



CITY OF FRANKLIN

Community Development Department

Memorandum

To: City of Franklin Economic Development Commission
From: Krista Linke, Community Development Director
Date: April 10, 2018
Re: Case C 2018-01: 84 Lumber Company and Pierce Hardy Limited Partnership

Summary:

- On March 7th, 2016, the Franklin Common Council passed Resolution Number 2016-03 and Resolution Number 2016-05 approving a 7-year tax abatement on real property with a 2% Economic Development Fee and a 5-year tax abatement on personal property with a 5% Economic Development Fee at 1850 N. Graham Road.
- Actual and estimated benefits, as projected for 2017:

	Estimated on SB-1	Actual in 2017	Difference
New Employees	67	36	-31
Salaries	\$2,143,357	\$1,370,601	-\$772,756
Average Hourly Salaries	\$15.38	\$18.30	\$2.92
Personal Property Improvements	\$1,750,000	\$2,355,704	\$605,704
Real Property Improvements	\$650,000	\$2,686,683	\$2,036,683

- The company indicated they would hire 67 new employees by the end of 2016. As their deficiency letter states, they did not open the facility until June 2016 and they only hired 37 employees in 2016. Their average hourly salary estimated was \$15.38 and their actual average hourly salary was slightly higher at \$15.78. The original Employment Phase-In Schedule submitted with their application estimated 67 employees in 2016, an additional 8 employees in 2017, and an additional 10 employees in 2018 (85 total in 3 years). 84 Lumber is well under the number of employees estimated on the SB-1 form. As stated in the letter of noncompliance, the work is seasonal. In the busiest quarter of 2017, there were 74 employees. The number reported is for the end of fourth quarter 2017. The number inserted in the table includes the manager, so the average hourly salary is above the estimate.
- The company has greatly exceeded their estimate provided on their SB-1 Form for real property.
- The company has greatly exceeded their estimate provided on their SB-1 Form for personal property.
- The real property tax abatement for Pierce Hardy Limited Partnership is scheduled to expire in tax year 2022 payable 2023. The personal property tax abatement for 84 Lumber Company is scheduled to expire in tax year 2020 payable 2021. The final compliance review will take place in 2023.

Staff Recommendation: Approval



LUMBER COMPANY

February 21, 2018

Krista Linke, AICP
Director of Community Development
City of Franklin
70 East Monroe Street
Franklin, IN 46131

RE: 2017 Tax Abatement Compliance Packet for 84 Lumber Company / Pierce Hardy Limited Partnership

Dear Ms. Linke:

Enclosed, please find Forms C-F-1/RE and CF-1/PP (compliance with Statement of Benefits) regarding compliance with the real property and personal property tax abatements which were granted to 84 Lumber Company / Pierce Hardy Limited Partnership in 2016 under Franklin Common Council Resolution 16-03/16-05.

As can be seen from reviewing the enclosed documents, our company has been successful in (a) Purchasing the building known as 1850 N. Graham Road, Franklin, IN and making improvements to the same for the total amount spent on the purchase of the property and the improvements was \$2,686,682.70

(b) Investing in certain personal property equipment including machinery, computers and vehicles in the amount of \$2,355,704.20.

In 2017 looking at the full year, not counting the manager who does not have an hourly wage, the average hourly wage of our associates was \$15.04. Our original application predicted an average wage of \$15.38.

During our busiest quarter in 2017, we had 74 associates employed. Due to the seasonality of our business the associate count fluctuates as follows:

Quarter 1 2017	61
Quarter 2 2017	74
Quarter 3 2017	42
Quarter 4 2017	35

We believe as business continues to ramp up we will hire additional associates and will hire more designers and management personnel which will increase the average wage.



LUMBER COMPANY

Since we are presently addressing these concerns and continue to seek additional business and hope to have these issues finally resolved within the five year period outlined for the job creation goal, it is our desire and request that the City of Franklin will look favorably upon our activities and grant us the additional time to be in full compliance with our tax abatement commitments.

Respectfully,
84 Lumber Company and Pierce Hardy Limited Partnership

Cheri B. Bomar
Corporate Counsel

**COMPLIANCE WITH STATEMENT OF BENEFITS
REAL ESTATE IMPROVEMENTS**

State Form 51766 (R2 / 1-07)

Prescribed by the Department of Local Government Finance

20__ PAY 20__

FORM CF-1 / Real Property**PRIVACY NOTICE**

The cost and any specific individual's salary information is confidential; the balance of the filing is public record per IC 6-1.1-12.1-5.1 (c) and (d).

This statement is being completed for real property that qualifies under the following Indiana Code (check one box):

- ☐ Redevelopment or rehabilitation of real estate improvements (IC 6-1.1-12.1-4)
☐ Eligible vacant building (IC 6-1.1-12.1-4.8)

INSTRUCTIONS:

1. This form does not apply to property located in a residentially distressed area. (IC 6-1.1-12.1-2 (b))
2. Property owners must file this form with the County Auditor and the Designating Body for their review regarding the compliance of the project with the Statement of Benefits (SB-1 / Real Property).
3. This form must accompany the initial deduction application that is filed with the County Auditor.
4. Property owners whose Statement of Benefits was approved after June 30, 1991, must file an updated form with the County Auditor and the local Designating Body to show the extent to which there has been compliance with the Statement of Benefits. (IC 6-1.1-12.1-5.1)
5. The updated form must be filed annually by May 15, or by the due date for the real property owner's personal property return that is filed in the township where the project is located, whichever is later. (IC 6-1.1-12.1-5.1 (b))
6. With the approval of the Designating Body, compliance information for multiple projects may be consolidated on one (1) compliance form (CF-1 / Real Property).

