CITY OF FRANKLIN

DEPARTMENT OF PLANNING & ECONOMIC DEVELOPMENT

Memorandum

To: Economic Development Commission Members

From: Krista Linke, Director

Date: October 3, 2012

Re: Case EDC 2012-06 – Overton Carbide Tool and Engineering

Case EDC 2012-06 – Overton Carbide Tool and Engineering: A request for a 10-year tax abatement on $321,456 of personal property investment.

Location: 2155 McClain Drive

1 inch = 300 feet

Created: Franklin Planning Dept. - 10/12
K. Tolloty

70 E. Monroe Street | Franklin, Indiana 46131 | 877.736.3631 | FAX 317.736.5310 | www.franklin.in.gov/planning

Summary:

1. Characteristics of this location:
   Existing Location – 2155 McClain Drive.

   Characteristics of this petitioner:
   Overton & Sons Tool & Die Company, doing business as Overton Carbide Tool & Engineering, has been in existence for 44 years. Their company headquarters are located in Mooresville, Indiana.

2. Characteristics of this project:
   Purchase of machinery for use in light manufacturing: EC 1600 Horizontal Machining Mill and ST-30 CNC Lathe.

3. Economic Revitalization Area (ERA):
   This property was designated an ERA by Resolution 2001-06 and confirmed by Resolution 2001-07. It expired in 2011. The property needs to be designated an Economic Revitalization Area again.

4. ERA & Tax Abatements Findings (Personal Property):
   Indiana Code Section 6-1.1-12.1-4.5 states that the following findings must be made when considering an ERA designation and the granting of tax abatement for personal property:

   a. Whether the estimate of the cost of new manufacturing equipment is reasonable for equipment of that type;

   b. Whether 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 instillation of new manufacturing equipment;

   c. Whether the estimate of 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 manufacturing equipment;

   d. Whether 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

   e. Whether the totality of the benefits is sufficient to justify the tax abatement.

5. City of Franklin "Tax Abatement Policy" criteria:
   The "Tax Abatement Policy" section of the *City of Franklin Community Investment Incentives Summary* states that the Economic Development Commission shall use certain criteria when considering a request for tax abatement. A comparison of those criteria and the Overton request follows:

   a. *Diversification of Local Occupations*: The total number of jobs at the current site is 37. All 37 jobs will be retained and 2 jobs will be added by the end of 2012 that are directly related to the purchase of this equipment. The application states that the average hourly wage for the retained employees is $23.00. The application also states that the average hourly wage for the two new employees is $20.00. These figures do not include benefits. Benefits are offered to employees and details of benefits offered, including cost to the employee, are attached to this report. The SB-1 form states that the salaries for the current 37 employees is $1,615,649. If this total is divided by 37 (number of employees), then divided by 52 (weeks per year), and then divided by 40 (hours per week), the average hourly wage is $20.99. The SB-1 form also states that the salaries for the two new employees will be $47,840. If this total is divided by 2 (number of employees), then divided by 52 (weeks per year), and then divided by 40 (hours per week), the average hourly wage is $11.50. See the attached “Job and Wage Description” page for a breakdown by type of job as well as the number of temporary and/or contract employees. It is assumed that the type of jobs added as a result of the purchase of this equipment is operator/fabricators/laborers. The applicant should confirm this.

b. *Diversification of Local Manufacturing Employment*: According to Stats.Indiana.edu, manufacturing jobs make up 10.8% of the total jobs in Johnson County in 2012. Machinery Manufacturing jobs make up 4.2% of all manufacturing jobs in Johnson County.

c. *Increase in Local Salaries*: The Company reports the average hourly wage for retained employees to be $23.00. According to Stats Indiana, the average wage for all industries in Johnson County in 2011 was $14.98. The average hourly wage in Johnson County for manufacturing in 2011 was $24.00 per hour. The average hourly wage in Johnson County for machinery manufacturing in 2011 was $23.98.

d. *Sustainable Land Use*: The petitioner proposes to make this investment at their existing Franklin facility.

e. *Future Community Investment*: The company has been in existence for 44 years and has made several new equipment purchases within the last several years.

f. *Conformance with the Comprehensive Plan*: The Comprehensive Plan - Future Land Use Plan identifies this property as Manufacturing. Manufacturing areas are intended to accommodate large scale businesses that produce finished products from raw materials. Uses in these areas may include product manufacturers as well as any related warehousing and offices. Manufacturing areas may include facilities that involve emissions or the outdoor storage of materials and finished products. These two factors are the primary distinction between manufacturing areas and light industrial areas.

