



CENTRAL CALIFORNIA ALMOND GROWERS ASSOCIATION

Post Office Box 338 ♦ Kerman, California 93630-0338

CCAGA ♦ GROWING STRONGER EVERYDAY ♦ NEWSLETTER ♦ Summer 2025 ♦ Vol. 20, No. 2

Pre-Season Meeting Scheduled for July 24th

Each year the Association hosts a pre-season grower meeting to discuss the upcoming hulling and shelling season. This meeting is beneficial for our members as Management provides forecasts for the season ahead and to advise members on new improvements that will help with our overall processing efficiency. Invitations will be sent in the mail soon, so please save the date. The meeting is scheduled for 11:30 a.m. on Thursday, July 24th, at Pardini's Catering & Banquets in Fresno. Help us to prepare for the meeting by calling (559) 846-5377 or emailing office@ccaga.com, to confirm your attendance.

Report on the 62nd Annual Meeting

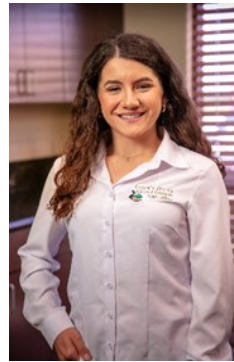
This year's annual meeting was held on Tuesday, June 10th at Pardini's Catering & Banquets in Fresno. It was a nice evening to enjoy a great meal with fellow members, and listen to reports on the State of the Cooperative. Our guest speaker, Emily Fleischmann, from the Almond Board of California, provided many insights and examples about the efforts ABC is making on behalf of almond growers.

The results of a recent election for two Board of Director (BOD) seats were reported by Mark Heuer, Chairman of the Election Certification Committee. He announced that Robert Allen Seat #6, and Lee Erickson Seat #7, ran unopposed as no other nominations for challengers were received. Therefore, both Mr. Allen and Mr. Erickson were unanimously re-elected to another three-year term.

Mr. Brandon Ferrell with Eadie & Payne, LLP provided a report on the 2024 Fiscal Year Audit that was completed in May and approved by the BOD at their June meeting. He gave accolades to senior management and the BOD and reported a "clean" audit report.

Chairman McKinney spoke about the activities of the prior fiscal period and innovations planned for the 2025 season. He also thanked the BOD and

staff for their efforts last season. The Association shelled out 131,932,806 lbs. of meat equivalents compared to 107,314,863 lbs. in 2023. President Kelley provided a report regarding the challenges faced throughout the 2024 season from the grower and huller and sheller perspective. He also reported on the season ahead and discussed the importance of our membership returns in this cooperative in comparison to privately owned hullers.



Member Relations &

Administrative Coordinator

Our annual Grower Information Sheets (GIS) and Processor Assignments were sent in the mail on Friday, June 13. For those that have been members for years, this paperwork is familiar. To our new growers, the GIS allows you to update address, field names, handlers, etc. to ensure we have the most accurate information in our software system prior to harvest. The 2025 Processor Assignment is **extremely important** because **this form explicitly states the fees** set by the BOD for 2025. The fees are listed on the first page in the first paragraph. **The back page of the Processor Assignment has signature lines that must be completed.** The very top of the page is required to be signed by the Member. The bottom of the page asks for a member **or** handler signature. If you, the member, will be paying the 2025 CCAGA hulling and shelling fees, you would also need to sign the left column. If you prefer your handler to pay your 2025 hulling and shelling fees, please return the page to our office and indicate you would like your handler to pay. We will email your handler for their signature.

With harvest a few months away, I want to express the importance of aligning your field names in our computer system with the field name you will write on your delivery tag. If your delivery tag is written differently than the paperwork that was returned to us, we will ask the truck driver hauling

your product to pull off the scale. Therefore, please take pictures or ask our office for copies of your GIS with your edits. I am happy to deliver or mail delivery books to you anytime now and throughout the season.

Please also sign up for our online grower portal if you have not done so already. The grower portal is the most efficient way for you to access information about your product, completely at your convenience. The portal also populates past years production data as far back as 2022 so you can compare current and prior statistics about your product.

