

CITY OF FRANKLIN

Community Development Department

Memorandum

To: City of Franklin Economic Development Commission

From: Rhoni Oliver, Community Development Specialist

Date: March 2, 2017

Re: Case C 2017-39: Tube Forming Systems, Inc. d/b/a Overton Industries

Summary:

1. On October 15th, 2012, the Franklin Common Council passed Resolution No. 2012-17, approving a 5-year tax abatement on \$321,456 of personal property for new equipment at 2155 McClain Drive.

2. Actual and estimated benefits, as projected for 2016:

| | Estimated on SB-1 | Actual in 2016 | Difference |
|--------------------------------|-------------------|----------------|------------|
| Employees Retained | 37 | 42 | 5 |
| Salaries | \$1,615,649 | \$2,021,789 | \$406,140 |
| New Employees | 2 | 3 | 1 |
| Salaries | \$95,680 | \$142,708 | \$47,028 |
| Total Employees | 39 | 45 | 6 |
| Total Salaries | \$1,711,329 | \$2,164,497 | \$453,168 |
| Average Hourly Salaries | \$21.10 | \$23.12 | \$2.03 |
| Personal Property Improvements | \$321,456 | \$321,456 | \$0 |

- 3. In 2012 there were 41 total employees and the average hourly salary was \$23.93. In 2013 the company met the estimated average hourly wage indicated on their SB-1 Form but was one employee lower than estimated on their SB-1 Form. Steve Overton explained in his cover letter the difficulty they had finding and retaining skilled employees. In 2014 the company met the number of employees and salaries estimated on their SB-1. In 2015 the company exceeded the total number of employees by 3 and the average hourly salary is \$4.48 per hour higher than originally estimated. In 2016 the average hourly salary is higher than the original SB-1 estimate, but it is lower than 2015.
- 4. The company has met their estimate provided on their SB-1 Form for personal property.
- 5. The personal property tax abatement for Overton is scheduled to expire in tax year 2017 payable 2018. The final compliance review will take place in 2018.

Staff Recommendation: Approval



February 10, 2017

City of Franklin

Attn: Krista Linke

71 East Monroe Street

Franklin, IN 46131-2358

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

Dear Ms. Linke,

Enclosed, please find Form CF-1/PP (Compliance with Statement of Benefits) regarding compliance with the real property tax abatement which was granted to Overton & Sons in 2012 under Franklin Common Council Resolution number 12-17 and approved on October 15, 2012.

After reviewing the documents, you will see that we have been successful in (1) making all of the capital investments which had been projected, and (2) retaining the full complement of jobs which had been proposed in the Statement of Benefits (Form SB-1). 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

c:\users\rita\documents\abatement 12-17 cov let February 10, 2017.docx

COMPLIANCE WITH STATEMENT OF BENEFITS PERSONAL PROPERTY

State Form 51765 (R4 / 11-16) Prescribed by the Department of Local Government Finance FORM CF-1/PP

PRIVACY NOTICE This form contains information confidential pursuant to IC 6-1.1-35-9 and IC 6-1.1-12.1-5.6.

- 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 January 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 January 1 and the extended due date of each year,

