

CALIFORNIA AVOCADO COMMISSION

2013-2014 ANNUAL REPORT





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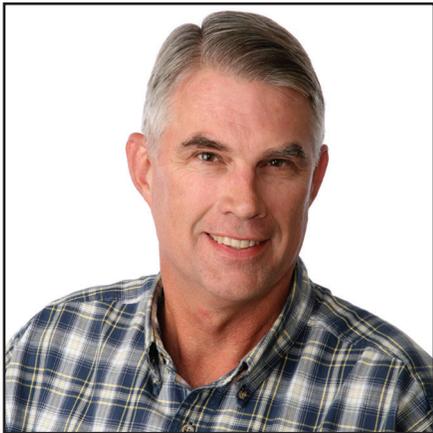
MISSION STATEMENT

To maximize grower returns by enhancing premium brand positioning for California Avocados and improving grower sustainability.





Chairman's Introduction



Ed McFadden
CAC Commissioner – District 3, Chairman 2013-14

It is again my pleasure to introduce the 2013-14 California Avocado Commission (CAC) Annual Report. As we California growers all know, the past year was like no other, full of unprecedented challenges from start to finish as we faced the third year of drought, escalating water prices and enormous increases in imported fruit. Polyphagous shot hole borer (PSHB), perhaps the most potentially dangerous pest/disease complex ever faced by our industry, began spreading rapidly into commercial groves in the southern growing regions. In spite of these challenges, I am excited to see the results of the Commission's efforts in our marketplace and groves. I am guardedly optimistic as we move forward into *our* season.

Please take a few minutes to read through CAC's Annual Report and the following state of the industry highlights prepared by your Commission staff.

CALIFORNIA AVOCADO COMMISSION Board of Directors

FISCAL YEAR 2013-14

DISTRICT	AFFILIATION	NAME
1	Member	Shane Tucker
1	Alternate	Jerome Stehly
1	Member	Carol Steed
1	Alternate	Bill Rice
2	Member	Ohannes Karaoghlanian
2	Alternate	Vacant Seat
2	Member	Charley Wolk
2	Alternate	Kellen Newhouse
3	Member	Doug O'Hara
3	Alternate	J. Michael Lanni
3	Member	Ed McFadden
3	Alternate	Keith Reeder
4	Member	Art Bliss
4	Alternate	Larry Rose
4	Member	John Lamb
4	Alternate	Robert Grether
5	Member	Bradley Miles
5	Alternate	Jim Swoboda
5	Member	Will Carleton
5	Alternate	Leo Murillo
Handler	Member	Egidio "Gene" Carbone
Handler	Alternate	Ron Araiza
Handler	Member	Gary Caloroso
Handler	Alternate	Vacant Seat
Handler	Member	Steve Taft
Handler	Alternate	Donny Lucy
Handler	Member	John Dmytriw
Handler	Alternate	Vacant Seat
Public	Member	Andria Pontello



President's Letter



Tom Bellamore
President, California Avocado Commission

As members of the agricultural industry, we all engage in some form of accounting. While most of that accounting comes down to numbers, it often revolves around the challenges we face year-in and year-out — pests, weather, costs and competition, which ultimately affect the bottom line. Without a doubt, this past year has presented us with plenty of events that led to entries in red ink. We labored through the worst drought California has experienced in a hundred years. For the first time ever, the PSHB made its way to commercial California avocado groves. And during the 4th of July promotional period an influx of avocados from other nations depressed prices and flooded the market, right in the heart of the California season.

But that is only one side of the ledger.

This year will be remembered for the successful launch of the California avocado labeling initiative — an exceptional leap forward. Thanks to years of Commission-funded consumer research studies, the support of California growers, the collaboration of handlers and the increasing desire of consumers to know where and how their food is grown, we have gathered the momentum (and data) necessary to ensure California avocados are clearly identified at the point of purchase. And we have done so at a time when it is needed most. As global imports increase, the Commission has succeeded in making our marketing and promotion dollars work harder for us because we have linked CAC's premium messaging with the product at point of purchase.

And then there is the backstory for the challenges faced this year. Our Vision 2025

“...we have gathered the momentum (and data) necessary to ensure California avocados are clearly identified at the point of purchase.”

mission has played a critical role in guiding our response to these challenges by influencing long-term strategies, key decisions, Commission-funded research, relationship-building and prudent allocation of crucial resources. We understand very well that our successes this year are a direct result of continuous, quality, long-term planning and preparation.

While we will never be able to control the amount of precipitation we receive, we have energized our research effort to focus on providing salinity-



tolerant rootstocks to overcome poor water quality. And when we advocate for equitable water pricing and water purchase agreements on behalf of our growers, our voices are joined with and strengthened by those of new and established agricultural partners.

Thanks to sound judgment, we proactively invested more than \$1 million in PSHB research since 2012 — as soon as the potential threat was identified. And this year we connected and partnered with some of the world’s leading ambrosia beetle experts to identify gaps in knowledge, determine promising research areas and identify next steps in eradicating this threat.

While global competition is both a present and future concern, the years we have spent establishing the California avocado premium positioning have resulted in current-year

marketing successes that range from nationwide fast casual restaurant promotions, to industry awards and millions of digital impressions. As for the future? Our perseverance is sure to pay off. While this year we celebrate the successful launch of the California avocado labeling initiative, in the years to come we will reflect on this moment as just one of many successful steps on the path to our Vision 2025.

So as we look back at this year, we also look forward. Together, with determination and resolve, we will continue to build a strong market for California avocados and improve the productivity and profitability of our growers. Like the challenges we face, this will happen year-in and year-out as we make both small steps and giant leaps forward, all with the aim of increasing value and improving grower productivity.

VISION 2025 STATEMENT

California avocados are highly sought after by discriminating consumers who appreciate the fruit’s freshness, exceptional taste, consistently superior quality, and healthfulness.

These consumers look forward to the California avocado season and understand that supplies may be limited. Consequently, they are willing to pay a price commensurate with the premium attributes of the product, and to choose California avocados over those from all other origins.

California avocado growers are highly productive, profitable, and well organized.

Their production practices focus on providing the highest quality product possible to a discerning market.





2013-14 Year in Review

Despite a year of very tough challenges — severe drought and the emergence of the polyphagous shot hole borer beetle in a major avocado growing region — this also has been a year marked by remarkable success: the California avocado labeling initiative.

California Avocado Labels — No Time Like the Present

Having conducted online surveys, consumer research focus groups and in-store testing to develop California label concepts during the previous year, in February 2014 the Commission completed online creative testing of multiple label concepts to determine the preferred color scheme. Four-color labels were the clear favorite with our target consumer. The Commission marketing team discussed its findings with the Marketing Advisory Committee and CAC Board of Directors, and then met with individual handlers to discuss implementation of the labeling program.

The strong collaboration between the handlers, growers and the Commission to produce a family of customized California avocado labels is significant in an

era in which more consumers are interested in purchasing U.S.-grown avocados and are increasingly checking the labels of their produce.

The importance of launching the labeling initiative at this particular time in our history cannot be overstated —

as global imports continue to flood the U.S. market, it has become critical to differentiate premium California avocados for consumers at the point of purchase. Take, for example, this year’s 4th of July holiday. Fueled by the Commission’s 4th of July marketing campaign, the holiday became the highest avocado consumption event on record at 109.3 million pounds and California avocados held

their premium position with a positive price differential. That said, the volume and timing of aggressively-priced avocado imports resulted in depressed pricing during the holiday. While the Commission is pleased with the ongoing growth and success of CAC’s American Summer Holidays programs and initiatives, this example highlights the importance of ensuring premium California avocados are clearly identified at the point of purchase.



RECALL CALIFORNIA LABEL(S) ON AVOCADO IN STORE



The importance of avocados being grown in the U.S. remains high and the association of the label with the California brand has increased, especially among mega users and those who recall CAC advertising.

Bovitz, Inc. 2014 Avocado Tracking Study



Because of the collaborative California avocado labeling initiative, consumers can now easily identify premium California avocados when on display. However the journey has just begun; going forward, the California avocado labeling initiative will play a critical role in the Commission’s long-term vision to differentiate our fruit for freshness, exceptional taste, superior quality and healthfulness.

Advocacy and Research Critical to Long-term Drought Management

The Commission’s industry affairs program has a long history of advocating on behalf of California avocado growers concerning water availability and pricing, but efforts intensified



In light of the drought and reduced groundwater availability, some California avocado growers in San Luis Obispo County were forced to stump their trees in an effort to preserve their groves.

this year as Californians suffered through one of the worst droughts on record. Throughout the year, CAC routinely met with members of the Metropolitan Water

District (MWD) to raise awareness concerning the importance of the avocado industry and the challenges faced by growers under the current conditions. The Commission successfully organized



a coalition of agricultural organizations, including Western Growers, California Citrus Mutual, California Cut Flower Commission, and others. In early July, led by Tom Bellamore and Charley Wolk, representatives of the coalition, including A.G.

