

UNIVERSAL FOREST PRODUCTS INC

Form 11-K

June 21, 2017

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SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 11-K

ANNUAL REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 [NO FEE REQUIRED].

For the fiscal year ended December 31, 2016

OR

TRANSITION REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 [NO FEE REQUIRED].

Commission file number: 0-22684

Shawnlee Construction LLC 401(k) Plan

74A Taunton Street

Plainville, MA 02762

(Full title of the plan and the address of the plan, if different from that of issuer named below)

Universal Forest Products, Inc.

2801 East Beltline NE

Grand Rapids, Michigan 49525-9736

(Name of issuer of the securities held pursuant to the plan and the address of its principal executive office)

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Shawnlee Construction LLC 401(k) Plan

Financial Statements and Supplemental Schedule

Years Ended December 31, 2016 and 2015

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Report of Independent Registered Public Accounting Firm

To the Plan Administrator

Shawnlee Construction LLC 401(k) Plan

Plainville, Massachusetts

We have audited the accompanying statements of net assets available for benefits of the Shawnlee Construction LLC 401(k) Plan (the “Plan”) as of December 31, 2016 and 2015, and the related statements of changes in net assets available for benefits for the years then ended. These financial statements are the responsibility of the Plan’s management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The Plan is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan’s internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of the Plan as of December 31, 2016 and 2015, and the changes in net assets available for benefits for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

The accompanying supplemental Schedule of Assets (Held at End of Year) as of December 31, 2016 has been subjected to audit procedures performed in conjunction with the audit of the Plan’s financial statements. The supplemental schedule is the responsibility of the Plan’s management. Our audit procedures included determining whether the supplemental schedule reconciles to the financial statements or the underlying accounting and other records, as applicable, and performing procedures to test the completeness and accuracy of the information presented

in the supplemental schedule. In forming our opinion on the supplemental schedule, we evaluated whether the supplemental schedule, including its form and content, is presented in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. In our opinion, the supplemental schedule is fairly stated, in all material respects, in relation to the financial statements as a whole.

\s\ BDO USA, LLP

Grand Rapids, Michigan
June 21, 2017

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Shawnlee Construction LLC 401(k) Plan

Statements of Net Assets Available for Benefits

	December 31	
	2016	2015
Assets		
Investments, at fair value	\$ 8,530,503	\$ 7,770,116
Notes receivable from participants	304,648	262,248
Employer contribution receivable	21,258	17,450
Net assets available for benefits	\$ 8,856,409	\$ 8,049,814

See accompanying notes.

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Shawnlee Construction LLC 401(k) Plan

Statements of Changes in Net Assets Available for Benefits

	Years Ended December 31	
	2016	2015
Additions		
Investment income:		
Dividend and interest income	\$ 114,549	\$ 108,282
Net appreciation in fair value of common stocks	365,914	182,193
Net appreciation in fair value of common collective trust funds	2,468	2,260
Net appreciation (depreciation) in fair value of mutual funds	409,298	(138,473)
Total investment income	892,229	154,262
Participant contributions	512,302	450,448
Employer contributions	108,723	95,660
Interest from notes receivable from participants	14,562	13,021
Total Additions	1,527,816	713,391
Deductions		
Distributions to participants	(698,027)	(326,673)
Administrative expenses	(23,194)	(26,212)
Total Deductions	(721,221)	(352,885)
Net increase	806,595	360,506
Transfers out (Note 3)	-	(21,926)
Net assets available for benefits at beginning of year	8,049,814	7,711,234
Net assets available for benefits at end of year	\$ 8,856,409	\$ 8,049,814

See accompanying notes.

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Shawnlee Construction LLC 401(k) Plan

Notes to Financial Statements

1. Significant Accounting Policies

Recent Accounting Pronouncements

In May 2015, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update 2015-07 "Disclosures for Investments in Certain Entities that Calculate Net Asset Value Per Share (or its Equivalent)," ("ASU 2015-07"). ASU 2015-07 removes the requirement to categorize within the fair value hierarchy investments for which fair values are estimated using the net asset value practical expedient provided by Accounting Standards Codification 820, Fair Value Measurement. Disclosures about investments in certain entities that calculate net asset value per share are limited under ASU 2015-07 to those investments for which the entity has elected to estimate the fair value using the net asset value practical expedient. ASU 2015-07 is effective for fiscal years beginning after December 15, 2015, with early adoption permitted.

In July 2015, the FASB issued Accounting Standards Update 2015-12 "Plan Accounting: Defined Benefit Pension Plans (Topic 960), Defined Contribution Plans (Topic 962), Health and Welfare Benefit Plans (Topic 965)" ("ASU 2015-12"). The amendments in Part I of ASU 2015-12 eliminated the requirements that employee benefit plans measure the fair value of fully benefit-responsive investment contracts and provide the related fair value disclosures, rather these contracts will be measured and disclosed only at contract value. The amendments in Part II of ASU 2015-12 will require plans to disaggregate their investments measured using fair value only by general type, either on the financial statements or in the notes. Part II also eliminated the requirement to disclose the net appreciation/depreciation in fair value of investments by general type and the requirements to disclose individual investments that represent 5% or more of net assets available for benefits. The amendments in Part III of ASU 2015-12 provide a practical expedient to permit plans to measure its investments and investment related accounts as of a month-end date closest to its fiscal year for a plan with a fiscal year end that does not coincide with the end of a calendar month. The amendments in ASU 2015-12 are effective for reporting periods beginning after December 15, 2015, with early adoption permitted. As such, we early adopted ASU 2015-07 and ASU 2015-12 as of the year ended December 31, 2015. In regards to the early adoption of ASU 2015-07, the adoption of this standard did not have a material impact on the financial statements. In regards to the early adoption of ASU 2015-12, the adoption was applied retrospectively and certain reclassifications were made on the Statement of Net Assets Available for Benefits

to present comparative statements and certain investment disclosures were revised or eliminated as a result of the adoption of this ASU.

Basis of Accounting

The financial statements of the Shawnlee Construction LLC (Plan Sponsor) 401(k) Plan (the Plan) are presented on the accrual method of accounting.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect reported amounts. Although actual results could differ from these estimates, management believes estimated amounts recorded are reasonable and appropriate.

Risks and Uncertainties

The Plan utilizes various investment instruments. Investment securities, in general, are exposed to various risks, such as interest rate, credit, and overall market volatility. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the financial statements.