



# CITY OF FRANKLIN

COMMUNITY DEVELOPMENT DEPARTMENT

## Memorandum

**To:** City of Franklin Economic Development Commission

**From:** Dana Monson, Community Development Specialist

**Date:** March 8, 2022

**Re:** Case C 2022-04: BPRex Healthcare Packaging Inc.

### Summary:

1. On April 15<sup>th</sup>, 2019, the Franklin Common Council passed Resolution No. 2019-04, approving a 5-year tax abatement with a 5% economic development fee on personal property for BP Rex Healthcare Packaging, Inc., located 1900 Commerce Parkway.
2. Actual and estimated benefits, as projected for 2021:

	Estimated on SB-1	Actual in 2021	Difference
Employees Retained	209	196	-13
Salaries	\$10,300,300	\$11,925,464	\$1,625,464
New Employees	4	(Hired in 2020) 4	0
Salaries	\$140,000	(2020 number) \$229,414.44	\$89,414.44
Total Employees	213	196	-13
Total Salaries	\$10,440,300	\$11,925,464	\$1,485,164
Average Hourly Salaries	\$23.57	\$29.25	\$5.68
Personal Property Improvements	\$3,720,000	\$3,346,461.00	-\$373,539

3. In 2020, the total number of employees exceeded the SB-1 estimate by 7, and the average hourly salary exceeded the estimate. They were right at their estimate and above in salaries. In 2021, the company lost 13 employees due to attrition, deaths, and other issues detailed in deficiency statement. They are actively recruiting employees now.
4. Personal property improvements are below by \$373,539 from the SB-1 estimate. However, the company plans to complete the final purchases in 2020 and expects to meet the estimate by the end of the year. In 2020 the company held off on the final purchases due to the pandemic. In 2021, the company was not able to complete purchase due to employment situation. Once all employees are hired the final investment can be made.
5. The tax abatement for Rexam is scheduled to expire in tax year 2025 payable 2026. The final compliance review will take place in 2025.

**Staff Recommendation:** Approval



P.O. Box 959 (47706-0959)  
101 Oakley Street  
Evansville, Indiana 47710  
Tel: (812) 424-2904

February 25, 2022

City of Franklin, IN  
Attn: Dana Monson, Community Development Specialist  
70 E. Monroe Street  
Franklin, IN 46131

Dana,

In regards to Resolution 2019-04 for BPRex Healthcare Packaging, Inc's MLX Capacity Expansion Project, the number of employees has fallen below the anticipated amount budgeted at the onset of the project. This is due to various reasons through the calendar year 2021 as outlined below.

During the time frame of January through December 2021, there were two untimely employee deaths and there were four employees that retired from the organization. Additionally, the plant lost 37 employees due to company-initiated dismissals for just cause (predominantly for unexcused absences) and there were 30 employees that voluntarily resigned for a myriad of reasons including but not limited to, finding other employment, returning to school, childcare issues, etc. Replacement staff has been hired in order to meet our employment level for the plant and project; however, we are still 13 employees below what was projected at the time of the expansion project.

Currently, there is new hire orientation that will add four more night-shift machine operators and recruitment is done daily to fill current machine production operator openings represented by 5-day shift openings and 5-night shift openings. Jobs for the plant location are posted on a number of job board sites (Berry Global, Indiana Workforce Development, Franklin, Indiana Chamber of Commerce) and job fairs are also participated in soliciting local talent. An employee referral bonus program is also offered to pay employees \$600 for a new hire referral that materializes and there is also a new hire retention bonus program.

Overall, we anticipate that the headcount will return to pre-pandemic levels over the coming months as long as we retain our current team and are successful in recruiting new team members over the course of 2022.

Let us know if you need additional information and thank you for your continuation of our existing resolutions.

Best regards,

**Jason Humphrey**  
VP – Tax  
Berry Global Inc.  
P.O. Box 959  
Evansville, IN 47706-0959  
E-mail: [jasonhumphrey@berryglobal.com](mailto:jasonhumphrey@berryglobal.com)  
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# COMPLIANCE WITH STATEMENT OF BENEFITS PERSONAL PROPERTY

State Form 51765 (R4 / 11-18)

Prescribed by the Department of Local Government Finance

FORM CF-1 / PP

## PRIVACY NOTICE

This form contains information  
confidential pursuant to  
IC 6-1.1-35-9 and IC 6-1.1-12.1-5.6.

- 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	BPRex Healthcare Packaging, Inc.		County Johnson			
Address of taxpayer (number and street, city, state, and ZIP code)	P.O. Box 959, Evansville, IN 47706-0959		DLGF taxing district number 41009			
Name of contact person	Jason Humphrey, VP - Tax		Telephone number ( 812 ) 424-2904			
SECTION 2		LOCATION AND DESCRIPTION OF PROPERTY				
Name of designating body	Resolution number	Estimated start date (month, day, year)				
City of Franklin, IN	2019-04	5/01/2019				
Location of property	Actual start date (month, day, year)					
1900 Commerce Drive, Franklin, IN 46131	Estimated completion date (month, day, year)					
Description of new manufacturing equipment, or new research and development equipment, or new information technology equipment, or new logistical distribution equipment to be acquired.	Actual completion date (month, day, year)					
MLX Capacity Expansion Project						
SECTION 3		EMPLOYEES AND SALARIES				
EMPLOYEES AND SALARIES		AS ESTIMATED ON SB-1	ACTUAL			
Current number of employees		209	196			
Salaries		10,300,000.00	11,925,464.00			
Number of employees retained		209	196			
Salaries		10,300,000.00	11,925,464.00			
Number of additional employees		4	-13			
Salaries		140,000.00	1,625,464.00			
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
Values before project	68,600,000.00	15,880,000.00				
Plus: Values of proposed project	3,720,000.00	1,488,000.00				
Less: Values of any property being replaced						
Net values upon completion of project	72,320,000.00	17,368,000.00				
ACTUAL	COST	ASSESSED VALUE	COST	ASSESSED VALUE	COST	ASSESSED VALUE
Values before project	68,600,000.00					
Plus: Values of proposed project	3,346,461.00					
Less: Values of any property being replaced						
Net values upon completion of project						
<b>NOTE:</b> 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	Date signed (month, day, year)				
	VP - Tax	02/24/2022				