| 3. With the approval of the d | | TAXPAYER | | The state of the s | | | | |
|--|---|---|--------------------|--|------------|-----------------------|----------------|-------------------|
| Name of taxpayer | | | | | | County | | |
| Tube Forming Systems, Inc. | | | | | | Johnson | | |
| Address of taxpayer (number and street, city, state, and | ZIP code) | | | | | DLGF taxing dis | strict number | |
| 2155 McClain Drive Name of contact person | | | | | · | | Franklir | 1 |
| Rita Shearer | | | | | | Telephone num | | |
| SECTION 2 | | | 4 -10-1-1-1 | | |] (317 ₎ 8 | 31-4542 | |
| Name of designating body | LUCAI | ON AND DES | | OF PROPERTY | | Estimated start | data (manth | |
| The City of Franklin Common Council | | | rteso | 12-17 | | Countailed Start | 11/05/12 | 2.2 |
| Location of property | | *************************************** | | | | Actual start date | | • |
| 2155 McClain Drive Franklin, IN 4613 | | | | | | | 11/12/12 | |
| Description of new manufacturing equipment, or new res | earch and deve | elopment equipm | ent, or new i | nformation techno | logy | Estimated comp | letion date (n | nonth, day, year) |
| equipment, or new logistical distribution equipment to be EC 1600 Horizontal Machining Mill | acquired. | | | | | | 11/19/12 | • |
| ST-30 CNC Lathe | | | | | | Actual completic | | |
| | | | | | | | 11/19/12 | |
| SECTION 3 | | EMPLOYEES | AND SAL | ARIES | | | | |
| Current number of employees | S AND SAL | ARIES | | | AS ES | TIMATED ON S | B-1 | ACTUAL |
| Salaries | | | | | | 37 | | 45 |
| Number of employees retained | | | | | | 1,615,649.00 | | 2,164,497.00 |
| Salaries | | | | | | 37 1,615,649.00 | | 42 |
| Number of additional employees | | | | | | 2 | | 3 |
| Salaries | | | | ······································ | _ | 95,680.00 | | 142,708,00 |
| SECTION 4 | | COSTAN | ID VALUES | | | | | 1424, 66,66 |
| | MANUFA EQUI | CTURING MENT | R&DE | QUIPMENT | LOG EQU | IST DIST JIPMENT | IT EQ | UIPMENT |
| AS ESTIMATED ON SB-1 | COST | ASSESSED VALUE | COST | ASSESSED VALUE | COST | ASSESSED VALUE | COST | ASSESSED VALUE |
| Values before project | | | | | | | *** | |
| Plus: Values of proposed project | 321,456.00 | | | | | | | |
| Less: Values of any property being replaced | ····· | | | | | | | |
| Net values upon completion of project | 321,456.00 | | | | | | | |
| ACTUAL | COST | ASSESSED VALUE | COST | ASSESSED VALUE | COST | ASSESSED VALUE | COST | ASSESSED VALUE |
| Values before project | | | | | | | | |
| Plus: Values of proposed project | | | | | | | | + |
| | 321,456.00 | | | | | | | |
| Less: Values of any property being replaced | 321,456.00 | | | | | | | |
| | 321,456.00 321,456.00 | | | | | | | |
| Less: Values of any property being replaced | 321,456.00 | 6-1.1-12.1-5.6 | S(c). | | | | | |
| Less: Values of any property being replaced Net values upon completion of project NOTE: The COST of the property is confidential p | 321,456.00 oursuant to IC | | • • | OMISED BY T | HE TAXPA | YER | | |
| Less: Values of any property being replaced Net values upon completion of project NOTE: The COST of the property is confidential p | 321,456.00 oursuant to IC | ID OTHER BE | • • | | | | T AC | TUAL |
| Less: Values of any property being replaced Net values upon completion of project NOTE: The COST of the property is confidential property is confidential property. | 321,456.00 oursuant to IC | ID OTHER BE | • • | | | YER ATED ON SB-1 0.00 | AC | ETUAL 0.00 |
| Less: Values of any property being replaced Net values upon completion of project NOTE: The COST of the property is confidential property is confidential property. WASTE CONVERTED Amount of solid waste converted Amount of hazardous waste converted | 321,456.00 oursuant to IC | ID OTHER BE | • • | | | ATED ON SB-1 | AC | |
| Less: Values of any property being replaced Net values upon completion of project NOTE: The COST of the property is confidential property is confidential property. WASTE CONVERTED Amount of solid waste converted Amount of hazardous waste converted | 321,456.00 oursuant to IC | ID OTHER BE | • • | | | 0.00 0.00 | AC | 0.00 |
| Less: Values of any property being replaced Net values upon completion of project NOTE: The COST of the property is confidential project WASTE CONVERTED Amount of solid waste converted Amount of hazardous waste converted Other benefits: | 321,456.00 oursuant to IC IVERTED AN AND OTHER | ID OTHER BE BENEFITS | NEFITS PR | | | ATED ON SB-1 0.00 | AC | 0.00 |
| Less: Values of any property being replaced Net values upon completion of project NOTE: The COST of the property is confidential project SECTION 5 WASTE CONVERTED A Amount of solid waste converted Amount of hazardous waste converted Other benefits: SECTION 6 | 321,456.00 oursuant to IC IVERTED AN AND OTHER | ID OTHER BE BENEFITS TAXPAYER CE | NEFITS PR | | | 0.00 0.00 | AC | 0.00 |
| Less: Values of any property being replaced Net values upon completion of project NOTE: The COST of the property is confidential property is confidential property in the confidential property is confidential p | 321,456.00 oursuant to IC IVERTED AN AND OTHER | ID OTHER BE BENEFITS TAXPAYER CE | NEFITS PR | | | 0.00 0.00 | AC | 0.00 |
| Less: Values of any property being replaced Net values upon completion of project NOTE: The COST of the property is confidential project SECTION 5 WASTE CONVERTED A Amount of solid waste converted Amount of hazardous waste converted Other benefits: SECTION 6 | 321,456.00 oursuant to IC IVERTED AN AND OTHER | ID OTHER BE BENEFITS TAXPAYER CE | NEFITS PR | | | 0.00 0.00 | | 0.00 |

OPTIONAL: FOR USE BY A DESIGNATING BODY WHO ELECTS TO REVIEW THE COMPLIANCE WITH STATEMENT OF BENEFITS (FORM CF-1) THAT WAS APPROVED AFTER JUNE 30, 1991.

