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B56352

STATE BOARD OF ACCOUNTS
302 WEST WASHINGTON STREET
ROOM E418
INDIANAPOLIS, INDIANA 46204-2765

Telephone: (317) 232-2513
Fax: (317) 232-4711
Web Site: www.in.gov/sboa

January 29, 2021

Board of Directors
Indiana Corn Marketing Council
8425 Keystone Crossing, Suite 200
Indianapolis, IN 46240

We have received the audit report of the Indiana Corn Marketing Council, which was opined upon by Blue & Co., LLC, Independent Public Accountants, for the period October 1, 2019 to September 30, 2020. Per the *Independent Auditor's Report*, the financial statements included in the report present fairly the financial condition of the Indiana Corn Marketing Council as of September 30, 2020, and the results of its operations for the period then ended, on the basis of accounting described in the report.

The audit report is filed with this letter in our office as a matter of public record.

Paul D. Joyce
Paul D. Joyce, CPA
State Examiner



FINANCIAL STATEMENTS

AND

SUPPLEMENTARY INFORMATION

SEPTEMBER 30, 2020

CPAs / ADVISORS



INDIANA CORN MARKETING COUNCIL

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Blue & Co., LLC / 12800 N. Meridian Street, Suite 400 / Carmel, IN 46032
main 317.848.8920 fax 317.573.2458 email blue@blueandco.com

REPORT OF INDEPENDENT AUDITORS

Board of Directors
Indiana Corn Marketing Council
Indianapolis, Indiana

We have audited the accompanying statement of assets, liabilities, and net assets - modified cash basis of Indiana Corn Marketing Council (ICMC) as of September 30, 2020, and the related statements of support, revenues and expenses - modified cash basis, functional expenses - modified cash basis, and cash flows - modified cash basis for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the modified cash basis of accounting described in Note 2; this includes determining that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

REPORT OF INDEPENDENT AUDITORS
(Continued)

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the assets, liabilities and net assets of ICMC as of September 30, 2020, and its revenues, expenses, and cash flows for the year then ended, in accordance with the basis of accounting as described in Note 2.

Basis of Accounting

We draw attention to Note 2 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the modified cash basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to that matter.

Report on Supplementary Information Included in the Financial Statements

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The budgeted and board designated amounts shown on the statements of support, revenues and expenses and functional expenses – modified cash basis for the year ended September 30, 2020, which are the responsibility of management, are presented for purposes of additional analysis and are not a required part of the financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Blue & Co., LLC

Carmel, Indiana
January 5, 2021

INDIANA CORN MARKETING COUNCIL

STATEMENT OF ASSETS, LIABILITIES, AND NET ASSETS (Modified Cash Basis) SEPTEMBER 30, 2020

ASSETS

Cash and cash equivalents	\$	2,645,717
Certificates of deposit		1,286,223
Prepaid expenses and other assets		23,026
Property and equipment, net		<u>1,807</u>
	\$	<u>3,956,773</u>

LIABILITIES AND NET ASSETS

Liabilities		
Accounts payable	\$	219,172
Payable to Indiana Soybean Alliance, Inc.		186,187
Research grants payable		<u>67,626</u>
Total liabilities		472,985
Net assets		
Without donor restrictions		
Undesignated		1,509,968
Board designated		<u>1,973,820</u>
Total net assets		<u>3,483,788</u>
	\$	<u>3,956,773</u>

See accompanying notes to financial statements.

INDIANA CORN MARKETING COUNCIL

STATEMENT OF SUPPORT, REVENUES, AND EXPENSES (Modified Cash Basis) YEAR ENDED SEPTEMBER 30, 2020

	Actual	Budgeted Income and Expense (Unaudited)	Board Designated Net Assets (Unaudited)	Total Budgeted and Board Designated Net Assets (Unaudited)
Support and revenues				
Checkoff assessments	\$ 4,021,370	\$ 3,141,506	\$ -0-	\$ 3,141,506
First purchaser handling fee	(110,738)	(94,245)	-0-	(94,245)
Refunds	(230,345)	(207,214)	-0-	(207,214)
Net checkoff assessments	3,680,287	2,840,047	-0-	2,840,047
Contributions	14,000	-0-	-0-	-0-
Interest income	27,732	4,000	-0-	4,000
Other	504	-0-	-0-	-0-
Total support and revenues	3,722,523	2,844,047	-0-	2,844,047
Expenses				
Program services				
Livestock	273,281	315,877	-0-	315,877
Grain marketing	328,988	294,810	77,905	372,715
New uses	12,287	52,124	-0-	52,124
Ethanol	373,400	482,477	249,237	731,714
Production and environment	318,674	490,157	-0-	490,157
Public affairs	209,021	320,884	-0-	320,884
Communications and marketing	371,117	343,935	140,694	484,629
Education and training	90,482	165,506	100,000	265,506
Organization and board management	241,150	323,690	125,000	448,690
Legacy program	50,000	50,000	-0-	50,000
NCGA	567,000	567,000	-0-	567,000
Total program services	2,835,400	3,406,460	692,836	4,099,296
Support services				
ICMC administration	227,781	257,124	-0-	257,124
Total expenses	3,063,181	3,663,584	692,836	4,356,420
Change in net assets	659,342	\$ (819,537)	\$ (692,836)	\$ (1,512,373)
Net assets without donor restrictions, beginning of year	2,824,446			
Net assets without donor restrictions, end of year	\$ 3,483,788			

See accompanying notes to financial statements.

