



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: April 2, 2012
Re: Case C 2012-32: Caterpillar Reman Powertrain Indiana (Formerly International Fuel Systems)

Summary:

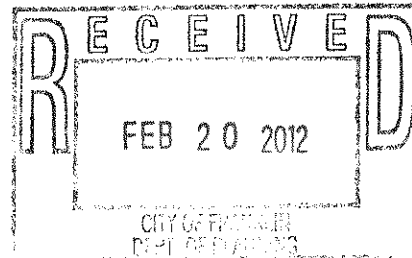
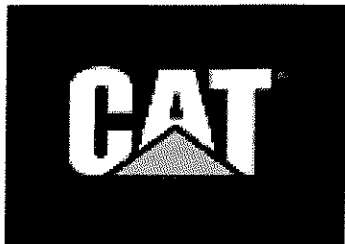
1. On February 28th, 2005, the Franklin Common Council passed Resolution No. 2005-01, approving a 5-year tax abatement on personal property for Caterpillar/International Fuel Systems located at 751 International Drive.
2. Actual and estimated benefits, as projected for 2011:

	Estimated on SB-1	Actual in 2011	Difference
Employees Retained	113	113	0
Salaries	\$3,049,570	\$3,466,840	\$417,270
New Employees	21	21	0
Salaries	\$566,530	\$644,280	\$77,750
Total Employees	134	134	0
Total Salaries	\$3,616,100	\$4,111,120	\$495,020
Average Hourly Salaries	\$12.97	\$14.75	\$1.78
Personal Property Improvements	\$1,055,000	\$1,310,241	\$255,241

3. The company has exceeded their estimate provided on their SB-1 Form for personal property.
4. The company has met their number of employees retained as well as new employees as estimated on their SB-1 Form and has exceeded the average hourly salary.
5. This is the last year for compliance review for this abatement.

Staff Recommendation:

Approval



February 20, 2012

Ms. Krista Linke, AICP
Department of Planning & Economic Development
70 E. Monroe Street
Franklin, Indiana 46131

Re: Tax Abatement Compliance for Caterpillar Reman Powertrain Indiana LLC formerly known as International Fuel Systems, Inc.

Dear Ms. Linke:

Enclosed please find Form CF-1 (Compliance with Statement of Benefits) regarding compliance with the personal property tax abatements which were granted to Caterpillar Reman Powertrain Indiana LLC formerly known as International Fuel Systems in 2005 under Franklin Common Council Resolution No. 05-01.

As can be seen from reviewing the enclosed documents, our company has been highly successful in a) making all of the capital investment which had been projected for the past year, and b) creating the full complement of jobs which had been proposed in the Statement of Benefits (From SB-1) which was approved on March 14, 2005.

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,

A handwritten signature in cursive script, appearing to read "Lee Anspaugh".

Lee Anspaugh
Accounting Manager
Caterpillar Reman Powertrain Indiana

Enclosures

**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 Caterpillar Reman Powertrain Indiana LLC								
Address of taxpayer (number and street, city, state, and ZIP code) 751 International Drive								
Name of contact person Lee Anspaugh						Telephone number (317) 346-3211		
SECTION 2 LOCATION AND DESCRIPTION OF PROPERTY								
Name of designating body Franklin Common Council						Resolution number 05-01		
Location of property same as above				County Johnson		DLGF taxing district number 41009		
Description of new manufacturing equipment, or new research and development equipment, or new information technology equipment, or new logistical distribution equipment to be acquired.						Estimated starting date (month, day, year) 01/10/2005		
						Estimated completion date (month, day, year) 12/31/2006		
SECTION 3 EMPLOYEES AND SALARIES								
EMPLOYEES AND SALARIES						AS ESTIMATED ON SB-1		ACTUAL
Current number of employees						113.00		113
Salaries						3,049,570.00		3,466,840.00
Number of employees retained						113.00		113
Salaries						3,049,570.00		3,466,840.00
Number of additional employees						21.00		21
Salaries						566,530.00		644,280.00
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	1,007,035.00	366,854.00						
Plus: Values of proposed project	1,055,000.00	422,000.00						
Less: Values of any property being replaced								
Net values upon completion of project	2,062,035.00	808,854.00						
ACTUAL	COST	ASSESSED VALUE	COST	ASSESSED VALUE	COST	ASSESSED VALUE	COST	ASSESSED VALUE
Values before project	1,007,035.00	181,266.30						
Plus: Values of proposed project	1,310,241.00	249,494.00						
Less: Values of any property being replaced								
Net values upon completion of project	2,317,276.00	430,760.30						
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				Title Accounting Manager		Date signed (month, day, year) 02/20/2012		

