



# CITY OF FRANKLIN

Community Development Department

## Memorandum

**To:** City of Franklin Economic Development Commission  
**From:** Rhoni Oliver, Community Development Specialist  
**Date:** April 10, 2018  
**Re:** Case C 2018-44: Tube Forming Systems, Inc. d/b/a Overton Industries

### Summary:

1. On March 16<sup>th</sup>, 2016, the Franklin Common Council passed Resolution No. 2015-06, approving a 5-year tax abatement with at 5% Economic Development Fee on \$220,044 of personal property for new equipment at 2155 McClain Drive.
2. Actual and estimated benefits, as projected for 2017:

	Estimated on SB-1	Actual in 2017	Difference
Employees Retained	40	40	0
Salaries	\$1,905,747	\$2,421,814	\$516,067
New Employees	2	3	1
Salaries	\$110,000	\$161,720	\$51,720
Total Employees	42	43	1
Total Salaries	\$2,015,747	\$2,583,534	\$567,787
Average Hourly Salaries	\$23.07	\$28.89	\$5.81
Personal Property Improvements	\$220,044	\$220,044	\$0

3. The company has exceeded their estimated number of employees and average hourly wage indicated on the SB-1 Form.
4. The company met the estimated personal property investment as estimated on their SB-1 Form.
5. The personal property tax abatement for Overton is scheduled to expire in tax year 2019 payable 2020. The final compliance review will take place in 2020.

**Staff Recommendation:** Approval

# Overton Industries<sup>TM</sup>

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February 07, 2018

City of Franklin

Attn: Krista Linke

71 East Monroe Street

Franklin, IN 46131-2358

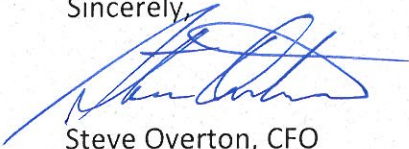
RE: Annual Tax Abatement Compliance Packet for Tube Forming Systems, Inc. d/b/a Overton Industries

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 2015 under Franklin Common Council Resolution number 15-06 and approved on March 16, 2015.

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 and adding to 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

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# 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 designating body, compliance information for multiple projects may be consolidated on one (1) compliance (CF-1).

SECTION 1 TAXPAYER INFORMATION	
Name of taxpayer Tube Forming Systems, Inc.	County Johnson
Address of taxpayer (number and street, city, state, and ZIP code) 2155 McClain Drive Franklin, IN 46131	DLGF taxing district number Franklin
Name of contact person Rita 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 15-06	Estimated start date (month, day, year) 02/01/15
Location of property 2155 McCalin Drive Franklin, IN 46131		Actual start date (month, day, year) 02/01/15
Description of new manufacturing equipment, or new research and development equipment, or new information technology equipment, or new logistical distribution equipment to be acquired. OKUMA LU3000EX-1000		Estimated completion date (month, day, year) 02/01/15
		Actual completion date (month, day, year) 02/01/15

SECTION 3 EMPLOYEES AND SALARIES		
EMPLOYEES AND SALARIES	AS ESTIMATED ON SB-1	ACTUAL
Current number of employees	40	43
Salaries	1,905,747.00	2,583,534.00
Number of employees retained	40	40
Salaries	1,905,747.00	\$2,421,814
Number of additional employees	2	3
Salaries	110,000.00	161,720.00

SECTION 4 COST AND VALUES								
	MANUFACTURING EQUIPMENT		R & D EQUIPMENT		LOGIST DIST EQUIPMENT		IT EQUIPMENT	
AS ESTIMATED ON SB-1	COST	ASSESSED VALUE	COST	ASSESSED VALUE	COST	ASSESSED VALUE	COST	ASSESSED VALUE
Values before project								
Plus: Values of proposed project	220,044.00							
Less: Values of any property being replaced								
Net values upon completion of project	220,044.00							
ACTUAL	COST	ASSESSED VALUE	COST	ASSESSED VALUE	COST	ASSESSED VALUE	COST	ASSESSED VALUE
Values before project								
Plus: Values of proposed project	220,044							
Less: Values of any property being replaced								
Net values upon completion of project	220,044.00							