INSTRUCTIONS: (IC 6-1.1-12.1-5.9)

- 1. This page does not apply to a Statement of Benefits filed before July 1, 1991; that deduction may not be terminated for a failure to comply with the Statement of Benefits.
- Within forty-five (45) days after receipt of this form, the designating body may determine whether or not the property owner has substantially complied with the Statement of Benefits.
- 3. If the property owner is found **NOT** to be in substantial compliance, the designating body shall send the property owner written notice. The notice must include the reasons for the determination and the date, time and place of a hearing to be conducted by the designating body. If a notice is mailed to a property owner, a copy of the written notice will be sent to the County Assessor and the County Auditor.
- 4. Based on the information presented at the hearing, the designating body shall determine whether or not the property owner has made reasonable effort to substantially comply with the Statement of Benefits and whether any failure to substantially comply was caused by factors beyond the control of the property owner.
- 5. If the designating body determines that the property owner has **NOT** made reasonable effort to comply, then the designating body shall adopt a resolution terminating the deduction. The designating body shall immediately mail a certified copy of the resolution to: (1) the property owner; (2) the County Auditor; and (3) the County Assessor.

| <u></u> | | *************************************** | | |
|---|--|---|--|---|
| We have reviewed the CF-1 and | d find that: | | | |
| the property owner IS in su | ubstantial compliance | | | |
| the property owner IS NO | f in substantial compliance | | | |
| other (specify) | | | 71.0174.714.4.4.4.4.4.4.4.4.4.4.4.4.4.4.4.4. | |
| Reasons for the determination (attach | additional sheets if necessary) | | | |
| | ., | | | |
| | | | | |
| | | | | |
| Signature of authorized member | | | | Date signed (month, day, year) |
| | | | | |
| Attested by: | | | Designating body | |
| If the property owner is found r time has been set aside for the | not to be in substantial compliance purpose of considering compliance | the proper | ty owner shall receive the opportunity f | or a hearing. The following date and |
| Time of hearing AM | Date of hearing (month, day, year) | Location of h | earing | |
| | HEARING RESU | LTS (to be o | completed after the hearing) | |
| | Approved | | Denied (see instruction 5 above) | |
| Reasons for the determination (attach | additional sheets if necessary) | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| Signature of authorized member | | | 4 | Date signed (month, day, year) |
| Attested by: | The state of the s | | Designating body | |
| | APPEAL | RIGHTS [K | C 6-1.1-12.1-5.9(e)] | |
| A property owner whose deduct | ion is denied by the designating b | ody may ap | peal the designating body's decision b | y filing a complaint in the office of the |

Expansion Investment 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 12-17

| rotals | T-40-princin. | Fortingent: | Machinery | Improvements: | Buildings and | | |
|--------|---------------|-------------|-----------|---------------|---------------------|-------------|--|
| | 321,436 | 304 | | 0 | | (From SB-1) | Actual Amount of Investment |
| | 321,456 | | C | Þ | | (From SB-1) | Proposed Amount of Total Investment |
| | 0 | | 0 | • | 010717010 | 3/31/2016 | |
| | 0 | | 0 | | 0/30/2016 9/30/2016 | 6/30/3046 | Actual Amount of Investment Added During Year (by Quarter) |
| | 0 | | 0 | | | | of Investment 'ear (by Quarter |
| | 0 | | 0 | | 12/31/2016 | | <u>.</u> |
| | 321,456 | | 0 | | as of 12/31/16 | Investment | Actual Total Amount of |
| | 0.0 | | 0 | comcon(| nvestment | Amount of | Difference Between Actual and Proposed |

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 12-17

| 37 39 | | | (From SB-1) (From SB-1) | of Employees No. of Employees |
|----------|--------|-------------------------------|-------------------------|---|
| 2 | | 010771070 | 3/31/2016 | |
| N | | 0/30/2010 | 6/30/3046 | Actual Numl Added Durir |
| | | 3/30/2010 0/30/2010 9/30/2016 | | Actual Number of Employees Added Added During Year (by Quarter) |
| <u> </u> | | 12/31/2016 | | es Added arter) |
| 45 | | as of 12/31/16 | Employees | Actual Total Number of |
| G | - more | Employees | Number of | Difference Between Actual and Proposed |

Doc ID: 006520930007 Type: MIS
Kind: MISCELLANEOUS
Recorded: 11/14/2012 at 03:01:10 PM
Fee Amt: \$25.00 Page 1 of 7
Workflow# 0000057711-0001
Johnson County-Recorded as Presented
Jill L. Jackson County Recorder

File 2012-025758 RESOLUTION NO. 2012-17

FILED
SUBJECT TO FINAL ACCEPTANCE

NOV 1 4 2012

AUDITOR, JOHNSON COUNTY

A RESOLUTION ESTABLISHING AN ECONOMIC REVITALIZATION AREA AND DESIGNATING A TAX ABATEMENT FOR OVERTON CARBIDE TOOL AND ENGINEERING (EDC 2012-06)

CITY OF FRANKLIN, INDIANA

WHEREAS, the economic growth and development of the City of Franklin, Johnson County, Indiana is the primary goal of the community;

WHEREAS, the Franklin Economic Development Commission has on October 9, 2012 held a public meeting and considered the economic revitalization area and the tax abatement request of Overton Carbide Tool and Engineering (2155 McClain Drive) in a manner consistent with the City of Franklin Community Investment Incentives Summary and the applicable sections of the Indiana Code.

