



# CITY OF FRANKLIN

Community Development Department

## Staff Report

**To:** Economic Development Commission Members  
**From:** Krista Linke, Director  
**Date:** March 2, 2015  
**Re:** Case EDC 2015-01 – Tube Forming Systems

---

**Case EDC 2015-01 – Tube Forming Systems, Inc.:** A request for a 10-year tax abatement on \$220,044 of personal property investment.

**Location:** 2155 McClain Drive

**Summary:**

1. Characteristics of this location:

Existing Location – 2155 McClain Drive

2. Characteristics of this petitioner:

Overton & Sons Tool & Die Company, Inc. was incorporated in 1968 by Ruby Overton. After working for Gentry Carbide Tool & Die in Indianapolis for 8 years, Gentry Company was acquired by Talon Corporation. With the buyers not being interested in the portion of the business in which Ruby worked, he brought some customers with him to his upstart business. With the calling card of Overton & Sons being primarily carbide material, close tolerance, detail-oriented work, Ruby set the foundation for his three sons to build upon.

After nearly 20 years of business, Ruby passed away suddenly in August of 1986, leaving his three sons to be business owners overnight. Ron, Steve, and Rick Overton each sought out a position in the business that suited their strongest traits. Ron, being the oldest, assumed CEO responsibilities as well as being the driving force behind the sales and marketing efforts. Steve, with a business degree from the University of Evansville, assumed the CFO duties and managed the finances of the business. Rick, with a well-rounded shop experience, became the President of the Tool & Die Company and managed the day-to-day operations of manufacturing. Each has continued a legacy that was created through Ruby's hard work and dedication to developing a manufacturing company that employees have a sense of pride to work for. A true family business.

After starting out in a small 600 SF building in a residential neighborhood in Mooresville in 1968, Ruby moved the business in 1973 to a newly developed business park south of Mooresville. Eventually the shop would grow to a size large enough where it was deemed necessary to divide the business into multiple divisions. In 1992 and 1994, Overton Mold and then Overton Roll were added as divisions to the original Tool & Die Division. With these additions, an additional manufacturing space was needed to house the growing divisions. In 1993, Overton Mold and eventually Overton

Roll found their home next door to the Tool & Die facility in a newly constructed 11,200 SF building that the Mold Division still calls home today. Continuing to grow, another division was added in 1997 to create a home for the multitude of carbide work that was being done in the Tool & Die Division as well as the Roll Division. With many of the carbide customers being in along I-65 south of Indianapolis, the decision was made to build the new facility in Franklin, IN. This new division was comprised of much of the carbide detail work from the Tool and Die division as well as what was Overton Roll. The new division was called Overton Carbide Tool & Engineering. After nearly 20 years and multiple expansions, the division is now called Overton Industries – Tube Forming Systems.

3. Characteristics of this project:

Tube Forming Systems intends to purchase a piece of manufacturing equipment: Okuma LU3000EX-1000.

4. Economic Revitalization Area (ERA):

This property was designated an ERA by Resolution 2012-17 and confirmed by Resolution 2012-18.

5. Previous Tax Abatement Received:

Overton & Sons Tool & Die Company has one current tax abatement through Resolution 2005-19. They were granted a 10 year real property abatement and a 7 year personal property abatement (which has expired).

Overton Carbide Tool & Engineering currently has two tax abatements: Resolution 2010-20 is a 5 year personal property abatement; Resolution 2012-17 is a 5 year personal property abatement.

6. ERA & Tax Abatements Findings (Personal Property):

Indiana Code Section 6-1.1-12.1-4.5 states that the following findings must be made when considering an ERA designation and the granting of tax abatement for personal property:

- a. Whether the estimate of the cost of new manufacturing equipment is reasonable for equipment of that type;
- b. Whether the estimate of the number of individuals who will be employed or whose employment will be retained can be reasonably expected to result from the instillation of new manufacturing equipment;
- c. Whether the estimate of annual salaries of those individuals who will be employed or whose employment will be retained can be reasonably expected to result from the installation of the new manufacturing equipment;
- d. Whether any other benefits about which information was requested are benefits that can be reasonably expected to result from the installation of the new manufacturing equipment; and
- e. Whether the totality of the benefits is sufficient to justify the tax abatement.

