



Update

The bimonthly newsletter of Corona-College Heights Orange & Lemon Association, a nonprofit citrus cooperative serving California's citrus growers and buyers since 1899

March-April 2020

Report from the Field



Association includes 9,500+ acres and more than 400 growers of California Citrus



Organic and conventional citrus and specialty fruit growers



Self-funded, grower-owned cooperative



Transportation savings and convenience



Year-round, state-of-the-art packing facilities and marketing strategies

District 1: Kern and Tulare counties (Nenna)

Navels: Harvesting is slow due to market conditions. We are seeing puff and crease in most areas. We will be contacting growers with harvesting plans.

Lemons: We are currently harvesting.

Grapefruit: We will begin harvesting mid-March. Fruit quality looks good regarding color, shape and size.

Valencias: We are in the process of estimating.

D1 Field Representative Maribel Nenna can be reached at (559) 907-7560 or via email at Maribel@cchcitrus.com.

District 2: Ventura and Santa Barbara counties (Gage)

Lemons: We have started the first pick and are picking color and large-sized green fruit. Fruit set is good with fair to good quality. We will be in touch with harvesting/spray/cleaning plans.

Valencias: We are in the process of estimating the crop. It appears to be a heavier set with smaller fruit sizes.

D2 Field Representative Steve Gage can be reached at (805) 427-3515 or via email at stevegage@cchcitrus.com.

District 2: Riverside and San Diego counties (Sevilla/Gutierrez)

Navels: Harvesting is extremely slow due to market conditions. Puff and crease is prevalent. We will be in contact by the first week in March to advise on specific harvesting plans for each grower.

Lemons: Harvesting is under way, and we are picking colored fruit and large fruit. Quality appears to be good with decent size structure.

Grapefruit: We are still estimating the crop. It appears to be lighter than last season with fair size.

Valencias: We are still estimating; however, fruit appears to be stronger than last year at the same time with a smaller size structure.

District 3: Riverside and Imperial counties (Sevilla/Gutierrez)

Lemons: We are wrapping up the harvest and hope to be finished by mid-March. The crop was extremely heavy this season.

Grapefruit: We will begin harvest mid-March. ♦

D2 and D3 Field Representative Ruben Gutierrez can be reached at (951) 323-9875.



Citrus Market Report

John Demshki, CCH President

Navels: This is an extremely disappointing season. Market conditions are poor with little demand and oversupply. The pricing is lower than last season at the same time.

Organic Navels: There is slow movement and an oversupply of fruit putting downward pressure on pricing.

Lemons: Currently there is plenty of supply and downward pressure on larger sizes; however, the smaller sizes in both Choice and Fancy grades are seeing price strengthening. We are anticipating a stronger market on all grades and sizes as the industry finishes in District 3. We are starting to see export demand increase. District 1 is about 40-50% harvested and the District 2 crop is just under way in terms of harvesting.

Organic Lemons: The market is fair with good demand on all sizes, with Choice grade being the exception. Pricing is slightly off from last year.

Organic Grapefruit: Movement and fair pricing is stronger than last season. Mexico is entering the market and will increase supply. We anticipate this will have downward pressure on pricing. ♦

New Form W-4 for 2020

from Farm Employers Labor Service

The Internal Revenue Service recently released a new Form W-4, Employee's Withholding Certificate. Newly-Hired employees in 2020 will be required to file a new version of IRS Form W-4, Employee's Withholding Allowance Certificate. The form includes major revisions compared with the previous form, including new input elements for federal income tax withholding calculations, which may require significant reprogramming of payroll systems and ongoing employer support of two distinct withholding systems.

Current employees will not be required to complete a new Form W-4 for 2020. Employers will still rely on existing Forms W-4, including withholding allowances claimed, for employees that don't complete a new form. However, for employees hired after

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Stats from the Packinghouse

as of February 25, 2020

Note: Stats do not include organic or chem-free totals.

