CAL-MAINE FOODS INC
Form 11-K
June 28, 2016

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, DC 20549

FORM 11-K

(mark one)

Annual report pursuant to Section 15(d) of the Securities Exchange Act of 1934

For the annual period ended December 31, 2015

OR

Transition report pursuant to Section 15(d) of the Securities Exchange Act of 1934

For the transition period from _____ to _____

Commission File Number: 000-04892

A. Full title of the plan and the address of the plan, if different from that of the issuer named below:

CAL-MAINE FOODS, INC. KSOP

B. Name of issuer of the securities held pursuant to the plan and the address of its principal executive office:

CAL-MAINE FOODS, INC.

3320 WOODROW WILSON AVENUE

JACKSON, MS 39209

CAL-MAINE FOODS, INC. KSOP

TABLE OF CONTENTS

	Page
REPORT OF THE INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM	2
FINANCIAL STATEMENTS:	
Statement of Net Assets Available for Benefits	3
Statement of Changes in Net Assets Available for Benefits	4
Notes to the Financial Statements	5 - 10
SUPPLEMENTAL SCHEDULE:	
Form 5500, Schedule H, Line 4i – Schedule of Assets (Held at End of Year) as of December 31, 2015	11 – 12
SIGNATURE	13

Report of the Independent Registered Public Accounting Firm

To Participants and the Audit Committee of the

Cal-Maine Foods, Inc. KSOP

Jackson, Mississippi

We have audited the accompanying statements of net assets available for benefits of the Cal-Maine Foods, Inc. KSOP (the "Plan") as of December 31, 2015 and 2014, and the related statements of changes in net assets available for benefits for the years then ended. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. The plan is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audit included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the plan's control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of the Plan as of December 31, 2015 and 2014, and the changes in net assets available for benefits for the years then ended in conformity with accounting principles generally accepted in the United States of America.

The supplemental information in the accompanying schedule of assets (held at end of year) as of December 31, 2015 has been subjected to audit procedures performed in conjunction with the audit of the Plan's financial statements. The supplemental information is presented for the purpose of additional analysis and is not a required part of the financial statements but include supplemental information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. The supplemental

information is the responsibility of the Plan's management. Our audit procedures included determining whether the supplemental information reconciles to the financial statements or the underlying accounting and other records, as applicable, and performing procedures to test the completeness and accuracy of the information presented in the supplemental information. In forming our opinion on the supplemental information in the accompanying schedules, we evaluated whether the supplemental information, including its form and content, is presented in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. In our opinion, the supplemental information in the accompanying schedules is fairly stated, in all material respects, in relation to the financial statements as a whole.

/s/ Frost, PLLC

Little Rock, Arkansas

June 28, 2016

CAL-MAINE FOODS, INC. KSOP

Statement of Net Assets Available for Benefits

December 31, 2015 and 2014

	2015	2014
Assets		
Investments, at fair value	$150,495,044	$132,430,484
Receivables		
Employer contributions	-	10,530
Notes receivable from participants	3,101,378	2,647,177
Total receivables	3,101,378	2,657,707
Net assets available for benefits, at fair value	$ 153,596,422	$ 135,088,191

The accompanying notes are an integral part of these financial statements.

CAL-MAINE FOODS, INC. KSOP

Statement of Changes in Net Assets Available for Benefits

For the Years Ended December 31, 2015 and 2014

	2015	2014
Additions		
Investment income		
Interest and dividend income		
Interest	$ 10,101	$ 4,362
Dividends	6,129,020	3,333,955
Total interest and dividend income	6,139,121	3,338,317
Net change in fair value of investments	17,073,447	23,553,521
Total investment income	23,212,568	26,891,838
Interest income on notes receivable from participants	121,818	100,881
Contributions		
Employer contributions	2,586,529	2,522,387
Participant contributions	2,308,988	2,063,683
Rollover	763,603	401,083
Total contributions	5,659,120	4,987,153
Transfer from Delta Egg Farm, LLC 401(k) Plan	489,879	-
Total additions	29,483,385	31,979,872
Deductions		
Benefits paid to participants	10,845,554	9,457,635
Administrative expenses	129,600	49,565
Total deductions	10,975,154	9,507,200
Net increase in net assets available for benefits	18,508,231	22,472,672

Net assets available for benefits - beginning of year	135,088,191	112,615,519
Net assets available for benefits - end of year	$ 153,596,422	$ 135,088,191

The accompanying notes are an integral part of these financial statements.

