



# CITY OF FRANKLIN

## COMMUNITY DEVELOPMENT DEPARTMENT

### Memorandum

**To:** City of Franklin Economic Development Commission  
**From:** Dana Monson, Community Development Specialist  
**Date:** April 11, 2023  
**Re:** Case C 2023-32: Tube Forming Systems, Inc. d/b/a Overton Industries

#### Summary:

1. On December 19th, 2016, the Franklin Common Council passed Resolution No. 2016-21, approving a 10-year tax abatement with at 2% Economic Development Fee on real property and a 7-year tax abatement with a 2% economic development fee on personal property for new equipment at 2155 McClain Drive.
2. Actual and estimated benefits, as projected for 2022:

	Estimated on SB-1	Actual in 2022	Difference
Employees	52	36	-16
Salaries	\$2,768,643	\$2,274,906	-\$493,737
Average Hourly Salaries	\$25.60	\$30.38	\$4.78
Real Property Improvements	\$911,353	\$911,353	\$0
Personal Property Improvements	\$658,000	\$508,675	-\$149,325

3. The company has 16 fewer than estimated additional employees, but they have exceeded average hourly wage indicated on the SB-1 Form. There is a deficit letter explaining the effects of Covid on the company. In 2022 the company continues to actively hire as the market allows.
4. The company met the estimated real property investment as estimated on their SB-1 Form.
5. The company invested \$149,325 less than estimated on personal property.
6. The personal property tax abatement for Overton is scheduled to expire in tax year 2023 payable 2024. The final compliance review will take place in 2023.
7. The real property tax abatement for Overton is scheduled to expire in tax year 2027 payable 2028. The final compliance review will take place in 2027.

**Staff Recommendation:** Approval



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

February 22, 2023  
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 real and personal property tax abatements which were granted to Tube Forming Systems in 2016 under Franklin Common Council Resolution No. 2016-21.

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\_\_ Pay 20\_\_**

- 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 <b>Tube Forming Systems, Inc.</b>						County <b>Johnson</b>		
Address of Taxpayer (number and street, city, state, and ZIP code) <b>25155 McClain Drive, Franklin, IN 46131</b>						DLGF Taxing District Number <b>Franklin</b>		
Name of Contact Person <b>Scott Buie</b>				Telephone Number <b>(317) 831-4542</b>		Email Address <b>sbuie@overtonind.com</b>		
SECTION 2 LOCATION AND DESCRIPTION OF PROPERTY								
Name of Designating Body <b>The City of Franklin Common Council</b>				Resolution Number <b>2016-21</b>		Estimated State Date (month, day, year) <b>12/01/2016</b>		
Location of Property <b>2155 McClain Drive, Franklin, IN 46131</b>						Actual Start Date (month, day, year) <b>04/30/2017</b>		
Description of new manufacturing equipment, new research and development equipment, new information technology equipment, or new logistical distribution equipment to be acquired.  <b>10,000 Sq. Ft. Light mfg. building addition &amp; access road shared with Ivy Tech</b>						Estimated Completion Date (month, day, year) <b>04/30/2017</b>		
						Actual Completion Date (month, day, year) <b>02/15/2018</b>		
SECTION 3 EMPLOYEES AND SALARIES								
<b>EMPLOYEES AND SALARIES</b>				<b>AS ESTIMATED ON SB-1</b>		<b>ACTUAL</b>		
Current Number of Employees				42		36		
Salaries				2,290,243.00		2,274,906.63		
Number of Employees Retained				42		36		
Salaries				2,290,243.00		2,274,906.63		
Number of Additional Employees				10		-6		
Salaries				478,480.00		-15,336.67		
SECTION 4 COST AND VALUES								
	MANUFACTURING EQUIPMENT		RESEARCH & DEVELOPMENT EQUIPMENT		LOGISTICAL DISTRIBUTION EQUIPMENT		IT EQUIPMENT	
<b>AS ESTIMATED ON SB-1</b>	<b>COST</b>	<b>ASSESSED VALUE</b>	<b>COST</b>	<b>ASSESSED VALUE</b>	<b>COST</b>	<b>ASSESSED VALUE</b>	<b>COST</b>	<b>ASSESSED VALUE</b>
Values Before Project	\$	\$	\$	\$	\$	\$	\$	\$
Plus: Values of Proposed Project	\$	\$	\$	\$	\$	\$	\$	\$
Less: Values of Any Property Being Replaced	\$	\$	\$	\$	\$	\$	\$	\$
Net Values Upon Completion of Project	\$	\$	\$	\$	\$	\$	\$	\$
<b>ACTUAL</b>	<b>COST</b>	<b>ASSESSED VALUE</b>	<b>COST</b>	<b>ASSESSED VALUE</b>	<b>COST</b>	<b>ASSESSED VALUE</b>	<b>COST</b>	<b>ASSESSED VALUE</b>
Values Before Project	\$	\$	\$	\$	\$	\$	\$ 0.00	\$
Plus: Values of Proposed Project	\$	\$	\$	\$	\$	\$	\$ 3,400.00	\$
Less: Values of Any Property Being Replaced	\$	\$	\$	\$	\$	\$	\$ 0.00	\$
Net Values Upon Completion of Project	\$	\$	\$	\$	\$	\$	\$ 3,400.00	\$
<b>NOTE:</b> 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								
<b>WASTE CONVERTED AND OTHER BENEFITS</b>				<b>AS ESTIMATED ON SB-1</b>		<b>ACTUAL</b>		
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 <b>CEO</b>		Date Signed (month, day, year) <b>2-22-23</b>		

