#### CITY OF LAUREL MUNICIPAL DOCKET AGENDA ITEM FACT SHEET

COUNCIL MEETING DATE: MAY 8, 2018 ITEM NO. 45
ITEM TITLE: POLICY
INTRODUCED BY: ADMINISTRATION
CONTACT PERSON/TELEPHONE: CINDY PITTS, CHIEF DEPUTY CITY CLERK (x6404)
SUMMARY EXPLANATION: Consider adopting AN ORDER FOR TAX EXEMPTION ON AD VALOREM FOR HOWARD INDUSTRIES, INC.
EXHIBITS FOR REVIEW
RESOLUTION ORDINANCE CONTRACTMINUTES
PLAN MAPS ORDER X OTHER (SPECIFY)
SUBMITTAL AUTHORIZATION: COUNCILPERSONMAYOR_VM_CAO
STAFF RECOMMENDATION:
COUNCIL ACTION: MOTION BY SECONDED BY WHELT
COUNCIL VOTE: JASON CAPERS, WARD 1 TONY WHEAT, WARD 2 TONY THAXTON, WARD 3 GEORGE CARMICHAEL, WARD 4 STACY COMEGYS, WARD 5 TRAVERES COMEGYS, WARD 6 ANTHONY PAGE, WARD 7
ACTION TAKEN:

# ORDER APPROVING APPLICATION OF HOWARD INDUSTRIES, INC. FOR AN INITIAL TAX EXEMPTION FOR A PERIOD OF TEN YEARS AS AUTHORIZED BY SECTION 27-31-101, ET SEQ., MISSISSIPPI CODE OF 1972 AS AMENDED

There came on for hearing this day before the Mayor and Council of the City of Laurel, Jones County, Mississippi, the sworn application of Howard Industries, Inc., for an initial exemption from ad valorem taxation, except state ad valorem taxation and ad valorem taxes for school district purposes and "mandated municipal levies", of all of its tangible property used in connection with and necessary to the operation of said Howard Industries, Inc., industrial plant in the City of Laurel, Second Judicial District, Jones County, Mississippi, under provisions of Section 27-31-101, et seq., Mississippi Code of 1972 Annotated, as amended and other pertinent statutes; the Mayor and Council having considered same and being fully advised in the premises finds as follows:

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That Howard Industries, Inc., is a corporation duly created and existing under the laws of the State of Mississippi and is presently doing business in Laurel, Jones County, Mississippi.

II

That Howard Industries, Inc. is now operating as a manufacturing industry within Laurel, Jones County, Mississippi, which factory is a bona fide expanded enterprise of public utility within the meaning of Section 27-31-101 et seq., and related sections of the Mississippi Code of 1972, as amended, and is eligible for the initial exemption granted by the above mentioned section by specific enumeration, namely "manufacturing, processors and refineries".

That Howard Industries, Inc., commenced its operation pursuant to a contract made and entered into on the 19th day of January 1968, amended on the 15th day of August, 1968, amended on the 29th day of August, 1972, and amended on the 21st day of August, 1978, by and between the City of Laurel, Mississippi, Jones County, Mississippi, the Laurel Airport Board, Laurel Industrial Committee of 100 and Howard Industries, Inc., and pursuant to Certificate of Public Convenience and Necessity No. 663 issued by the Mississippi Board of Economic Development of the State of Mississippi, and that by and under the terms and provisions of said contract, the Mayor and Board of Commissioners of the City of Laurel, Mississippi, and Jones County, Mississippi, agreed, as an added inducement and part of the consideration for the petitioner's covenants therein, upon petition by this "Company for exemption from ad valorem and other taxes upon any property owned by Company, that City and Board, and each of them, will grant to Company such tax exemptions to the full extent and for the maximum period now authorized by law and approved by the Agricultural and Industrial Board.

#### IV.

That the petitioner has added additional equipment which was completed during 2017, within the meaning of the applicable statutes of the State of Mississippi, and that the granting to Howard Industries, Inc., of such initial exemption from ad valorem taxation for ten (10) years, except state ad valorem taxation and ad valorem taxes for school district purposes and "mandated municipal levies" is authorized by Section 27-31-101 through 27-31-117, of the Mississippi Code of 1972, as last amended.

That Howard Industries, Inc., is a manufacturing concern manufacturing electrical transformers. That all of the tangible property will be used for said manufacturing purposes and that attached hereto as Exhibit "A" and by reference incorporated herein is a description of said tangible property owned by Howard Industries, Inc., with a statement of the true values thereof in the amount of \$4,100,072.00.

#### VI.

That Howard Industries, Inc. further requests an initial exemption on raw materials and work in progress pursuant to Section 27-31-101 et seq. and on finished goods pursuant to Section 27-31-7 in such amounts as shall be reported on the personal property assessment form filed annually by the petitioner. For calendar year 2017, raw materials had a true value of \$46,334,023.00, work in progress had a true value of \$20,537,758.00, finished goods had a true value of \$32,487,101.00, all is shown on the attached Exhibit "A".

IT IS, THEREFORE, ORDERED, subject to the approval of the State Tax Commission, that the application of Howard Industries, Inc., for an initial exemption from ad valorem taxation, except state ad valorem taxation and ad valorem taxes for school district purposes, be and it is hereby granted, and that all the property described in said application, and exhibited thereto, in the amount of \$4,100,072.00 and raw materials, work in progress and finished goods in such amounts as shall be reported in the personal property assessment form filed annually by Howard Industries, Inc., which for calendar year 2017, raw materials had a true value of \$46,334,023.00, work in progress had a true value of \$20,537,758.00, and finished goods had a true value of \$32,487,101.00, be and it is hereby initially exempted from all ad valorem taxation except state ad valorem taxation and ad valorem taxation for school district purposes and "mandated municipal levies", for ten (10) years, commencing January 1, 2018, and concluding December 31, 2027.

IT IS FURTHER ORDERED, that the Clerk shall transmit a certified copy of this Order, in triplicate, to the State Tax Commission, thereby signifying the desire of the Mayor and City Council of the City of Laurel, Jones County, Mississippi, that said Board shall approve its action as herein set forth.

A Motion was made by <u>Councilperson Thaxton</u>, seconded by <u>Councilperson Wheat</u>, that the above Order be adopted.

Upon roll call vote, the results were as follows:

Yeas: Capers, Wheat, Thaxton, Carmichael, S. Comegys, T. Comegys, Page

Nays: None Abstaining: None Absent: None

The President thereupon declared the motion carried and the Order adopted, this the 8<sup>th</sup> day of May, A.D., 2018.

PRESIDENT OF COUNCIL

ATTESTED TO AND SUBMITTED TO	THE MAYOR BY THE CLERK OF THE COUNCIL
ON 5-10-18	Sharon King
OF LAURA	CLERK OF COUNCIL
* NUNICIDA	APPROVED ( ) DATE: 5/10/18
SEAL S	VETOED ( ) DATE:
The state of the s	July July 1
ATTEST:	MAYOR
flaufin Aess	

Min. of 05/08/18; Bk. No. 101, Pg. No. 38, Agn. Item No. 49

#### STATE OF MISSISSIPPI

#### COUNTY OF JONES

I, May Aun Hestity Clerk, City of Laurel, Jones County, Mississippi,
do hereby certify that the foregoing is a true and correct copy of an order duly adopted by the Mayo
and Council of the City of Laurel, Jones County, Mississippi, at a Require meeting of said
Council held in Laurel, Mississippi, on this the
Given under my hand and official seal on this the 11th day of, 2018.
(SEAL)  SEAL  SEAL

### BEFORE THE MAYOR AND COUNCIL OF THE CITY OF LAUREL. JONES COUNTY, MISSISSIPPI

## APPLICATION OF HOWARD INDUSTRIES, INC., FOR INITIAL EXEMPTION FROM AD VALOREM TAXES FOR A PERJOD OF TEN YEARS AS AUTHORIZED BY SECTION 27-31-101, ET SEQ., MISSISSIPPI CODE OF 1972, AS AMENDED

TO THE MAYOR AND COUNCIL OF THE CITY OF LAUREL, JONES COUNTY, MISSISSIPPI:

Howard Industries, Inc., a Mississippi corporation domiciled in Laurel, Jones County, Mississippi, authorized and doing business under the laws of the State of Mississippi, hereby respectfully makes application for initial exemption from ad valorem taxation, except state ad valorem taxation and ad valorem taxes for school district purposes and "mandated municipal levies", on tangible property used in or necessary to its operation in Laurel, Jones County, Mississippi, as set out in Exhibit "A" attached hereto and in support thereof respectfully presents the following facts, to wit:

١.

That Howard Industries, Inc., is a corporation duly created and existing under the laws of the State of Mississippi and is presently doing business in Laurel and Jones County, Mississippi.

11.

That Howard Industries, Inc. is now operating as a manufacturing industry within Laurel, Jones County, Mississippi, which factory is a bona fide expanded enterprise of public utility within the meaning of Section 27-31-101 et seq., and related sections of the Mississippi Code of 1972, as amended, and is eligible for the initial exemption granted by the above mentioned section by specific enumeration, namely "manufacturing, processors and refineries".