INDIANA CORN MARKETING COUNCIL

STATEMENT OF FUNCTIONAL EXPENSES (Modified Cash Basis) YEAR ENDED SEPTEMBER 30, 2020

	Program Services											Support Services		
	Livestock Program	Grain Marketing Program	New Uses Program	Ethanol Program	Production & Environment Program	Public Affairs Program	Communications & Marketing Program	Education & Training Program	Organization & Board Management Program	Legacy Programs	NCGA	Total	ICMC Administration	Grand Total
Insurance/bonds	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ 5,983	\$ 5,983
Small equipment purchases	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	6	-0-	-0-	6	-0-	6
Telephone	-0-	-0-	-0-	18	2	-0-	-0-	-0-	-0-	-0-	-0-	20	-0-	20
Board elections	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	1,959	1,959
Postage and shipping	-0-	1	9	40	152	377	217	1,775	13	-0-	2,584	1,695	4,279	
Printing	2,002	-0-	-0-	1,325	-0-	652	569	9,698	-0-	-0-	14,246	166	14,412	
Office supplies	-0-	427	10	72	-0-	21	11	11	2,126	-0-	2,678	1,026	3,704	
Staff travel	1,652	4,829	-0-	7,931	2,319	3,899	4,503	856	4,237	-0-	30,226	1,082	31,308	
Director travel	2,930	13,994	-0-	372	951	1,046	170	111	18,209	-0-	37,783	1,478	39,261	
Other travel	-0-	1,429	635	453	-0-	-0-	-0-	-0-	104	-0-	2,621	-0-	2,621	
Meeting expense	132	2,546	-0-	20,709	851	5,549	3,439	99	11,980	-0-	45,305	150	45,455	
Professional fees	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	78,744	78,744
Legal fees	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	4,943	4,943
Consulting	364	3,670	12,200	37,500	46,998	8,000	70,275	10,525	33,278	-0-	222,810	6,405	229,215	
ISA contracted services	29,654	67,276	1,009	117,727	128,444	59,335	121,924	38,201	144,209	-0-	707,779	124,083	831,862	
Data processing fees	18	-0-	-0-	-0-	-0-	-0-	448	-0-	-0-	-0-	466	-0-	466	
Depreciation	-0-	-0-	-0-	-0-	-0-	-0-	10,844	-0-	-0-	-0-	10,844	-0-	10,844	
Grants	197,134	(13,815)	(3,576)	103,198	82,796	-0-	-0-	-0-	-0-	-0-	365,737	-0-	365,737	
Dues/memberships	15,600	2,400	-0-	12,090	10,100	945	75	-0-	5,534	-0-	46,744	-0-	46,744	
Subscriptions	-0-	6,147	-0-	8,098	50	7,093	594	3,304	467	-0-	25,753	-0-	25,753	
Bank fees	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	67	
Staff training/development	-0-	70	-0-	-0-	-0-	-0-	163	188	-0-	-0-	421	-0-	421	
Advertising	2,000	5,000	2,000	8,000	4,000	-0-	137,721	5,361	-0-	-0-	164,082	-0-	164,082	
Project supplies	-0-	155	-0-	2,522	10,699	190	49	303	1,690	-0-	15,608	-0-	15,608	
Booth rental	-0-	-0-	-0-	-0-	-0-	-0-	815	-0-	-0-	-0-	815	-0-	815	
Registration fees	45	1,109	-0-	2,095	1,812	650	300	50	297	-0-	6,358	-0-	6,358	
Sponsorships	21,750	233,750	-0-	51,250	29,500	121,264	19,000	20,000	19,000	50,000	567,000	1,132,514	1,132,514	
Total expense	\$ 273,281	\$ 328,988	\$ 12,287	\$ 373,400	\$ 318,674	\$ 209,021	\$ 371,117	\$ 90,482	\$ 241,150	\$ 50,000	\$ 567,000	\$ 2,835,400	\$ 3,063,181	
Actual expense	\$ 273,281	\$ 286,753	\$ 12,287	\$ 373,400	\$ 318,674	\$ 209,021	\$ 336,771	\$ 90,482	\$ 216,150	\$ 50,000	\$ 567,000	\$ 2,733,819	\$ 2,961,600	
Budget	315,877	294,810	52,124	482,477	490,157	320,884	343,935	165,506	323,690	50,000	567,000	3,406,460	3,663,584	
Under/(over) budget	42,596	8,057	39,837	109,077	171,483	111,863	7,164	75,024	107,540	-0-	-0-	672,641	701,984	
Actual board designated expense	-0-	42,235	-0-	-0-	-0-	-0-	34,346	-0-	25,000	-0-	-0-	101,581	101,581	
Board designated net assets budget	-0-	77,905	-0-	249,237	-0-	-0-	140,694	100,000	125,000	-0-	-0-	692,836	692,836	
Under/(over) board designated net assets budget	-0-	35,670	-0-	249,237	-0-	-0-	106,348	100,000	100,000	-0-	-0-	591,255	591,255	
Supplemental schedule page number	15	16	17	18	19	20	21	22	23	24	25	26		

See accompanying notes to financial statements.

