

Surefil LLC
Economic and Fiscal Effects on Michigan - Net Benefits with the Incentive Package

Economic/Fiscal Indicator	2006	2007	2008	2009	2010	2015	2016	Total
Total Employment	44	181	427	391	413	440	442	
Manufacturing	9	97	197	203	212	222	222	
Non-Manufacturing	35	84	230	188	201	218	220	
Retail Trade	5	15	37	31	33	34	34	
Services	12	42	100	90	94	100	101	
Other	18	27	93	67	74	84	85	
In Current Dollars (Thousands):								
Personal Income	\$1,801	\$7,996	\$19,900	\$20,140	\$22,610	\$30,640	\$32,040	\$244,107
Gross State Revenue	139	616	1,532	1,551	1,741	2,359	2,467	18,796
Mega Cost	0	195	365	383	402	506	531	4,189
State Revenue Net of MEGA Cost*	\$139	\$421	\$1,167	\$1,168	\$1,339	\$1,853	\$1,936	\$14,607
Adjusted for Inflation (Thousands of 2006 Dollars):								
Personal Income	\$1,801	\$7,830	\$19,088	\$18,925	\$20,819	\$25,539	\$26,181	\$215,548
Gross State Revenue	139	603	1,470	1,457	1,603	1,966	2,016	16,597
Mega Cost	0	191	350	360	370	421	434	3,708
State Revenue Net of MEGA Cost*	\$139	\$412	\$1,120	\$1,097	\$1,233	\$1,545	\$1,582	\$12,889

* 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.