

Alphi Manufacturing, Inc.
Summary Estimates
(All monetary estimates in 2006 dollars)

TOTAL JOBS CREATED (as of 2013)	177
Direct	120
Spin-off (includes Indirect Jobs)	57
NET POSITIVE STATE REVENUE IMPACT	\$2,743,000
Revenue foregone	\$449,000
Revenue gain	\$3,192,000
Personal income generated over life of MEGA agreement	\$41,435,000
Statewide employment multiplier (average, 2011–13)	1.44
Average Weekly Wage of Direct Jobs (as reported by the company at time of application)	\$427

Alphi Manufacturing, Inc.
Economic and Fiscal Effects on Michigan - Net Benefits with the Incentive Package

Economic/Fiscal Indicator	2007	2008	2009	2010	2011	2012	2013	Total
Total Employment	53	52	71	91	170	173	177	
Manufacturing	21	29	39	50	94	94	94	
Non-Manufacturing	32	23	32	41	76	79	83	
Retail Trade	5	4	6	7	13	13	14	
Services	13	11	16	20	38	39	39	
Other	14	8	10	14	25	27	30	
In Current Dollars (Thousands):								
Personal Income	\$2,380	\$2,686	\$3,815	\$5,066	\$9,644	\$10,620	\$11,350	\$45,897
Gross State Revenue	183	207	294	390	743	818	874	3,535
Mega Cost	22	34	46	57	108	113	118	497
State Revenue Net of MEGA Cost*	\$161	\$173	\$248	\$333	\$635	\$705	\$756	\$3,038
Adjusted for Inflation (Thousands of 2006 Dollars):								
Personal Income	\$2,331	\$2,576	\$3,585	\$4,665	\$8,703	\$9,395	\$9,844	\$41,435
Gross State Revenue	179	199	276	359	671	724	758	3,192
Mega Cost	21	33	43	53	97	100	102	449
State Revenue Net of MEGA Cost*	\$158	\$166	\$233	\$306	\$574	\$624	\$656	\$2,743

* These estimates do not include any state government revenue losses due to the Investment Tax Credit, the Renaissance Zone Credit or the property tax abatement.

REMI Terms and Definitions

Benefits estimated by the model: the total number of jobs created in Michigan (by major industry, including spin-off jobs), and the associated personal income and state government revenue generated due to the gain in economic activity resulting from the project.

Direct jobs: the jobs created at the project facility itself, as estimated at the end of the incentive period.

Employment multiplier: the total number of jobs created (direct plus spin-off) for every direct job introduced constitutes the employment multiplier. The numerator of the employment multiplier equals the number of jobs (direct and spin-off) created on average over the incentive period when the facility is at full operations. The denominator of the employment multiplier represents the direct jobs created yearly over the same period.

Personal income: the income of Michigan residents from all sources, after deduction of contributions to social insurance programs but before deduction of income tax and other personal taxes.

Spin-off jobs: Spin-off jobs are generated from two sources: increased purchases from Michigan suppliers; and spending by people who receive income due to the increased economic activity.

Total employment effects: direct jobs created at the facility itself plus spin-off jobs, as estimated at the end of the incentive period.

REMI estimates do not include the nonmeasurable effects that would produce additional economic and fiscal benefits for Michigan, such as the intangible advantages of influencing other location and expansion decisions.