



**INTERSTATE PEST CONTROL COMPACT INSURANCE
FUND**

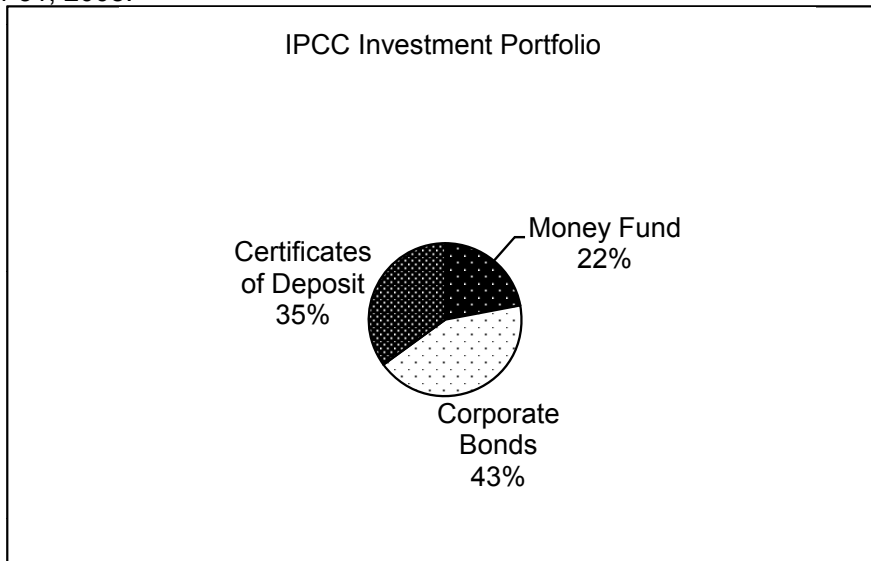
FINANCIAL REPORT

For the 6 Month Period Ended December 31, 2008

Interstate Pest Control Compact Discussion Points for Treasurer's Report

Highlights from Interim Reports -Fiscal Year 2008:

- ▶ Total Revenues exceeded current Operating Expenses by \$9,454. After the \$15,000 balance due on the Michigan Department of Agriculture claim was paid, total expenses exceeded revenue by \$5,546.
- ▶ Income on investments totaled \$21,343.33. There were no investment fees or expenses. Investment income covered all of the administrative and operating costs (\$11,889.51) for the period.
- ▶ No membership dues were received; no donations were received.
- ▶ Total Assets available on December 21, 2008 were \$1,122,540.97. This represents a decrease of \$3,607.99 from the June 30, 2008 balance, as shown on the Statement of Cash Flows.
- ▶ Funds were invested in Smith Barney securities earning varying rates of yield.
- ▶ Investment Risk: The Smith Barney Financial Management Account, in which IPCC funds were invested, followed the investment strategy approved by the IPCC Executive Committee on September 23, 2007. The Smith Barney FMA was diversified in the following way as of December 31, 2008:



INTERSTATE PEST CONTROL COMPACT
Statement of Assets, Liabilities, and Net Assets
December 31, 2008 and June 30, 2008

	<u>12/31/08</u>	<u>06/30/08</u>
ASSETS		
CURRENT ASSETS		
Money Fund	246,251.40	54,794.98
Accrued Interest	10,430.05	11,131.08
Preferred Stocks	-	100,000.00
Corporate Bonds	480,648.00	382,672.00
Government Bonds	-	199,157.00
Certificates of Deposit	385,211.52	378,393.90
TOTAL ASSETS	<u><u>1,122,540.97</u></u>	<u><u>1,126,148.96</u></u>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Contracts Payable	-	15,000.00
Total Liabilities	-	15,000.00
NET ASSETS		
Net Assets - Unrestricted	<u>1,122,540.97</u>	<u>1,111,148.96</u>
TOTAL LIABILITIES AND NET ASSETS	<u><u>1,122,540.97</u></u>	<u><u>1,126,148.96</u></u>

**INTERSTATE PEST CONTROL COMPACT
STATEMENT OF REVENUES, EXPENSES, & CHANGES IN
NET ASSETS**

For the 6 Month Period Ended December 31, 2008

Revenues

Interest Earned - Money Fund	1,850.74	
Interest Earned - Certificates of Deposit	1,805.34	
Dividends and Interest- Stocks & Bonds	17,687.25	
Membership Fees	0.00	
Donations	0.00	
Total Revenues		<u>21,343.33</u>

