

corn CHECKOFF

annual report DOING THE GROUNDWORK

Message from Scott Stirling, Chairman, Illinois Corn Marketing Board



"We're working new ground here at the Illinois Corn Marketing Board. As corn farmers, we know exactly what are job is on our family farms. In the public arena, however, we have more work to continue, and a lot of work to start fresh. Your corn checkoff dollars are doing the groundwork, creating value for Illinois corn farmers."

Illinois Corn Marketing Board District and Director Listing

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Thanks to new, innovative
fertilization methods, today's
American corn farmers are
producing 70% more corn per
pound of fertilizer.

Source: USDA

www.CornFarmersCoalition.org

There is more you should know
about America's biggest crop.

CORN FARMERS COALITION

INNOVATION IS GROWING

The Corn Farmers Coalition is an affiliate of the
National Corn Growers Association and its grain elevators
representing 90% of U.S. corn farmers.



farmer Image Campaigns

1 Telling the truth about family corn farmers dominated Washington, DC this year in an ad campaign like none other. For over 60 days, Metro subway stations and Regan National Airport were inundated with the faces of family corn farmers, along with facts about their farms. Partnered with in-state efforts, this campaign made more than 100 million impressions. The goal was to educate the people that most directly influence policies that impact corn farmers.

2 The inaugural season at The Corn Crib was a home-run for family corn farmers. Families from around Illinois were exposed to family corn farmers and their crop as they enjoyed professional baseball as played by the CornBelters. At the more than 50 home games, audio and visual messages about corn were presented in an entertaining way to educate an entirely new audience. Pictured are the 2010-2011 officer team: (left to right) Larry Hasheider, Secretary; Kent Kleinschmidt, Treasurer; Scott Stirling, Chairman; Bill Christ, vice-chair

3 Partnering with other farm organizations in Illinois, ICMB undertook a ground-breaking research effort to determine what influential people think and feel about Illinois farmers. Two amazing lessons learned: 1) most people believe that the majority of farms are owned by corporations, not families; 2) the farmer pictured here is the image that most of the people surveyed indicated best matched their vision of what a farmer looks like. Hard lessons to learn, but the research paves the way for great opportunities for education.

Where does Illinois corn go?



Illinois corn supply: 1972 mil bu
Exported out-of-state: 1047 mil bu
Feed use in-state: 121 mil bu
Dairy 9 mil bu
Beef 17 mil bu
Hogs 83 mil bu
Poultry 9 mil bu
Other 2 mil bu
Processing in state: 811 mil bu
Ethanol wet mill 151
Ethanol dry mill 354

ICMB has several goals related to increasing corn utilization in specific markets. For instance, livestock feed, DDGS both domestic and world markets, and ethanol are primary areas of interest. By working with the IL Livestock Development Group and the livestock organizations in-state, ICMB has identified areas of needs and funded projects to help utilize corn and its co-products in a way that supports corn farmers and livestock farmers, maximizing livestock feed opportunities and efficiencies.

Making ethanol "greener"



Corn as an advanced biofuel

Gaining efficiency: Only 26,000 btu's are required to produce one gallon of corn-based ethanol.

Reducing water usage

Water needed to produce one gallon of ethanol decreased from 4.5 gallons on the high side to just 2.7 gallons on average.

Corn kernel fiber to ethanol

Hey! There's ethanol in my fiber!

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Illinois Corn Marketing Board Statement of Financial Position • September 30, 2010 and 2009

ASSETS	2010	2009
CURRENT ASSETS		
Cash and cash equivalents	\$ 71,362	\$ 95,748
Investments in repurchase agreements (See note 1)	3,644,000	2,732,069
Accounts Receivable:		
Related party	1,249	17,713
Other	12,346	141,200
Accrued Interest Receivable	1,874	4,643
Prepaid rent (See note 2)	13,918	13,918
Prepaid expense	6,967	5,343
Total current assets	✓ 3,751,716	✓ 3,010,634
NON-CURRENT INVESTMENTS		
Investments in repurchase agreements designated for contingency (See note 4)	\$ 600,000	\$ 600,000
Prepaid rent	194,847	208,765
	\$ 794,847	\$ 808,765
OFFICE EQUIPMENT		
Office equipment	\$ 323,481	\$ 313,053
Less accumulated depreciation	258,742	219,787
	\$ 64,739	\$ 93,266
	\$ 4,611,302	\$ 3,912,665
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Due to related party	2,193	11,529
Expenses accrued and payable	185,887	228,337
Deferred revenue	144,057	112,911
Research grants payable	64,460	266,377
Total current liabilities	396,597	619,154
LONG-TERM LIABILITIES		
Research grants payable	0	60,000
Accrued post-retirement benefits	174,533	111,616
	\$ 174,533	\$ 171,616
NET ASSETS		
Unrestricted- Designated for contingency	\$ 600,000	\$ 600,000
Unrestricted- Designated for projects in process (See note 3)	1,047,870	1,333,888
Unrestricted- Designated	2,392,302	1,188,007
	\$ 4,040,172	\$ 3,121,895
	\$ 4,611,302	\$ 3,912,665