7. City of Franklin "Tax Abatement Policy" criteria:

The "Tax Abatement Policy" section of the *City of Franklin Community Investment Incentives Summary* states that the Economic Development Commission shall use certain criteria when considering a request for tax abatement. A comparison of those criteria and the proposed request follows:

- a. *Diversification of Local Occupations:* In 2013, 10.9% of all jobs in Johnson County were in the manufacturing sector. There were 5,239 manufacturing employees in Johnson County and 210 of them were machinery manufacturing employees. The applicant will retain 40 employees and add 2 new employees with the purchase of this machine.
- b. *Diversification of Local Manufacturing Employment:* According to STATS Indiana, in the first quarter of 2014, machinery manufacturing made up 4% of the manufacturing jobs in Johnson County. Also according to STATS Indiana, there were 138 manufacturing establishments in Johnson County in 2014, and 14 of them were machinery manufacturing establishments.
- c. *Increase in Local Salaries:* The average wage for all industries in Johnson County for the first quarter of 2014 was \$16.20. The average hourly wage in Johnson County for manufacturing in the first quarter of 2014 was \$24.01 per hour. The average hourly wage for machinery manufacturing employees in the first quarter of 2014 was \$26.00 per hour. The average hourly wage (without benefits) for the 40 retained jobs is \$22.91 (\$1,905,747 divided by 40 jobs, divided by 52 weeks, divided by 40 hours per week). The average hourly wage for the 2 new jobs is \$26.44 (\$110,000 divided by 2 jobs, divided by 52 weeks, divided by 40 hours per week).
- d. *Sustainable Land Use:* The petitioner proposes to make this investment at their current location.
- e. *Future Community Investment:* The Company has indicated on their application that they are agreeable to a 5% Economic Development Fee on Personal Property.
- f. *Conformance with the Comprehensive Plan:* The Comprehensive Plan - Future Land Use Plan identifies this property as Manufacturing. Manufacturing areas are intended to accommodate large scale businesses that produce finished products from raw materials. Uses in these areas may include product manufacturers as well as any related warehousing and offices. Manufacturing areas may include facilities that involve emissions or the outdoor storage of materials and finished products. These two factors are the primary distinction between manufacturing areas and light industrial areas.

The property is zoned IG, Industrial: General. The "IG," Industrial: General zoning district is intended to provide locations for general industrial manufacturing, production, assembly, warehousing, research and development facilities, and similar land uses. This district is intended to accommodate a variety of industrial uses in locations and under conditions that minimize land use conflicts. This district should be used to support industrial retention and expansion in Franklin.

8. Tax Abatement Duration:

The *City of Franklin Community Investment Incentives Summary* provides that longer periods of abatement on real and personal property may be considered for requests of an exceptional nature. The Summary states that development examples of an exceptional nature include projects which:

- a. Create a new plant or product line for an existing manufacturer;
- b. Creates substantial employment opportunities with higher than average wages;
- c. Increase substantially property values and the city tax base with minimal impact to city services (police & fire protection, schools, utilities, infrastructure, etc.); and

d. Utilize existing public infrastructure (sanitary & storm sewer, roads & streets, drainage facilities, and other utilities).

9. Requested Effective Year:

The petitioner has requested that, if approved, the tax abatement be effective for the tax year 2015, payable 2016.

**Staff Comments:**

Making use of an existing facility and strengthening the viability of an existing company within the City of Franklin is critical to Franklin's economy.

