



CITY OF FRANKLIN

DEPARTMENT OF PLANNING & ECONOMIC DEVELOPMENT

Memorandum

To: City of Franklin Economic Development Commission
From: Krista Linke, Director of Planning & Economic Development
Date: March 7th, 2012
Re: Case C 2012-39: NSK Precision America Inc.

Summary:

1. On June 13th, 2005, the Franklin Common Council passed Resolution No. 2005-10, approving a 10-year tax abatement on real property and a 7-year tax abatement on personal property for NSK Precision America at 3450 Bearing Drive.
2. Actual and estimated benefits, as projected for 2011:

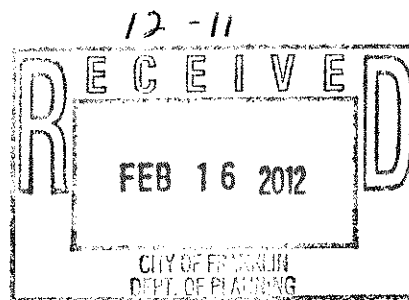
	Estimated on SB-1	Actual in 2011	Difference
Employees Retained	91	97	6
Salaries	\$4,800,000	\$5,162,000	\$362,000
New Employees	24	24	0
Salaries	\$1,800,000	\$2,232,000	\$432,000
Total Employees	115	121	6
Total Salaries	\$6,600,000	\$7,394,000	\$794,000
Average Hourly Salaries	\$27.59	\$29.38	\$1.79
Personal Property Improvements	\$572,000	\$572,000	\$0
Real Property Improvements	\$500,000	\$618,137	\$118,137

3. The company has met their estimate provided on the SB-1 Form for personal property investment and exceeded their real property investment.
4. Due to the way the current number of employees and the number of additional employees was reported on the CF-1 Form, NSK has exceeded the number of employees retained and met the number of new jobs created. Their estimated average hourly wage for all employees is \$1.79 higher than estimated.
5. The personal property tax abatement is scheduled to expire in tax year 2013 payable 2014. The final compliance review will take place in 2014.
6. The real property tax abatement is scheduled to expire in tax year 2016 payable 2017. The final compliance review will take place in 2017.

Staff Recommendation:

Approval

NSK



February 16, 2012

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

Re: Tax Abatement Compliance for NSK Precision America Inc.

Dear Ms. Linke,

Enclosed are the completed CF-1 for NSK Precision America Inc. regarding compliance for resolution 05-04 and 05-10. As you will be able to see, we have successfully completed our capital investment of \$2.6M in newly acquired assets (real and personal property) and the creation of 24 new positions by moving our Corp. Headquarters from Addison, IL to Franklin, IN.

Please review all of the enclosed documents, and if you have any questions or concerns, please contact me.

Sincerely,

Lindy Rigdon
Accounting Manager
NSK Precision America Inc.

Enclosures

NSK PRECISION AMERICA

3450 BEARING DRIVE
FRANKLIN, INDIANA 46131
TELEPHONE: 317-738-5075
FACSIMILE: 317-738-5006



COMPLIANCE WITH STATEMENT OF BENEFITS REAL ESTATE IMPROVEMENTS

State Form 51766 (R2 / 1-07)

Prescribed by the Department of Local Government Finance

12-39

20 11 PAY 20 12

FORM CF-1 / Real Property

PRIVACY NOTICE

The cost and any specific individual's salary information is confidential; the balance of the filing is public record per IC 6-1.1-12.1-5.1 (c) and (d).

This statement is being completed for real property that qualifies under the following Indiana Code (check one box):

- ☐ Redevelopment or rehabilitation of real estate improvements (IC 6-1.1-12.1-4)
☐ Eligible vacant building (IC 6-1.1-12.1-4.8)

INSTRUCTIONS:

1. This form does not apply to property located in a residentially distressed area. (IC 6-1.1-12.1-2 (b))
2. Property owners must file this form with the County Auditor and the Designating Body for their review regarding the compliance of the project with the Statement of Benefits (SB-1 / Real Property).
3. This form must accompany the initial deduction application that is filed with the County Auditor.
4. Property owners whose Statement of Benefits was approved after June 30, 1991, must file an updated form with the County Auditor and the local Designating Body to show the extent to which there has been compliance with the Statement of Benefits. (IC 6-1.1-12.1-5.1)
5. The updated form must be filed annually by May 15, or by the due date for the real property owner's personal property return that is filed in the township where the project is located, whichever is later. (IC 6-1.1-12.1-5.1 (b))
6. With the approval of the Designating Body, compliance information for multiple projects may be consolidated on one (1) compliance form (CF-1 / Real Property).

SECTION 1 TAXPAYER INFORMATION	
Name of taxpayer NSK Precision America	
Address of taxpayer (number and street, city, state, and ZIP code) P.O. Box 134007, Ann Arbor MI 48113	
Name of contact person Robert Wozniak	Telephone number (734) 913-7589
SECTION 2 LOCATION AND DESCRIPTION OF PROPERTY	
Name of designating body Franklin City Common Council	
Location of property 3450 Bearing Dr. Franklin IN	County Johnson
Description of real property improvements: Completion of 2nd floor office area - to be used for NPA Corp. office	Resolution number 05-10 DLGF taxing district number 5/1/05 Estimated starting date (month, day, year) 12/1/05 Estimated completion date (month, day, year)
SECTION 3 EMPLOYEES AND SALARIES	
EMPLOYEES AND SALARIES	AS ESTIMATED ON SB-1
Current number of employees	91
Salaries	4,800,000
Number of employees retained	97
Salaries	5,162,000
Number of additional employees	24
Salaries	1,800,000
SECTION 4 COST AND VALUES	
COST AND VALUES	REAL ESTATE IMPROVEMENTS
AS ESTIMATED ON SB-1	AS ESTIMATED ON SB-1
Values before project	10,155,000
Plus: Values of proposed project	500,000
Less: Values of any property being replaced	
Net values upon completion of project	10,655,000
ACTUAL	ACTUAL
Values before project	10,155,000
Plus: Values of proposed project	618,137
Less: Values of any property being replaced	
Net values upon completion of project	10,773,137
SECTION 5 WASTE CONVERTED AND OTHER BENEFITS PROMISED BY THE TAXPAYER	
WASTE CONVERTED AND OTHER BENEFITS	AS ESTIMATED ON SB-1
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 Shirley Knight	Title Accounting Manager
Date signed (month, day, year) 2/16/12	

