2016 and 2020. We also participated in the local water conservation efforts and changed all of our grass landscape to desert landscape in 2018. We will continue our sustainability efforts with our expansion and will install a new wastewater treatment system as well.

We are very excited about our developments and are glad we can make a positive impact on the local Southern Nevada economy. We hope to be considered for these opportunities and look forward to growing in Henderson.

Thank you,

Judd Price General
Manager



CITY OF HENDERSON

240 Water Street
P.O. Box 95050
Henderson, NV 89009

July 15, 2021

Mr. Michael Brown
Executive Director
Nevada Governor's Office of Economic Development
555 E. Washington Avenue, Suite 5400
Las Vegas, NV 89101

Re: Letter of Support for Flowers Baking Company of Henderson, LLC

Dear Director Brown:

I am pleased to provide this letter of support for Flowers Baking Company of Henderson, LLC in their application for incentives from the Governor's Office of Economic Development (GOED). We are excited that Flowers Baking Company of Henderson, LLC is expanding their current operations in Henderson and look forward to the company's continued success.

Within the first two years of their expansion, Flowers Baking Company of Henderson, LLC, is expected to bring an additional total capital investment of over \$30 million and at least 66 additional high-quality jobs paying an average hourly wage of \$24.85.

The City of Henderson enthusiastically supports the expansion of Flowers Baking Company of Henderson's operations and looks forward to the positive economic impact that their business expansion will provide to our community. We appreciate your assistance and look forward to your favorable consideration of their application. Should you require additional information, please do not hesitate to contact me.

Sincerely,

Debra March
Mayor

cc: Ryals McMullian, President and CEO, Flowers Baking Company of Henderson, LLC
Mia Rodriguez, HR Business Partner, Flowers Baking Company of Henderson, LLC
Perry Ursem, Vice President of Retention and Expansion, LVGEA

ECONOMIC DEVELOPMENT

Incentive Application

Company Name: Flowers Baking Co. of Henderson, LLC
 Date of Application: June 30, 2021

Company is an / a: (check one)
 New location in Nevada
 Expansion of a Nevada company

Section 1 - Type of Incentives

Please check all that the company is applying for on this application:

- Sales & Use Tax Abatement
- Modified Business Tax Abatement
- Personal Property Tax Abatement
- Sales & Use Tax Deferral
- Recycling Real Property Tax Abatement
- Other: _____

Section 2 - Corporate Information

COMPANY NAME (Legal name under which business will be transacted in Nevada) Flowers Baking Company of Henderson, LLC			FEDERAL TAX ID # 46-3293969
CORPORATE ADDRESS 1919 Flowers Cir	CITY / TOWN Thomasville	STATE / PROVINCE GA	ZIP 31757
MAILING ADDRESS TO RECEIVE DOCUMENTS (If different from above) 501 Conestoga Way	CITY / TOWN Henderson	STATE / PROVINCE NV	ZIP 89002
TELEPHONE NUMBER 702-567-6401	WEBSITE www.FlowersFoods.com		
COMPANY CONTACT NAME Judd Price	COMPANY CONTACT TITLE General Manager		
E-MAIL ADDRESS Judd.Price@flocorp.com	PREFERRED PHONE NUMBER 702-567-6450		

Has your company ever applied and been approved for incentives available by the Governor's Office of Economic Development? Yes No

If Yes, list the program awarded, date of approval, and status of the accounts (attach separate sheet if necessary):

Section 3 - Program Requirements

Please check two of the boxes below; the company must meet at least two of the three program requirements:

- A capital investment of \$1,000,000 in eligible equipment in urban areas or \$250,000 in eligible equipment in rural areas are required. This criteria is businesses. In cases of expanding businesses, the capital investment must equal at least 20% of the value of the tangible property owned by the business.
- New businesses locating in urban areas require fifty (50) or more permanent, full-time employees on its payroll by the eighth calendar quarter quarter in which the abatement becomes effective. In rural areas, the requirement is ten (10) or more. For an expansion, the business must increase employees on its payroll by 10% more than its existing employees prior to expansion, or by 25 (urban) or 6 (rural) employees, whichever is greater.
- In both urban and rural areas, the average hourly wage that will be paid by the business to its new employees is at least 100% of the average statewide hourly wage.

Note: Criteria is different depending on whether the business is in a county where the population is 100,000 or more or a city where the population is 60,000 or more "urban" area), or if the business is in a county where the population is less than 100,000 or a city where the population is less than 60,000 (i.e., "rural" area).

Section 4 - Nevada Facility

Type of Facility:

- Headquarters
- Technology
- Back Office Operations
- Research & Development / Intellectual Property
- Service Provider
- Distribution / Fulfillment
- Manufacturing
- Other: _____

PERCENTAGE OF REVENUE GENERATED BY THE NEW JOBS CONTAINED IN THIS APPLICATION FROM OUTSIDE NEVADA 80%	EXPECTED DATE OF NEW / EXPANDED OPERATIONS (MONTH / YEAR) Jan-2022		
NAICS CODE / SIC 311812	INDUSTRY TYPE Food manufacturing		
DESCRIPTION OF COMPANY'S NEVADA OPERATIONS Commercial bakery making sliced bread and buns.			
PROPOSED / ACTUAL NEVADA FACILITY ADDRESS 501 Conestoga Way	CITY / TOWN Henderson	COUNTY Clark County	ZIP 89002
WHAT OTHER STATES / REGIONS / CITIES ARE BEING CONSIDERED FOR YOUR COMPANY'S RELOCATION / EXPANSION / STARTUP? California, Arizona			

Section 5 - Complete Forms (see additional tabs at the bottom of this sheet for each form listed below)

Check the applicable box when form has been completed.