Expenses

Executive Director	8,875.01	
General Administrative Fee	912.00	
Travel	1,572.20	
Conference Registrations	500.00	
Postage	30.30	
Operating Expenses		11,889.51
Contracts Payable (claims)		<u>15,000.00</u>
Total Expenses		<u>26,889.51</u>

Excess Revenues over Expenses -5,546.18

Unrealized Gains/ (Losses) 1,938.19

NET ASSETS July 1, 2008 1,126,148.96

NET ASSETS December 31, 2008 1,122,540.97

INTERSTATE PEST CONTROL COMPACT
Statement of Cash Flows
For the 6 Month Period Ended December 31, 2008

Cash Flows from Operating Accounts	
Excess Revenues Over Expenses	<u>9,453.82</u>
Adjustments to Reconcile Net Income To Net Cash	
Provided by Operating Activities	
(Decrease) in Contracts Payable	-15,000.00
Net Cash (Used) by Operating Activities	<u>-5,546.18</u>
Cash Flows from Investing Activities	
Unrealized Gains (Losses)	1,938.19
Net Cash Provided by Investing Activities	<u>1,938.19</u>
(Decrease) in Cash and Cash Equivalents	-3,607.99
Cash and Cash Equivalents, Beginning of Year	1,126,148.96
Cash and Cash Equivalents, December 31, 2008	<u><u>1,122,540.97</u></u>

**Interstate Pest Control Compact and Pest Control Insurance Fund
Budget VS Actual Report
July 1, 2008 to December 31, 2008**

<u>Description</u>	<u>2008-2009</u>	
	<u>Budget</u>	<u>Actual</u>
Management Services		
Executive Director Services	15,000.00	8,875.01
Travel and Registration	3,800.00	1,572.20
Bond	100.00	-
Facilities and Administrative Costs		
Overhead	2,500.00	1,412.00
IPCC Website **	200.00	-
Supplies	-	-
Postage	300.00	30.30
Printing	500.00	-
Bank Charges	-	-
Equipment	-	-
Charitable Solicitation Registration	1,000.00	-
Contractual Services		
Audit	100.00	-
Special Purpose		
Technical Advisory Committee	500.00	-
Special Committee	-	-
TOTAL	24,000.00	11,889.51

Interstate Pest Control Compact Investments
As of December 31, 2008

Investment	Amount	Date Acquired	Maturity Date	Duration (Years)	Interest	Current Value	Notes:
Cash Balance	\$0.00					\$0.00	
Money Fund							
Western Asset Money Market Fund	\$246,251.40				1.740%	\$246,251.40	
subtotal	\$246,251.40					\$246,251.40	
Accrued Interest on Bonds/CDs	\$10,430.05					\$10,430.05	
Corporate Bonds							
Citi Group Inc	\$100,000.00	8/19/2008	8/27/2012	4.02	5.625%	\$93,743.00	
Bank of America Corp Sub Notes	\$100,000.00	11/26/2007	8/15/2013	5.72	4.750%	\$93,189.00	
Wachovia Corp Sub Notes	\$100,000.00	2/22/2008	2/15/2014	5.98	4.875%	\$91,867.00	
Berkshire Hathaway Fin Corp	\$100,000.00	5/9/2007	1/15/2015	7.68	4.850%	\$104,682.00	
Virginia Elec & Pwr	\$100,000.00	2/19/2007	12/15/2015	8.82	5.250%	\$97,167.00	
subtotal	\$500,000.00					\$480,648.00	
Government and Government Sponsored Entity (GSE) bonds							
Federal Farm Credit Bank Cons	\$0.00					\$0.00	<i>Called 12/19/08</i>
subtotal	\$0.00					\$0.00	
Certificates of Deposit							
Anchorbank	\$96,000.00	12/5/2008	12/11/2009	1.02	2.750%	\$95,997.12	
Bank of India - NY	\$96,000.00	8/19/2008	2/25/2009	0.52	2.850%	\$96,172.80	
GE Money Bank	\$96,000.00	12/5/2008	12/13/2010	2.02	3.850%	\$96,630.72	
GMAC Bank	\$96,000.00	8/19/2008	5/29/2009	0.78	3.300%	\$96,410.88	
subtotal	\$384,000.00					\$385,211.52	
Total	\$1,140,681.45					\$1,122,540.97	