**COMPLIANCE WITH STATEMENT OF BENEFITS
PERSONAL PROPERTY**

State Form 51765 (R / 1-06)

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 NSK Precision America Inc.								
Address of taxpayer (number and street, city, state, and ZIP code) P.O. Box 134007, Ann Arbor MI 48113								
Name of contact person Robert M. Wozniak		Telephone number (734) 913-7589						
SECTION 2		LOCATION AND DESCRIPTION OF PROPERTY						
Name of designating body Franklin City Common Council		Resolution number 05-10						
Location of property 3450 Bearing Dr., Franklin IN		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 equipment used in the NPA Corp. office.		Estimated starting date (month, day, year) 5/15/05						
		Estimated completion date (month, day, year) 12/1/05						
SECTION 3		EMPLOYEES AND SALARIES						
EMPLOYEES AND SALARIES		AS ESTIMATED ON SB-1	ACTUAL					
Current number of employees		91	121					
Salaries		4,800,000	7,394,000					
Number of employees retained			97					
Salaries			5,162,000					
Number of additional employees		24	24					
Salaries		1,800,000	2,232,000					
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	21,936,000	6,583,000						
Plus: Values of proposed project	572,000	242,000						
Less: Values of any property being replaced								
Net values upon completion of project	22,508,000	6,825,000						
ACTUAL	COST	ASSESSED VALUE	COST	ASSESSED VALUE	COST	ASSESSED VALUE	COST	ASSESSED VALUE
Values before project	21,936,000	6,583,000						
Plus: Values of proposed project	572,000	242,000						
Less: Values of any property being replaced								
Net values upon completion of project	22,508,000	6,825,000						
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 Timothy Kogda		Title Accounting Manager	Date signed (month, day, year) 2/16/12					

NSK Precision America Inc. Investment Listing for Resolution 05-10

<u>Depr Exp</u>	<u>Asset No</u>	<u>Description</u>	<u>Acq Mth</u>	<u>Acq Yr</u>	<u>Acq Value</u>
31760	31000B013701	SECOND FLOOR OFFICE BUILD-OUT	11	2005	618,136.62
Real Property Total					618,136.62
31511	31000S013801	CAD SOFTWARE	11	2005	17,487.00
31512	31000O633101	EQUIPMENT FOR AMAT REPAIR / UPGRADE	12	2003	272,379.06
31760	31000O603901	CAD SOFTWARE	3	2003	14,065.38
31760	31000O606101	NPA NETWORK TAPE BACKUP	3	2003	3,291.96
31760	31000O5775	NPA PC'S & LAPTOP	3	2004	3,322.66
31760	31000O577601	NPA PC'S & LAPTOP	3	2004	3,322.67
31760	31000O577701	NPA LAPTOP & PC'S	3	2004	3,322.67
31760	31000O633001	LAPTOP FOR GUS K.	3	2004	1,811.80
31760	31000O638201	SIGMATRAK ROUTER	4	2004	4,000.00
31760	31000O644401	LAPTOP NPA	9	2004	1,766.98
31760	31000O578301	LAPTOP FOR M. COTTON	7	2005	1,611.83
31760	31000O641901	LAPTOP - NPA	7	2005	1,417.00
31760	31000O678501	LAPTOP FOR JAPANESE ENGINEER	8	2005	1,703.00
31760	31000O750301	LCD PROJECTOR	1	2005	2,027.95
31760	31000O767101	NPA COMPUTER UPDATE	11	2005	1,577.28
31760	31000O767201	NPA COMPUTER UPDATE	11	2005	1,577.28
31760	31000O767401	NPA COMPUTER UPGRADE	11	2005	1,488.00
31760	31000O767501	NPA COMPUTER UPGRADE	11	2005	1,488.00
31760	31000O767601	NPA COMPUTER UPGRADE	11	2005	1,488.00
31760	31000O767701	NPA COMPUTER UPGRADE	11	2005	1,488.00
31760	31000O767801	NPA COMPUTER UPGRADE	11	2005	1,488.00
31760	31000O548201	MTS TRADE SHOW EXHIBIT	1	2001	106,310.00
31760	31000A143801	OFFICE FURNITURE	7	2003	44,487.50
31760	31000A127001	TELEPHONE UPGRADE	8	2000	20,027.54
31760	31000O543801	SERVER UPGRADE	9	2000	19,469.52
31760	31000O543901	PPD COMPUTER SYSTEM UPGRADE	9	2000	31,432.64
31760	31000O544601	72" SMART BOARD	11	2000	3,068.59
31760	31000O544901	COLOR LASERJET 4500N	11	2000	3,124.99
31760	31000O545001	LASERJET 5000N	11	2000	2,409.20
Personal Property Total					572,454.50