111.

That Howard Industries, Inc., has commenced its operations pursuant to a contract made and entered into on the 19th day of January, 1968, amended on the 15th day of August, 1968,

amended on the 29th day of August, 1972, and amended on the 21st day of August, 1978, by and between the City of Laurel, Mississippi, Jones County, Mississippi, the Laurel Airport Board, Laurel Industrial Committee of 100, and Howard Industries, Inc., and pursuant to Certificate of Public Convenience and Necessity No. 663 issued by the Mississippi Board of Economic Development of the State of Mississippi and that by and under the terms and provisions of said contract, the Mayor and Board of Commissioners of the City of Laurel, Mississippi, and Jones County, Mississippi, agreed, as an added inducement and part of the consideration for this petitioner's covenants therein, upon petition by this "Company for exemption from ad valorem and other taxes upon any property owned by Company, that City and Board, and each of them, will grant to Company such tax exemptions to the full extent and for the maximum period now authorized by law and approved by the Agricultural and Industrial Board..."

IV.

That the undersigned petitioner has added additional equipment which was completed during 2016, within the meaning of the applicable statutes of the State of Mississippi, and that the granting to Howard Industries, Inc., of such initial exemption from advalorem taxation for ten (10) years, except state ad valorem taxation and advalorem taxes for school district purposes, and "mandated municipal levies" is authorized by Section 27-31-101 through 27-31-117, of the Mississippi Code of 1972, as last amended.

V

That Howard Industries, Inc., is a manufacturing concern manufacturing electrical transformers. That all of the tangible property will be used for said manufacturing purposes and that attached hereto as Exhibit "A" and by reference incorporated herein is a description of said tangible property owned by Howard Industries, Inc., with a statement of the true values thereof in the amount of \$4,100,072.00.

That Howard Industries, Inc. further requests an initial exemption on raw materials and work in progress pursuant to Section 27-31-101 et seq. and on finished goods pursuant to Section 27-31-7 in such amounts as shall be reported on the personal property assessment form filed annually by the petitioner. For calendar year 2017, raw materials had a true value of \$46,334,023.00 work in progress had a true value of \$20,537,758.00, finished goods had a true value of \$32,487,101.00, all as shown on the attached Exhibit "A".

WHEREFORE, PREMISES CONSIDERED, Howard Industries, Inc., prays that this application for an initial tax exemption be received and filed, and that upon a hearing hereof the said application may be approved by the Mayor and Council of the City of Laurel, Jones County, Mississippi, and that subject to the approval of the State Tax Commission of the State of Mississippi, it be granted an initial exemption from ad valorem taxation, except state ad valorem taxation and ad valorem taxes for school district purposes and "mandated municipal levies" on all of its tangible property used in or necessary to the operation of its enterprise in Laurel, Jones County, Mississippi, for ten (10) years, commencing January 1,2018.

Respectfully submitted this the 26th day of April, 2018.

Respectfully submitted,

HOWARD INDUSTRIES, INC.

By Richard Yoder
Assistant Secretary

STATE OF MISSISSIPPI

COUNTY OF JONES

Personally appeared before me, the undersigned authority in and for the jurisdiction aforesaid, the within named RICHARD L. YODER, who, being by me first duly sworn, states on oath that he is Assistant Secretary of HOWARD INDUSTRIES, INC., a Mississippi corporation, and that as such Assistant Secretary for said corporation he is duly authorized to make this

affidavit on its behalf and in its name, and that all of the matters and facts set forth in the foregoing application for an initial exemption from ad valorem taxation are true and correct as therein stated.

Richard L. Yoder

Sworn to and subscribed before me on this the 26th day of April, 2018.

My commission expires:



#### EXHIBIT "A"

#### HOWARD INDUSTRIES, INC. SUMMARY OF 2018 REQUESTED TAX EXEMPTIONS TRANSFORMER DIVISION

#### **EQUIPMENT ADDITIONS**

Plant Equipment	\$ 3,914,764.00
Fork Lifts	\$ 101,094.00
Special Tools	\$ 67,198.00
Technical Equipment	\$ 17,015.00
TOTAL EQUIPMENT PLACED IN SERVICE	<u>\$ 4,100,072.00</u>
INVENTORIES Raw Materials (2017 calendar year true value)	<u>\$46,334,023.00</u>
Work in Progress (2017 calendar year true value)	\$20,537,758.00
Finished Goods (2017 calendar year true value)	<u>\$32,487,101.00</u>

## HOWARD INDUSTRIES, INC. TRANSFORMER PLANT ADDITIONS FOR YEAR 2017

EQUIPMENT ADDITIONS		VALUE
Plant Equipment	, <b>\$</b>	3,914,764
Fork Lifts	\$	101,094
Special Tools	\$	67,198
Office Equipment	\$	
Technical Equipment	\$	17,015
Total Equipment Placed in Service	\$	4,100,072
INVENTORIES		
Raw Materials	_	

(2017 calendar year true value)	•		\$	46,334,023
Work in Progress (2017 calendar year true value)	٠.		\$	20,537,758
Finished Goods (2017 calendar year true value)			<u>s</u>	32,487,101

COST DATE DESC EQUIP¢ class 28,827.78 20517 \$ CONVERSION OF CW7 CMPTR HI PJ 580 61102608 61 3,787.01 20517 \$ HI PJ 582 TENSIONER CW7 61102609 26,107.44 70217 \$ CONVERSION OF CW 9 HI PJ 617 61104703 20517 \$ 3,787.01 HI PJ 582 TENSIONER CW 21 61 61170206 3,787.02 20517 \$ HI PJ 582 TENSIONER CW 32 61208801 61 13,338.51 50517 \$ **GULF STATE ENGINEERI** REBUILD #12 100HP 61209802 61 19,631.29 70217 \$ CONVERT CW 151 HI PJ 600 61 61533701 19.631.29 70217 \$ HI PJ 600 CONVERT CW 176 61635201 6.961.87 43017 \$ 61 LASER VACUUM PUMP HI PJ 691 61703601 9,588,92 70217 \$ LASER VACCUM PUMP HI PJ 667 61714301 20517 \$ 1,149,930.90 REGULATOR TEST STATION HI PJ 564 61724700 61 6,361.61 20517 \$ ROLLERBED FOR REGULATOR HI PJ 644 61724800 61 23,146.60 20517 \$ 61 LARGE LINE OIL SHAKER HI PJ 397 61725000 281,661.54 20717 \$ ANNEALING OVEN & INSTALL HI PJ 539 61 61725700 11,461.87 20517 \$ ROLLERS FOR CONT OVEN 5 HI PJ 618 61725800 61 14,105.66 20717 \$ REGULATOR STAND PROD HI PJ 542 61725900 61 8,167.01 20517 \$ STEEL THICKNESS VERF SYS HI PJ 549 61 61726000 24,952.07 20517 \$ 61 LASER STEEL STORAGE CONVEYOR HI PJ 552 61726100 7,115.06 20717 \$ QTY 3 BALL TRSF TABLES HI PJ 574 61726400 61 10,170.58 20517 \$ QTY 2 SMART WIRE FEEDERS HI PJ 590 61 61726500 15,795,34 20517 \$ CONVEYOR SKIDS HI PJ 594 61726700 61 34,452.93 20517 \$ WEAR PARTS FOR ATC HI PJ 596 61726800 11,030.89 20717 \$ 5 TON CHAIN HOIST W/ HI PJ 603 61726900 20517 \$ 12,102.04 120 FT GRAVITY CONVEYOR HI PJ 647 61727000 17,415.14 20517 \$ 3 TON OVERHEAD CRANE HI PJ 647 61727100 23,032.60 20517 \$ TANKSHIP LEAKTEST CONVYR HI PJ 653 61 61727200 11,626.31 20517 \$ AIR COMPARTMNT BUGGIES HI PJ 654 61727300 26,735.04 20517 \$ LACING TABLES FOR SM LINE IA HI PJ 605 61727400 40,379.08 20517 \$ VACUUM PUMPS & BOOSTRS HI PJ 619 61727900 61 26,937.46 20517 \$ POWERED ROLLER CONVEYOR HI PJ 622 61728000 61 25,458,52 20517 \$ 7.5 TON BRIDGE CRANE HI PJ 645 61729000 20517 \$ 12,512.78 (2)7.5HP INDSTL CABINET SAW HI PJ 648 61729100 61 13,257.57 20517 \$ POWDER PAINT FILTRATION HI PJ 651 61729300 47,563.47 20517 \$ CINCINNATI 4312 MECH HI PJ 658 61 61729400 20517 \$ 8.725.87 2 TON CHAIN HOIST TANK HI PJ 660 61729500 61 6,199.50 20517 \$ TORQUE WRENCHES HI PJ 669 61729700 61 7.099.93 SCHLEUNIGER WIRE CUTTING HI PJ 690 20517 \$ 61729900 232,199.00 ADDITION TO OLD POLE VAC CHAMBER HI PJ 680 20517 \$ 61730000 61 20517 \$ 157,719,79 VACUM CHAMBER ROLLERBED HIPJ 680 61730100 61 8,206,90 21317 \$ HERITAGE GLOBAL PART LEIFIELD LATHE 61730200 61 30917 \$ 8.046.92 OIL FILLED VOLTAGE TSFMR INST TRANS EQUIPMENT 61730300 61 31017 \$ 4,429,80 BIG MOTOR 400HZ BIDADOO AUCTION SVCS 61730400 5,613.00 OVEN UPGRADE - REPLACE STUART CIRBY 22717 \$ 61 61730500 43017 \$ 19,217.94 TANKSHOP LEAKTEST HT PJ 488 61730700 23,616.33 43017 \$ TOP FOR 3 STAGE WASHERS HI PJ 611 61731000 61 20,951.52 43017 \$ HI PJ 626 BARCODE SCANNERS 61731100 25,311.93 43017 \$ LINCOLN POWERWAVE WELDERS HI PJ 655 61731500 43017 \$ 6.496.00 HYDRAULIC SWEDGE PRESS & HI PJ 684 61731700 61 43017 \$ 5.810.94 RACKS FOR PAPER STORAGE HI PJ 698 61731800 61 43017 \$ 5,671.79 HT PJ 702 ROLLER BALL TABLE 61 61731900 43017 \$ 11,709.79 HT PJ 703 POWERED ALUMINUM 61732000 43017 \$ 6,982.49 WARCO PAPER FOLDER HI PJ 704 61732100 61 61517 \$ 11,900.05 CHILLER S/N 47B0735 AEC INC бI 61732200 70217 \$ 29.957.41 AUTOMATED WELDING HT PJ 354 61732300 61 21,782,25 70217 \$ HI PJ 378 61732400 61 FLIP TABLE 70217 S 32,755,26 ROLLER BED WITH TURN HI PJ 378 61 61732500 27,350.64 70217 \$ WELD EOUIP WITH HI PJ 378 61732600 61 70217 \$ 591,202.65 TOPCOAT PAINT ROBOT HI PJ 401 61732700 48,265.76 70217 \$ PARKING STAND WELDING HI PJ 453 61732800 61 28,207.18 70217 \$ HI PJ 526/PEAVY AMADA 80 TON PRESS 61 61732900 14.933.21 70217 \$ HI PJ 526/PEAVY AMADA 25 TON PRESS 61733000 61 51,436.62 70217 \$ HI PJ 526/PEAVY AMADA 80 TON PRESS 61733100 18.251.70 70217 \$ MINSTER 6.56 TON BACK. HI PJ 526 / PEAVY 61733200 61 29,866.43 70217 \$ 250 HP ROTARY SCREW A/C HI PJ 526/PEAVY 61733300 70217 \$ 3.318.49 SHELDON LATHE HI PJ 526/PEAVY 61733400 61 1,659.25 70217 \$ MICROMASTER SURFACE HI PJ 526/PEAVY 61733500 61 70217 \$ 15,427.20 LIFT ATTACHMENTS AND HI PJ 613 61733600 61 35.646.29 70217 \$ POWER AND FREE TROLLEYS HI PJ 646 61733800 61 29,912.73 70217 \$ LASER BELLOWS (RESONATOR HI PJ 649 61733900 32,361.04 702.17 \$ DRYOFF BLOWER SYSTEM HI PJ 657 61734100