**3 YEAR**

***Tube Forming Systems***

**Sample Property Tax on Personal Property (3 Year)**

Personal Property Tax Investment: \$220,044

Tax Rate: 3.0%

	<b>2015 Payable 2016</b>	<b>2016 Payable 2017</b>	<b>2017 Payable 2018</b>	
<b>Cost of Equipment</b>	\$220,044	\$220,044	\$220,044	
<b>True Cash Percentage Rate</b>	65%	50%	35%	
<b>True Cash Value</b>	\$143,029	\$110,022	\$77,015	
<b>Net Tax Rate</b>	3.0%	3.0%	3.0%	<b>Total</b>
<b>Tax w/o Abatement</b>	\$4,291	\$3,301	\$2,310	<b>\$9,902</b>
<b>Abatement Rate</b>	100%	66%	33%	
<b>Amount Abated</b>	\$4,291	\$2,178	\$762	<b>Total</b>
<b>Taxes Paid w/Abatement</b>	\$0	\$1,122	\$1,548	<b>\$2,670</b>

**Total Fees Paid**

<b>5% Fee</b>	\$215	\$109	\$38	<b>\$362</b>
---------------	-------	-------	------	--------------

**Total Tax Savings without Economic Development Fee  
\$7,232**

**Total Tax Savings with 5% Economic Development Fee  
**\$6,870****

**5 YEAR**

***Tube Forming Systems***

**Sample Property Tax on Personal Property (5 Year Period)**

Personal Property Tax Investment: \$220,044

Tax Rate: 3.0%

	<b>2015 Payable 2016</b>	<b>2016 Payable 2017</b>	<b>2017 Payable 2018</b>	<b>2018 Payable 2019</b>	<b>2019 Payable 2020</b>	
<b>Cost of Equipment</b>	\$220,044	\$220,044	\$220,044	\$220,044	\$220,044	
<b>True Cash Percentage Rate</b>	40%	56%	42%	32%	24%	
<b>True Cash Value</b>	\$88,018	\$123,225	\$92,418	\$70,414	\$52,811	
<b>Net Tax Rate</b>	3.0%	3.0%	3.0%	3.0%	3.0%	
<b>Tax w/o Abatement</b>	\$2,641	\$3,697	\$2,773	\$2,112	\$1,584	<b>Total \$12,807</b>
<b>Abatement Rate</b>	100%	80%	60%	40%	20%	
<b>Amount Abated</b>	\$2,641	\$2,957	\$1,664	\$845	\$317	<b>Total \$4,383</b>
<b>Taxes Paid w/Abatement</b>	\$0	\$739	\$1,109	\$1,267	\$1,267	

						<b>Total Fees Paid</b>
<b>5% Fee</b>	\$132	\$148	\$83	\$42	\$16	<b>\$421</b>

**Total Tax Savings without Economic Development Fee  
\$8,423**

**Total Tax Savings with 5% Economic Development Fee  
\$8,002**

**7 YEAR**

**Tube Forming Systems**

**Sample Property Tax on Personal Property (7 Year Period)**

Personal Property Tax Investment: \$220,044

Tax Rate: 3.0%

	<b>2015 Payable 2016</b>	<b>2016 Payable 2017</b>	<b>2017 Payable 2018</b>	<b>2018 Payable 2019</b>	<b>2019 Payable 2020</b>	<b>2020 Payable 2021</b>	<b>2021 Payable 2022</b>	
<b>Cost of Equipment</b>	\$220,044	\$220,044	\$220,044	\$220,044	\$220,044	\$220,044	\$220,044	
<b>True Cash Percentage Rate</b>	40%	56%	42%	32%	24%	18%	15%	
<b>True Cash Value</b>	\$88,018	\$123,225	\$92,418	\$70,414	\$52,811	\$39,608	\$33,007	
<b>Net Tax Rate</b>	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	<b>Total</b>
<b>Tax w/o Abatement</b>	\$2,641	\$3,697	\$2,773	\$2,112	\$1,584	\$1,188	\$990	<b>\$14,985</b>
<b>Abatement Rate</b>	100%	85%	71%	57%	43%	29%	14%	
<b>Amount Abated</b>	\$2,641	\$3,142	\$1,969	\$1,204	\$681	\$345	\$139	<b>Total</b>
<b>Taxes Paid w/Abatement</b>	\$0	\$555	\$804	\$908	\$903	\$844	\$852	<b>\$4,865</b>

								<b>Total Fees Paid</b>
<b>5% Fee</b>	\$132	\$157	\$98	\$60	\$34	\$17	\$7	<b>\$506</b>

