



CENTRAL CALIFORNIA ALMOND GROWERS ASSOCIATION

Post Office Box 338 ♦ Kerman, California 93630-0338

CCAGA ♦ GROWING STRONGER EVERYDAY ♦ NEWSLETTER ♦ Spring 2026 ♦ Vol. 21, No. 2

Pre-Season Meeting Scheduled for July 16th

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 were sent in the mail on Monday, June 22nd. The meeting is scheduled for 11:30 a.m. on Thursday, July 16th, 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 63rd Annual Meeting

This year's annual meeting was held on Tuesday, June 9th 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.

The results of a recent election for three Board of Director (BOD) seats were reported by Thomas Freitas Jr., Chairman of the Election Certification Committee. Seat #1 was held by Mr. Matt Abercrombie, Seat #2 was held by Mr. Matt Efird and Seat #3 was held by Mr. Jim Anderson for the last three years. Mr. Abercrombie and Mr. Anderson decided they would not seek another election term. Mr. Matthew Efird did choose to seek another term. Mr. Andrew Clark ran for seat #1, Mr. Matthew Efird ran for seat #2 and two candidates, Mr. Gino Favagrossa and Mr. Brian Medeiros, ran for Seat #3. Mr. Freitas reported that Mr. Clark, Mr. Efird and Mr. Favagrossa will now serve a three year term.

Mr. Brandon Ferrell with Eadie & Payne, LLP provided a report on the 2025 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 announced a "clean" audit report.

Chairman McKinney spoke about the activities of the prior fiscal period and innovations planned for the

2026 season. He also thanked Mr. Matt Abercrombie for 10 years of service and Mr. Jim Anderson for 13 years of service to the BOD. Chairman McKinney also gave accolades to the BOD and staff for their efforts last season.

Chief Executive Officer Kelley provided a report regarding the challenges faced throughout the 2025 season from the grower and huller and sheller perspective. He stated the Association shelled out 112,753,609 lbs. of meat equivalents compared to 131,932,806 lbs. in 2024. After Chief Executive Officer Kelley discussed last season's crop and by-product prices, he then described the changes made to the Senior Management structure.

Chief Executive Officer Kelley will retire on January 1st, 2027, after 21.5 years of service to the cooperative. After Chief Executive Officer Kelley completed his speech, he introduced President Donnelly to report the season ahead.

President Donnelly discussed that Management has budgeted for a crop size of 125,846,000 lbs. for 2026. He also spoke about the current and future outlook of the by-product market. He also informed all members and guests that the Board of Directors set this years hulling fee at 11-cents on a delivered basis. President Donnelly thanked his wife and family, staff and the BOD for the opportunity of becoming the new President of the Association.



Member Relations & Administrative Coordinator

Our annual Grower Information Sheets (GIS) and Processor Assignments were sent in the mail on Wednesday, June 10th. 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 2026 Processor Assignment is **extremely important** because **this**

Member Relations &

Administrative Coordinator (continued)

form explicitly states the fees set by the BOD for 2026. 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 2026 CCAGA hulling and shelling fees, you would also need to sign the left column.** If you prefer your handler to pay your 2026 hulling and shelling fees, please return the page to our office (with only the top half signed) and indicate you would like your handler to pay. We will email your handler for their signature.

Over the last few months I have been working on a field age project. An estimated 62,300 acres will be delivered to the Association for hulling or shelling this year. It is important for Management and the BOD to have an understanding of the age of orchards that make up the cooperative. When filling out your GIS, please ensure your years planted and the amount of acreage you deliver is as accurate as possible.

Aside from the field age project, I also updated our GSA map with the new growers accepted into membership in 2025 and 2026. Management and the BOD are very concerned about how SGMA will affect the Association's members. This map will be shown at our Pre-Season Grower meeting so I encourage you to attend.

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.

Please also sign up for our online grower portal. The grower portal is the most efficient way for you to access information about your product. The portal also populates past years production data as far back as 2022 so you can compare current and prior statistics about your product.

President's Report

As the 2026 crop year quickly approaches, we have been very busy at the Kerman and Sanger Facilities.

The Kerman facility received a new 80 foot in ground scale to compliment the three scales located at the Kerman Office. The fourth scale is located at the Quality Control Annex. During the 2025 crop, we rented an above ground scale to prove the merits of the need for a fourth scale. We were able to work through any infrastructure complexities and monitor truck flows to this area. During peak inbound field run deliveries from the membership we felt it was prudent to move all commodity shipments to the new location and improve the turn-around time of your trucks. The addition of the fourth scale in Kerman will build upon our goal to continually improve processes at CCAGA.