INDIANA CORN MARKETING COUNCIL

STATEMENT OF CASH FLOWS (Modified Cash Basis) YEAR ENDED SEPTEMBER 30, 2020

Operating activities	
Change in net assets	\$ 659,342
Adjustments to reconcile change in net assets to net cash flows from operating activities:	
Depreciation	10,844
Changes in assets and liabilities:	
Prepaid expenses and other assets	90,801
Accounts payable	(55,933)
Payable to Indiana Soybean Alliance, Inc.	(2,363)
Research grants payable	<u>(106,415)</u>
Net cash flows from operating activities	596,276
Investing activities	
Purchases of certificates of deposit	(783,345)
Redemptions of certificates of deposit	<u>766,210</u>
Net cash flows from investing activities	<u>(17,135)</u>
Change in cash and cash equivalents	579,141
Cash and cash equivalents, beginning of year	<u>2,066,576</u>
Cash and cash equivalents, end of year	<u>\$ 2,645,717</u>

See accompanying notes to financial statements.

INDIANA CORN MARKETING COUNCIL

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2020

1. NATURE OF ACTIVITIES

In June 2007, the Indiana Legislature enacted into law Indiana Code 15-4-10 (amended by Indiana Code 15-15-12 on August 1, 2009 and again on July 1, 2012), the Indiana Corn Market Development Law, which requires a checkoff assessment on certain types of corn marketed in the State of Indiana. The Indiana Corn Marketing Council (ICMC) is a public body corporate and politic organization located in Indianapolis, Indiana established to facilitate the corn checkoff assessment program in Indiana and communicate information relating to the conduct, implementation, or results of promotion, research, and market development activities relating to corn or corn products to appropriate government officials. Proceeds of the checkoff assessment may not be used to influence legislation or governmental action or policy. ICMC is separate from the State of Indiana; however, the exercise by ICMC of its powers constitutes an essential governmental function.

Indiana Code 15-15-12 requires ICMC to review the refunds for each fiscal year and if refunds exceed twenty-five percent (25%) in two consecutive years, ICMC shall cease collecting the assessment on January 1 of the subsequent year; maintain a sufficient amount of money to pay for any refunds requested by producers; and request that the legislative council have legislation prepared to repeal the corn market law.

Indiana Code 15-15-12 also requires that total administration expenses, less the cost of processing refunds and applying for grants, may not exceed 10% of the average corn checkoff assessments collected over the past five years. The average assessments amount is calculated by excluding the highest and lowest assessments and taking an average of the remaining three years' checkoff assessments.

The programs of ICMC are as follows:

Livestock Program – conducts livestock projects to increase consumption of corn and corn co-products for a strong livestock industry. In fiscal 2020, this program targeted activities such as farmer education, livestock export expansion, and business development and expansion.

Grain Marketing Program – conducts projects to maintain existing and develop new domestic and export markets for corn and corn products in order to ensure the long term viability of Indiana corn farmers. In fiscal 2020, this program focused on the following areas: transportation infrastructure issues, international marketing, farmer education/risk management, and domestic marketing and market development.

New Uses Program – invests in research and development that will find economically sound new uses for corn and corn by-products that increase utilization. In fiscal 2020, this program focused efforts on industry collaboration to discover new corn derivatives for use in industrial applications and methods for converting ethanol processing by-products into value-added specialty chemicals.

INDIANA CORN MARKETING COUNCIL

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2020

Ethanol Program – conducts projects to increase the production, availability and use of ethanol in Indiana. In fiscal 2020, this program targeted activities such as dispensing infrastructure development and target audience education.

Production and Environment Program – supports on-farm demonstration programs and university led research projects to develop tools and information to help corn growers maximize their farm's performance. The production programs and projects focus on enhancing yields through fertilizer management, controlling pests and diseases, and exploring new traits. Environment projects focus on nutrient issues and sustainability efforts. In fiscal 2020, this program targeted activities such as INfield Advantage, university led research, nutrient reduction strategy development, mapping and water quality and quantity efforts.

Public Affairs Program – conducts projects to develop and maintain strong communication programs to promote Indiana corn and corn uses while educating the public and stakeholders on issues important to the corn industry. In fiscal 2020, this program targeted activities such as global trade, the Renewable Fuels standard, education around the importance of the Farm Bill, the economic benefit of agriculture to Indiana, and building partnerships across the state.

Communications and Marketing Program – conducts projects to establish the organization as a leading resource on corn to further the interest of corn farmers and to support the work of all programs. In addition, communication programs help educate consumers about modern agriculture and corn. In fiscal 2020, this program focused on the following activities: farmer outreach, media outreach and promotion of checkoff programs through sponsorships of field days, paid advertising and magazine articles on checkoff programs. The program also supports each program director in the development and implementation of strategic marketing communication plans that support the goals of each program, and the organization collectively. Marketing is focusing on external communications and is involved in crafting messaging, determining the target audience, brand development and the implementation of tactical plans.

Education and Training Program – conducts projects to establish the organization as a leading resource on corn to key consumer stakeholders and further the interest of corn farmers. In fiscal 2020, this program focused on K-12 education programs and partner youth organizations. The training program works to develop leadership development sessions for corn board members and communication training for key farmers around the state.

Organizational and Board Management Program – conducts board meetings, leadership development and program management and support to all programs and board of directors.

Legacy Program – support for a student research assistantship at Purdue University for a graduate student conducting research related to the corn industry, for example genetics, breeding, production technologies, processing and marketing.