**Total Tax Savings without Economic Development Fee  
\$10,120**

**Total Tax Savings with 5% Economic Development Fee  
**\$9,614****

**10 YEAR**

**Tube Forming Systems**

**Sample Property Tax on Personal Property (10 Year Period)**

Personal Property Tax Investment: \$220,044

Tax Rate: 3.0%

	2015 <i>Payable 2016</i>	2016 <i>Payable 2017</i>	2017 <i>Payable 2018</i>	2018 <i>Payable 2019</i>	2019 <i>Payable 2020</i>	2020 <i>Payable 2021</i>	2021 <i>Payable 2022</i>	2022 <i>Payable 2023</i>	2023 <i>Payable 2024</i>	2024 <i>Payable 2025</i>	
<b>Cost of Equipment</b>	\$220,044	\$220,044	\$220,044	\$220,044	\$220,044	\$220,044	\$220,044	\$220,044	\$220,044	\$220,044	
<b>True Cash Percentage Rate</b>	40%	60%	55%	45%	37%	30%	25%	20%	16%	12%	
<b>True Cash Value</b>	\$88,018	\$132,026	\$121,024	\$99,020	\$81,416	\$66,013	\$55,011	\$44,009	\$35,207	\$26,405	
<b>Net Tax Rate</b>	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	<b>Total</b>
<b>Tax w/o Abatement</b>	\$2,641	\$3,961	\$3,631	\$2,971	\$2,442	\$1,980	\$1,650	\$1,320	\$1,056	\$792	<b>\$22,444</b>
<b>Abatement Rate</b>	100%	90%	80%	70%	60%	50%	40%	30%	20%	10%	
<b>Amount Abated</b>	\$2,641	\$3,565	\$2,905	\$2,079	\$1,465	\$990	\$660	\$396	\$211	\$79	<b>Total</b>
<b>Tax Paid w/Abatement</b>	\$0	\$396	\$726	\$891	\$977	\$990	\$990	\$924	\$845	\$713	<b>\$7,453</b>

	<b>Total Fees Paid</b>										
<b>5% Fee</b>	\$132	\$178	\$145	\$104	\$73	\$50	\$33	\$20	\$11	\$4	<b>\$750</b>

**Total Tax Savings without Economic Development Fee  
\$14,992**

**Total Tax Savings with 5% Economic Development Fee  
\$14,242**



**CITY OF FRANKLIN**  
COMMUNITY DEVELOPMENT DEPARTMENT

**Tax Abatement Application**

**Organization/Corporation Requesting Tax Abatement**

Organization/Corporation Name: Tube Forming Systems, Inc.  
Primary Contact Name: Steve Overton  
Contact Address: 1250 Old State Road 67 South  
City: Mooreville State: IN Zip: 46158  
Phone Number: 317-831-4542  
Email: steve@overtonind.com  
Three possible dates before the EDC meeting to conduct a site visit: Except Mondays, anytime between 8-5  
Name of Owner: Steve Overton  
Parent Company (If Applicable): Overton Industries, Inc.

**Primary Contact for Yearly Compliance Reports**

Name: Rita Z Shearer  
Title: Accounts Receivable  
Address: 1250 Old State Road 67 South  
City: Mooreville State: IN Zip: 46158  
Phone Number: 317-831-4542  
Email: rita@overtonind.com

**Description of Project**

Project Location/Address: 2155 McClain Drive Franklin, IN 46131  
Parcel Number: 41-99-13-018-915.000-018  
Brief Description of Project:  
Purchase of manufacturing equipment: Okuma LU3000EX-1000

**Current Assessed Value (AV) of the Property:**

- |              |                       |
|--------------|-----------------------|
| 1. Land      | <u>Not applicable</u> |
| 2. Building  | <u>Not applicable</u> |
| 3. Inventory | <u>0</u>              |
| 4. Equipment | <u>Not applicable</u> |

Have building permits been applied for (if applicable): Yes  No   
Has equipment been installed (if applicable): Yes  No