Tom Bellamore and Charley Wolk collaborated with A.G. Kawamura and members of other California agricultural groups such as the California Cut Flower Commission, California Strawberry Commission, Irvine Valencia Growers, Orange County Farm Bureau, San Diego County Farm Bureau and Western Growers to advocate on behalf of the ag industry at MWD sessions.

Kawamura, former California secretary of agriculture, made an appeal before MWD’s executive committee and board for the creation of a Working Group to explore means of slowing down the escalating costs of agricultural water. While the formal request was denied, Randy Record, MWD Chairman, did commit to facilitating ongoing meetings with agricultural representatives to further the discussion.

A decided win for California avocado growers was the Commission’s successful efforts to extend the Transitional Special Agricultural Water Rate (TSAWR) with the San Diego County Water Authority (SDCWA). The extension will provide a continued savings of \$283 per acre foot for agricultural rate payers through January 2016.



In addition, the Commission partnered with the Escondido Growers for Agriculture Preservation to develop a reclaimed water treatment and delivery system. As part of this program, Dr. David Crowley started a research project comparing the effects of using reclaimed water and potable water on avocado trees.

Proactive Research, Collaboration and Outreach — Building Blocks for Addressing PSHB Threat

In December 2013 the polyphagous shot hole borer was identified on a golf course in El Cajon; by September 2014 the first-ever PSHB find in a commercial California avocado grove had been confirmed. These reports, while alarming, were not unexpected. In fact, the Commission has long prepared for the PSHB threat by funneling more than \$1 million into PSHB and fusarium dieback

(FD) research and establishing relationships with PSHB experts. Those steps provided us with critical advantages this year.

In 2014 the Commission claimed a leadership role by garnering support from outside agencies and gathering independent experts to pool resources and conduct research designed to lead to a promising means of coping with the PSHB beetle. Having determined that the California PSHB beetle most likely originated from Vietnam, the Commission funded a three-week trip to Vietnam for University of California (UCR) researchers. There, Dr. Richard Stouthamer, UCR, Dr. Akif Eskalen, UCR and their team collected samples, examined the fusarium dieback fungi and researched potential PSHB predators.

In anticipation of a potential chemical solution to the pest-disease complex, Ken Melban, CAC director issues management, and Dr. Joe Morse, UCR met with chemical manufacturers and the California Department of Pesticide Regulation concerning the registration of materials. And in October 2014 the Commission launched its first set of field chemical trials.

A key component to eliminating the PSHB threat is awareness and outreach — the more people are made aware of the threat, are able to identify the pest and signs of infestation, and refrain from moving infected materials, the higher the likelihood that the California avocado industry can limit the distribution of PSHB. As part of this initiative, the Commission advocated before the United States Department of Agriculture’s Animal



Photo taken during UCR researcher visit to an agricultural school in Ngoc Lac. Back row (L to R) Paul Rugman-Jones (Entomology, UCR), Tim Thibault (Huntington Library and Gardens), Dr. Richard Stouthamer (Entomology, UCR). Front row (L to R) Dr. Quan (Vietnamese Academy of Forest Sciences), Dr. Thu (Vietnamese Academy of Forest Sciences), Dr. Akif Eskalen (Plant Pathology and Microbiology, UCR).



and Plant Health Inspection Service for PSHB funding and CAC President Tom Bellamore met with California Department of Food and Agriculture (CDFA) Secretary Karen Ross to develop a statewide PSHB task force.

CDFA Secretary Karen Ross made PSHB the focus of a multi-agency Summit. Photo courtesy of California Department of Food and Agriculture.

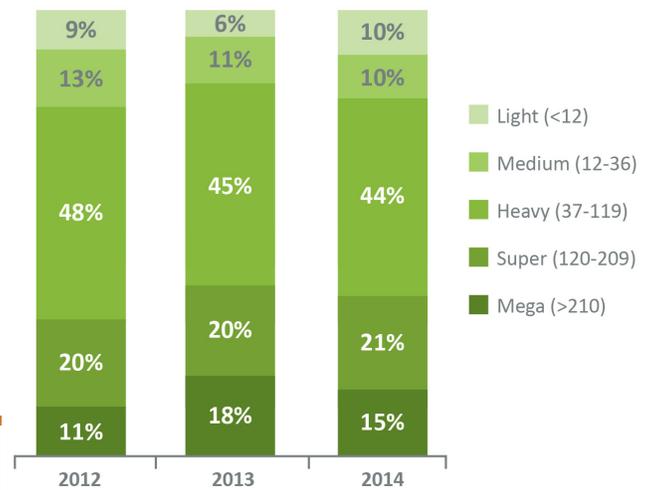
The Commission also conducted outreach and educational programs to encourage

California avocado growers and members of the agricultural community to be vigilant about monitoring their groves. A series of articles concerning PSHB / FD updates and best practices were published on the grower website as well as distributed via email throughout the year, and the informational grower meeting held in Escondido in September was well attended. CAC also partnered with the California Association of Pest Control Advisers to provide pest control adviser training on PSHB and FD.

Skyrocketing Consumer Engagement with the California Avocado Brand

The overall trend toward higher avocado consumption continued this year, evidenced by diverse usage as well as a high percentage of heavy, super and mega users.

AVOCADO CONSUMPTION
of avocados purchased in a year



In CAC's targeted ad markets, the recently identified "mega" user buys more than 210 avocados per year and accounts for 15 percent of avocado users. Bovitz, Inc. 2014 Avocado Tracking Study

As the consumption of avocados has risen, so has consumer engagement with the premium California avocado brand. In particular, the Commission's newly launched blog — *The Scoop* — demonstrated the ability to garner the attention of avocado lovers. The blog reported more than 15,000 unique visits per month during the season — greatly exceeding the goal of 2,000 — and its viewership led to a banner year for website traffic, increasing visits by more than 100,000 since 2013.



Traffic generated by *The Scoop* blog contributed to a record year for the website — over 1.5 million visits were recorded this year.



Social media continued to be a critical communication vehicle for the Commission with California avocado fans. The Commission’s Instagram account, a channel noted for its ability to engage the Millennial and Generation Z audiences, was featured as one of the best 25 Instagram accounts to follow by the DailyBurn.com, a well-regarded health and fitness blog with an average of 450,000 visits a month.

Integrated Marketing Outreach—Spring Grove Tour

To kick off the California avocado season, CAC’s marketing team invited guests representing an assortment of the Commission’s communications programs to participate in a grove and packinghouse tour. The invitees included bloggers, supermarket registered dietitians (SRDs), foodservice operators and trade media. Bringing together the participants with different areas of expertise created high levels of engagement with each other, growers, packers, CAC staff and the marketing team. During the one-day tour in Temecula, participants had the opportunity to tour an avocado nursery, meet California avocado growers, enjoy a California avocado-centric lunch, visit an avocado packinghouse and learn about premium California avocados. The event resulted in 115 brand-related tweets and retweets, reaching more than 1.2 million followers on Twitter. Facebook and Instagram posts resulted in another 67,000 impressions. In addition, trade media coverage reached in excess of 225,000

circulation. This coverage promoted California avocado availability and the unique attributes of California-grown fruit.



Bloggers, SRDs, foodservice operators and members of trade media joined CAC on a behind-the-scenes tour of an avocado grove and packinghouse to learn more about the availability and quality of premium California avocados.

CAC’s Collaboration with Retail and Foodservice Leads to In-store, In-restaurant and Digital Success

The Commission’s ability to build strong retail relationships that help increase awareness of and demand for California avocados continued to be a strongpoint this year. The 5-Star Performance Program, held April 15 – September 1, rewarded retailers for California-avocado-centric in-store support, feature ads, displays, digital media and creative programs.



CALIFORNIA AVOCADOS

Ever wonder what makes California Avocados so special? **Location... Location... Location...** It's select California regions where calm coastal breezes waft through row after row of tree-lined groves, where the soil is rich, and the sun is gentle. So, remember you're not just bringing home an avocado... you're also bringing home a little piece of California.

California Avocados, delicious and good for you. Add avocado to your sandwiches, salads, soups and snacks.

Ralphs

Ralphs' custom in-store POS (228 stores) encouraged consumers to purchase California avocados throughout the season.

CALIFORNIA AVOCADOS
FALLBROOK, CA

75th Anniversary
Albertsons

Two hundred Albertsons stores promoted California avocados with custom signage as part of their 75th anniversary celebration.

Of the 23 participating retailers, who merchandised California avocados in more than 2,500 stores, 15 ran a combined 70 ads with 45 ads featuring the *Hand Grown in California* logo and two featuring California avocado growers. Custom California avocado in-store signage and frequent mentions of the premium California avocado brand on retailers' social media channels rounded out the retail successes of the year.