   The property is zoned IG, Industrial: General. The “IG,” Industrial: General zoning district is intended to provide locations for general industrial manufacturing, production, assembly, warehousing, research and development facilities, and similar land uses. This district is intended to accommodate a variety of industrial uses in locations and under conditions that minimize land use conflicts. This district should be used to support industrial retention and expansion in Franklin.

6. <u>Tax Abatement Duration:</u>
   The *City of Franklin Community Investment Incentives Summary* provides that longer periods of abatement on real and personal property may be considered for requests of an exceptional nature. The Summary states that development examples of an exceptional nature include projects which:

   a. Create a new plant or product line for an existing manufacturer;

   b. Creates substantial employment opportunities with higher than average wages;

c. Increase substantially property values and the city tax base with minimal impact to city services (police & fire protection, schools, utilities, infrastructure, etc.); and

d. Utilize existing public infrastructure (sanitary & storm sewer, roads & streets, drainage facilities, and other utilities).

7. Tax Abatement Worksheet:
A copy of the Tax Abatement Worksheet from the *City of Franklin Community Investment Incentives Summary* is enclosed with the staff report. This document is recommended as an outline for considering and documenting these tax abatement requests for this meeting.

8. Requested Effective Year:
The petitioner has requested that, if approved, the tax abatement be effective for the tax year 2013, payable 2014.

Staff Comments:

Making use of an existing facility and strengthening the viability of an existing company within the City of Franklin is critical to Franklin's economy.

CITY OF FRANKLIN

DEPARTMENT OF PLANNING & ECONOMIC DEVELOPMENT

Tax Abatement Application

Organization/Corporation Requesting Tax Abatement

Organization/Corporation Name: Overton & Sons Tool & Die Co., Inc. dba Overton Carbide Tool & Engineering

Primary Contact Name: Steve Overton

Contact Address: 1250 Old State Road 67 South

City: Mooresville State: IN Zip: 46158

Phone Number: (317) 831-4542

Email: steve@overtonind.com

Three possible dates before the EDC meeting to conduct a site visit: Any day Tuesday thru Friday - Machine not due complete until 11/19/12

Name of Owner: Steve Overton

Parent Company (If Applicable):

Primary Contact for Yearly Compliance Reports

Name: Rita Z. Shearer

Title: Accounts Receivable

Address: 1250 Old State Road 67 South

City: Mooresville State: IN Zip: 46158

Phone Number: (317) 831-4542

Email: rita@overtonind.com

Description of Project

Project Location/Address: 2155 McClain Drive Franklin, IN 46131

Parcel Number: 41-07-18-013-002.004-018

Brief Description of Project:

Purchase of machinery for use in light manufacturing
EC1600 Horizontal Machining Mill
ST-30 CNC Lathe

Current Assessed Value (AV) of the Property:

1. Land
2. Building
3. Inventory
4. Equipment

Have building permits been applied for (if applicable): Yes ○ No ⦿

Has equipment been installed (if applicable): Yes ○ No ⦿

Required Attachments:

- ☑ Completed SB-1 Form(s)
- ☑ Legal Description of the Property
- ☑ Company Financial Statement
- ☑ Job and Wage Description Information Sheet
- ☑ Summary of Benefits (if applicable)
- ☑ Employment Phase-In Schedule
- ☑ Company Investment Timetable
- ☑ Compliance Affidavit

Type of Abatement Requested

Real Property ☐ Number of Years Requested

Personal Property ☑ Number of Years Requested

Project Details

Project Size (square feet): ______

Size of Site (acres): ______

Type of Building:

Multiple Tenants (leased)☐ Single Tenant (leased)☐ Owner Occupied☐ Corporate Headquarters☐

Capital Investment

1. Real property capital investment only: ______
2. Personal property capital investment only: $321,456.00
3. Total capital investment for proposed project: $321,456.00

Jobs Created and/or Retained

1. Estimated number of full time jobs created by the proposed project: ~~3~~ 2
2. Estimated number of full time jobs retained as a direct result of the proposed project: 37
3. Total number of full time jobs upon project completion: 40

Wages Created and Retained

1. Average hourly wage rate for new jobs (w/o benefits) $20.00
2. Average hourly wage rate for jobs retained (w/o benefits) $23.00

***In addition to answering these questions, please fill out the Job and Wage Description for Tax Abatement Application information sheet and submit it with the application as an attachment.

