



Letter from the BCP General Manager - Patty Grube

Once again, we have wrapped up a successful year of fulfilling shareholder delivery commitments for our BCP members. September 30, 2023 marked the end of our fiscal year and the auditors are nearing completion, with the audit to be presented at the BCP Board of Director’s meeting on November 17th. To recap, BCP ended FY2022 with an enrollment of 11,879,870 bushels. To start FY2023, 398,958 bushels were added to the pool and 295,919 bushels left the pool. At the end of the first trimester, 77,649 bushels left the pool to join the delivery position, closing BCP’s year with 11,905,260 bushels enrolled. During the year, BCP continued to purchase corn from CVEC through the corn procurement agreement, which includes a \$0.13 per bushel handling fee for the procurement and delivery of corn, which is included in corn purchase expense.

In FY2023, BCP paid an average of \$6.21 per bushel (which

includes the \$0.13), while our sale of corn to CVAC averaged \$6.08/bushel. As expected, this resulted in a (\$0.13) loss per bushel before including expenses for interest, board, administrative, and professional fees, bringing the preliminary loss to (\$0.145)/bushel. This would mean a potential funding loss margin call of \$0.145 per bushel. However, the margin call decision will be made at the board meeting on November 17 when the audit is presented and reviewed. The preliminary year-end income statement and balance sheet are included for your review. As shown, BCP currently has a loss of (\$1,700,165) before the margin call is recorded on the books. A letter will be mailed after November 17th, 2023 to each BCP member stating the total amount that is due, with payment to be made by December 27, 2023. It should be noted that BCP’s intention is to operate as close to break-even as possible, while being fiscally responsible. Assuming a margin call of \$0.145 is recommended and approved, BCP will finish the year with \$4,542 of net income. It doesn’t get any closer than that.

Looking ahead to FY2024, the Benson Corn Pool has extended the corn procurement agreement with CVEC to provide grain purchasing services for an additional three years, keeping the handling fee at \$0.13 per bushel. This should result in an approximate loss for FY2024 of (\$0.13) to (\$0.15) per bushel, depending on corn price variability.

BCP’s annual meeting has been set for 3 pm on Tuesday, January 23, 2024 at McKinney’s in Benson, MN. It will follow the CVAC meeting, which begins at 1 pm. BCP has two board seats up for election this year, Doug Schliep and an Open Seat. Roger Longhenry has announced his intention to not run for re-election. If you are interested in serving on the BCP board, please see the nomination procedures included in this newsletter or contact the office with any questions. You can expect to receive the annual meeting packet in early January 2024 and I look forward to seeing you at the annual meeting.

Letter from the Chairman - Roger Longhenry

This year it was hard to stay on the right side of the market. Brody was able to keep the plant with a good supply of corn but at a higher price to the corn pool. When the market is continually going lower that works against the corn pool so our margin call will be higher this year. Patty informed you of this at our informational meeting in September. Remember our annual meeting on January 23. We will be electing two board members at this meeting. My plan is to step down, so if anyone is interested, please call the office to get your name on the ballot. The corn pool has no districts so the new member can come from any direction.

I want to thank all of you for trusting me to be part of the corn pool since its inception. It truly has been my honor.

INCOME STATEMENT

BUSHEL	11,932,437
REVENUE	
Corn Sales	\$72,521,596
Misc Income	\$6,487
Total Income	\$72,528,083
COST OF GOODS SOLD	
Corn Purchases	\$74,125,729
Total Cost of Goods Sold	\$74,125,729
EXPENSES	
Board Expenses	\$27,851
Interest Expense	\$33,837
Taxes & Insurance	\$ 9,944
Administrative Expenses	\$30,887
Total Expenses	\$102,519
Net Income (Loss)	\$(1,700,165)

BALANCE SHEET

ASSETS	
Cash	\$ 2,463
Accounts Receivable	\$2,059,286
Prepaid Expenses	\$43,000
Total Assets	\$2,104,749
LIABILITIES	
Accounts Payable	\$101,695
Accrued Expenses	\$27,684
Marketing Fee Payable	\$1,807,298
Note Payable	\$1,645,000
Total Liabilities	\$3,581,677
EQUITY	
Member Equity	\$223,237
Current Year Income (Loss)	\$(1,700,165)
Total Equity	\$(1,476,928)
Total Liabilities & Equity	\$2,104,749

Commodity Update, Brody Padgett

The 2023 crop year is quickly coming to an end as the majority of producers in our area have completed their harvest. While there were certainly pockets of below average yields, and several producers had to fight through downed corn, overall it seems that our local crop exceeded expectations and should be a sufficient supply for the coming year. At CVEC, we had a record October in terms of harvest corn deliveries, thanks in part to a good crop, but also thanks to the dedication of our employees and staff offering farmers almost 300 hours throughout the month for them to deliver corn. Looking forward, an ample U.S. corn supply will likely mean that corn prices will struggle to move higher without production issues elsewhere in the world. Locally, basis levels will likely be above average as we move into winter and processors work to incent corn movement. However, the large supply of unpriced corn and a slow start to the U.S. export program will temper any corn rallies in the short term.

As we move into the new year, please feel free to reach out to Sara or myself if you have any questions about BCP purchases, or new CVAC delivery options. From all of us here at CVEC, we'd like to wish you a happy holiday season and look forward to seeing you all at the annual meeting in January!

DIRECTOR NOMINATION PROCEDURES FOR FY24

ALL NOMINATIONS OF PERSONS TO STAND FOR ELECTION AS DIRECTORS WHICH ARE MADE BY MEMBERS OF Benson Corn Pool, Inc., MUST COMPLY WITH THE BELOW REQUIREMENTS.

IMPORTANT DEADLINE: NOMINATION NOTICES MUST BE RECEIVED BY CVEC NO LATER THAN 4:30PM ON DECEMBER 1, 2023

One or more nominees for director positions up for election may be named by a nominating committee established by the directors. Additionally, nominations for people to stand for election as a director may also be made by any member (each a "Member") of Benson Corn Pool, Inc., who is entitled to vote generally in the election of directors.

Any member who is entitled to vote in the election of directors may nominate one or more persons for election as directors only if written notice of nomination or nominations (a "nomination notice") has been given, either by personal delivery, email or by U. S. Mail, postage prepaid, to the CVEC office no later than, the time set forth by the nominating committee. A nominee shall only be duly and validly nominated if such nominee qualifies for election to the seat to which such nominee is nominated, were such persons elected.

Please inform the CVEC office on or before the end of the day 4:30pm on December 1, 2023 of any nomination notice by phone, email or mail.

CVEC Main Office
c/o Nomination Coordinator
270 20th St NW
Benson, MN 56215
cgoff@cvec.com 320-843-4813

If you would like to nominate someone to stand for election as a director for the upcoming year 2024, please comply with the above requirements. The nominating committee of BCP will review all nominations to assure compliance with BCP By-Laws. The nominating committee reserves the right to modify the rules and procedures at its discretion.

Two seats are up for election for the 2024 BCP Board of Directors:

Open Seat (no incumbent)
Doug Schliep (incumbent)