PLANT

FOR YEAR.	2011			PLANT
EQUIP#	class	DESC	DATE	COST
61734300	61	LIFT TABLES TANK SHOP HI PJ 670	70217	\$ 26,786.90
61734600	61	FLANGE CRIMP TOOLS HI PJ 678	70217	
61734800	61	CANTILEVER STYLED STORAGE HI PJ 689	70217	\$ 22,813.79
61734900	61	PLASMA CUTTING TABLES HI PJ 707	70217	\$ 5,671.84
61735100	61	POWERED CONVEYOR FROM HI PJ 713	702.17	\$ 9,381.93
61735200	61	USED PAINT ROBOT HI PJ 715	70217	\$ 185,273.03
61735600	61	COIL STORAGE CRATES HI PJ 725	70217	\$ 21,575.16
61735800	61	CONTINUOUS OVEN MODIFIATION CHANCELOR INC	70517	\$ 12,135.40
61736200	61	WINDER REALIGNMENTS MULTIPLE UNITS	20517	\$ 26,866.00
61736300	61	GUIDE & TENSIONER MODIFICATION Multiple UnitsHI PJ 699	43017	
				4 - 4 - 4 - 4 - 4 - 4 - 4 - 4 - 4 - 4 -
		TOTAL		\$ 3,914,764.33
٠,			<i>)</i>	•
			•	FORK LIFT
EQUIP#	class	DESÇ	DATE	COST
65290000 6	55	YALE MPE080-VG LIFT DEEP SOUTH EQUIPMENT	22817	
65290100 6	55	HYSTER LIFT B60ZAC DEEP SOUTH EQUIPMENT	11717	\$ 6,572.13
65290200 6		8FGCU25 5K LBS LIFT LILLY COMPANY	31617	\$ 9,845.50
65290500 6		TOYOTA 8FGCU15 LILLY COMPANY	51917	\$ 17,114.65
65290600 6		TOYOTA 8FGCU15 LILLY COMPANY	51917	•
65290700 6		UNIT 110 TRANSMISSION INDUS SVCS OF LAUREL	50217	
65291000 6		6000 LB TOYOTA LILLY COMPANY	92117	•
		NISSAN 5000 LBS LIFT HI PJ 526/PEAVY	70217	· ·
65291100 6			70217	•
65291200 6		NISSAN 5000 LBS LIFT HI PJ 526/PEAVY	10211	7,400.01
		TOTAL		\$ 101,094.31
			• •	
•				SPECIALTOOLS
			•	SPECIAL TOOLS
	class 67	DESC DOOR ROD GUIDE DIE HI PJ 483	DATE 20517	COST \$ 10,455.94
57860500			20517	-
57860600	67		and the second second	
7860700	.67		20517	
57860800	67	SILL DIE HI PJ 624 CONTROL BOX COVER DIE HI PJ 629	20517	•
7860900	67		20517 20517	
57861000	67	HORN PRESS DIE HI PJ 668	2031.1	3 13,700.02
		TOTAL	·	\$ 67,198.09
		TOTAL		01,250.05
			٠	TECHNICAL EQUIPMENT
		Dec. 1	•	
	class	DESC	DATE	COST
53944200 53945100	63 63	HP DESIGNJET PRINTER T2530 HOWARD TECH SOLUTION REFURBISHED TOUGHBOOKS HOWARD TECH SOLUTION	30817 72617	
				<del></del>
		TOTAL		\$ 17,015.09
		IUIND	3	4 17,013.03

## ORDER APPROVING APPLICATION OF HOWARD INDUSTRIES, INC. FOR AN INITIAL TAX EXEMPTION FOR A PERIOD OF TEN YEARS AS AUTHORIZED BY SECTION 27-31-101, ET SEQ., MISSISSIPPI CODE OF 1972 AS AMENDED

There came on for hearing this day before the Mayor and Council of the City of Laurel, Jones County, Mississippi, the sworn application of Howard Industries, Inc., for an initial exemption from ad valorem taxation, except state ad valorem taxation and ad valorem taxes for school district purposes and "mandated municipal levies", of all of its tangible property used in connection with and necessary to the operation of said Howard Industries, Inc., industrial plant in the City of Laurel, Second Judicial District, Jones County, Mississippi, under provisions of Section 27-31-101, et seq., Mississippi Code of 1972 Annotated, as amended and other pertinent statutes; the Mayor and Council having considered same and being fully advised in the premises finds as follows:

I.

That Howard Industries, Inc., is a corporation duly created and existing under the laws of the State of Mississippi and is presently doing business in Laurel, Jones County, Mississippi.

II.

That Howard Industries, Inc. is now operating as a manufacturing industry within Laurel, Jones County, Mississippi, which factory is a bona fide expanded enterprise of public utility within the meaning of Section 27-31-101 et seq., and related sections of the Mississippi Code of 1972, as amended, and is eligible for the initial exemption granted by the above mentioned section by specific enumeration, namely "manufacturing, processors and refineries".

That Howard Industries, Inc., commenced its operation pursuant to a contract made and entered into on the 19th day of January 1968, amended on the 15th day of August, 1968, amended on the 29th day of August, 1972, and amended on the 21st day of August, 1978, by and between the City of Laurel, Mississippi, Jones County, Mississippi, the Laurel Airport Board, Laurel Industrial Committee of 100 and Howard Industries, Inc., and pursuant to Certificate of Public Convenience and Necessity No. 663 issued by the Mississippi Board of Economic Development of the State of Mississippi, and that by and under the terms and provisions of said contract, the Mayor and Board of Commissioners of the City of Laurel, Mississippi, and Jones County, Mississippi, agreed, as an added inducement and part of the consideration for the petitioner's covenants therein, upon petition by this "Company for exemption from ad valorem and other taxes upon any property owned by Company, that City and Board, and each of them, will grant to Company such tax exemptions to the full extent and for the maximum period now authorized by law and approved by the Agricultural and Industrial Board.