SECTION 1**TAXPAYER INFORMATION**

Name of taxpayer

Pierce Hardy Limited Partnership

Address of taxpayer (number and street, city, state, and ZIP code)

1019 Route 519, Eighty Four, PA 15330

Name of contact person

Cheri B. Bomar

Telephone number

(724) 201-6600**SECTION 2****LOCATION AND DESCRIPTION OF PROPERTY**

Name of designating body

City of Franklin Common Council

Resolution number

2016-03 and 02

Location of property

1850 N. Graham Road, Franklin IN 46131

County

Johnson

DLGF taxing district number

Description of real property improvements:

Truss Manufacturing Facility

Estimated starting date (month, day, year)

05/01/2106

Estimated completion date (month, day, year)

06/01/2016**SECTION 3****EMPLOYEES AND SALARIES**

EMPLOYEES AND SALARIES	AS ESTIMATED ON SB-1	ACTUAL
Current number of employees	0	35
Salaries	15.38	15.04
Number of employees retained	0	35
Salaries	0.00	15.04
Number of additional employees	67	35
Salaries	15.38	15.04

SECTION 4**COST AND VALUES**

COST AND VALUES	REAL ESTATE IMPROVEMENTS	
AS ESTIMATED ON SB-1	COST	ASSESSED VALUE
Values before project	2,775,000.00	
Plus: Values of proposed project	532,000.00	
Less: Values of any property being replaced		
Net values upon completion of project	3,307,000.00	
ACTUAL	COST	ASSESSED VALUE
Values before project	2,775,000.00	
Plus: Values of proposed project	328,842.00	
Less: Values of any property being replaced		
Net values upon completion of project	3,103,542.00	

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		
Amount of hazardous waste converted		
Other benefits:		

SECTION 6**TAXPAYER CERTIFICATION**

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

Signature of authorized representative

Title

Date signed (month, day, year)

 **COIF Counsel** **2-22-18**

**OPTIONAL: FOR USE BY A DESIGNATING BODY WHO ELECTS TO REVIEW THE COMPLIANCE WITH STATEMENT OF BENEFITS (FORM CF-1)
THAT WAS APPROVED AFTER JUNE 30, 1991**

INSTRUCTIONS: (IC 6-1.1-12-5.1)

1. This page does not apply to a Statement of Benefits filed before July 1, 1991; that deduction may not be terminated for a failure to comply with the Statement of Benefits.
2. Within forty-five (45) days after receipt of this form, the designating body may determine whether or not the property owner has substantially complied with the Statement of Benefits.
3. If the property owner is found **NOT** to be in substantial compliance, the designating body shall send the property owner written notice. The notice must include the reasons for the determination and the date, time and place of a hearing to be conducted by the designating body. A copy of the notice will be sent to the County Auditor.
4. Based on the information presented at the hearing, the designating body shall determine whether or not the property owner has made reasonable effort to substantially comply with the Statement of Benefits.
5. If the designating body determines that the property owner has **NOT** made reasonable effort to comply, then the designating body shall adopt a resolution terminating the deduction. The designating body shall immediately mail a certified copy of the resolution to: (1) the property owner and (2) the County Auditor.

We have reviewed the CF-1 and find that:

- ☐ the property owner **IS** in substantial compliance
- ☐ the property owner **IS NOT** in substantial compliance
- ☐ other (specify) _____

Reasons for the determination (attach additional sheets if necessary)

Signature of authorized member

Date signed (month, day, year)

Attested by:

Designating body

If the property owner is found not to be in substantial compliance, the property owner shall receive the opportunity for a hearing. The following date and time has been set aside for the purpose of considering compliance.

Time of hearing

☐ AM
☐ PM

Date of hearing (month, day, year)

Location of hearing

HEARING RESULTS (to be completed after the hearing)

☐ Approved

☐ Denied (see instruction 5 above)

Reasons for the determination (attach additional sheets if necessary)

Signature of authorized member

Date signed (month, day, year)

Attested by:

Designating body

APPEAL RIGHTS [IC 6-1.1-12.1-5.9(e)]

A property owner whose deduction is denied by the designating body may appeal the designating body's decision by filing a complaint in the office of the Circuit or Superior Court together with a bond conditioned to pay the costs of the appeal if the appeal is determined against the property owner.



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 84 Lumber Company	
Address of taxpayer (number and street, city, state, and ZIP code) 1019 Route 519 Eighty Four, PA 15330	
Name of contact person Cheri B. Bomar	Telephone number (724) 201-6600
SECTION 2 LOCATION AND DESCRIPTION OF PROPERTY	
Name of designating body City of Franklin Common Council	
Resolution number 2016-05	
Location of property 1850 N. Graham Road, Franklin IN	County Johnson
DLGF taxing district number	
Description of new manufacturing equipment, or new research and development equipment, or new information technology equipment, or new logistical distribution equipment to be acquired. Truss Manufacturing facility	Estimated starting date (month, day, year)
	Estimated completion date (month, day, year)

SECTION 3 EMPLOYEES AND SALARIES		
EMPLOYEES AND SALARIES	AS ESTIMATED ON SB-1	ACTUAL
Current number of employees	0.00	36
Salaries	0.00	1,370,601
Number of employees retained	0.00	36
Salaries	0.00	1,370,601
Number of additional employees	67.00	0
Salaries	\$2,143,357	0

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	1,750,000.00							
Plus: Values of proposed project								
Less: Values of any property being replaced								
Net values upon completion of project								
ACTUAL	COST	ASSESSED VALUE	COST	ASSESSED VALUE	COST	ASSESSED VALUE	COST	ASSESSED VALUE
Values before project								
Plus: Values of proposed project	2,455,258							
Less: Values of any property being replaced								
Net values upon completion of project	2,455,258							

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		
Amount of hazardous waste converted		
Other benefits:		

