

CALAMCO

progress

SPRING 2019

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CHIEF EXECUTIVE OFFICER
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Dale Thigpin

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REGULATORY AFFAIRS
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MESSAGE TO SHAREHOLDERS

Rebate checks were mailed to participating members in January for our 2018 fiscal year. We paid out a dividend of \$64.44 per ton of ammonia equivalent. That equates to a 48% return on investment for those members that purchased their stock at \$20 per share.

CALAMCO's Mission Statement reads "To Provide a Reliable and Low-Cost Supply of Ammonia (Nitrogen Fertilizers) to California Agriculture." The dividend to our members averaged in the \$10-\$15 per ton range from the 1960's through the 1990's. The average rebate from 2000-2010 grew to the \$30 range, and since 2010 has averaged over \$50 per ton. My goal is to lower the up-front purchase price for product, while continuing to return a great ROI. The intent is to achieve a rebate in the \$40 per ton range, with an average ROI in the 30% range.

In addition, I am proposing to add an additional \$1 per ton to those members that report their annual fertilizer purchases using our on-line access portal instead of physically mailing a fertilizer use report form. We will also pay an additional \$1 to those members that sign up for direct deposit for their dividend, giving you the opportunity to increase your dividend by up to \$2 per ton. We are not suggesting that you **must** report on-line, or receive your dividend by direct deposit, **it is your choice**. Contact our office for more information or for assistance.

For our retail customers, exciting news! CALAMCO just unveiled a new ePay customer portal! We're always looking for ways to streamline our processes to make things easier for our customers. With the recent launch of our ePay customer portal you can now view invoices, history, Bills of Lading, and make payments all in one convenient place. The best part? Customers who elect to pay invoices via ePay by the due date will receive a 1% discount. Contact us today to get set up with your account or to learn more. ■



Daniel Stone
President / CEO

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A PARTNERSHIP WITH GROWERS



CALAMCO WELCOMES ALLEN CUPPLES, STOCKTON PLANT MANAGER

Allen Cupples was born in Tulare and grew up in the Sutter County area (Yuba City). He is married to his high school sweetheart, Cassie, and has three young children ages six (Jax), four (Levi), and two (Belle).

Allen joined the Air Force after high school and graduated from UC Santa Barbara with highest honors in Mechanical Engineering. He then completed the Naval Nuclear Officer Program as a civilian contractor representing Lockheed Martin as part of a leadership development program, where he graduated 7th out of 100 officers from across the country.

As a former Air Force Staff Sergeant, Allen was a member of a rapid response civil engineering squadron, providing essential power in remote regions of the world to include being part of the first team into Iraq in 2003.

Allen's responsibilities as a former Nuclear Instructor and Drill Coordinator within the Nuclear Navy Program included the safe training and qualification of junior officers on nuclear reactor systems and operations. In addition, he was responsible for drill training and casualty response assessments.

Most recently, Allen joins CALAMCO from the power industry, where he has extensive experience managing multiple facilities and technologies ranging from diesel, nuclear, natural gas, biomass, and steam. He has held various roles from maintenance planning, engineering, outage coordination, capital project management, and plant management.

Outside of work Allen enjoys making memories with his wife and children. He is also passionate about investing in developmental and clinical stage biotech companies. Allen is excited to join CALAMCO, and to be a member of this great team. ■

2019 CALAMCO REGIONAL SHAREHOLDER DINNERS

Approximately 350 people attended this year's regional shareholder dinners which were held at Ting's Refuge in Yuba City, the Double LL Steakhouse in Visalia, F. McLintocks in Shell Beach, and the Heritage Dining and Provisions at the Waterloo Gun & Bocce Club in Stockton. These venues continue to please the palate with delicious food and attentive staff.

Following dinner, guests were presented with a brief overview of the past year by CALAMCO's President and CEO Dan Stone, who also gave a brief outlook of some of the changes coming in the coming year and addressed various questions by our members.

As always, we ended the evening by giving away a large assortment of wonderful door prizes. We would like to extend our sincere thanks to the fertilizer dealers that donated door prizes for the dinner in their area. CALAMCO's management always looks forward to meeting with customers and members at these events. Thank you to all who were able to attend. ■



TWENTY-SEVEN YEAR VETERAN RICK WISE RETIRES



CALAMCO management and staff gathered to honor Rick Wise at a luncheon to celebrate his retirement on February 27th. Rick is a 27-year veteran, working at the CALAMCO Stockton Terminal.