Please explain why the abatement incentive is necessary to the project:

It will help us to be globally competitive.

Company Information

How long has the company been in existence? 44 years

Current address of company headquarters and duration at that address: 1250 Old State Road 67 South Mooresville, IN 46158

Approximate percentage of employees at current location who live in the City of Franklin and/or Johnson County: 98%

Have you ever received tax abatement at your current location? Yes◉ No○

If yes, when and for what term? various 2005 7/10 yr, 2006 10 yr,2010 5 yr,

What specifically has the company done to give back to the community: Continued to be a stable, tax paying company in the community with decent wages for employees

While acting as a strong advocate for using economic incentives to help applicants expand and/or locate in the community, the City of Franklin also strives to enrich the quality of life for its citizens. To that end, the City embraces the use of voluntary economic development fees as allowed under Indiana law (IC 6-1.1-12.1-14). These fees, paid by the applicant, are directed by the City to local nonprofit organizations to bolster their economic development efforts. The fee can be applied on both real and personal property abatements. The fee is collected annually by the County Treasurer as a special assessment on the tax bill and is distributed by the City to the designated economic development nonprofit organization. Typically, 2% is charged on Real Property and 5% is charged on Personal Property. More information can be found on the City's website (www.franklin.in.gov) under the Economic Development tab.

Is the company agreeable to the Economic Development Fee? Yes○ No○

If yes, at what percent(s)? ______

STATEMENT OF BENEFITS
PERSONAL PROPERTY
State Form 51764 (R2 / 12-11)
Prescribed by the Department of Local Government Finance

FORM SB-1 / PP

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:

1. *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 and/or research and development equipment, and/or logistical distribution equipment and/or information technology equipment for which the person wishes 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 be approved*
3. *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 and/or logistical distribution equipment and/or information technology equipment is installed and fully functional, unless a filing 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. *Property 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)*
5. *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 adopted by the designating body (IC 6-1.1-12.1-17).*

SECTION 1 — TAXPAYER INFORMATION

Name of taxpayer
Overton & Sons Tool & Die Co. dba Overton Carbide Tool and Engineering

Address of taxpayer *(number and street, city, state, and ZIP code)*
2155 McClain Drive Franklin, IN 46131

Name of contact person	Telephone number
Steve Overton	(317) 831-4542

SECTION 2 — LOCATION AND DESCRIPTION OF PROPOSED PROJECT

Name of designating body		Resolution number (s)
Franklin Economic Development Commission (EDC)		
Location of property	**County**	**DLGF taxing district number**
2155 McClain Drive Franklin, IN 47131	JOHNSON	

Description of manufacturing equipment and/or research and development equipment and/or logistical distribution equipment and/or information technology equipment. *(use additional sheets if necessary)*

EC1600 Horizontal Machining Mill
ST-30 CNC Lathe

	ESTIMATED START DATE	ESTIMATED COMPLETION DATE
Manufacturing Equipment	11/05/2012	11/19/2012
R & D Equipment		
Logist Dist Equipment		
IT Equipment		

SECTION 3 — ESTIMATE OF EMPLOYEES AND SALARIES AS RESULT OF PROPOSED PROJECT

Current number	Salaries	Number retained	Salaries	Number additional	Salaries
37	1,615,649.00	37	1,615,649.00	2	47,840.00 ÷ 2 = 11.50/hr.

SECTION 4 — ESTIMATED TOTAL COST AND VALUE OF PROPOSED PROJECT

NOTE: Pursuant to IC 6-1.1-12.1-5.1 (d) (2) the COST of the property is confidential.	MANUFACTURING EQUIPMENT		R & D EQUIPMENT		LOGIST DIST EQUIPMENT		IT EQUIPMENT	
	COST	ASSESSED VALUE	COST	ASSESSED VALUE	COST	ASSESSED VALUE	COST	ASSESSED VALUE
Current values								
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 CONVERTED AND OTHER BENEFITS PROMISED BY THE TAXPAYER

Estimated solid waste converted *(pounds)* ______________ Estimated hazardous waste converted *(pounds)* ______________

Other benefits:

SECTION 6 — TAXPAYER CERTIFICATION

I hereby certify that the representations in this statement are true.