**NOTE:** The **COST** of the property is confidential pursuant to IC 6-1.1-12.1-5.6(c).

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	0.00	0.00
Amount of hazardous waste converted	0.00	0.00
Other benefits:	0.00	0.00

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)

**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.
2. 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.

We have reviewed the CF-1 and find that:

- ☐ the property owner **IS** in substantial compliance
- ☐ the property owner **IS NOT** in substantial compliance
- ☐ other (specify) \_\_\_\_\_

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 not to be in substantial compliance, the property owner shall receive the opportunity for a hearing. The following date and time has been set aside for the purpose of considering compliance.

Time of hearing

- ☐ AM  
☐ PM

Date of hearing (month, day, year)

Location of hearing

**HEARING RESULTS (to be completed after the hearing)**

☐ Approved

☐ Denied (see instruction 5 above)

Reasons for the determination (attach additional sheets if necessary)

Signature of authorized member

Date signed (month, day, year)

Attested by:

Designating body

**APPEAL RIGHTS [IC 6-1.1-12.1-5.9(e)]**

A property owner whose deduction is denied by the designating body may appeal the designating body's decision by filing a complaint in the office of the clerk of Circuit or Superior Court together with a bond conditioned to pay the costs of the appeal if the appeal is determined against the property owner.

## Expansion Investment Schedule

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

Attachment to Form CF-1 (Compliance with Statement of Benefits)  
Expansion Investment Schedule by Quarter Resolution 15-06

	Actual Amount of Investment  (From SB-1)	Proposed Amount of Total Investment  (From SB-1)	Actual Amount of Investment Added During Year (by Quarter)				Actual Total Amount of Investment as of 12/31/17	Difference Between Actual and Proposed Amount of Investment
			1/31/2017	6/30/2017	9/30/2017	12/31/2017		
Buildings and Improvements:			0	0	0	0		0
Machinery and Equipment:	221,260	220,044	0	0	0	0	221,260	1,216
Totals								

## Job Creation or Retention Schedule

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

*Attachment to Form CF-1 (Compliance with Statement of Benefits)  
Expansion Investment Schedule by Quarter Resolution 15-06*

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 12/31/17	Difference Between Actual and Proposed Number of Employees
(From SB-1)	(From SB-1)	3/31/2017	6/30/2017	9/30/2017	12/31/2017		
40	42	0	1	2	0	43	1

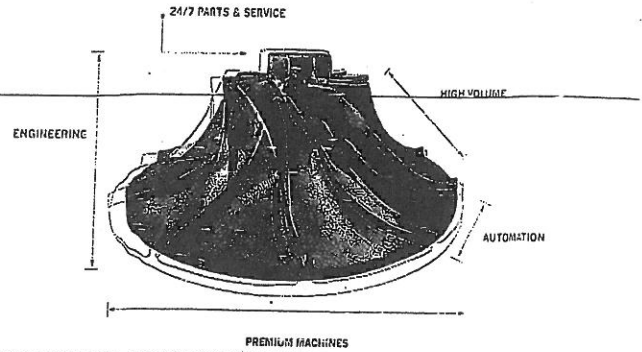
1.0 PROPOSAL

DATE December 18, 2014

PROPOSAL # O6UJ9A000I9R-3-3

PREPARED BY Bryan Godby

bryan.godby@gosiger.com



PRESENTED TO

Overton Industries  
Attn: Ron Overton  
1250 Old St Rd 67  
Mooresville, IN 46158  
(317) 831-4542  
ron@overtonind.com