SECTION 6 TAXPAYER CERTIFICATION		
I hereby certify that the representations in this statement are true.		
Signature of authorized representative 	Title Corp Counsel	Date signed (month, day, year) 2-22-18

**OPTIONAL: FOR USE BY A DESIGNATING BODY WHO ELECTS TO REVIEW THE COMPLIANCE WITH STATEMENT OF BENEFITS (FORM CF-1)
THAT WAS APPROVED AFTER JUNE 30, 1991.**

INSTRUCTIONS: (IC 6-1.1-12-5.9)

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2. Within forty-five (45) days after receipt of this form, the designating body may determine whether or not the property owner has substantially complied with the Statement of Benefits.
3. If the property owner is found **NOT** to be in substantial compliance, the designating body shall send the property owner written notice. The notice must include the reasons for the determination and the date, time and place of a hearing to be conducted by the designating body. If a notice is mailed to a property owner, a copy of the written notice will be sent to the Township Assessor and the County Auditor.
4. Based on the information presented at the hearing, the designating body shall determine whether or not the property owner has made reasonable effort to substantially comply with the Statement of Benefits.
5. If the designating body determines that the property owner has **NOT** made reasonable effort to comply, then the designating body shall adopt a resolution terminating the deduction. The designating body shall immediately mail a certified copy of the resolution to: (1) the property owner; (2) the County Auditor; and (3) the Township Assessor.

We have reviewed the CF-1 and find that:

- ☐ the property owner **IS** in substantial compliance
- ☐ the property owner **IS NOT** in substantial compliance
- ☐ other (specify) _____

Reasons for the determination (attach additional sheets if necessary)

Signature of authorized member

Date signed (month, day, year)

Attested by:

Designating body

If the property owner is found not to be in substantial compliance, the property owner shall receive the opportunity for a hearing. The following date and time has been set aside for the purpose of considering compliance.

Time of hearing

☐ AM
☐ PM

Date of hearing (month, day, year)

Location of hearing

HEARING RESULTS (to be completed after the hearing)

☐ Approved

☐ Denied (see instruction 5 above)

Reasons for the determination (attach additional sheets if necessary)

Signature of authorized member

Date signed (month, day, year)

Attested by:

Designating body

APPEAL RIGHTS [IC 6-1.1-12.1-5.9(e)]

A property owner whose deduction is denied by the designating body may appeal the designating body's decision by filing a complaint in the office of the Circuit or Superior Court together with a bond conditioned to pay the costs of the appeal if the appeal is determined against the property owner.

84 Lumber Company
Net Book Value Report

Personal
Property - Equipment

Book = Internal
FYE Month = December

Sys No	Ext	Co asset no	In Svc Date	Depr Meth	Rem Life	Basis	(+) Salvage Value	Thru Date	(-) Current Accum Depreciation	(-) Net Book Value	Pct Dep
Acquisition Date = 04/01/2003											
026610	A34N00217	Mitsui FHD36									
	000		07/01/03	MF200	00 00	\$ 26,110.50	\$ 0.00	01/31/18	\$ 26,110.50	\$ 0.00	100.00%
			Acquisition Date = 04/01/2003			\$ 26,110.50	\$ 0.00		\$ 26,110.50	\$ 0.00	100.00%
			Less disposals and transfers			0.00	0.00		0.00	0.00	0.00%
			Count = 0								
			Net Subtotal			\$ 26,110.50	\$ 0.00		\$ 26,110.50	\$ 0.00	100.00%
			Count = 1								
Acquisition Date = 03/01/2004											
024742	1P9CP70274B343570	48-70X102 ROLL-OFF TRUSS TRAILER									
	000		06/01/04	MF200	00 00	\$ 42,811.46	\$ 0.00	01/31/18	\$ 42,811.46	\$ 0.00	100.00%
			Acquisition Date = 03/01/2004			\$ 42,811.46	\$ 0.00		\$ 42,811.46	\$ 0.00	100.00%
			Less disposals and transfers			0.00	0.00		0.00	0.00	0.00%
			Count = 0								
			Net Subtotal			\$ 42,811.46	\$ 0.00		\$ 42,811.46	\$ 0.00	100.00%
			Count = 1								
Acquisition Date = 05/01/2006											
025382	A30K00967	TCM FD70-9 DIESEL FORKLIFT									
	000		05/01/06	MF200	00 00	\$ 45,674.73	\$ 0.00	01/31/18	\$ 45,674.73	\$ 0.00	100.00%
			Acquisition Date = 05/01/2006			\$ 45,674.73	\$ 0.00		\$ 45,674.73	\$ 0.00	100.00%
			Less disposals and transfers			0.00	0.00		0.00	0.00	0.00%
			Count = 0								
			Net Subtotal			\$ 45,674.73	\$ 0.00		\$ 45,674.73	\$ 0.00	100.00%
			Count = 1								
Acquisition Date = 02/01/2007											
025063	1P9CP70227B343111	2007 PRATT TRUSS TRAILER									
	000		03/01/07	MF200	00 00	\$ 47,615.79	\$ 0.00	01/31/18	\$ 47,615.79	\$ 0.00	100.00%
			Acquisition Date = 02/01/2007			\$ 47,615.79	\$ 0.00		\$ 47,615.79	\$ 0.00	100.00%
			Less disposals and transfers			0.00	0.00		0.00	0.00	0.00%
			Count = 0								
			Net Subtotal			\$ 47,615.79	\$ 0.00		\$ 47,615.79	\$ 0.00	100.00%
			Count = 1								
Acquisition Date = 12/01/2010											
025444	1A9UT18S0B1668984	02X216 - 7000# TANDEM AXLE TRAILER									
	000		12/01/10	MF200	00 00	\$ 2,950.00	\$ 0.00	01/31/18	\$ 2,950.00	\$ 0.00	100.00%
			Acquisition Date = 12/01/2010			\$ 2,950.00	\$ 0.00		\$ 2,950.00	\$ 0.00	100.00%
			Less disposals and transfers			0.00	0.00		0.00	0.00	0.00%
			Count = 0								
			Net Subtotal			\$ 2,950.00	\$ 0.00		\$ 2,950.00	\$ 0.00	100.00%
			Count = 1								
Acquisition Date = 02/01/2015											
024884	Used Triad Wall Panel Line										
	000		02/01/15	MF200	04 05	\$ 26,100.00	\$ 0.00	01/31/18	\$ 14,957.77	\$ 11,142.23	57.31%