WHEREAS, the Franklin Economic Development Commission has made the findings required by IC 6-1.1-12.1-3 and IC 6-1.1-12.1-4.5 and recommended that the property described as Exhibit "A" be designated as an economic revitalization area;

WHEREAS, again making the findings required by IC 6-1.1-12.1-3 and IC 6-1.1-12.1-4.5 the Franklin Economic Development Commission recommends that Overton Carbide Tool and Engineering receive a five (5) year tax abatement on personal property for the real estate described above and the manufacturing project described in the tax abatement request;

WHEREAS, a copy of the Statement of Benefits recommended for approval by the Franklin Economic Development Commission is attached hereto as Exhibit "B";

WHEREAS, it appears that said real estate as described as Exhibit "A" is an area where the site is undesirable for or impossible of normal development and occupancy because of a lack of development, cessation of growth, deterioration of improvements or character of occupancy, age, obsolescence, substandard buildings and other factors which have impaired values or prevented normal development of or use of the property;

WHEREAS, the Common Council has received and reviewed exhibits "B", with all attachments, and that such attachments are made a part hereof and incorporated herein, all which together contain the necessary statements of benefits, letter of application, and description of manufacturing equipment which are involved, along with the recommendation on economic revitalization area designation and tax abatement for personal property; and

WHEREAS, the Common Council has given careful consideration to the materials submitted and affirms the findings of the Franklin Economic Development Commission relative to the requirements of IC 6-1.1-12.1-3 and IC 6-1.1-12.1-4.5, and specifically including the following findings:

As to personal property the following findings are made:

1) The estimate of the cost of new manufacturing equipment is reasonable for equipment of that type;

- 2) 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 installation of the new manufacturing equipment;
- 3) The estimate of the 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 equipment;
- 4) 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
- 5) The totality of the benefits is sufficient to justify the tax abatement.

NOW THEREFORE BE IT RESOLVED THAT:

- (1) The real estate described as Exhibit "A" is designated an economic revitalization area, as the term is defined under the provisions of IC 6-1.1-12.1.
- (2) The abatement of personal property tax shall extend for a period of five (5) years pursuant to the deduction schedule set forth in IC 6-1.1-12.1-4.5(e)(6).
- (3) A public hearing shall be held on the 5th day of November, 2012 at 6:30 p.m. in the City Council Chambers, Franklin, Indiana, at which hearing the Common Council shall hear all remonstrance and objections from interested persons and consider whether to confirm, modify, or rescind this resolution under the provisions of IC 6-1.1-12.1-2.5(c).
- (4) Overton Carbide Tool and Engineering shall be required to provide the City of Franklin with information showing the extent to which there has been compliance with the statement of benefits submitted in their request for tax abatement within sixty (60) days after the end of each year in which the deduction is applicable, all as required by IC 6-1.1-12.1-5.1 and IC 6-1.1-12.1-5.6.
- (5) A copy of this resolution and a description of the affected area will be available and can be inspected in the office of the Johnson County Assessor and the City Clerk/Treasurer.

APPROVED by the Common Council of the City of Franklin, Johnson County, Indiana, this 15th day of 60tober . 2012.

City of Franklin, Indiana, By its Common Council:

| Voting Affirmative: | Voting Opposed: |
|---------------------------------------|---------------------------------------|
| Stu Bust | |
| Stephen D. Barnett, Council President | Stephen D. Barnett, Council President |
| 41 Pm | i i i i i j |
| Joseph P. Abban | Joseph P. Abban |
| Durch R Auth | |
| Koséph R. Ault | Joseph R. Ault |

| 16CX | |
|--|---|
| Kenneth W. Austin | Kenneth W. Austin |
| Robert D. Henderson | Robert D. Henderson |
| Absent Stephen D. Hougland | Stephen D. Hougland |
| Absent | propriet Di Florigiana |
| Richard L. Wertz | Richard L. Wertz |
| Attest: Janet J. Alexander City Clerk-Treasurer | dn |
| Presented by me to the Mayor Indiana Code § 36-4-6-15, 16, this 15+k | r of the City of Franklin for his approval or veto pursuant to day of October. 2012. |
| | Janet P. Alexander City Clerk-Treasurer |
| This ordinance having been pass by me and duly adopted, pursuant to inc § 36-4-6-16(a)(2)], this $15+4$ day of 6 c | sed by the legislative body and presented to me this [Approved fiana Code § 36-4-6-16(a)(1)] [Vetoed, pursuant to Indiana Code be be 2012. Joseph E. McGuinness Mayor |
| Attest: Janey P. Alexander City Clerk-Treasurer | du |
| APPROVED AS TO FORM: Lynnette Gray City Attorney | |

