



**INTERSTATE PEST CONTROL COMPACT INSURANCE
FUND**

FINANCIAL REPORT

For the Year Ended June 30, 2008

(Revised November 16, 2008)

Interstate Pest Control Compact Discussion Points for Treasurer's Report

Highlights from Fiscal Year 2008:

- ▶ Total assets available on June 30, 2008 were \$1,126,148.96. An increase of \$27,598.45 from the June 30, 2007 balance of \$1,098,550.48.
- ▶ No membership dues were received; no donations were received.
- ▶ Income on investments totaled \$53,868.71. There were no investment fees or expenses. Investment income covered all of the administrative and operating costs (\$21,430.83) for the period.
- ▶ The insurance claim to the Michigan Department of Agriculture (\$75,000) for survey and eradication of Hemlock woolly adelgid was scheduled for completion on June 1, 2008, with only \$60,000 dispersed; all funds were dispersed in FY 2007. On July 14, 2008 the IPCC received a request from Michigan Department of Agriculture to extend the claim until June 1, 2009 and utilize the remaining 15,000 in the grant to conduct survey and evaluation activities in 2009.
- ▶ 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 June 30, 2008:

Money Fund	5%
Preferred Stocks	9%
Corporate Bonds	34%
Government Bonds	18%
Certificates of Deposit	34%
Accrued Interest on Bonds / CDs	1%
Total:	100%

**INTERSTATE PEST CONTROL COMPACT
BALANCE SHEET
June 30, 2008**

Assets

Cash Balance	0
Money Fund	\$54,794.98

Investments

Accrued Interest	11,131.08
Preferred Stocks	100,000.00
Corporate Bonds	382,672.00
Government Bonds	199,157.00
CDs	378,393.90
Total investments	1,071,353.98

TOTAL ASSETS	\$1,126,148.96
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Liabilities & Equity

Liabilities	\$15,000.00 ¹
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Equity	<u>1,111,148.96</u>
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TOTAL LIABILITIES & EQUITY	\$1,126,148.96
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¹ Balance due to Michigan Department of Agriculture for completion of Hemlock Woolly Adelgid Survey and Eradication claim.

**INTERSTATE PEST CONTROL COMPACT
STATEMENT OF CASH FLOWS
For the 12 Month Period Ended June 30, 2008**

<i>Balance on July 1, 2007</i>			<u>\$ 1,098,550.48</u>
 <u>Add - Inflows</u>			
Dividends and Interest Received		53,868.71	
Smith Barney interest earned	32,931.31		
Smith Barney dividends earned	4,729.16		
Smith Barney money fund earnings	2,124.49		
Smith Barney accrued interest received	14,627.75		
Capital gains	-544.00		
 Membership Fees:			 0.00
 Donations:			 0.00
 Unrealized Gains/Losses			 -4,839.40
 TOTAL INFLOWS			 <u>49,029.31</u>
 <u>Deduct-Outflows</u>			
Operating Expenses:		21,430.83	
Executive Director	14,825.03		
General Administration Fee	1,951.41		
Travel	3,231.25		
Conference Registrations	1,150.00		
Postage	0.00		
Printing	0.00		
IPCC Website	167.40		
Bank Service Charges	0.00		
Supplies	105.74		
 Insurance Claims			 0.00
 TOTAL OUTFLOWS			 <u>21,430.83</u>
 <i>Balance on June 30, 2008</i>			 <u><u>\$ 1,126,148.96</u></u>

**INTERSTATE PEST CONTROL COMPACT
STATEMENT OF REVENUES, EXPENDITURES, & CHANGES IN
FUND BALANCES/EQUITY**

For the 12 Month Period Ended June 30, 2008

Revenues

Dividends and Interest	\$53,868.71	
Membership Fees	0.00	
Donations	0.00	
Unrealized Gains/Losses	(4,839.40)	
Total revenues		\$49,029.31

Expenditures

Operating Expenses	\$21,430.83	
Insurance Claims	0.00	
Total expenses	<u>21,430.83</u>	<u>21,430.83</u>

Fund balances/equity July 1, 2007 1,098,550.48

Fund balances/equity June 30, 2008 \$1,126,148.96

**Interstate Pest Control Compact and Pest Control Insurance Fund
Budget VS Actual Report
July 1, 2007 to June 30, 2008**

<u>Description</u>	<u>2007-2008</u>		<u>2006-2007</u>		<u>2005-2006</u>	
	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>
Management Services						
Executive Director Services	\$ 15,000.00	\$ 14,825.03	\$ 15,000.00	\$ 13,956.27	\$ 15,000.00	\$ 11,440.65
Travel and Registration	\$ 3,800.00	\$ 4,381.25	\$ 3,800.00	\$ 3,826.15	\$ 3,800.00	\$ 3,415.69
Bond	\$ 100.00	\$ -	\$ 100.00	\$ -	\$ 100.00	\$ -
Facilities and Administrative Costs						
Overhead	\$ 2,500.00	\$ 1,951.41	\$ 2,500.00	\$ 1,520.00	\$ 2,000.00	\$ 2,232.00
IPCC Website **	\$ 200.00	\$ 167.40	\$ 200.00	\$ 215.10	\$ 200.00	\$ 188.25
Supplies	\$ -	\$ 105.74	\$ -	\$ -	\$ -	\$ -
Postage	\$ 300.00	\$ -	\$ 300.00	\$ -	\$ 300.00	\$ 199.90
Printing	\$ 500.00	\$ -	\$ 500.00	\$ -	\$ 500.00	\$ 453.42
Bank Charges	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8.50
Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Charitable Solicitation Registration	\$ 1,000.00	\$ -	\$ 1,000.00	\$ -	\$ -	\$ -
Contractual Services						
Audit	\$ 100.00	\$ -	\$ 100.00	\$ -	\$ 100.00	\$ -
Special Purpose						
Technical Advisory Committee	\$ 500.00	\$ -	\$ 500.00	\$ -	\$ 500.00	\$ -
Special Committee	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL	\$ 24,000.00	\$ 21,430.83	\$ 24,000.00	\$ 19,517.52	\$ 22,500.00	\$ 17,938.41

**includes website hosting and domain name registration.