



Nomination Period Opens on April 1

The nomination period for the election of members to sit on the Association's Board of Directors opens April 1 and closes April 30. This year there are three seats up for election.

If you are interested in running for a seat on the Board of Directors, please let us know. We will be happy to provide you with an application and when filled out must be returned to Mr. Andrew Clark, the Chairman of the Committee for Election Certification. On May 6, the election ballots will be mailed to all regular members of record and the election will run for thirty days. In early June, the ballots will be counted, and the committee will make a report to the Board of Directors. After our Board meeting, a report announcing the results will be made to the entire membership at our Annual Dinner Meeting scheduled for Tuesday, June 13, 2023.

Should you have questions about this year's election, please call the Kerman office at (559) 846-5377 and request to speak with President and CEO Michael Kelley. He will be happy to walk you through the entire process.



Member Relations Coordinator

For the last three months, I have been working on receiving the County Operator Identification or Restricted Materials Permit (name of the permit is different for each county) from our Membership. This permit is **different** from a Private Applicator Number. I have been calling our Members and requesting permits to create a map of our Membership at the Association. The Agrian software we are using is helping to build a large map of our Membership's fields. I do want to clarify, as I have been getting some questions, the Association is not concerned about the pesticides you are applying to your acreage. We are **only** using your county permit number to build a map through Agrian's software system.

Building this map through Agrian is allowing the Association to do many things. Once the permit is entered into Agrian, I insert the almond fields you own and edit out any solar panels, irrigation pumps, etc. to provide exact net acreage. Aside from this feature, Agrian also generates the longitude and latitude of every field, which helps me when meeting or checking fields with our Members. We are also using the longitude and latitude to build a separate map of irrigation districts. Visualizing the irrigation districts our Members fields are located in will help the Association plan for the future.

We are a company who prides itself on working for our Members. We put our growers first and would never put you in a position to develop reservations about the people you trust at your huller/sheller. We understand and respect concerns when requesting your Permit numbers. I would be happy to schedule meetings with those concerned so I can show what the Permit numbers can provide for the Association.

Aside from Agrian, I am continuing to update our communications platforms. I recently published two Member Spotlight's, featuring Mr. Todd Browne of Sanger, and Mr. Sam Chimenti of Fresno. These Spotlight's can be found on the Association's website: ccaga.com/member-spotlight/. Updating our communication platforms is critical as the almond industry is continually changing and evolving. Social media allows me to communicate how the Association continues to be an industry leader our Membership can be proud of.

If you are active on social media, please give the Association a follow via Instagram: @ccaga1963 and LinkedIn: Central California Almond Growers Association.

The 2023 hulling and shelling season will be here before we know it. As it gets closer, please remember if you need to make any changes to your Membership you can contact me anytime for questions, comments, or concerns: (559) 267-3071.

Association Repays a Portion of the 2022 Capital Retain

On Friday, March 3, 2023, the Association distributed a repayment of the Capital Retain coverage of 1.6915 cents per pound on the hulling fees collected on the 2022 crop. The repayment of the coverage (also called the supplemental retain) totaled \$2,152,292.70 in disbursements that were made to the membership. Prior Board action has mandated that we may only hold on to \$1,500,000 as our revolving fund retain from any single crop year. Any amount over this must be repaid to the membership in March following each year's shelling season.

Last season CCAGA shelled 127,240,654 lbs. of meat equivalents. In comparison, our 2021 production volume was 143,725,417 lbs. This is a decrease of 16,484,763 pounds, or 11.4% below the prior season. The average yield per acre was 2,064 lbs. contrasted with 2,313 lbs. recorded in 2021.

Chief Operating Officer



I am pleased to inform our Member's that the Board of Directors has approved of a new 610 kW DC tracking solar project at our Sanger facility. We are planning to have the project installed before the start of the 2024 crop year. The Board of

Directors felt it was prudent to move forward with the implementation of this project before the end of Net Energy Metering (NEM) 2.0. This project is expected to offset the cost of electricity by 100% at the Sanger Sheller. After the installation of the Phase 3 solar project your Association will be producing 2.75 megawatts of solar power to the PG&E grid. The Phase 3 project will complement the 2.1 megawatts of solar offsetting energy costs at the Kerman Facility. In total CCAGA uses 5.84 MW of power per year and with the inclusion of the phase 3 project will offset 47% of the yearly cost of electricity to the Association.

