



CITY OF FRANKLIN

COMMUNITY DEVELOPMENT DEPARTMENT

Memorandum

To: City of Franklin Economic Development Commission
From: Krista Linke, Community Development Director
Date: March 26th, 2013
Re: Case C 2013-19: Tube Forming Systems, Inc. d/b/a Overton Industries

Summary:

1. On October 15th, 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 2012:

	Estimated on SB-1	Actual in 2012	Difference
Employees Retained	37	37	0
Salaries	\$1,615,849	\$1,615,649	-\$200
New Employees	2	4	2
Salaries	\$95,680	\$424,808	\$329,128
Total Employees	39	41	2
Total Salaries	\$1,711,529	\$2,040,457	\$328,928
Average Hourly Salaries	\$21.10	\$23.93	\$2.83
Personal Property Improvements	\$321,456	\$321,456	\$0

3. The company has met the estimated average hourly wage indicated on the SB-1 Form and has exceeded the number of jobs indicated by 2.
4. The company has met their estimate provided on the SB-1 Form for personal property.
5. 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 15, 2013

City of Franklin
Attn: Krista Linke
71 East Monroe Street
Franklin, IN 46131-2358

RE: 2012 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 and personal property tax abatements which were granted to Overton & Sons in 2012 under Franklin Common Council Resolution number 12-17.

As can be seen from reviewing the enclosed documents, our company has been highly 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) which was approved on October 15, 2012.

In addition, we also have purchased two seats of Master Cam and a HAAS TPM2 Vertical Machine Center at a cost of \$60,000+. We hired five new employees, four of which are full time and one that is not on the schedule because he is part time.

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\Abatement 12-17 Cov Let February 10, 2013.docx



COMPLIANCE WITH STATEMENT OF BENEFITS PERSONAL PROPERTY

State Form 51765 (R / 1-06)

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 Franklin Common Council		Resolution number 12-17						
Location of property 2155 McClain Drive Franklin, IN 46131		County Franklin	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) 11/19/2012						
SECTION 3		EMPLOYEES AND SALARIES						
EMPLOYEES AND SALARIES		AS ESTIMATED ON SB-1	ACTUAL					
Current number of employees		37.00	41					
Salaries		1,615,649.00	2,040,457.00					
Number of employees retained		37.00	37					
Salaries		1,615,649.00	1,615,649.00					
Number of additional employees		2.00	4					
Salaries		95,680.00	424,808.00					
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							
NOTE: The COST 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		N/A	N/A					
Amount of hazardous waste converted		N/A	N/A					
Other benefits:		N/A	N/A					
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) 2-15-13					

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 12/31/12	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	0	0	0
Machinery and Equipment:	321,456	321,456	0	0	0	321,456	0	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 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 12/31/12	Difference Between Actual and Proposed Number of Employees
(From SB-1)	(From SB-1)	3/31/2012	6/30/2012	9/30/2012	12/31/2012		
37	39		1	1	1	40	1