To encourage consumers to enjoy fresh California avocados while dining out, CAC partnered with a variety of foodservice operators. Foodservice promotions included in-restaurant merchandising, limited time only (LTO) menu items, email blasts as well as website and social media promotions in chains such as Baja Fresh, California Tortilla, Denny's, El Pollo Loco, Fuzzy's Tacos, Habit Burger, Just Fresh, La Salsa, RAM Restaurant & Brewery/CB Potts, Shari's, Subway, Togo's and Which Wich.

Habit Burger featured California avocados in its signature item, the Double Charburger, at 94 units and promoted the LTO item on its website and social media sites.

ASK FOR YOUR CHARBURGER

Santa Barbara Style

A Double Charburger served with fresh California avocado on grilled sourdough bread, it's a Habit tradition you won't find on our menu board. **only \$5.45 +tax**

#habitburger

OH, YOU'LL LIVE IT WITH AVOCADO

Next time, add some fresh CALIFORNIA* avocado to your favorite wick. It adds a little taste of sunshine to any wick, and it's healthy to boot.

*California avocado, when available. Extras as priced.

BLACK BEAN PATTY
Pepper Jack Avocado Honey Mustard Red Onions Lettuce Tomato

Across the nation, 303 Which Wich units encouraged diners to add fresh California avocados to their sandwiches with in-store and digital promotions.



Exceptional Engagement with Key Industry Decision Makers at Fresh Summit



Chef/Registered Dietitian Michelle Dudash's food preparation demos attracted large crowds at the PMA Fresh Summit.

The 2014 Produce Marketing Association (PMA) Fresh Summit provided the opportunity for the Commission to showcase California

avocados with industry leaders in Anaheim, CA. Retail decision makers, SRDs and produce industry leaders from around the globe flocked to the Commission's booth to enjoy freshly prepared avocado dishes and meet with CAC's retail marketing directors, staff and management, as well as California avocado growers and board members.

CAC staff met with decision-makers from retailers such as AmazonFresh, Fresh & Easy, Kroger, Northwest Grocers, Sam's Club, Save Mart, Sprouts, Stater Bros., Wakefern, Walmart and many more during PMA's Fresh Summit.

More than 20 SRDs from 14 states, plus one from Canada, attended small-group educational sessions and snack demos hosted in the CAC booth and joined the Commission for a behind-the-scenes grove tour as part of CAC's sponsorship of the Produce For Better Health Foundation's SRD program. These SRDs represented more than 7,600 stores across the nation and Canada. In addition, 50 percent of the SRDs participated in the Commission's Tweet to Win social media contest, sharing photos and Tweets with their followers and the Fresh Summit Twitter audience.

CAC Recognized for Creativity and Leadership

Once again, the efforts of our marketing team were acknowledged by some of the most highly respected industry publications and associations. In September, CAC Retail Marketing Director Cece Krumrine was honored as the first woman to win *Produce Business* magazine's 2014 New England Produce Person of the Year. This award was swiftly followed, in October 2014, by *Produce Business Magazine* honoring CAC with its Marketing Excellence Award. The award recognized the Commission's *California Avocado Season Foodservice Chain Promotion* as one of the 10 best marketing campaigns of the year.



At the PMA Fresh Summit, CAC invited SRDs for a tour of a California avocado grove, followed by an avocado-centric dinner.



Pine Tree Demonstration Grove Plays Critical Role in Grower Outreach



In the foreground, the Pine Tree Ranch Demonstration Grove sign showcases the partnership between the Commission and Cal Poly Pomona with new avocado tree demonstration grove plantings visible in the background.

Established in 2013, the Pine Tree Ranch Demonstration Grove was designed to serve as a hands-on arena in which California avocado growers could learn about, witness and practice cultural management best practices. To kick off the 2014 growing season more than 100 growers attended the Inaugural Field Day hosted at the Demonstration Grove in January.

Throughout the year a series of Field Days were held at Pine Tree Ranch covering topics designed to help growers improve productivity and profitability. Topics included fertilization, pruning, perseá mite/avocado thrips management, irrigation, salinity management and new tree planting best practices.



CALIFORNIA AVOCADO COMMISSION

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Independent Auditor's Report

Board of Directors
California Avocado Commission
Irvine, California

We have audited the accompanying financial statements of the California Avocado Commission (Commission), as of and for the years ended October 31, 2014 and 2013, and the related notes to the financial statements, which collectively comprise the Commission's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Commission's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Commission's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the California Avocado Commission as of October 31, 2014 and 2013, and the respective changes in financial position and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3 through 7 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audits were conducted for the purpose of forming an opinion on the Commission's basic financial statements. The budgetary comparison schedule, combining statement of revenues, expenses and changes in net position, program expenses, and schedule of property and equipment (Schedules), as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the financial statements.

The Schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedules are fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 22, 2015, on our consideration of the Commission's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Macias Gini & O'Connell LLP

Newport Beach, California

January 22, 2015

CALIFORNIA AVOCADO COMMISSION
Management's Discussion and Analysis
For the Years Ended October 31, 2014 and 2013
(Unaudited)

INTRODUCTION

Management's Discussion and Analysis (MD&A) provides an overview and analysis of the financial activities of the California Avocado Commission (Commission) for the years ended October 31, 2014 and 2013. It has been prepared by management and is required supplementary information to the financial statements. Please read it in conjunction with the financial statements identified in the accompanying table of contents.

FINANCIAL HIGHLIGHTS

- The Commission's 2014 assets exceeded its liabilities as of October 31, 2014 by \$8,066,371 (total net position). This amount decreased \$1,165,101 or 13% from the prior year amount of \$9,231,472.
- Of the total net position at the end of fiscal year 2014, net invested in capital assets increased \$61,971 to \$71,999 or 618% from the prior year amount of \$10,028.
- Net position restricted for marketing at the end of fiscal year 2014 increased \$177,115 to \$1,036,606 or 21% from the prior year amount of \$859,491.
- Unrestricted net position at the end of fiscal year 2014 decreased \$1,404,187 to \$6,957,766 or 17% from the prior year amount of \$8,361,953. This amount made up 86% of total net position.
- The Commission's 2013 assets exceeded its liabilities as of October 31, 2013 by \$9,231,472 (total net position). This amount increased \$1,254,968 or 16% from the prior year amount of \$7,976,504.
- Of the total net position at the end of fiscal year 2013, net invested in capital assets decreased \$5,232 to \$10,028 or 34% from the prior year amount of \$15,260.
- Net position restricted for marketing at the end of fiscal year 2013 decreased \$116,707 to \$859,491 or 12% from the prior year amount of \$976,198.
- Unrestricted net position at the end of fiscal year 2013 increased \$1,376,907 to \$8,361,953 or 20% from the prior year amount of \$6,985,046. This amount made up 90% of total net position.

OVERVIEW OF THE BASIC FINANCIAL STATEMENTS

This MD&A is intended to serve as an introduction to the Commission's financial report. The Commission's financial report includes three basic financial statements: Statements of Net Position; Statements of Revenues, Expenses and Changes in Net Position; and Statements of Cash Flows. The Commission's basic financial statements also include notes to the financial statements. Financial statements are designed to present a broad overview of the financial data for the Commission, in a manner similar to a private-sector business.

The *Statements of Net Position* present information on all assets and liabilities of the Commission, using the accrual basis of accounting, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of the current financial condition of the Commission.

CALIFORNIA AVOCADO COMMISSION
Management's Discussion and Analysis
For the Years Ended October 31, 2014 and 2013
(Unaudited)

The *Statements of Revenues, Expenses and Changes in Net Position* present information showing how the Commission's net position varied during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows.

The *Statements of Cash Flows* present changes in cash and cash equivalents resulting from operating, non-capital financing, capital financing and investing activities.

The notes to the basic financial statements provide additional information that is essential to a full understanding of the information provided in the financial statements.

Other Information:

In addition to the required MD&A, the financial statements also present the following supplementary information: Budgetary Comparison Schedule, Note to Supplementary Information, Combining Statement of Revenues, Expenses and Changes in Net Position (broken down by Restricted and Unrestricted), Program Expenses (Restricted) and Schedule of Property and Equipment. In addition, the financial statements include the Independent Auditor's Report on Compliance.

FINANCIAL ANALYSIS

Comparative data for the prior year ended October 31, 2013, has been presented in the accompanying financial statements (including MD&A) to facilitate financial analysis for the current year ended October 31, 2014. A comparative analysis of fiscal year 2013 with fiscal year 2012 also is presented in the MD&A.