- 5 (A) Equipment List
- 5 (B) Employment Schedule
- 5 (C) Evaluation of Health Plan, with supporting documents to show the employer paid portion of plan meets the minimum of 65%.
- 5 (D) Company Information Form

Section 6 - Real Estate & Construction (Fill in either New Operations/Startup or Expansion, not both.)

New Operations / Start Up - Plans Over the Next <u>Ten</u> Years	Expansions - Plans Over the Next <u>10</u> Years
<p>Part 1. Are you currently/planning on leasing space in Nevada? _____</p> <p>If No, skip to Part 2. If Yes, continue below:</p> <p style="padding-left: 40px;">What year(s)? _____</p> <p style="padding-left: 40px;">How much space (sq. ft.)? _____</p> <p style="padding-left: 40px;">Annual lease cost of space: _____</p> <p>Do you plan on making building tenant improvements? _____</p> <p>If No, skip to Part 2. If Yes *, continue below:</p> <p style="padding-left: 40px;">When to make improvements (month, year)? _____</p> <hr style="border-top: 1px dashed black;"/> <p>Part 2. Are you currently/planning on buying an owner occupied facility in Nevada? _____</p> <p>If No, skip to Part 3. If Yes *, continue below:</p> <p style="padding-left: 40px;">Purchase date, if buying (month, year): _____</p> <p style="padding-left: 40px;">How much space (sq. ft.)? _____</p> <p>Do you plan on making building improvements? _____</p> <p>If No, skip to Part 3. If Yes *, continue below:</p> <p style="padding-left: 40px;">When to make improvements (month, year)? _____</p> <hr style="border-top: 1px dashed black;"/> <p>Part 3. Are you currently/planning on building a build-to-suit facility in Nevada? _____</p> <p>If Yes *, continue below:</p> <p style="padding-left: 40px;">When to break ground, if building (month, year)? _____</p> <p style="padding-left: 40px;">Estimated completion date, if building (month, year): _____</p> <p style="padding-left: 40px;">How much space (sq. ft.)? _____</p>	<p>Part 1. Are you currently leasing space in Nevada? <u>No</u></p> <p>If No, skip to Part 2. If Yes, continue below:</p> <p style="padding-left: 40px;">What year(s)? _____</p> <p style="padding-left: 40px;">How much space (sq. ft.)? _____</p> <p style="padding-left: 40px;">Annual lease cost at current space: _____</p> <p>Due to expansion, will you lease additional space? _____</p> <p>If No, skip to Part 3. If Yes, continue below:</p> <p style="padding-left: 40px;">Expanding at the current facility or a new facility? _____</p> <p style="padding-left: 40px;">What year(s)? _____</p> <p style="padding-left: 40px;">How much expanded space (sq. ft.)? _____</p> <p style="padding-left: 40px;">Annual lease cost of expanded space: _____</p> <p>Do you plan on making building tenant improvements? _____</p> <p>If No, skip to Part 3. If Yes *, continue below:</p> <p style="padding-left: 40px;">When to make improvements (month, year)? _____</p> <hr style="border-top: 1px dashed black;"/> <p>Part 2. Are you currently operating at an owner occupied building in Nevada? <u>Yes</u></p> <p>If No, skip to Part 3. If Yes, continue below:</p> <p style="padding-left: 40px;">How much space (sq. ft.)? <u>325,000 sqft</u></p> <p style="padding-left: 40px;">Current assessed value of real property? <u>\$3,914,790.00</u></p> <p>Due to expansion, will you be making building improvements? <u>Yes</u></p> <p>If No, skip to Part 3. If Yes *, continue below:</p> <p style="padding-left: 40px;">When to make improvements (month, year)? <u>Dec-2021</u></p> <hr style="border-top: 1px dashed black;"/> <p>Part 3. Do you plan on building or buying a new facility in Nevada? <u>No</u></p> <p>If Yes *, continue below:</p> <p style="padding-left: 40px;">Purchase date, if buying (month, year): _____</p> <p style="padding-left: 40px;">When to break ground, if building (month, year)? _____</p> <p style="padding-left: 40px;">Estimated completion date, if building (month, year): _____</p> <p style="padding-left: 40px;">How much space (sq. ft.)? _____</p>
<p>* Please complete Section 7 - Capital Investment for New Operations / Startup.</p>	<p>* Please complete Section 7 - Capital Investment for Expansions below.</p>

BRIEF DESCRIPTION OF CONSTRUCTION PROJECT AND ITS PROJECTED IMPACT ON THE LOCAL ECONOMY (Attach a separate sheet if necessary):
 Construction efforts began in the bakery on May 10, 2021 and will continue to the end of 2021. The expansion includes, but is not limited to, creating new drain lines, demoing walls for new walkways, new locker rooms, and installing new commercial bakery equipment. At the peak of construction, we will have approximately 200 construction workers on site.

Section 7 - Capital Investment (Fill in either New Operations/Startup or Expansion, not both.)