| 4 | | |
|---|---|--|
| | 16CE | |
| | Kenneth W. Austin | Kenneth W. Austin |
| | Robert D. Henderson | Robert D. Henderson |
| | Absent Stephen D. Hougland | Stephen D. Hougland |
| | Absent Richard L. Wertz | Richard L. Wertz |
| | Attest: | a |
| | Janet D. Alexander City Clerk-Treasurer | dr |
| | Presented by me to the Mayor of Indiana Code § 36-4-6-15, 16, this $15+1$ da | of the City of Franklin for his approval or veto pursuant to by of October |
| | | Janet P. Alexander City Clerk-Treasurer |
| | This ordinance having been passed by me and duly adopted, pursuant to India § 36-4-6-16(a)(2)], this <u>IS+k</u> day of <u>6</u> نبان | by the legislative body and presented to me this [Approved na Code § 36-4-6-16(a)(1)] [Vetoed, pursuant to Indiana Code be 2012. |
| | | |
| | | Joseph E. McGuinness Mayor |
| • | Attest: Auctor Cleyand Janet P. Alexander City Clerk-Treasurer | n |
| | APPROVED AS TO FORM: Lynnette Gray | |
| (| City Attornov | |

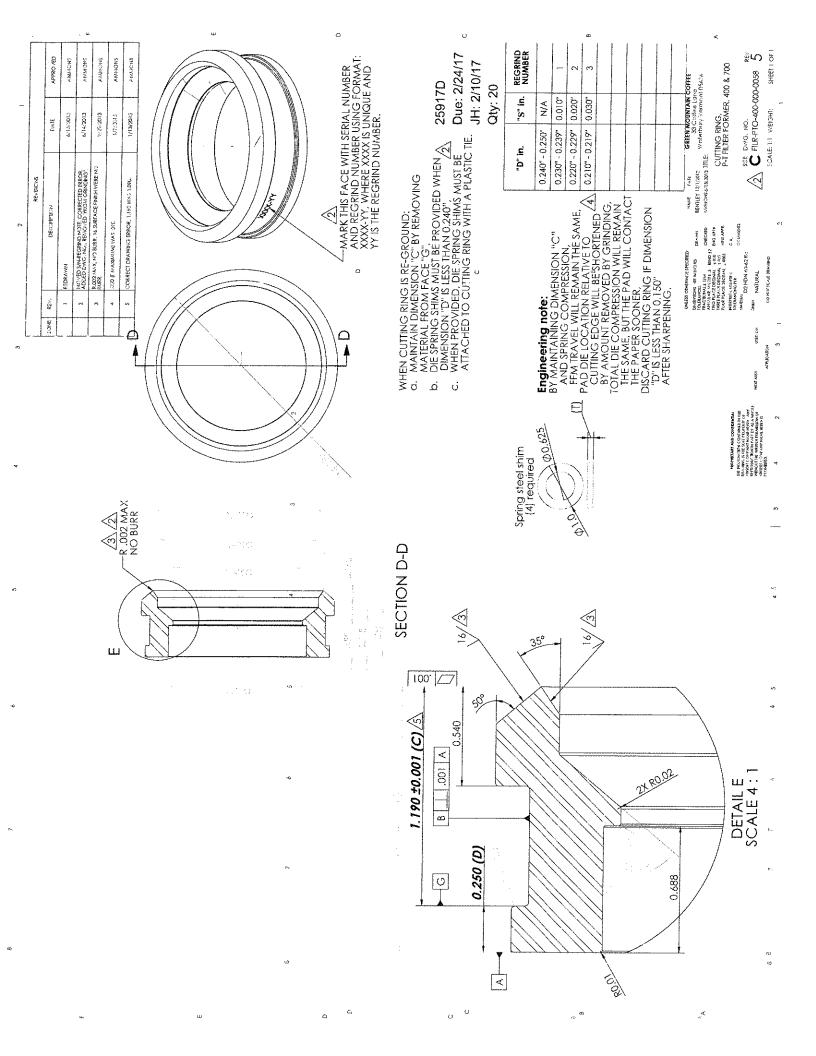


EXHIBIT "A"

LEGAL DESCRIPTION

A part of West Half of the Northeast Quarter of Section 18, Township 12 North, Range 5 East, Johnson County, Indiana, more particularly described as follows:

Commencing at the Northwest corner of the East Half of said Northeast Quarter, thence South 00 degrees 02 minutes 39 seconds West 1689.36 feet to the Point of Beginning; thence continuing South 00 degrees 02 minutes 39 seconds West a distance of 1022.15 feet to the Southeast corner of the West Half of said Quarter Section; thence North 89 degrees 32 minutes 07 seconds West 488.13 feet to the East right-of-way of Interstate # 65; thence along said right-of-way North 17 degrees 18 minutes 15 seconds West a distance of 284.03 feet; thence continuing on and along said East right-of-way North 11 degrees 35 minutes 37 seconds West 771.05 feet; thence South 89 degrees 32 minutes 07 seconds East 728.38 feet to the Point of Beginning, containing 14.5429 acres, more or less, subject however to all legal rights-of-way and easements of record.