STATEMENTS OF NET POSITION:

	Net Position October 31:		
	2014	2013	2012
Current assets	\$10,517,659	\$12,578,805	\$10,554,879
Capital assets, net	71,999	10,028	15,260
Total assets	10,589,658	12,588,833	10,570,139
Current liabilities	2,472,021	3,314,996	2,576,761
Noncurrent liabilities	51,266	42,365	16,874
Total liabilities	2,500,837	3,357,361	2,593,635
Net position:			
Net investment in capital assets	71,999	10,028	15,260
Restricted for marketing	1,036,606	859,491	976,198
Unrestricted	6,957,766	8,361,953	6,985,046
Total net position	\$8,066,371	\$9,231,472	\$7,976,504

CALIFORNIA AVOCADO COMMISSION
Management's Discussion and Analysis
For the Years Ended October 31, 2014 and 2013
(Unaudited)

As noted earlier, net position may serve over time as a useful indicator of the Commission's financial position. The largest portion (99.3%) of the Commission's assets are current assets consisting primarily of cash and cash equivalents, receivables and fiduciary cash amounts held for Avocado Inspection Program (AIP). Current assets at the end of fiscal year 2014 totaled \$10,517,659, decreasing \$2,061,146 from the prior year amount of \$12,578,805. This decrease is primarily due to lower total production volume particularly at the end of the year which is reflected in the reduced assessments receivable balance. Total current assets cover current liabilities 4.3 times, indicating good liquidity.

At the end of fiscal year 2013, the largest portion (99.9%) of the Commission's assets are current assets consisting primarily of cash and cash equivalents, receivables and fiduciary cash amounts held for Avocado Inspection Program (AIP). Current assets at the end of fiscal year 2013 totaled \$12,578,805, increasing \$2,023,926 from the prior year amount of \$10,554,879. This increase is primarily due to an increase in cash and cash equivalents from higher assessment revenue generated in 2013 compared to 2012 due to an increase in the assessment rate, production and average price per pound. Total current assets cover current liabilities 3.8 times, indicating good liquidity.

Liabilities at the end of fiscal year 2014 totaled \$2,523,287, decreasing from a balance of \$3,357,361 in 2013 and a balance of \$2,593,635 in 2012. These decrease in fiscal year 2014 was due to lower total production volume and shortened crop season which in turn reduced marketing activities and obligations owed to vendors. The increase in fiscal year 2013 was due to additional obligations owed to vendors as a result of increased activities in marketing and industry affairs activities. The Commission's liabilities primarily consist of current liabilities including accounts payable, accrued liabilities, deposits due and fiduciary liability amounts held for AIP.

Net investment in capital assets represents the Commission's net position in capital assets net of accumulated depreciation and outstanding principal balances of debt attributable to the acquisition, construction, or improvement of those assets. The Commission's net investment in capital assets totaled \$71,999 at the end of fiscal year 2014, increasing \$61,971 from the prior year amount of \$10,028. This increase is due to land improvements associated with the Pine Tree Ranch demonstration grove. Net position invested in capital assets represents 0.9% of total net position.

At the end of fiscal year 2013, net position invested in capital assets totaled \$10,028 at the end of fiscal year 2013, decreasing \$5,232 from the prior year amount of \$15,260. This decrease is primarily due to the annual accumulated depreciation increase and deletion of capital assets. Net position invested in capital assets represents 0.1% of total net position.

Restricted net position for marketing activities is subject to imposed restrictions by federal statute governing their use. Restricted net position totaled \$1,036,606 at the end of 2014, increasing \$177,115 from the prior year amount of \$859,491. This increase was due to lower consumer media expenses. Restricted net position represents 13% of total net position. Restricted net position totaled \$859,491 at the end of 2013, decreasing \$116,707 from the prior year amount of \$976,198.

Unrestricted net position available for future activities at the end of fiscal year 2014 totaled \$6,957,766, decreasing \$1,404,187 from the prior year amount of \$8,361,953. Unrestricted net position available for future activities totaled \$8,361,953 at the end of fiscal year 2013, increasing \$1,376,907 from the prior year amount of \$6,985,046.

CALIFORNIA AVOCADO COMMISSION
Management's Discussion and Analysis
For the Years Ended October 31, 2014 and 2013
(Unaudited)

STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION:

	Changes in Net Position		
	For the Years ended October 31:		
	2014	2013	2012
Operating revenues	\$13,131,077	\$17,506,396	\$13,643,570
Operating expenses	14,500,406	16,377,758	16,191,448
Operating income (loss)	<u>(1,369,329)</u>	<u>1,128,638</u>	<u>(2,547,878)</u>
Nonoperating revenues	204,228	126,330	148,170
Change in net position	<u>(1,165,101)</u>	<u>1,254,968</u>	<u>(2,399,708)</u>
Net position, beginning of year	9,231,472	7,976,504	10,376,212
Net position, ending of year	<u><u>\$8,066,371</u></u>	<u><u>\$9,231,472</u></u>	<u><u>\$7,976,504</u></u>

Operating revenues totaled \$13,131,077 in 2014, decreasing \$4,375,319 or 25% from \$17,506,396 earned in 2013. This decrease is primarily due to a reduction in assessment revenue received from the Hass Avocado Board (HAB) assessment. Although the assessment rate and price per pound increased, total crop volume decreased to 297 million pounds in 2014 as compared to 500 million pounds in 2013. The decrease in volume was primarily due to environmental factors, such as droughts and heat. The majority of operating revenue consisted of assessment revenue totaling \$13,045,077 (99%). The remaining portion of \$86,000 (1%) was from administrative and marketing fees generated from the Avocado Inspection Program (AIP).

Operating revenues totaled \$17,506,396 in 2013, increasing \$3,862,826 or 28% from \$13,643,570 earned in 2012. This was due to an increase in the assessment rate, total crop yield, and average price per pound compared to 2012. In 2013 the assessment rate was 1.75%, total production was 500 million pounds, and average price per pound was \$0.87, whereas in 2012 the assessment rate was 1.10%, total production was 462 million pounds, and the average price per pound was \$0.83. The majority of operating revenue consisted of assessment revenue totaling \$17,400,396 (99%). The remaining portion of \$106,000 (1%) came from administrative and marketing fees generated from HAB and AIP.

Operating expenses totaled \$14,477,956 in 2014, decreasing \$1,899,802 or 12% from \$16,377,758 in 2013 and \$16,191,448 in 2012. This decrease is primarily due to reduced activities in marketing programs 2014.

At the end of the fiscal year 2014, the Commission reported an ending net position of \$8,088,821, a decrease of \$1,142,651 from the prior year amount of \$9,231,472. This is primarily due to a decrease in assessment revenue received from the HAB assessment, resulting from reduced total volume production, as aforementioned.

CALIFORNIA AVOCADO COMMISSION
Management's Discussion and Analysis
For the Years Ended October 31, 2014 and 2013
(Unaudited)

At the end of the fiscal year 2013, the Commission reported an ending net position of \$9,231,472, an increase of \$1,254,968 from the prior year amount of \$7,976,504. This is primarily due to an increase in assessment revenue received from the Commission assessment, resulting from higher production, average price and assessment rate, as aforementioned.

CAPITAL ASSETS

The Commission's net investment in capital assets totaled \$71,999 as of October 31, 2014, increasing \$61,971 from the prior year amount of \$10,028 (net of accumulated depreciation). At October 31, 2013, the Commission's net investment in capital assets totaled \$10,028, decreasing \$5,232 from the prior year amount of \$15,260 (net of accumulated depreciation). The increase represents land improvements associated with the Pine Tree Ranch demonstration grove during fiscal year 2014.

COMPENSATED ABSENCES

At the end of fiscal year 2014, the Commission accumulated an accrued compensated absences balance of \$133,402; an increase of \$4,912 from the prior year balance of \$128,490. This prior year balance was a \$3,865 increase from the 2012 balance of \$124,626.

CONTACTING THE COMMISSION'S FINANCIAL MANAGEMENT

This financial report is designed to provide a general overview of the Commission's finances and to show the Commission's accountability for the money it receives. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to California Avocado Commission, 12 Mauchly, Suite L, Irvine, California 92618; phone number 949-341-1955.

CALIFORNIA AVOCADO COMMISSION
Statements of Net Position
October 31, 2014 and 2013

	<u>2014</u>	<u>2013</u>
Current assets:		
Cash and cash equivalents	\$ 8,815,327	\$ 7,960,460
Assessments receivable	95,796	462,542
Other receivables	60,562	16,245
Prepaid expenses	58,546	56,662
Fiduciary cash and cash equivalents, amounts held for AIP	1,212,218	1,311,862
Restricted:		
Assessments receivable	<u>275,210</u>	<u>2,771,034</u>
Total current assets	10,517,659	12,578,805
Noncurrent assets:		
Capital assets being depreciated, net	<u>71,999</u>	<u>10,028</u>
Total assets	<u>10,589,658</u>	<u>12,588,833</u>
Current liabilities:		
Accounts payable and accrued liabilities	1,100,661	1,087,450
Accounts payable and accrued liabilities, payable from restricted assets	59,006	811,559
Fiduciary liabilities, amounts held for AIP	1,212,218	1,311,862
Deposits	18,000	18,000
Compensated absences, due within one year	<u>82,136</u>	<u>86,125</u>
Total current liabilities	2,472,021	3,314,996
Noncurrent liabilities:		
Compensated absences, due in more than one year	<u>51,266</u>	<u>42,365</u>
Total liabilities	<u>2,523,287</u>	<u>3,357,361</u>
Net position:		
Net investment in capital assets	71,999	10,028
Restricted for marketing	1,036,606	859,491
Unrestricted	<u>6,957,766</u>	<u>8,361,953</u>
Net position	<u>\$ 8,066,371</u>	<u>\$ 9,231,472</u>

See accompanying notes to basic financial statements.

