

CENTRAL CALIFORNIA ALMOND GROWERS ASSOCIATION

Post Office Box 338 Kerman, California 93630-0338



Welcoming Our New Member Relations Coordinator

Celeste Lopes joins the team as the Association's Member Relations Coordinator. Celeste will serve as a liaison between members and the management team. She will conduct field mapping, track grower surveys, oversee grower delivery scheduling and manage the CCAGA website and social media. Celeste is a recent graduate from California State University, Fresno and earned her Bachelor of Science in Agriculture Education specializing in Communications. Please join us in welcoming Celeste.

Celeste Lopes celestel@ccaga.com Cell: 559-267-3071

Pre-Season Meeting Scheduled for July 22 For many years, the Association has conducted a Pre-Season Grower meeting at Pardini's Banquet Hall in Fresno just before harvest. We hope you can attend this meeting to hear reports on what we expect for the season ahead and to advise you on new improvements that will help with overall processing efficiency. This will be the only meeting for our growers prior to another large hulling and shelling season. An invite is in the mail for this event. Save the Date! The meeting is scheduled for Friday, July 22 at 11:30 am. Help us to prepare for the meeting by calling 559-846-5377 and confirming your intention to attend.

Report on the Association's 59Th Annual Meeting

Our 59th Annual Meeting was held on Tuesday, June 14th at The Painted Table. After two years of Zoom meetings, we were finally able gather in person and hear Management's reports on the state of the cooperative. Those who attended enjoyed a great meal and entertainment from comedian Bob Zany. Brandon Ferrell

with Eadie & Payne, LLP provided the 2021 Fiscal Year Audit Report that was just completed and approved by the Board of Directors. Mr. Ferrell said the audit indicates a patronage dividend of 3.35 cents per meat equivalent pound will be distributed in the early fall based on patronage.

After concluding his report, Chairman McKinney began discussing the modification made to the Associations' Bylaws for the hulling fee from a meat equivalent to a delivered basis. He also mentioned the effect COVID-19 had on the Association, in terms of repair parts and labor. Chairman McKinney spoke about the 2022 crop potential, renting additional stockpile space at our Sanger site and the hopes of finishing harvest earlier than past years. He also recognized Mr. Gary Coleman and Mr. James McFarlane who are retiring from service on the Board of Directors.

He further thanked the Board and staff for their efforts last season. The Association shelled out the second largest production volume on record at 143,725,417 lbs. of meat equivalents compared to 155,265,958 in 2020. President Kelley reported on the season ahead and stated that the Association has budgeted for a crop size of 137,448,052 lbs. for the upcoming harvest. He went on to report that members who delivered crop in 2017 received a check in repayment of the 2017 Crop Revolving Fund (Capital Retain).



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Introducing the New Board of Directors for Seats 6 and 7

The results of the Association's recent election were made known during the Annual meeting. Mr. Robert Allen of Sanger and Mr. Lee Erickson of Madera were nominated to run for seats 6 and 7. Both garnered the necessary votes and will serve a three-year term.

Mr. Allen's family have been members of the Association since 1976. "Since James McFarlane declined the re-election, I wanted our Sanger growers to continue having representation." Mr. Allen is looking forward to continuing the productivity and efficiency of the Association and expanding the Sanger plant.

Mr. Erickson joined the Association in 2019 to become more involved with the industry. "Our Association is the largest in an ever-changing industry. As a director, I want to strive for improvement for the future generations." When seat 7 was due for election, he knew this was a leadership role that would help him become more involved. To continue managing large volumes delivered to CCAGA, please note two improvements that will enhance performance in the season ahead.

An exciting Board approved addition is now in Kerman Plant #3. This innovation is a newly installed Program Logic Control (PLC) that is complete and tested. The PLC is expected to increase throughput in our largest plant and help prevent and diagnose downtime in a quick manner. The PLC's in both Kerman Plant #3 and Kerman Plant #1 (installed in 2020) will provide management with the foundation to continually improve efficiency with technology in these two plants.

Two additional stockpile belt-loaders have been purchased from Gruber Manufacturing for the 2022 season. The Gruber belt loaders can unload inbound field run trailers faster than the Compton and Thomas belt loaders in our fleet. One new Gruber belt loader will be in Sanger increasing our total number to three to help with the additional 15 acres of rented stockpile ground. Another Gruber belt loader will be in Kerman to replace a Thomas belt loader, sold in the off season, bringing the total belt loaders in Kerman to 11.