84 Lumber Company

Net Book Value Report

Book = Internal
FYE Month = December

Sys No	Ext	Co asset no	In Svc Date	Depr Meth	Rem Life	Basis	(+) Salvage Value	Thru Date	(-) Current Accum Depreciation	(-) Net Book Value	Pct Dep
Acquisition Date = 02/01/2015						\$ 26,100.00	\$ 0.00		\$ 14,957.77	\$ 11,142.23	57.31%
Less disposals and transfers						0.00	0.00		0.00	0.00	0.00%
Count = 0											
Net Subtotal						\$ 26,100.00	\$ 0.00		\$ 14,957.77	\$ 11,142.23	57.31%
Count = 1											
Acquisition Date = 04/01/2015											
024883		Store PC's									
		000	04/01/15	MF200	00 05	\$ 4,171.60	\$ 0.00	01/31/18	\$ 3,914.09	\$ 257.51	93.83%
Acquisition Date = 04/01/2015						\$ 4,171.60	\$ 0.00		\$ 3,914.09	\$ 257.51	93.83%
Less disposals and transfers						0.00	0.00		0.00	0.00	0.00%
Count = 0											
Net Subtotal						\$ 4,171.60	\$ 0.00		\$ 3,914.09	\$ 257.51	93.83%
Count = 1											
Acquisition Date = 11/01/2015											
024879		DeSawyer Computer Component Saw									
		000	04/30/16	MF200	05 05	\$ 258,400.00	\$ 0.00	01/31/18	\$ 103,962.68	\$ 154,437.32	40.23%
Acquisition Date = 11/01/2015						\$ 258,400.00	\$ 0.00		\$ 103,962.68	\$ 154,437.32	40.23%
Less disposals and transfers						0.00	0.00		0.00	0.00	0.00%
Count = 0											
Net Subtotal						\$ 258,400.00	\$ 0.00		\$ 103,962.68	\$ 154,437.32	40.23%
Count = 1											
Acquisition Date = 12/01/2015											
024880		Virtek Laser Marking System									
		000	04/30/16	MF200	05 05	\$ 94,066.00	\$ 0.00	01/31/18	\$ 37,845.79	\$ 56,220.21	40.23%
Acquisition Date = 12/01/2015						\$ 94,066.00	\$ 0.00		\$ 37,845.79	\$ 56,220.21	40.23%
Less disposals and transfers						0.00	0.00		0.00	0.00	0.00%
Count = 0											
Net Subtotal						\$ 94,066.00	\$ 0.00		\$ 37,845.79	\$ 56,220.21	40.23%
Count = 1											
Acquisition Date = 01/01/2016											
024881		Virtek Laser System - Balance									
		000	04/01/16	MF200	05 05	\$ 163,384.00	\$ 0.00	01/31/18	\$ 55,734.67	\$ 97,649.33	40.23%
024882		Rooftracker Gantry System									
		000	04/01/16	MF200	05 05	374,073.40	0.00	01/31/18	150,531.84	223,541.56	40.23%
Acquisition Date = 01/01/2016						\$ 537,457.40	\$ 0.00		\$ 216,236.51	\$ 321,220.89	40.23%
Less disposals and transfers						0.00	0.00		0.00	0.00	0.00%
Count = 0											
Net Subtotal						\$ 537,457.40	\$ 0.00		\$ 216,236.51	\$ 321,220.89	40.23%
Count = 2											
Acquisition Date = 02/01/2016											
02464		Phone System - Addl									
		000	02/01/16	MF200	05 05	\$ 12,843.47	\$ 0.00	01/31/18	\$ 5,167.34	\$ 7,676.13	40.23%
026175		Mitek Surplus Equipment									
		000	01/01/17	MF200	06 05	27,800.00	0.00	01/31/18	4,538.73	23,261.22	16.33%