CALIFORNIA AVOCADO COMMISSION
Statements of Revenues, Expenses and Changes in Net Position
For the Years Ended October 31, 2014 and 2013

	<u>2014</u>	<u>2013</u>
Operating revenues:		
Assessment revenue	\$ 6,930,317	\$ 7,626,903
HAB rebate assessment revenue (restricted)	6,114,760	9,773,493
Administrative and marketing fees	86,000	106,000
Total operating revenues	<u>13,131,077</u>	<u>17,506,396</u>
Operating expenses:		
Marketing	9,659,537	11,389,666
Nonmarketing programs	2,196,325	2,356,921
Administration	2,644,544	2,631,171
Total operating expenses	<u>14,500,406</u>	<u>16,377,758</u>
Operating income (loss)	<u>(1,369,329)</u>	<u>1,128,638</u>
Nonoperating revenues:		
Interest income	20,776	16,741
Other income	183,452	109,589
Total non-operating revenues	<u>204,228</u>	<u>126,330</u>
Change in net position	(1,165,101)	1,254,968
Net position, beginning of year	<u>9,231,472</u>	<u>7,976,504</u>
Net position, ending of year	<u><u>\$ 8,066,371</u></u>	<u><u>\$ 9,231,472</u></u>

See accompanying notes to the basic financial statements.

CALIFORNIA AVOCADO COMMISSION
Statements of Cash Flows
For the Years Ended October 31, 2014 and 2013

	<u>2014</u>	<u>2013</u>
Cash flows from operating activities:		
Cash received from customers	\$ 15,849,686	\$ 16,064,017
Cash payments to suppliers for goods and services	(13,248,551)	(13,746,148)
Cash payments to employees for services	<u>(1,980,352)</u>	<u>(2,004,518)</u>
Net cash provided by operating activities	<u>620,783</u>	<u>313,351</u>
Cash flows from non-capital financing activities:		
Proceeds from grants	126,615	62,360
Other	<u>56,591</u>	<u>46,607</u>
Net cash provided by non-capital related financing activities	<u>183,206</u>	<u>108,967</u>
Cash flows from capital and related financing activities:		
Purchases of capital assets	(69,788)	-
Proceeds from sale of assets	<u>246</u>	<u>622</u>
Net cash provided by capital and related financing activities	<u>(69,542)</u>	<u>622</u>
Cash flows from investing activities:		
Interest on investments	<u>20,776</u>	<u>16,741</u>
Net increase in cash and cash equivalents	755,223	439,681
Cash and cash equivalents, beginning of year	<u>9,272,322</u>	<u>8,832,641</u>
Cash and cash equivalents, end of year	<u>\$ 10,027,545</u>	<u>\$ 9,272,322</u>
Reconciliation of operating income (loss) to net cash provided by operating activities:		
Operating income (loss)	\$ (1,369,329)	\$ 1,128,638
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:		
Depreciation expense	7,817	5,232
Changes in assets and liabilities:		
(Increase) decrease in assessments receivable	2,862,570	(1,604,423)
(Increase) decrease in other receivables	(44,317)	21,956
(Increase) decrease in prepaid expenses	(1,884)	(1,778)
Increase (decrease) in accounts payable and accrued liabilities	(739,342)	619,774
Increase (decrease) in fiduciary liabilities	(99,644)	140,088
Increase (decrease) in compensated absences	<u>4,912</u>	<u>3,864</u>
Net cash provided by operating activities	<u>\$ 620,783</u>	<u>\$ 313,351</u>

See accompanying notes to basic financial statements.

CALIFORNIA AVOCADO COMMISSION
Notes to Basic Financial Statements
October 31, 2014 and 2013

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of the significant accounting policies followed by the California Avocado Commission (Commission):

(a) *Activities of the Commission*

The California Avocado Commission is authorized under California law to engage in programs of advertising, promotion, marketing research, and production research related to the sale of California avocados. The Commission is authorized to levy an assessment against producers of avocados for the purposes of carrying out its programs. The assessments for the years ended October 31, 2014 and 2013, were 2.10% and 1.75%, respectively, of the gross revenues received by producers. The Commission also receives 85% of the assessments collected by the Federal Hass Avocado Board (HAB) on Hass avocados produced and sold in California, which is restricted for use on marketing activities.

(b) *Measurement Focus, Basis of Accounting, and Financial Statement Presentation*

The Commission operates as an enterprise activity. An enterprise fund accounts for operations that are financed and operated in a manner similar to private business enterprises, where the intent of the Board of Directors is that the costs (expenses, including depreciation) of providing services to the industry on a continuing basis be financed or recovered primarily through assessment revenues.

Enterprise funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with an enterprise fund's principal ongoing operations. The principal operating revenues of the Commission are assessment revenues and administrative and marketing fees. Operating expenses for enterprise funds include the cost of marketing programs, production research, industry affairs and administrative expenses, including depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Basis of accounting refers to when revenues and expenses are recognized in the accounts and reported in the financial statements. Enterprise funds are accounted for on the flow of economic resources measurement focus and use the accrual basis of accounting, whereby revenues are recognized when earned, and expenses are recognized when incurred, regardless of the timing of related cash flows.

When both restricted and unrestricted resources are available for use, it is the Commission's policy to use restricted resources first, then unrestricted resources as they are needed.

CALIFORNIA AVOCADO COMMISSION
Notes to Basic Financial Statements (Continued)
October 31, 2014 and 2013

(c) *Assets, Liabilities, and Net Position*

1. Cash Equivalents

For purposes of the statements of cash flows, the Commission considers cash and funds invested in the Local Agency Investment Fund (LAIF) of the State of California for both restricted and unrestricted funds to be cash equivalents. Additionally, investments with original maturities of three months or less at the time of purchase are considered cash equivalents.

2. Investments

In accordance with Governmental Accounting Standards Board Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, all investments are recorded at fair value, which is the value at which a financial instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. Investments that are not traded on a market, such as investments in external pools, are valued based on the stated fair value as represented by the external pool. Restricted and unrestricted cash are pooled for investment purposes.

3. Receivables

No allowance for uncollectible accounts has been recorded for the years ended October 31, 2014 and 2013. Management has evaluated the accounts and believes they are all collectible. Management evaluates all accounts receivable, and if it is determined that they are uncollectible, they are written off directly as a bad debt expense.

4. Capital Assets

Capital assets consist of furniture, office equipment and leasehold improvements. The Commission capitalizes assets with values of \$10,000 or more and useful lives of greater than one year. Capital assets are valued at cost, or estimated historical cost, if actual historical cost is not available. Contributed assets are valued at fair value on the date donated. Capital assets acquired through lease obligations are valued at the present value of future lease payments at the date acquired. Capital assets are depreciated on the straight-line basis, using the following asset lives:

Asset Category	Years
Furniture	5
Office equipment	3
Leasehold improvements	5 (or term of lease, whichever is less)
Software	3
Land Improvements	Term of the property lease

CALIFORNIA AVOCADO COMMISSION
Notes to Basic Financial Statements (Continued)
October 31, 2014 and 2013

5. Compensated Absences

Commission employees receive from 10 to 20 days of vacation each year, depending upon length of service. An employee may accumulate earned vacation time to a maximum of 40 days. Once an employee accrues 40 days of unused vacation time, the Commission compensates the employee 10 days of accrued and unused vacation time at the employee's current rate of pay. Upon termination, employees are paid for all accrued but unused vacation at their current rate of pay.

Compensated absences include accrued vacation that is available to employees in future years, either as time off or in cash (upon leaving the employment of the Commission). All compensated absences are accrued when incurred.

6. Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results may differ from such estimates.

7. Fiduciary and Restricted Assets

Fiduciary assets are held for the Avocado Inspection Program (AIP) and are off-set by fiduciary liabilities. Restricted assets are restricted for marketing-related activities and are subject to restrictions imposed by federal statute governing their use.

8. Net Position

Net position represents the difference between assets, plus deferred outflows of resources, less liabilities, less deferred inflows of resources. The net investment in capital assets component of net position consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets, if any. Net investment in capital assets, excludes debt or deferred inflows of resources attributable to the unspent related debt proceeds amount. At October 31, 2014 and 2013, the Commission had \$71,999 and \$10,028, respectively, net investment in capital assets. There was no outstanding debt related to capital assets at October 31, 2014 and 2013. Net position is reported as restricted when there are limitations imposed on their use through external restrictions imposed by creditors, grantors or laws or regulations of other governments. At October 31, 2014 and 2013, the Commission had restricted net position in the amounts of \$1,036,606 and \$859,491, respectively, for marketing-related activities. The unrestricted component of net position is the net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted component of net position.