CAL-MAINE FOODS, INC. KSOP

Notes to Financial Statements

December 31, 2015 and 2014

1.Summary of Significant Plan Provisions

The following description of the Cal-Maine Foods, Inc. KSOP (the "Plan") provides only general information. Participants should refer to the Plan documents for a more complete description of the Plan's provisions.

a.General – The Plan covers substantially all employees of Cal-Maine Foods, Inc. and its subsidiaries (collectively, the "Company"). It is subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"). Effective January 1, 2015, the Delta Egg Farm, LLC 401(k) Plan was merged with the Plan.

b.Eligibility – Each employee, except leased employees, collective bargaining employees, contract employees, and employees of independent contractors shall become eligible to participate in the Plan on the entry date next following or coinciding with the employee attaining 21 years of age and one year of service during which the employee accrues 1,000 hours or more of service. Entry dates are January 1, April 1, July 1 and October 1.

c.Contributions – The Company can make contributions up to the maximum amount deductible under Section 404(a)(3)(A) of the Internal Revenue Code ("IRC"), with the maximum amount allocated to a participant not to exceed the annual addition limitation established annually by the IRC. During the years ended December 31, 2015 and 2014, the Company made safe harbor contributions equal to 3% of eligible compensation. In addition to the 3% required contribution, the Company could make an additional contribution. The Company did not make an additional contribution for the years ended December 31, 2015 or 2014. The Company's contributions may be in cash or common stock. For the years ended December 31, 2015 and 2014, all contributions were made in cash.

Participants may contribute salary deferrals to the Plan through payroll deductions. Participants may elect to have compensation deferred up to the maximum allowable by the IRC.

d.Participant accounts – Each participant's account is credited with the participant contributions and an allocation of (a) the Company's contributions, (b) Plan earnings/losses, and is charged with applicable withdrawals and an allocation of administrative expenses. Allocations are based on the participant's compensation, contributions or account balances, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

A participant, alternate payee of a participant, or beneficiary of a deceased participant has the immediate right to elect to diversify any publicly traded employer securities held in their Company stock account attributable to participating Company contributions and any publically traded securities held in their safe harbor nonelective contribution Company stock account and reinvest the proceeds in any other investments available under the Plan.

CAL-MAINE FOODS, INC. KSOP

Notes to Financial Statements

December 31, 2015 and 2014

1.Summary of Significant Plan Provisions (cont.)

e.Vesting – A participant's interest in Company contributions vests immediately.

f.Investment options – Participants may direct the investment of their interest in the Plan into the investment options offered under the Plan. Participants may change their investment selections at any time via internet or direct phone access to the SunTrust Benefits Service Center.

g.Notes receivable from participants – Participants may borrow from their accounts a minimum of $1,000 up to a maximum of the lesser of $50,000 or 50% of the vested interest in their account balance. Note terms range from one to five years or up to 15 years if for the purchase of a primary residence. The notes are secured by the balance in the participant's account and bear interest at a rate determined by the Plan Administrative Committee equivalent to that charged by major financial institutions in the community. Principal and interest is paid ratably through weekly or biweekly payroll deductions.

h.Payment of benefits – Benefits are generally payable on termination, retirement, death or disability. If the participant's vested balance is $1,000 or less, it will be automatically distributed. In-service withdrawals are allowed from all participant accounts if the participant has attained age 59½, at any time from a participant's rollover account, or once a year from a participant's non-safe harbor Company stock account and non-elective deferral Company Stock Account for participants with five or more years of participation.

Distributions from a participant's Company stock account are made either in cash or Company stock, as elected by the participant. Non-company stock accounts are distributed in lump sum or installments.

i.Voting rights of stock – Each participant shall have the right to direct the committee or trustee as to the manner in which whole and partial shares of the Company's stock allocated to their accounts as of the record date are to be voted in each matter brought before an annual or special shareholders' meeting.

j.Termination of the Plan – Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA.

CAL-MAINE FOODS, INC. KSOP

Notes to Financial Statements

December 31, 2015 and 2014

2.Summary of Significant Accounting Policies

a. Basis of accounting – The accompanying financial statements are prepared under the accrual method of accounting in accordance with accounting principles generally accepted in the United States of America.

b. 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 of assets and liabilities and changes therein, and disclosure of contingent assets and liabilities. Accordingly, actual results may differ from those estimates.

c.Investment valuation and income recognition – Investments are reported at fair value. See Note 3 for a discussion of fair value measurements.

Purchases and sales of securities are recorded on a trade-date basis. Interest is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net change in fair value includes the Plan's gains and losses on investments bought and sold, as well as held during the year.

d.Notes receivable from participants – Notes receivable from participants are measured at their unpaid principal balance plus any accrued, but unpaid, interest. Delinquent notes receivable from participants are recorded as a distribution based upon the terms of the Plan documents.

e.Payment of benefits – Benefits are recorded when paid.

f.Administrative expenses – During the years ended December 31, 2015 and 2014, certain administrative expenses of the Plan were voluntarily paid by the Company.

g. Accounting standards updates – In May 2015, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2015-07, Fair Value Measurement (Topic 820): Disclosures for Investments in Certain Entities that Calculate Net Asset Value per Share (or Its Equivalent) which exempts investments measured using the net asset value ("NAV") practical expedient in Accounting Standards Codification ("ASC") 820, Fair Value Measurement, from categorization within the fair value hierarchy. The guidance requires retrospective application and is effective for fiscal years beginning after December 15, 2016. Early adoption is permitted. Management elected to adopt the provision of this new standard.