84 Lumber Company
Net Book Value Report

Book = Internal
FYE Month = December

Sys No	Ext	Co asset no	In Svc Date	Depr Meth	Rem Life	Basis	(+) Salvage Value	Thru Date	(-) Current Accum Depreciation	(=) Net Book Value	Pct Dep
Acquisition Date = 02/01/2016						\$ 40,643.47	\$ 0.00		\$ 9,706.12	\$ 30,937.35	23.88%
Less disposals and transfers						0.00	0.00		0.00	0.00	0.00%
Count = 0											
Net Subtotal						\$ 40,643.47	\$ 0.00		\$ 9,706.12	\$ 30,937.35	23.88%
Count = 2											
Acquisition Date = 03/01/2016											
024769		Used TCT Saw	04/01/16	MF200	05 05	\$ 29,093.80	\$ 0.00	01/31/18	\$ 11,705.38	\$ 17,388.42	40.23%
024770		2 Head Gantry System	04/01/16	MF200	05 05	74,643.12	0.00	01/31/18	30,031.34	44,611.78	40.23%
024771		Electric for Machinery	04/01/16	MF200	05 05	35,486.15	0.00	01/31/18	14,679.56	21,806.59	40.23%
024772		Computer & Equipment	04/01/16	MF200	01 05	47,203.64	0.00	01/31/18	37,296.70	9,906.94	79.01%
024857		Freight - Various Machines	04/01/16	MF200	05 05	3,241.30	0.00	01/31/18	1,375.23	1,866.07	42.43%
024858		Remodel	04/01/16	MF200	08 05	66,772.88	0.00	01/31/18	19,497.68	47,275.20	29.20%
Acquisition Date = 03/01/2016						\$ 257,440.89	\$ 0.00		\$ 114,585.89	\$ 142,855.00	44.51%
Less disposals and transfers						0.00	0.00		0.00	0.00	0.00%
Count = 0											
Net Subtotal						\$ 257,440.89	\$ 0.00		\$ 114,585.89	\$ 142,855.00	44.51%
Count = 6											
Acquisition Date = 04/01/2016											
024924		Wall Panel Line/Misc	04/01/16	MF200	05 05	\$ 20,000.00	\$ 0.00	01/31/18	\$ 8,046.65	\$ 11,953.35	40.23%
024925		Roof Glider Gantry System	04/01/16	MF200	05 05	98,561.87	0.00	01/31/18	39,654.62	58,907.25	40.23%
024926		Floor Rollers, Live Decks	04/01/16	MF200	05 05	99,537.00	0.00	01/31/18	40,046.95	59,490.05	40.23%
024927		Production Line Set Up	04/01/16	MF200	05 05	30,750.50	0.00	01/31/18	12,371.91	18,378.59	40.23%
024928		2015 Ram ProMaster Van S/N : 3C6TRVAG2FE510062	04/01/16	MF200	03 05	20,811.08	0.00	01/31/18	11,154.73	9,656.35	53.60%
024929		HVAC	04/01/16	MF200	08 05	29,165.54	0.00	01/31/18	8,516.34	20,649.20	29.20%
024930		Lockers	04/01/16	MF200	03 05	2,513.43	0.00	01/31/18	1,347.20	1,166.23	53.60%
025011		Sprinkler System	04/01/16	MF200	05 05	69,188.20	0.00	01/31/18	27,836.65	41,351.55	40.23%
025013		Freight DeSawyer Saw	04/01/16	MF200	05 05	1,700.00	0.00	01/31/18	693.97	1,016.03	40.23%
Acquisition Date = 04/01/2016						\$ 372,227.62	\$ 0.00		\$ 149,659.02	\$ 222,568.60	40.21%
Less disposals and transfers						0.00	0.00		0.00	0.00	0.00%
Count = 0											
Net Subtotal						\$ 372,227.62	\$ 0.00		\$ 149,659.02	\$ 222,568.60	40.21%
Count = 9											

84 Lumber Company

Net Book Value Report

Book = Internal

FYE Month = December

Sys No	Ext	Co asset no	In Svc Date	Depr Meth	Rem Life	Basis	(+) Salvage Value	Thru Date	(-) Current Accum Depreciation	(=) Net Book Value	Pct Dep
Acquisition Date = 05/01/2016											
025084		Truss Trailer - Major Repair S/N 1P9CP70227B313111									
	000		05/01/16	MF200	03 05	\$ 10,889.49	\$ 0.00	01/31/18	\$ 5,836.77	\$ 5,052.72	53.60%
025085		Office Furniture									
	000		05/01/16	MF200	03 05	1,818.80	0.00	01/31/18	974.88	843.92	53.60%
Acquisition Date = 05/01/2016						\$ 12,708.29	\$ 0.00		\$ 6,811.65	\$ 5,896.64	53.60%
Less disposals and transfers						0.00	0.00		0.00	0.00	0.00%
Count = 0											
Net Subtotal						\$ 12,708.29	\$ 0.00		\$ 6,811.65	\$ 5,896.64	53.60%
Count = 2											
Acquisition Date = 06/01/2016											
025225		UFP Guard									
	000		06/01/16	MF200	05 05	\$ 2,000.00	\$ 0.00	01/31/18	\$ 804.67	\$ 1,195.33	40.23%
025226		Dust Collector									
	000		06/01/16	MF200	05 05	1,550.00	0.00	01/31/18	623.62	926.38	40.23%
025227		Lenovo Thinkpad									
	000		06/01/16	MF200	01 05	2,438.15	0.00	01/31/18	1,926.44	511.71	79.01%
025261		42" Belt Drive Blower									
	000		06/01/16	MF200	05 05	3,705.44	0.00	01/31/18	1,490.83	2,214.61	40.23%
025262		Yale GP100VX S/N K813V02311P									
	000		06/01/16	MF200	05 05	49,711.70	0.00	01/31/18	20,000.63	29,711.07	40.23%
025263		Princeton Fork - Overhaul S/N 87303903									
	000		06/01/16	MF200	05 05	14,510.87	0.00	01/31/18	5,838.19	8,672.69	40.23%
Acquisition Date = 06/01/2016						\$ 73,916.16	\$ 0.00		\$ 30,684.38	\$ 43,231.78	41.51%
Less disposals and transfers						0.00	0.00		0.00	0.00	0.00%
Count = 0											
Net Subtotal						\$ 73,916.16	\$ 0.00		\$ 30,684.38	\$ 43,231.78	41.51%
Count = 6											
Acquisition Date = 07/01/2016											
025285		HP Elite Desk 705 Desktop									
	000		07/01/16	MF200	01 05	\$ 2,800.12	\$ 0.00	01/31/18	\$ 2,212.44	\$ 587.68	79.01%
025316		(2) Roura Self Dumping Hoppers									
	000		07/01/16	MF200	05 05	8,560.00	0.00	01/31/18	3,443.97	5,116.03	40.23%
025410		Mitek Style Farking Section									
	000		07/01/16	MF200	05 05	4,250.00	0.00	01/31/18	1,709.91	2,540.09	40.23%
Acquisition Date = 07/01/2016						\$ 15,610.12	\$ 0.00		\$ 7,366.32	\$ 8,243.80	47.19%
Less disposals and transfers						0.00	0.00		0.00	0.00	0.00%
Count = 0											
Net Subtotal						\$ 15,610.12	\$ 0.00		\$ 7,366.32	\$ 8,243.80	47.19%
Count = 3											
Acquisition Date = 08/01/2016											
025463		Skate Table									
	000		08/01/16	MF200	05 05	\$ 4,750.00	\$ 0.00	01/31/18	\$ 1,911.08	\$ 2,838.92	40.23%

