

**Paragon Metals, Inc.**  
**Summary Estimates**  
(All monetary estimates in 2008 dollars)

<b>TOTAL JOBS CREATED (as of 2014)</b>	235
Direct	130
Spin-off (includes Indirect Jobs)	105
<b>NET POSITIVE STATE REVENUE IMPACT</b>	\$3,119,000
Revenue foregone	\$1,022,000
Revenue gain	\$4,141,000
Personal income generated over life of MEGA agreement	\$53,777,000
Statewide employment multiplier (average, 2013–14)	1.81
Average Weekly Wage of Direct Jobs (as reported by the company at time of application)	\$684

**Paragon Metals, Inc.**  
**Economic and Fiscal Effects on Michigan - Net Benefits with the Incentive Package**

Economic/Fiscal Indicator	2008	2009	2010	2011	2012	2013	2014	Total
<b>Total Employment</b>	91	126	164	200	242	234	235	
Manufacturing	50	71	92	113	139	137	137	
Non-Manufacturing	41	55	72	87	103	97	98	
Retail Trade	7	9	12	14	16	14	14	
Services	21	29	37	44	51	47	46	
Other	13	17	23	29	36	36	38	
<b>In Current Dollars (Thousands):</b>								
Personal Income	\$3,571	\$5,341	\$7,202	\$9,186	\$11,290	\$11,750	\$12,630	\$60,970
Gross State Revenue	275	411	555	707	869	905	973	4,695
Mega Cost	77	110	141	171	210	219	229	1,156
State Revenue Net of MEGA Cost*	\$198	\$301	\$414	\$536	\$659	\$686	\$744	\$3,539
<b>Adjusted for Inflation (Thousands of 2007 Dollars):</b>								
Personal Income	\$3,487	\$5,067	\$6,642	\$8,241	\$9,861	\$9,999	\$10,480	\$53,777
Gross State Revenue	269	390	512	634	759	770	807	4,141
Mega Cost	75	104	130	154	183	186	190	1,022
State Revenue Net of MEGA Cost*	\$194	\$286	\$382	\$480	\$576	\$584	\$617	\$3,119

\* 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.*