#### IV.

That the petitioner has added additional equipment which was completed during 2017, within the meaning of the applicable statutes of the State of Mississippi, and that the granting to Howard Industries, Inc., of such initial exemption from ad valorem taxation for ten (10) years, except state ad valorem taxation and ad valorem taxes for school district purposes and "mandated municipal levies" is authorized by Section 27-31-101 through 27-31-117, of the Mississippi Code of 1972, as last amended.

That Howard Industries, Inc., is a manufacturing concern manufacturing electrical transformers. That all of the tangible property will be used for said manufacturing purposes and that attached hereto as Exhibit "A" and by reference incorporated herein is a description of said tangible property owned by Howard Industries, Inc., with a statement of the true values thereof in the amount of \$4,100,072.00.

#### VI.

That Howard Industries, Inc. further requests an initial exemption on raw materials and work in progress pursuant to Section 27-31-101 et seq. and on finished goods pursuant to Section 27-31-7 in such amounts as shall be reported on the personal property assessment form filed annually by the petitioner. For calendar year 2017, raw materials had a true value of \$46,334,023.00, work in progress had a true value of \$20,537,758.00, finished goods had a true value of \$32,487,101.00, all is shown on the attached Exhibit "A".

IT IS, THEREFORE, ORDERED, subject to the approval of the State Tax Commission, that the application of Howard Industries, Inc., for an initial exemption from ad valorem taxation, except state ad valorem taxation and ad valorem taxes for school district purposes, be and it is hereby granted, and that all the property described in said application, and exhibited thereto, in the amount of \$4,100,072.00 and raw materials, work in progress and finished goods in such amounts as shall be reported in the personal property assessment form filed annually by Howard Industries, Inc., which for calendar year 2017, raw materials had a true value of \$46,334,023.00, work in progress had a true value of \$20,537,758.00, and finished goods had a true value of \$32,487,101.00, be and it is hereby initially exempted from all ad valorem taxation except state ad valorem taxation and ad valorem taxation for school district purposes and "mandated municipal levies", for ten (10) years, commencing January 1, 2018, and concluding December 31, 2027.

IT IS FURTHER ORDERED, that the Clerk shall transmit a certified copy of this Order, in triplicate, to the State Tax Commission, thereby signifying the desire of the Mayor and City Council of the City of Laurel, Jones County, Mississippi, that said Board shall approve its action as herein set forth.

A Motion was made by <u>Councilperson Thaxton</u>, seconded by <u>Councilperson Wheat</u>, that the above Order be adopted.

Upon roll call vote, the results were as follows:

Yeas: Capers, Wheat, Thaxton, Carmichael, S. Comegys, T. Comegys, Page Nays: None

Abstaining: None Absent: None

The President thereupon declared the of May, A.D., 2018.	ne motion carried and the Order adopted, this the 8th day
	PRESIDENT OF COUNCIL
ATTESTED TO AND SUBMITTED TO ON 5-10-18	THE MAYOR BY THE CLERK OF THE COUNCIL
a OF In	CLERK OF COUNCIL
TO NUNICIO A PROPERTIES	APPROVED ( 1) DATE: 5-10-18
SEAL &	VETOED ( ) DATE:
O NTV MISSIS	MAYOR
APTEST:	MATOR
THE LINE SENS	

Min. of 05/08/18; Bk. No. 101, Pg. No. 38, Agn. Item No. 48

#### STATE OF MISSISSIPPI

#### COUNTY OF JONES

I, May Aud Hess, City Clerk, City of Laurel, Jones County, Mississippi,
do hereby certify that the foregoing is a true and correct copy of an order duly adopted by the Mayo
and Council of the City of Laurel, Jones County, Mississippi, at a Lequian meeting of said
Council held in Laurel, Mississippi, on this the 8th day of May, 2018.
Given under my hand and official seal on this the 1th day of, 2018
(SEAL)  SEAL  SEAL

### BEFORE THE MAYOR AND COUNCIL OF THE CITY OF LAUREL, JONES COUNTY, MISSISSIPPI

## APPLICATION OF HOWARD INDUSTRIES, INC., FOR INITIAL EXEMPTION FROM AD VALOREM TAXES FOR A PERJOD OF TEN YEARS AS AUTHORIZED BY SECTION 27-31-101, ET SEQ., MISSISSIPPI CODE OF 1972, AS AMENDED

TO THE MAYOR AND COUNCIL OF THE CITY OF LAUREL, JONES COUNTY, MISSISSIPPI:

Howard Industries, Inc., a Mississippi corporation domiciled in Laurel, Jones County, Mississippi, authorized and doing business under the laws of the State of Mississippi, hereby respectfully makes application for initial exemption from ad valorem taxation, except state ad valorem taxation and ad valorem taxes for school district purposes and "mandated municipal levies", on tangible property used in or necessary to its operation in Laurel, Jones County, Mississippi, as set out in Exhibit "A" attached hereto and in support thereof respectfully presents the following facts, to wit:

1.

That Howard Industries, Inc., is a corporation duly created and existing under the laws of the State of Mississippi and is presently doing business in Laurel and Jones County, Mississippi.

11.

That Howard Industries, Inc. is now operating as a manufacturing industry within Laurel, Jones County, Mississippi, which factory is a bona fide expanded enterprise of public utility within the meaning of Section 27-31-101 et seq., and related sections of the Mississippi Code of 1972, as amended, and is eligible for the initial exemption granted by the above mentioned section by specific enumeration, namely "manufacturing, processors and refineries".

111.

That Howard Industries, Inc., has commenced its operations pursuant to a contract made and entered into on the 19th day of January, 1968, amended on the 15th day of August, 1968,

amended on the 29th day of August, 1972, and amended on the 21st day of August, 1978, by and between the City of Laurel, Mississippi, Jones County, Mississippi, the Laurel Airport Board, Laurel Industrial Committee of 100, and Howard Industries, Inc., and pursuant to Certificate of Public Convenience and Necessity No. 663 issued by the Mississippi Board of Economic Development of the State of Mississippi and that by and under the terms and provisions of said contract, the Mayor and Board of Commissioners of the City of Laurel, Mississippi, and Jones County, Mississippi, agreed, as an added inducement and part of the consideration for this petitioner's covenants therein upon petition by this "Company for exemption from ad valorem and other taxes upon any property owned by Company, that City and Board, and each of them, will grant to Company such tax exemptions to the full extent and for the maximum period now authorized by law and approved by the Agricultural and Industrial Board..."

IV.

That the undersigned petitioner has added additional equipment which was completed during 2016, within the meaning of the applicable statutes of the State of Mississippi, and that the granting to Howard Industries, Inc., of such initial exemption from ad valorem taxation for ten (10) years, except state ad valorem taxation and ad valorem taxes for school district purposes, and "mandated municipal levies" is authorized by Section 27-31-101 through 27-31-117, of the Mississippi Code of 1972, as last amended.

V.

That Howard Industries, Inc., is a manufacturing concern manufacturing electrical transformers. That all of the tangible property will be used for said manufacturing purposes and that attached hereto as Exhibit "A" and by reference incorporated herein is a description of said tangible property owned by Howard Industries, Inc., with a statement of the true values thereof in the amount of \$4,100,072.00.

That Howard Industries, Inc. further requests an initial exemption on raw materials and work in progress pursuant to Section 27-31-101 et seq. and on finished goods pursuant to Section 27-31-7 in such amounts as shall be reported on the personal property assessment form filed annually by the petitioner. For calendar year 2017, raw materials had a true value of \$46,334,023.00 work in progress had a true value of \$20,537,758.00, finished goods had a true value of \$32,487,101.00, all as shown on the attached Exhibit "A".

WHEREFORE, PREMISES CONSIDERED, Howard Industries, Inc., prays that this application for an initial tax exemption be received and filed, and that upon a hearing hereof the said application may be approved by the Mayor and Council of the City of Laurel, Jones County, Mississippi, and that subject to the approval of the State Tax Commission of the State of Mississippi, it be granted an initial exemption from ad valorem taxation, except state ad valorem taxation and ad valorem taxes for school district purposes and "mandated municipal levies" on all of its tangible property used in or necessary to the operation of its enterprise in Laurel, Jones County, Mississippi, for ten (10) years, commencing January 1,2018.

Respectfully submitted this the 26th day of April, 2018.

Respectfully submitted,

HOWARD INDUSTRIES, INC.

ву Richard Yoder

Assistant Secretary

STATE OF MISSISSIPPI

**COUNTY OF JONES** 

Personally appeared before me, the undersigned authority in and for the jurisdiction aforesaid, the within named RICHARD L. YODER, who, being by me first duly sworn, states on oath that he is Assistant Secretary of HOWARD INDUSTRIES, INC., a Mississippi corporation, and that as such Assistant Secretary for said corporation he is duly authorized to make this

affidavit on its behalf and in its name, and that all of the matters and facts set forth in the foregoing application for an initial exemption from advalorem taxation are true and correct as therein stated.