In July 2015, the FASB issued ASU 2015-12, Plan Accounting: Defined Benefit Pension Plans (Topic 960), Defined Contribution Pension Plans (Topic 962), Health and Welfare Benefit Plans (Topic 965): (Part I) Fully Benefit-Responsive Investment Contracts, (Part II) Plan Investment Disclosures, (Part III) Measurement Date Practical Expedient. Part I eliminates the requirements to measure the fair value of fully benefit-responsive investment contracts and provide certain disclosures. Contract value is the only required measure for fully benefit-responsive investment contracts. Part II eliminates the requirements to disclose individual investments that represent 5 percent or more of net assets available for benefits and the net appreciation or depreciation in fair value of investments by general type. Part II also simplifies the level of disaggregation of investments that are measured using fair value. Plans will continue to disaggregate investments by general type; however, plans are no longer required to also disaggregate investments by nature, characteristics and risks. Further, the disclosure of information about fair value measurements shall be provided by general type of plan asset. Part III allows plans to measure investments using values from the end of the calendar month closest to the Plan's

CAL-MAINE FOODS, INC. KSOP

Notes to Financial Statements

December 31, 2015 and 2014

fiscal year-end. Part III is not applicable to the Plan. The ASU is effective for fiscal years beginning after December 15, 2015, with early adoption permitted. Parts I and II are to be applied retrospectively. Management has elected to adopt Parts I and II early.

3.Fair Value Measurements

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value is categorized based on a hierarchy that gives the highest priority to unadjusted quoted prices in active markets for identical assets (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

Level 1Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

Level 2Inputs to the valuation methodology include:

- quoted prices for similar assets or liabilities in active markets;
- quoted prices for identical or similar assets or liabilities in inactive markets;
- inputs other than quoted prices that are observable for the asset or liability; and
- inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specific (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2015 or 2014:

Interest-bearing cash: This investment is valued at historical cost, which approximates fair value.

Money market fund: This investment is valued at the fair value of the underlying investments, which are valued based on quoted market prices at the end of the Plan year.

Common stock and mutual funds: These investments are valued based on quoted market prices at the end of the Plan year.

Common collective trust funds: These investments are valued based on the net asset value ("NAV") of units held by the Plan at year end, as calculated by the issuer, as a practical expedient to estimate fair value. NAV

CAL-MAINE FOODS, INC. KSOP

Notes to Financial Statements

December 31, 2015 and 2014

is calculated based on the fair value of the underlying assets owned by the fund, minus its liabilities, divided by the number of units outstanding.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following table sets forth the Plan's assets at fair value.

	Level 1	Level 2	Level 3	Total
December 31, 2015				
Cal-Maine Foods, Inc. common stock	$ 114,706,437	$ -	$ -	$ 114,706,437
Interest-bearing cash	5,867,330	-	-	5,867,330
Money market fund	-	7,630	-	7,630
Mutual funds	28,543,077	-	-	28,543,077
Total assets in the fair value hierarchy	$ 149,116,844	$ 7,630	$ -	149,124,474
Investments measured at net asset value				1,370,570
Investment at fair value				$ 150,495,044

	Level 1	Level 2	Level 3	Total
December 31, 2014				
Cal-Maine Foods, Inc. common stock	$ 100,431,516	$ -	$ -	$ 100,431,516
Interest-bearing cash	5,351,870	-	-	5,351,870

Money market fund	-	86,067	-	86,067
Mutual funds	25,887,722	-	-	25,887,722
Total assets in the fair value hierarchy	$ 131,671,108	$ 86,067	$ -	131,757,175
Investments measured at net asset value				673,309
Investment at fair value				$ 132,430,484

CAL-MAINE FOODS, INC. KSOP

Notes to Financial Statements

December 31, 2015 and 2014

The following table summarizes investments for which fair value is measured using the NAV per share as a practical expedient.

	Fair Value	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
December 31, 2015				
Common collective trust fund				
Capital Preservation Fund	$ 1,370,570	N/A	Daily	None
December 31, 2014				
Common collective trust fund				
Capital Preservation Fund	$ 673,309	N/A	Daily	None

4.Tax Status

The IRS has determined and informed the Company by a letter dated July 12, 2012 that the amended and restated Plan document is designed in accordance with applicable sections of the IRC. Therefore, no provision for income taxes has been included in the Plan's financial statements.

