



CITY OF FRANKLIN

COMMUNITY DEVELOPMENT DEPARTMENT

Memorandum

To: City of Franklin Economic Development Commission
From: Krista Linke, Community Development Director
Date: April 1st, 2014
Re: Case C 2014-06: CTC Casting Technologies

Summary:

1. On January 17th, 2012, the Franklin Common Council passed Resolution Number 2012-02, approving a 7-year tax abatement on personal property for CTC Casting Technologies, Inc. located at 1450 Commerce Parkway (formerly Musicland Drive).
2. Actual and estimated benefits, as projected for 2013:

	Estimated on SB-1	Actual in 2013	Difference
Employees Retained	57	57	0
Salaries	\$3,150,000	\$3,200,000	\$50,000
New Employees	25	52	27
Salaries	\$660,000	\$1,900,000	\$1,240,000
Total Employees	82	109	27
Total Salaries	\$3,810,000	\$5,100,000	\$1,290,000
Average Hourly Salaries	\$22.34	\$22.49	\$0.16
Personal Property Improvements	\$1,350,000	\$2,350,807	\$1,000,807

3. The company has greatly exceeded the number of new employees and the average hourly salaries for all employees are slightly higher than estimated.
4. The company has exceeded their estimate for personal property investment.
5. The personal property tax abatement is scheduled to expire in tax year 2018 payable 2019. The final compliance review will take place in 2019.

Staff Recommendation:

Approval



Casting Technologies Company
1450 Musicland Drive
Franklin, IN 46131
www.ctc-na.com

tel 317. 738. 0282
fax 317. 738. 0282

A Subsidiary of Compass Automotive Group

February 28, 2014

Ms. Krista Linke, Director
Dept. of Planning & Economic Development
70 E. Monroe Street
Franklin, IN 46131

Re: Annual Tax Abatement Compliance for CTC Casting Technologies, Inc.

Dear Ms. Linke:

Enclosed, please find Form CF-1/PP (Compliance with Statement of Benefits) regarding compliance with the personal property tax abatements which were granted to CTC in 2012 under Franklin Common Council Resolution number 12-02.

As indicated on the attached documents, our company has exceeded the capital investment projections for this project. Project spending to date of \$2.351 million is approximately \$1.0 million higher than the projected spending of \$1.350 million.

CTC was also successful in continuing to exceed head count projections. Our total head count remains strong at 109 (12/31/2013). This represents an increase of 52 over the number of employees in place before the project, 57. This increase of 52 employees exceeds our projected increase by 27.

Again, I would like to thank the City of Franklin for approving this tax abatement and I look forward to working with the City in the future. Please feel free to contact me at 317-738-7925 should you have any questions on the enclosed documents.

Respectfully,

Chuck Schiavello
Controller



**COMPLIANCE WITH STATEMENT OF BENEFITS
PERSONAL PROPERTY**

State Form 51765 (R2 / 5-13)
Prescribed by the Department of Local Government Finance

FORM CF-1 / PP

- INSTRUCTIONS:**
1. Property owners whose Statement of Benefits was approved must file this form with the local Designating Body to show the extent to which there has been compliance with the Statement of Benefits. (IC 6-1.1-12.1-5.6)
 2. This form must be filed with the Form 103-ERA Schedule of Deduction from Assessed Value between March 1, and May 15, of each year, unless a filing extension under IC 6-1.1-3.7 has been granted. A person who obtains a filing extension must file between March 1, and the extended due date of each year.
 3. With the approval of the designating body, compliance information for multiple projects may be consolidated on one (1) compliance (CF-1).

SECTION 1 TAXPAYER INFORMATION	
Name of taxpayer CTC Casting Technologies, Inc.	
Address of taxpayer (number and street, city, state, and ZIP code) 1450 Commerce Parkway, Franklin, IN 46131	
Name of contact person Chuck Schiavello	Telephone number (317) 738-7925

SECTION 2 LOCATION AND DESCRIPTION OF PROPERTY	
Name of designating body Common Council of the City of Franklin, Indiana	Resolution number 12-02
Location of property 1450 Commerce Parkway, Franklin, IN 46131	County Johnson
Description of new manufacturing equipment, or new research and development equipment, or new information technology equipment, or new logistical distribution equipment to be acquired. Installation of melt equipment, 3 VRC/PRC casting machines, robotic equipment, finishing equipment, x-ray equipment, and inspection equipment.	DLGF taxing district number 31
	Estimated starting date (month, day, year) 01/01/2012
	Estimated completion date (month, day, year) 01/01/2014

SECTION 3 EMPLOYEES AND SALARIES		
EMPLOYEES AND SALARIES	AS ESTIMATED ON SB-1	ACTUAL
Current number of employees	82.00	109.00
Salaries	3,810,000.00	5,100,000.00
Number of employees retained	57.00	57.00
Salaries	3,150,000.00	3,200,000.00
Number of additional employees	25.00	52.00
Salaries	660,000.00	1,900,000.00

SECTION 4 COST AND VALUES								
AS ESTIMATED ON SB-1	MANUFACTURING EQUIPMENT		R & D EQUIPMENT		LOGIST DIST EQUIPMENT		IT EQUIPMENT	
	COST	ASSESSED VALUE	COST	ASSESSED VALUE	COST	ASSESSED VALUE	COST	ASSESSED VALUE
Values before project	7,843,000.00							
Plus: Values of proposed project	1,350,000.00							
Less: Values of any property being replaced								
Net values upon completion of project	9,193,000.00							
ACTUAL	COST	ASSESSED VALUE	COST	ASSESSED VALUE	COST	ASSESSED VALUE	COST	ASSESSED VALUE
Values before project	8,368,000.00							
Plus: Values of proposed project	2,350,807.00							
Less: Values of any property being replaced								
Net values upon completion of project	10,718,807.00							

NOTE: The COST of the property is confidential pursuant to IC 6-1.1-12.1-5.6 (d).

SECTION 5 WASTE CONVERTED AND OTHER BENEFITS PROMISED BY THE TAXPAYER		
WASTE CONVERTED AND OTHER BENEFITS	AS ESTIMATED ON SB-1	ACTUAL
Amount of solid waste converted		
Amount of hazardous waste converted		
Other benefits:		

SECTION 6 TAXPAYER CERTIFICATION		
I hereby certify that the representations in this statement are true.		
Signature of authorized representative 	Title Controller	Date signed (month, day, year) 2/28/2014

**CTC Casting Technologies, Inc.
Job Creation / Retention Timetable
Resolution 12-02**

of Employees

12/31/2012	104	
<i>Employees Added:</i>		
1st Quarter 2012	(3)	
2nd Quarter 2012	(1)	
3rd Quarter 2012	6	
4th Quarter 2012	3	
	<u>109</u>	at 12/31/2013

of Employees

12/31/2012	104	
12/31/2013	109	
Change in number of employees in 2013	<u>5</u>	