



2014 ANNUAL REPORT

Washington State Crop Improvement Association

2014 WSCIA OFFICERS

President Paul Porter, Odessa WA
Vice-President..... Paul Carter, Dayton, WA
Ex-Officio Member Victor Shaul, Yakima, WA
Secretary/Treasurer Craig Teel, Kennewick, WA
Past-President..... Bill Michaelson, Pullman, WA

2014 WSCIA BOARD OF DIRECTORS

Bruce Abbey - Waitsburg Columbia County
Shirley McLean - Coulee City Douglas County
Roland Wynhoff - Connell Franklin County
Brian Scoggin - Pomeroy Garfield-Asotin County
Kirk Jungers - Moses Lake Grant County
Brian Williams - Ellensburg..... Kittitas County
Vacant..... Klickitat County
Mike Miller - Ritzville..... Lincoln/Adams County
Ken Fuchs - Rosalia..... Spokane County
Mike Anderson - Walla Walla Walla Walla County
Dave Harlow - Palouse Whitman County
Garrett Moon - Prosser..... Yakima-Benton County
Stephen Guy - Pullman..... Extension Representative, WSU
Mike Pumphrey - Pullman Foundation Seed Representative, WSU
OSU Appointed Oregon

WSCIA BUSINESS OFFICE

2575 NE Hopkins Court, Pullman, WA 99163
Phone 509-334-0461 Fax 509-334-6809
Jerry L. Robinson Karen Olstad Patty Kent

WSCIA FOUNDATION SEED SERVICE

WSU Seedhouse, Pullman, Washington 99164-6420
Phone 509-335-4365 Fax 509-335-7007
Darlene Hilkin Gary Becker Darryl Krause

BALANCE SHEET
APRIL 30, 2013 & 2014

ASSETS

	<u>2014</u>	<u>2013</u>
Current Assets		
Cash	\$ 884,365	\$601,856
Accounts Receivable	152,606	136,927
Inventory		
Seed	356,564	367,773
Supplies	43,404	39,807
Prepaid Expenses	40,586	17,070
Total Current Assets	<u>\$1,477,525</u>	<u>\$1,163,433</u>
Plant & Equipment		
Land	\$ 67,199	\$ 67,199
Buildings and Improvements	787,980	727,794
Seed Plant Equipment	437,092	437,753
Vehicles and Trailers	236,260	231,542
Office Equipment	170,444	169,320
Less: accumulated depreciation	(794,163)	(722,750)
Net Plant and Equipment	<u>904,812</u>	<u>910,858</u>
Total Assets	<u>\$2,382,337</u>	<u>\$2,074,291</u>

LIABILITIES AND ASSOCIATION EQUITY

Current Liabilities		
Accounts payable	28,244	80,842
Operating line of credit	-0-	-0-
Royalty payable	168,718	-0-
OECD assessment	14,392	14,091
Accrued expenses	112,110	79,341
Unearned revenue	16,133	15,316
Current portion of long-term debt	<u>13,249</u>	<u>11,662</u>
Total Current Liabilities	352,846	201,252
Long Term Debt		
Notes payable, net of current portion	<u>328,743</u>	<u>361,989</u>
Total Liabilities	<u>681,589</u>	<u>563,241</u>
Net Assets		
Unrestricted	<u>1,700,748</u>	<u>1,511,050</u>
Total Liabilities and Equity	<u>\$ 2,382,337</u>	<u>\$2,074,291</u>

STATEMENT OF OPERATIONS AND ASSOCIATION EQUITY
YEAR ENDED APRIL 30, 2013

	<u>FSS</u>	<u>CERT</u>	<u>FRM</u>	<u>PROM</u>	<u>CCIA</u>	<u>TOTAL</u>
Total revenue	802,821	822,377	7,800	112,516	11,438	1,756,952
Operating expenses	880,502	584,804	4,543	90,345	7,060	1,567,254
Excess (deficiency) of Revenue over expense	(\$77,681)	237,573	3,257	22,171	4,378	\$189,698
Net Assets – Beginning 2013						\$1,511,050
Net Assets – Ending 2014						\$1,700,748

