



CITY OF FRANKLIN
COMMUNITY DEVELOPMENT DEPARTMENT

Memorandum

To: City of Franklin Economic Development Commission
From: Krista Linke, Community Development Director
Date: April 3, 2014
Re: Case C 2014-17: Tube Forming Systems, Inc. d/b/a Overton Industries

Summary:

1. On August 22nd, 2005, the Franklin Common Council passed Resolution No. 2005-19, approving a 7-year tax abatement on \$316,000 of personal property for new equipment and a 10-year real property tax abatement on \$425,000 to allow for an 8,000 square foot expansion at 2155 McClain Drive.
2. Actual and estimated benefits, as projected for 2013:

	Estimated on SB-1	Actual in 2013	Difference
Employees Retained	23	23	0
Salaries	\$1,157,142	\$1,157,142	\$0
New Employees	5	15	10
Salaries	\$212,420	\$646,431	\$434,011
Total Employees	28	38	10
Total Salaries	\$1,369,562	\$1,803,573	\$434,011
Average Hourly Salaries	\$23.52	\$22.82	-\$0.70
Personal Property Improvements	\$316,000	\$316,000	\$0
Real Property Improvements	\$425,000	\$425,000	\$0

3. The company has exceeded the number of jobs indicated on their original SB-1 Form by 10. While they are still above the estimated number of employees, they lost 3 from 2012 to 2013. Their average hourly salary is slightly lower than estimated this year as well.
4. The company has met their estimate provided on the SB-1 Form for personal property and real property.
5. The personal property tax abatement for Overton is expired.
6. The real property tax abatement for Overton is scheduled to expire in tax year 2016 payable 2017. The final compliance review will take place in 2017.

Staff Recommendation: Approval



**COMPLIANCE WITH STATEMENT OF BENEFITS
REAL ESTATE IMPROVEMENTS**

State Form 51766 (R3 / 2-13)

Prescribed by the Department of Local Government Finance

20 13 PAY 20 14

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).

INSTRUCTIONS:

1. This form does not apply to property located in a residentially distressed area or any deduction for which the Statement of Benefits was approved before July 1, 1991.
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 (Form SB-1/Real Property).
3. This form must accompany the initial deduction application (Form 322/RE) that is filed with the county auditor.
4. This form must also be updated each year in which the deduction is applicable. It is filed with the county auditor and the designating body before May 15, or by the due date of the real property owner's personal property return that is filed in the township where the property is located. (IC 6-1.1-12.1-5.1(b))
5. With the approval of the designating body, compliance information for multiple projects may be consolidated on one (1) compliance form (Form CF-1/Real Property).

SECTION 1 TAXPAYER INFORMATION			
Name of taxpayer Tube Forming Systems, Inc. (dba) Overton Industries		County Johnson	
Address of taxpayer (number and street, city, state, and ZIP code) 1250 Old State Road 67 South Mooresville, IN 46158		DLGF taxing district number Franklin	
Name of contact person Rita Z Shearer		Telephone number (317) 831-4542	
SECTION 2 LOCATION AND DESCRIPTION OF PROPERTY			
Name of designating body The City Of Franklin Common Council		Resolution number 05-19	Estimated start date (month, day, year) 09/10/2005
Location of property 2155 McClain Drive Franklin, IN 46131		Actual start date (month, day, year) 09/10/2005	
Description of real property improvements Steel frame building consisting of 7800 sq ft used for light manufacturing		Estimated completion date (month, day, year) 12/31/2005	
		Actual completion date (month, day, year) 12/31/2005	
SECTION 3 EMPLOYEES AND SALARIES			
EMPLOYEES AND SALARIES		AS ESTIMATED ON SB-1	ACTUAL
Current number of employees		23	38
Salaries		1,157,142.	1,803,573.
Number of employees retained		23	23
Salaries		1,157,142.	1,157,142.
Number of additional employees		5	15
Salaries		212,420.00	646,431.00
SECTION 4 COST AND VALUES			
COST AND VALUES		REAL ESTATE IMPROVEMENTS	
AS ESTIMATED ON SB-1		COST	ASSESSED VALUE
Values before project		534,819.	
Plus: Values of proposed project		425,000.	
Less: Values of any property being replaced		0	
Net values upon completion of project		959,819.	
ACTUAL		COST	ASSESSED VALUE
Values before project		534,819.	
Plus: Values of proposed project		425,000.	
Less: Values of any property being replaced			
Net values upon completion of project		959,819.	
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		0	0
Amount of hazardous waste converted		0	0
Other benefits:		0	0
SECTION 6 TAXPAYER CERTIFICATION			
I hereby certify that the representations in this statement are true.			
Signature of authorized representative 		Title CFO	Date signed (month, day, year) 2/24/14



OVERTON INDUSTRIES
INTERNATIONAL

January 29, 2014

City of Franklin

Attn: Krista Linke

70 E. Monroe Street

Franklin, IN 46131

RE: Annual Tax Abatement Compliance Packet for Tube Forming Systems d/b/a Overton Industries

Dear Ms. Linke,

Enclosed, please find Forms CF-1/RE and CF-1/PP (Compliance with Statement of Benefits) regarding compliance with the real property and personal property tax abatements which were granted to Overton & Sons in 2005 under Franklin Common Council Resolution number 05-19.

As can be seen from reviewing the enclosed documents, our company has been highly successful in (1) making all of the capital investments which had been projected, and (2) creating the full complement of jobs which had been proposed in the Statement of Benefits (Form SB-1) which was approved on August 22, 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 at (317) 831-4542.

Sincerely,



Steve Overton, CFO

Overton Industries

Job Creation or Retention Schedule

Overton Carbide Tool & Engineering
 1255 McClain Drive
 Franklin, IN 46131

*Attachment to Form CF-1 (Compliance with Statement of Benefits)
 Expansion Investment Schedule by Quarter Resolution 05-19*

Actual Number of Employees	Proposed Total No. of Employees	Actual Number of Employees Added Added During Year (by Quarter)				Actual Total Number of Employees as of 12/31/13	Difference Between Actual and Proposed Number of Employees
		3/31/2013	6/30/2013	9/30/2013	12/31/2013		
(From SB-1)	(From SB-1)						
23	28	0	0	0	0	38	10