Illinois Corn Marketing Board Statement of Activities • September 30, 2010 and 2009

	2009	2009
Changes in Unrestricted Net Assets		
Operating revenue and other support:		
Check-off receipts, net of first purchaser handling commissions (See note 5)	\$ 7,416,204	\$ 6,918,248
Less check-off refunds to producers	180,794	175,617
Net check-off receipts	\$ 7,235,410	\$ 6,742,631
Project co-funding revenue	73,979	848,289
Total unrestricted operating revenue and other support	\$ 7,309,389	\$ 7,590,920
Net assets released from restrictions:		
Satisfaction of program restrictions	-	-
Total unrestricted operating revenue, other support and reclassifications	7,309,389	7,590,920
Operating expenses:		
Program services		
Industrial programs	3,124,477	2,934,116
Export programs	2,565,971	2,732,717
Communications plan (see note 6)	175,504	1,532,118
Executive programs (see note 7)	330,246	72,965
	6,196,198	7,271,916
Management and general	210,841	169,735
Total expenses	\$ 6,407,039	\$ 7,441,651
Excess (deficit) of operating revenue and other support	\$ 902,350	\$ 149,269
Nonoperating revenues (expenses):		
Interest income	\$ 13,797	\$ 18,334
Unrealized loss on investments	-	-
Other	2,130	6,693
	\$ 15,927	\$ 25,027
Increase (decrease) in net assets before adoption of FASB Statement No. 158	\$ 918,277	\$ 174,296
Increase (decrease) in net assets	\$ 918,277	\$ 174,296
Net assets at beginning of year	312,895	2,947,599
Net assets at end of year	\$ 4,040,172	\$ 3,121,895

NOTES TO FINANCIAL STATEMENTS

Note 1: Repurchase Agreements are investments where ICMB purchases (and gets ownership of) bank owned, Government securities. These agreements secure ICMB funds over the \$250,000 FDIC insurance limits.

Note 2: ICMB has entered into a long-term rental agreement. Rent has been paid for the term of the agreement. On an annual basis, the rent is less than the annual amount paid prior to 1996 when this agreement started.

Note 3: Represents amount committed, but not yet disbursed including research projects which are funded for one (1) to three (3) years.

Note 4: This is a reserve of \$600,000 which has been established to maintain funding for research and market development projects in case of an unforeseen decline in check-off receipts.

Note 5: When the check-off is remitted on a timely basis, the first purchaser is allowed a 2% commission to defray collection and remittance costs.

Note 6: The ICMB Communications Plan works with major agricultural organizations on state, national and international market development efforts and the dissemination of timely industry information.

Note 7: Executive Programs provide sponsorship of agricultural related organizations and participate in educational and promotional activities within the agricultural community.

corn CHECKOFF GOALS 2011

- Start Construction of two new lock replacements within the Upper Mississippi River Basin (one on the Miss. and one on the IL) by 2013.
- Provide infrastructure to allow for 35% more corn to travel efficiently within the state, country, and across the globe by 2011.
- Inform a growing world population of the benefits of the improving technology of grain production.
- Negotiate favorable U.S. trade agreements in the next round of WTO which will allow the development of a more market oriented WTO compliant farm bill. (10/09)
- Increase corn equivalent exports to 3 billion bushels by 2011.
- Increase corn and corn co-product usage by the domestic and international livestock sector by 5 percent by 2013.
- Expand the usage of ethanol to a minimum of 12 billion gallons by end of 2010.
- Increase Illinois corn usage for ethanol to 1 billion bushels by 2012.
- Reduce the average cost of producing ethanol by 10 cents/gallon by 2010.
- Establish the current level of support for farmers among influencers and by 2012 increase that level of support.
- Demonstrate through research that the corn to ethanol carbon footprint can be reduced to 25,500 btu per gallon by 2012.
- Increase Illinois corn and corn products consumption by livestock by 50 million bushels by January 1, 2010.