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:			
<input type="checkbox"/>	The property owner <b>IS</b> in substantial compliance		
<input type="checkbox"/>	The property owner <b>IS NOT</b> in substantial compliance		
<input type="checkbox"/>	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	<input type="checkbox"/> AM <input type="checkbox"/> PM	Date of Hearing (month, day, year)	Location of Hearing

HEARING RESULTS (to be completed after the hearing)			
<input type="checkbox"/> Approved		<input type="checkbox"/> 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.			

# Personal Property

A	B	C	D	E	F
1	Equipment needs		YR	QTR	
2	CNC Mill	21,000	1	3	✓ VF1
3	100 Ton Press	25,000.00	2	1	✓ 48" x 36" bed - 6" Min. stroke - 24" min. shut height
4	Small Trak lathe	30,000.00	2	2	✓
5	CNC Grinder	338,590	2	3	✓
6	CNC Mill	145,000.00	2	3	✓
7	CNC Mill	45,000.00	1	4	✓
8	Okamoto wet grinder	175,000.00	3	3	✓
9	Compressor	60,000.00	2	2	✓
10	Delivery vehicle	18,000.00	1	1	✓
11	Fork truck (4000lb) Three wheel	25,000.00	1	2	✓
12	Caging for inventory	7,500.00	1	3	✓
13	Racks, carbs, tables	5,000.00	1	2	✓
14	(2) Cranes - 5 ton, 10 ton	75,075	1	2	✓
15	Computer Hardware	28,000.00	1	2	✓
16	Phone System	15,000.00	1	2	✓
17					
18					
19	Total Equipment	\$726,000.00			

\$508,675<sup>00</sup>



# COMPLIANCE WITH STATEMENT OF BENEFITS REAL ESTATE IMPROVEMENTS

State Form 51766 (R5 / 12-21)

Prescribed by the Department of Local Government Finance

2023 PAY 2024

FORM CF-1 / Real Property

## PRIVACY NOTICE

The cost and any specific individual's salary information is confidential; the balance of the filing is public record per IC 6-1.1-12.1-5.3 (k) and (l).

### INSTRUCTIONS:

1. This form does not apply to property located in a residentially distressed area or any deduction for which the Statement of Benefits was approved before July 1, 1991.
2. Property owners must file this form with the county auditor and the designating body for their review regarding the compliance of the project with the Statement of Benefits (Form SB-1/Real Property).
3. This form must accompany the initial deduction application (Form 322/RE) that is filed with the county auditor.
4. This form must also be updated each year in which the deduction is applicable. It is filed with the county auditor and the designating body before May 16, 2022, or by the due date of the real property owner's personal property return that is filed in the township where the property is located. (IC 6-1.1-12.1-5.3(j))
5. With the approval of the designating body, compliance information for multiple projects may be consolidated on one (1) compliance form (Form CF-1/Real Property).

