

RESOLUTION NO. 2012-015

RESOLUTION APPROVING DEDUCTION FROM ASSESSED VALUE
OF NEW MANUFACTURING EQUIPMENT IN AN ALREADY DECLARED
ECONOMIC REVITALIZATION AREA
(C S Kern, Inc.)

WHEREAS, the Indiana General Assembly has enacted a statute, I.C. 6-1.1-12.1 (the "Act"), authorizing certain deductions from the assessed value of new manufacturing equipment (as defined in the Act) for purposes of taxation of such equipment if installed during the period beginning March 1, 1983 and ending December 31, 2012, or such other date as extended by Indiana Code, in an area that is declared an economic revitalization area; and

WHEREAS, C S Kern, will install new manufacturing equipment at its plant located at 3401 South Hamilton Avenue, Muncie, Indiana, 47302 during the above-described period; and

WHEREAS, by previously adopted resolutions, the Delaware County Council declared and affirmed that the area commonly described as 3401 South Hamilton Avenue, which is identified on the attached map and legally described as Lot Number 78 in the Replat of the Industria Centre, Delaware County, Indiana (the "Area"), is an economic revitalization area, and authorizes deductions from assessed value of new manufacturing equipment, installed in the area for purposes of taxation; and

WHEREAS, as a condition of approval of the ensuing abatement, C S Kern, Inc. agrees to update the County Council on a semi-annual basis with regard to the status of employment at the facility during the term of the life of the abatement.

NOW, THEREFORE, BE IT RESOLVED by the County Council of the County of Delaware in the State of Indiana:

1. The Delaware County Council finds and determines that the new manufacturing equipment to be installed in the above referenced area by C S Kern Inc. shall be allowed a deduction for five (5) years from the assessed value of such equipment, in accordance with the provisions of I.C. 6-1.1-12.1-4.5.

2. The Delaware County Auditor shall take such further actions as may be required to carry out the purposes of this Resolution and to insure the eligibility of the new manufacturing equipment for the deduction hereinabove described.

3. This Resolution shall be in full force and effect from and after its passage by the Delaware County Council and such publications as may be required by law.

	Yeas	Nays	Abstained	Absent
Mary Chambers <i>Mary Chambers</i>	✓	_____	_____	_____
Mike Jones	_____	_____	_____	_____
James King <i>[Signature]</i>	_____	_____	_____	_____
Chris Matchett <i>[Signature]</i>	✓	_____	_____	_____
Kevin Nemyer	_____	_____	_____	_____
Rick Spangler <i>[Signature]</i>	✓	_____	_____	_____
Ron Quakenbush <i>[Signature]</i>	_____	_____	_____	_____

Passed by the County Council of Delaware County, Indiana this _____ day of _____ 2012.

James King, President County Council
Delaware County, Indiana

ATTEST:

[Signature]

Judy Rust, Auditor
Delaware County, Indiana

This Resolution is approved in form by _____
Amanda Dunnuck
Legal Counsel

C S KERN, INC.
3401 S. Hamilton Avenue
Muncie, IN 47302



Legal Description: Lot Number 78 in the Replat
of the Industria Centre, Delaware County, Indiana

APPLICATION FOR TAX ABATEMENT

New Manufacturing Equipment

This completed application, including a map identifying the general location of the facility, should be signed by the owner (or representative) of the new manufacturing equipment and submitted to:

Delaware County Council
c/o Bruce Baldwin, Vision 2016
P.O. Box 842
Muncie, IN 47308-0842
PH: 765.751.9106
Please type or print.

Date: 6-1-12 Name of Company: CS KERN INC.

Address of Property: 3401 S. HAMLTON AVE MUNCIE IN 47302

Township: CENTER

Is legal description attached? Yes X No

Property Owner (s): KERN INVESTMENTS

Name C. STEVEN KERN Name

Address 5950 E. WOODSIDE RD Address

ALBANY IN 47320

Owner's Representative:

Name Telephone

Address

Is property / facility served by adequate utilities?

Yes X No

Are present utilities adequate for new equipment?