PROMOTION REPORT

Years Ended April 30, 2013 & 2014

Fiscal Report	2013	2014
Revenue		
Promotion Fees	\$53,980	\$57,188
Annual Meeting	\$48,478	\$55,315
Interest Income	<u>\$ 100</u>	<u>\$ 13</u>
Total Promotion Revenue	\$102,558	\$112,516
Operating Expenses		
Promotion	\$49,324	\$31,726
Meetings & Conventions	\$ 0	\$ 0
Annual Meeting	\$34,910**	\$57,807
Postage	<u>\$ 376</u>	<u>\$ 812</u>
Total Operating Expenses	\$84,610	\$90,345
Excess (Deficiency) of Revenue	\$17,948	\$22,171

** Does not include all Annual Meeting expenses

FY 2013 -2014 MANAGER'S REPORT - JERRY ROBINSON

2014 had a total application for certification of 69,025 acres which is an increase of 6,234 acres from last year. Of the 69,025 acres applied for certification 63,501 acres passed field inspection and moved forward in the certification process.

Certified barley acreage decreased this year by 2,873 acres, while certified wheat acreage continued to increase to a total of 55,650 acres or an increase of 7,824 acres. There was a decrease of 172 acres in certified acres of miscellaneous crops. This modest decrease came from decreased acres in oats and lentils but again this year a significant drop in certified acres of chickpeas. The total acreage applied for certification this year is the highest for the past 37 years we have been tracking the certification acreage.

A total of 167 wheat varieties were inspected for certification along with 16 varieties of barley and 7 varieties of triticale. Certification of pulse crops is on the rise with 8 chickpea varieties inspected along with 7 lentil varieties and 1 green pea variety.

The net result of Association operations for the 2013-14 fiscal year shows an excess of revenue over expenses of \$189,698. This positive revenue is due to the continued high percentage of certified seed usage and good foundation seed sales this past year. A significant item of note is that the certification fees for cereals have not risen since 2007 with no rise anticipated in the near future. The Foundation Seed Program continues to be somewhat down but has shown renewed strength with improved foundation seed sales and a concerted effort in controlling expenses. The current board mandated cash reserve for WSCIA is \$250,000 which has been deposited in a FDIC insured investment which returned \$9,514.52 this past year. In addition to the mandated reserve WSCIA has a combination cash reserve of \$222,145.25 set aside in interest bearing account.

In FY 2012-13 (ending April 30, 2013) WSCIA made an interest only payment to Northwest Farm Credit in the amount of \$20,000 to help defray long term debt. The current long term debt with Northwest Farm Credit is \$335,514.59 down \$38,137 from last November.

To summarize The Washington State Crop Improvement Association, Inc. is financially strong and continues to be active in all aspects of seed production and seed certification.

WSCIA Foundation Seed Services Report For Crop Year 2013 - 14

The 2013 – 14 season was a very difficult season from seeding to harvest with many issues and distractions along the way. A variant/contaminant was found to be present in the foundation Bobtail fields both in Oregon and Washington which needed to be rouged. WSCIA covered the costs of rouging any fields which the grower/contractor determined rouging was necessary. This was an additional cost to the program of over \$12,000 this past fiscal year. Additionally there were some very large issues at the WSU Othello farm which created some major problems for WSCIA production this year. These issues ranged from poor water management to a weed seed bank that simply overwhelmed the winter crops creating poor quality and poor yield. Working with WSU we have come up with a plan to hopefully eliminate future issues at the WSU Othello farm.

Foundation Seed Service has completed all harvest activities for 2014, and has successfully planted all fall foundation and breeder seed increases for 2015. Year in Advance contracting has continued to benefit the WSCIA FSP in targeting demand for popular varieties and encourage a more accurate planting schedule to facilitate the needs of foundation seed inventories. Conditioning and treating of the fall crop progressed well, and all requests have been filled.

WSU released two new IMI tolerant 2 gene soft white winter wheat varieties targeting the medium to low rainfall areas last fall – Mela CL+ and Curiosity CL+. A good amount of Curiosity CL+ acres were planted with foundation seed in the fall of 2013 making a good supply of registered seed available in the fall of 2014. Due to some planting issues Mela CL+ will be about 1 year behind in Registered production.