Richard L. Yoder

Sworn to and subscribed before me on this the 26th day of April, 2018.

My commission expires:

OF MISSISSON OF MI

#### EXHIBIT "A"

#### HOWARD INDUSTRIES, INC. SUMMARY OF 2018 REQUESTED TAX EXEMPTIONS TRANSFORMER DIVISION

#### EQUIPMENT ADDITIONS

Plant Equipment	\$ 3,914,764.00
Fork Lifts	\$ 101,094.00
Special Tools	\$ 67,198.00
Technical Equipment	<u>\$ 17,015.00</u>
TOTAL EQUIPMENT PLACED IN SERVICE	\$ 4,100,072.00
INVENTORIES Raw Materials	
(2017 calendar year true value)	<u>\$46,334,023.00</u>
Work in Progress (2017 calendar year true value)	<u>\$20.537,758.00</u>
Finished Goods (2017 calendar year true value)	\$32.487.101.00

## HOWARD INDUSTRIES, INC. TRANSFORMER PLANT ADDITIONS FOR YEAR 2017

EQUIPMENT ADDITIONS		VALUE
Plant Equipment	\$	3,914,764
Fork Lifts	\$	101,094
Special Tools	\$	67,198
Office Equipment	\$	-
Technical Equipment	_\$	17,015
Total Equipment Placed in Service	\$	4,100,072
;		
INVENTORIES		
INVENTORIES		

Raw Materials (2017 calendar year true value)	\$ 46,334,023
Work in Progress (2017 calendar year true value)	\$ 20,537,758
Finished Goods (2017 calendar year true value)	\$ 32,487,101

FOR IEAG	K 2017		4	PLANT
EQUIP#	class	DESC	DATE	COST
61102608	61	CONVERSION OF CW7 CMPTR HI PJ 580	20517 \$	28,827.78
61102609	61	TENSIONER CW7 HI PJ 582	20517 \$	3,787.01
61104703	61	CONVERSION OF CW 9 HI PJ 617	70217 \$	26,107.44
61170206	61	TENSIONER CW 21 HI PJ 582	20517 \$	3,787.01
61208801	61	TENSIONER CW 32 HI PJ 582	20517 \$	3,787.02
61209802	61	REBUILD #12 100HP GULF STATE ENGINEERI	50517 \$	13,338.51
61533701	61	CONVERT CW 151 HI PJ 600	70217 \$	19,631.29
61635201	61	CONVERT CW 176 HI PJ 600	70217 \$	19,631.29
61703601	61	LASER VACUUM PUMP HI PJ 691	43017 \$	6,961.87
61714301	61	LASER VACCUM PUMP HI PJ 667	70217 \$	9,588.92
61724700	61	REGULATOR TEST STATION HI PJ 564	20517 \$	1,149,930.90
61724800	61	ROLLERBED FOR REGULATOR HI PJ 644	20517 <b>\$</b>	6,361,61
61725000	61	LARGE LINE OIL SHAKER HI PJ 397	20517 \$	23,146.60
61725700	61	ANNEALING OVEN & INSTALL HI PJ 539	20717 \$	281,661.54
61725800	61	ROLLERS FOR CONT OVEN 5 HI PJ 618	20517 \$	11,461.87
61725900	61	REGULATOR STAND PROD HI PJ 542	20717 \$	14,105.66
61726000	61	STEEL THICKNESS VERF SYS HI PJ 549	20517 \$	8,167.01
61726100	61	LASER STEEL STORAGE CONVEYOR HI PJ 552	20517 \$	24,952.07
61726400	61	QTY 3 BALL TRSF TABLES HI PJ 574	20717 \$	7,115.06
61726500	61	QTY 2 SMART WIRE FEEDERS HI PJ 590	20517 \$	10,170.58
61726700	61	CONVEYOR SKIDS HI PJ 594	20517 \$	15,795.34
61726800	61	WEAR PARTS FOR ATC HI PJ 596	20517 \$	34,452,93
61726900	61	5 TON CHAIN HOIST W/ HI PJ 603	20717 <b>\$</b> 20517 <b>\$</b>	11,030.89
61727000	61	120 FT GRAVITY CONVEYOR HI PJ 647 3 TON OVERHEAD CRANE HI PJ 647	20517 \$	12,102.04
61727100	61 61	TANKSHIP LEAKTEST CONVYR HI PJ 653	20517 \$	17,415.14 23,032.60
61727200	61	AIR COMPARTMNT BUGGIES HI PJ 654	20517 \$	11,626.31
61727300	61	LACING TABLES FOR SM LINE IA HI PJ 605	20517 \$	26,735.04
61727400 61727900	61	VACUUM PUMPS & BOOSTRS HI PJ 619	20517 \$	40,379.08
61728000	61	POWERED ROLLER CONVEYOR HI PJ 622	20517 \$	26,937,46
61729000	61		20517 \$	25,458.52
61729100	61	(2)7.5HP INDSTL CABINET SAW HI PJ 648	20517 \$	12,512.78
61729300	61	POWDER PAINT FILTRATION HI PJ 651	20517 \$	13,257.57
61729400	61	CINCINNATI 4312 MECH HI PJ 658	20517 \$	47,563.47
61729500	61	2 TON CHAIN HOIST TANK HI PJ 660	20517 \$	8,725.87
61729700	61	TORQUE WRENCHES HI PJ 669	20517 \$	6,199.50
61729900	61	SCHLEUNIGER WIRE CUTTING HI PJ 690	20517 \$	7,099.93
61730000	61	ADDITION TO OLD POLE VAC CHAMBER HI PJ 680	20517 \$	232,199.00
61730100	61	VACUM CHAMBER ROLLERBED HI PI 680	20517 \$	157,719.79
61730200	61	LEIFIELD LATHE HERITAGE GLOBAL PART	21317 \$	8,206.90
61730300	61	OIL FILLED VOLTAGE TSFMR INST TRANS EQUIPMENT	30917 \$	8,046.92
61730400	61	BIG MOTOR 400HZ BIDADOO AUCTION SVCS	31017 \$	4,429.80
61730500	61	OVEN UPGRADE - REPLACE STUART CIRBY	22717 \$	5,613.00
61730700	61	TANKSHOP LEAKTEST HI PJ 488	43017 \$	19,217.94
61731000	61	TOP FOR 3 STAGE WASHERS HI PJ 611	43017 \$	23,616.33
61731100	61	BARCODE SCANNERS HI PJ 626	43017 \$	20,951.52
61731500	61	LINCOLN POWERWAVE WELDERS HI PJ 655	43017 \$	25,311.93
61731700	61	HYDRAULIC SWEDGE PRESS & HI PJ 684 RACKS FOR PAPER STORAGE HI PJ 698	43017 <b>\$</b> 43017 <b>\$</b>	6,496.00
61731800	61	ROLLER BALL TABLE HI PJ 702	43017 \$	5,810.94 5,671.70
61731900	61 61	POWERED ALUMINUM HI PJ 703	43017 \$	5,671.79 11,709.79
61732000 61732100	61	WARCO PAPER FOLDER HI PJ 704	43017 \$	6,982.49
61732200	61	CHILLER S/N 47B0735 AEC INC	61517 \$	11,900.05
61732300	61	AUTOMATED WELDING HI PJ 354	70217 \$	29,957.41
61732400	61	FLIP TABLE HI PJ 378	70217 \$	21,782.25
61732500	61	ROLLER BED WITH TURN HI PJ 378	70217 \$	32,755.26
61732600	61	WELD EQUIP WITH HI PJ 378	70217 \$	27,350.64
61732700	61	TOPCOAT PAINT ROBOT HI PJ 401	70217 \$	591,202.65
61732800	61	PARKING STAND WELDING HI PJ 453	70217 \$	48,265.76
61732900	61	AMADA 80 TON PRESS HI PJ 526/PEAVY	70217 \$	28,207.18
61733000	61	AMADA 25 TON PRESS HI PJ 526/PEAVY	70217 \$	14,933.21
61733100	61	AMADA 80 TON PRESS HI PJ 526/PEAVY	70217 \$	51,436.62
61733200	61	MINSTER 6.56 TON BACK HI PJ 526 / PEAVY	70217 \$	18,251.70
61733300	61	250 HP ROTARY SCREW A/C HI PJ 526/PEAVY SHELDON LATHE HI PJ 526/PEAVY	70217 \$	29,866.43
61733400	61 61	SHELDON LATHE HI PJ 526/PEAVY MICROMASTER SURFACE HI PJ 526/PEAVY	70217 \$ 70217 \$	3,318.49 1,650.25
61733500 61733600	61 61	LIFT ATTACHMENTS AND HI PJ 613	70217 \$	1,659.25 15,427.20
61733800	61	POWER AND FREE TROLLEYS HI PJ 646	70217 \$	35,646.29
61733900	61	LASER BELLOWS (RESONATOR HI PJ 649	70217 \$	29,912.73
61734100	61	DRYOFF BLOWER SYSTEM HI PJ 657	70217 \$	32,361.04
				•