New Operations / Start Up	Expansions
How much capital investment is planned? (Breakout below):	How much capital investment is planned? (Breakout below):
Building Purchase (if buying): _____	Building Purchase (if buying): <u>\$0</u>
Building Costs (if building / making improvements): _____	Building Costs (if building / making improvements): <u>\$250,000</u>
Land: _____	Land: <u>\$0</u>
Equipment Cost: _____	Equipment Cost: <u>\$30,347,453</u>
Total: _____	Total: <u>\$30,597,453</u>
	Is the equipment purchase for replacement of existing equipment? <u>No</u>
	Current assessed value of personal property in NV: <u>\$2,558,080</u>
	(Must attach the most recent assessment from the County Assessor's Office.)

Section 8 - Employment (Fill in either New Operations/Startup or Expansion, not both.)

New Operations / Start Up	Expansions
How many full-time equivalent (FTE*) employees will be created by the end of the first eighth quarter of new operations?: _____	How many full-time equivalent (FTE*) employees will be created by the end of the first eighth quarter of expanded operations?: <u>66</u>
Average hourly wage of these <u>new</u> employees: _____	Average hourly wage of these <u>new</u> employees: <u>\$24.85</u>
	How many FTE employees prior to expansion?: <u>130</u>
	Average hourly wage of these <u>existing</u> employees: <u>\$27.00</u>
	Total number of employees after expansion: <u>196</u>

* FTE represents a permanent employee who works an average of 30 hours per week or more, is eligible for health care coverage, and whose position is a "primary job" as set forth in NAC 360.474.

OTHER COMPENSATION (Check all that apply):

<input checked="" type="checkbox"/> Overtime	<input checked="" type="checkbox"/> Merit increases	<input type="checkbox"/> Tuition assistance	<input checked="" type="checkbox"/> Bonus
<input checked="" type="checkbox"/> PTO / Sick / Vacation	<input type="checkbox"/> COLA adjustments	<input checked="" type="checkbox"/> Retirement Plan / Profit Sharing / 401(k)	<input type="checkbox"/> Other: _____

BRIEF DESCRIPTION OF ADDITIONAL COMPENSATION PROGRAMS AND ELIGIBILITY REQUIREMENTS (Attach a separate sheet if necessary):
Please see attached

Section 9 - Employee Health Insurance Benefit Program

Is health insurance for employees and is an option for dependents offered?: Yes (attach health plan and quote or invoice) No

Package includes (check all that apply):
 Medical Vision Dental Other: _____

Qualified after (check one):
 Upon employment Three months after hire date Six months after hire date Other: 30-days after hire date

Health Insurance Costs:	Percentage of health insurance premium by (min 65%):
Plan Type: <u>Flowers Foods PPO Medical Plan</u>	
Employer Contribution (annual premium per employee): <u>\$ 6,339.32</u>	Company: <u>88%</u>
Employee Contribution (annual premium per employee): <u>\$ 832.00</u>	Employee: <u>12%</u>
Total Annual Premium: <u>\$ 7,171.32</u>	

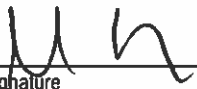
[SIGNATURE PAGE FOLLOWS]

Section 10 - Certification

I, the undersigned, hereby grant to the Governor's Office of Economic Development access to all pertinent and relevant records and documents of the aforementioned company. I understand this requirement is necessary to qualify and to monitor for compliance of all statutory and regulatory provisions pertaining to this application.

Being owner, member, partner, officer or employee with signatory authorization for the company, I do hereby declare that the facts herein stated are true and that all licensing and permitting requirements will be met prior to the commencement of operations. In addition, I and /or the company's legal counsel have reviewed the terms of the GOED Tax Abatement and Incentives Agreement, the company recognizes this agreement is generally not subject to change, and any material revisions have been discussed with GOED in advance of board approval.

Mia Rodriguez
Name of person authorized for signature


Signature

Human Resources Business Partner
Title

June 30, 2021
Date

Nevada Governor's Office of Economic Development
555 E. Washington Ave., Ste 5400 • Las Vegas, Nevada 89101 • 702.486.2700 • (Fax) 702.486.2701 • www.diversifynevada.com

Site Selection Factors

Company Name: Flowers Baking Company of Henderson, LLC

County: Clark

Section I - Site Selection Ratings

Directions: Please rate the select factors by importance to the company's business (1 = very low; 5 = very high). Attach this form to the Incentives Application.

Availability of qualified workforce:	<u>3</u>	Transportation infrastructure:	<u>3</u>
Labor costs:	<u>4</u>	Transportation costs:	<u>1</u>
Real estate availability:	<u>4</u>	State and local tax structure:	<u>2</u>
Real estate costs:	<u>5</u>	State and local incentives:	<u>2</u>
Utility infrastructure:	<u>5</u>	Business permitting & regulatory structure:	<u>4</u>
Utility costs:	<u>3</u>	Access to higher education resources:	<u>3</u>

Please summarize the importance of the abatement program to your decision (please include at least a paragraph summary):

5(A) Capital Equipment List

Company Name: Flowers Baking Company of Henderson, LLC

County: Clark

Section I - Capital Equipment List

Directions: Please provide an estimated list of the equipment [columns (a) through (c)] which the company intends to purchase over the two-year allowable period. For example, if the effective date of new / expanded operations begins April 1, 2015, the two-year period would be until March 31, 2017. Add an additional page if needed. For guidelines on classifying equipment, visit:

tax.nv.gov/LocalGovt/PolicyPub/ArchiveFiles/Personal_Property_Manuals. Attach this form to the Incentives Application.