**Required Attachments:**

- |  |   |
|--|---|
| <input checked="" type="checkbox"/> Completed SB-1 Form(s)                     | <input checked="" type="checkbox"/> Summary of Benefits (if applicable) |
| <input checked="" type="checkbox"/> Legal Description of the Property          | <input checked="" type="checkbox"/> Employment Phase-In Schedule        |
| <input type="checkbox"/> Company Financial Statement                           | <input checked="" type="checkbox"/> Company Investment Timetable        |
| <input checked="" type="checkbox"/> Job and Wage Description Information Sheet | <input type="checkbox"/> Compliance Affidavit                           |

**Type of Abatement Requested**

Real Property  Personal Property   
Length of Abatement Requested: 5 Years  
Project Size (square feet): \_\_\_\_\_ Size of Site (acres): \_\_\_\_\_  
Type of Building:  
Multiple Tenants (leased)  Single Tenant (leased)  Owner Occupied  Corporate Headquarters

**Capital Investment**

- 1. Real property capital investment only: \_\_\_\_\_
- 2. Personal property capital investment only: 220,000.00
- 3. Total capital investment for proposed project: 220,000.00

**Jobs Created and/or Retained**

- 1. Estimated number of full time jobs created by the proposed project: 2
- 2. Estimated number of full time jobs retained as a direct result of the proposed project: 0
- 3. Total number of full time jobs upon project completion: 2

**Wages Created and Retained**

- 1. Average hourly wage rate for new jobs (w/o benefits) 110,000.00
- 2. Average hourly wage rate for jobs retained (w/o benefits) 0

\*\*\*In addition to answering these questions, please fill out the Job and Wage Description for Tax Abatement Application information sheet and submit it with the application as an attachment.

Please explain why the abatement incentive is necessary to the project: Attach additional sheets as necessary.

The purchase of this equipment and the abatement incentive will help us to be globally competitive.

**Company Information**

How long has the company been in existence? 47  
Current address of company headquarters and duration at that address: Mooresville, In 46158 47 Years  
Mooresville, In 46158 47 Years

Approximate percentage of employees at current location who live in the City of Franklin and/or Johnson County: \_\_\_\_\_

Have you ever received tax abatement at your current location? Yes  No

If yes, when and for what term? various 2005 7/10 yr, 2006 10 yr, 2010 5 yr

What specifically has the company done to give back to the community:

This company has continued to be a stable, tax paying company in the community with the opportunity of decent wages for employees.

While acting as a strong advocate for using economic incentives to help applicants expand and/or locate in the community, the City of Franklin also strives to enrich the quality of life for its citizens. To that end, the City embraces the use of voluntary economic development fees as allowed under Indiana law (IC 6-1.1-12.1-14). These fees are directed by the City to local nonprofit organizations to bolster their economic development efforts. The fee can be applied on both real and personal property abatements. The fee is collected annually by the County Treasurer as a special assessment on the tax bill and is distributed by the City to the designated economic development nonprofit organization. Typically, 2% is charged on Real Property and 5% is charged on Personal Property. The fee is a percentage of the abatement received. For example, instead of receiving 100% abatement in the first year, the company receives a 95% abatement, with the 5% difference going to support local economic development. More information can be found on the City's website ([www.franklin.in.gov](http://www.franklin.in.gov)) under the Economic Development tab.

Is the company agreeable to the Economic Development Fee? Yes  No

If yes, at what percent(s)? \_\_\_\_\_

**JOB AND WAGE DESCRIPTION  
FOR TAX ABATEMENT APPLICATION**

Please provide the following job and wage earning information that is associated with this Tax Abatement Petition (*Please specify all wages in an hourly format without benefits*):

- (1) Company NAICS code: 333514.
- (2) The total number of jobs current at the site: 41, the number of those jobs that will be retained as a direct result of the proposed investment 0, and the number of new jobs which will be created as a direct result of the proposed investment 2.
- (3) The total number of full-time employees at the site: 41.
- (4) The total number of temporary and/or contract employees currently at the site: 1.
- (5) The average hourly wages for the new jobs: \$21.68.
- (6) Will the new jobs being created begin as temporary and/or contract employees? No  
If yes, please provide an explanation of the typical transition process to full time:  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

- (7) Number of new and/or retained jobs in:
  - (a) Managerial/Professional Specialty Occ.: 3 Average Hourly Wage: \$37.10
  - (b) Technical/Sales/Admin. Support Occ.: 1 Average Hourly Wage: \$24.45
  - (c) Service Occ.: 0 Average Hourly Wage: \_\_\_\_\_
  - (d) Precision Production/Craft/Repair Occ.: 20 Average Hourly Wage: \$21.71
  - (e) Operators/Fabricators/Laborers: 8 Average Hourly Wage: \$12.34

Note: The total number of jobs specified above should correspond with the Statement of Benefits Form SB-1.