FOR YEAR	2017				PLANT
EQUIP#	class	DESC	DATE		COST
61734300	61	LIFT TABLES TANK SHOP HI PJ 670	70217	\$	26,786.90
61734600	61	FLANGE CRIMP TOOLS HI PJ 678	70217	\$	6,516.52
61734800	61	CANTILEVER STYLED STORAGE HI PJ 689	70217		22,813.79
61734900	61	PLASMA CUTTING TABLES HI PJ 707	70217	\$	5,671.84
61735100	61	POWERED CONVEYOR FROM HI PJ 713	70217	\$	9,381.93
61735200	61	USED PAINT ROBOT HI PJ 715	70217	\$	185,273.03
61735600	61	COIL STORAGE CRATES HI PJ 725	70217	\$	21,575.16
61735800	61	CONTINUOUS OVEN MODIFIATION CHANCELOR INC	70517		12,135.40
61736200	61	WINDER REALIGNMENTS MULTIPLE UNITS	20517	\$	26,866.00
61736300	61	GUIDE & TENSIONER MODIFICATION Multiple UnitsHI PJ 699	43017	\$	18,679.95
		TOTAL	,	\$	3,914,764.33
					FORK LIFT
		NISC.	DATE		COST
EQUIP#	class		22817	•	9,617.13
65290000			11717		6,572.13
65290100		HYSTER LIFT B60ZAC DEEP SOUTH EQUIPMENT 8FGCU25 5K LBS LIFT LILLY COMPANY	31617		9,845.50
65290200			51917		17,114.65
65290500			51917		17,114.65
65290600		TOYOTA 8FGCU15 LILLY COMPANY	50217		11,653.91
65290700		UNIT 110 TRANSMISSION INDUS SVCS OF LAUREL	92117		15,072.75
65291000		6000 LB TOYOTA LILLY COMPANY	70217		6,636.98
65291100 65291200		NISSAN 5000 LBS LIFT HI PJ 526/PEAVY NISSAN 5000 LBS LIFT HI PJ 526/PEAVY	70217		7,466.61
		TOTAL		<u> </u>	101,094.31
		TOTAL		<u> </u>	101,094.31
					SPECIALTOOLS
POT IT THE	-1	DESC	DATE		COST
EQUIP#	class	DOOR ROD GUIDE DIE HI PJ 483	20517	\$	10,455.94
67860500	67	DOOR STOP ROD #2 HI PJ 688	20517		6,795.43
67860600	67 67	AMADA PRESSBRAKE TOOLING HI PJ 554	20517		11,820.70
67860700 67860800	67	SILL DIE HI PJ 624	20517		15,225,00
67860900	67	CONTROL BOX COVER DIE HI PJ 629	20517		9,135.00
67861000	67	HORN PRESS DIE HI PJ 668	20517		13,766.02
		TOTAL		_	67,198.09
		TOTAL		<del></del>	07,170.03
				TEC	CHNICAL EQUIPMENT
EQUIP#	class	DESC	DATE		COST
63944200 63945100	63 63	HP DESIGNJET PRINTER T2530 HOWARD TECH SOLUTION REFURBISHED TOUGHBOOKS HOWARD TECH SOLUTION	30817 72617		9,448.05 7,567.04
		TOTAL		<u>\$</u>	17,015.09

# ORDER APPROVING APPLICATION OF HOWARD INDUSTRIES, INC. FOR AN INITIAL TAX EXEMPTION FOR A PERIOD OF TEN YEARS AS AUTHORIZED BY SECTION 27-31-101, ET SEQ., MISSISSIPPI CODE OF 1972 AS AMENDED

There came on for hearing this day before the Mayor and Council of the City of Laurel, Jones County, Mississippi, the sworn application of Howard Industries, Inc., for an initial exemption from ad valorem taxation, except state ad valorem taxation and ad valorem taxes for school district purposes and "mandated municipal levies", of all of its tangible property used in connection with and necessary to the operation of said Howard Industries, Inc., industrial plant in the City of Laurel, Second Judicial District, Jones County, Mississippi, under provisions of Section 27-31-101, et seq., Mississippi Code of 1972 Annotated, as amended and other pertinent statutes; the Mayor and Council having considered same and being fully advised in the premises finds as follows:

I.

That Howard Industries, Inc., is a corporation duly created and existing under the laws of the State of Mississippi and is presently doing business in Laurel, Jones County, Mississippi.

II.

That Howard Industries, Inc. is now operating as a manufacturing industry within Laurel, Jones County, Mississippi, which factory is a bona fide expanded enterprise of public utility within the meaning of Section 27-31-101 et seq., and related sections of the Mississippi Code of 1972, as amended, and is eligible for the initial exemption granted by the above mentioned section by specific enumeration, namely "manufacturing, processors and refineries".

That Howard Industries, Inc., commenced its operation pursuant to a contract made and entered into on the 19th day of January 1968, amended on the 15th day of August, 1968, amended on the 29th day of August, 1972, and amended on the 21st day of August, 1978, by and between the City of Laurel, Mississippi, Jones County, Mississippi, the Laurel Airport Board, Laurel Industrial Committee of 100 and Howard Industries, Inc., and pursuant to Certificate of Public Convenience and Necessity No. 663 issued by the Mississippi Board of Economic Development of the State of Mississippi, and that by and under the terms and provisions of said contract, the Mayor and Board of Commissioners of the City of Laurel, Mississippi, and Jones County, Mississippi, agreed, as an added inducement and part of the consideration for the petitioner's covenants therein, upon petition by this "Company for exemption from ad valorem and other taxes upon any property owned by Company, that City and Board, and each of them, will grant to Company such tax exemptions to the full extent and for the maximum period now authorized by law and approved by the Agricultural and Industrial Board.

#### IV.

That the petitioner has added additional equipment which was completed during 2017, within the meaning of the applicable statutes of the State of Mississippi, and that the granting to Howard Industries, Inc., of such initial exemption from ad valorem taxation for ten (10) years, except state ad valorem taxation and ad valorem taxes for school district purposes and "mandated municipal levies" is authorized by Section 27-31-101 through 27-31-117, of the Mississippi Code of 1972, as last amended.

That Howard Industries, Inc., is a manufacturing concern manufacturing electrical transformers. That all of the tangible property will be used for said manufacturing purposes and that attached hereto as Exhibit "A" and by reference incorporated herein is a description of said tangible property owned by Howard Industries, Inc., with a statement of the true values thereof in the amount of \$4,100,072.00.

#### VI.

That Howard Industries, Inc. further requests an initial exemption on raw materials and work in progress pursuant to Section 27-31-101 et seq. and on finished goods pursuant to Section 27-31-7 in such amounts as shall be reported on the personal property assessment form filed annually by the petitioner. For calendar year 2017, raw materials had a true value of \$46,334,023.00, work in progress had a true value of \$20,537,758.00, finished goods had a true value of \$32,487,101.00, all is shown on the attached Exhibit "A".

IT IS, THEREFORE, ORDERED, subject to the approval of the State Tax Commission, that the application of Howard Industries, Inc., for an initial exemption from ad valorem taxation, except state ad valorem taxation and ad valorem taxes for school district purposes, be and it is hereby granted, and that all the property described in said application, and exhibited thereto, in the amount of \$4,100,072.00 and raw materials, work in progress and finished goods in such amounts as shall be reported in the personal property assessment form filed annually by Howard Industries, Inc., which for calendar year 2017, raw materials had a true value of \$46,334,023.00, work in progress had a true value of \$20,537,758.00, and finished goods had a true value of \$32,487,101.00, be and it is hereby initially exempted from all ad valorem taxation except state ad valorem taxation and ad valorem taxation for school district purposes and "mandated municipal levies", for ten (10) years, commencing January 1, 2018, and concluding December 31, 2027.

IT IS FURTHER ORDERED, that the Clerk shall transmit a certified copy of this Order, in triplicate, to the State Tax Commission, thereby signifying the desire of the Mayor and City Council of the City of Laurel, Jones County, Mississippi, that said Board shall approve its action as herein set forth.

A Motion was made by <u>Councilperson Thaxton</u>, seconded by <u>Councilperson Wheat</u>, that the above Order be adopted.

