



# CITY OF FRANKLIN

Community Development Department

## Memorandum

**To:** City of Franklin Economic Development Commission  
**From:** Rhoni Oliver, Community Development Specialist  
**Date:** April 5, 2019  
**Re:** Case C 2019-08: Shipston Aluminum Technologies (Formerly CTC Casting Technologies)

### Summary:

1. On January 17<sup>th</sup>, 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 2018:

	Estimated on SB-1	Actual in 2018	Difference
Employees Retained	57	57	0
Salaries	\$3,150,000	\$3,600,000	\$450,000
New Employees	25	58	33
Salaries	\$660,000	\$2,515,000	\$1,855,000
Total Employees	82	115	33
Total Salaries	\$3,810,000	\$6,115,000	\$2,305,000
Average Hourly Salaries	\$22.34	\$25.56	\$3.23
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 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

March 28, 2019

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

Re: 2018 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 115 (12/31/2018). This represents an increase of 58 over the number of employees in place before the project, 57. This increase of 58 employees exceeds our projected increase by 17.

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. This will be the final year of filing the abatement as all years have been fulfilled. Please feel free to contact me at 317-738-7921 should you have any questions on the enclosed documents.

Sincerely,

Josh Fischer  
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).

<b>SECTION 1 TAXPAYER INFORMATION</b>								
Name of taxpayer Shipston Aluminum Technologies (Indiana), Inc. (fka 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 Josh Fischer						Telephone number ( 317 ) 738-7921		
<b>SECTION 2 LOCATION AND DESCRIPTION OF PROPERTY</b>								
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		DLGF taxing district number 31		
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 starting date (month, day, year) 01/01/2012		
						Estimated completion date (month, day, year) 01/01/2014		
<b>SECTION 3 EMPLOYEES AND SALARIES</b>								
<b>EMPLOYEES AND SALARIES</b>						<b>AS ESTIMATED ON SB-1</b>	<b>ACTUAL</b>	
Current number of employees						82.00	115.00	
Salaries						3,810,000.00	6,115,000.00	
Number of employees retained						57.00	57.00	
Salaries						3,150,000.00	3,600,000.00	
Number of additional employees						25.00	58.00	
Salaries						660,000.00	2,515,000.00	
<b>SECTION 4 COST AND VALUES</b>								
	<b>MANUFACTURING EQUIPMENT</b>		<b>R &amp; D EQUIPMENT</b>		<b>LOGIST DIST EQUIPMENT</b>		<b>IT EQUIPMENT</b>	
<b>AS ESTIMATED ON SB-1</b>	<b>COST</b>	<b>ASSESSED VALUE</b>	<b>COST</b>	<b>ASSESSED VALUE</b>	<b>COST</b>	<b>ASSESSED VALUE</b>	<b>COST</b>	<b>ASSESSED VALUE</b>
Values before project	7,843,000.0							
Plus: Values of proposed project	1,350,000.0							
Less: Values of any property being replaced	0.00							
Net values upon completion of project	9,193,000.0							
<b>ACTUAL</b>	<b>COST</b>	<b>ASSESSED VALUE</b>	<b>COST</b>	<b>ASSESSED VALUE</b>	<b>COST</b>	<b>ASSESSED VALUE</b>	<b>COST</b>	<b>ASSESSED VALUE</b>
Values before project	8,368,000.0							
Plus: Values of proposed project	2,579,029.0							
Less: Values of any property being replaced	0.00							
Net values upon completion of project	10,947,029.0							
<b>NOTE:</b> The <b>COST</b> of the property is confidential pursuant to IC 6-1.1-12.1-5.6 (d).								
<b>SECTION 5 WASTE CONVERTED AND OTHER BENEFITS PROMISED BY THE TAXPAYER</b>								
<b>WASTE CONVERTED AND OTHER BENEFITS</b>						<b>AS ESTIMATED ON SB-1</b>	<b>ACTUAL</b>	
Amount of solid waste converted								
Amount of hazardous waste converted								
Other benefits:								
<b>SECTION 6 TAXPAYER CERTIFICATION</b>								
I hereby certify that the representations in this statement are true.								
Signature of authorized representative <i>Josh Fischer</i>				Title Controller		Date signed (month, day, year) 4/2/2019		