Yes X No

If not, please explain:

Briefly describe the use of the new equipment and its purchase price: EPSON SURE COLOR S030670 SOLVENT PRINTER - \$19,995 RICOH C751 DIGITAL PRINT ENGINE - \$95,900. WORKLINK IMPOSITION SOLUTION SERVER - 10,995

Tax Assessment and Payment:

Amount of last business personal property assessment: \$

Amount of last business personal property taxes: \$

(Please attached a copy of your latest paid tax receipts to this form)

APPLICATION FOR NEW MANUFACTURING EQUIPMENT TAX ABATEMENT - PAGE 2

Total number of employees currently working for the company: 29

Number of Minorities: 0; Number of Females: 8; Number of Handicapped: 0

What percentage of employees are Delaware County Residents? 95 %

Number of new employees to be added as a result of abatement: 0 Actual (+-) jobs 0

Fringe Benefits: Health Insurance (Y or N) Y; % paid by employer: 95; % paid by employee: 5

Pension: (Y or N) N; % paid by employer: _____; % paid by employee: _____

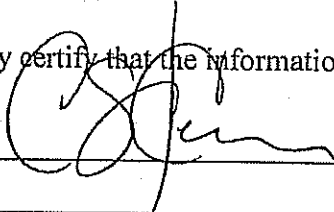
Wage Package: Starting Wage: \$ 10.00; High Wage: \$ 20.; Average Wage: \$ 15

Job skill of new employees / entry level skill: GED - TECHNICAL COLLEGE

Current average expected wage for jobs resulting from abatement (range): \$ —

Number of jobs retained as a result of this project: 2

I hereby certify that the information and representations on this application are true and complete.

 _____
Name Title Date
Pres. 6-1-12

NOTICE: Your signature above indicates that you are aware that you must annually file both form CF-1 (Compliance with Statement of Benefits), and Form 322 ERA/PP (Application for Deduction from Assessed Valuation) by the dates indicated on the forms in order to actually receive your tax deduction.

The amount of the deduction equals the product of the taxes on the newly installed manufacturing equipment multiplied by the following percentages:

1 st year	100%
2 nd year	95%
3 rd year	80%
4 th year	65%
5 th year	50%
6 th year and thereafter	0%

To be eligible for the abatement, the equipment must be installed during the period beginning March 1, 1983 and ending December 31, 2012 or such other date as extended by Indiana code. The equipment must be used in the direct production, manufacture, fabrication, assembly, extraction, mining, processing, refining or finishing of other tangible personal property.

A non-refundable fee of one hundred fifty dollars (\$150.00) payable to the **Delaware County Treasurer** is required of applicants for filing of applications for designation of economic revitalization areas and for tax abatement in already approved areas.

CSKERN

First Merchants Bank
Muncie, IN

32889

05/01/12

17,870.50

SEVENTEEN THOUSAND EIGHT HUNDRED SEVENTY AND 50/100 DOLLARS

DOLLARS

Delaware County Treasurer
3000 W. Ryan Street
Muncie, IN 47305

CSK

MEMO

AUTHORIZED SIGNATURE

⑈032889⑈ ⑆074900657⑆ 212 581 1⑈

cskern inc.

32889

Invoice	Invoice Date	Invoice Amt	Pay Amount	Reference	Discount	Net Amount
Spring2012CSK	04/26/12	17,870.50	17,870.50		0.00	17,870.50

CHECK 32889 DATE 05/01/12 CHK TOT ***17,870.50

TEN PERCENT (10%) PENALTY WILL BE ADDED IF AN INSTALLMENT OF THE TAX BILL IS NOT PAID WITHIN THIRTY (30) DAYS AFTER THE DUE DATE. NOTICE: THIS TAX BILL IS THE ONLY NOTICE YOU WILL RECEIVE FOR PAYMENT OF BOTH INSTALLMENTS FOR YOUR 2011/2012 PROPERTY TAXES. Date of Notice: 4/17/2012

SPRING INSTALLMENT - A
Parcel Number : 18-11-29-126-007.000-002

LEGAL DESCRIPTION
Acres: 6.0000 INDUSTRIA CENTRE NORTH 6 ACRES, Lot # 78

DELINQUENT AFTER : 05/10/2012

SUMMARY OF CHARGES	
TAXES DUE THIS INSTALLMENT	\$16,852.50
OTHER CHARGES (See Table 4)	\$1,018.00
PENALTIES AND INTEREST WITH DELINQUENCY	\$0.00
PAY THIS AMOUNT FOR SPRING INSTALLMENT	\$17,870.50

KERN INVESTMENTS INC
3401 S HAMILTON AVE
MUNCIE, IN 47302-9115



2011000005177345501000074768117870.50

MAKE CHECK PAYABLE TO DELAWARE COUNTY TREASURER. RETURN THIS PORTION WITH YOUR CHECK. WHEN MAILING PAYMENT YOUR CHECK WILL SERVE AS YOUR ONLY RECEIPT.