Upon roll call vote, the results were as follows:

Yeas: Capers, Wheat, Thaxton, Carmichael, S. Comegys, T. Comegys, Page

Nays: None

Abstaining: None Absent: None

The President thereupon of	leclared the motion carried and the Order adopted this the 8th day
of May, A.D., 2018.	ane (
	PRESIDENT OF COUNCIL

ATTESTED TO AND SUBMITTED TO	THE MAYOR BY THE CLERK OF THE COUNCIL
ON <u>5-10-18</u>	Sharon Kina
en wally	CLERK OF COUNCIL
OF LAURIN	APPROVED ( ) DATE: 5/19/18
* MUNICIDA	VETOED ( ) DATE:
SEAL E	l MII
	MAYOR
AZTEST:	
1 beyling tess	
CATY CLERK	

Min. of 05/08/18; Bk. No. 101, Pg. No. 38, Agn. Item No. 48

#### STATE OF MISSISSIPPI

#### COUNTY OF JONES

I, Man Auu Hess, City Clerk, City of Laurel, Jones County, Mississippi,
do hereby certify that the foregoing is a true and correct copy of an order duly adopted by the Mayor
and Council of the City of Laurel, Jones County, Mississippi, at a Lega lak meeting of said
Council held in Laurel, Mississippi, on this the, day of, 2018.
Given under my hand and official seal on this the Aday of May 2018.  (SEAL) SEAL SEAL SEAL SEAL SEAL SEAL SEAL SEAL

### BEFORE THE MAYOR AND COUNCIL OF THE CITY OF LAUREL, JONES COUNTY, MISSISSIPPI

APPLICATION OF HOWARD INDUSTRIES, INC., FOR INITIAL EXEMPTION FROM AD VALOREM TAXES FOR A PERJOD OF TEN YEARS AS AUTHORIZED BY SECTION 27-31-101, ET SEQ., MISSISSIPPI CODE OF 1972, AS AMENDED

TO THE MAYOR AND COUNCIL OF THE CITY OF LAUREL, JONES COUNTY, MISSISSIPPI:

Howard Industries, Inc., a Mississippi corporation domiciled in Laurel, Jones County, Mississippi, authorized and doing business under the laws of the State of Mississippi hereby respectfully makes application for initial exemption from ad valorem taxation, except state ad valorem taxation and ad valorem taxes for school district purposes and "mandated municipal levies", on tangible property used in or necessary to its operation in Laurel, Jones County, Mississippi, as set out in Exhibit "A" attached hereto and in support thereof respectfully presents the following facts, to wit:

I.

That Howard Industries, Inc., is a corporation duly created and existing under the laws of the State of Mississippi and is presently doing business in Laurel and Jones County, Mississippi.

H.

That Howard Industries, Inc. is now operating as a manufacturing industry within Laurel, Jones County, Mississippi, which factory is a bona fide expanded enterprise of public utility within the meaning of Section 27-31-101 et seq., and related sections of the Mississippi Code of 1972, as amended, and is eligible for the initial exemption granted by the above mentioned section by specific enumeration, namely "manufacturing, processors and refineries".

111.

That Howard Industries, Inc., has commenced its operations pursuant to a contract made and entered into on the 19th day of January, 1968, amended on the 15th day of August, 1968,

amended on the 29th day of August, 1972, and amended on the 21st day of August, 1978, by and between the City of Laurel, Mississippi, Jones County, Mississippi, the Laurel Airport Board, Laurel Industrial Committee of 100, and Howard Industries, Inc., and pursuant to Certificate of Public Convenience and Necessity No. 663 issued by the Mississippi Board of Economic Development of the State of Mississippi and that by and under the terms and provisions of said contract, the Mayor and Board of Commissioners of the City of Laurel, Mississippi, and Jones County, Mississippi, agreed, as an added inducement and part of the consideration for this petitioner's covenants therein upon petition by this "Company for exemption from ad valorem and other taxes upon any property owned by Company, that City and Board, and each of them, will grant to Company such tax exemptions to the full extent and for the maximum period now authorized by law and approved by the Agricultural and Industrial Board..."

#### IV.

That the undersigned petitioner has added additional equipment which was completed during 2016, within the meaning of the applicable statutes of the State of Mississippi, and that the granting to Howard Industries, Inc., of such initial exemption from ad valorem taxation for ten (10) years, except state ad valorem taxation and ad valorem taxes for school district purposes, and "mandated municipal levies" is authorized by Section 27-31-101 through 27-31-117, of the Mississippi Code of 1972, as last amended.

٧.

That Howard Industries, Inc., is a manufacturing concern manufacturing electrical transformers. That all of the tangible property will be used for said manufacturing purposes and that attached hereto as Exhibit "A" and by reference incorporated herein is a description of said tangible property owned by Howard Industries, Inc., with a statement of the true values thereof in the amount of \$4,100,072.00.

That Howard Industries, Inc. further requests an initial exemption on raw materials and work in progress pursuant to Section 27-31-101 et seq. and on finished goods pursuant to Section 27-31-7 in such amounts as shall be reported on the personal property assessment form filed annually by the petitioner. For calendar year 2017, raw materials had a true value of \$46,334,023.00 work in progress had a true value of \$20,537,758.00, finished goods had a true value of \$32,487,101.00, all as shown on the attached Exhibit "A".

WHEREFORE. PREMISES CONSIDERED, Howard Industries. Inc., prays that this application for an initial tax exemption be received and filed, and that upon a hearing hereof the said application may be approved by the Mayor and Council of the City of Laurel, Jones County, Mississippi, and that subject to the approval of the State Tax Commission of the State of Mississippi, it be granted an initial exemption from ad valorem taxation, except state ad valorem taxation and ad valorem taxes for school district purposes and "mandated municipal levies" on all of its tangible property used in or necessary to the operation of its enterprise in Laurel, Jones County, Mississippi, for ten (10) years, commencing January 1,2018.

Respectfully submitted this the 26th day of April, 2018.

Respectfully submitted,

HOWARD INDUSTRIES, INC.

By Richard Yoder

**Assistant Secretary** 

STATE OF MISSISSIPPI

COUNTY OF JONES

Personally appeared before me, the undersigned authority in and for the jurisdiction aforesaid, the within named RICHARD L. YODER, who, being by me first duly sworn, states on oath that he is Assistant Secretary of HOWARD INDUSTRIES, INC., a Mississippi corporation, and that as such Assistant Secretary for said corporation he is duly authorized to make this

affidavit on its behalf and in its name, and that all of the matters and facts set forth in the foregoing application for an initial exemption from ad valorem taxation are true and correct as therein stated.

Richard L. Yoder

Sworn to and subscribed before me on this the 2th day of April, 2018.

My commission expires:



#### EXHIBIT "A"

### HOWARD INDUSTRIES, INC. SUMMARY OF 2018 REQUESTED TAX EXEMPTIONS TRANSFORMER DIVISION

### **EQUIPMENT ADDITIONS**

Plant Equipment	\$ 3,914,764.00
Fork Lifts	\$ 101,094.00
Special Tools	\$ 67,198.00
Technical Equipment	<u>\$ 17,015.00</u>
TOTAL EQUIPMENT PLACED IN SERVICE	<u>\$ 4,100,072.00</u>
INVENTORIES Raw Materials (2017 calendar year true value)	<u>\$46,334,023.00</u>
Work in Progress (2017 calendar year true value)	<u>\$20,537.758.00</u>
Finished Goods (2017 calendar year true value)	<u>\$32,487,101.00</u>

#### HOWARD INDUSTRIES, INC. TRANSFORMER PLANT ADDITIONS FOR YEAR 2017

EQUIPMENT ADDITIONS	VALUE		
Plant Equipment	\$	3,914,764	
Fork Lifts	\$	101,094	
Special Tools	\$	67,198	
Office Equipment	s	. •	
Technical Equipment	_\$	17,015	
Total Equipment Placed in Service	<u> </u>	4,100,072	

#### INVENTORIES

Raw Materials (2017 calendar year true value)	\$	46,334,023
Work in Progress (2017 calendar year true value)	<u>\$</u>	20,537,758
Finished Goods	\$	<b>32,487,10</b> 1