84 Lumber Company

Net Book Value Report

Book = Internal
FYE Month = December

Sys No	Ext	Co asset no	In Svc Date	Depr Meth	Rem Life	Basis	(+) Salvage Value	Thru Date	(-) Current Accum Depreciation	(-) Net Book Value	Pct Dep
Acquisition Date = 08/01/2016						\$ 4,750.00	\$ 0.00		\$ 1,911.08	\$ 2,838.92	40.23%
Less disposals and transfers						0.00	0.00		0.00	0.00	0.00%
Count = 0											
Net Subtotal						\$ 4,750.00	\$ 0.00		\$ 1,911.08	\$ 2,838.92	40.23%
Count = 1											
Acquisition Date = 09/01/2016											
025671		Security System	09/01/16	MF200	08 05	\$ 9,063.26	\$ 0.00	01/31/18	\$ 2,646.48	\$ 6,416.78	29.20%
		000	Acquisition Date = 09/01/2016			\$ 9,063.26	\$ 0.00		\$ 2,646.48	\$ 6,416.78	29.20%
Less disposals and transfers						0.00	0.00		0.00	0.00	0.00%
Count = 0											
Net Subtotal						\$ 9,063.26	\$ 0.00		\$ 2,646.48	\$ 6,416.78	29.20%
Count = 1											
Acquisition Date = 10/01/2016											
025717		HP Ertedesk 705 Computer	10/01/16	MF200	01 05	\$ 2,718.27	\$ 0.00	01/31/18	\$ 2,147.77	\$ 570.50	79.01%
		000									
025755		Tandberg Data Disk Storage	10/01/16	MF200	01 05	1,715.61	0.00	01/31/18	1,355.54	360.07	79.01%
		000	Acquisition Date = 10/01/2016			\$ 4,433.88	\$ 0.00		\$ 3,503.31	\$ 930.57	79.01%
Less disposals and transfers						0.00	0.00		0.00	0.00	0.00%
Count = 0											
Net Subtotal						\$ 4,433.88	\$ 0.00		\$ 3,503.31	\$ 930.57	79.01%
Count = 2											
Acquisition Date = 11/01/2016											
025830		Wizard PDS Assemblies	01/01/17	MF200	06 05	\$ 454,012.75	\$ 0.00	01/31/18	\$ 74,124.54	\$ 379,888.21	16.33%
		000									
025831		Thermal Printer	11/01/16	MF200	03 05	1,297.27	0.00	01/31/18	695.33	601.94	53.60%
		000									
025871		Field Repair Press	11/01/16	MF200	05 05	4,930.00	0.00	01/31/18	1,983.51	2,946.49	40.23%
		000	Acquisition Date = 11/01/2016			\$ 460,240.02	\$ 0.00		\$ 76,803.38	\$ 383,436.64	16.69%
Less disposals and transfers						0.00	0.00		0.00	0.00	0.00%
Count = 0											
Net Subtotal						\$ 460,240.02	\$ 0.00		\$ 76,803.38	\$ 383,436.64	16.69%
Count = 3											
Acquisition Date = 01/01/2017											
025185		Spida Apollo Manual Saw	01/01/17	MF200	06 05	\$ 9,693.00	\$ 0.00	01/31/18	\$ 1,582.54	\$ 8,110.46	16.33%
		000									
025186		Truss Line Set Up	01/01/17	MF200	06 05	7,433.85	0.00	01/31/18	1,213.69	6,220.16	16.33%
		000									
025187		Lenovo Thinkpac	01/01/17	MF200	02 05	2,306.66	0.00	01/31/18	854.32	1,452.34	37.04%
		000									

