



Pre-Season Grower Meeting Date Set

Save the date! The Association's annual Pre-Season Grower Meeting has been set for Friday, July 21, 2017 at Pardini's, located at 2257 West Shaw Avenue, Fresno, CA 93711. This will be the only meeting in advance of what appears will be a very large shelling season. Please try and attend! Lunch will be served and you can sit back, relax and learn about how we have prepared to make the upcoming season as successful as the last. The program will begin at 11:30 AM. There will be presentations by our Chairman, Management and a special speaker with Pacific Gas & Electric to give an update on current rebate and incentive programs. Grower Delivery Tickets will be available for pick up. Help us to prepare for the meeting by calling 559-846-5377 to reserve your seat

New Association Controller Hired

We are pleased to announce that Brian Staggs has been hired as the Association's new Controller. Brian replaces Kurtis Willey who was with the Association for 2 ½ years. We couldn't be more pleased that Brian has decided to join our team.

Brian was previously with Harris Woolf Almond for the past three years where he was the Chief Financial Officer. Prior to that he was at Harris Farms in Coalinga for 12 years as their Controller. He brings with him extensive almond and agricultural experience. Brian joined our team on Wednesday, June 21, 2017 and we believe he will be a valued member of our staff. Brian is married with three children and lives in Fresno.

Ranch Stockpiling Allowance Set for 2017

Do you have adequate space on your ranch to store some or all of your harvested almond production? If so, the Association will make it worth your while. If you have space and are interested in this opportunity, then the Board of Directors has approved and directed management to pay 2 cents per eligible meat lbs. as an incentive for deliveries

of Almond production into either our Kerman or Sanger locations. The program is limited to the first 3,000,000 meat pounds signed up with our office before the start of the harvest season. Included with this newsletter is some additional information. As almond acreage continues to expand please consider this option to alleviate the expansive volumes we must offload into our stockpile yards. Check it out, it just might pencil!

Report on the 54th Annual Meeting

This year's annual meeting was held on Tuesday, June 13, 2017 at TorNino's Banquet Hall in Fresno. It was a very special evening in which we celebrated the 54th Annual Dinner Meeting of the Association.

Chairman James McFarlane gave a report on the prior season and provided a vision for the future. He also thanked the Board and staff for their efforts last season in which another shelling record was broken when 109,287,465 lbs. of meat equivalent were shelled compared to 94,230,888 lbs. in 2015. President Kelley then reported on the season ahead and stated that the Association had budgeted for a crop size of 111,409,364 lbs. for the upcoming harvest season. He also reported that the Association would not be repaying the entire Operating Retain to our members due to low hull prices received last season, which is attributable to difficulties in the dairy sector and low prices for competing products used in the dairy ration. We also experienced less hull volume than was originally forecast when we did the budget last spring. Therefore, the cost of hulling net of trucking in 2016 will be 1.0 cent. He said that there will not be a patronage dividend paid to our members when we close out the books in October. However, he went on to note that the 1 cent cost of hulling last season was exceedingly competitive with other shelling operations in our area that charged between 4.5 and 9.5 cents plus trucking as the cost of hulling last year's crop. The members who delivered crop in 2012 received a check in

repayment of the 2012 Crop Revolving Fund (Capital Fund) at or following the Annual Dinner.

The Chairman then gave a report by Brent Beene, Chairman of the Election Certification Committee, on the recent election for Board of Directors seats that were expiring. He informed the audience that Matt Abercrombie, Tim DaSilva and Jimmy Anderson were re-elected to their respective seats on the Board for another three year term.

To close out the evening the audience had the pleasure of listening to the Honorable Jim Patterson who represents California's 23rd Assembly District.

Changes to Your Membership? Please let us Know Soon!

Each year we often have growers who request changes to their memberships. Sometimes these requests for changes are made during the shelling season which is frequently too late to get them in place. This can cause a delay in payments to our members from their handlers, and for hulling fees from those handlers to be delayed to the Association. It can also cost us a great deal of time in trying to correct paperwork to reflect needed changes.

Are there changes you have made to your farm which we should know about? If so, please make sure not only to let your handler know, but to let us know as well. We will work as fast as we can to make sure the revision is in place before the first load of your production is delivered. Please be aware that the time to make these changes is not when the shelling season is already under way; it should be done before the harvest season commences! To do otherwise only causes delays.



President's Report

In reflecting back over the past year I can think of two words that summarize how I am feeling—**perplexed** and **delighted**. These are opposing terms, but clearly both

illustrate the divergent issues with which we were dealing during the last fiscal period. One of these

issues is the historically low prices received for our by-products throughout the sales period. Yet at the same time it was one of the most efficient and satisfying shelling seasons I had experienced during my twelve years as your President & CEO.

On the perplexing side were the exceedingly low values we received for both hulls and shells. The dairies were and still are hurting financially with several going out of business. This doesn't help! Additionally, hull volumes were much lower than we expected. The softshell and hardshell varieties had nice heavy hulls, but the California type hulls, especially the Monterey variety, were extremely light. All of these factors created a situation where expenses exceeded revenues on last season's crop. We fell short in being able to return 1 cent of our 2 cent Operating Retain to our members as reflected in our annual audit. This was contrary to our original hopes.

So you may ask, "Ok, Mike, that sounds pretty tough. Where's the delight?" Well, we have not one, but many positives. Of these, the most important is that your Association is exceedingly competitive in our industry. While the cost of shelling at other shellers in our territory was 4.5 cents to 9.5 cents last season plus trucking, our cost of hulling will not exceed one cent net of retains plus whatever your cost of trucking to deliver your crop to us. That is a big difference of which you can be proud and in which you directly contribute. As the largest huller and sheller of almonds in the world, you collectively aid in helping to push down unit cost. People also make a difference. Our staff performed exceedingly well last season and I couldn't have been more proud. Additionally, you have the benefit of a well-run Board of Directors and I believe a very strong Management team. We share a common vision to keep the budget tight and are focused on shelling a high quality crop for our members. Lastly, your plant and equipment that hull and shell your production performed very well shelling out a record volume. I am delighted with what we have accomplished and we will continue to deliver on your behalf.



CENTRAL CALIFORNIA ALMOND GROWERS ASSOCIATION

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These are certainly different times from what we have enjoyed in our more recent history. However, we have planned well for this moment. We knew years ago that the tough times the industry had encountered in the past would return and we prepared accordingly. We are continually focused on making sure that the best home for your almonds is here with Central California Almond Growers Association.

CORE VALUE

*Adding the greatest potential value
to the Members' product with the*