I am only a phone call or email away, (559) 267-3071 or celestel@ccaga.com.

Chief Operating Officer



As the 2025 crop year quickly approaches, we have been very busy at the Kerman and Sanger Facilities.

The Kerman facility received much needed repairs to the South Entrance driveway to mirror the driveway installed at the North Exit from the previous year's project. This will provide greatly improved access and a smoother transition into our Kerman Facility from Highway 145. I would like to thank our Grower Member Van Erickson for his expertise and the timeliness of the completion of the project.

The drive to the stockpile yard has also been improved with 8" of compacted base to keep water from puddling and preventing potholes from forming in the heavy trafficked area.

We always strive to be proactive instead of reactive at CCAGA. The Sanger Pre Cleaner was in need of an electrical component upgrade. It was beginning to show its age and hindering efficiency with breakdowns preventing tanks to be loaded for the Sheller. Upon Management recommendation, your Board of Directors felt it was necessary to replace these components. This upgrade will keep the Pre-Cleaner running as it should.

On the night of May 12th, our Sanger facility had an almond hull fire in one of our hull storage buildings. These fires are caused by spontaneous

combustion in our almond hull and shell piles when moisture is introduced to either of the by-products. Our crew responded quickly and worked throughout the night to extinguish the fire alongside Cal Fire. Initial estimates were a loss of 1,000 tons of hulls, but we were fortunate to only lose 250 tons which will be shipped as damaged hulls. As a result of the fire incident, the BOD approved of purchasing two Darley Fast Attack units to help extinguish fires at each facility. This equipment is used by fire departments across the United States as an easy and quick way to contain a fire. These units will help your crews act in a timely manner to minimize loss to the Association.

The inclusion of three QCIFY machines into our quality control department proved to be a valuable tool used last season. Our members took advantage of a quality breakdown from our in-house samples. By incorporating the three QCIFY machines in our plants, we were able to capture real time quality results of your product. This implementation allows our members to compare to their handlers quality. This addition has provided management and the members of this association more support if there is ever a need to look closer at any quality issues.

I would like to once again remind our growers of the success of the Inshell line in Sanger for the Association. The line performed as expected and many growers were able to take advantage of the short haul to Sanger instead of Kerman. I would encourage more growers to do the same if you believe you will receive a freight advantage from your trucking company. We have once again rented an additional 15 acres of stockpile space in Sanger to accommodate the membership and would love to fill up both stockpile yards. The addition of the secondary Sanger stockpile yard adds an additional 75% of stockpile space.

I am looking forward to another great harvest and your operations team has planned for a large crop with a focus on increasing efficiency in your plants while maintaining quality. The plants at both facilities are in tip top shape and are near completion for the season. I would like to congratulate Asencion Rodriguez for his promotion to Kerman Night Supervisor. Please congratulate him if you see him at the Kerman facility. You have a very dedicated operations team, and we will continue to ensure we provide the best hulling and shelling service to our members.



President's Report

It is a busy time of year as we finish final preparations to plants and equipment in anticipation of the harvest season ahead. We move on to a new year and one we believe will be somewhat like the prior one. Let me elaborate on this. For the third year in a row, we once again had good precipitation

at the start of the year. However, the rain while needed did not come at the best time. As you know, the pollination was a bit odd. The nonpareil variety that makes up 40% of our overall handle appears to have been somewhat compromised as the rainy weather we anticipated arrived during most of the nonpareil bloom period. Independence fared better, as did some of the other pollinizer varieties. So, we anticipate a good volume with increased kernel sizes and large heavy hulls.