Prescribed by the Department of Local Government Finance

EXHIBIT

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 end/or research and development equipment, and/or logistical distribution equipment and/or information technology equipment for which the person wiches 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)
- 2. 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
- 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 end/or logisticel distribution equipment and/or information technology equipment is installed and fully functional, unless a filling 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.
- 4. Properly 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 edopted by the designating body (IC 6-1.1-12.1-17).

| - SECTION 1 | | - TAXPAYER | FINFORMAT | ON | | • | | <i>T</i> + = - |
|---|---|---------------------------------|--|-------------------|---|---|--------------|----------------|
| Name of taxpayer | | | | | | | | |
| Overton & Sons Tool & Die Co. dba 0 | | irbide Tool a | ind Engine | ering | | | | |
| Address of taxpayer (number and street, city, state, and | ZIP code) | | | | | | | |
| 2155 McClain Drive Franklin, IN 46131 | | | | | | | | |
| Name of contact person | | | | | | Telephone nu | mber | |
| Steve Overton | | | | | | (317) 831 | -4542 | |
| SECTION 2 | OCATION A | ND DESCRIPT | ION OF PRO | POSED PRO. | JECT | | | |
| Name of designating body | | | | | | Resolution nu | mber (s) | |
| Franklin Economic Development Commission | (EDC) | | ···· | | | | | |
| Location of property | | | Count | - | | DLGF texing o | muri tohfalb | ıþer |
| 2155 McClain Drive Franklin, IN 46131 | | | Joh | твол | ~ | | | |
| Description of manufacturing equipment and/or nand/or logistical distribution equipment and/or info | esearch and (ormation tech | development e Prology egylom | quipment ent | | | | ESTIMA | TED |
| (use additional sheets if necessary) | | riding) odelprii | V:16 | | | START D | ATE C | OMPLETION DATE |
| EC1600 Horizontal Machining I | Mill | | | Manufacturin | g Equipment | 11/05/201 | 2 | 11/19/2012 |
| ST-30 CNC Lathe | | | | R & D Equipr | ment | | | |
| | | | | Logist Dist Ed | quipment | | | |
| | | | | IT Equipment | | | | |
| SECTION 3 ESTIMATE OF | EMPLOYEE | S AND SALA | RIES AS RES | ULT OF PROP | (0.SE0.2F0 | ECT | | |
| Current number Salaries | | retained | Salaries | | Number ad | entire and a second second second | Salaries | |
| 37 1,615,649.00 | 37 | | 1,615 | 649.00 | 2 | | | 30.00 |
| SECTION 4 ESTI | MATED TOTA | AL COST AND | VALUE OF F | ROPOSED P | राज्या स्टब्स | | 00,0 | 30,00 |
| NOTE: Pursuant to IC 6-1.1-12.1-5.1 (d) (2) the | MANUFA | ACTURING PMENT | | UIPMENT | LOGIS EQUIP | T DIST | IT E | QUIPMENT |
| COST of the property is confidential. | COST | ASSESSED VALUE | COST | ASSESSED VALUE | COST | ASSESSED VALUE | COST | ASSESSED VALUE |
| Current values | | | ······································ | | | 17 34.04 | | VALUE |
| Plus estimated values of proposed project | 321,456,00 | | | | | | | |
| Less values of any property being replaced | | | | | *************************************** | | | |
| Net estimated values upon completion of project | 321,456.00 | | | | | · · · · · · · · · · · · · · · · · · · | | |
| SECTION 5 WASTE CO | NVERTED A | ND OTHER BE | NEFITS PRO | OMISED BY T | IE TAXPAYE | R | | - L |
| Estimated solid waste converted (pounds) | | | | zardous wast | | action and a second control of the second | | |
| Other benefits: | *************************************** | | | | o converted [| DOGINGS) | | |
| | | | | | | | | ļ |
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| SECTION 6 | 150 70 | TAXPAYER C | ERTIFICATIO | VAC | | | | |
| Ignature of authorized representative | certify prat (| ne representali | | tement are tru | | | | |
| | | | Title | /CFO | ļi | Date algned (no | | - |
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| | rea has been limited to | a nation of time with a million | | |
|--|--|--|---|--|
| /s | nea has been littlited (G | a belog of this not to exceed | calendar years * (| see below). The date this designation expires |
| B . The type of dedu | ction that is allowed in ti | ne designeted area is limited t | | |
| | new manufacturing equ | | ⊠ Yes ☐ No | |
| | new research and devel new logistical distributio | | ☐ Yes 図 No ☐ Yes 図 No | |
| 4. Installation of | new information technol | ogy equipment; | ☐ Yes DSNo | |
| C. The amount of de | duction applicable to ne | w manufacturing equipment is | s limited to \$ <u>32/, 456</u> | cost with an assessed value of |
| D. The amount of dea | diretion applicable to ne | w research and development | equipment is limited to \$ | cost with an assessed value of |
| | duction applicable to ne | w logistical distribution equipn | nent is limited to \$ | cost with an essescad value of |
| F. The amount of dec | | w Information technology equi | pment is limited to \$ | cost with an assessed value of |
| \$ | <u></u> , | | | |
| \$ | <u></u> , | | | |
| \$G. Other limitations of H. The deduction for r | conditions (specify) new manufacturing equi | pment and/or new research a | nd development equipment and/or | new logistical distribution equipment and/or |
| \$G. Other limitations of H. The deduction for r | conditions (specify) new manufacturing equi | pment and/or new research ar talled and first claimed eligible | nd development equipment and/or e for deduction on or after July 1, 2 | new logistical distribution equipment and/or |
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| \$ | r conditions (specify) new manufacturing equichnology equipment ins 6 years 7 years 8 years | pment and/or new research ar talled and first claimed eligible ** For ERA's establisi | nd development equipment and/or e for deduction on or after July 1, 2 ned prior to July 1, 2000, <u>only</u> a | new logistical distribution equipment and/or |
| \$ | r conditions (specify) new manufacturing equi chnology equipment ins | pment and/or new research ar talled and first claimed eligible ** For ERA's establisi | nd development equipment and/or e for deduction on or after July 1, 2 ned prior to July 1, 2000, <u>only</u> a | new logistical distribution equipment and/or |
| \$ | r conditions (specify)new manufacturing equipment ins 6 years 7 years 8 years 9 years 10 years ** | pment and/or new research ar talled and first claimed eligible ** For ERA's establisi | nd development equipment and/or e for deduction on or after July 1, 2 ned prior to July 1, 2000, <u>only</u> a ule may be deducted. | new logistical distribution equipment and/or 2000, is allowed for: |
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| S. Other limitations of the new information tends in 1 year 2 years 3 years 4 years 5 years 1. Did the designating if yes, attach a coppoved: (signature and title that the total formation of the designature and title that the total formation of the designature and title that the total formation of the designature and title that the total formation of the designature and title formation of the designation of the designature and | r conditions (specify)_new manufacturing equichnology equipment ins | pment and/or new research at talled and first claimed eligible "For ERA's establish 5 or 10 year sched ive deduction schedule per IC uction schedule to this form. The to justify the deduction destruct Barnett, President | nd development equipment and/or of for deduction on or after July 1, 2 and prior to July 1, 2000, only a ule may be deducted. 6-1.1-12,1-17? Yes To sand find that the estimates and escribed above. | new logistical distribution equipment and/or 2000, is allowed for: No expectations are reasonable and have |
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PROPOSAL

