



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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February 21, 2022

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, 2020 to September 30, 2021. 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, 2021, 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, 2021

CPAs / ADVISORS



INDIANA CORN MARKETING COUNCIL

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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, 2021, 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, 2021, 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 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, 2021, 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 27, 2022

INDIANA CORN MARKETING COUNCIL

STATEMENT OF ASSETS, LIABILITIES, AND NET ASSETS (Modified Cash Basis) SEPTEMBER 30, 2021

ASSETS

Cash and cash equivalents	\$	4,117,573
Certificates of deposit		1,292,844
Prepaid expenses and other assets		<u>73,262</u>
	\$	<u>5,483,679</u>

LIABILITIES AND NET ASSETS

Liabilities		
Accounts payable	\$	300,203
Payable to Indiana Soybean Alliance, Inc.		511,425
Research grants payable		<u>168,420</u>
Total liabilities		980,048
Net assets		
Without donor restrictions		
Undesignated		1,256,993
Board designated		<u>3,246,638</u>
Total net assets		<u>4,503,631</u>
	\$	<u>5,483,679</u>

See accompanying notes to financial statements.

INDIANA CORN MARKETING COUNCIL

STATEMENT OF SUPPORT, REVENUES, AND EXPENSES (Modified Cash Basis) YEAR ENDED SEPTEMBER 30, 2021

	Actual	Budgeted Income and Expense (Unaudited)	Board Designated Net Assets (Unaudited)	Total Budgeted and Board Designated Net Assets (Unaudited)
Support and revenues				
Checkoff assessments	\$ 5,501,722	\$ 4,049,723	\$ -0-	\$ 4,049,723
First purchaser handling fee	(146,941)	(121,492)	-0-	(121,492)
Refunds	(281,377)	(267,120)	-0-	(267,120)
Net checkoff assessments	5,073,404	3,661,111	-0-	3,661,111
Contributions	8,000	-0-	-0-	-0-
Interest income	12,127	20,000	-0-	20,000
Other	8,148	-0-	-0-	-0-
Total support and revenues	5,101,679	3,681,111	-0-	3,681,111
Expenses				
Program services				
Livestock	390,836	422,999	50,000	472,999
Grain marketing	406,322	457,639	35,670	493,309
New uses	261,644	287,074	57,567	344,641
Ethanol	494,507	806,113	249,237	1,055,350
Production and environment	543,361	505,395	80,083	585,478
Public affairs	182,338	221,682	20,000	241,682
Communications and marketing	788,768	816,651	266,340	1,082,991
Organization and board management	243,213	284,602	117,125	401,727
NCGA	505,000	505,000	-0-	505,000
Total program services	3,815,989	4,307,155	876,022	5,183,177
Support services				
ICMC administration	265,847	256,525	16,375	272,900
Total expenses	4,081,836	4,563,680	892,397	5,456,077
Change in net assets	1,019,843	\$ (882,569)	\$ (892,397)	\$ (1,774,966)
Net assets without donor restrictions, beginning of year	3,483,788			
Net assets without donor restrictions, end of year	\$ 4,503,631			

See accompanying notes to financial statements.

INDIANA CORN MARKETING COUNCIL

STATEMENT OF FUNCTIONAL EXPENSES (Modified Cash Basis) YEAR ENDED SEPTEMBER 30, 2021

	Program Services									Support Services		Grand Total
	Livestock Program	Grain Marketing Program	New Uses Program	Ethanol Program	Production & Environment Program	Public Affairs Program	Communications & Marketing Program	Organization & Board Management Program	NCGA	Total	ICMC Administration	
Insurance/bonds	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ 6,701	\$ 6,701
Small equipment purchases	-0-	-0-	-0-	-0-	-0-	-0-	235	1,238	-0-	1,473	667	2,140
Board elections	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	4,654	4,654
Postage and shipping	-0-	-0-	-0-	100	737	29	2,163	141	-0-	3,170	1,648	4,818
Printing	-0-	-0-	-0-	-0-	2,790	43	5,668	101	-0-	8,602	229	8,831
Office supplies	102	844	-0-	-0-	-0-	-0-	40	197	-0-	1,183	2,779	3,962
Staff travel	125	821	200	10,363	1,547	5,416	2,354	3,630	-0-	24,456	680	25,136
Director travel	1,505	12,152	-0-	744	-0-	1,853	274	9,873	-0-	26,401	1,271	27,672
Other travel	-0-	-0-	342	15,710	-0-	-0-	3,516	601	-0-	20,169	82	20,251
Meeting expense	90	935	-0-	4,886	22	3,916	4,239	43,105	-0-	57,193	5,806	62,999
Professional fees	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	86,688	86,688
Legal fees	-0-	-0-	-0-	-0-	-0-	-0-	457	2,910	-0-	3,367	12,395	15,762
Consulting	6,000	7,550	97,955	18,779	59,397	29,513	149,693	24,372	-0-	393,259	2,525	395,784
ISA contracted services	37,734	65,233	1,288	132,830	110,721	83,845	198,197	120,007	-0-	749,855	127,193	877,048
Technology	-0-	-0-	-0-	-0-	-0-	-0-	14,709	1,192	-0-	15,901	11,845	27,746
Depreciation	-0-	-0-	-0-	-0-	-0-	-0-	1,807	-0-	-0-	1,807	-0-	1,807
Grants	290,000	85,000	133,359	100,000	200,830	-0-	-0-	-0-	-0-	809,189	-0-	809,189
Miscellaneous	-0-	-0-	-0-	126	-0-	-0-	-0-	232	-0-	358	-0-	358
Dues/memberships	15,647	1,997	-0-	8,765	10,400	5,892	1,500	5,500	-0-	49,701	-0-	49,701
Subscriptions	508	6,965	-0-	5,242	-0-	8,582	3,933	-0-	-0-	25,230	-0-	25,230
Bank fees	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	464	464
Staff training/development	-0-	500	-0-	-0-	-0-	130	-0-	-0-	-0-	630	-0-	630
Advertising	6,500	8,125	6,500	19,350	8,938	-0-	206,410	550	-0-	256,373	-0-	256,373
Project supplies	1,125	-0-	-0-	658	28,717	-0-	16,044	4,154	-0-	50,698	220	50,918
Registration fees	-0-	700	-0-	1,267	512	2,494	-0-	210	-0-	5,183	-0-	5,183
Sponsorships	31,500	215,500	22,000	175,687	118,750	40,625	177,529	25,200	505,000	1,311,791	-0-	1,311,791
Total expense	\$ 390,836	\$ 406,322	\$ 261,644	\$ 494,507	\$ 543,361	\$ 182,338	\$ 788,768	\$ 243,213	\$ 505,000	\$ 3,815,989	\$ 265,847	\$ 4,081,836
Actual expense	340,836	406,322	204,077	475,270	463,278	182,338	710,766	236,713	505,000	3,524,600	255,956	3,780,556
Budget	422,999	457,639	287,074	806,113	505,395	221,682	816,651	284,602	505,000	4,307,155	256,525	4,563,680
Under/(over) budget	82,163	51,317	82,997	330,843	42,117	39,344	105,885	47,889	-0-	782,555	569	783,124
Actual board designated expense	50,000	-0-	57,567	19,237	80,083	-0-	78,002	6,500	-0-	291,389	9,891	301,280
Board designated net assets budget	50,000	35,670	57,567	249,237	80,083	20,000	266,340	117,125	-0-	876,022	16,375	892,397
Under/(over) board designated net assets budget	-0-	35,670	-0-	230,000	-0-	20,000	188,338	110,625	-0-	584,633	6,484	591,117

