



CITY OF FRANKLIN

COMMUNITY DEVELOPMENT DEPARTMENT

Memorandum

To: City of Franklin Economic Development Commission
From: Krista Linke, Community Development Director
Date: April 21st, 2016
Re: Case C 2016-45: Shipston Aluminum Technologies (Formerly 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 2015:

	Estimated on SB-1	Actual in 2015	Difference
Employees Retained	57	57	0
Salaries	\$3,150,000	\$3,300,000	\$150,000
New Employees	25	44	19
Salaries	\$660,000	\$1,600,000	\$940,000
Total Employees	82	101	19
Total Salaries	\$3,810,000	\$4,900,000	\$1,090,000
Average Hourly Salaries	\$22.34	\$23.32	\$0.99
Personal Property Improvements	\$1,350,000	\$2,579,029	\$1,229,029

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



SHIPSTON ALUMINUM TECHNOLOGIES

O: 317-738-0282 | F: 317-738-0262

1450 Commerce Parkway, Franklin, IN 46131

February 26, 2016

City of Franklin
Krista Linke
70 E. Monroe Street
Franklin, IN 46131

Re: 2015 Tax Abatement Compliance Packet for Shipston Aluminum Technologies (Indiana), Inc. (fka 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 abatement that was granted 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 \$2.579 million is approximately \$1.2 million higher than the projected spending of \$1.350 million.

The Company was also successful in continuing to exceed head count projections. Our total head count remains strong at 101 (12/31/2015). This represents an increase of 44 over the number of employees in place before the project, 57. This increase of 44 employees exceeds our projected increase by 19.

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.

Sincerely,

Chuck Schiavello
Controller



**COMPLIANCE WITH STATEMENT OF BENEFITS
PERSONAL PROPERTY**

State Form 51765 (R3 / 11-15)
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 January 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 January 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 Shipston Aluminum Technologies (Indiana), Inc. (fka CTC Casting Technologies, Inc.)						County Johnson		
Address of taxpayer (number and street, city, state, and ZIP code) 1450 Commerce Parkway, Franklin, IN 46131						DLGF taxing district number 31		
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		Estimated start date (month, day, year) 01/01/2012		
Location of property 1450 Commerce Parkway, Franklin, IN 46131						Actual start date (month, day, year) 12/06/2011		
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.						Estimated completion date (month, day, year) 01/01/2014		
						Actual completion date (month, day, year) 09/01/2013		
SECTION 3 EMPLOYEES AND SALARIES								
EMPLOYEES AND SALARIES						AS ESTIMATED ON SB-1		ACTUAL
Current number of employees						82.00		101.00
Salaries						3,810,000.00		4,900,000.00
Number of employees retained						57.00		57.00
Salaries						3,150,000.00		3,300,000.00
Number of additional employees						25.00		44.00
Salaries						660,000.00		1,600,000.00
SECTION 4 COST AND VALUES								
	MANUFACTURING EQUIPMENT		R & D EQUIPMENT		LOGIST DIST EQUIPMENT		IT EQUIPMENT	
AS ESTIMATED ON SB-1	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	0.00							
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	2,579,029.00							
Less: Values of any property being replaced	0.00							
Net values upon completion of project	10,947,029.00							
NOTE: The COST of the property is confidential pursuant to IC 6-1.1-12.1-5.6(c).								
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) 2/26/2016		

Shipston Aluminum Technologies (Indiana), Inc. (fka CTC Casting Technologies, Inc.)
Job Creation / Retention Timetable
Resolution 12-02

	# of Employees
12/31/2014	101
<i>Employees Added:</i>	
1st Quarter 2015	4
2nd Quarter 2015	-
3rd Quarter 2015	(3)
4th Quarter 2015	(1)
	<u>101</u> at 12/31/2015

	# of Employees
12/31/2014	101
12/31/2015	101
Change in number of employees in 2014	<u>-</u>