



# CITY OF FRANKLIN

COMMUNITY DEVELOPMENT DEPARTMENT

## Memorandum

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

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

**Date:** April 11, 2023

**Re:** Case C 2023-07: Energizer Holdings (Res. 19-08)

### Summary:

1. On November 18<sup>th</sup>, 2019, the Franklin Common Council passed Resolution No. 2019-08, a 10-year tax abatement on \$58,555,558 in personal property with a 2% Economic Development Fee for Energizer Holdings, located at 180 Bartram Parkway.
2. Actual and estimated benefits, as projected for 2022:

	Estimated on SB-1	Actual in 2022	Difference
New Employees	440	305	-135
Salaries	\$16,748,160.00	\$14,394,275	-\$2,353,885
Total Employees	440	305	-135
Total Salaries	\$16,748,160.00	\$14,394,275	-\$2,353,885
Average Hourly Salaries	\$18.30	\$22.69	\$4.39
Personal Property Improvements	\$58,555,558	\$21,026,388	-\$37,529,170

3. This company has not yet met their goals, but continues to ramp up for 2021. The Covid pandemic severely decreased their ability to complete the buildout and hiring process, however, they do expect to be at full capacity by the end of 2021. The company has increased hiring and has an additional 71 contract employees not reflected in the numbers above as the salary information is not available at this time. This will be submitted as soon as available. In 2022 the company was up to 305 full time employees, through Energizer, DHL, and two staffing agencies. Wages were up significantly.
4. The personal property purchases were not completed by the end of 2020 due to the delay in completing the buildout, however, they do anticipate the completion of all the equipment purchases by the end of 2021. 2021 saw new challenges with supply chains and personnel so the anticipated investment has not been completed. The company is adding 3 more lines this year and continuing to ramp up, based on labor and equipment availability. The SB-2 stated final completion of equipment will be 12/2023. The company has not completed the full investment and has until 12/23 to do so.
5. Their personal property tax abatement is scheduled to expire in tax year 2032 payable 2033. Their final compliance review will take place in 2032.

**Staff Recommendation:** Approval



Energizer Manufacturing, Inc.  
533 Maryville University  
St. Louis, MO 63141

March 22, 2023

Mrs. Dana Monson, Community Development Specialist  
Dept. of Community Development  
70 E. Monroe Street  
Franklin, IN 46131

Re: Tax Abatement Compliance for Energizer Manufacturing, Inc.

Dear Mrs. Monson:

Enclosed please find Form CF-1 (Compliance with Statement of Benefits) regarding compliance with the personal property tax abatements which were granted to Energizer Manufacturing, Inc. in 2019 under Franklin Common Council Resolution No. 2019-08.

Please review all of the enclosed documents, and if you have any questions or concerns regarding this matter, please feel free to contact me.

Sincerely,

*Rebecca Jaspering*

Rebecca Jaspering  
Director, Indirect Tax  
Energizer



Energizer Manufacturing, Inc.  
533 Maryville University  
St. Louis, MO 63141

*Attachment to Form CF-1 (Compliance with Statement of Benefits)  
Comments Concerning Job Creation or Retention Schedule*

In October of 2019, Energizer Holdings, Inc. ("Energizer") accepted the City of Franklin's agreement for property tax abatements. As part of the application for consideration by the City of Franklin for the property tax abatements, Energizer estimated that 440 full time jobs would be created by the proposed project. This estimate was comprised of 160 Energizer colleagues, 80 DHL colleagues and 200 contract workers that would be on-site year-round. The number of contract workers was and is expected to increase during peak production times with 200 contract workers expected to be on-site year-round (in addition to the DHL colleagues).

Energizer continued to be impacted by the COVID-19 pandemic and its related effects. The Company faced higher operating costs due to the global supply chain constraints including for raw materials and transportation costs, labor availability continues to be a challenge across the Company's sites and there continues to be volatility in the global supply network. Despite these COVID-19 factors and the various impacts to consumer spending that resulted from the economic conditions throughout the country, Energizer has continued to move forward with fulfilling its obligations as proposed in the initial application completed in late 2019. At the end of 2022, Energizer employed 93 colleagues at the Franklin, IN facility, an increase in headcount of 27 from the prior year. DHL reported active full-time equivalents of 112. Additionally, Energizer utilized additional staffing agencies during 2022 as shown below resulting in additional full-time equivalents of 100 for a total of 305 positions filled at the Franklin, IN facility on a full-time basis in 2022.

