



2012 ANNUAL REPORT

Washington State Crop Improvement Association

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Mike Pumphrey - Pullman Foundation Seed Representative, WSU
OSU Appointed Oregon

WSCIA BUSINESS OFFICE

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Jerry L. Robinson Karen Olstad Patty Kent

WSCIA FOUNDATION SEED SERVICE

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Mark Saam Darlene Hilkin Gary Becker Darryl Krause

**BALANCE SHEET
APRIL 30, 2011 & 2012**

ASSETS

	<u>2011</u>	<u>2012</u>
Current Assets		
Cash	\$ 756,126	\$754,976
Accounts Receivable	117,032	66,589
Inventory		
Seed	507,193	489,130
Supplies	31,085	46,613
Prepaid Expenses	<u>16,337</u>	<u>14,855</u>
Total Current Assets	<u>\$1,427,773</u>	<u>\$1,372,163</u>
Plant & Equipment		
Construction In Progress		\$ 96,628
Buildings and Improvements	\$ 112,481	120,290
Seed Plant Equipment	435,683	440,413
Vehicles and Trailers	223,760	232,560
Office Equipment	60,059	82,084
Less: accumulated depreciation	<u>(674,924)</u>	<u>(722,285)</u>
Net Plant and Equipment	<u>157,059</u>	<u>249,690</u>
Total Assets	<u>\$1,584,832</u>	<u>\$1,621,853</u>

LIABILITIES AND ASSOCIATION EQUITY

Current Liabilities		
Accounts payable	21,921	42,899
Operating line of credit	-0-	-0-
Research holding payable	18,372	-0-
OECD assessment	9,807	13,484
Accrued expenses	78,153	71,326
Unearned revenue	23,701	38,182
Current portion of notes payable	<u>- 0 -</u>	<u>- 0 -</u>
Total Current Liabilities	151,954	165,891
Long Term Debt		
Notes payable, net of current portion	<u>-0-</u>	<u>- 0 -</u>
Total Liabilities	<u>151,954</u>	<u>165,891</u>
Net Assets		
Unrestricted	<u>1,432,878</u>	<u>1,455,962</u>
Total Liabilities and Equity	<u>\$ 1,584,832</u>	<u>\$1,621,853</u>

**STATEMENT OF OPERATIONS AND ASSOCIATION EQUITY
YEAR ENDED APRIL 30, 2012**

	FSS	CERT	FRM	PROM	CCIA	TOTAL
Total revenue	519,083	796,699	940	105,831	11,243	1,433,796
Operating expenses	<u>816,427</u>	<u>505,963</u>	<u>1,490</u>	<u>77,207</u>	<u>9,625</u>	<u>1,410,712</u>
Excess (deficiency) of Revenue over expense	(\$297,344)	290,736	(550)	28,624	1,618	\$ 23,084
Net Assets – Beginning 2011						\$1,432,878
Net Assets – Ending 2012						\$1,455,962

PROMOTION REPORT

Years Ended April 30, 2011 & 2012

Fiscal Report	2011	2012
Revenue		
Promotion Fees	\$56,676	\$58,978
Annual Meeting	\$44,109	\$46,702
Interest Income	<u>\$ 250</u>	<u>\$ 151</u>
Total Promotion Revenue	\$101,035	\$105,831
Operating Expenses		
Promotion	\$46,211	\$33,470
Meetings & Conventions	\$ 1,092	\$ 53
Annual Meeting	\$40,808	\$43,092
Postage	<u>\$ 130</u>	<u>\$ 592</u>
Total Operating Expenses	<u>\$88,241</u>	<u>\$77,207</u>
Excess (Deficiency) of Revenue Over Expenses	\$12,794	\$28,624
Promotion Has \$59,831.68 Cash Reserve (4/30/12)		

2012 MANAGER'S REPORT - JERRY ROBINSON

2012 had a total application for certification of 56,208 acres which is a decrease of 4,091 acres from last year. Of the 56,208 acres applied for certification 51,152 acres passed field inspection and moved forward in the certification process.

Barley acreage certified increased by 2,253 acres, while wheat acreage certified decreased by 10,960 acres. There was a 2,505 acre increase in certified acres of miscellaneous crops primarily in Triticale. The acreage applied for certification ranks 8th since 1978 being 8,201 acres behind the number one year of acres applied for certified in Washington State.

In February of this year Ron Whittum, the manager of the WSCIA Foundation Seed Program for the past 4 plus years resigned to take a position with Schweitzer Engineering in Lewiston, ID. Mark Saam was hired in mid June to replace Ron as the WSCIA Foundation Seed Program manager. Mark comes from a diverse production agriculture background with his most recent position being the Farm Manager for WSU Prosser/Othello Research Stations.