The primary purchasers of our almond hull and shell include California, Arizona and Texas dairies. Just over 82% of our revenue stream comes from our dairy friends. Our profitability hinges on their success. At this time, the dairy industry is dealing with uncertainty associated with the current tariff issue. This has affected the exports of dry powdered milk products and an increasing inventory of block cheese. The price dairymen receive is under such pressure that they once again are operating just below the cost of production. This has put additional pressure on the hull market. The ample rain last season and an abundant inventory of ensilage has subdued the open interest that has been the norm for almond by-products. We are contracting hull prices at depressed values and well below the cost of production. During the 2024 crop year hull values ascended to \$95 per ton. Speaking respectively of the 2024 crop year, we are 86% sold on our hull position at a current average price of \$76.00 per ton. In looking to the next fiscal period, we are 23% sold on our hull position at an overall average price of \$100.00 per ton for the 2025 almond crop yet to be delivered. However, presently the market is hovering around \$87.00 per ton. We again look toward the next sales period with a high level of uncertainty, but we have been here before. As we close the books on the 2024 fiscal period, we must be mindful of the financial status of our dairy

friends. How will this affect hull prices? Unfortunately, I believe that old and new crop hull prices will remain within the ranges I have just mentioned for the duration of the 2025 marketing season.

In looking to the harvest season ahead we have budgeted for a crop size of 123,297,420 meat equivalent pounds for the next season. This number is based on our five-year average yield of 2,182 pounds per acre. As you can imagine, there is great uncertainty when estimating this year's crop potential. The 2024 subjective estimate that came out on May 12 indicated a state crop size of 2.8 billion pounds. CCAGA is 4.42% of the State volume so this would suggest that we could have a crop size of 123,647,034 pounds delivered to us this harvest season and is close to our five-year average. Therefore, we will use the aforementioned five-year average for budgeting purposes this year. We anticipate a total daily run time of approximately 103 days, barring any major breakdowns.

The Board of Directors and Management have once again taken a conservative position regarding the 2025 budget. At their June meeting, a 2.75 cent Hulling Fee was approved that will be assessed on a delivered basis. Next season, $\frac{3}{4}$ of one cent shall be allocated to a Capital Retain as was the case last year and the Operating Retain will once again be 2.00 cents. This substantial increase is due to the uncertainty over the current and future value of our hull and shell product and necessitates an added cushion to protect against any potential loss. The Operating Retain is deemed necessary as a backstop in case of unforeseen circumstances. An added benefit is that these funds will help to minimize interest on long term debt incurred when we modernized Kerman Plant #1 and **short-term** debt utilized to pay operating costs at the beginning of the coming season. Our Bylaws provide adequate protection to withstand the financial circumstances that presently exist. Our focus is to make sure your cooperative is financially protected and ready each season to hull or shell your almond production efficiently and with the highest standards of quality that you have come to expect.



Central California Almond Growers Association
P.O. Box 338
Kerman, CA 93630

Welcome to Our New Controller - Valerie Parkey

We are pleased to announce that Valerie Parkey of Madera is our new Controller at CCAGA. Ms. Parkey accepted this position with us on April 30th of this year. She takes over this office position from Greg Lewis who has been our Chief Financial Officer for the last six years. Fortunately, Valerie worked with Greg from the beginning of the audit to the end and was introduced to the membership at our 62nd Annual Dinner. She is a 2007 graduate of CSU Fresno and earned her Accounting Degree. She has been a licensed Certified Public Accountant since 2009 and was formerly a partner with the accounting firm of Baker, Chi & Parkey in Fresno. We have really enjoyed having her on staff and believe she will be a great addition to our CCAGA family.

Fond Farewell to Greg Lewis

We wish to express our extreme gratitude to Greg Lewis for six years of exemplary service to this Association. Greg has done a wonderful job during his tenure serving this membership with a masterful skill in managing the financial accounts.

Greg plans to spend more time with his family and we wish him well in his days ahead.

Direct Deposit Reminder

Please remember that as of January 1, 2024, we do not mail payments using the United States Postal Service. This change is necessitated due to increases in mail theft that have been occurring. If you have not already done so, please sign up for Direct Deposit. You can easily do this by calling our main office, (559) 846-5377, and asking for the form. The only other way to receive payments from us in the future will be to physically pick up a check at our Kerman office each time we make a distribution. This change is for your own protection and ours.

OUR CORE VALUE

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