Lemons in storage: 208,883 cartons

| Variety-District | Fancy | Choice | ORC | Standard | Juice | Total |
|------------------|-------|--------|------|----------|-------|--------|
| Lemons-D1 | 58.0% | 22.8% | 0.0% | 1.8% | 16.5% | 100.0% |
| Lemons-D2 | 43.7% | 24.4% | 0.0% | 0.0% | 31.9% | 100.0% |
| Lemons-D3 | 34.6% | 27.2% | 0.0% | 3.7% | 34.5% | 100.0% |
| Navels-D1 | 58.3% | 20.4% | 0.0% | 4.2% | 17.1% | 100.0% |
| Navels-D2 | 52.8% | 22.8% | 0.0% | 0.0% | 24.4% | 100.0% |
| Minneola-D1 | 75.1% | 16.2% | 0.0% | 0.0% | 8.7% | 100.0% |
| Minneola-D3 | 62.9% | 23.7% | 0.0% | 0.0% | 13.4% | 100.0% |
| Fairchild-D3 | 93.5% | 0.0% | 0.0% | 0.0% | 6.5% | 100.0% |

CCH Update

March-April 2020

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John Gless

David Roberts

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Matt Witman

Kenneth Doty

Mark McBroom

CCH Pool Payment Policy

For all fruit varieties except lemons:

Monthly pools are advanced to growers 45 days from the close of receiving for that pool. Final payment will be made 90 days from the close of receiving for that pool. On season pools, advance dates and final payment have not been determined.

For lemons: Monthly pools will be advanced 45 days from the close of receiving for that pool. A second advance will be made 90 days after close of receiving for that pool, with final payment made 45 days after the second advance. **District 1** pools will continue to be monthly. **District 2 local** (Riverside and San Diego) pools will be monthly. **District 2 north** (Ventura and Santa Barbara) will be a season pool from 1/1 through 10/31; November and December are monthly pools. Advances will be made 5/15, 7/15, 9/15, and 11/15, with a final payment on 12/15. November and December pools will be advanced like any other monthly lemon pool. **District 3** pools will continue to be weekly throughout the season.

The Pool Payment policy is subject to change based on market and fruit conditions. If CCH is unable to comply with this advance policy, growers will be notified. If you have any questions, please contact Garff Hathcock at (714) 920-0192.

Estimated Pool Closing Schedule (as of February 24, 2020)

The projected schedule estimates when the major open pools will be closed and paid. Closing dates listed are estimates only and subject to change based on market conditions. **Not all pools are included in this report; contact Grower Accounting for more information.**