84 Lumber Company

Net Book Value Report

Book = Internal
FYE Month = December

Sys No	Ext	Co asset no	In Svc Date	Depr Meth	Rem Life	Basis	(+) Salvage Value	Thru Date	(-) Current Accum Depreciation	(-) Net Book Value	Pct Dep
Acquisition Date = 01/01/2017						\$ 19,433.51	\$ 0.00		\$ 3,650.55	\$ 15,782.96	18.78%
Less disposals and transfers						0.00	0.00		0.00	0.00	0.00%
Count = 0											
Net Subtotal						\$ 19,433.51	\$ 0.00		\$ 3,650.55	\$ 15,782.96	18.78%
Count = 3											
Acquisition Date = 02/01/2017											
026325		HP Elitebook Computer	02/01/17	MF200	02 05	\$ 1,447.57	\$ 0.00	01/31/18	\$ 536.13	\$ 911.44	37.04%
026403		Spica Apollo Saw - Balance	02/01/17	MF200	06 05	11,093.00	0.00	01/31/18	1,811.11	9,281.89	16.33%
026420		HP Elitedesk Computer	02/01/17	MF200	02 05	1,519.50	0.00	01/31/18	562.78	956.72	37.04%
Acquisition Date = 02/01/2017						\$ 14,060.07	\$ 0.00		\$ 2,910.02	\$ 11,150.05	20.70%
Less disposals and transfers						0.00	0.00		0.00	0.00	0.00%
Count = 0											
Net Subtotal						\$ 14,060.07	\$ 0.00		\$ 2,910.02	\$ 11,150.05	20.70%
Count = 3											
Acquisition Date = 03/01/2017											
025462		Saw Set-Up	03/01/17	MF200	06 05	\$ 10,045.00	\$ 0.00	01/31/18	\$ 1,640.00	\$ 8,405.00	16.33%
Acquisition Date = 03/01/2017						\$ 10,045.00	\$ 0.00		\$ 1,640.00	\$ 8,405.00	16.33%
Less disposals and transfers						0.00	0.00		0.00	0.00	0.00%
Count = 0											
Net Subtotal						\$ 10,045.00	\$ 0.00		\$ 1,640.00	\$ 8,405.00	16.33%
Count = 1											
Acquisition Date = 04/01/2017											
025730		Lenovo Thinkpad	04/01/17	MF200	02 05	\$ 1,500.44	\$ 0.00	01/31/18	\$ 555.72	\$ 944.72	37.04%
Acquisition Date = 04/01/2017						\$ 1,500.44	\$ 0.00		\$ 555.72	\$ 944.72	37.04%
Less disposals and transfers						0.00	0.00		0.00	0.00	0.00%
Count = 0											
Net Subtotal						\$ 1,500.44	\$ 0.00		\$ 555.72	\$ 944.72	37.04%
Count = 1											
Acquisition Date = 07/01/2017											
027117		Server Upgrade	07/01/17	MF200	02 05	\$ 26,729.31	\$ 0.00	01/31/18	\$ 9,899.74	\$ 16,829.57	37.04%
Acquisition Date = 07/01/2017						\$ 26,729.31	\$ 0.00		\$ 9,899.74	\$ 16,829.57	37.04%
Less disposals and transfers						0.00	0.00		0.00	0.00	0.00%
Count = 0											
Net Subtotal						\$ 26,729.31	\$ 0.00		\$ 9,899.74	\$ 16,829.57	37.04%
Count = 1											
Acquisition Date = 09/01/2017											
027277		1/2 Ton Hoist	09/01/17	MF200	06 05	\$ 1,350.00	\$ 0.00	01/31/18	\$ 220.41	\$ 1,129.59	16.33%

84 Lumber Company

Net Book Value Report

Book = Internal
FYE Month = December

Sys No	Ext	Co asset no	In Svc Date	Depr Meth	Rem Life	Basis	(+) Salvage Value	Thru Date	(-) Current Accum Depreciation	(-) Net Book Value	Pct Dep
Acquisition Date = 09/01/2017						\$ 1,350.00	\$ 0.00		\$ 220.41	\$ 1,129.59	16.33%
Less disposals and transfers						0.00	0.00		0.00	0.00	0.00%
Count = 0											
Net Subtotal						\$ 1,350.00	\$ 0.00		\$ 220.41	\$ 1,129.59	16.33%
Count = 1											
Acquisition Date = 10/01/2017											
027377		Wecke Stair Machine									
		000									
			10/01/17	MF200	06 05	\$ 40,000.00	\$ 0.00	01/31/18	\$ 6,530.62	\$ 33,469.38	16.33%
Acquisition Date = 10/01/2017						\$ 40,000.00	\$ 0.00		\$ 6,530.62	\$ 33,469.38	16.33%
Less disposals and transfers						0.00	0.00		0.00	0.00	0.00%
Count = 0											
Net Subtotal						\$ 40,000.00	\$ 0.00		\$ 6,530.62	\$ 33,469.38	16.33%
Count = 1											
Acquisition Date = 01/01/2018											
027778		Server Upgrade									
		000									
			01/01/18	MF200	03 05	\$ 5,748.48	\$ 0.00	01/31/18	\$ 159.68	\$ 5,588.80	2.73%
Acquisition Date = 01/01/2018						\$ 5,748.48	\$ 0.00		\$ 159.69	\$ 5,588.80	2.78%
Less disposals and transfers						0.00	0.00		0.00	0.00	0.00%
Count = 0											
Net Subtotal						\$ 5,748.48	\$ 0.00		\$ 159.63	\$ 5,568.80	2.78%
Count = 1											
Grand Total						\$ 2,455,258.00	\$ 0.00		\$ 971,323.69	\$ 1,483,934.31	39.56%
Less disposals and transfers						0.00	0.00		0.00	0.00	0.00%
Count = 0											
Net Grand Total						\$ 2,455,258.00	\$ 0.00		\$ 971,323.69	\$ 1,483,934.31	39.56%
Count = 58											

Report Assumptions

Report Name: Net Book Value
Source Report: <Standard Report>

Calculation Assumptions:
include Sec 168 Allowance & Sec 179: No

Group/Sorting Criteria:
Group = Active Assets
Include Assets that meet the following conditions:
Location is 0783
Activity is currently A
Sorted by Acquisition Date (with subtotals), System No, Extension

2017 - 113,107.51

84 Lumber Company Pierce Hardy Limited Partnership Building and Equipment Summary

	Buildings	Equipment	Equipment Type 2	Equipment Type 3	Equipment Type 4	Total
2016	2,686,682.70	2,054,193.00	139,588.00	164,921.97		5,045,385.67
2017		113,107.51				113,107.51
						5,158,493.18