181129126007000002001787050

CSKERN

First Merchants Bank
Muncie, IN

32887

05/01/12

8,524.50

EIGHT THOUSAND FIVE HUNDRED TWENTYFOUR AND 50/100 DOLLARS

DOLLARS

Delaware County Treasurer
100 W. Main Street
Muncie, IN 47306

[Signature]
AUTHORIZED SIGNATURE

SECURITY FEATURES INCLUDED DETAIL ON PAGE 2

⑈032887⑈ ⑆074900657⑆ 212 581 1⑈

cskern inc.

32887

Delaware County Treasurer

Acct Num :

Invoice	Invoice Date	Invoice Amt	Pay Amount	Reference	Discount	Net Amount
2012Spring	04/26/12	8,524.50	8,524.50		0.00	8,524.50

CHECK: 32887

DATE: 05/01/12

CHK TOT:

8,524.50

TEN PERCENT (10%) PENALTY WILL BE ADDED IF AN INSTALLMENT OF THE TAX BILL IS NOT PAID WITHIN THIRTY (30) DAYS AFTER THE DUE DATE. NOTICE: THIS TAX BILL IS THE ONLY NOTICE YOU WILL RECEIVE FOR PAYMENT OF BOTH INSTALLMENTS FOR YOUR 2011 PAY 2012 PROPERTY TAXES. Date of Notice: 4/17/2012

SPRING INSTALLMENT - A

LEGAL DESCRIPTION

DELINQUENT AFTER : 05/10/2012

Parcel Number : 18-02-13-093-103.000-002



SUMMARY OF CHARGES

TAXES DUE THIS INSTALLMENT	\$8,524.50
OTHER CHARGES (See Table 4)	\$0.00
PENALTIES AND INTEREST WITH DELINQUENCY	\$0.00

PAY THIS AMOUNT FOR SPRING INSTALLMENT

\$8,524.50

C.S. KERN INC.
3401 S HAMILTON AVE
MUNCIE, IN 47302-9115



201100000613314550100007490508524.50

MAKE CHECK PAYABLE TO DELAWARE COUNTY TREASURER, RETURN THIS PORTION WITH YOUR CHECK. WHEN MAILING PAYMENT YOUR CHECK WILL SERVE AS YOUR ONLY RECEIPT.

180213093103000002000852450

FOR SECURITY PURPOSES, THE FACE OF THIS DOCUMENT CONTAINS A COLORED BACKGROUND AND MICROPRINTING IN THE BORDER

CSKERN

First Merchants Bank
Muncie, IN

32888

05/01/12

\$ 137.00

ONE HUNDRED THIRTY SEVEN AND 00/100 DOLLARS

DOLLARS

Delaware County Treasurer
300 W. Main Street
Muncie, IN 47305

CSKERN
AUTHORIZED SIGNATURE

⑈032888⑈ ⑆074900657⑆ 212 581 1⑈

cskern inc.

32888

Delaware County Treasurer

Acct Num :

Invoice	Invoice Date	Invoice Amt	Pay Amount	Reference	Discount	Net Amount
Lot2012Spring	04/26/12	137.00	137.00		0.00	137.00

CHECK: 32888

DATE: 05/01/12

CHEK TOT:

*****137.00

TEN PERCENT (10%) PENALTY WILL BE ADDED IF AN INSTALLMENT OF THE TAX BILL IS NOT PAID WITHIN THIRTY (30) DAYS AFTER THE DUE DATE. NOTICE: THIS TAX BILL IS THE ONLY NOTICE YOU WILL RECEIVE FOR PAYMENT OF BOTH INSTALLMENTS FOR YOUR 2011 PAY 2012 PROPERTY TAXES. Date of Notice: 4/17/2012

SPRING INSTALLMENT - A

LEGAL DESCRIPTION

DELINQUENT AFTER : 05/10/2012

Parcel Number : 18-11-29-126-008.000-002

Acres: 0 INDUSTRIA CENTRE REPLAT PT Lot # 78

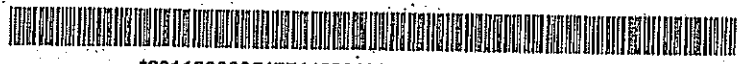
SUMMARY OF CHARGES

TAXES DUE THIS INSTALLMENT	\$127.00
OTHER CHARGES (See Table 4)	\$10.00
PENALTIES AND INTEREST WITH DELINQUENCY	\$0.00

PAY THIS AMOUNT FOR SPRING INSTALLMENT

\$137.00

KERN INVESTMENTS INC
3401 S HAMILTON AVE
MUNCIE, IN 47302-9115



20110000051774455010000747684137.00

MAKE CHECK PAYABLE TO DELAWARE COUNTY TREASURER, RETURN THIS PORTION WITH YOUR CHECK. WHEN MAILING PAYMENT YOUR CHECK WILL SERVE AS YOUR ONLY RECEIPT.