(a) Equipment Name/Description	(b) # of Units	(c) Price per Unit	(d) Total Cost
Oxidizer	1	\$614,543.00	\$614,543.00
Batching System	1	\$425,000.00	\$425,000.00
Flour System	1	\$2,921,986.00	\$2,921,986.00
Mixers - 2400lb	3	\$594,949.00	\$1,784,847.00
Minor Ingredient System	1	\$417,500.00	\$417,500.00
Piping - Liquid Ingredients	1	\$300,000.00	\$300,000.00
Soak Mixer - 1000 lbs	1	\$195,739.00	\$195,739.00
Trough Hoist	3	\$108,312.33	\$324,936.99
Soak throughs	24	\$8,843.33	\$212,239.92
Dough Chunker	1	\$249,021.00	\$249,021.00
Dough Conveyor with Metal Detector	1	\$124,743.00	\$124,743.00
Pan Oilers	2	\$73,981.50	\$147,963.00
Divider - Volumetric	1	\$271,734.00	\$271,734.00
Rounder	1	\$163,718.00	\$163,718.00
Conveyor - Dough Ball	1	\$287,064.00	\$287,064.00
Moulder	2	\$315,261.00	\$630,522.00
Enrobers	2	\$122,240.00	\$244,480.00
Conveyor - Proofer feed	1	\$100,401.00	\$100,401.00
Proofer	1	\$1,689,787.00	\$1,689,787.00
Water Splitter	1	\$56,500.00	\$56,500.00
Flour Duster	1	\$65,500.00	\$65,500.00
Conveyor - Oven feed	1	\$223,259.00	\$223,259.00
Oven	1	\$2,987,248.00	\$2,987,248.00
Depanner	1	\$285,144.00	\$285,144.00
Pan Cleaner	1	\$228,453.00	\$228,453.00
Robotic Pan Stacker/Unstack/Storage	1	\$1,055,835.00	\$1,055,835.00
Conveyor - Pan Feed	1	\$1,163,551.00	\$1,163,551.00
Electrocal Panel - Pan System	1	\$250,880.00	\$250,880.00
Conveyor - Cooler Feed	1	\$394,071.00	\$394,071.00
Cooler	1	\$1,488,538.00	\$1,488,538.00
Conveyors - Bread Combining	1	\$201,131.00	\$201,131.00
Conveyors - Slicer Feed	1	\$428,073.00	\$428,073.00
Electrocal Panel - Slicer	1	\$149,886.00	\$149,886.00
Versa Loaders	4	\$266,167.75	\$1,064,671.00
Basket Stacker	4	\$95,997.25	\$383,989.00
Conveyors - Full Basket	1	\$120,058.00	\$120,058.00
Basket Unstacker	1	\$109,665.00	\$109,665.00
Conveyors - Empty Basket Reservoir	1	\$22,441.00	\$22,441.00
Conveyors - Case Pack	1	\$204,071.00	\$204,071.00
Tray De-nester	1	\$84,216.00	\$84,216.00
Basket Trash Dump	1	\$43,856.00	\$43,856.00
Conveyors - Empty Basket System	1	\$362,187.00	\$362,187.00
Electrical Panel - Empty Basket System	1	\$166,233.00	\$166,233.00

(a) Equipment Name/Description	(b) # of Units	(c) Price per Unit	(d) Total Cost
Conveyors - Full Stack Discharge	1	\$114,814.00	\$114,814.00
Basket Washer	1	\$373,468.00	\$373,468.00
Baggers	4	\$98,092.00	\$392,368.00
Double Baggers	4	\$132,149.50	\$528,598.00
Slicers	4	\$105,176.00	\$420,704.00
Bag closers - Kwiklok	10	\$17,329.70	\$173,297.00
Coders	10	\$13,153.80	\$131,538.00
Tyers	6	\$46,088.00	\$276,528.00
Metal Detector - Dualhead Fortress	1	\$52,199.00	\$52,199.00
Box Erector	1	\$72,951.00	\$72,951.00
Tape Machine	1	\$27,748.00	\$27,748.00
Pallet Stretch Wrapper	1	\$21,695.00	\$21,695.00
Case Labelers	2	\$28,607.50	\$57,215.00
Conveyors - Case Motion	1	\$48,500.00	\$48,500.00
Electrical Distribution	1	\$600,000.00	\$600,000.00
Refrigeration System	1	\$1,703,000.00	\$1,703,000.00
Air Handling System	1	\$350,000.00	\$350,000.00
Cooler - Juice Refrigeration	1	\$83,849.00	\$83,849.00
Heat Recovery System	1	\$521,000.00	\$521,000.00
Air Compressor/Dryer	1	\$138,000.00	\$138,000.00
Compressed Air Distribution	1	\$100,500.00	\$100,500.00
Sightline Vision System	1	\$47,800.00	\$47,800.00
Pans - Deli Slice	1	\$184,500.00	\$184,500.00
Pans - Thin Sliced	1	\$184,500.00	\$184,500.00
Pans - Open Top	1	\$184,500.00	\$184,500.00
Pallet Racks	1	\$137,500.00	\$137,500.00
Cross Overs	1	\$60,000.00	\$60,000.00
Yeast System	1	\$500,000.00	\$500,000.00
Bakery Racks and Bins	1	\$15,000.00	\$15,000.00
Support Platform - Mixer/Hopper	1	\$200,000.00	\$200,000.00
TOTAL EQUIPMENT COST			\$30,347,452.91

Is any of this equipment* to be acquired under an operating lease?