Store From Check History	Quarter	Job Code		EE Count		
0783-FRANKLIN TRUSS PLANT	QTR 1	1E	84C General Manager	First/Mid-Level Officials and Managers	2	
		2I	84C Design Mgr	First/Mid-Level Officials and Managers	1	
		2M	84C Plant Manager	First/Mid-Level Officials and Managers	1	
		4M	84C Designer	Technicians	1	
		4N	84C Designer Trainee	Technicians	1	
		4Z	84C Senior Designer	Technicians	3	
		6V	84C Tech Representative	Technicians	1	
		7L	84C Coordinator	Administrative Support Workers	5	
		AB	84C Maintenance Machine (CL1)	Craft workers	1	
		AC	84C Builder (CL1)	Operatives	3	
		AR	84C Production Trainee (CL1)	Operatives	17	
		BC	84C Builder (CL2)	Operatives	3	
		BM	84C Sawyer (CL2)	Operatives	4	
		CB	84C Maintenance Machine (CL3)	Craft workers	1	
		CC	84C Builder (CL3)	Operatives	5	
		CG	84C Fork Truck Opr (CL3)	Operatives	1	
		CH	84C Panel Framer (CL3)	Operatives	1	
		CP	84C Stacker Truss (CL3)	Operatives	1	
		D1	84C Gantry Supervisor (CL4)	Operatives	2	
		D2	84C Saw Supervisor (CL4)	Operatives	2	
		D3	84C Yard Supervisor (CL4)	Laborers and helpers	1	
		D4	84C Panel Supervisor (CL4)	Operatives	1	
		E6	84C Shift Supervisor (CL5)	Operatives	3	
						61
		QTR 2	1E	84C General Manager	First/Mid-Level Officials and Managers	1
	2I		84C Design Mgr	First/Mid-Level Officials and Managers	1	
	2M		84C Plant Manager	First/Mid-Level Officials and Managers	1	
	2P		84C Production Manager	First/Mid-Level Officials and Managers	1	
	4M		84C Designer	Technicians	4	
	4N		84C Designer Trainee	Technicians	3	
	4Z		84C Senior Designer	Technicians	5	
	6V		84C Tech Representative	Technicians	1	
	7L		84C Coordinator	Administrative Support Workers	3	
	AB		84C Maintenance Machine (CL1)	Craft workers	1	
	AC		84C Builder (CL1)	Operatives	6	
	AE		84C Rough Opn Asmblr (CL1)	Operatives	1	
	AR		84C Production Trainee (CL1)	Operatives	18	
	BC		84C Builder (CL2)	Operatives	4	
	BJ		84C Picker (CL2)	Operatives	1	
	BM		84C Sawyer (CL2)	Operatives	6	
	CB		84C Maintenance Machine (CL3)	Craft workers	1	
	CC		84C Builder (CL3)	Operatives	6	
	CG		84C Fork Truck Opr (CL3)	Operatives	1	
	CH		84C Panel Framer (CL3)	Operatives	1	
	CM		84C Sawyer (CL3)	Operatives	1	
	CP		84C Stacker Truss (CL3)	Operatives	1	
D1	84C Gantry Supervisor (CL4)	Operatives	2			
D2	84C Saw Supervisor (CL4)	Operatives	1			
D4	84C Panel Supervisor (CL4)	Operatives	1			
E6	84C Shift Supervisor (CL5)	Operatives	2			
				74		

Store From Check History	Quarter	Job Code		EE Count	
	QTR 3	1E	84C General Manager	First/Mid-Level Officials and Managers	1
		2M	84C Plant Manager	First/Mid-Level Officials and Managers	1
		2P	84C Production Manager	First/Mid-Level Officials and Managers	1
		4M	84C Designer	Technicians	1
		4N	84C Designer Trainee	Technicians	3
		4Z	84C Senior Designer	Technicians	4
		6V	84C Tech Representative	Technicians	1
		7L	84C Coordinator	Administrative Support Workers	3
		AC	84C Builder (CL1)	Operatives	3
		AD	84C Catcher (CL1)	Operatives	1
		AR	84C Production Trainee (CL1)	Operatives	5
		BC	84C Builder (CL2)	Operatives	2
		BM	84C Sawyer (CL2)	Operatives	5
		CB	84C Maintenance Machine (CL3)	Craft workers	1
		CC	84C Builder (CL3)	Operatives	3
		CG	84C Fork Truck Opr (CL3)	Operatives	1
		CJ	84C Picker (CL3)	Operatives	1
		CM	84C Sawyer (CL3)	Operatives	1
		D1	84C Gantry Supervisor (CL4)	Operatives	1
		D4	84C Panel Supervisor (CL4)	Operatives	1
		E6	84C Shift Supervisor (CL5)	Operatives	2
					42
	QTR 4	1E	84C General Manager	First/Mid-Level Officials and Managers	1
		2H	84C OPERATIONS MANAGER	First/Mid-Level Officials and Managers	1
		2I	84C Design Mgr	First/Mid-Level Officials and Managers	1
		2M	84C Plant Manager	First/Mid-Level Officials and Managers	2
		2P	84C Production Manager	First/Mid-Level Officials and Managers	1
		4M	84C Designer	Technicians	1
		4N	84C Designer Trainee	Technicians	2
		4Z	84C Senior Designer	Technicians	3
		6V	84C Tech Representative	Technicians	1
		7L	84C Coordinator	Administrative Support Workers	3
		AD	84C Catcher (CL1)	Operatives	1
		AR	84C Production Trainee (CL1)	Operatives	2
		BC	84C Builder (CL2)	Operatives	2
BH		84C Panel Framer (CL2)	Operatives	1	
BM		84C Sawyer (CL2)	Operatives	3	
CB		84C Maintenance Machine (CL3)	Craft workers	1	
CC		84C Builder (CL3)	Operatives	2	
CG		84C Fork Truck Opr (CL3)	Operatives	1	
CJ		84C Picker (CL3)	Operatives	1	
CM		84C Sawyer (CL3)	Operatives	1	
D1		84C Gantry Supervisor (CL4)	Operatives	1	
D4		84C Panel Supervisor (CL4)	Operatives	1	
E6		84C Shift Supervisor (CL5)	Operatives	2	
35					