CALIFORNIA AVOCADO COMMISSION
Notes to Basic Financial Statements (Continued)
October 31, 2014 and 2013

(d) *Effects of New Pronouncements*

The following Governmental Accounting Standards Board (GASB) pronouncement implemented during fiscal year 2013:

GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*. This statement establishes accounting and financial reporting standards that classify certain items that were previously reported as assets as deferred outflows of resources or deferred inflows of resources, and recognize certain items that were previously reported as assets and liabilities as outflows of resources or inflows of resources. The implementation of GASB No. 65 did not have a material impact on the Commission’s financial position and result of operations.

(2) DETAILED NOTES ON ASSETS AND LIABILITIES

(a) *Cash and Cash Equivalents*

Cash and cash equivalents consisted of the following at October 31:

	2014	2013
Petty cash	\$ 200	\$ 200
Demand deposits	10,017,763	9,262,565
Local Agency Investment Fund	9,582	9,557
Total cash and cash equivalents	\$ 10,027,545	\$ 9,272,322

Investments Authorized by the California Government Code and the Commission’s Investment Policy

The Commission adopted California Government Code (CGC) Section 16430 and the United States Department of Agriculture (USDA) Directive 2210.2 as its investment policy. The table below identifies the investment types that are authorized under CGC Section 16430, as well as certain provisions of CGC Section 16430 and USDA Directive 2210.2 that address interest rate risk and concentration of credit risk.

CALIFORNIA AVOCADO COMMISSION
Notes to Basic Financial Statements (Continued)
October 31, 2014 and 2013

<u>Authorized Investment Type</u>	<u>Maximum Maturity</u>	<u>Maximum Percentage of Portfolio</u>	<u>Maximum Investment in One Issuer</u>
State of California Bonds and Notes	1 year	None	None
U. S. Treasury Obligations	1 year	None	None
U. S. Agency Securities	1 year	None	None
Bank Loans	1 year	None	None
Student Loan Notes	1 year	None	None
Obligations issued for Reconstruction and Development	1 year	None	None
Negotiable Certificates of Deposits	1 year	None	None
Banker's Acceptances	1 year	None	None
Commercial Paper	180 days	30%	10%
Corporate Bonds and Notes	5 year	None	None
Local Agency Investment Fund (LAIF)	N/A	None	\$50 million

Disclosures Relating to Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. Information about the sensitivity of the fair values of the Commission's investments to market interest rate fluctuations is provided by the following table that shows the Commission's investments by maturity:

<u>Investment Type</u>	<u>Remaining Maturity</u> <u>12 Months or Less</u>	
	<u>2014</u>	<u>2013</u>
Local Agency Investment Fund	<u>\$ 9,582</u>	<u>\$ 9,557</u>

Disclosures Relating to Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. LAIF does not have a rating provided by a nationally recognized statistical rating organization.

CALIFORNIA AVOCADO COMMISSION
Notes to Basic Financial Statements (Continued)
October 31, 2014 and 2013

Concentration of Credit Risk

The investment policy of the Commission contains no limitations on the amount that can be invested in any one issuer beyond that stipulated by the CGC 16430. The Commission had no investments in any one issuer (other than external investment pools) that represented 5% or more of total Commission investments at October 31, 2014 and 2013.

Custodial Credit Risk

Custodial credit risk for *deposits* is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for *investments* is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investments or collateral securities that are in the possession of another party. The CGC and the Commission's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits: the CGC requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure Commission deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits.

With respect to investments, custodial credit risk generally applies only to direct investments in marketable securities. Custodial credit risk does not apply to a local government's indirect investment in securities through the use of mutual funds or government investment pools (such as LAIF).

Investment in State Investment Pool

The Commission is a voluntary participant in LAIF, which is regulated by CGC Section 16429 under the oversight of the Treasurer of the State of California. The fair value of the Commission's investment in this pool is reported in the accompanying financial statements at amounts based upon the Commission's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis.

The total amount invested by all public agencies in LAIF as of October 31, 2014, was \$19.2 billion. LAIF is part of the California Pooled Money Investment Account (PMIA), which at October 31, 2014, had a balance of \$57.5 billion. Of that amount, 1.76% was invested in medium-term and short-term structured notes and asset-backed securities. The average maturity of PMIA investments was 213 days as of October 31, 2014.

CALIFORNIA AVOCADO COMMISSION
Notes to Basic Financial Statements (Continued)
October 31, 2014 and 2013

The total amount invested by all public agencies in LAIF as of October 31, 2013, was \$18.9 billion. LAIF is part of the California Pooled Money Investment Account (PMIA), which at October 31, 2013, had a balance of \$56.8 billion. Of that amount, 2.01% was invested in medium-term and short-term structured notes and asset-backed securities. The average maturity of PMIA investments was 220 days as of October 31, 2013.

(b) Capital Assets

	<u>November 1, 2013</u>	<u>Additions</u>	<u>Deletions</u>	<u>October 31, 2014</u>
Capital assets, being depreciated:				
Furniture	\$ 26,160	\$ -	\$ -	\$ 26,160
Office equipment	61,002			61,002
Land Improvements	-	69,788	-	69,788
	<hr/>	<hr/>	<hr/>	<hr/>
Total capital assets, being depreciated	87,162	69,788	-	156,950
	<hr/>	<hr/>	<hr/>	<hr/>
Less accumulated depreciation for:				
Furniture	16,132	5,232	-	21,364
Office equipment	61,002			61,002
Land Improvements	-	2,585	-	2,585
	<hr/>	<hr/>	<hr/>	<hr/>
Total accumulated depreciation	77,134	7,817	-	84,951
	<hr/>	<hr/>	<hr/>	<hr/>
Capital assets, net of depreciation	<u>\$ 10,028</u>	<u>\$ 61,971</u>	<u>\$ -</u>	<u>\$ 71,999</u>
	<hr/>	<hr/>	<hr/>	<hr/>
	<u>November 1, 2012</u>	<u>Additions</u>	<u>Deletions</u>	<u>October 31, 2013</u>
Capital assets, being depreciated:				
Furniture	\$ 26,160	\$ -	\$ -	\$ 26,160
Office equipment	61,002	-	-	61,002
	<hr/>	<hr/>	<hr/>	<hr/>
Total capital assets, being depreciated	87,162	-	-	87,162
	<hr/>	<hr/>	<hr/>	<hr/>
Less accumulated depreciation for:				
Furniture	10,900	5,232	-	16,132
Office equipment	61,002	-	-	61,002
	<hr/>	<hr/>	<hr/>	<hr/>
Total accumulated depreciation	71,902	5,232	-	77,134
	<hr/>	<hr/>	<hr/>	<hr/>
Capital assets, net of depreciated	<u>\$ 15,260</u>	<u>\$ (5,232)</u>	<u>\$ -</u>	<u>\$ 10,028</u>
	<hr/>	<hr/>	<hr/>	<hr/>

CALIFORNIA AVOCADO COMMISSION
Notes to Basic Financial Statements (Continued)
October 31, 2014 and 2013

Depreciation expense was \$7,817 and \$5,232 for the years ended October 31, 2014 and 2013, respectively.

(c) Long-term Liabilities

	<u>November 1, 2013</u>	<u>Additions</u>	<u>Deletions</u>	<u>October 31, 2014</u>	<u>Amount Due within One Year</u>
Compensated absences	\$ 128,490	\$ 100,350	\$ (95,438)	\$ 133,402	\$ 82,136

	<u>November 1, 2012</u>	<u>Additions</u>	<u>Deletions</u>	<u>October 31, 2013</u>	<u>Amount Due within One Year</u>
Compensated absences	124,626	98,753	(94,889)	128,490	86,125
Total	\$ 124,626	\$ 98,753	\$ (94,889)	\$ 128,490	\$ 86,125

(3) OTHER INFORMATION

(a) Avocado Inspection Program

During February 1986, the Commission contracted with the State Department of Food and Agriculture to administer the Avocado Inspection Program (AIP) for the State of California (State). Since the Commission is, in substance, an agent for the State, fiduciary cash and cash equivalents, amounts held for AIP are offset by fiduciary liabilities, amounts held for AIP. As of October 31, 2014 and 2013, \$1,212,218 and \$1,311,862, respectively, was held by the Commission for the AIP.

(b) Line of Credit

On March 8, 2011, the Commission obtained a revolving line of credit from Bank of the West, in the amount of \$3,000,000, with a variable interest rate at prime rate plus 0.5% and a floor of 4.0%. The original maturity date for the line of credit was February 15, 2013, which was extended to February 25, 2014, and subsequently extended again to February 15, 2015 under the same terms as the original agreement. At October 31, 2014 and 2013, there was no outstanding balance due on the line of credit.