181129126008000002000013700



**STATEMENT OF BENEFITS
PERSONAL PROPERTY**

State Form 51754 (R2 / 12-11)
Prescribed by the Department of Local Government Finance

FORM SB-1 / PP

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).

INSTRUCTIONS:

- This statement must be submitted to the body designating the Economic Revitalization Area prior to the public hearing if the designating body requires information from the applicant in making its decision about whether to designate an Economic Revitalization Area. Otherwise this statement must be submitted to the designating body BEFORE a person installs the new manufacturing equipment and/or research and development equipment, and/or logistical distribution equipment and/or information technology equipment for which the person wishes to claim a deduction. "Projects" planned or committed to after July 1, 1987, and areas designated after July 1, 1987, require a STATEMENT OF BENEFITS. (IC 6-1.1-12.1)
- Approval of the designating body (City Council, Town Board, County Council, etc.) must be obtained prior to installation of the new manufacturing equipment and/or research and development equipment and/or logistical distribution equipment and/or information technology equipment, BEFORE a deduction may be approved
- To obtain a deduction, a person must file a certified deduction schedule with the person's personal property return on a certified deduction schedule (Form 103-ERA) with the township assessor of the township where the property is situated or with the county assessor if there is no township assessor for the township. The 103-ERA must be filed between March 1 and May 15 of the assessment year in which new manufacturing equipment and/or research and development equipment and/or logistical distribution equipment and/or information technology equipment is installed and fully functional, unless a filing extension has been obtained. A person who obtains a filing extension must file the form between March 1 and the extended due date of that year.
- Property owners whose Statement of Benefits was approved after June 30, 1991, must submit Form CF-1 / PP annually to show compliance with the Statement of Benefits. (IC 6-1.1-12.1-5.6)
- The schedules established under IC 6-1.1-12.1-4.5(d) and (e) apply to equipment installed after March 1, 2001, unless an alternative deduction schedule is adopted by the designating body (IC 6-1.1-12.1-17).

SECTION 1		TAXPAYER INFORMATION								
Name of taxpayer		CS KERN INC.								
Address of taxpayer (number and street, city, state, and ZIP code)		3401 S. HAMILTON AVE MUNCIE IN 47302								
Name of contact person		C. STEVEN KERN								
		Telephone number	765 289 8600							
SECTION 2		LOCATION AND DESCRIPTION OF PROPOSED PROJECT								
Name of designating body		Resolution number (s)								
Location of property		County	DLGF taxing district number							
3401 S. HAMILTON AVE MUNCIE IN		DELAWARE	CENTER							
Description of manufacturing equipment and/or research and development equipment and/or logistical distribution equipment and/or information technology equipment. (use additional sheets if necessary)		ESTIMATED								
		START DATE	COMPLETION DATE							
		Manufacturing Equipment	7-1-12 8-1-12							
		R & D Equipment								
		Logist Dist Equipment								
IT Equipment										
SECTION 3		ESTIMATE OF EMPLOYEES AND SALARIES AS RESULT OF PROPOSED PROJECT								
Current number	Salaries	Number retained	Salaries	Number additional	Salaries					
29	1,168,900	29	1,168,900	0	0					
SECTION 4		ESTIMATED TOTAL COST AND VALUE OF PROPOSED PROJECT								
NOTE: Pursuant to IC 6-1.1-12.1-5.1 (d) (2) the COST of the property is confidential.		MANUFACTURING EQUIPMENT		R & D EQUIPMENT		LOGIST DIST EQUIPMENT		IT EQUIPMENT		
		COST		ASSESSED VALUE		COST		ASSESSED VALUE		
		Current values		1,892,560	567,770					
		Plus estimated values of proposed project		126,890	50,760					
		Less values of any property being replaced		-	-					
Net estimated values upon completion of project		2,019,450	618,530							
SECTION 5		WASTE CONVERTED AND OTHER BENEFITS PROMISED BY THE TAXPAYER								
Estimated solid waste converted (pounds)				Estimated hazardous waste converted (pounds)				Other benefits:		
SECTION 6		TAXPAYER CERTIFICATION								
Signature of authorized representative		I hereby certify that the representations in this statement are true.						Title		
								PRES.		
								Date signed (month, day, year)		
								6-1-12		

FOR USE OF THE DESIGNATING BODY

We have reviewed our prior actions relating to the designation of this economic revitalization area and find that the applicant meets the general standards adopted in the resolution previously approved by this body. Said resolution, passed under IC 6-1.1-12.1-2.5, provides for the following limitations as authorized under IC 6-1.1-12.1-2.