| Pool Name | First Date Received | Last Date Received | 45-day Advance | Final Date |
|-----------|---------------------|--------------------|----------------|------------|
| Le 2-20 | 12/16/2019 | 12/31/19 | 02/14/20 | 03/30/20 |
| Le 2-62 | 12/12/2019 | 12/31/19 | 02/14/20 | 03/30/20 |
| Le 2-91 | 11/21/2019 | 11/30/19 | 01/14/20 | 02/28/20 |
| Le 2-92 | 12/17/2019 | 12/31/19 | 02/14/20 | 03/30/20 |
| Le 3-19 | 8/29/2019 | 08/31/19 | 10/15/19 | 02/28/20 |
| Mg 3-1 | 8/24/2019 | 11/30/19 | 01/14/20 | 02/28/20 |
| Mg 3-14 | 11/2/2019 | 11/30/19 | 01/14/20 | 02/28/20 |
| Rg 2-1 | 9/3/2019 | 10/31/19 | 12/15/19 | 02/28/20 |
| Rg 2-10 | 8/22/2019 | 08/31/19 | 10/15/19 | 02/28/20 |
| Va 1-5 | 9/4/2019 | 09/30/19 | 11/14/19 | 02/28/20 |
| Va 1-6 | 10/5/2019 | 10/31/19 | 12/15/19 | 02/28/20 |
| Va 1-23 | 9/4/2019 | 09/30/19 | 11/14/19 | 02/28/20 |
| Va 2-60 | 11/5/2019 | 11/08/19 | 12/23/19 | 02/28/20 |
| Da 3-1 | 12/6/2019 | 01/31/20 | 03/16/20 | 04/30/20 |
| Da 3-10 | 12/2/2019 | 12/31/19 | 02/14/20 | 03/30/20 |
| Le 1-3 | 11/1/2019 | 11/30/19 | 01/14/20 | 02/28/20 |
| Le 1-4 | 12/2/2019 | 12/31/19 | 02/14/20 | 03/30/20 |
| Le 1-5 | 1/2/2020 | 01/31/20 | 03/16/20 | 04/30/20 |
| Le 1-6 | 2/18/2020 | picking | picking | picking |
| Le 3-6 | 10/7/2019 | 10/12/19 | 11/26/19 | 02/28/20 |
| Le 3-7 | 10/14/2019 | 10/19/19 | 12/03/19 | 02/28/20 |
| Le 3-8 | 10/21/2019 | 10/26/19 | 12/10/19 | 02/28/20 |
| Le 3-9 | 10/28/2019 | 10/31/19 | 12/15/19 | 02/28/20 |
| Le 3-12 | 11/5/2019 | 11/30/19 | 01/14/20 | 02/28/20 |
| Le 3-13 | 12/3/2019 | 12/31/19 | 02/14/20 | 03/30/20 |
| Le 3-14 | 1/2/2020 | 01/31/20 | 03/16/20 | 04/30/20 |
| Le 3-15 | 2/1/2020 | picking | picking | picking |
| Le 3-40 | 11/1/2019 | 11/09/19 | 12/24/19 | 02/28/20 |
| Le 3-41 | 11/11/2019 | 11/16/19 | 12/31/19 | 02/28/20 |
| Le 3-42 | 11/18/2019 | 11/23/19 | 01/07/20 | 02/28/20 |
| Le 3-43 | 11/25/2019 | 11/30/19 | 01/14/20 | 02/28/20 |
| Le 3-44 | 12/2/2019 | 12/07/19 | 01/21/20 | 03/06/20 |
| Le 3-45 | 12/9/2019 | 12/14/19 | 01/28/20 | 03/13/20 |
| Le 3-46 | 12/16/2019 | 12/21/19 | 02/04/20 | 03/20/20 |
| Le 3-47 | 12/23/2019 | 12/28/19 | 02/11/20 | 03/27/20 |
| Le 3-48 | 12/29/2019 | 01/04/20 | 02/18/20 | 04/03/20 |
| Le 3-49 | 1/6/2020 | 01/11/20 | 02/25/20 | 04/10/20 |
| Le 3-50 | 1/13/2020 | 01/18/20 | 03/03/20 | 04/17/20 |
| Le 3-51 | 1/20/2020 | 01/25/20 | 03/10/20 | 04/24/20 |
| Le 3-52 | 1/27/2020 | 02/01/20 | 03/17/20 | 05/01/20 |
| Le 3-53 | 2/3/2020 | 02/08/20 | 03/24/20 | 05/08/20 |
| Le 3-54 | 2/10/2020 | 02/15/20 | 03/31/20 | 05/15/20 |
| Le 3-55 | 2/17/2020 | 02/22/20 | 04/07/20 | 05/22/20 |
| Li 3-1 | 11/19/2019 | 11/30/19 | 01/14/20 | 02/28/20 |
| Li 3-2 | 12/2/2019 | 12/31/19 | 02/14/20 | 03/30/20 |
| Mi 3-1 | 12/28/2019 | 01/31/20 | 03/16/20 | 04/30/20 |
| Mi 3-10 | 12/18/2019 | 12/31/19 | 02/14/20 | 03/30/20 |
| Mi 3-11 | 1/2/2020 | 01/31/20 | 03/16/20 | 04/30/20 |
| Na 1-2 | 11/1/2019 | 11/30/19 | 01/14/20 | 02/28/20 |
| Na 1-3 | 12/3/2019 | 12/31/19 | 02/14/20 | 03/30/20 |
| Na 1-4 | 1/2/2020 | 01/31/20 | 03/16/20 | 04/30/20 |
| Na 1-5 | 2/3/2020 | picking | picking | picking |

(Continued on back page)

California Citrus Mutual

Update

by Casey Creamer,
President/CEO

The California citrus industry has many challenges today. First and foremost, the market for our oranges is below the cost of production.

HLB quarantines are expanding, and there is growing concern about HLB making its way into commercial groves. To make matters worse, the pesticides we use to stave off HLB are under attack. This and more leaves our board of directors and membership feeling down and out at times.