SECTION 1 TAXPAYER INFORMATION	
Name of taxpayer <b>Tube Forming Systems, Inc. DBA/ My Three Sons Partnership</b>	County <b>Johnson</b>
Address of taxpayer (number and street, city, state, and ZIP code) <b>2155 McClain Drive, Franklin, IN 46131</b>	DLGF taxing district number <b>Franklin</b>
Name of contact person <b>Scott Buie</b>	Telephone number <b>(317 ) 831-4542</b>
SECTION 2 LOCATION AND DESCRIPTION OF PROPERTY	
Name of designating body <b>The City of Franklin Common Council</b>	Resolution number <b>2016-21</b>
Location of property <b>2155 McClain Drive, Franklin, IN 46131 (41-07-18-013-002.004-018)</b>	Estimated start date (month, day, year) <b>12/01/2016</b>
Description of real property improvements <b>10,000 Sq. Ft. light manufacturing building addition</b>	Actual start date (month, day, year) <b>04/30/2017</b>
	Estimated completion date (month, day, year) <b>04/30/2017</b>
	Actual completion date (month, day, year) <b>02/15/2018</b>
SECTION 3 EMPLOYEES AND SALARIES	
EMPLOYEES AND SALARIES	AS ESTIMATED ON SB-1
Current number of employees	42
Salaries	2,290,243.00
Number of employees retained	42
Salaries	2,290,243.00
Number of additional employees	10
Salaries	478,400.00
SECTION 4 COST AND VALUES	
COST AND VALUES	REAL ESTATE IMPROVEMENTS
AS ESTIMATED ON SB-1	AS ESTIMATED ON SB-1
Values before project	0.00
Plus: Values of proposed project	911,353.00
Less: Values of any property being replaced	0.00
Net values upon completion of project	911,353.00
ACTUAL	ACTUAL
Values before project	0.00
Plus: Values of proposed project	911,353.00
Less: Values of any property being replaced	
Net values upon completion of project	850,000.00
SECTION 5 WASTE CONVERTED AND OTHER BENEFITS PROMISED BY THE TAXPAYER	
WASTE CONVERTED AND OTHER BENEFITS	AS ESTIMATED ON SB-1
Amount of solid waste converted	0.00
Amount of hazardous waste converted	0.00
Other benefits:	
SECTION 6 TAXPAYER CERTIFICATION	
I hereby certify that the representations in this statement are true.	
Signature of authorized representative 	Title <b>CEO</b>
	Date signed (month, day, year) <b>2-22-23</b>

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 6-1.1-12.1-5.3 and IC 6-1.1-12.1-5.9)

1. Not later than 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 (Form SB-1/Real Property).
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. The date of this hearing may not be more than thirty (30) days after the date this notice is mailed. A copy of the notice may be sent to the county auditor and the county assessor.
3. Based on the information presented at the hearing, the designating body shall determine whether or not the property owner has made reasonable efforts to substantially comply with the Statement of Benefits (Form SB-1/Real Property), 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 reasonable efforts to comply, the designating body shall adopt a resolution terminating the property owner's deduction. If the designating body adopts such a resolution, the deduction does not apply to the next installment of property taxes owed by the property owner or to any subsequent installment of property taxes. 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. (Hearing must be held within thirty (30) days of the date of mailing of this notice.)

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 4 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 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.

	A	B	C	D	E
1	<b>Tube Forming Systems Expansion Project 2016</b>				
2	<b>Item description</b>		<b>Cost</b>		<b>Notes</b>
3					
4	Contractor		\$598,000.00		
5	Excavation costs		\$82,853.00		
6	Electrical + lighting		\$75,000.00		
7	Office (2) engineering (1) leader (1) conf room		\$54,000.00		
8	Floor Epoxy / polished		\$51,000.00		4.25 x 12,000 sq ft
9	Plumbing (connect from current supply)		\$8,000.00		
10	Sewer (connect from current supply)		\$7,000.00		
11	Air supply (connect from current supply)		\$10,000.00		
12	Fire door		\$8,500.00		
13	Welding hood		\$5,500.00		
14	Landscaping		\$5,000.00		
15	Drainage for water runoff		\$6,500.00		
16					
17	<b>Sub - total</b>		\$911,353.00		
18					

REAL PROPERTY