See accompanying notes to financial statements.

INDIANA CORN MARKETING COUNCIL

STATEMENT OF CASH FLOWS (Modified Cash Basis) YEAR ENDED SEPTEMBER 30, 2021

Operating activities

Change in net assets	\$ 1,019,843
Adjustments to reconcile change in net assets to net cash flows from operating activities:	
Depreciation	1,807
Changes in assets and liabilities:	
Prepaid expenses and other assets	(50,236)
Accounts payable	81,031
Payable to Indiana Soybean Alliance, Inc.	325,238
Research grants payable	100,794
Net cash flows from operating activities	<u>1,478,477</u>

Investing activities

Purchases of certificates of deposit	(1,298,941)
Redemptions of certificates of deposit	1,292,320
Net cash flows from investing activities	<u>(6,621)</u>

Change in cash and cash equivalents 1,471,856

Cash and cash equivalents, beginning of year 2,645,717

Cash and cash equivalents, end of year \$ 4,117,573

See accompanying notes to financial statements.

INDIANA CORN MARKETING COUNCIL

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2021

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 enough funds 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 2021, 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 2021, this program focused on the following areas: transportation infrastructure issues, international marketing, farmer education/risk management, 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 and create value for Indiana Corn farmers. In fiscal 2021, 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, 2021

Ethanol Program – conducts projects to increase the production, availability and use of ethanol in Indiana. In fiscal 2021, this program targeted activities such as dispensing infrastructure development, target audience education and a variety of stakeholder engagement opportunities and/or events that increase awareness of ethanol to agriculture and non-agriculture communities throughout Indiana.

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 2021, this program targeted activities such as INfield Advantage, Upper White Cover Crop program, 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 informing the public and stakeholders on issues important to the corn industry. In fiscal 2021, this program targeted activities such as global trade, the Renewable Fuels standard, information 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 provide information to consumers about modern agriculture and corn through K-12 education programs and adult consumer outreach efforts. In fiscal 2021, 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. It also consisted of outreach efforts through partners like the Indiana state fairgrounds, Fair Oaks Farms, 4-H and FFA. 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.

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

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 pools resources from corn producing states to advance checkoff programs related to corn.

INDIANA CORN MARKETING COUNCIL

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2021

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 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.

INDIANA CORN MARKETING COUNCIL

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2021

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, 2021, certificates of deposit bear interest at rates ranging from 0.08% to 0.10% and have maturity dates ranging from February 2022 to September 2022.

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 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 5.27% for fiscal 2021.

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

INDIANA CORN MARKETING COUNCIL

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2021

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, 2021, 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 27, 2022, which is the date the financial statements were available to be issued.

3. BOARD DESIGNATED NET ASSETS

At September 30, 2021, 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		230,000
Public affairs		20,000
Communications and marketing		188,338
Organization and board management		110,625
Administration		6,484
Reserve		500,000
Allocation to FY 22 budget		2,155,521
		<u>\$ 3,246,638</u>

INDIANA CORN MARKETING COUNCIL

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2021

4. LIQUIDITY AND AVAILABILITY OF RESOURCES

The following table reflects ICMC's financial assets as of September 30, 2021, 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	\$ 4,117,573
Certificates of deposit	<u>1,292,844</u>
Total financial assets	5,410,417
Board designated net assets	<u>(3,246,638)</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 2,163,779</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 other agreed upon overhead expenses. The amount reimbursed for the expenses under this contract to ISA for the year ended September 30, 2021 was \$877,048.

At September 30, 2021, ICMC had an amount payable to ISA of \$511,425.

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.

INDIANA CORN MARKETING COUNCIL

NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2021

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 \$100,000 during fiscal 2021. At September 30, 2021, no grants related to this program 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, and 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.