INDIANA CORN MARKETING COUNCIL

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2020

NCGA – support for programs including opportunities for promotion and infrastructure for ethanol, livestock and new uses for corn, trade and transportation issues, biotech and crop protection efforts, Soil Health Partnership, corn productivity and quality and programs to build consumer trust of corn and agriculture. Other funding for NCGA supports leadership programs, communication, public relations and education around corn issues. NCGA is able to pool resources from the corn producing states to advance checkoff programs related to corn.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Accounting Method

ICMC prepares its financial statements on a modified cash basis of accounting. Under that basis, corn checkoff assessments are recognized when received rather than when earned, and first purchaser handling fees and refunds are recognized when paid rather than when the obligation is incurred. The modified cash basis of accounting differs from accounting principles generally accepted in the United States of America primarily because ICMC has not recognized receivables for corn checkoff assessments, accruals for estimated first purchaser handling fees, accruals for estimated refunds, and their related effects on the change in net assets. Contributions are recognized when pledged by the donor. All other revenues are recognized when earned. ICMC accrues research grants in which ICMC has minimal involvement once the Board approves the grant for funding and the grant is executed, rather than at the time the expenses are incurred. These expenses, which are considered contribution transactions, are included in grants expense. Research grants in which ICMC has significant involvement, which are considered exchange transactions, are expensed as incurred and are included in consulting fees expense. All other expenses are recognized on the accrual basis.

Basis of Presentation

Net assets, support and revenues are classified based on the existence or absence of donor-imposed restrictions. Net assets without donor restrictions are net assets not subject to donor-imposed restrictions. Support that is restricted by the donor is reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the support is recognized. Accordingly, the net assets of ICMC and the changes therein are classified and reported as net assets without donor restrictions.

Estimates

The preparation of financial statements in conformity with the modified cash basis requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amount of support, revenues and expenses during the reporting period. On an ongoing basis, ICMC's management evaluates the estimates and assumptions based upon historical experience and various other factors and circumstances. ICMC's

INDIANA CORN MARKETING COUNCIL

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2020

management believes that the estimates and assumptions are reasonable in the circumstances; however, actual results could differ from those estimates.

Cash Equivalents

ICMC considers all highly liquid investments purchased with original maturities of three months or less to be cash equivalents. Cash equivalents are carried at cost, which approximates market value, and consist of repurchase agreements.

Certificates of Deposit

Certificates of deposit are carried at cost, which approximates fair value. Interest income is recorded when earned. ICMC holds investments in certificates of deposit issued under the Certificate of Deposit Account Registry Service (CDARS). Under the CDARS program, ICMC's funds are invested in certificates of deposit in different banks within the CDARS network in increments such that all deposits are provided full FDIC coverage. At September 30, 2020, certificates of deposit bear interest at rates ranging from 0.10% to 2.25% and have maturity dates ranging from February 2021 to September 2021.

Property and Equipment

Property and equipment are reported at cost, if purchased, and at fair value on the date of donation, if donated. Property and equipment in excess of \$5,000 is capitalized if it has a useful life when acquired of more than one year. Repairs and maintenance that do not significantly increase the useful life of the asset are expensed as incurred. Depreciation is computed using the straight-line method over the estimated useful lives of the assets.

At September 30, 2020, property and equipment consists of a website with an estimated useful life of 3 years. Depreciation expense for the year ended September 30, 2020 is \$10,844.

Checkoff Assessment Revenue

Indiana Code 15-15-12 requires that a checkoff assessment of one-half cent (\$0.005) per bushel shall be collected by first purchasers on all applicable corn sold in Indiana, and that this checkoff assessment be remitted to ICMC on a quarterly basis. Checkoff assessments are recognized in the period the cash is received.

First Purchaser Handling Fees and Refunds

First purchasers who remit assessments timely are entitled to retain 3% of the total corn checkoff assessments as a handling fee. First purchaser handling fees are deducted from gross corn checkoff assessments in the Statement of Support, Revenues, and Expenses and are recognized in the period in which the net checkoff assessments are received by ICMC.

A producer is entitled to a refund of the corn checkoff assessment if the producer applies for a refund within 180 days after the corn checkoff assessment was deducted from the sale price of

INDIANA CORN MARKETING COUNCIL

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2020

the producer's corn. Refunds are deducted from gross corn checkoff assessments in the Statement of Support, Revenues, and Expenses and are recognized when paid.

Administration Expenses

Indiana Code 15-15-12 requires total administration expenses, less the cost of processing refunds and applying for grants, to be 10% or less of average corn checkoff assessments collected over the past five years. The average assessments amount is calculated by excluding the highest and lowest assessments and taking an average of the remaining three years' checkoff assessments. ICMC's administration expenses, less cost of processing refunds and applying for grants, as a percentage of average corn checkoff assessments were 4.65% for fiscal 2020.

Functional Allocation of Expenses

The costs of providing the programs and services of ICMC have been summarized on a functional basis in the Statements of Support, Revenues, and Expenses and Functional Expenses. Accordingly, certain costs have been allocated among the programs and supporting activities benefited, based on actual direct expenditures and cost allocations of indirect expenses based on time and usage by personnel. Expenses allocated include ISA contracted services, travel, and office overhead. Although the methods used were appropriate, other methods could produce different results.

Income Taxes

ICMC is exempt from income taxes under Section 501(c)(6) of the United States Internal Revenue Code and similar state law. As such, ICMC is required to file Federal Form 990 – Return of Organization Exempt from Income Tax and a corresponding state return, which are informational returns only. These informational returns are generally open to examination by the relevant taxing authorities for a period of three years from the later of the date the return was filed or its due date (including approved extensions).

Management is required to evaluate tax positions taken by ICMC and recognize a tax liability if ICMC has taken an uncertain position that more likely than not would not be sustained upon examination by various federal and state taxing authorities. Management has analyzed the tax positions taken by ICMC, and has concluded that as of September 30, 2020, there are no uncertain positions taken or expected to be taken that would require recognition of a liability or disclosure in the accompanying financial statements. ICMC is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

Subsequent Events

ICMC evaluates events occurring subsequent to the date of the financial statements in determining the accounting for and disclosure of transactions and events that affect the financial statements. Subsequent events have been evaluated through January 5, 2021, which is the date the financial statements were available to be issued.