About one year ago WSCIA began the process of purchasing land and building an office in the Port of Whitman Research Park in Pullman, WA. The lot was purchased last spring with office designs and a construction loan with Farm Credit completed in June. Presently construction is well underway with the hope that WSCIA will be able to occupy the new facility by the end of December.

The net result of Association operations for the 2011-2012 fiscal year shows a net gain of \$23,084. This positive revenue is largely due to the continued high percentage of certified seed usage in WA State. Foundation Seed sales for the past several years have not materialized so the overall revenue from The Foundation Seed Program continues to be substantially down. Current board mandated cash reserve for WSCIA is \$250,000 with additional cash reserve of \$221,241 set aside.

WSCIA at the end of FY 2011-12 has no long term debt. At end of FY 2011-12 WSCIA had invested \$96,628 of cash into the new office construction. A construction loan in the amount of \$400,000 was secured from Farm Credit in Spokane and has been activated in October, 2012.

WSCIA Foundation Seed Service Report For Crop Year 2011 – 2012 Mark Saam FSS Program Manager

Fall planted acreage for Foundation Seed Service in 2011 was 143.5 acres, compared to the previous year of 88 planted acres a 38% increase. Spring planted acreage ballooned to 157 acres, up from 110 in 2011 a 30% increase. Overall, 303.5 acres were in production consisting, of small grains, chickpeas, lentils, and dry beans. This was a 35% increase in planted acres.

Yields for small grains were on average for 2012. Production sites were located near Quincy and Moses Lake, WA and at the WSU-IAREC farms near Othello and Prosser. Ninety three percent of all Foundation and Breeder Seed was produced on irrigated ground. Overhead irrigation (pivot / impact sprinkler) was used on the bulk of the acreage; rill irrigation was done on 83 acres which was 28% of the total acres planted. All breeder program head row production is done under rill irrigated practices. Cleaning of fall crops progressed well, and all shipment requests were met by extending the work week and overall hours per day of operation.

Production of Winter Peas, Brewer Lentils, and Merrit Lentils was carried out on dryland acreage at Plant Material Center near the Pullman Campus. Chickpeas and lentils were produced again this year at the Othello farm, with only marginal success, due to weed pressure, which is difficult to control under rill irrigated practices. Foundation dry bean acreage was more than the previous year at the Othello station, about 10 acres. A timely addition to breeder dry bean production was NDSU with two variety increases. There was no Edamame soybean production in 2012.

The recent 2012 fall plantings at the Othello and Prosser WSU-IAREC farms totaled 56 acres, including a total of 11 head row blocks for increase of Breeder seed. Off-station plantings totaled 83.5 acres, in the Moses Lake area of The Columbia Basin, and the dryland region of the Plant Material Center in Pullman.

In late August, Foundation Seed Service took advantage of a very favorable wheat prices and discarded varieties that have become low demand. This inventory adjustment consisted of 291,670 pounds of white wheat and 24,000 pounds of hard red screenings were sold. A major goal for the coming year at Foundation Seed Service is to have the inventory of seed at a more manageable and balanced level.

<u>Foundation Seed Service Facts</u>	<u>2011</u>	<u>2012</u>	+/-	<u>Change</u>
Breeder Lots Grown	16	17		+1
Single Heads Snapped	30,500	17,050		-44%
Foundation Small Grains Produced	822,075 #	940,647#		+13%
Foundation Peas, Lentils, Garbs Produced	53,115 #	112,333#		+53%
Foundation Dry Bean Varieties Produced	2	3		+1
Grass Seed Distributed	2,824 #	7,957#		+64%
Foundation Seed Distributed	865,103 #	771,096		-10.8%
Number of Varieties Planted (Fall '11)	37	38		+1

ACREAGE APPLIED FOR CERTIFICATION FOR THE PAST 34 YEARS

1978 - 31,163	1990 - 54,123	2002 - 52,408
1979 - 40,123	1991 - 43,628	2003 - 53,785
1980 - 40,638	1992 - 60,543	2004 - 55,895
1981 - 37,500	1993 - 54,917	2005 - 49,465
1982 - 45,129	1994 - 47,375	2006 - 47,859
1983 - 46,496	1995 - 47,931	2007 - 45,106
1984 - 58,747	1996 - 53,075	2008 - 61,111
1985 - 64,409	1997 - 53,847	2009 - 59,021
1986 - 61,879	1998 - 55,018	2010 - 55,491
1987 - 54,788	1999 - 48,784	2011 - 60,298
1988 - 50,606	2000 - 51,904	2012 - 56,208
1989 - 53,274	2001 - 45,867	