(8) Attach detailed information on the types of benefits offered for new employees. A description of all possible bonuses and incentives should also be given if provided.



# Overton Industries

## Employee Benefits & Wellness Program



ADVANTAGE <i>...rising above the service you expect™</i>	Advantage HMO
<b>In-Network Benefits</b>	<b>Deductible (out)</b>
Annual & Lifetime Maximum	Unlimited
Deductible:	
Single	\$4,000
Family	\$8,000
Coinsurance:	80%
Out-of-Pocket Maximum:	
Single (Includes Deductible)	\$8,000 (+Rx)
Family (Includes Deductible)	\$16,000 (+Rx)
Office Visit Copay:	
Primary	\$25
Specialty	\$45
Prescription:	Mandatory formulary coverage when available or member pays higher copayment plus difference between the brand name and the generic.
Generic—Preferred & Non-Preferred	Retail                      Mail-Order
Brand Name—Preferred	\$7 Copay                      \$14 Copay
Brand Name—Non-Preferred	\$35 Copay                      \$70 Copay
Specialty	\$70 Copay                      \$140 Copay
PPO Network:	20% Coinsurance
Wellness/Preventive:	Advantage Proprietary Networks*
Children Preventive Care:	100% Covered
Adult Preventive Care:	100% Covered
Routine Mammograms:	100% Covered
Hospital Services	80% after deductible
Out-Patient Services	80% after deductible
Maternity Services	80% after deductible
Emergency Room Services	80% after deductible
Urgent Care Centers	80% after deductible
Maternity Care PCP/SCP	\$250 Copay PCP/\$450 Copay SCP
Mental & Nervous:	80% after deductible
Non-Network Benefits:	No Coverage (Unless a true emergency or physician approved visit)
Member must select a PCP within a 30 mile radius of their residence. For members who live more than 30 miles from an HMO Network Provider, the PHCS Network is to be used.	

### Wellness Exams

You should get your routine physicals, screenings, immunizations and health counseling when you're feeling just fine. Health screenings are medical exams, interviews and laboratory tests your doctor gives you when you have no signs or symptoms of disease. Be sure to schedule wellness exams for you and your family, and ask your doctor which exams, tests and immunizations are right for you.

### Flexible Spending Account Options

**\$2,500 maximum—Medical Only FSA**

**\$5,000 maximum for Dependent Care FSA**

For further explanation of these benefits please see your HR Office

**100% Paid**      **Life and AD&D**

**Employee \$20,000**  
**Spouse \$5,000**  
**Child \$2,000**  
(35% reduction at age 65)

### Medical Payroll Contributions

Weekly Cost	Advantage HMO	Advantage PHCS
Employee ONLY	\$39.20	\$49.00
Employee/Spouse	\$82.03	\$102.53
Employee/Children	\$75.69	\$94.61
Family	\$107.49	\$134.36

**Aflac**      **Affac**

**Supplemental coverage provided through Aflac as well as a wellness benefit**

For further explanation of these benefits please see your HR Office

### Network Providers

ADVANTAGE  
*...rising above the service you expect™*

This Network consists of physicians and hospitals who have agreed to provide services at discounted rates. You are covered at the highest level if you receive care through network providers.

You can access network providers at [www.advantageplan.com](http://www.advantageplan.com).

This benefit guide only highlights the benefits available. Please refer to your plan certificate for coverages, limitations, exclusions and restrictions. If any conflict should arise between this summary and the Plan Certificate, the Plan Certificate will govern in all cases.