Due to grower/dealer demand in October 2013 seed of two new USDA/ARS varieties was sent to New Zealand for counter cycle increase. One hectare each of Avondale, a Richlea type lentil and Hampton a green pea were produced and returned to WSCIA for planting spring 2014. Avondale lentil was planted in two areas of Montana which is the area it was targeted for as well as 2 acres of increase grown by WSCIA in Pullman. The Hampton green pea increase was grown in Northern Oregon with good success.

Additionally two new varieties of chickpeas were also increased this past year by WSCIA with the assistance of Crites Seed in Moscow, Idaho. These new lines are Royal and Nash which have been licensed by WSCIA for distribution in Washington State and surrounding areas. Limited amounts of foundation seed will be available to WSCIA licensed seed dealers spring of 2015. WSCIA FSP intends to plant significant quantities of these four varieties of lentils, chickpeas, and peas to have sufficient quantities for planting in spring 2016.

<u>Foundation Seed Service Facts</u>	<u>2014</u>	<u>2013</u>	<u>+/- Change</u>
Breeder Lots Grown	20	18	+2
Single Heads Snapped	14,600	14,000	+4.8 %
Foundation Small Grains Produced	852,062 lbs.	870,718 lbs.	+2.2 %
Foundation Peas, Lentils, Garbs Produced	111,689 lbs.	24,215 lbs.	+79.5%
Foundation Dry Bean Varieties Produced	2	2	0
Grass Seed Distributed	3,993 lbs.	7,690 lbs.	-51.9%
Foundation Seed Distributed	589,470 lbs.	674,565 lbs.	-12.7%
Number of Varieties Planted	51	42	+9

ACREAGE APPLIED FOR CERTIFICATION FOR THE PAST 37 YEARS

1978 - 31,163	1991 - 43,628	2004 - 55,895
1979 - 40,123	1992 - 60,543	2005 - 49,465
1980 - 40,638	1993 - 54,917	2006 - 47,859
1981 - 37,500	1994 - 47,375	2007 - 45,106
1982 - 45,129	1995 - 47,931	2008 - 61,111
1983 - 46,496	1996 - 53,075	2009 - 59,021
1984 - 58,747	1997 - 53,847	2010 - 55,491
1985 - 64,409	1998 - 55,018	2011 - 60,298
1986 - 61,879	1999 - 48,784	2012 - 56,208
1987 - 54,788	2000 - 51,904	2013 - 62,791
1988 - 50,606	2001 - 45,867	2014 - 69,025
1989 - 53,274	2002 - 52,408	
1990 - 54,123	2003 - 53,785	

Percent of Washington Wheat & Barley Crop Planted with Certified Seed

	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
2013	2,230,000	75	164,352,099	167,250,000	98%
2014	2,230,000	78	183,692,870	173,940,000	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.

2014 TOTAL ACRES CERTIFIED (63,236 ACRES)

WHEAT	
Alum	2
ARS Amber	146
ARS Crescent	722
ARS Selbu	1
Babe	915
Bobtail	300
Bruehl	2,023
Brundage 96	726
Chukar	50
Curiosity CL+	433
Dayn	550
Diva	1,635
Eltan	1,062
Farnum	1,351
Glee	1,898
Hill 81	272
Hollis	120
JD	649
Kaseberg	3
Kelse	935
Ladd	3
Louise	3,086
Madsen	545
Mary	1
Masami	240
Mela CL+	123
Norwest 553	606
ORCF-101	7
ORCF-102	4,989
ORCF-103	1,190
Otto	6,234
Puma	49
Rosalyn	15
Seahawk	5
Skiles	416
Sprinter	143
Stephens	190
UI-WSU Huffman	4
UICF-Brundage	85
WA8165	4
Whit	420
Xerpha	896
TOTAL PUBLIC	33,044
PROPRIETARY	_____
TOTAL	22,606

BARLEY	
Alba	7
Full Pint	3
Haybet	347
Lenetah	258
Propriety	1,829
TOTAL	2,444

MISCELLANEOUS	
CHICKPEA	
Sawyer	5
Sierra	304
Troy	8
Proprietary	1,151
TOTAL	1,468
LENTIL	
Avondale	2
Brewer	25
Crimson	3
Merrit	4
Morena	45
Pardina	90
Red Chief	4
TOTAL	173
OAT	
Monida	95
Park	16
Proprietary	252
TOTAL	363
PEA	
Granger	4
TRITICALE	
Proprietary	3,134