Signature of authorized representative	Title	Date signed *(month, day, year)*
Steve Overton	CEO/CFO	09/27/2012

FOR USE OF THE DESIGNATING BODY

We have reviewed our prior actions relating to the designation of this economic revitalization area and find that the applicant meets the general standards adopted in the resolution previously approved by this body. Said resolution, passed under IC 6-1.1-12.1-2.5, provides for the following limitations as authorized under IC 6-1.1-12.1-2.

A. The designated area has been limited to a period of time not to exceed ____________ calendar years * *(see below)*. The date this designation expires is ______________________________.

B. The type of deduction that is allowed in the designated area is limited to:

1. Installation of new manufacturing equipment; ☐ Yes ☐ No
2. Installation of new research and development equipment; ☐ Yes ☐ No
3. Installation of new logistical distribution equipment. ☐ Yes ☐ No
4. Installation of new information technology equipment; ☐ Yes ☐ No

C. The amount of deduction applicable to new manufacturing equipment is limited to $ ________________ cost with an assessed value of $ ____________________.

D. The amount of deduction applicable to new research and development equipment is limited to $ ________________ cost with an assessed value of $ ____________________.

E. The amount of deduction applicable to new logistical distribution equipment is limited to $ ________________ cost with an assessed value of $ ____________________.

F. The amount of deduction applicable to new information technology equipment is limited to $ ________________ cost with an assessed value of $ ____________________.

G. Other limitations or conditions *(specify)*____

H. The deduction for new manufacturing equipment and/or new research and development equipment and/or new logistical distribution equipment and/or new information technology equipment installed and first claimed eligible for deduction on or after July 1, 2000, is allowed for:

☐ 1 year ☐ 6 years
☐ 2 years ☐ 7 years
☐ 3 years ☐ 8 years
☐ 4 years ☐ 9 years
☐ 5 years ** ☐ 10 years **

** For ERA's established prior to July 1, 2000, only a 5 or 10 year schedule may be deducted.

I. Did the designating body adopt an alternative deduction schedule per IC 6-1.1-12.1-17? ☐ Yes ☐ No
If yes, attach a copy of the alternative deduction schedule to this form.

Also we have reviewed the information contained in the statement of benefits and find that the estimates and expectations are reasonable and have determined that the totality of benefits is sufficient to justify the deduction described above.

Approved: *(signature and title of authorized member)*	Telephone number ( )	Date signed *(month, day, year)*
Attested by:	Designated body	

* If the designating body limits the time period during which an area is an economic revitalization area, it does not limit the length of time a taxpayer is entitled to receive a deduction to a number of years designated under IC 6-1.1-12.1-4.5

JOB AND WAGE DESCRIPTION
FOR TAX ABATEMENT APPLICATION

Please provide the following job and wage earning information that is associated with this Tax Abatement Petition ***(Please specify all wages in an hourly format without benefits):***

(1) Company NAICS code: 333513.

(2) The total number of jobs current at the site: 37, the number of those jobs that will be retained as a direct result of the proposed investment 37, and the number of new jobs which will be created as a direct result of the proposed investment ~~3~~ 2.

(3) The total number of full-time employees at the site: 33.

(4) The total number of temporary and/or contract employees currently at the site: 4.

(5) The average hourly wages for the new jobs: $20.00.

(6) Will the new jobs being created begin as temporary and/or contract employees? No
If yes, please provide an explanation of the typical transition process to full time:

(7) Number of new and/or retained jobs in:

(a) Managerial/Professional Specialty Occ.: 6 Average Hourly Wage: $33.00

(b) Technical/Sales/Admin. Support Occ.: 1 Average Hourly Wage: $18.00

(c) Service Occ.: ____ Average Hourly Wage: ________

(d) Precision Production/Craft/Repair Occ.: ____ Average Hourly Wage: ________

(e) Operators/Fabricators/Laborers: 30 Average Hourly Wage: $19.00

Note: The total number of jobs specified above should correspond with the Statement of Benefits Form SB-1.

(8) Attach detailed information on the types of benefits offered for new employees. A description of all possible bonuses and incentives should also be given if provided.

08/01/12 through 7/31/2013

Summary of Benefits for Overton Industries International

All Insurance becomes effective on the 1st of the month after 60 days of continuous employment. All Insurance benefits and rates are renewable annually, in July of every year with an effective date of Aug. 1st. All other benefits become effective after 60 days of continuous employment for all full time status employee's.

