

# CALAMCO

*progress*

SPRING 2020

## CALAMCO EXECUTIVE STAFF

PRESIDENT AND  
CHIEF EXECUTIVE OFFICER  
Daniel Stone

DIRECTOR OF OPERATIONS  
Dale Thigpin

DIRECTOR OF  
REGULATORY AFFAIRS  
Martin Jeppeson

DIRECTOR OF MARKETING  
Alice Inderbitzin

REGIONAL MANAGER  
Natalie Foss

## CALAMCO BOARD OF DIRECTORS

CHAIRMAN OF THE BOARD  
Case Van Steyn

Bardin Bengard  
Doug DeVaney  
Dave Dufault  
Alan Freese  
G.Ray Reinhardt  
Richard Sunderland

## MESSAGE TO SHAREHOLDERS

Like you, we at CALAMCO have been closely following news about the Coronavirus and the implementation of “shelter in place” restrictions that are taking place in counties across California, along with the rest of the country, for non-essential businesses. Agriculture and ag-related businesses are exempt from these rules and fall under “businesses needed to supply or support other essential businesses” category.

We recognize the sensitivity and concern the COVID-19 virus has created. We want to assure you that we are taking every reasonable precaution to keep our employees, and those that we come into contact with, safe by implementing the best practices and prevention recommendations from guidelines listed by the CDC (Centers for Disease Control). We continue to follow updates from the CDC and have increased our cleaning frequency and areas of focus. We are aware of the 10 person CDC guidelines and remain vigilant so that our supply chain remains uninterrupted.

We have every confidence that we will be able to continue with “business as usual” and look forward to a smooth and safe busy season. Please be safe and remember, this too shall pass. ■



**Daniel Stone**  
President / CEO

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A PARTNERSHIP WITH GROWERS

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## BYLAW CHANGES APPROVED

Shareholders were asked to vote for bylaw changes with proxies that were mailed out in early November 2019.

We are pleased to report that all the requested changes were passed. Bylaw changes include the following:

1. It is no longer a requirement for members to be a "resident" of California. The wording has changed to "doing business in California". Therefore, any business that purchases from CALAMCO outside of California is now eligible to own stock in CALAMCO. This helps maintain the value of stock by creating broader access for stock ownership.
2. CALAMCO can request members sell their stock if they do not report fertilizer use for 3 or more years. Per our bylaws, you must use anhydrous ammonia or products containing anhydrous ammonia in order to qualify for stock ownership (otherwise there is no benefit to owning stock). CALAMCO will notify members that do not report fertilizer use for 3 or more years (bylaws used to read 5 years or longer). This gives us the ability to "clean up" inactive membership and provides significant cost savings.
3. Two additional changes determine what constitutes a quorum at Board of Director meetings. Specifically, it used to be that a majority of Class A & B directors combined be present. Bylaws now specify that a majority each, Class A directors (3 out of 4), and a majority of Class B directors (2 out of 3), must be present. ■



## 2020 REGIONAL SHAREHOLDER DINNERS

Approximately 350 people attended this year's regional shareholder dinners which were held at The 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. ■



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## CALAMCO OFFERS \$1000 SCHOLARSHIP

Just a reminder that CALAMCO is offering a scholarship **to our shareholders and their immediate families**, who are graduating high school seniors and plan to continue to college, majoring in agriculture or an ag-related field. This offer is valid to current high school seniors planning to attend a college in the fall of 2020 or spring of 2021.

The application is available in PDF format on our website at [www.calamco.com](http://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 20, 2020.** We will notify the recipient of the scholarship by May 4, 2020. ■



## 2019 FINANCIAL RESULTS

Rebate checks were mailed to participating members in January for our 2019 fiscal year. We paid out a dividend of \$41.49 per ton of ammonia equivalent.

An additional \$1 per ton was paid to those members that reported their annual fertilizer purchases using our online access portal instead of physically mailing a fertilizer use report form. With this incentive, online reporting increased from 33% in 2018 to 65% this past year.

Another additional \$1 was paid to those members that opted for direct deposit for their dividend. Growers signing up for direct deposit grew from 9% in 2018 to 51% in 2019. Growers that opted for both realized a dividend of \$43.49. A return on investment of 33% for stock purchased at \$20 per share. ■

## REBATE PER TON BREAKDOWN BY PRODUCT

Though our rebate per ton is based on a per ton of Anhydrous Ammonia (NH<sub>3</sub> equivalent) basis, we are often asked what that means when broken down by specific products. Please find below a breakdown by product, using our Rebateable Product List, with those products that are manufactured using CALAMCO ammonia. ■

PRODUCT	NPK	NH <sub>3</sub>	\$35 REBATE	\$37 REBATE
Anhydrous Ammonia	82-00-00	100%	\$35.00	\$37.00
Aqua Ammonia	20-00-00	24%	\$8.40	\$8.88
Ammonia Nitrate 20% (AN20)	20-00-00	24%	\$8.40	\$8.88

PRODUCT	NPK	NH <sub>3</sub>	\$35 REBATE	\$37 REBATE
Ammonium Sulfate	21-00-00	26%	\$9.10	\$9.62
Calcium Ammonium Nitrate (CAN17)	17-00-00	21%	\$7.35	\$7.77
Ammonium Phosphate Sulfate	16-20-00	20%	\$7.00	\$7.40
BEST (Turf Supreme)	16-06-08	20%	\$7.00	\$7.40
Agropell Triple 15	15-15-15	18%	\$6.30	\$6.66
FUSN Fused-Safe Nutrients	26-00-00	16%	\$5.60	\$5.92
Agropell Triple 12	12-12-12	15%	\$5.25	\$5.55
Agropell Tree N Vine	12-08-16	15%	\$5.25	\$5.55
Ammonium Poly Phosphate	10-34-00	12%	\$4.20	\$4.44
Urea-Ammonium Nitrate Solution (UAN32)*	32-00-00	7%	\$2.45	\$2.59
Agropell XB	06-20-20	7%	\$2.45	\$2.59

\*Please note that though UAN32 is listed as a rebateable product, it is no longer manufactured in California by Simplot but imported and stored at our Stockton terminal, therefore the rebate/nitrogen equivalent allowed is based on tolling/handling fees paid by Simplot only.

## COVID-19 RESPONSE

CALAMCO management is very concerned about the COVID-19 pandemic, and we are staying on top of all updates for the safety of our employees and their families.

The management team will continue to focus on the work safety of our facilities, both on and off-site with minimal disruption to our operation during this critical time. As a result, CALAMCO has implemented the following actions:

- Increased cleaning frequency and areas of focus.
- Posted Center for Disease Control (CDC) information throughout our facilities for symptom awareness and hygiene reminders.
- Planned for modified operations if needed.
- Restricted non-essential meetings and visitors to CALAMCO facilities.
- Restricted group gatherings over 10 people and implemented social distancing practices.

- Maintained backstock of COVID-19 prevention supplies.

Information on COVID-19 is developing daily. CALAMCO encourages our employees and their families to follow the CDC and OSHA links below for the most current updates:

- <https://www.osha.gov/Publications/OSHA3990.pdf>
- <https://www.cdc.gov/coronavirus/2019-ncov/community/guidance-business-response.html>

Additionally, please monitor all relevant State and Local Agencies for COVID-19 information for your specific geographical area.

CALAMCO is very proud and protective of our team, and we value each member's safety and wellness! ■

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

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