



**INTERSTATE PEST CONTROL COMPACT INSURANCE
FUND**

FINANCIAL REPORT

For the Fiscal Year Ended June 30, 2009

**Interstate Pest Control Compact
Discussion Points for Treasurer's Report**

Highlights from Year End Financial Reports -Fiscal Year 2009:

- ▶ Total Assets at June 30, 2009 were \$1,124,554.91. This represents a decrease of \$1,594.05 from last year. Funds are invested in a Morgan Stanley, Smith Barney Portfolio earning varying rates of yield.
- ▶ Investment Risk: The IPCC Portfolio follows the conservative investment strategy approved by the IPCC Governing Board on September 21, 2008. Investments were diversified in the following way as of June 30, 2009:

Money Market Fund	5%
Preferred Stocks	1%
Corporate Bonds	44%
Corporate Bond Money Market Funds	5%
Certificates of Deposit	<u>45%</u>
	100%

- ▶ Current Liabilities reported as \$44,000 represent the contractual balance due to the State of Colorado for its approved eradication program.
- ▶ Total Revenues amounted to \$36,424.76 of which Income on investments totaled \$34,386.76. The State of Louisiana joined the Compact and paid their first year dues. No donations were received.
- ▶ Investment income covered all of the administrative and operating costs (\$21,462.47) for the period. There were no fees or expenses associated with the investments.
- ▶ The enclosed statements are presented using an accrual basis of accounting. As a result, contracts payable in future years are reported as expenses in the current year. Prior reports were presented on a cash basis.

INTERSTATE PEST CONTROL COMPACT
Statement of Assets, Liabilities, and Net Assets
June 30, 2009

	<u>06/30/09</u>	<u>06/30/08</u>
ASSETS		
CURRENT ASSETS		
Money Fund	60,877.11	54,794.98
Accrued Interest	12,524.73	11,131.08
Preferred Stocks	10,195.75	100,000.00
Corporate Bonds	491,522.00	382,672.00
Corporate Bond MM Funds	60,684.05	-
Government Bonds	-	199,157.00
Certificates of Deposit	488,751.27	378,393.90
TOTAL ASSETS	<u><u>1,124,554.91</u></u>	<u><u>1,126,148.96</u></u>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Contracts Payable	<u>44,000.00</u>	<u>15,000.00</u>
Total Liabilities	44,000.00	15,000.00
NET ASSETS		
Net Assets - Unrestricted	<u>1,080,554.91</u>	<u>1,111,148.96</u>
TOTAL LIABILITIES AND NET ASSETS	<u><u>1,124,554.91</u></u>	<u><u>1,126,148.96</u></u>

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

For the Fiscal Year Ended June 30, 2009

Revenues

Interest Earned - Money Fund	2,126.60	
Dividends and Interest- Stocks & Bonds	32,260.16	
Membership Fees	2,038.00	
Donations	0.00	
Total Revenues		36,424.76

Expenses

Executive Director Services	15,862.52	
Travel and Registration	3,328.58	
Overhead	2,049.82	
Website Expense	191.25	
Postage Expense	30.30	
Audit Expense	0.00	
Operating Expenses		21,462.47
Contracts Payable (claims)		66,000.00
Total Expenses		87,462.47

Excess Revenues over Expenses	(51,037.71)
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Unrealized Gains/ (Losses)	20,443.66
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<i>NET ASSETS BEGINNING</i>	1,111,148.96
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<i>NET ASSETS ENDING</i>	1,080,554.91
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**INTERSTATE PEST CONTROL COMPACT
STATEMENT OF CASH FLOWS
For the 12 Month Period Ended June 30, 2009**

<i>Balance on July 1, 2008</i>		<u>\$ 1,111,148.96</u>
<u>Add - Inflows</u>		
Dividends and Interest Received	34,386.76	
Interest Earned - Money Fund	2,126.60	
Dividends and Interest - Other Investments	32,260.16	
 Membership Fees:	 2,038.00	
Donations:	0.00	
 Unrealized Gains/Losses	 20,443.66	
 TOTAL INFLOWS		 <u>56,868.42</u>
<u>Deduct-Outflows</u>		
Operating Expenses:	21,462.47	
Executive Director Services	15,862.52	
Travel and Registration	3,328.58	
Overhead	2,049.82	
Website Expense	191.25	
Postage Expense	30.30	
Audit Expense	0.00	
 Insurance Claims	 66,000.00	
 TOTAL OUTFLOWS		 <u>87,462.47</u>
 <i>Balance on June 30, 2009</i>		 <u><u>\$ 1,080,554.91</u></u>

**Interstate Pest Control Compact and Pest Control Insurance Fund
Budget VS Actual Report
Fiscal Year Ended June 30, 2009**

<u>Description</u>	<u>FY2009</u>	
	<u>Budget</u>	<u>Actual</u>
Management Services		
Executive Director Services	15,000.00	15,862.52
Travel and Registration	3,800.00	3,328.58
Bond	100.00	-
Facilities and Administrative Costs		
Overhead	4,000.00	2,049.82
IPCC Website **	200.00	191.25
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	25,500.00	21,462.47

Interstate Pest Control Compact Investments
As of June 30, 2009

Investment	Amount	Date Acquired	Maturity Date	Duration (Years)	Interest	Current Value
Cash Balance	0.00					0.00
Money Fund - Western Asset Money Market	60,877.11				0.230%	60,877.11
Accrued Interest on Bonds/CDs	12,524.73					12,524.73
Preferred Stocks						
General Electric Cap Corp	10,195.75	6/1/2009	8/15/2013	4.21	6.836%	10,195.75
Corporate Bonds						
Citi Group Inc	100,000.00	8/19/2008	8/27/2012	4.02	6.080%	93,623.00
Bank of America Corp Sub Notes	100,000.00	11/26/2007	8/15/2013	5.72	5.114%	92,877.00
Wachovia Corp Sub Notes	100,000.00	2/22/2008	2/15/2014	5.98	4.991%	97,668.00
Berkshire Hathaway Fin Corp	100,000.00	5/9/2007	1/15/2015	7.68	4.631%	104,727.00
Virginia Elec & Pwr	100,000.00	2/19/2007	12/15/2015	8.82	5.115%	102,627.00
subtotal	500,000.00					491,522.00
Corporate Bond Money Market Funds						
Dryden Short Term Corporate Bond FD	30,000.00	6/2/2009			3.885%	30,274.30
Allianz Pimco Corporate Bond FD	30,000.00	6/2/2009			4.003%	30,409.75
subtotal	60,000.00					60,684.05
Certificates of Deposit						
Anchorbank	96,000.00	12/5/2008	12/11/2009	1.02	2.750%	96,718.08
American Express Bank	96,000.00	3/13/2009	9/20/2010	1.52	1.750%	95,417.28
GE Money Bank	96,000.00	12/5/2008	12/13/2010	2.02	3.850%	98,199.36
AMEX Centurion Bank	65,000.00	1/5/2009	1/14/2011	2.03	2.350%	64,509.90
Goldman Sachs Bank	70,000.00	1/5/2009	1/14/2011	2.03	2.600%	69,735.40
Frontier Bank	65,000.00	1/5/2009	7/11/2011	2.52	2.600%	64,171.25
subtotal	488,000.00					488,751.27
Total						1,124,554.91