Yes

No

*Certain lease hold equipment does not qualify for tax abatements

5(B) Employment Schedule

Company Name: Flowers Baking Company of Henderson, LLC

County: Clark

Section I - Full-Time Equivalent (FTE) Employees

Directions: Please provide an estimated list of full time employees [columns (a) through (d)] that will be hired and employed by the company by the end of the first eighth quarter of new / expanded operations. For example, if the effective date of new / expanded operations is April 1, 2015, the date would fall in Q2, 2015. The end of the first eighth quarter would be the last day of Q2, 2017 (i.e., June 30, 2017). Attach this form to the Incentives Application. A qualified employee must be employed at the site of a qualified project, scheduled to work an average minimum of 30 per week, if offered coverage under a plan of health insurance provided by his or her employer, is eligible for health care coverage, and whose position of a "primary job" as set forth in NAC 360.474.

Please use the Bureau of Labor Statistics Standard Occupational Classification System (SOC) link to populate section (b): https://www.bls.gov/soc/2018/major_groups.htm#11-0000

(a) New Hire Position Title/Description	(b) Position SOC Code	(c) Number of Positions	(d) Average Hourly Wage	(e) US Bureau of Labor Statistics Average Hourly Wage - Clark County	(f) Average Weekly Hours	(g) Annual Wage per Position	(h) Total Annual Wages
General and Operations Managers	11-1021	1	\$72.11	\$61.83	40	\$149,988.80	\$149,988.80
First-Line Supervisors of Production and Operating Workers	51-1011	4	\$32.45	\$28.72	40	\$67,496.00	\$269,984.00
Food Cooking Machine Operators and Tenders	51-3093	51	\$22.50	\$15.13	40	\$46,800.00	\$2,386,800.00
First-Line Supervisors of Mechanics, Installers, and Repairers	49-1011	2	\$36.30	\$35.32	40	\$75,504.00	\$151,008.00
Maintenance Workers, Machinery	49-9043	6	\$28.00	\$26.24	40	\$58,240.00	\$349,440.00
Food Processing Workers, All Other	51-3099	1	\$25.00	\$16.26	40	\$52,000.00	\$52,000.00
Human Resources Specialists	13-1071	1	\$25.00	\$26.09	40	\$52,000.00	\$52,000.00
TOTAL		66	\$24.85	\$18.47			\$3,411,220.80

Section 2 - Employment Projections

Directions: Please estimate full-time job growth in Section 2, complete columns (b) and (c). These estimates are used for state economic impact and net tax revenue analysis that this agency is required to report. The company will not be required to reach these estimated levels of employment. **Please enter the estimated new full time employees on a year by year basis (not cumulative)**

(a) Year	(b) Number of New FTE(s)	(c) Average Hourly Wage	(d) Payroll
3-Year	10	\$26.05	\$541,840.00
4-Year	5	\$27.35	\$284,440.00
5-Year	7	\$28.72	\$418,163.20

* Column (e) determines if wage is commensurate to current wage ranges in the region the company plans to locate/is located. For these purposes the mean average hourly wage for the location has been used.

U = Unknown / data set for region is not currently available.

Source: [US Bureau of Labor Statistics](#)

5(C) Evaluation of Health Plans Offered by Companies

Company Name: Flowers Baking Company of Henderson, LLC

County: Clark

Total Number of Full-Time Employees: 66

Average Hourly Wage per Employee \$24.85

Average Annual Wage per Employee (implied) \$51,688.00

COST OF HEALTH INSURANCE

Annual Health Insurance Premium Cost: \$7,171.32

Percentage of Premium Covered by:

Company 88%

Employee 12%

HEALTH INSURANCE PLANS:

Base Health Insurance Plan*:

Flowers Foods PPO Medical Plan

Deductible - per employee \$ 400

Coinsurance 25% EE / 75% ER

Out-of-Pocket Maximum per employee \$ 3,200

Additional Health Insurance Plan*:

Flowers Foods PPO Plus Medical Plan

Deductible - per employee \$ 1,600

Coinsurance 25% EE / 75% ER

Out-of-Pocket Maximum per employee \$ 3,200

Additional Health Insurance Plan*:

N/A

Deductible - per employee \$ -

Coinsurance 0% / 0%

Out-of-Pocket Maximum per employee \$ -

*Note: **Please list only "In Network" for deductible and out of the pocket amounts.**

Generalized Criteria for Essential Health Benefits (EHB)

[following requirements outlined in the Affordable Care Act and US Code, including 42 USC Section 18022]

Covered employee's premium not to exceed 9.5% of annual wage	1.8%	MMQ
Annual Out-of-Pocket Maximum not to exceed \$8,700 (2022)	\$3,200	MMQ

Minimum essential health benefits covered (Company offers PPO):

- (A) Ambulatory patient services
- (B) Emergency services
- (C) Hospitalization
- (D) Maternity and newborn care
- (E) Mental health/substance use disorder/behavioral health treatment
- (F) Prescription drugs
- (G) Rehabilitative and habilitative services and devices
- (H) Laboratory services
- (I) Preventive and wellness services and chronic disease management
- (J) Pediatric services, including oral and vision care

No Annual Limits on Essential Health Benefits

I, the undersigned, hereby declare to the Governor's Office of Economic Development that the facts herein stated are true, and that I have attached a qualified plan with information highlighting where our plan reflects meeting the 65% minimum threshold for the employee paid portion of the plan for GOED to independently confirm the same.