**OPTIONAL: FOR USE BY A DESIGNATING BODY WHO ELECTS TO REVIEW THE COMPLIANCE WITH STATEMENT OF BENEFITS (FORM CF-1)  
THAT WAS APPROVED AFTER JUNE 30, 1991.**

**INSTRUCTIONS: (IC 6-1.1-12.1-5.9)**

1. This page does not apply to a Statement of Benefits filed before July 1, 1991; that deduction may not be terminated for a failure to comply with the Statement of Benefits.
2. Within forty-five (45) days after receipt of this form, the designating body may determine whether or not the property owner has substantially complied with the Statement of Benefits.
3. If the property owner is found **NOT** to be in substantial compliance, the designating body shall send the property owner written notice. The notice must include the reasons for the determination and the date, time and place of a hearing to be conducted by the designating body. If a notice is mailed to a property owner, a copy of the written notice will be sent to the Township Assessor and the County Auditor.
4. Based on the information presented at the hearing, the designating body shall determine whether or not the property owner has made reasonable effort to substantially comply with the Statement of Benefits.
5. If the designating body determines that the property owner has **NOT** made reasonable effort to comply, then the designating body shall adopt a resolution terminating the deduction. The designating body shall immediately mail a certified copy of the resolution to: (1) the property owner; (2) the County Auditor; and (3) the Township Assessor.

We have reviewed the CF-1 and find that:			
<input type="checkbox"/> the property owner <b>IS</b> in substantial compliance			
<input type="checkbox"/> the property owner <b>IS NOT</b> in substantial compliance			
<input type="checkbox"/> other (specify) _____			
Reasons for the determination (attach additional sheets if necessary)			
Signature of authorized member			Date signed (month, day, year)
Attested by:		Designating body	
If the property owner is found not to be in substantial compliance, the property owner shall receive the opportunity for a hearing. The following date and time has been set aside for the purpose of considering compliance.			
Time of hearing	<input type="checkbox"/> AM <input type="checkbox"/> PM	Date of hearing (month, day, year)	Location of hearing
<b>HEARING RESULTS (to be completed after the hearing)</b>			
<input type="checkbox"/> Approved <span style="margin-left: 100px;"><input type="checkbox"/> Denied (see instruction 5 above)</span>			
Reasons for the determination (attach additional sheets if necessary)			
Signature of authorized member			Date signed (month, day, year)
Attested by:		Designating body	
<b>APPEAL RIGHTS [IC 6-1.1-12.1-5.9(e)]</b>			
A property owner whose deduction is denied by the designating body may appeal the designating body's decision by filing a complaint in the office of the Circuit or Superior Court together with a bond conditioned to pay the costs of the appeal if the appeal is determined against the property owner.			

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

	# of Employees	
12/31/2017	99	
<i>Employees Added:</i>		
1st Quarter 2018	6	
2nd Quarter 2018	8	
3rd Quarter 2018	4	
4th Quarter 2018	(2)	
	<u>115</u>	at 12/31/2018

	# of Employees
12/31/2017	99
12/31/2018	<u>115</u>
Change in number of employees in 2018	<u>16</u>

**Shipston Aluminum Technologies (Indiana), Inc. (fka CTC Casting Technologies, Inc.)**  
**Abatement Additions**

<b>Asset Description</b>	<b>In Service Date</b>	<b>Amount</b>
10 Ton Crane System - VRC/PRC area	7/1/2012	50,778
FPI Line	7/1/2012	183,311
Melt System Upgrade - VRC/PRC area	7/1/2012	219,966
Robot - VRC/PRC area	7/1/2012	41,939
Robot - VRC/PRC area	7/1/2012	41,939
Robot - VRC/PRC area	7/1/2012	41,939
Robot - VRC/PRC area	7/1/2012	41,939
Trim Press - VRC/PRC	7/1/2012	35,539
Trim Press - VRC/PRC	7/1/2012	35,539
VRC/PRC Casting Machine - Gen III #14	7/1/2012	434,153
VRC/PRC Casting Machine - Gen III #15	7/1/2012	434,153
X-Ray System #3 - manual VRC/PRC area (CD4 a	7/1/2012	175,194
Robot - VRC/PRC area	1/1/2013	52,781
X-Ray System #4 - VRC/PRC area	2/1/2013	220,437
VRC/PRC Casting Machine - Gen III #16	9/1/2013	521,206
Trim Press - VRC/PRC	2/1/2014	48,218

**Total 12-02 Abatement Additions**

**2,579,029**