Chief Operating Officer Report

The 2022 harvest promises to produce another very large crop at CCAGA.

The Association is budgeting for a crop size of 137,448,052 meat equivalent pounds. This is a decrease of 4.3% from the 2021 crop. During the last few years your management team has been proactive to manage the growth of the Association and this off season has not been any different. We have looked at ways we can gain efficiencies in the plants to shorten our run times as well as improving unloading times in the stockpile yard.



The new PLC in Kerman Plant #3.

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President's Report

As we emerge on the other side of the Pandemic I wish to assure our members that your Association has emerged unscathed. CCAGA is financially sound and our plants and equipment are in great shape. Two new stockpile belt loaders will be delivered in the next couple of weeks. We have 15 acres of newly rented ground to enhance our stockpile space in Sanger. We have pre-ordered ample parts to make sure we are not left waiting should a breakdown occur. We have tried to think of every pitfall possible that could impact our ability to deliver on your behalf. We have known that it is far better to be proactive than reactive. We have not skipped a beat in getting your hullers and shellers ready for what appears will be another high-volume crop. We have planned well for the season ahead. However, we want to inform you of some pit falls that remain on the horizon.

There is a precarious situation ahead of us that could hamper our operations and impact our overall efficiency and profitability next season. This potential bottle neck may delay our operations in the season ahead. It appears that there will be a shortage of bins for hulled or shelled product throughout the State near the conclusion of this upcoming season. We had a little taste of this last season when we were juggling the processing of product as we did not have empty bins delivered to put shelled almonds into. One advantage for CCAGA is that we do over 40% bulk hopper shipments with Blue Diamond, Mariani and Star Nut. This helped us last season juggle the moments when other packers that only use bins were unable to get them to us when some of our members product was scheduled to be run. This next season we have heard and believe the situation will be worse. We advise you to discuss this situation with your packer and ask about their bin inventory in the months ahead. This is important as it could affect your product being shelled very late and at a time of inclement weather. After a third year of drought, I do believe this fall could be wet. I assure you that we will advocate on your behalf with all packers so we can efficiently operate your shellers to a satisfactory conclusion.

To help mitigate the cost of this situation and to satisfy your need for the timely removal of bins from our yards, please be aware that we will be enforcing our storage charge for finished product if left too long on our property. A storage clause has always been found in our Annual Processor Assignment that all members must sign at the beginning of each season. It mentions that we allow 10 days of free storage. If product backs up, we will call you seven days after we have notified your handler for pick-up of your product to seek your help in getting it removed. However, after the 10-day grace period, the product shall incur a storage fee of 1 cent per meat equivalent pound for the subsequent 30 days and 2 cents per meat equivalent pound for the next 30 day period.

This seems harsh, but it is a small price to pay in order to induce the prompt pick up of product in bins. Packers must pick up product on a timely basis, as we have limited covered storage.

We appreciate your understanding with this situation. Our wish is to not make the season longer than it needs to be, as we try to move finished product smoothly out of our two sites and decrease any potential damage to member product.

Changes to Your Membership? Please let us know soon!

Each year we often have growers request changes to their memberships. Sometimes these requests are made during the shelling season which is frequently too late to change. 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. Central California Almond Growers Association P.O. Box 338

Kerman, CA 93630

If there are changes you have made to your farm, please notify us and your handler. We will try and get the revision in place before the first load of your product is delivered. Please note that the time to make these changes is BEFORE the harvest season begins!

Rural Theft is a Major Issue – Please Read

These are very unusual times in our nation's history. As you are aware, it is difficult to source parts and rural theft is rampant. Delivery is slow, mail is missing, letters and packages are delivered ripped or torn when they finally arrive at our mailbox. This is unacceptable! For the safety of all future grower payments we send to you, we make the following urgent request –

Please sign up for Direct Deposit!

If you are still receiving mail at a rural address, then we need you to know that it is only a matter of time before your mail will be stolen. Rural theft is increasing exponentially. Direct Deposit is the only way to confirm the safe delivery of future dividend checks. This simple, proactive step needs to be embraced by all our members.

We need your help to make this uncomplicated change. It is for your own protection. We have advocated for this option for many years, but the time to adapt and change is NOW. If you have not already done so, please call our office and sign up for this safer and faster service immediately.

Our Core Value

ADDING THE GREATEST POTENTIAL VALUE TO MEMBERS' PRODUCT WITH THE HIGHEST QUALITY, SERVICE AND INTEGRITY.

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