Percent of Washington Wheat & Barley Crop Planted with Certified Seed

YEAR	NASS -TOTAL WHEAT & BARLEY ACRES	AVERAGE SEEDING RATE LBS/ACRE	POUNDS CERTIFIED SEED FOR IN STATE USE	POUNDS OF SEED TO PLANT TOTAL ACRES	PERCENT ACRES PLANTED WITH CERTIFIED SEED
1986	4,050,000	63.1	83,052,290	255,393,000	32.9%
1987	2,745,000	62.9	115,508,278	172,660,500	66.9%
1988	2,750,000	64.2	101,548,905 (800,000 acres re-seeded)	194,700,000	52.2%
1989	3,600,000	70.8	136,954,625	254,880,000	53.7%
1990	3,000,000	64.0	144,944,821 (700,000 acres re-seeded)	192,000,000	75.5%
1991	4,280,000	74.0	80,272,925	316,720,000	25.3%
1992	3,100,000	65.0	139,114,497	201,500,000	69.0%
1993	3,400,000	64.1	142,097,587	218,008,800	65.2%
1994	2,960,000	63.3	133,722,100	187,308,800	71.4%
1995	2,960,000	66.1	135,899,909	195,600,000	69.5%
1996	3,195,000	66.9	151,095,714	207,483,300	72.8%
1997	3,200,000	66.5	148,850,265	212,928,000	70.0%
1998	3,200,000	66.0	163,393,200	211,200,000	77.3%
1999	3,200,000	66.0	150,801,772	211,200,000	71.4%
2000	3,055,000	68.2	146,258,202	208,351,000	70.2%
2001	2,975,000	68.4	137,643,234	203,490,000	67.6%
2002	2,770,000	68.8	144,930,150	190,576,000	76.0%
2003	2,770,000	68.9	132,546,247	190,991,500	69.4%
2004	2,650,000	68.4	142,871,120	181,260,000	78.8%
2005	2,550,000	66.8	146,465,531	170,340,000	86.0%
2006	2,495,000	66.8	149,083,902	166,666,000	89.0%
2007	2,500,000	66.6	139,152,592	166,666,000	83.5%
2008	2,615,000	66.7 (16 yr Ave)	171,971,392	174,420,500	Wheat Only
2009	2,495,000	66.7	185,838,021	166,416,500	Wheat Only
2010	2,420,000	68	203,824,793	164,560,000	Wheat Only
2011	2,505,000	68	199,196,650	170,340,000	Wheat Only
2012	2,145,000	63.2	164,714,758	135,564,000	Wheat Only

Estimated Acres Taken From National Agricultural Statistics Service for Washington State.
Pounds certified are based on reported in state sales by Certified Washington Seed Dealers.

2012 TOTAL ACRES CERTIFIED (51,152 ACRES)

WHEAT	
Amber	5
Babe	340
Bruehl	3,966
Brundage 96	1,029
Bruneau	130
Cara	754
Cashup	120
Coda	167
Crescent	7
Diva	1,610
Eltan	955
Farnum	417
Glee	82
Hill 81	261
Hollis	129
Jefferson	519
Kaseberg	5
Kelse	2,131
Louise	881
Madsen	682
Mary	5
Masami	340
Norwest 553	1,242
OR 1757	2
OR2070870	3
ORCF-101	3
ORCF-102	5,133
ORCF-103	750
Otis	1
Otto	24
Scarlet	275
Skiles	793
Stephens	329
UICF-Brundage	180
Waxy Pen	5
Whit	409
Xerpha	1,824
<u>Experimental(public)</u>	<u>18</u>
TOTAL	25,526
<u>PROPRIETARY</u>	<u>17,101</u>
TOTAL	42,627

BARLEY	
Bob	22
Copeland	78
Elise	8
Hoody	5
Lenetah	1,762
Strider	187
<u>Propriety (%)</u>	<u>1,456</u>
TOTAL	3,513

MISCELLANEOUS	
OAT	
Monida	110
Park	21
<u>Proprietary (%)</u>	<u>357</u>
TOTAL	488
FIELD PEA	
Specter	3
AUSTRIAN PEA	
Granger	8
CHICKPEA	
Dylan	44
Sawyer	156
Sierra	360
Troy	4
<u>Proprietary (%)</u>	<u>1,600</u>
TOTAL	2,164
BUCKWHEAT	
Proprietary	125
LENTIL	
Brewer	26
Merrit	9
<u>Morena</u>	<u>258</u>
TOTAL	293
TRITICALE	
Proprietary	1,873
SPELT	
Proprietary	45
SORGHUM	
Proprietary	3