KEY INFORMATION

<b>BUILDER</b>	Okuma
<b>MODEL</b>	LU3000
<b>WARRANTY</b>	2 Year
<b>DELIVERY</b>	1BD
<b>PAYMENT TERMS</b>	10% Down; Net 25 Days
<b>FOB</b>	Port of Entry

MACHINE AND OPTIONS:

PART #	QTY	DESCRIPTION	LEAD TIME	PRICE EACH	TOTAL
:5G5-01000-10	1	LU3000EX-1000		\$239,600.00	\$239,600.00
:5G5-0100-9	1	TWO YEAR WARRANTY		\$3,000.00	\$3,000.00
:5G5-0702-9	1	AUTO TOW ALONG TAILSTOCK		\$11,900.00	\$11,900.00
:5G5-0703-9	1	LIVE QUILL TAILSTOCK		\$2,600.00	\$2,600.00
:5G5-0901-9	1	BIG BORE W/CYL SS1881C01/DTUBE		\$14,800.00	\$14,800.00
:5G5-2007-9	1	CONVEYOR, SIDE FOR 1000 BCD		\$11,300.00	\$11,300.00
12 Inch Chuck	1	Samchully 12 Inch Chuck		\$5,184.00	\$5,184.00
Renishaw I/F	1	Auto Gauging Renishaw OMI-2 I/F		\$3,540.00	\$3,540.00
Total List Price					\$291,924.00

Discounted Total \$220,044.00

Quote good for 30 days, subject to Gosiger terms and conditions.

www.gosiger.com 937.228.5174

**serious solutions**

REMIT PAYMENT TO  
P.O. BOX 712288  
CINCINNATI, OH 45271-2288

SHIP TO OVERTON INDUSTRIES  
2155 MCCLAIN DR  
TERRY HOWE/158498T  
FRANKLIN, IN 46131

SOLD TO OVERTON & SONS  
PO BOX 69  
Mooresville, IN 46158

T 937.228.5174 / 800.888.4188

F 937.228.5189

INVOICE NO. **7093717-IN**  
INVOICE DATE **3/3/2015**  
DIVISION **70**

ORDER NO. AR15105  
ORDER DATE 2/20/2015  
SALESPERSON 7012  
CUSTOMER NO. 4412585

CONFIRM TO:  
TERRY HOWE

TRACKING NUMBER

OTHER		SHIP POINT		NET 30 DAYS			
Item	Unit	Unit Price	Quantity	Sub Total	Back Order	Price	Amount
KITAGAWA B212	EACH	1.00	1.00	0.00		6,400.00	6,400.00
12", 3-JAW, THROUGH HOLE, POWER CHUCK							
KITAGAWA THREAD	EACH	1.00	1.00	0.00		0.00	0.00
THREADING CHARGE							
KITAGAWA CB10A0800	EACH	1.00	1.00	0.00		0.00	0.00
A2-8 CHUCK ADAPTER							
SHIPPING SHIPPING CHARGES	EACH	1.00	0.00	1.00		0.00	0.00
SHIPPING IS NOT INCLUDED AND WILL BE INVOICED SEPARATELY							

**RECEIVED**  
MAR 03 2015

FY: .....

**TERMS AND CONDITIONS:**

On all accounts past, due a FINANCE CHARGE of 1.5% PER MONTH (18%) will be charged. Returned goods will not be accepted for credit without our permission and transportation charges prepaid. Factory restocking charges to apply except on parts that are defective or incorrectly ordered by our personnel. Minimum billing \$25.00 on Non-stock items. We hereby certify that these goods were produced in compliance with all applicable requirements of section 6, 7, and 12 of the fair labor standards act, as amended, and of the regulations and orders of the United States Department of Labor Issued under section 14 thereof.

**W9 INFORMATION**

The provider of the goods and services listed on this invoice is a CORPORATION (IN) IIS TINVEIN No. is 46-1538749

Net Invoice: 6,400.00  
Less Discount: 0.00  
Freight: 0.00  
Sales Tax: 0.00  
Invoice Total: 6,400.00