It is a policy of Overton Industries, if your spouse is employed and their employment offers health coverage, they will not be eligible for coverage with Overton Industries. Dependents will be covered under the plan that is most advantageous to the family.

Health Insurance

I.) Advantage Health Solutions, PHO, MUST CHOOSE A PRIMARY CARE PHYSICIAN

Until 12:00 midnight July 31, 2013

Types of Coverage	*Employee Cost of Coverage*	
Coverage for **Employee only:**	**$ 40.60**	Weekly
Coverage for **Employee and Spouse**	**$ 84.97**	Weekly
Coverage for **Employee and Children**	**$ 78.40**	Weekly
Coverage for **Full Family**	**$ 111.34**	Weekly

Provider Network includes: Community Hospital - ProHealth, St. Vincent Hospital - CMO and SHO, St. Francis Hospital- St. Francis Health network, & Hendricks Co. Hospitals - SHO network.

Deductible for Single is $4,000.00 per calendar year, in network, starting in January of every year.

Deductible for Family is $8000.00 per calendar year, in network, starting in January of every year.

After Deductible has been met, insurance pays 80% up to $20,000.00, then 100% to $1,000,000.00.

Out of Pocket Maximum, in network, Single is $8000.00.
Out of Pocket Maximum, in network, Family is $16,000.00.

Out of Network charges will not be covered or applied to your deductible by Advantage.

Medical & Dependent Care Savings Account

VI.) Unreimbursed Medical Savings Account. Limit of $5,000.00 per year. Inquire at H.R. Office. **Dependent Care Savings Account.** Limit of $5,000.00 per year for married persons and $2,500.00 per year for Singles. This money goes into a account until you incur medical expenses. And it is deducted tax free. This is a use it or lose it benefit. Which means; if you set aside $1040.00 per year to be put into the medical account, and you only can come up with $940.00 in expenses for the plan year, you will lose the remaining $100.00 that you put into the account. The same works with the Dependent Care Savings Account. For more information please see your H.R. office.

Life Insurance

II.) Through Guardian Life, Overton Industries Int'l. paying 100% of its cost. Employee coverage 20,000.00, Spouse is $5,000.00, dependents is $2,000.00.

Dental Insurance

III.) *Optional Benefit,* with Guardian Life, 100% paid for by the Employee.
Guardian Life has no deductible. (2) Cleanings per year, 1 every 6 months.

Types of Coverage	*Employee Cost of Coverage*	
Coverage for **Employee only:**	**$ 6.74**	Weekly
Coverage for **Employee & Spouse**	**$ 12.87**	Weekly
Coverage for **Employee & Child'ren**	**$ 17.16**	Weekly
Coverage for **Employee & Family**	**$ 22.41**	Weekly

Disability S.T.D. L.T.D.

IV.) Guardian will handle our **Short Term Disability**. This is a paid benefit, provided by Overton Industries International, to all full time status employees. Pays $200.00 max. per week for 26 weeks.
Long Term Disability is an optional benefit and is paid for by the employee. Cost is $2.92 per week, takes effect after the Short Term Disability expires. Pays $2,500.00 max. per month until retirement age.

AFLAC

V.) Supplemental Insurance Coverage. An optional benefit, covers Cancer, Accident, Hospital Stays and Life Insurance. Provided by AFLAC

ALL OF THE ABOVE ARE PRE-TAX PREMIUMS BENEFITS. THIS MEANS, ANY DOLLARS SPENT ON THE ABOVE PRODUCTS ARE NOT TAXED BY THE IRS OR SOCIAL SECURITY.

Vacations

1. One (1) week after one (1) full year of continuous employment.
2. Two (2) weeks after two (2) full years of continuous employment.
3. Three (3) weeks after ten (10) full years of continuous employment.

NO VACATIONS OR VACATION PAY SHALL BE SCHEDULED IN THE MONTH OF DECEMBER !!
Vacations are figured on a anniversary date schedule.

Holidays

Holidays are paid at straight time pay for (9) holidays per year as follows.(8) Hours for Memorial Day, 4th of July, Labor Day, Thanksgiving, Friday after Thanksgiving, Christmas and New Years Day. (4) Hours for Christmas Eve and New Years Eve.

When economic conditions are good, we shut down between Christmas and New Years. We pay a maximum of (5) 8-hour days between that time. To be eligible for those extra days with pay, you must have been employed prior to January of this year, and be a full time status employee. If you were hired after January 1st of this year, you will then be paid according to our regular holiday schedule. Being employed for a minimum of 90 days, worked your scheduled day before the holiday and your scheduled day after the holiday and be a full time status employee.