The inclusion of three QCIFY machines into our quality control department proved to be a valuable tool for our members. Some members took advantage of the quality breakdown of their in-house shelf sample product sent to their packer. By incorporating the three QCIFY machines in our plants we were able to capture real-time quality results. This allows our members to compare their product with your handler's grade sheet. This addition has provided management, and each member 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 has performed exceptionally well. Many growers are able to take advantage of this line and have inshell delivered to their handler on behalf of CCAGA. I would encourage more growers to do the same. 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 stockpile yard adds an additional 75% of stockpile space.

I am looking forward to another great harvest.



Your operations team has planned for a large crop and focused on increasing efficiency in your plants while maintaining quality. The plants at both facilities are in pristine shape and are near completion for the season. You have a very dedicated operations team. We will continue to ensure we provide the best hulling and shelling service to our members.

What Lies Ahead

As we look forward to the 2026 crop year, we are expecting to receive the crop seven to ten days earlier than last year into our stockpile yards. This has been the case since the early bloom at the beginning of February, and the crop has continued on this track. We did experience seasonally early triple digit temperatures in the growing region but more recently the temperatures have been mild, allowing for the crop to set and mature timely.

We are beginning to see similarities to the year we just closed. The hull price has been traded in a narrow range between \$78 to \$100 per ton. The industry has not been able to generate enough demand to break out of this range. The California dairy shed is still operating at a loss, but Dairies are still feeding high levels of hulls which provide liquidity for the coop. We do still send hulls out of California either on rail or by truckload to Arizona, Idaho, New Mexico, and Texas. Out of state hull demand has increased due to the drought conditions in the western United States. This could be catalyst to a rising hull price, time will tell. As you know, every ton of hulls to leave the state is a benefit to CCAGA and the entire Almond industry.

We have been active in the sales of our 2026 crop hull position which rests at 54% sold at an average price of \$84.94. As compared to our average sales price of \$89.22 in 2025, we are slightly lower. New crop hulls began trading at \$90 per ton and dropped down to \$78 per ton. Prices have been slowly rising after the recent 2026 crop estimates along with the almond kernel price. We hope to continue to see the price for our hulls increase, but currently it seems to be rangebound, tough to break the psychological barrier of \$100 per ton. We recently sold new crop Almond hulls at \$100 fob, which gives me hope of better things to come.

Your Management team has budgeted for a

crop size of 125,846,000 lbs. of meat equivalents for the upcoming season. This is an increase of 11.6% from 2025. This number is formulated by multiplying our five-year average yield per acre at CCAGA by the acres the membership has provided on the acreage survey. For context, the average five-year yield is 2,020 lbs. per acre across 62,300 acres to be delivered to the Association.

The 2026 Subjective Estimate was released on May 12th and reported a crop size of 2.7 billion lbs. This crop size is supported by multiple estimates from other reputable industry companies ranging from 2.64 to 2.69 billion lbs. CCAGA represents 4.43% of the state volume which means we could potentially expect to have 119,516,404 lbs. delivered from the membership.

We feel the crop estimate produced using the CCAGA five-year average yield per acre of 125,846,000 million lbs. is a more realistic representation of the crop in our area. We anticipate running the plants for 110 days this season with an earlier start than normal.

The BOD and Management always discuss the current issues affecting our industry before setting the hulling fee for each crop year. The hulling fee for the 2026 crop year will be consistent with the fee set in 2025, 2.75 cents on a delivered basis. The BOD made the change to charge on a delivered basis in 2022 to encourage less foreign material delivered to our facilities. Excess foreign material increases the cost of repairs and the cost of disposing of dirt and sticks pulled out in the pre-cleaners.

Just like 2025, $\frac{3}{4}$ of one cent will be allocated to the capital retain. The operating retain will be set at 2.0 cents. Due to uncertainty and risk in the market, it is necessary to protect against loss and charge an operating retain. The operating retain is put into effect when the capital retain will not cover the cost of processing your product. This has been the new normal for the association post covid; expenses continue to rise. We don't take this lightly and we scrutinize any significant cash outlay.

We are also able to minimize short term debt when paying operating costs at the beginning of the season before we start receiving the bulk of the

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What Lies Ahead (continued)

hulling fees. As we have in the past, the excess monies we have collected will be paid to each member due patronage when we conclude the 2026 fiscal period and after all the hulls are shipped. Every year our goal is to make sure the plants are ready to receive your product and provide the highest quality of kernels or inshell shipped on your behalf to your processor. We are planning for an early start to the hulling and shelling season and as always, we will be ready!

Contact Information

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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.