INDIANA CORN MARKETING COUNCIL

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2020

3. BOARD DESIGNATED NET ASSETS

At September 30, 2020, board designated net assets represent the amounts that have been designated by the Board of Directors for the following uses:

Grain marketing	\$	35,670
Ethanol		249,238
Communications and marketing		106,340
Education and training		100,000
Organization and board management		100,000
Reserve		500,000
Allocation to FY 21 budget		882,572
	\$	<u>1,973,820</u>

4. LIQUIDITY AND AVAILABILITY OF RESOURCES

The following table reflects ICMC's financial assets as of September 30, 2020, reduced by amounts that are not available to meet general expenditures within one year of the Statement of Assets, Liabilities and Net Assets date; that is, amounts that are without board designations or other restrictions limiting their use.

Cash and cash equivalents	\$	2,645,717
Certificates of deposit		<u>1,286,223</u>
Total financial assets		3,931,940
Board designated net assets		<u>(1,973,820)</u>
Financial assets available to meet cash needs for general expenditures within one year	\$	<u>1,958,120</u>

Board designated net assets have been designated by the Board of Directors for specific purposes. Although ICMC does not intend to spend the board designated net assets to meet general expenditures, the amounts could be made available, if necessary.

5. TRANSACTIONS WITH INDIANA SOYBEAN ALLIANCE, INC.

The Indiana Soybean Alliance, Inc. (ISA) is an Indiana not-for-profit organization established to conduct soybean promotion, research, consumer information, producer communication, industry information and market development activities. It is responsible for carrying out both checkoff and non-checkoff activities in Indiana.

ICMC has a service agreement with the ISA in which all salaries and benefits are paid by ISA and the amount allocable to ICMC is reimbursed by ICMC along with all other costs that are directly allocable to ICMC. Other general services that are reimbursed by ICMC include office costs and

INDIANA CORN MARKETING COUNCIL

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2020

other agreed upon overhead expenses. The amount reimbursed for the expenses under this contract to ISA for the year ended September 30, 2020 was \$831,862.

At September 30, 2020, ICMC had an amount payable to ISA of \$186,187.

6. CONCENTRATIONS

ICMC maintains its cash and cash equivalents in bank deposit accounts which generally exceed federally insured limits. To mitigate its risk of loss, ICMC utilizes repurchase agreements in which the amount that is invested in these agreements is secured by United States government securities through an overnight sweep. ICMC has not experienced any losses in its accounts and believes it is not exposed to any significant credit risk on cash and cash equivalents.

7. CONDITIONAL GRANT LIABILITY

In fiscal year 2011, ICMC initiated the Flex Fuel Pump Grant Program. This program offers grants to retailers for the installation of flex fuel pumps to dispense mid-level blends of ethanol. ICMC will award grants up to 50% of the cost of installation. The retailer must apply for the grant and provide proof of the total cost incurred for the installation of the flex fuel pump. Once this documentation has been received, ICMC will conduct an inspection of the pump. After the inspection has been conducted, the grant is awarded to the retailer. ICMC will record the grant liability and expense once the inspection has been conducted and the grant has been awarded. Grant expense related to this program was \$103,198 during fiscal 2020. At September 30, 2020, no grants are recorded as grants payable in the Statement of Assets, Liabilities and Net Assets.

8. CONTINGENCY

On March 11, 2020, the World Health Organization declared Coronavirus (COVID-19) a pandemic. The continued spread of COVID-19, or any similar outbreaks in the future, may adversely impact the local, regional, national and global economies. The extent to which COVID-19 impacts ICMC's operating results is dependent on the breadth and duration of the pandemic and could be affected by other factors management is not currently able to predict. Potential impacts include, but are not limited to, additional costs for responding to COVID-19, shortages of personnel, shortages of supplies, delays, loss of, or reduction to revenues, contributions and funding. Through this pandemic, ICMC has experienced travel restrictions and delayed in-person programs. However, ICMC continues to work with partners, vendors, suppliers, national organizations and producers to provide timely and relevant virtual experiences and programs. Management believes ICMC is taking appropriate actions to respond to the pandemic; however, the full impact is unknown and cannot be reasonably estimated at the date the financial statements were available to be issued.



Blue & Co., LLC / 12800 N. Meridian Street, Suite 400 / Carmel, IN 46032
main 317.848.8920 fax 317.573.2458 email blue@blueandco.com

REPORT OF INDEPENDENT AUDITORS ON SUPPLEMENTARY INFORMATION

Board of Directors
Indiana Corn Marketing Council
Indianapolis, Indiana

We have audited the financial statements of Indiana Corn Marketing Council for the year ended September 30, 2020, and our report thereon dated January 5, 2021 appears on pages one and two. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary information included on pages 15 through 28, which is the responsibility of management, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the financial statements, and, accordingly, we do not express an opinion or provide any assurance on it.