Personal Days

(2) Two unpaid personal days are granted per year. They do not affect overtime or absenteeism.
These days are granted on a January to December schedule. You must work (1) full year to be eligible for personal days.
Exempt employees will be allowed to utilize (2) days per year for personal business, however, when requesting a personal day, please note it will not be a paid day off. Personal Days may not be used in conjunction with a holiday.

401K	Our 401K Plan is through American Fund, administered by Edward Jones. To be eligible for the 401K Plan you must have worked a minimum of 6 months prior to any January 1st or July 1st of any year and be 20 years of age. Overton Industries matches 20% of every dollar you invest up to a total of 8% of your earnings.
Bereavement	Up to (3) days for the immediate family, (1) day for Grand parents. Please note: This is not an automatic benefit. The death and arrangements must have occurred during your scheduled work week, in order for you to receive pay.
Education	Overton Industries has a REIMBURSEMENT policy for tuition, based on your grade for Job Related training. An "A" we pay 90% of Tuition, a "B" 80% of Tuition and a "C" 70% of Tuition. For "D", "F" or a withdrawal Overton Industries pays nothing.
Employee Personal Tool Purchases	After 90 days of continuous employment, you will be eligible to purchase personal tooling to be used to do your job. Overton Industries will offer a 5% discount and pay up to $10.00 on the freight. You may not order more than $400.00 at any one time. You must be able to pay with in 26 weeks, with a minimum payment of $10.00 per week.
Direct Deposit	Overton Industries, as a condition of employment, does utilize direct deposit for distributing pay checks. Upon being hired as an employee, you will need to complete the direct deposit form.
Work Week	Our Pay week starts on Monday and runs through the next Sunday. Pay days are on Fridays,
Lunch	Our lunch break is a half of an hour long, starting at 12:00 noon to 12:30 PM for day shift. Everyone is required to take a 30 minute lunch if working more than 7 hours per day.
Break	Night shift will need to speak with the night shift supervisor for the lunch schedule.
Reporting Absences	All absences shall be reported to your group leader, by you, no later than 12:00 noon, or before your scheduled lunch break. Three (3) days non-report may be an automatic termination on your part.
Cell Phones	No cell phones are allowed by the employee's in the building. We require you to leave them in your vehicle.
Smoke Free Facility	Overton Industries, all divisions, are smoke free facilities. Please no smoking on company premises.

BONDS $25.00 FOR EACH YEAR OF SERVICE

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

	Actual Amount of Investment as of 12/31/12 (From SB-1)	Proposed Amount of Total Investment by 12/31/12 (From SB-1)	Actual Amount of Investment Added During Year (by Quarter)				Actual Total Amount of Investment as of 12/31/12	Difference Between Actual and Proposed Amount of Investment
			3/31/2012	6/30/2012	9/30/2012	12/31/2012		
Buildings and Improvements:			0	0	0	0		0
Machinery and Equipment:	321,456	321,456	0	0	0	321,456	321,456	0.0
Totals								

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

Actual Number of Employees as of 12/31/12 (From (SB-1)	Proposed Total No. of Employees by 12/31/12 (From SB-1)	Actual Number of Employees Added Added During Year (by Quarter) 3/31/2012	6/30/2012	9/30/2012	12/31/2012	Actual Total Number of Employees as of 12/31/12	Difference Between Actual and Proposed Number of Employees
37	40				2		

Overton

Sample Property Tax on Personal Property (3 Year)

Personal Property Tax Investment: $321,456

Tax Rate: 3.6195%

	2013 Payable 2014	2014 Payable 2015	2015 Payable 2016	
Cost of Equipment	$321,456	$321,456	$321,456	
True Cash Percentage Rate	65%	50%	35%	
True Cash Value	$208,946	$160,728	$112,510	
Net Tax Rate	3.6195%	3.6195%	3.6195%	***Total***
Tax w/o Abatement	$7,563	$5,818	$4,072	***$17,453***
Abatement Rate	100%	66%	33%	
Amount Abated	$7,563	$3,840	$1,344	***Total***
Taxes Paid w/Abatement	$0	$1,978	$2,728	***$4,706***

				Total Fees Paid
5% Fee	$378	$192	$67	***$637***

Total Tax Savings with 5% Economic Development Fee

$12,109

Overton

Sample Property Tax on Personal Property (5 Year Period)