File Listing Report

Syn No	Ext	Location	CI	GA Asset No	In Svc Date	P	T	Depr Meth	Department	Yanowz Mfg	Disposal Date	Acquired Value
000415		ANTIRUST TANK	ME		020507	P		SLMM	TURBO			5,709.00
000416		CLEAN ENVIRONMENT BOOTH	ME		020507	P		SLMM	TURBO			5,400.00
000420		CLEANLINESS INSPECTION MACHINE	ME		020507	P	2	SLMM	TURBO			47,000.00
000422		DOWNDRAFT TABLE	ME		020507	P		SLMM	TURBO			3,000.00
000424		DOWNDRAFT TABLE	ME		020507	P		SLMM	TURBO			3,000.00
000425		DOWNDRAFT TABLE	ME		020507	P		SLMM	TURBO			3,000.00
000427		END OF LINE TESTER	ME		020507	P		SLMM	TURBO			18,000.00
000431		GLASS BEAD BLASTER	ME		020507	P		SLMM	TURBO			14,000.00
000433		HEINZ BALANCER	ME		020507	P		SLMM	TURBO			4,100.00
000435		HEINZ BALANCER	ME		020507	P		SLMM	TURBO			4,100.00
000437		HEINZ BALANCER	ME		020507	P		SLMM	TURBO			4,100.00
000442		CUDA WASHER	ME		020507	P		SLMM	TURBO			11,000.00
000444		STAINLESS STEEL WASHER	ME		020507	P		SLMM	TURBO			12,000.00
000450		END OF THE LINE TESTER	ME		020507	P		SLMM	TURBO			420,000.00
000452		HIGH SPEED CORE BALANCER	ME		020507	P		SLMM	TURBO			180,000.00
000704		Auto Blaster	PE1063	ME	050107	P		SLMM	TURBO			\$17,591.20
000705		Component Balancer	2231	ME	050107	P		SLMM	TURBO			75,292.80
000706		Plastic Blaster	PE1061	ME	050107	P		SLMM	TURBO			15,601.80
000707		Glass Bead Blaster	PE1069	ME	050107	P		SLMM	TURBO			10,522.08
000708		DUST COLLECTOR	PE1096	ME	050107	P		SLMM	TURBO			10,556.00
000709		Aqueous Washer	PE1091	ME	050107	P		SLMM	TURBO			28,157.68
000790		Aqueous Washer	PE1092	ME	050107	P		SLMM	TURBO			28,157.66
000791		Disassembly Fixture		T	050107	P		SLMM	TURBO			15,464.00
000792		Disassembly Fixture		T	050107	P		SLMM	TURBO			15,464.00
000793		Crane System		ME	050107	P		SLMM	TURBO			29,531.24
000794		Down Draft Table	2231	ME	050107	P		SLMM	TURBO			12,135.70
000795		Down Draft Table	2233	ME	050107	P		SLMM	TURBO			12,135.70
000796		Down Draft Table	2232	ME	050107	P		SLMM	TURBO			12,135.70
000797		Down Draft Table	PE1044	ME	050107	P		SLMM	TURBO			12,135.70
000798		Down Draft Table	PE1045	ME	050107	P		SLMM	TURBO			12,135.70
000799		Down Draft Table	PE1093	ME	050107	P		SLMM	TURBO			12,135.70
000800		Dewast Cleaner	PE1090	ME	060107	P		SLMM	TURBO			8,734.95
000801		Tooling		T	060107	P		SLMM	TURBO			15,433.19
000802		Torque Equipment		T	060107	P		SLMM	TURBO			34,135.41
000803		Transfer Pallet		ME	060107	P		SLMM	TURBO			3,500.00
000804		Component Balancer	2290	ME	060107	P		SLMM	TURBO			79,692.80
000805		OVEN	PE1034	ME	060107	P		SLMM	TURBO			60,544.00
000806		BLASTER	PE1065	ME	060107	P		SLMM	TURBO			28,596.60
000807		UNLOADING STATION	2200	ME	060107	P		SLMM	TURBO			5,400.00
000808		LOADING STATION	2159	ME	060107	P		SLMM	TURBO			5,400.00
											1,310,260.71	

Machinery Investment Schedule

	Actual Amount of Investment (From SB-1) as of 12/2010	Proposed Amount of total Investment	3/31/2011	6/30/2011	9/30/2011	12/31/2011	Actual Total Amount of Investment as of 12/31/10	Difference Between Actual and Proposed Amount of Investment
M&E	\$ 1,310,241	\$ 1,055,000	\$ -	\$ -	\$ -	\$ -	\$ 1,310,241	\$ 255,241

Headcount Addition Schedule

	Actual Amount of Investment (From SB-1) as of 12/2009	Proposed Total No. of Employees (From	3/31/2011	6/30/2011	9/30/2011	12/31/2011	Actual total No. of Employees Added for Project	Difference Between Actual and Proposed Number of Employees
Headcount			21				21	0