A. The designated area has been limited to a period of time not to exceed _____ calendar years * (see below). The date this designation expires is _____.

- B. The type of deduction that is allowed in the designated area is limited to:
- | | | |
|--|------------------------------|-----------------------------|
| 1. Installation of new manufacturing equipment; | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 2. Installation of new research and development equipment; | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 3. Installation of new logistical distribution equipment. | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 4. Installation of new information technology equipment; | <input type="checkbox"/> Yes | <input type="checkbox"/> No |

C. The amount of deduction applicable to new manufacturing equipment is limited to \$ _____ cost with an assessed value of \$ _____.

D. The amount of deduction applicable to new research and development equipment is limited to \$ _____ cost with an assessed value of \$ _____.

E. The amount of deduction applicable to new logistical distribution equipment is limited to \$ _____ cost with an assessed value of \$ _____.

F. The amount of deduction applicable to new information technology equipment is limited to \$ _____ cost with an assessed value of \$ _____.

G. Other limitations or conditions (specify) _____

H. The deduction for new manufacturing equipment and/or new research and development equipment and/or new logistical distribution equipment and/or new information technology equipment installed and first claimed eligible for deduction on or after July 1, 2000, is allowed for:

- | | | |
|-------------------------------------|--------------------------------------|---|
| <input type="checkbox"/> 1 year | <input type="checkbox"/> 6 years | ** For ERA's established prior to July 1, 2000, only a 5 or 10 year schedule may be deducted. |
| <input type="checkbox"/> 2 years | <input type="checkbox"/> 7 years | |
| <input type="checkbox"/> 3 years | <input type="checkbox"/> 8 years | |
| <input type="checkbox"/> 4 years | <input type="checkbox"/> 9 years | |
| <input type="checkbox"/> 5 years ** | <input type="checkbox"/> 10 years ** | |

I. Did the designating body adopt an alternative deduction schedule per IC 6-1.1-12.1-17? Yes No
If yes, attach a copy of the alternative deduction schedule to this form.

Also we have reviewed the information contained in the statement of benefits and find that the estimates and expectations are reasonable and have determined that the totality of benefits is sufficient to justify the deduction described above.

Approved: <i>(Signature)</i> <small>Signature and title of authorized member</small>	Telephone number ()	Date signed (month, day, year)
Attested by: <i>(Signature)</i>	Designated body	

* If the designating body limits the time period during which an area is an economic revitalization area, it does not limit the length of time a taxpayer is entitled to receive a deduction to a number of years designated under IC 6-1.1-12.1-4.5

EQUAL EMPLOYMENT OPPORTUNITY STATEMENT

The undersigned company agrees to comply with Executive Orders 11246 and 11478, and the rules, regulations and relevant orders of the Secretary of Labor. No segregated facilities will be maintained on said company's premises as required by Title VI of Civil Rights Act of 1964. Furthermore, the undersigned company attests to and agrees to the following policies regarding equal employment opportunity and affirmative action.

There will be no discrimination against any employee or applicant for employment because of race, religion, color, age sex, handicap, or national origin.

Affirmative action will be taken to ensure that applicants are employed and that employees are treated during employment without regard to their race, religion, color, age, sex, handicap, or national origin.

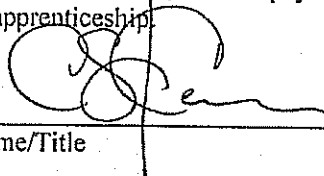
All qualified applicants will receive consideration for employment without regard to race, religion, color, age, sex, handicap, or national origin.

There will be no discrimination against any employee or applicant for employment because he or she is a disabled veteran or a veteran of the Vietnam Era in regard to any position for which the employee or applicant for employment is qualified.

Affirmative action will be taken to treat qualified disabled veterans and veterans of the Vietnam Era without discrimination based upon their disability or veteran status.

The company further agrees to post in conspicuous places, available to both employees and applicants for employment, notices to be provided setting forth the provisions of these nondiscriminating clauses and policies.

The previous policies will be adhered to in such employment practices as hiring, upgrading, demotion or transfer, recruitment, advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship.

 PRES./CEO

Name/Title

CSKERN INC.

Company Name

6-1-12

Date