Personal Property Tax Investment: $321,456

Tax Rate: 3.6195%

	2013 Payable 2014	2014 Payable 2015	2015 Payable 2016	2016 Payable 2017	2017 Payable 2018	
Cost of Equipment	$321,456	$321,456	$321,456	$321,456	$321,456	
True Cash Percentage Rate	40%	56%	42%	32%	24%	
True Cash Value	$128,582	$180,015	$135,012	$102,866	$77,149	
Net Tax Rate	3.6195%	3.6195%	3.6195%	3.6195%	3.6195%	*Total*
Tax w/o Abatement	$4,654	$6,516	$4,887	$3,723	$2,792	*$22,572*
Abatement Rate	100%	80%	60%	40%	20%	
Amount Abated	$4,654	$5,213	$2,932	$1,489	$558	*Total*
Taxes Paid w/Abatement	$0	$1,303	$1,955	$2,234	$2,234	*$7,726*

						Total Fees Paid
5% Fee	$233	$261	$147	$74	$28	*$742*

Total Tax Savings with 5% Economic Development Fee

$14,104

Overton

Sample Property Tax on Personal Property (7 Year Period)

Personal Property Tax Investment: $321,456

Tax Rate: 3.6195%

	2013 Payable 2014	***2014 Payable 2015***	***2015 Payable 2016***	***2016 Payable 2017***	***2017 Payable 2018***	***2018 Payable 2019***	***2019 Payable 2020***	
Cost of Equipment	$321,456	$321,456	$321,456	$321,456	$321,456	$321,456	$321,456	
True Cash Percentage Rate	40%	56%	42%	32%	24%	18%	15%	
True Cash Value	$128,582	$180,015	$135,012	$102,866	$77,149	$57,862	$48,218	
Net Tax Rate	3.6195%	3.6195%	3.6195%	3.6195%	3.6195%	3.6195%	3.6195%	***Total***
Tax w/o Abatement	$4,654	$6,516	$4,887	$3,723	$2,792	$2,094	$1,745	***$26,412***
Abatement Rate	100%	85%	71%	57%	43%	29%	14%	
Amount Abated	$4,654	$5,538	$3,470	$2,122	$1,201	$607	$244	***Total***
Taxes Paid w/Abatement	$0	$977	$1,417	$1,601	$1,592	$1,487	$1,501	***$8,575***
								Total Fees Paid
5% Fee	$233	$277	$173	$106	$60	$30	$12	***$892***

Total Tax Savings with 5% Economic Development Fee

$119,515

Overton

Sample Property Tax on Personal Property (10 Year Period)

Personal Property Tax Investment: $321,456

Tax Rate: 3.6195%

	2013 Payable 2014	*2014 Payable 2015*	*2015 Payable 2016*	*2016 Payable 2017*	*2017 Payable 2018*	*2018 Payable 2019*	*2019 Payable 2020*	*2020 Payable 2021*	*2021 Payable 2022*	*2021 Payable 2022*	
Cost of Equipment	$321,456	$321,456	$321,456	$321,456	$321,456	$321,456	$321,456	$321,456	$321,456	$321,456	
True Cash Percentage Rate	40%	60%	55%	45%	37%	30%	25%	20%	16%	12%	
True Cash Value	$128,582	$192,874	$176,801	$144,655	$118,939	$96,437	$80,364	$64,291	$51,433	$38,575	
Net Tax Rate	3.6195%	3.6195%	3.6195%	3.6195%	3.6195%	3.6195%	3.6195%	3.6195%	3.6195%	3.6195%	***Total***
Tax w/o Abatement	$4,654	$6,981	$6,399	$5,236	$4,305	$3,491	$2,909	$2,327	$1,862	$1,396	***$39,559***
Abatement Rate	100%	90%	80%	70%	60%	50%	40%	30%	20%	10%	
Amount Abated	$4,654	$6,283	$5,119	$3,665	$2,583	$1,745	$1,164	$698	$372	$140	***Total***
Tax Paid w/Abatement	$0	$698	$1,280	$1,571	$1,722	$1,745	$1,745	$1,629	$1,489	$1,257	***$13,136***

											Total Fees Paid
5% Fee	$233	$314	$256	$183	$129	$87	$58	$35	$19	$7	***$1,321***

Total Tax Savings with 5% Economic Development Fee

$25,102

TAX ABATEMENT WORKSHEET

EDC Case # *2012-06*

Name of Applicant: *Overton & Sons Tool & Die Co., Inc. dba Overton Carbide Tool & Engineering*