Agency	CY22 ENR Spend	Regular Hours	OT Hours	Total Hours	Head Count
Premier Employee Solutions	\$3,880,380.00	173,999	12,070.75	186,069.75	83
TrueBlue Services (SMX)	498,503.00	21,511	1,277	22,788.00	22
<b>Totals</b>	<b>\$4,378,883.00</b>	<b>195,510.00</b>	<b>13,347.75</b>	<b>208,857.75</b>	<b>105</b>

The Energizer colleague information is provided in a separate file. DHL separately submits the employee detailed report including hours and wages to the IEDC. We can request that a copy be provided to the City of Franklin as well as Energizer does not have visibility to that data, pursuant to our agreement with DHL. DHL did provide that the number of employees at the Franklin, IN location as of 12/31/2022 was 112 and the gross salary/wages for the year as reported on W-2s was \$5,294,231.14.

The various disruptions in our manufacturing and supply chain arrangements over the past couple of years did have an impact on the timing of asset transfers from other plant locations to Franklin, IN facility. However, the Company has transferred assets with an acquisition value of \$11M to date from other plant locations to Franklin and has purchased new equipment totaling \$10M for the Franklin location. The Company continues to evaluate its



manufacturing and distribution network. Decisions regarding the Company's optimal network will be made throughout 2023 and additional assets may be identified to be transferred to the Franklin facility.

It is our desire and request that the City of Franklin will look favorably upon our activities to date.

Sincerely,

*Rebecca Jaspering*

Rebecca Jaspering  
Director, Indirect Tax  
Energizer



# COMPLIANCE WITH STATEMENT OF BENEFITS PERSONAL PROPERTY

State Form 51765 (R4 / 11-16)

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 <b>Energizer Manufacturing, Inc.</b>						County <b>Johnson</b>		
Address of taxpayer (number and street, city, state, and ZIP code) <b>533 Maryville University Dr, St. Louis, MO 63141</b>						DLGF taxing district number <b>018</b>		
Name of contact person <b>Rebecca Jaspering</b>						Telephone number <b>( 314 ) 985-1896</b>		
SECTION 2 LOCATION AND DESCRIPTION OF PROPERTY								
Name of designating body <b>The City of Franklin Common Council</b>					Resolution number <b>2019-08</b>		Estimated start date (month, day, year) <b>5/1/2020</b>	
Location of property <b>180 Bartram Parkway, Franklin, IN 46131</b>					Actual start 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. <b>Manufacturing equipment for Energizer's packaging and distribution operations.</b>					Estimated completion date (month, day, year) <b>12/31/2023</b>			
					Actual completion date (month, day, year)			
SECTION 3 EMPLOYEES AND SALARIES								
EMPLOYEES AND SALARIES					AS ESTIMATED ON SB-1		ACTUAL	
Current number of employees							305	
Salaries							14,394,275.00	
Number of employees retained							0	
Salaries							0.00	
Number of additional employees							305	
Salaries							14,394,275.00	
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	58,555,558.00	17,666,667.00						
Plus: Values of proposed project								
Less: Values of any property being replaced								
Net values upon completion of project								
ACTUAL	COST	ASSESSED VALUE	COST	ASSESSED VALUE	COST	ASSESSED VALUE	COST	ASSESSED VALUE
Values before project	21,026,388.75							
Plus: Values of proposed project								
Less: Values of any property being replaced								
Net values upon completion of project								
<b>NOTE: The COST of the property is confidential pursuant to IC 6-1.1-12.1-5.6(c).</b>								
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 <b>Erica Calhoun</b>					Title <b>Vice President, Tax</b>		Date signed (month, day, year) <b>March 21, 2023</b>	
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**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 County 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 and whether any failure to substantially comply was caused by factors beyond the control of the property owner.
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 County Assessor.

We have reviewed the CF-1 and find that:

- ☐ the property owner **IS** in substantial compliance
- ☐ the property owner **IS NOT** in substantial compliance
- ☐ 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

- ☐ AM  
☐ PM

Date of hearing (month, day, year)

Location of hearing

**HEARING RESULTS (to be completed after the hearing)**

☐ Approved

☐ Denied (see instruction 5 above)

Reasons for the determination (attach additional sheets if necessary)

Signature of authorized member

Date signed (month, day, year)

Attested by:

Designating body

**APPEAL RIGHTS [IC 6-1.1-12.1-5.9(e)]**

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 clerk of 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.