However, these issues are the reason CCM was formed. The founding Directors couldn't have possibly forecasted all the issues that would threaten the survival of the industry; fortunately, they did, and I'm proud to report that your organization continues to make a difference on behalf of the entire industry.

While there are many reasons for a slumping market, your team worked collaboratively to find remedies to the trade situation in China. First, it was getting as much excess fruit off the market through the USDA food purchase program. More importantly, as of March 2nd it was getting a 35 percent reduction on the retaliatory tariffs that had been placed on oranges.

The pesticide battles will continue. We've secured the critical use of chlorpyrifos in its granular form, even with California cancellation, and we are working continuously with DPR to preserve neonicotinoids.

We are pressing forward to bring close to \$50 million dollars back to the industry for critical HLB research and management. We will continue to work in collaboration with our sister organizations to ensure the money is spent effectively to keep HLB out of our groves and to find a cure eventually.

CCM continues to be the place where the industry can work collectively to resolve our toughest issues. On behalf of the Board of Directors and staff, thank you for your continued support! ♦



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Orange & Lemon Association**
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Estimated Pool Closing Schedule (continued)

| Pool Name | First Date Received | Last Date Received | 45-day Advance | Final Date |
|-----------|---------------------|--------------------|----------------|------------|
| Na 1-20 | 11/25/2019 | 11/30/19 | 01/14/20 | 02/28/20 |
| Na 1-21 | 12/6/2019 | 12/31/19 | 02/14/20 | 03/30/20 |
| Na 1-22 | 1/11/2020 | 01/31/20 | 03/16/20 | 04/30/20 |
| Na 1-23 | 2/7/2020 | picking | picking | picking |
| Na 1-30 | 12/10/2019 | 12/31/19 | 02/14/20 | 03/30/20 |
| Na 1-31 | 1/2/2020 | 01/31/20 | 03/16/20 | 04/30/20 |
| Na 1-32 | 2/3/2020 | picking | picking | picking |
| Na 2-1 | 1/4/2020 | 01/31/20 | 03/16/20 | 04/30/20 |
| Na 2-2 | 2/4/2020 | picking | picking | picking |
| Na 2-10 | 1/8/2020 | 01/31/20 | 03/16/20 | 04/30/20 |
| Na 3-1 | 1/13/2020 | 01/31/20 | 03/16/20 | 04/30/20 |
| Na 3-2 | 2/1/2020 | picking | picking | picking |
| Rr 3-11 | 11/11/2019 | 11/30/19 | 01/14/20 | 02/28/20 |
| Rr 3-12 | 12/14/2019 | 12/31/19 | 02/14/20 | 03/30/20 |
| Rr 3-13 | 1/18/2020 | 01/31/20 | 03/16/20 | 04/30/20 |
| Rr 3-14 | 2/5/2020 | picking | picking | picking |
| Sr 2-10 | 12/21/2019 | 12/31/19 | 02/14/20 | 03/30/20 |
| Sr 2-11 | 1/2/2020 | 01/31/20 | 03/16/20 | 04/30/20 |
| Ta 3-1 | 1/21/2020 | picking | picking | picking |
| Ta 3-10 | 2/5/2020 | picking | picking | picking |



W-4 (continued from page 2)

2019—and for existing employees who want to adjust their withholding after 2019—the 2020 version will be the only valid Form W-4.

Employees have long used the IRS Form W-4 to establish marital status and a number of withholding allowances to adjust their federal income tax withholding to match their anticipated full-year income tax liability.

However, the Tax Cuts and Jobs Act (TCJA) made significant changes to tax rates, deductions, tax credits and withholding calculations beginning in 2018. The IRS released new withholding tables for 2018 and 2019, but the Form W-4 remained largely unchanged, continuing to feature an entry for the number of withholding allowances. Prior to the TCJA, most withholding allowances were based on personal exemptions (i.e., one each for the employee, any spouse and dependents), yet the TCJA had changed the value of personal exemptions to zero.

You can find more information about the new Form W-4 at the IRS Website at <https://www.irs.gov/forms-pubs/about-form-w-4> and on the FAQ page on the 2020 Form W-4 at <https://www.irs.gov/newsroom/faqs-on-the-2020-form-w-4>. ♦