Name of Representative(s) *Steve Overton*

Dates of EDC Meeting(s) *October 9th, 2012*

City Council Resolution # *2012-17 & 18*

Date of City Council Introduction: *October 15th, 2012*

Date of City Council Public Hearing: *November 5th, 2012*

I. Application to EDC	**Circle One**	
1) All respective forms, plats, schedules, filing fees, etc. which are outlined in the EDC Procedures and Requirements have been filed in a timely manner with the EDC.	Y	N
2) All Sections of the Statements of Benefits form SB-1 have been completed with an entry in each section and box.	Y	N
3) All tax abatement schedules for all possible tax abatement periods, broken down for each individual year, have been submitted.	Y	N
4) All phase in schedules have been broken down into quarterly periods throughout the *entire* tax abatement periods.	Y	N
5) A representative from the company requesting the tax abatement is present at the EDC meeting.	Y	N
6) Petitioner has thus far complied with and shall continue to comply with the "prior approval" requirement of the statement of Benefits from SB-1, which states that "Approval of the Common Council must be obtained prior to initiation of the redevelopment or rehabilitation (of real property) or *prior* to the installation of new manufacturing equipment BEFORE a deduction may be approved." If not, explain…	Y	N

____

____

II. Economic Revitalization Area (ERA)

1) The project area of the present request is currently designated as either an economic revitalization area (ERA) or an economic development target area (EDTA). If so, complete items A, B, and C and go to Section III. — Y N

   a) The project area has been designated as an ERA or EDTA (circle one).

   b) The designation was made under Resolution No: ________

   c) The designation is due to expire in (year) ______

2) If the project area is not presently designated as either an ERA or an EDTA, list the condition(s) which exist that make the project area undesirable for or impossible of normal development.

____
____
____

3) Based upon these findings, the EDC recommends that the project area be designated as an ERA or EDTA. — Y N

III. Economic Inducement and Employment

1) If approved, granting the present tax abatement serves as an economic inducement for one of the following economic development activities: development of a new facility; expansion of an existing facility or retention of an exiting facility. — Y N

2) If approved, granting the present tax abatement serves as an employment mechanism to either create or retain jobs. — Y N

IV. Tax Abatement Periods

1) *Real Property Improvements*

   a) Applicant is seeking tax abatement on real property improvements. — Y N

b) If so, the tax abatement period being requested is for _____ years.

c) Based upon all of the information provided by the applicant concerning these Guidelines and all of the criteria shown in the Tax Abatement Policy of Franklin, Indiana, the EDC recommends granting the following tax Abatement period for real property improvements: ______ years.

2) *New Machinery and Equipment*

a) Applicant is seeking tax abatement on new machinery and equipment. Y N

b) If so, the tax abatement period being requested is for 10 years.

c) Based upon all of the information provided by the applicant concerning these Guidelines and all of the criteria shown in the Tax Abatement Policy of Franklin, Indiana, the EDC recommends granting the following tax Abatement period for new machinery and equipment for ______ years.

V. Termination of ERA Designation and Tax Abatement Periods

1) The EDC recommends that the ERA designation for the project area (a) runs concurrently with the longer of the two tax abatement periods show above in Section IV, and (b) terminates upon the same termination date as the termination date of the longer of the two tax abatement periods shown in Section IV above. Y N

2) The EDC further recommends that the tax abatement periods for both real property improvements and new machinery and equipment automatically expire upon the predetermined termination date set for each respective tax abatement. Y N

3) The EDC further recommends that the termination date for the purchase and installation of the new machinery and equipment shall be ______________________________.

VI. Additional Information for the Common Council

1) A representative from the company requesting the tax abatement is present at the Common Council meetings. Y N

2) Applicant has submitted:

   a) Company's financial statement as of the end of the last fiscal year. Y N

   b) A notarized statement attesting to the fact that (1) the project will pose no environmental hazards to the community, and (2) the company will comply with all of the following municipal codes and ordinances, including zoning, site plan reviews and permitting requirements. Y N

VII. Certification

A copy of this worksheet, completed by the EDC at a public meeting held on the 9th day of *October*, *2012*, has been completed and forwarded to the Common Council for further proceedings.

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John Ditmars, Economic Development Commission President