Blue & Co., LLC

Carmel, Indiana
January 5, 2021

INDIANA CORN MARKETING COUNCIL

LIVESTOCK PROGRAM EXPENSES YEAR ENDED SEPTEMBER 30, 2020

	Budgeted				Total
	Implementation	Expansion	Market Development	Stakeholder Engagement	
Printing	\$ -0-	\$ -0-	\$ -0-	\$ 2,002	\$ 2,002
Staff travel	1,643	9	-0-	-0-	1,652
Director travel	2,930	-0-	-0-	-0-	2,930
Meeting expense	132	-0-	-0-	-0-	132
Consulting	234	130	-0-	-0-	364
ISA contracted services	29,654	-0-	-0-	-0-	29,654
Data processing fees	18	-0-	-0-	-0-	18
Grants	-0-	-0-	197,134	-0-	197,134
Dues/memberships	-0-	-0-	15,600	-0-	15,600
Advertising	2,000	-0-	-0-	-0-	2,000
Registration fees	45	-0-	-0-	-0-	45
Sponsorships	-0-	-0-	-0-	21,750	21,750
Total expense	\$ 36,656	\$ 139	\$ 212,734	\$ 23,752	\$ 273,281
Budget	65,277	10,000	215,600	25,000	315,877
Under/(over) budget	28,621	9,861	2,866	1,248	42,596

See report of independent auditors on supplementary information on page 14.

INDIANA CORN MARKETING COUNCIL

GRAIN MARKETING PROGRAM EXPENSES YEAR ENDED SEPTEMBER 30, 2020

	Budgeted				Board Designated Net Assets		Total
	Implementation	Market Development	Transportation	Farmer Education	U.S. Grains Council	Columbia Marketplace	
Postage and shipping	\$ 1	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ 1
Office supplies	427	-0-	-0-	-0-	-0-	-0-	427
Staff travel	4,829	-0-	-0-	-0-	-0-	-0-	4,829
Director travel	6,514	-0-	287	-0-	4,958	2,235	13,994
Other travel	1,429	-0-	-0-	-0-	-0-	-0-	1,429
Meeting expense	2,504	-0-	-0-	-0-	42	-0-	2,546
Consulting	3,670	-0-	-0-	-0-	-0-	-0-	3,670
ISA contracted services	67,276	-0-	-0-	-0-	-0-	-0-	67,276
Grants	-0-	-0-	(13,815)	-0-	-0-	-0-	(13,815)
Dues/memberships	900	-0-	1,500	-0-	-0-	-0-	2,400
Subscriptions	6,147	-0-	-0-	-0-	-0-	-0-	6,147
Staff training/development	70	-0-	-0-	-0-	-0-	-0-	70
Advertising	5,000	-0-	-0-	-0-	-0-	-0-	5,000
Project supplies	155	-0-	-0-	-0-	-0-	-0-	155
Registration fees	1,109	-0-	-0-	-0-	-0-	-0-	1,109
Sponsorships	12,650	173,000	13,100	-0-	15,000	20,000	233,750
Total expense	<u>\$ 112,681</u>	<u>\$ 173,000</u>	<u>\$ 1,072</u>	<u>\$ -0-</u>	<u>\$ 20,000</u>	<u>\$ 22,235</u>	<u>\$ 328,988</u>
Budget	<u>113,310</u>	<u>173,000</u>	<u>3,500</u>	<u>5,000</u>			<u>294,810</u>
Under/(over) budget	629	-0-	2,428	5,000			8,057
Board designated net assets budget					<u>20,000</u>	<u>57,905</u>	<u>77,905</u>
Under/(over) board designated net assets budget					-0-	35,670	35,670

See report of independent auditors on supplementary information on page 14.

INDIANA CORN MARKETING COUNCIL

NEW USES PROGRAM EXPENSES YEAR ENDED SEPTEMBER 30, 2020

	Budgeted			Total
	Implementation	Research & Development	New Product Opportunities	
Postage/shipping	\$ 9	\$ -0-	\$ -0-	\$ 9
Office supplies	10	-0-	-0-	10
Other travel	635	-0-	-0-	635
Consulting	12,200	-0-	-0-	12,200
ISA contracted services	1,009	-0-	-0-	1,009
Grants	-0-	(3,576)	-0-	(3,576)
Advertising	2,000	-0-	-0-	2,000
Total expense	<u>\$ 15,863</u>	<u>\$ (3,576)</u>	<u>\$ -0-</u>	<u>\$ 12,287</u>
Budget	<u>37,674</u>	<u>1,500</u>	<u>12,950</u>	<u>52,124</u>
Under/(over) budget	21,811	5,076	12,950	39,837

See report of independent auditors on supplementary information on page 14.

INDIANA CORN MARKETING COUNCIL

ETHANOL PROGRAM EXPENSES YEAR ENDED SEPTEMBER 30, 2020

	Budgeted			Board Designated Net Assets			Total
	Implementation	Ethanol Production Expansion	Stakeholder Engagement	IMS Promotion	Infrastructure Grants		
Telephone	\$ 18	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ 18
Postage and shipping	-0-	-0-	40	-0-	-0-	-0-	40
Printing	-0-	-0-	1,325	-0-	-0-	-0-	1,325
Office supplies	72	-0-	-0-	-0-	-0-	-0-	72
Staff travel	7,759	-0-	172	-0-	-0-	-0-	7,931
Director travel	323	-0-	49	-0-	-0-	-0-	372
Other travel	453	-0-	-0-	-0-	-0-	-0-	453
Meeting expense	917	-0-	19,792	-0-	-0-	-0-	20,709
Consulting	-0-	10,000	27,500	-0-	-0-	-0-	37,500
ISA contracted services	117,727	-0-	-0-	-0-	-0-	-0-	117,727
Grants	-0-	103,198	-0-	-0-	-0-	-0-	103,198
Dues/memberships	12,090	-0-	-0-	-0-	-0-	-0-	12,090
Subscriptions	8,098	-0-	-0-	-0-	-0-	-0-	8,098
Advertising	8,000	-0-	-0-	-0-	-0-	-0-	8,000
Project supplies	-0-	-0-	2,522	-0-	-0-	-0-	2,522
Registration fees	2,095	-0-	-0-	-0-	-0-	-0-	2,095
Sponsorships	3,750	10,000	37,500	-0-	-0-	-0-	51,250
Total expense	\$ 161,302	\$ 123,198	\$ 88,900	\$ -0-	\$ -0-	\$ -0-	\$ 373,400
Budget	173,777	160,200	148,500				482,477
Under/(over) budget	12,475	37,002	59,600				109,077
Board designated net assets budget				230,000	19,237		249,237
Under/(over) board designated net assets budget				230,000	19,237		249,237

See report of independent auditors on supplementary information on page 14.