Accounting principles generally accepted in the United States of America require Plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the Plan has taken an uncertain position that, more likely than not, would not be sustained upon examination by the IRS. The Plan administrator has analyzed the tax positions taken by the Plan, and has concluded that, as of December 31, 2015, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any

tax periods in progress.

5.Parties-in-Interest Transactions

A significant portion of the Plan's funds are invested in the Company's common stock. As a result, the Plan's investment in the Company's common stock and investment transactions pertaining to the Company's common stock were with a party-in-interest. The Plan is also invested in common collective trust funds, a money market fund and an interest-bearing cash account with the trustee, SunTrust Bank. During the years ended December 31, 2015 and 2014, the Plan paid SunTrust Bank $129,600 and $49,565, respectively, for its services. Inasmuch as SunTrust Bank serves as a trustee of the Plan's assets, they are by definition a party-in-interest and, as a result, the investments and related investment transactions were with a party-in-interest. The Plan holds notes receivable from participants. As a result, these notes and all related transactions were with parties-in-interest. All of these transactions are exempt from being prohibited transactions under ERISA.

6.Subsequent Events Evaluation Date

Management of the Plan evaluated the events and transactions subsequent to its December 31, 2015 financial statement date and determined there were no significant events necessary for disclosure through June 28, 2016, which is the financial statement issuance date.

CAL-MAINE FOODS, INC. KSOP

PLAN NUMBER 001

EMPLOYER IDENTIFICATION NUMBER 64-0500378

Form 5500, Schedule H, Line 4i

Schedule of Assets (Held at End of Year)

December 31, 2015

(a)	(b) Identity of issue, borrower, lessor or similar party	(c) Description of investment including maturity date, rate of interest, collateral, par or maturity value	(e) Current value
	Interest-bearing cash		
*	SunTrust Bank	FDIC Insured Account	$ 5,867,330
	Money Market Fund		
	Federated Investors	Prime Obligations Fund	7,630
	Common collective trust funds		
	Federated Investors	Capital Preservation Fund	1,370,570
	Mutual funds		
	Blackrock	Inflation Protected Bond	859,167
	Goldman Sachs	Large-Cap Value Institutional	2,819,353
	Goldman Sachs	US Equity Insights	1,776,693
	Vanguard	Small Cap Index	95,959
	Vanguard	Mid Cap Index	95,960
	Vanguard	500 Index Fund	3,686,849
	Vanguard	Developed Markets Index Admiral	1,539,385
	Janus	Triton I	1,673,976
	MFS Family of Funds	Massachusetts Investors Growth Stock R5	899,871
	MFS Family of Funds	Total Return Bond R5	2,154,415
	MFS Family of Funds	Total Return Fund R5	1,714,537
	Nicholas	Equity Income I	1,500,083
	T. Rowe Price	Retirement 2010 Fund	1,277,890
	T. Rowe Price	Retirement 2020 Fund	2,979,540

T. Rowe Price	Retirement 2030 Fund	3,229,922
T. Rowe Price	Retirement 2040 Fund	1,971,767
T. Rowe Price	Retirement 2050 Fund	267,710
Total mutual funds		28,543,077

* - Party-in-interest

Column (d) not applicable for participant directed investments.

See independent auditor's report.

CAL-MAINE FOODS, INC. KSOP

PLAN NUMBER 001

EMPLOYER IDENTIFICATION NUMBER 64-0500378

Form 5500, Schedule H, Line 4i

Schedule of Assets (Held at End of Year)

December 31, 2015

(a)	(b)	Identity of issue, borrower, lessor or similar party	(c)	Description of investment including maturity date, rate of interest, collateral, par or maturity value	Current (e) value
		Common stock			
*		Cal-Maine Foods, Inc.		2,475,322 shares of common stock, $.01 par value	$ 114,706,437
*		Participant loans		Interest rates ranging from 3.25% to 4.25% with varying maturity dates from January 2016 through August 2030	3,101,378
		Total			$ 153,596,422

* - Party-in-interest

Column (d) not applicable for participant directed investments.

See independent auditor's report.

CAL-MAINE FOODS, INC. KSOP

PLAN NUMBER 001

EMPLOYER IDENTIFICATION NUMBER 64-0500378

Form 5500, Schedule H, Line 4i

Schedule of Assets (Held at End of Year)

December 31, 2015

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the trustees (or other persons who administer the employee benefit plan) have duly caused this annual report to be signed on its behalf by the undersigned hereunto duly authorized.

CAL-MAINE FOODS, INC. KSOP

Date: June 28, 2016 /s/ Jim Golden
Jim Golden
Director of Human Resources

13

EXHIBIT INDEX

Exhibit Number	Description
23	Consent of Independent Registered Public Accounting Firm