John David Cook

Name of person authorized for signature



Signature

Sr. Director of Total Rewards

Title

7/8/2021

Date

5(D) Company Information

Company Name: Flowers Baking Company of Henderson, LLC

County: Clark

Section 1 - Company Interest List

Directions: Please provide a detailed list of owners and/or members of the company. *The Governor's Office of Economic Development strives to maintain the highest standards of integrity, and it is vital that the public be confident of our commitment. Accordingly, any conflict or appearance of a conflict must be avoided. To maintain our integrity and credibility, the applicant is required to provide a detailed list of owners, members, equity holders and Board members of the company.*

(a) Name	(b) Title
Ryals McMullian	President and CEO

Section 2 - Company Affiliates and/or Subsidiaries

Are there any subsidiary or affiliate companies sharing tax liability with the applicant company? No Yes

If Yes, continue below:

Directions: In order to include affiliates/subsidiaries, under the exemption letter, they must to be added to the Contract. Per standard practice GOED requires a corporate schematic to understand the exact relationships between the companies. Please populate the below table to show the exact relationships between the companies and include:

1. The names as they would read on the tax exemption letter.
2. Which entity(ies) will do the hiring?
3. Which entity(ies) will be purchasing the equipment?

Name of Subsidiary or Affiliate Entity, Role and Legal Control Relationship
Flowers Foods Inc. This entity will be purchasing some of the equipment for this expansion.

Please include any additional details below:

SECRETARY OF STATE



NEVADA STATE BUSINESS LICENSE

FLOWERS BAKING CO. OF HENDERSON, LLC

Nevada Business Identification # NV20131407883

Expiration Date: 07/31/2022

In accordance with Title 7 of Nevada Revised Statutes, pursuant to proper application duly filed and payment of appropriate prescribed fees, the above named is hereby granted a Nevada State Business License for business activities conducted within the State of Nevada.

Valid until the expiration date listed unless suspended, revoked or cancelled in accordance with the provisions in Nevada Revised Statutes. License is not transferable and is not in lieu of any local business license, permit or registration.

License must be cancelled on or before its expiration date if business activity ceases. Failure to do so will result in late fees or penalties which, by law, cannot be waived.



Certificate Number: B202107091825391

You may verify this certificate
online at <http://www.nvsos.gov>

IN WITNESS WHEREOF, I have hereunto set my
hand and affixed the Great Seal of State, at my
office on 07/09/2021.

Barbara K. Cegavske

BARBARA K. CEGAVSKE
Secretary of State



OUR STORY

Flowers Foods acquired the closed Henderson bakery in 2013, renovating and refitting it with a high-efficiency bread line capable of producing 9,000 loaves per hour, and a modern bun line that can produce 4,500 units per hour.

In 2018, the bakery donated more than \$672,000 worth of products to food banks and other charitable causes.

A sustainability leader, the bakery met the EPA Energy Star Challenge in 2016 and 2020, and achieved Energy Star Certification in 2019. It converted all exterior lights to LED in 2019, upgraded its compressed air systems in 2017, and installed metering to monitor the system for downtime and pressure drops. With these improvements, the bakery expects combined electricity savings of nearly 1,000 megawatt hours annually.

Located in a high water-stress area, Henderson participated in the 2018 Water Smart Landscapes Program and converted grassy areas to native desert landscaping.

EMPLOYEES

240

BAKERY SIZE

325K

square feet

PRODUCTION CAPACITY

1.4

million pounds per week

PRODUCTION LINES

2

1 bread, 1 bun

OUR PARENT COMPANY

Headquartered in Thomasville, Ga. Flowers Foods, Inc. (NYSE: FLO) is one of the largest producers of packaged bakery foods in the United States with 2020 sales of \$4.4 billion and 46 bakery subsidiaries.

For more than 100 years, Flowers has focused on producing quality products under trusted brands through the efforts of a passionate and talented team that's more than 9,000 strong. Flowers bakeries are Global Food Safety Initiative (GFSI) certified, and the company nurtures a culture that is inclusive, respectful, and creative. Flowers encourages the support of local communities through volunteerism and donations focused on feeding families, helping children, and supporting veterans.

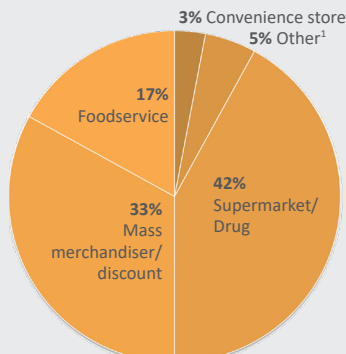
Learn more at flowersfoods.com.