INDIANA CORN MARKETING COUNCIL

PRODUCTION AND ENVIRONMENT PROGRAM EXPENSES YEAR ENDED SEPTEMBER 30, 2020

	Budgeted				Total
	Implementation	Production Research	Water Quality	INField Advantage	
Telephone	\$ 2	\$ -0-	\$ -0-	\$ -0-	\$ 2
Postage and shipping	75	-0-	8	69	152
Staff travel	2,319	-0-	-0-	-0-	2,319
Director travel	951	-0-	-0-	-0-	951
Meeting expense	35	-0-	60	756	851
Consulting	-0-	150	29,257	17,591	46,998
ISA contracted services	128,444	-0-	-0-	-0-	128,444
Grants	-0-	77,021	-0-	5,775	82,796
Dues/memberships	100	-0-	10,000	-0-	10,100
Subscriptions	50	-0-	-0-	-0-	50
Advertising	4,000	-0-	-0-	-0-	4,000
Project supplies	1	-0-	10,069	629	10,699
Registration fees	1,812	-0-	-0-	-0-	1,812
Sponsorships	7,200	6,000	16,300	-0-	29,500
Total expense	<u>\$ 144,989</u>	<u>\$ 83,171</u>	<u>\$ 65,694</u>	<u>\$ 24,820</u>	<u>\$ 318,674</u>
Budget	<u>154,157</u>	<u>95,000</u>	<u>70,000</u>	<u>171,000</u>	<u>490,157</u>
Under/(over) budget	9,168	11,829	4,306	146,180	171,483

See report of independent auditors on supplementary information on page 14.

INDIANA CORN MARKETING COUNCIL

PUBLIC AFFAIRS PROGRAM EXPENSES YEAR ENDED SEPTEMBER 30, 2020

	Budgeted			Total
	Implementation	Stakeholder Engagement	Allied Industries	
Postage and shipping	\$ -0-	\$ -0-	\$ 377	\$ 377
Printing	-0-	652	-0-	652
Office supplies	16	-0-	5	21
Staff travel	3,828	71	-0-	3,899
Director travel	1,046	-0-	-0-	1,046
Meeting expense	3,908	15	1,626	5,549
Consulting	-0-	1,996	6,004	8,000
ISA contracted services	59,335	-0-	-0-	59,335
Dues/memberships	820	125	-0-	945
Subscriptions	7,093	-0-	-0-	7,093
Project supplies	13	-0-	177	190
Registration fees	650	-0-	-0-	650
Sponsorships	1,750	3,875	115,639	121,264
Total expense	\$ 78,459	\$ 6,734	\$ 123,828	\$ 209,021
Budget	114,884	60,500	145,500	320,884
Under/(over) budget	36,425	53,766	21,672	111,863

See report of independent auditors on supplementary information on page 14.

INDIANA CORN MARKETING COUNCIL

COMMUNICATIONS AND MARKETING PROGRAM EXPENSES YEAR ENDED SEPTEMBER 30, 2020

	Budgeted		Board Designated Net Assets				Total
	Implementation	Organizational Communication	CheckINTell	Key Stakeholder Communication	Consumer Project	Colts	
Postage and shipping	\$ 217	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ 217
Printing	220	349	-0-	-0-	-0-	-0-	569
Office supplies	11	-0-	-0-	-0-	-0-	-0-	11
Staff travel	4,503	-0-	-0-	-0-	-0-	-0-	4,503
Director travel	170	-0-	-0-	-0-	-0-	-0-	170
Meeting expense	64	3,375	-0-	-0-	-0-	-0-	3,439
Consulting	18,058	27,871	13,201	-0-	9,904	1,241	70,275
ISA contracted services	121,924	-0-	-0-	-0-	-0-	-0-	121,924
Data processing fees	448	-0-	-0-	-0-	-0-	-0-	448
Depreciation	10,844	-0-	-0-	-0-	-0-	-0-	10,844
Dues/memberships	75	-0-	-0-	-0-	-0-	-0-	75
Subscriptions	594	-0-	-0-	-0-	-0-	-0-	594
Staff training/development	163	-0-	-0-	-0-	-0-	-0-	163
Advertising	127	137,594	-0-	-0-	-0-	-0-	137,721
Project supplies	49	-0-	-0-	-0-	-0-	-0-	49
Booth rental	533	282	-0-	-0-	-0-	-0-	815
Registration fees	300	-0-	-0-	-0-	-0-	-0-	300
Sponsorships	2,500	6,500	-0-	-0-	10,000	-0-	19,000
Total expense	<u>\$ 160,800</u>	<u>\$ 175,971</u>	<u>\$ 13,201</u>	<u>\$ -0-</u>	<u>\$ 19,904</u>	<u>\$ 1,241</u>	<u>\$ 371,117</u>
Budget	<u>167,935</u>	<u>176,000</u>					<u>343,935</u>
Under/(over) budget	7,135	29					7,164
Board designated net assets budget			<u>13,209</u>	<u>11,971</u>	<u>24,273</u>	<u>91,241</u>	<u>140,694</u>
Under/(over) board designated net assets budget			8	11,971	4,369	90,000	106,348

See report of independent auditors on supplementary information on page 14.