# Employee Benefits & Corporate Wellness Guide

## ***OVERTON INDUSTRIES***

**BETTER TOOLING AT A COMPETITIVE PRICE**



### Employee Benefits as of August 2014



#### ***Welcome to Overton Industries Employee Benefits & Corporate Wellness Programs:***

We're happy to provide you and your family with one of the most comprehensive employee benefit plans. Our benefits program provides a variety of plans for you and your family. If you have any questions about your coverage choices please feel free to contact American Health & Wellness Group.

We will also be providing you with a Wellness Program, which will include a personal health coach who will meet one-on-one with you to design a personalized wellness plan. As you know, there has been a shift in the way we think about health insurance. Corporate wellness plans stand out as a long term solution to controlling costs by keeping employees and their families healthy. Helping you to become healthy will help to prevent chronic illnesses like diabetes, high blood pressure, and heart disease and thereby reduce our health insurance costs. It will also result in lower absenteeism, improved morale, and more importantly, your improved health. The bottom line...wellness programs make good sense.



# Welcome to your Personalized Wellness Program!

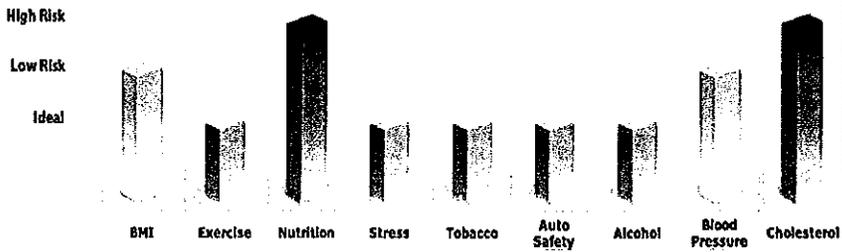
You now have the power to proactively regain control and transform your life.



## Wellness Programs: The Future of Health Insurance

Assessing your health is an important first step in a fitness, diet, or wellness

program, and in taking personal responsibility for your own well being. The results of your health assessment will help you identify health risks associated with your behavior, and potential ways you can counteract these risks. This Assessment is not meant to take the place of a physician nor can it diagnose medical problems. It is designed to help you identify potential risks and create a plan to make healthy lifestyle changes.



## Understanding Your Current Health

Wellness begins with awareness. Identifying and understanding your health risks is the first step toward being able to reduce those risk factors. Your health profile is an online questionnaire

about your wellbeing and lifestyle, designed to provide a more complete picture of your health. By attending the health screening and completing your confidential health profile, you'll be able to take active steps toward a healthier lifestyle. Visualize the results of your completed health assessment with a bar graph indicating ideal versus low and high-risk rankings for your blood pressure, cholesterol, BMI, exercise, nutrition, stress levels, tobacco use, automobile safety, and alcohol consumption. You can keep track of your current risks and take the steps to proactively transform your life.

## Wellness Plan Guidelines

A lot of people are open to the *idea* of making a change towards a healthier lifestyle, they just do not know where to start—and that is where we come in! Each employee will be able to choose which "Track" they would like to participate in. You have the option of participating in the walking program where you will challenge yourself each month to a step goal. If you are very active already and do not wish to participate in the walking program, you can attend wellness seminars! The seminars are filled with great ideas on how to promote better health. They will help bring awareness to all areas of your health and provide simple ideas that can be incorporated into your busy lifestyle for a healthier and happier you. Like to track your work? You can choose to log your food and exercise each month. This brings great awareness of your current state and helps you meet your goals and track your progress along the way. **Take charge of your health by choosing which wellness plan option is most suitable for you.**



All Employees  
Prevention/Wellness



Track 1  
Walking Program



Track 2  
Seminar Series



Track 3  
Food/Fitness Logs

- ✓ Take your Health Risk Assessment in your website
- ✓ Attend the Annual Health Screening or go to your doctor for your yearly exam



- ✓ Walk an average of 6,000 steps per day
- ✓ Upload your pedometer bi-weekly



- ✓ Attend Wellness Seminars Bi-Monthly. Topics include: Nutrition, exercise, weight loss, stress reduction, sleep, and much, much more!
- ✓ Establish a personal health goal after each seminar.



