



CITY OF FRANKLIN

Community Development Department

Memorandum

To: City of Franklin Economic Development Commission
From: Dana Monson, Community Development Specialist
Date: March 12, 2024
Re: Case C 2024-37: Tube Forming Systems, Inc. d/b/a Overton Industries

Summary:

- On January 20th, 2022, the Franklin Common Council passed Resolution No. 2022-01, approving a 3-year tax abatement with a 5% economic development fee on personal property for new equipment at 2155 McClain Drive.
- Actual and estimated benefits, as projected for 2023:

	Estimated on SB-1	Actual in 2023	Difference
Employees	37	37	0
Salaries	\$2,010,340	\$2,534,805	\$524,465
Average Hourly Salaries	\$26.85	\$32.94	\$6.10
Personal Property Improvements	\$247,068	\$247,068	\$0

- In 2021 The company has 1 fewer than estimated additional employees, but they have exceeded the average hourly wage indicated on the SB-1 Form. There is a deficit letter explaining the effects of COVID-19 on the company. In 2022 the company continues to actively hire as the market allows. In 2023 the company has met their employment estimate and has above wages.
- The company met the estimate on personal property.
- The personal property tax abatement for Overton is scheduled to expire in tax year 2026 payable in 2027. The final compliance review will take place in 2026.

Staff Recommendation: Approval



February 20, 2024

Tube Forming Systems, Inc.
2155 McClain Drive
Franklin, IN 46131

Mrs. Dana Monson, Community Development Specialist
Dept. of Planning & Economic Development
70 E. Monroe Street
Franklin, IN 46131

RE: Tax Abatement Compliance for Tube Forming Systems, Inc.

Dear Mrs. Monson:

Enclosed please find Form CF-1 regarding compliance with personal property tax abatement which were granted to Tube Forming Systems in 2022 under Franklin Common Council Resolution No. 2022-01.

Please review all of the enclosed documents, if you have any questions or concerns regarding this matter, please feel free to contact me.

Sincerely,

A handwritten signature in black ink, appearing to read "Scott Buie".

Mr. Scott Buie
CEO
Overton Industries, Inc.



COMPLIANCE WITH STATEMENT OF BENEFITS PERSONAL PROPERTY

State Form 51765 (R7 / 12-22)

Prescribed by the Department of Local Government Finance

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

FORM CF-1 / PP

20 24 Pay 20 25

- 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, 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 form (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 Scott Buie				Telephone Number (317) 831-4542		Email Address sbuie@overtonind.com		
SECTION 2 LOCATION AND DESCRIPTION OF PROPERTY								
Name of Designating Body The City of Franklin Common Council				Resolution Number 2022-01		Estimated State Date (month, day, year) 02/01/2022		
Location of Property 2155 McClain Drive, Franklin, IN 46131						Actual Start Date (month, day, year)		
Description of new manufacturing equipment, new research and development equipment, new information technology equipment, or new logistical distribution equipment to be acquired. Beamer Laser Marker 104-FB23 w/ Rotary Attachment HAAS VF-4SS & 2SS						Estimated Completion Date (month, day, year) 02/10/2022		
						Actual Completion Date (month, day, year)		
SECTION 3 EMPLOYEES AND SALARIES								
EMPLOYEES AND SALARIES				AS ESTIMATED ON SB-1		ACTUAL		
Current Number of Employees				36		37		
Salaries				2,010,340.00		2,534,805.00		
Number of Employees Retained				36		36		
Salaries				2,010,340.00		2,534,805.00		
Number of Additional Employees				1		1		
Salaries				49,000.00		524,465.00		
SECTION 4 COST AND VALUES								
	MANUFACTURING EQUIPMENT		RESEARCH & DEVELOPMENT EQUIPMENT		LOGISTICAL DISTRIBUTION 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	\$ 247,068	\$	\$	\$	\$	\$	\$	\$
Less: Values of Any Property Being Replaced	\$	\$	\$	\$	\$	\$	\$	\$
Net Values Upon Completion of Project	\$	\$	\$	\$	\$	\$	\$	\$
ACTUAL	COST	ASSESSED VALUE	COST	ASSESSED VALUE	COST	ASSESSED VALUE	COST	ASSESSED VALUE
Values Before Project	\$	\$	\$	\$	\$	\$	\$	\$
Plus: Values of Proposed Project	\$ 247,068	\$	\$	\$	\$	\$	\$	\$
Less: Values of Any Property Being Replaced	\$	\$	\$	\$	\$	\$	\$	\$
Net Values Upon Completion of Project	\$	\$	\$	\$	\$	\$	\$	\$
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								
Amount of Hazardous Waste Converted								
Other Benefits:								
SECTION 6 TAXPAYER CERTIFICATION								
I hereby certify that the representations in this statement are true.								
Signature of Authorized Representative 				Title CEO OVERTON INDUSTRIES		Date Signed (month, day, year) 2-16-24		

OPTIONAL: FOR USE BY A DESIGNATING BODY WHO ELECTS TO REVIEW THE COMPLIANCE WITH STATEMENT OF BENEFITS (FORM CF-1)

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

1. 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.
2. 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, including 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.
3. Based on the information presented at the hearing, the designating body shall determine whether or not the property owner has made a 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.
4. If the designating body determines that the property owner has **NOT** made a reasonable effort to comply, 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 the 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.			