70112101	2017			PLANT
COLUMN	-lose	DESC	DATE	COST
EQUIP#	class 61	CONVERSION OF CW7 CMPTR HI PJ 580	20517 \$	28,827.78
61102608	61	TENSIONER CW7 HI PJ 582	20517. \$	3,787.01
61102609 61104703	61	CONVERSION OF CW 9 HI PI 617	70217 \$	26,107.44
61170206	61	TENSIONER CW 21 HI PJ 582	20517 \$	3,787.01
61208801	61	TENSIONER CW 32 HI PJ 582	20517 \$	3,787.02
61209802	61	REBUILD #12 100HP GULF STATE ENGINEERI	50517 \$	13,338.51
61533701	61	CONVERT CW 151 HI PJ 600	70217 \$	19,631.29
61635201	61	CONVERT CW 176 HI PJ 600	70217 \$	19,631.29 6,961.87
61703601	61	LASER VACUUM PUMP HI PJ 691	43017 \$	9,588.92
61714301	61	LASER VACCUM PUMP HI PJ 667	70217 <b>\$</b> 20517 <b>\$</b>	1,149,930.90
61724700	61	REGULATOR TEST STATION HI PJ 564	20517 <b>\$</b>	6,361.61
61724800	61	ROLLERBED FOR REGULATOR HI PJ 644	20517 \$	23,146.60
61725000	61	LARGE LINE OIL SHAKER HI PJ 397	20717 \$	281,661.54
61725700	61	ANNEALING OVEN & INSTALL HI PJ 539	20517 \$	11,461.87
61725800	61	ROLLERS FOR CONT OVEN 5 HI PJ 618 REGUL ATOR STAND PROD HI PJ 542	20717 \$	14,105.66
61725900	61		20517 \$	8,167.01
61726000	61	STEEL THICKNESS VERF SYS HI PJ 549 LASER STEEL STORAGE CONVEYOR HI PJ 552	20517 \$	24,952.07
61726100	61	QTY 3 BALL TRSF TABLES HIPJ 574	20717 \$	7,115.06
61726400	61	QTY 2 SMART WIRE FEEDERS HI PJ 590	20517 \$	10,170.58
61726500	61	CONVEYOR SKIDS HI PJ 594	20517 \$	15,795.34
61726700	61 61	WEAR PARTS FOR ATC HI PJ 596	20517 \$	34,452.93
61726800	61	5 TON CHAIN HOIST W/ HI PI 603	2071 <b>7 \$</b>	11,030.89
61726900 61727000	61	120 FT GRAVITY CONVEYOR HI PJ 647	20517 \$	12,102.04
61727100	61	3 TON OVERHEAD CRANE HI PJ 647	20517 \$	17,415.14 23,032.60
61727200	61	TANKSHIP LEAKTEST CONVYR HI PJ 653	20517 <b>\$</b> 20517 <b>\$</b>	11,626.31
61727300	61	AIR COMPARTMNT BUGGIES HI PJ 654	20517 <b>\$</b>	26,735.04
61727400	61	LACING TABLES FOR SM LINE IA HI PI 605	20517 \$	40,379.08
61727900	61	VACUUM PUMPS & BOOSTRS HI PJ 619	20517 \$	26,937.46
61728000	61	POWERED ROLLER CONVEYOR HI PJ 622	20517 <b>S</b>	25,458.52
61729000	61	7.5 TON BRIDGE CRANE HI PJ 645	20517 \$	12,512.78
61729100	61	(2)7.5HP INDSTL CABINET SAW HI PJ 648	20517 \$	13,257.57
61729300	61	THE DISCONTINUE AND ADDRESS OF THE PROPERTY OF	20517 \$	47,563.47
61729400	61		20517 \$	<b>8,725.87</b>
61729500	61	131 DI 660	20517 \$	6,199.50
61729700	61 61	SCUI EUNIGER WIRE CUITTING HI PJ 690	20517 \$	7,099.93
61729900 61730000	61	ADDITION TO OLD POLE VAC CHAMBER HI PJ 680	20517 \$	232,199.00
61730100	61	VACUM CHAMBER ROLLERBED HI PJ 680	20517 \$	157,719.79 8,206.90
61730200	61	PERITAGE GLOBAL PAKT	21 <b>317 \$</b> 30917 <b>\$</b>	8,046.92
61730300	61	OIL FILLED VOLTAGE TSFMR INST TRANS EQUIPMENT	31017 \$	4,429.80
61730400		BIG MOTOR 400HZ BIDADOO AUCTION SVCS	22717 \$	5,613.00
61730500		OVEN UPGRADE - REPLACE STUART C IRBY	43017 \$	19,217.94
61730700		TANKSHOP LEAKTEST HI PJ 488	43017 \$	23,616.33
6173100 <b>0</b>		TOP FOR 3 STAGE WASHERS HI PJ 611  BARCODE SCANNERS HI PJ 626	43017 \$	20,951.52
61731100		PARCODO ON THE WASTE WITH DEDG HI PI 655	43017 \$	25,311.93
61731500			43017 \$	6,496.00
61731700		DARD OTODACE UIDI 608	43017 \$	5,810.94
61731800 61731900			43017 \$	5,671.79
61732000			43017 \$	11,709.79 6,982.49
61732100		I WARCO PAPER FOLDER HI PJ 704	43017 \$	11,900.05
61732200		CHILLER S/N 47B0735 AEC INC	61517 \$ 70217 \$	29,957.41
61732300	_		70217 S	21,782.25
61732400	6	FLIP TABLE HI PJ 378	70217 \$	32,755.26
61732500		177 DY 279	70217 \$	27,350.64
61732600	_	1 41 PPP PACT 1111	70217 \$	591,202.65
61732700		101 Oct 100 100 100 100 100 100 100 100 100 10	70217 \$	48,265.76
61732800	_	THE TOTAL PROPERTY OF THE PROP	70217 \$	28,207.18
61732900	_	AMADA 25 TON PRESS HI PJ 526/PEAVY	70217 \$	14,933.21
61733000 61733100	-	AMADA 80 TON PRESS HI PJ 526/PEAVY	70217 \$	51,436.62
01/33101		MINSTER 6.56 TON BACK HI PJ 526 / PEAVY	70217 \$	18,251.70 29,866.43
		1 250 HP ROTARY SCREW A/C HI PJ 526/PEAVY	70217 \$ 70217 \$	3,318.49
61733200	U U	TIT DI FOLDE AVV		1,659.25
			70217 5	
61733200 61 <b>7</b> 33 <b>30</b> 0	0 6	MICROMASTER SURFACE HI PJ 526/PEAVY	70217 \$ 70217 \$	15,427.20
61733200 61733300 61733400 61733500 6173360	0 6 0 6	MICROMASTER SURFACE HI PJ 526/PEAVY HI PJ 613	70217 \$ 70217 \$ 70217 \$	7
61733200 61733300 61733400 61733500 61733600	0 6 0 6 0 6	MICROMASTER SURFACE HI PJ 526/PEAVY LIFT ATTACHMENTS AND HI PJ 613 DOWER AND FREE TROLLEYS HI PJ 646	70217 <b>\$</b>	15,427.20 35,646.29 29,912.73
61733200 61733300 61733400 61733500 6173360	0 6 0 6 0 6	MICROMASTER SURFACE HI PJ 526/PEAVY HI PJ 613	70217 \$ 70217 \$	15,427,20 35,646.29

FOR YEAR	L <b>201</b> 7				
					PLANT
EQUIP#	ciass	DESC	DATE		COST
61734300	61	LIFT TABLES TANK SHOP HI PJ 670	70217	\$	26,786.90
61734600	61	FLANGE CRIMP TOOLS HI PJ 678	70217		6,516.52
61734800	61	CANTILEVER STYLED STORAGE HI PJ 689	70217		22,813.79
61734900	61	PLASMA CUTTING TABLES HI PJ 707	70217		5,671.84
61735100	61	POWERED CONVEYOR FROM HI PJ 713	70217		9,381.93
61735200	61	USED PAINT ROBOT HI PJ 715	70217		185,273.03
61735600	61		70217		21,575.16
61735800	61	CONTINUOUS OVEN MODIFIATION CHANCELOR INC	70517		12,135.40
61736200		WINDER REALIGNMENTS MULTIPLE UNITS	20517		26,866.00
61736300	61	GUIDE & TENSIONER MODIFICATION Multiple UnitsHI FJ 699	43017		18,679.95
01/20200	01	GODDE & INVOICINE MODE ICATION Mandra committee on	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,		
				-	
		TOTAL		\$	3,914,764.33
		IOTAL			
		•			
					FORK LIFT
roi ma	-1444	DESC	DATE	:	COST
EQUIP#	class	YALE MPE080-VG LIFT DEEP SOUTH EQUIPMENT	22817	\$	9,617.13
65290000			11717		6,572.13
65290100		•	31617		9,845.50
65290200			51917		17,114.65
65290500		TOYOTA 8FGCU15 LILLY COMPANY	51917		17,114.65
65290600		TOYOTA 8FGCUIS LILLY COMPANY			, 500
65290700	65	UNIT 110 TRANSMISSION INDUS SVCS OF LAUREL	50217		11,653.91
65291000	65	6000 LB TOYOTA LILLY COMPANY	92117		15,072.75
65291100	65	NISSAN 5000 LBS LIFT HI PJ 526/PEAVY	70217		6,636.98
65291200	65	NISSAN 5000 LBS LIFT HI PI 526/PEAVY	70217	5.	7,466.61
•	•	TOTAL	100	<u> </u>	101,094.31
					SPECIALTOOLS
EQUIP#	class	DESC	DATE		COST
57860500	67	DOOR ROD GUIDE DIE HII PJ 483	20517		10,455.94
67860600	67	DOOR STOP ROD #2 HI PJ 688	20517		6,795.43
57860700	67	AMADA PRESSBRAKE TOOLING HI PJ 554	20517		11,820.70
67860800	67	SILL DIE HI PJ 624	20517		15,225.00
67860900	67	CONTROL BOX COVER DIE HI PJ 629	20517	,	9,135.00
57861000	67	HORN PRESS DIE HI PJ 668	20517	\$	13,766.02
		TOTAL		5	67,198.09
		4.7			
				TEC	HNICAL EQUIPMENT
		DESC	DATE	٠.	COST
EQUIP#	class	HP DESIGNJET PRINTER T2530 HOWARD TECH SOLUTION	30817	2	9,448.05
63944200 63945100	63 63	REFURBISHED TOUGHBOOKS HOWARD TECH SOLUTION	72617		7,567.04
					·
		TOTAL		\$	17,015.09
		· ·			