



## CITY OF FRANKLIN

COMMUNITY DEVELOPMENT DEPARTMENT

### Memorandum

**To:** City of Franklin Economic Development Commission  
**From:** Krista Linke, Community Development Director  
**Date:** April 24, 2015  
**Re:** Case C 2015-34: Tube Forming Systems, Inc. d/b/a Overton Industries

#### Summary:

1. On October 15<sup>th</sup>, 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 2014:

	Estimated on SB-1	Actual in 2014	Difference
Employees Retained	37	37	0
Salaries	\$1,615,649	\$1,615,649	\$0
New Employees	2	3	1
Salaries	\$95,680	\$290,098	\$194,418
Total Employees	39	40	1
Total Salaries	\$1,711,329	\$1,905,747	\$194,418
Average Hourly Salaries	\$21.10	\$22.91	\$1.81
Personal Property Improvements	\$321,456	\$321,456	\$0

3. In 2012 there were 41 total employees and the average hourly salary was \$23.93.
4. In 2013 the company meets the estimated average hourly wage indicated on the SB-1 Form but is one employee lower than estimated on their SB-1 Form. Steve Overton explains in his cover letter the difficulty they are having finding and retaining skilled employees.
5. In 2014 the company meets the number of employees and salaries estimated on their SB-1.
6. The company has met their estimate provided on the SB-1 Form for personal property.
7. 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



# **OVERTON INDUSTRIES**

**INTERNATIONAL**

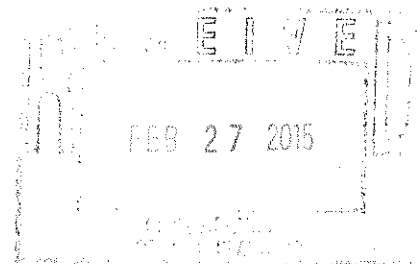
February 23, 2015

City of Franklin

Attn: Krista Linke

71 East Monroe Street

Franklin, IN 46131-2358



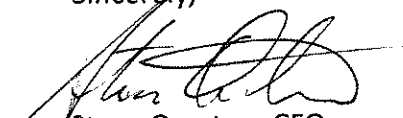
RE: Annual Tax Abatement Compliance Packet for Tube Forming Systems, Inc. d/b/a Overton Industries

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\abatment 10-20 cov let February 10, 2015.docx



# COMPLIANCE WITH STATEMENT OF BENEFITS PERSONAL PROPERTY

State Form 51765 (R2 / 5-13)

Prescribed by the Department of Local Government Finance

FORM CF-1 / PP

- 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 March 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 March 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. (dba) Overton Industries									
Address of taxpayer (number and street, city, state, and ZIP code) 1250 Old State Road 67 South Mooresville, IN 46158									
Name of contact person Rita Z Shearer							Telephone number ( 317 ) 831-4542		
SECTION 2 LOCATION AND DESCRIPTION OF PROPERTY									
Name of designating body The City of Franklin Common Council							Resolution number 12-17		
Location of property 2155 McClain Drive Franklin, IN 46131					County Johnson		DLGF taxing district number Franklin		
Description of new manufacturing equipment, or new research and development equipment, or new information technology equipment, or new logistical distribution equipment to be acquired.  EC1600 Horizontal Machining Mill ST-30 CNC Lathe							Estimated starting date (month, day, year) 11/05/2012		
							Estimated completion date (month, day, year) 11/12/2012		
SECTION 3 EMPLOYEES AND SALARIES									
EMPLOYEES AND SALARIES						AS ESTIMATED ON SB-1		ACTUAL	
Current number of employees						37.00		40.00	
Salaries						1,615,649.00		1,905,747.00	
Number of employees retained						37.00		37.00	
Salaries						1,615,649.00		1,615,649.00	
Number of additional employees						2.00		3.00	
Salaries						95,680.00		290,098.00	
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	321,456.00								
Less: Values of any property being replaced	0.00								
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	0.00								
Net values upon completion of project	321,456.00								
<b>NOTE:</b> The <b>COST</b> of the property is confidential pursuant to IC 6-1.1-12.1-5.6 (d).									
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) 2-23-15		

## 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

	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 12/31/14	Difference Between Actual and Proposed Amount of Investment
			3/31/2014	6/30/2014	9/30/2014	12/31/2014		
Buildings and Improvements:	0	0	0	0	0	0	0	0
Machinery and Equipment:	321,456	321,456	0	0	0	0	321,456	0.0
<b>Totals</b>								

## 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*

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 12/31/14	Difference Between Actual and Proposed Number of Employees
(From SB-1)	(From SB-1)	3/31/2014	6/30/2014	9/30/2014	12/31/2014		
37	39	1	1	1	1	39	2