INDIANA CORN MARKETING COUNCIL

EDUCATION AND TRAINING PROGRAM EXPENSES YEAR ENDED SEPTEMBER 30, 2020

	Budgeted			Board Designated Net	Total
	Implementation	Consumer Outreach	Consumers	Assets Farm Safety	
Postage and shipping	\$ 1,767	\$ 4	\$ 4	\$ -0-	\$ 1,775
Printing	-0-	9,698	-0-	-0-	9,698
Office supplies	-0-	6	5	-0-	11
Staff travel	856	-0-	-0-	-0-	856
Director travel	111	-0-	-0-	-0-	111
Meeting expense	94	-0-	5	-0-	99
Consulting	-0-	-0-	10,525	-0-	10,525
ISA contracted services	38,201	-0-	-0-	-0-	38,201
Subscriptions	-0-	-0-	3,304	-0-	3,304
Staff training/development	188	-0-	-0-	-0-	188
Advertising	-0-	500	4,861	-0-	5,361
Project supplies	31	-0-	272	-0-	303
Registration fees	50	-0-	-0-	-0-	50
Sponsorships	-0-	20,000	-0-	-0-	20,000
Total expense	\$ 41,298	\$ 30,208	\$ 18,976	\$ -0-	\$ 90,482
Budget	44,006	31,000	90,500		165,506
Under/(over) budget	2,708	792	71,524		75,024
Board designated net assets budget				100,000	100,000
Under/(over) board designated net assets budget				100,000	100,000

See report of independent auditors on supplementary information on page 14.

INDIANA CORN MARKETING COUNCIL

ORGANIZATION AND BOARD MANAGEMENT PROGRAM EXPENSES YEAR ENDED SEPTEMBER 30, 2020

	Budgeted		Board Designated Net Assets		
	Leadership Support/ Board Governance		Opportunity	Strategic Plan	Total
	Implementation				
Small equipment purchases	\$ 6	\$ -0-	\$ -0-	\$ -0-	\$ 6
Postage and shipping	10	3	-0-	-0-	13
Office supplies	45	2,081	-0-	-0-	2,126
Staff travel	4,237	-0-	-0-	-0-	4,237
Director travel	-0-	18,209	-0-	-0-	18,209
Other travel	-0-	104	-0-	-0-	104
Meeting expense	3,116	8,864	-0-	-0-	11,980
Consulting	488	7,790	-0-	25,000	33,278
ISA contracted services	144,209	-0-	-0-	-0-	144,209
Dues/memberships	5,534	-0-	-0-	-0-	5,534
Subscriptions	190	277	-0-	-0-	467
Project supplies	682	1,008	-0-	-0-	1,690
Registration fees	297	-0-	-0-	-0-	297
Sponsorships	14,000	5,000	-0-	-0-	19,000
Total expense	\$ 172,814	\$ 43,336	\$ -0-	\$ 25,000	\$ 241,150
Budget	204,615	119,075			323,690
Under/(over) budget	31,801	75,739			107,540
Board designated net assets budget			100,000	25,000	125,000
Under/(over) board designated net assets budget			100,000	-0-	100,000

See report of independent auditors on supplementary information on page 14.

INDIANA CORN MARKETING COUNCIL

LEGACY PROGRAM EXPENSES
YEAR ENDED SEPTEMBER 30, 2020

	<u>Budgeted</u> Lamie <u>Scholarship</u>
Sponsorships	\$ <u>50,000</u>
Budget	<u>50,000</u>
Under/(over) budget	-0-

INDIANA CORN MARKETING COUNCIL

NCGA EXPENSES
YEAR ENDED SEPTEMBER 30, 2020

	Budgeted		
	Action Teams	NCGA Funding	Total
Sponsorships	<u>\$ 100,000</u>	<u>\$ 467,000</u>	<u>\$ 567,000</u>
Budget	<u>100,000</u>	<u>467,000</u>	<u>567,000</u>
Under/(over) budget	-0-	-0-	-0-

See report of independent auditors on supplementary information on page 14.

INDIANA CORN MARKETING COUNCIL

ICMC ADMINISTRATION EXPENSES YEAR ENDED SEPTEMBER 30, 2020

Insurance/bonds	\$	5,983
Board elections		1,959
Postage and shipping		1,695
Printing		166
Office supplies		1,026
Staff travel		1,082
Director travel		1,478
Meeting expense		150
Professional fees		78,744
Legal fees		4,943
Consulting		6,405
ISA contracted services		124,083
Bank fees		<u>67</u>
Total expense	\$	<u>227,781</u>
Budget		<u>257,124</u>
Under/(over) budget		29,343

INDIANA CORN MARKETING COUNCIL

GRAPH OF NET CHECKOFF ASSESSMENT REVENUE
YEARS ENDED SEPTEMBER 30, 2020 THROUGH 2015



See report of independent auditors on supplementary information on page 14.

INDIANA CORN MARKETING COUNCIL

GRAPH OF TOTAL EXPENSES BY PROGRAM
YEARS ENDED SEPTEMBER 30, 2020 AND 2019