CALIFORNIA AVOCADO COMMISSION
Notes to Basic Financial Statements (Continued)
October 31, 2014 and 2013

(c) Risk Management

Insurance Programs of the Commission

The Commission utilizes insurance broker Brown & Brown of California, Inc., to obtain its insurance coverage from various insurers. The Commission's coverage is as follows:

Commercial General Liability - insured by Associated Indemnity Corporation – General aggregate coverage of \$2,000,000 and \$1,000,000 for each occurrence.

Automobile Liability - insured by Sentinel Insurance Company – Coverage is \$1,000,000 per bodily injury or property damage, subject to a \$500 deductible.

Crime Liability - insured by Travelers Casualty & Surety – Coverage is \$1,000,000, subject to a \$5,000 deductible.

Umbrella Liability - insured by Associated Indemnity Corporation – General aggregate coverage of \$5,000,000 and \$5,000,000 for each occurrence.

Travel Accident Liability - insured by Hartford Life Insurance Company – Coverage is \$100,000 per person and \$500,000 per accident.

Directors and Officers Liability and Employment Practices Liability - insured by Great American Insurance Company – Coverage is \$5,000,000 aggregate limit, with a \$25,000 retention.

Employed Lawyers Professional Liability - insured by Executive Risk Indemnity, Inc. – Coverage is \$1,000,000 aggregate limit.

Fiduciary Liability - insured by U.S. Specialty Insurance Company – Coverage is \$1,000,000 each claim and in aggregate, subject to a \$2,500 deductible.

Media Content/Network Security and Privacy - insured by Aspen Specialty Insurance Company – Coverage is \$1,000,000 each claim and in aggregate, with a \$25,000 self insurance retention for each loss.

First Party Network Security and Privacy - insured by Aspen Specialty Insurance Insurance Company – Privacy notification costs limit is \$1,000,000, with a \$25,000 self insurance retention for each loss.

Foreign Liability - insured by Fireman's Fund Insurance Company – General aggregate coverage is \$2,000,000 and \$1,000,000 for each occurrence.

CALIFORNIA AVOCADO COMMISSION
Notes to Basic Financial Statements (Continued)
October 31, 2014 and 2013

Workers' Compensation Coverage

The Commission is a member of the State Compensation Insurance Fund, a self-supporting, non-profit enterprise that provides workers' compensation insurance to California employers. The coverage is \$1 million per occurrence.

Adequacy of Protection

During the past three fiscal (claims) years, none of the above programs of protection have had settlements or judgments that exceeded insured coverage. There have been no significant changes in insurance coverage during fiscal year 2014.

(d) Employee Retirement Plan

The Board of Directors of the Commission implemented a Profit Sharing Plan (PSP) for eligible Commission employees effective November 1, 2000. The Commission's payroll for the eleven employees eligible to participate in the PSP for the plan year ended October 31, 2014, was \$1,378,241.83. Total payroll for the eleven employees eligible to participate in the PSP for the plan year ended October 31, 2013, was \$1,330,631. Total contributions for the years ended October 31, 2014, 2013 and 2012, were \$123,720, \$114,744, and \$145,075, respectively.

The Commission may make annual, discretionary contributions to the PSP. With a few exceptions, each eligible employee received an allocation of 10% of compensation, up to a maximum of \$52,000, for each of the plan years ended October 31, 2014 and 2013. To receive an allocation, each employee must meet a minimum service requirement of one year and must be credited with at least 1,000 hours of service.

(e) Operating Leases

On November 5, 2009, the Commission entered into a lease agreement for the current office space, within the City of Irvine, under a five-year lease ending November 30, 2014 which was extended an additional five years ending November 30, 2019. During the years ended October 31, 2014 and 2013, the Commission paid \$66,317 and \$62,801, respectively, for office rent, exclusive of operating expenses.

On September 15, 2011, the Commission entered into an agreement to lease a postage machine under a three-year lease ending on October 1, 2014, which was extended to April 30, 2017 with quarterly payments due at the end of each quarter ranging from \$200 to \$400. Quarterly payments began January 1, 2012. During the years ended October 31, 2014 and 2013, respectively, the Commission paid \$1,393 and \$1,339, respectively, including tax, for this lease.

CALIFORNIA AVOCADO COMMISSION
Notes to Basic Financial Statements (Continued)
October 31, 2014 and 2013

On February 23, 2012, the Commission entered into an agreement to lease two printers under a three-year lease agreement ending on March 31, 2015, with monthly payments of \$443 beginning April 1, 2012. During the year ended October 31, 2014 and 2013, the Commission paid \$5,367 and \$6,002, respectively, including tax, for this lease.

On May 22, 2013, the Commission entered into a lease agreement for the office space within the City of Santa Paula under a three-year lease ending April 30, 2016. During the year ended October 31, 2014, the Commission paid \$8,502 for office rent, exclusive of operating expenses.

On July 1, 2013, the Commission entered into a lease agreement for the Pine Tree Ranch property within the City of Santa Paula under a ten-year lease ending June 30, 2023. During the year ended October 31, 2014, the Commission paid \$18,800 for rent, including rent paid for a garage on the property for \$100 a month starting in August.

The annual requirements to amortize the operating lease obligations as of October 31, 2014, are as follows:

Year Ending October 31,	Office Spaces	Printers	Postage Machine	Pine Tree Ranch	Total
2015	\$ 72,647	\$ 10,537	\$ 1,101	\$ 19,412	\$ 103,697
2016	76,086	7,321	1,101	20,056	104,564
2017	70,630	-	550	20,720	91,900
2018	72,733	-	-	21,400	94,133
2019	74,836	-	-	22,104	96,940
2020 - 2023	6,251	-	-	87,428	93,679
Total	\$ 373,183	\$ 17,858	\$ 2,752	\$ 191,120	\$ 584,913

CALIFORNIA AVOCADO COMMISSION
Budgetary Comparison Schedule
For the Year Ended October 31, 2014
(with comparative actual totals for the year ended October 31, 2013)

	2014				2013 Actual
	Original Budget	Final Budget	Actual	Variance Positive (Negative)	
Revenues:					
Assessment revenue	\$ 6,825,000	\$ 6,825,000	\$ 6,930,317	\$ 105,317	\$ 7,626,903
HAB rebate assessment revenue (restricted)	6,422,813	6,422,813	6,114,760	(308,053)	9,773,493
Administrative and marketing fees	86,000	86,000	86,000	-	106,000
Interest income	10,000	10,000	20,776	10,776	16,741
Grant revenue	62,000	62,000	126,615	64,615	61,430
Other income	40,000	40,000	56,837	16,837	48,159
Total revenues	<u>13,445,813</u>	<u>13,445,813</u>	<u>13,335,305</u>	<u>(110,508)</u>	<u>17,632,726</u>
Expenses:					
Marketing:					
Consumer advertising	6,178,000	5,928,000	5,336,660	591,340	7,210,502
Merchandising	1,825,000	1,825,000	1,655,262	169,738	1,791,919
Foodservice	890,000	890,000	759,655	130,345	870,684
Public relations and nutrition communication	880,000	880,000	880,665	(665)	875,576
Internet marketing	698,000	948,000	873,690	74,310	586,433
Marketing planning and other	229,000	229,000	153,604	75,396	54,552
Total marketing	<u>10,700,000</u>	<u>10,700,000</u>	<u>9,659,537</u>	<u>1,040,463</u>	<u>11,389,666</u>
Non-marketing programs:					
Industry affairs	1,335,530	1,376,349	889,702	486,647	1,262,791
Production research	1,226,325	1,269,025	1,262,971	6,054	1,044,960
Grant expenses	62,000	62,000	43,651	18,349	49,170
Total non-marketing programs	<u>2,623,855</u>	<u>2,707,374</u>	<u>2,196,325</u>	<u>511,049</u>	<u>2,356,921</u>
Administration:					
Administration	2,777,398	2,789,312	2,570,051	219,261	2,565,974
Information systems	94,095	94,095	66,676	27,419	59,965
Depreciation	5,232	5,232	7,817	(2,585)	5,232
Total administration	<u>2,876,725</u>	<u>2,888,639</u>	<u>2,644,544</u>	<u>244,095</u>	<u>2,631,171</u>
Total expenses	<u>16,200,580</u>	<u>16,296,013</u>	<u>14,500,406</u>	<u>1,795,607</u>	<u>16,377,758</u>
Change in net position	(2,754,767)	(2,850,200)	(1,165,101)	1,685,099	1,254,968
Net position, beginning of year	9,231,472	9,231,472	9,231,472	-	7,976,504
Net position, ending of year	<u>\$ 6,476,705</u>	<u>\$ 6,381,272</u>	<u>\$ 8,066,371</u>	<u>\$ 1,685,099</u>	<u>\$ 9,231,472</u>

See accompanying note to supplementary information.

