

# IL Corn Checkoff

## Building Demand. Increasing Profitability.

# 24/7 365

### A MESSAGE FROM OUR CHAIRMAN

Dear IL Corn farmers:

I want to reach out to you personally to assure you that we, your Directors at the Illinois Corn Marketing Board, strive to invest your corn checkoff revenues in places that will improve your profitability by building demand or reducing costs.

We know that you've seen several years of price declines and maybe even losses on your farm. We know that the situation isn't likely to turn around for another couple years. That's why your IL Corn checkoff is working to improve your situation 24/7, 365. That means that every day, all day, all year, your corn checkoff is working for you.

We use feedback provided to us in corn farmer surveys and through personal conversations to build our goals and program of work. For 2016, we could break it down into four program areas:

1. export market growth,
2. ethanol market access expansion,
3. infrastructure improvement, and
4. public education.

Don't take that to mean that we aren't taking care of other key areas, such as livestock market growth, research on corn uses, and biotechnology concerns, for example. We are still doing those things. But we've narrowed down these four areas as those that are the most likely to improve corn demand and preserve profitability by providing the information needed for your advocates to throttle back burdensome regulations and policies.

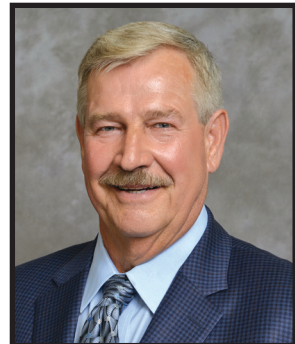
**24/7 365 isn't just a tagline for us. We mean it.**

Take a look at this annual report and touch base with us on our website at [www.ilcorn.org](http://www.ilcorn.org) throughout the year so that you can keep track of the work of the Illinois Corn Marketing Board in making your IL Corn checkoff work 24/7 365.

Sincerely,



Jim Raben  
Illinois Corn Marketing Board Chairman  
Ridgway, IL



### Building Foreign Demand

One of our fastest growing export demand segments is for good-old, IL corn-based ethanol. Illinois is an ethanol-surplus state. That means we have a lot to ship out. By partnering with the U.S. Grains Council, we're forging new relationships overseas, leveraging your corn checkoff dollars for maximum benefit. Most recently, IL Corn partners have met with governmental leaders in Japan and Mexico to share with them how sustainable your ethanol is, and how it will help improve their air quality. Mexico and Japan represent our #1 and #2 markets for corn, respectively. We're working to be sure that IL ethanol gains ground in those markets, as well.



Dr. Steffen Mueller

Using IL Corn checkoff funded research, **Dr. Steffen Mueller** of the University of Illinois-Chicago, shares the sustainability features of corn based ethanol, including the positive improvements in the carbon footprint. **Angela Tin**, corn checkoff partner at the American Lung Association, shares the positive air-quality benefits of ethanol in gasoline blends. Your corn grows sustainability and fits the foreign consumers' needs, **24/7 365**.

### Building Domestic Ethanol Demand at the Pump

In 2016, your corn checkoff was a key partner in the installation of fuel pumps that are already delivering higher-ethanol blends at nearly two dozen high-volume locations in the Chicagoland area, along with other locations downstate. Another 20 locations will come online in 2017, with a total expected volume of almost 70 million gallons of fuel each year. Motorists are quick to choose these blends which deliver high-performance at a lower cost.

Additionally, we're working with automobile manufacturers to encourage the development and marketing of cars and trucks that utilize a high-octane, low carbon fuel. Corn-based ethanol is the only commercially available octane source that fits the bill for this need. As auto manufacturers move to high-octane, low carbon vehicles, we'll be ready add ethanol blends to their tanks. That means that motorists around the country will be burning corn ethanol **24/7 365**.



### Building Demand through Better Understanding

You've told us that public education is a high priority, and for good reason. Consumers don't understand what you do on the farm so they're all too eager to support laws and regulations that end up limiting what you can do on the farm. That's why we continue to focus on education. In 2016, we rolled out the Illinois Runs on Homegrown Corn campaign. The centerpiece of the work is a series of 360 degree, virtual reality videos that explain corn farming from start to finish in one growing season. The videos are available, on-demand **24/7 365**. By the end of 2016, the videos had been viewed over 115,000 times.