Number

TZLTQ1085

Date

Sep 27, 2012

Sold To

Overton & Sons

1250 S. Old St. Rt. 67

Mooresville, IN 46158

Steve Overton

Phone +1 (317) 831-4542

Fax +1 (317) 831-7388

Ship To

Overton & Sons
1250 S. Old St. Rt. 67
Mooresvilie, IN 46158

Steve Overton
Phone +1 (317) 831-4542
Fax +1 (317) 831-7388

As an addendum to HFO Midwest's standard terms and conditions we will assure that the Haas ST-30 GB Machine will perform the operations required by Overton Industries within a 90 day period of time. If this machine is not able to perform the operations required; HFO Midwest will accept the machine back without financial penalty to Overton Industries. We do reserve the right to help develop the process utilizing our engineers in conjunction with Overton to produce the results required. We greatly value your business and the relationship between our companies.

| • | Salesperson | Terms | F | OB |
|-----|---------------------|---|--------------|--------------|
| | Timothy Taylor | | Oxna | rd, CA |
| Oty | Part Number | Description | Unit Price | Ext. Price |
| 1 | EC-1600 | Horizontal Machining Center; 64" x 50" x 32" (1626 x 1270 x 813†mm), 50-taper geared-head, 30 hp (22.4 kW) vector drive, 6000 rpm, 30+1 side-mount tool changer; includes 1 MB program memory, 15" color LCD monitor, USB port, rigid tapping, power-failure de | \$187,995.00 | \$187,995.00 |
| 1 | TSC50T | This through-spindle coolant system provides up to 300 psi (21 bar) of coolant to the cutting edge for heavy cuts, higher feedrates, deep hole drilling and better surface finishes. Max 12,000 rpm with TSC enabled. | \$5,895.00 | \$5,895.00 |
| 1 | 4AX-E16 | This full 4th-axis platter integrated into the table provides fully interpolated motion for contouring and positioning of large parts. Platter diameter is 30" (762 mm), with a 10,000 lb (4536 kg) weight capacity. | \$40,895.00 | \$40,895.00 |
| 1 | WIPS-R-EC | Wireless Intuitive Probing System; Renishaw wireless tool-setting probe and Renishaw wireless work offset probe; includes macros, spindle orientation and coordinate rotation and scaling | \$6,595.00 | \$6,595.00 |
| 1 | CC-E16 | This belt-type chip conveyor sits in the machines coolant tank, and discharges chips at barrel height at the rear of the machine. It is good for high-production machining applications, or when machining hard or abrasive materials. | \$8,895.00 | \$8,895.00 |
| 1 | ETHERNET | Transfer data between your Haas and a network or PC with the Ethernet interface. Program files are easily transferred to and from the machine, and large files may be accessed by multiple machines. High-speed data transfers allow DNC of large files at up t | \$1,495.00 | \$1,495.00 |
| 1 | EXPANDED- MEMORY | Expanded on-board solid-state memory allows storing, running, and editing large programs directly at the machine. | \$1,595.00 | \$1,595.00 |