The Henderson bakery markets products under these and other Flowers Foods brands. The bakery produces a variety of breads and buns under the **Nature's Own** and **Sara Lee** labels, along with foodservice and private label brands.

Business: The second-largest producer and marketer of packaged bakery foods in the U.S. **2020 sales:** \$4.4 billion **Bakeries:** 46 efficient bakeries in 18 states **Employees:** Approx. 9,200 **Products:** Breads, buns, rolls, snack cakes, and tortillas **Top brands:** *Nature's Own, Dave's Killer Bread, Canyon Bakehouse, Tastykake, Wonder, Mrs. Freshley's* **Market:** Retail and foodservice. Fresh bakery foods to 85% of the U.S. population through a network of independent distributors; frozen bakery items and snack cakes to customers' warehouses nationwide.

FY 2020 SNAPSHOT



¹Thrift stores, vending, retail distributor
 Chart data should not be used for historical comparisons since some business has shifted and because of changes in geographic definition.

VISION

As America's premier baker, we craft foods that make people smile. We are driven by a passion to boldly grow our business through inspiring leadership, teamwork, and creativity.

VALUE CREATION STRATEGIES

Develop Team Enhance capabilities to build brands, manage costs, deliver insights, and drive execution

Focus on Brands Prioritize national brands, invest in brand growth and innovation, and streamline product assortment

Prioritize Margins Optimize portfolio and supply chain, reduce organizational and indirect costs, focus on strategic pricing and network profitability

Smart M&A Proactive and disciplined approach in grain-based foods to enhance portfolio and expand geographic capabilities

FISCAL 2021 GUIDANCE

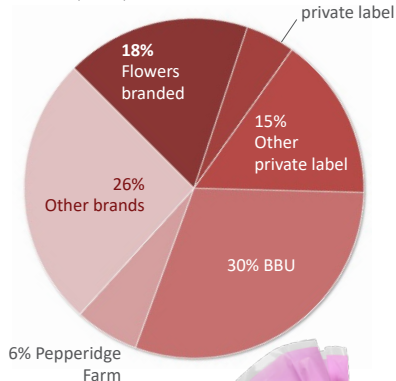
Sales change:	-3.5% to -2.0%
Diluted EPS:	\$1.10 to \$1.17

COMPANY STRENGTHS

- Leading brands in a large and stable consumer goods category
- Proven ability to grow share in underdeveloped product segments and geographic regions
- Executing initiatives to optimize portfolio and network profitability with a focus on managing costs, leveraging data-driven insights, and shifting mix to higher margin branded products
- Track record of disciplined M&A with seamless integration
- Consistent cash generation and track record of dividend growth
- Broad product range – breads, buns, rolls, snack cakes, tortillas
- Dual distribution capability – fresh bakery foods distributed daily by independent distributor partners and fresh and frozen products delivered to customers' warehouses nationwide
- Conservative financial position with investment-grade debt rating

BRAND STRENGTHS

BRAND SHARE, TOTAL U.S.
Breads, Buns, Rolls



America's best-selling bread. **Nature's Own** breads and buns have no artificial preservatives, colors, or flavors and no high fructose corn syrup. For an artisan experience, try Non-GMO Project Verified **Perfectly Crafted** breads, buns, and rolls.



The #1 organic bread brand in the U.S., **Dave's Killer Bread** is packed with protein, fiber, and whole grains with no artificial anything. Non-GMO and certified organic – it will rock your world.



Hot dog, hamburger, or sandwich, **Wonder** is the way to go. A trusted brand for 100 years. Instill a little Wonder in what you're eating today!



The #1 gluten-free bread brand in the U.S., **Canyon Bakehouse** is also free from dairy, nuts, and soy and made with 100% whole grains so everyone can Love Bread Again®.



A snack favorite since 1914, **Tastykake** is celebrated for its complete line of cakes, pies, and donuts. One taste, and you'll know why Tastykake has been a favorite for more than 100 years.



True to our name, **Mrs. Freshley's** offers a wide variety of portioned and portable sweet baked snacks that are ready to go and perfect for busy, everyday lives.

CATEGORY STRENGTHS

\$32.3 billion retail sales*
\$5.3 billion foodservice sales**

- Across the grocery store segment, fresh bread and rolls is the **fourth-largest category**, in dollars, behind carbonated beverages, beer/ale/alcoholic cider, and salty snacks.***
- Bread is the No. 1 grocery category in weekly true profits.****
- 98.1% of households buy fresh packaged bread.***

IRI Flowers Custom Database
 Total MultiOutlet – 52 weeks ending 12/27/20
 Flowers Private Label Sales SDW.
 Chart data should not be used for historical comparison because of changes in geographic definition.