### Building Infrastructure Supports Corn Prices

Anyone that depends on the Mississippi and Illinois Rivers for transporting grain knows already that locks and dams are in dire need of repair. However, anyone that doesn't directly need the system, likely doesn't know...or care. That's why Illinois Corn Marketing Board leveraged your corn checkoff dollars with Waterways Council, Inc., to create a new series of online videos and graphics to help explain the importance of inland waterways. Building on the highly-successful campaign of 2015 which garnered over 1 million views, this new series focuses on social media channels **24/7 365**.



### 2016-2017 ILLINOIS CORN MARKETING BOARD DIRECTORS

**District 1**  
**Pat Dumoulin** / Hampshire, IL

**District 2**  
**Lou Lamoreux** / Lanark, IL

**District 3**  
**Tom Mueller** / Taylor Ridge, IL

**District 4**  
**Mark Wilson** / Toulon, IL

**District 5**  
**Paul Jeschke** / Mazon, IL

**District 6**  
**Dirk Rice** / Philo, IL

**District 7**  
**Jim Reed** / De Land, IL

**District 8**  
**Mike Wurmnest** / Deer Creek, IL

**District 9**  
**Dan Cole** / Plainville, IL

**District 10**  
**Bill Long** / Franklin, IL

**District 11**  
**Don Murphy** / Harvel, IL

**District 12**  
**Roger Sy** / Newman, IL

**District 13**  
**Don Duvall** / Carmi, IL

**District 14**  
**Karen Neff** / Belleville, IL

**District 15**  
**Jim Raben** / Ridgway, IL



P.O. Box 487  
Bloomington, Illinois 61702  
(309) 827-0912

## At the IL Corn Checkoff, Your Profitability is Our Bottom Line



### Financials

**ILLINOIS CORN MARKETING BOARD**  
Bloomington, Illinois . Year Ended September 30, 2016

#### STATEMENT OF FINANCIAL POSITION

CURRENT ASSETS	
Cash and cash equivalents	\$168,661
Investments	4,478,609
Investments designated for contingency (note 1)	1,500,000
Accounts Receivable:	
Related party	10,747
Other	1,529
Accrued interest receivable	9,922
Prepaid rent (note 2)	8,221
Prepaid expense	16,573
<b>Total current assets</b>	<b>\$6,194,262</b>

NON-CURRENT INVESTMENTS	
Long-term investments	747,082
Prepaid rent	241,129
	\$988,211

PROPERTY & EQUIPMENT	
Billboard	\$131,999
Office furniture & equipment	328,551
Field equipment	62,698
	523,248
	376,383
	\$146,865
Less accumulated depreciation	\$7,329,338

LIABILITIES AND NET ASSETS	
CURRENT LIABILITIES	
Due to related party	\$31,774
Expenses accrued and payable	113,983
Contributions payable	535,562
<b>Total current liabilities</b>	<b>\$681,319</b>

LONG-TERM LIABILITIES	
Accrued post-retirement benefits	326,143

NET ASSETS	
Unrestricted- Designated for contingency	\$1,500,000
Unrestricted- Designated for projects in process (See note 3)	3,490,268
Unrestricted- Undesignated	1,331,608
	\$6,321,876
	\$7,329,338

#### STATEMENT OF ACTIVITIES

Changes in Unrestricted Net Assets	
Operating revenue and other support:	
Check-off receipts, net of first purchaser handling commissions (See note 4)	\$12,215,821
Less check-off refunds to producers	421,924
Net check-off receipts	\$11,793,897
Project co-funding revenue	16,000
Total unrestricted operating revenue and other support	\$11,809,897

Operating expenses:	
Program services:	
Industrial programs	\$ 6,731,888
Export programs	5,836,979
Communications plan (see note 5)	251,959
Executive programs (see note 6)	148,063
	\$12,968,889
Management and general	225,255
Total expenses	\$13,194,144
Excess (deficiency) of operating revenue and other support	\$(1,384,247)
Nonoperating revenues:	
Interest income	\$37,326
Unrealized gain (loss) on investments	2,051
Other	20,975
	\$60,352

Increase (decrease) in net assets	\$(1,323,895)
Net assets at beginning of year	7,645,771
Net assets at end of year	\$6,321,876

Note 1: This is a reserve of \$1,500,000 which has been established to maintain funding for research and market development projects in case of an unforeseen decline in check-off receipts.

Note 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, for projects which were funded in previous fiscal years.

Note 4: 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 5: 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 6: Executive Programs provide sponsorship of agricultural related organizations and participates in educational and promotional activities within the agricultural community.

For more information about IL Corn Checkoff programs visit [www.ilcorn.org](http://www.ilcorn.org)