Rick was born and raised in Garden Grove, CA, in the heart of Orange County. He graduated from High School in 1976 and joined the military where he was stationed in Fort Knox, Kentucky and then in Fort Hood, Texas, serving three years in the military and another three years as an army reserve. While in the military, Rick's family moved to Exeter, California where he moved following his service. He married his wife Lorie in January 1988, and they made the decision to move to Stockton, CA where he went to work as a Machine Operator.

In the fall of 1992, Rick took a part-time job as a fork-lift driver at CALAMCO's Cold Storage Facility, where he worked seasonally for the next two years. In 1994 Rick was offered a full-time position as a truck driver hauling anhydrous ammonia for CALAMCO. He worked as a driver for eight years before transitioning to train as a loader in the terminal. He eventually moved up to the Lead-Man position.

Rick and his wife Lorie have been married for 31 years and have five children (a son and four daughters), and five grandchildren, with one more on the way. One of Rick's passion's is competitive shooting, competing in both short and long-range shooting targets. He also enjoys camping and fishing, with a variety of beautiful fishing areas accessible to their home in Valley Springs.

Rick expressed that his life and his family have been extremely blessed by being given the opportunity to work at CALAMCO for the past 27 years. He wants to extend his thanks and appreciation to CALAMCO, including the Board of Directors and shareholders, for being a part of this great company.

Congratulations on your retirement Rick! Enjoy! ■

CALAMCO RECEIVES GLOWING SAFETY EVALUATION

Each year, our Insurance Captive provider, Terra, hires a Risk Management group to conduct routine safety inspection or "Loss Control Evaluation" at each of the captive member facilities.

There are a variety of areas that are covered, including safety programs, emergency response procedures, vehicle inspections and maintenance, risk exposure, and preventative maintenance to name a few. The evaluation is conducted using a point system, 100 representing a perfect score. Each year CALAMCO ranks at the top amongst our fellow captive members, historically obtaining 99 out of 100 points possible. On our last evaluation, CALAMCO was proud to receive a perfect score of 100 points on our evaluation summary.

We are extremely proud of the dedication and efforts of our employees, who continue to strive for excellence. The report sited that CALAMCO has a comprehensive program which complies with Federal, State and local regulatory requirements of OSHA, EPA, Cal-OSHA and DOT. Our employees are very well trained, and management is committed and strives for continuous improvement. The report sited that long term management experience and dedication make CALAMCO a valued member of the Captive. ■

CALAMCO OFFERS A \$1000 SCHOLARSHIP

Just a reminder that CALAMCO is offering a scholarship to our shareholders and their immediate family.

Students who are graduating high school seniors and plan to continue to college or university, majoring in agriculture or an ag-related field. This offer is valid to current high school seniors planning to attend a college or university in the fall of 2019 or spring of 2020.

The application is available in PDF format on our website at www.calamco.com, under the news/events tab. Mail the completed form to our corporate office: CALAMCO, 1776 West March Lane, Suite 420, Stockton, CA 95207. **Applications must be postmarked by April 19, 2019.** We will notify the recipient of the scholarship by May 3, 2019. ■

BE AWARE IN THE BUSY SEASON AHEAD

Once again the “busy season” is just in front of us and we need to remind our employees about being aware, safe, and on the lookout for any hazards in the workplace.



At CALAMCO we like to refresh employee’s memories about the hazards of the chemicals we work with daily, namely anhydrous ammonia and aqua ammonia. At your facilities you probably have many more hazardous chemicals than we do, and it is imperative that the hazards associated with all those chemicals are highlighted on a regular basis.

While you may focus on chemicals, it is important to remember the equipment that your employees operate in the fields and on the roads. We should think about lifting problems where more accidents occur than many realize, or issues with driving in less than ideal weather conditions, and wearing the appropriate personal protective equipment at any time there is an exposure potential.

CALAMCO has been providing safety awareness training across the state for more than 25 years and we are happy to come to your facilities to conduct it. When conducting training, we strongly recommend inviting local emergency response agencies (Fire Department, Law Enforcement, Ambulance Services, and local regulatory agencies) to attend so they can meet you and your employees, and become more knowledgeable about materials and potential hazards. ■

Questions or comments can
be forwarded to CALAMCO
at (800) 624-4200
www.Calamco.com

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