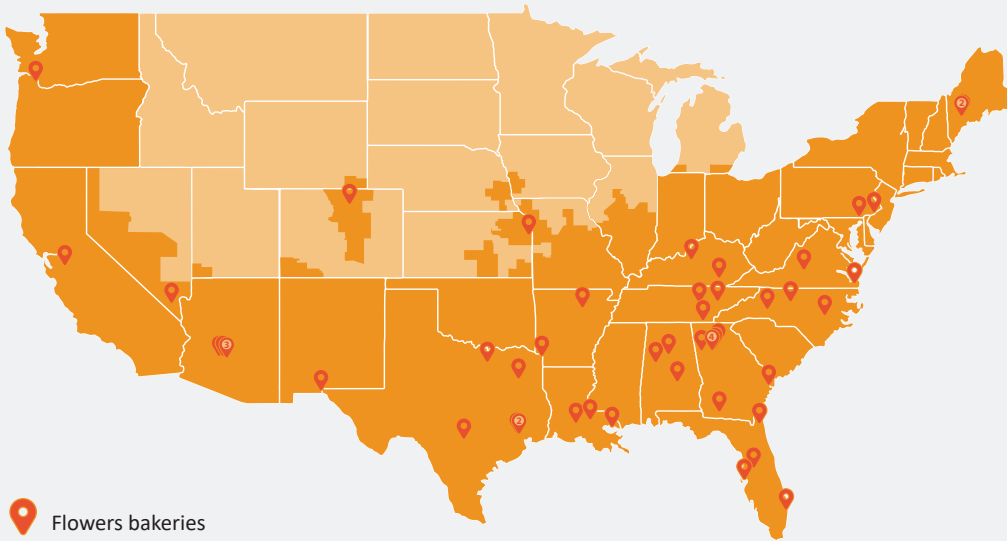


(Numbers should not be used for historical comparison because of change in IRI data.)

*IRI Custom Database – 52 weeks ending 12/27/20
 **Technomic FY2020

***IRI Panel Data
 ****Willard Bishop Super Study

46 BAKERIES & FRESH/FROZEN DISTRIBUTION



Flowers bakeries

Fresh/DSD

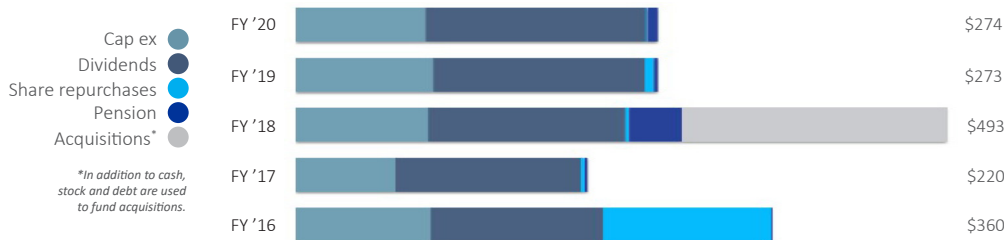
Frozen/Warehouse available throughout the continental U.S.

INDEPENDENT DISTRIBUTOR PARTNER (IDP) MODEL

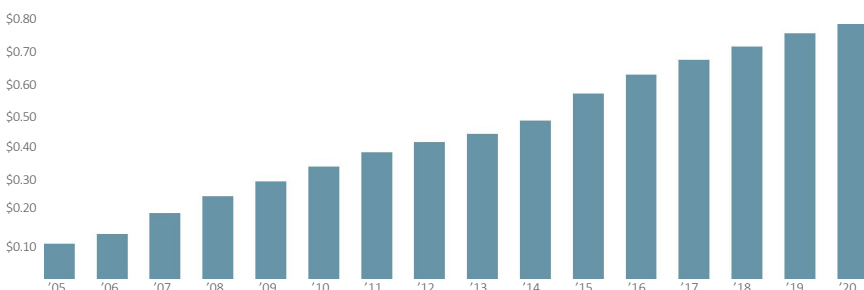


- Independent distributor partners (IDPs) control and direct independent businesses.
- Business model motivates IDPs to increase sales through outstanding service and merchandising.
- Approximately 3,500 IDPs own the rights to distribute products in approximately 5,500 territories
- More info at www.flowersfoods.com/partners

CAPITAL ALLOCATION in millions



DIVIDENDS PER SHARE 2005 – 2020



SALES

Year	in millions	% growth
'20 [†]	\$4,388	6.4%
'19	\$4,124	4.4%
'18	\$3,952	0.8%

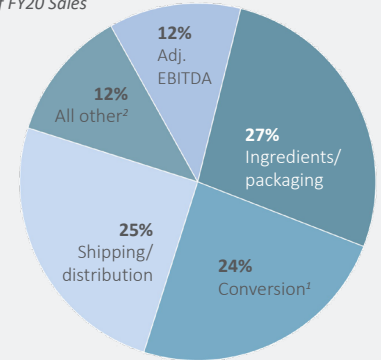
GROSS MARGIN^{*^}

'20 [†]	50.0%
'19	47.7%
'18	47.7%

^{*}Exclusive of depreciation and amortization.

COMPONENTS OF ADJ. EBITDA^{*}

% of FY20 Sales



[†]Includes direct labor & indirect manufacturing expenses
^²Includes selling & administrative expenses

ADJUSTED EBITDA^{*}

Year	in millions	% margin
'20 [†]	\$522	11.9%
'19	\$423	10.3%
'18	\$411	10.4%

ADJUSTED NET INCOME^{*}

Year	in millions	% margin
'20 [†]	\$278	6.3%
'19	\$204	5.0%
'18	\$198	5.0%

ADJUSTED DILUTED EPS^{*}

Year	% change
'20 [†]	36.5%
'19	2.1%
'18	5.6%

^{*}Excluding items affecting comparability. Reconciliation of non-GAAP measures are available at flowersfoods.com.

Click on Investor Center and select Financial Data.

[†]53-week year