| CHANGU MN | | | ************************************** | B.(被St(Ats)) |
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| ı | 1 HSM | The Haas high-speed machining option allows faster feedrates and more complex tool paths without hesitation or starving the machine. Using a motion algorithm called "acceleration before interpolation," combined with full look-ahead, HSM provides contourin | \$2,395.00 | \$2,395.00 |
| | 1 ACF | This 25-micron, #2 bag-type filter system removes contamination and minute particles from the coolant before they can be recirculated through the coolant pump. Mandatory for machines with through-tool coolant when machining cast iron, cast aluminum, wood, | \$1,895.00 | \$1,895.00 |
| 1 | I | Haas VOP Discount | -\$15,250.00 | -\$15,250.00 |
| 1 | | Haas IMTS Discount | -\$12,449.00 | -\$12,449.00 |
| 1 | EWH-1 | Haas CNC machines are backed by a standard 12-month limited warranty covering defects in material and workmanship. An additional 1-year extended warranty may be purchased at any time before the original warranty expires. | \$8,295.00 | \$8,295.00 |
| 1 | | Free Second Year Warranty | -\$8,295.00 | -\$8,295.00 |
| 1 | | Freight FOB Oxnard, CA | \$6,500.00 | \$6,500.00 |
| | | SubTotal | | \$236,456.00 |
| 1 | ST-30 | CNC Lathe; 21" x 26" (533 x 660 mm) max capacity, 31.75" (806 mm) swing, 30 hp (22.4 kW) vector drive, 3400 rpm, A2-6 spindle,10" (254 mm) chuck, 12-station bolt-on turret, 15" color LCD monitor, memory lock key switch, USB port and rigid tapping. Stand | \$62,995.00 | \$62,995.00 |
| 1 | GB3 | The Haas 2-speed gearbox increases low end torque for heavy cuts, while maintaining top-end performance. | \$7,095.00 | \$7,095.00 |
| 1 | HPC | This high-pressure coolant system provides up to 300 psi (21 bar) of coolant to the cutting edge for heavy cuts, higher feedrates, deep hole drilling and better surface finishes. | \$5,895.00 | \$5,895.00 |
| 1 | ACF | This 25-micron, #2 bag-type filter system removes contamination and minute particles from the coolant before they can be recirculated through the coolant pump. Mandatory for machines with through-tool coolant when machining cast iron, cast aluminum, wood, | \$1,895.00 | \$1,895.00 |
| 1 | ATP | Use the Automatic Tool Presetter system for setting tool offsets, as well as for in-process tool inspection and breakage detection. | \$3,995.00 | \$3,995.00 |
| 1 | LCC3 | This belt-type chip conveyor removes chips from the machine quickly, and discharges them at barrel height. It is good for high-production machining applications, or when machining hard or abrasive materials. | \$4,395.00 | \$4,395.00 |
| 1 | PTS-2 | The Haas fully programmable hydraulic tailstock can be activated via the part program or controlled with the standard foot switch. Closed-loop positioning allows you to stop anywhere along the tailstock's travel. | \$7,095.00 | \$7,095.00 |
| 1 | HV-ISO-XFRN R | Internal High-Voltage Isolated Transformer for 380-480V operation. | \$1,595.00 | \$1,595.00 |

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| - 1 | PFDM | The Haas power failure detection module senses a power failure or severe drop in incoming line voltage and quickly brings all axis motior to a safe and controlled stop. The module maintains power to the electronics long enough to activate brake motors and | \$695.00 1 | \$695.00 |
| 1 | | Haas VOP | -\$4,899.00 | -\$4,899.00 |
| 1 | | IMTS | -\$4,537.00 | -\$4,537.00 |
| 1 | EWL-1 | Haas CNC machines are backed by a standard 12-month limited warranty covering defects in material and workmanship. An additional 1-year extended warranty may be purchased at any time before the original warranty expires. | \$5,895.00 | \$5,895.00 |
| 1 | | Free Second Year Warranty | -\$5,895.00 | -\$5,895.00 |
| 1 | | Freight FOB Oxnard, CA | \$3,500.00 | \$3,500.00 |
| 1 | | Additional Overton Discount | -\$4,719.00 | -\$4,719.00 |
| | | SubTotal | | \$85,000.00 |
| | | | SubTotal | \$321,456.00 |
| | | | Shipping | \$0.00 |
| | | | Total | \$321,456.00 |