The Association is always planning for the future. The Board of Directors approved to purchase

an Air Curtain Burner to burn the sticks removed in the Sanger and Kerman plant Pre-Cleaners. Every year the Association can expect to accumulate sticks from field run deliveries. These sticks are estimated to be 1% of the total volume of field weight delivered by the membership. For 2022, 486,972,360 pounds of field run was delivered to the Association which is estimated to total 4,869,724 pounds or 2,435 tons of stick. If CCAGA did not purchase the Air Curtain burner, the sticks would have been sent to Rio Bravo Co-Generation plant at a cost to the Association. The San Joaquin Valley Air Pollution Control District permits the use of the Air Curtain Burner as a clean burn option for this growing issue and the burner will help manage the stick piles on our premises.

We are at the conclusion of the installation of the Programmable Logic Control (PLC) in the Kerman Plant #1 Pre-Cleaner and the project is right on schedule. When the newly installed PLC is put to use this year, it will provide instant feedback, critical downtime metrics to the crews and help the overall efficiency of the Pre-Cleaner. Today, I am happy to say Kerman Plant #1 and Kerman Plant #3 are operating on fully functional PLC's. We will continue to upgrade your plants to ensure CCAGA is providing the best hulling and shelling service to our members.





President's Report

A new almond season is upon us and it is clearly an unusual start with a great deal of uncertainty directly attributable to the heavy hand of mother nature. Of course, we all certainly welcome the rain in the valley and ample snow accumulations in the entire Sierra Nevada Mountain range. But when will it stop.

One of the adverse components of the inclement weather situation was a truly disappointing pollination period as bee flight time was recorded as minimal. In fact, it was significantly reduced from the prior two seasons. There were many days when temperatures did not come close to the 56-degree threshold that is conducive for active bee flight time. On days when the temperature rose above this benchmark bee activity was minimal.

There were other stressors that were hot topics before the rain. These stressors include last summer's heat, lack of available water for orchards and reduction of inputs due to the low price for members almond production. The only good to come from all this adversity is the crop size will be lower and that will work to significantly reduce the carryover that has suppressed almond kernel pricing.

Amidst such adversity I wish to share with you some welcome news for our members. This news in the months ahead will put some unanticipated income in your pockets. While the price our members receive for almond kernels has been disappointing, we are pleased to report that the prices received for our hulls and shells have been sold at unheard of values throughout the sales period. Our hash by-product of almond meats and pieces also traded at respectable levels.

Each year The Association pays out a dividend on the sales of these by-products. I am pleased to report that the Association will close the 2022 fiscal pool period on April 30. We will come very close to paying out a record return to our members when the Patronage Dividend is disbursed on October 6, 2023.

As reported at this time last year, global commodity markets remain at lofty levels. This is true for all components used in the dairy ration, the prime outlet for our by-products. As such, our members will be rewarded with a significant return on the sales we have made on your behalf.

To illustrate this fact let me explain how we budgeted for the sales of hull, shell and hash when we created the 2022 budget in June. At that time, we budgeted for 2022 hull pricing at \$175 per ton. Our overall hull sales price is currently at \$192.49 and we have less than 10% left to sell. Fortunately, we have been able to walk hull sales up from \$145 to \$295.00 per ton. Hull pricing is currently at \$245 per ton. Shell was budgeted at \$20 per ton and we will finish the sales period at \$37.18. We are currently sold out of shell until harvest. This means we will return a sizable dividend on the sale of our by-products in the fall.

We thank you for the trust you have placed in us to process your almond production. We hope you have found in us a vision we share in delivering the highest level of quality and service for our 350 members. We have a record of continued success dating back to 1963. In commemoration of our 60th Anniversary we will hold a very special Annual Dinner meeting on **Tuesday June 13, 2023**. I wish to personally invite you to this special event. Please take note of a change of venue. This year's meeting will be held at **Pardini's** newly remodeled Banquet Hall located at 2257 West Shaw Avenue Fresno, CA 93711. The meeting will begin at **6 pm**. Invitations will be sent out in early May. As always, we promise to serve you a great meal and present a full report on the state of your member owned cooperative. We also have engaged a fantastic comedian from the Carolina's for the event. His name is Jerry Carrol and he will be providing some much-needed comic relief! We hope you will attend as we have much to celebrate.

Central California Almond Growers Association

P.O. Box 338

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Direct Deposit Required by

January 1st, 2024

Recently, the Board of Directors and Management Team have found an increasing need for Direct Deposit. This need comes from wanting Membership to securely receive their returns. Direct Deposit is the only option to guarantee the safe delivery of future dividend payments.

We need your help to make this uncomplicated change. It is for your own protection.

Beginning January 1, 2024, the Association is requiring Direct Deposit for all Membership.

Please call the office at (559) 846-5377 so Management can assist you with this process.

OUR CORE VALUE

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