CALIFORNIA AVOCADO COMMISSION
Note to Supplementary Information
October 31, 2014 and 2013

(1) BUDGETARY INFORMATION:

(a) Budgets and Budgetary Accounting:

Each year, the California Avocado Commission (Commission) adopts a budget that provides for its general operations. Budgets are prepared on the accrual basis of accounting. Department Heads are responsible for preparing and presenting their departmental budgets. Each Department Head is required to meet with the President and Finance and Accounting Manager of the Commission to review each line item. The overall combined budget is prepared by the President and Finance and Accounting Manager of the Commission and presented to the Board of Directors. Line item transfers do not need Board of Directors approval, but require notification to the Finance Committee of the Board of Directors. Any increases or decreases in a department's budget must be approved by the Board of Directors.

CALIFORNIA AVOCADO COMMISSION
Combining Statement of Revenues, Expenses and Changes in Net Position
For the Year Ended October 31, 2014

	<u>Restricted</u>	<u>Unrestricted*</u>	<u>Total</u>
Operating revenues:			
Assessment revenue	\$ -	\$ 6,930,317	\$ 6,930,317
HAB rebate assessment revenue (restricted)	6,114,760	-	6,114,760
Administrative and marketing fees	-	86,000	86,000
Total operating revenues	<u>6,114,760</u>	<u>7,016,317</u>	<u>13,131,077</u>
Operating expenses:			
Marketing	5,932,531	3,727,006	9,659,537
Nonmarketing programs	-	2,196,325	2,196,325
Administration	-	2,644,544	2,644,544
Total operating expenses	<u>5,932,531</u>	<u>8,567,875</u>	<u>14,500,406</u>
Operating income (loss)	<u>182,229</u>	<u>(1,551,558)</u>	<u>(1,369,329)</u>
Non-operating revenues (expenses):			
Interest income (expense)	(5,114)	25,890	20,776
Other income	-	183,452	183,452
Total nonoperating revenues	<u>(5,114)</u>	<u>209,342</u>	<u>204,228</u>
Change in net position	177,115	(1,342,216)	(1,165,101)
Net position, beginning of year	<u>859,491</u>	<u>8,371,981</u>	<u>9,231,472</u>
Net position, ending of year	<u>\$ 1,036,606</u>	<u>\$ 7,029,765</u>	<u>\$ 8,066,371</u>

CALIFORNIA AVOCADO COMMISSION
Program Expenses
For the Year Ended October 31, 2014

	<u>Restricted</u>	<u>Budget</u>
Marketing Programs:		
Program Administration Fees-DGWB	\$ 682,489	\$ 793,500
Media-DGWB	4,248,556	4,254,260
Subtotal Consumer Advertising	<u>4,931,045</u>	<u>5,047,760</u>
Trade Adv-Media-85% Rebate-FUSION	200,828	200,000
Trade Adv-Production-85% Rebate-FUSION	29,927	29,000
Trends, Information & Data-85% Rebate-FUSION	11,076	11,000
Subtotal Consumer Merchandising	<u>241,830</u>	<u>240,000</u>
Public Relations & Collateral Mat-MMM	77,381	82,000
Program Administration Fees-MMM	48,213	55,000
Program Administration Expenses-MMM	3,082	5,000
Media-MMM	98,549	115,000
Production-MMM	11,898	20,000
Foodservice Events-MMM	262,398	216,000
Culinary Education Program-MMM	34,213	40,000
Chain Promotions-MMM	223,922	357,000
Subtotal Foodservice	<u>759,655</u>	<u>890,000</u>
Total Marketing	<u>5,932,531</u>	<u>6,177,760</u>
Total Program Expenses	<u><u>\$ 5,932,531</u></u>	<u><u>\$ 6,177,760</u></u>

CALIFORNIA AVOCADO COMMISSION
Schedule of Property and Equipment
For the Year Ended October 31, 2014

Furniture

Booth Signage	\$ 26,160
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Land Improvements

Irrigation	44,576
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Land Preparation	8,611
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Trees	16,601
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Office Equipment

Exchange Clusters-2HP DL380G3 servers PX/3.06GHz & 1GB Memory, HP StorageWorks Modular Smart Array 500	20,563
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Sharp MX-M950 Copier	25,089
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EMC AX4-5I SAN Dual SP DPE ISCSI (10x400GB 10K SAS, 2 SPS)	<u>15,350</u>
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Total Property and Equipment \$ 156,950

Independent Auditor's Report

Board of Directors
California Avocado Commission
Irvine, California

Compliance

We have audited the California Avocado Commission's (Commission) compliance with Section V.D. of the *Guidelines for AMS Oversight of Commodity Research and Promotion Programs* (Guidelines), dated June 2012 applicable to the Commission for the year ended October 31, 2014.

Management's Responsibility

Compliance with the requirements referred to above is the responsibility of the Commission's management.

Auditor's Responsibility

Our responsibility is to express an opinion on the Commission's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the Guidelines. Those standards and Guidelines require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the compliance requirements referred to above that could have a material effect on the Commission occurred. An audit includes examining, on a test basis, evidence about the Commission's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the Commission's compliance with those requirements, as listed below:

1. No funds were used for the purpose of influencing governmental policy or action, per Section 515(d) of the Commodity Promotion Research and Information Act (Act), related to use of assessments for the purpose of influencing legislation, as that term is defined in Section 4911(d) of the Internal Revenue Code and Title 26 of the United States Code.
2. The Commission's investment policy was in compliance with the AMS investment policy, as stated in the Guidelines, Appendix 3 – Directive 2210.2 "Investment of Public Funds" dated February 7, 2011.
3. Funds were used only for projects and other expenses authorized in a budget approved by the USDA, per Section II of the Guide.
4. Funds were used only in accordance with the rules, regulations and policies of the Act, the Guidelines, and the Hass Avocado Promotion, Research, and Information Order.

5. We observed no violations of the Act, Order or Guidelines for Research and Development Programs.

Opinion

In our opinion, the Commission complied, in all material respects, with the compliance requirements referred to above that are applicable to the Commission for the year ended October 31, 2014.

Macias Gini & O'Connell LLP

Newport Beach, California
January 22, 2015



Industry Statistics

Industry Statistical Data: 2004-05 to 2013-2014

YEAR	BEARING ACRES	VOLUME (MM/ LBS.)	CROP VALUE (\$)	PRICE PER POUND (¢)	DOLLARS PER BEARING ACRE (\$)	POUNDS PER BEARING ACRE
04/05	61,712	300.4	275,034,420	91.55	4,457	4,868
05/06	62,093	600.9	341,175,673	56.78	5,495	9,677
06/07	64,999	259.3	244,911,167	94.45	3,768	3,989
07/08	65,497	328.8	327,141,689	99.50	4,995	5,020
08/09	64,555	174.5	199,625,988	114.40	3,092	2,703
09/10	58,268	534.5	402,770,893	75.35	6,912	9,173
10/11	57,532	302.5	460,209,682	152.10	7,999	5,258
11/12	59,629	462.3	381,852,467	82.60	6,404	7,753
12/13	57,838	500.2	435,023,142	87.00	7,521	8,648
13/14	57,219	297.5	333,216,563	112.00	5,823	5,199

IMPORTANT:

■ Bearing acres based on CAC's acreage inventory, attrition factors and other sources

■ Industry statistical data from 1971-72 through 2013-14 are available on californiaavocadogrowers.com/industry/industry-statistical-data

Pounds and Dollars by Variety November 2013 Through October 2014

MONTH	HASS POUNDS	LAMB POUNDS	OTHERS POUNDS	TOTAL POUNDS	HASS DOLLARS	LAMB DOLLARS	OTHERS DOLLARS	TOTAL DOLLARS	AVG \$/LB
1st QTR	5,237,996	10,477	573,422	5,821,895	4,970,138	16,154	323,092	5,309,384	0.912
2nd QTR	78,164,757	477	880,876	79,046,110	81,972,494	272	309,423	82,282,189	1.041
3rd QTR	164,613,294	3,267,449	338,737	168,219,480	189,820,509	3,077,376	277,855	193,175,740	1.148
4th QTR	38,570,022	4,963,845	868,061	44,401,928	46,491,715	5,205,210	752,325	52,449,250	1.181
TOTAL	286,586,069	8,242,248	2,661,096	297,489,413	323,254,856	8,299,012	1,662,695	333,216,563	1.120
GRAND TOTAL								333,216,563	1.120
Y-T-D (%)	96.33%	2.77%	.89%	100.00%	97.01%	2.49%	.50%	100.00%	
Y-T-D AVG \$/LB					1.128	1.007	0.625	1.120	

Global Volume Price Per Pound 2004-05 to 2013-2014

YEAR	CA VOLUME (MM/LBS.)	GLOBAL VOLUME (MM/LBS.)	PRICE PER POUND (¢)
04/05	300.4	892	91.55
05/06	600.9	1,040	56.78
06/07	259.3	1,055	94.45
07/08	328.8	1,065	99.50
08/09	174.5	1,145	114.40
09/10	534.5	1,350	75.35
10/11	302.5	1,227	152.10
11/12	462.3	1,589	82.60
12/13	500.2	1,684	87.00
13/14	297.5	1,941	112.00



2013 - 2014 ANNUAL REPORT

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