- ✓ Update Food Log 5 times during the month
- ✓ Update Fitness Log(s) 5 times during the month
- ✓ Establish a personal health goal or challenge each month.



This benefit guide only highlights the benefits available. Please refer to your plan certificate for coverages, limitations, exclusions and restrictions. If any conflict should arise between this summary and the Plan Certificate, the Plan Certificate will govern in all cases.



# OVERTON INDUSTRIES

BETTER TOOLING AT A COMPETITIVE PRICE



## Employee Benefits & Wellness Program

Voluntary Dental 		
	In-Network	Out-of-Network
<b>Type I (Preventive)</b>		
Oral Exams	100%	100%
Cleaning	100%	100%
Full Month X-Rays	100%	100%
Fluoride Treatment	100%	100%
Sealant	100%	100%
<b>Type II (General/Specialty)</b>		
Fillings	80%	80%
Simple Extractions	80%	80%
<b>Type III (Prosthodontic)</b>		
Anesthesia	50%	50%
Root Canal	50%	50%
Crowns, Bridges & Dentures	50%	50%
Inlays, Onlays, Veneers	50%	50%
Surgical Extractions	50%	50%
Perio Surgery	50%	50%
<b>Type IV (Ortho)</b>		
Ortho Maximum	\$1,000	50%
<b>Deductible (Type II &amp; III)</b>		
Single	\$0	
Family (3X)	\$0	
Calendar Year Max	\$1,500	
<b>Weekly Cost</b>		
Employee Only	\$8.08	
Employee/Spouse	\$15.43	
Employee/Child(ren)	\$20.58	
Family	\$26.87	

100% Paid Short Term Disability 		
Benefit %	70%	
Weekly Benefit	\$200	
Elimination Period	1 Day Accident	
Benefit Duration	26 weeks	
Voluntary Long Term Disability 		
Benefit %	60%	
Monthly Benefit	\$2,000	
Elimination Period	180 days	
Benefit Duration	To Age 65	
Salary	Monthly Benefit	Weekly Cost
\$15,000	\$750	\$1.15
\$18,000	\$900	\$1.39
\$20,000	\$1,000	\$1.54
\$22,000	\$1,100	\$1.69
\$25,000	\$1,250	\$1.92
\$28,000	\$1,400	\$2.15
\$30,000	\$1,500	\$2.31
\$32,000	\$1,600	\$2.46
\$35,000	\$1,750	\$2.69
\$38,000	\$1,900	\$2.92
\$40,000	\$2,000	\$3.08

Liberty National Additional Life
Pre-tax Life Insurance-No Rate Increase, through age 99
Please see HR for details

Servicing Organization	
	<b>American Health &amp; Wellness</b> <small>GROUP</small>
317-571-1600	www.americanhw.com

Employee Assistance Program 
<i>WorkLifeMatters</i> can offer help with:
Education
Dependent Care & Care Giving
Legal & Financial
Career Development
Support is available by phone or online
Unlimited free telephonic consultation 24/7 - 800-386-7055
<a href="http://www.ibhworklife.com">www.ibhworklife.com</a>
Username: Matters; Password: wlm70101

This benefit guide only highlights the benefits available. Please refer to your plan certificate for coverages, limitations, exclusions and restrictions. If any conflict should arise between this summary and the Plan Certificate, the Plan Certificate will govern in all cases.

**Investment Timetable**

TUBE FORMING SYSTEMS, INC.  
1255 McClain Drive  
Franklin, IN 46131

*Attachment to Form CF-1 (Compliance with Statement of Benefits)*

Year of Abatement	Buildings	Equip Type 1	Equip Type 2	Equip Type 3	Equip Type 4	Total
1st Quarter						220,044
2nd Quarter						
3rd Quarter						
4th Quarter						

### Employment Phase-In Schedule

TUBE FORMING SYSTEMS, INC.  
1255 McClain Drive  
Franklin, IN 46131

Attachment to Form CF-1 (Compliance with Statement of Benefits)

Year of Abatement	Job Type 1	Job Type 2	Job Type 3	Job Type 4	Total
1st Quarter	1				
2nd Quarter					
3rd Quarter	1				
4th Quarter					