



**INTERSTATE PEST CONTROL COMPACT INSURANCE
FUND**

FINANCIAL REPORT

For the Fiscal Year Ended June 30, 2010

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

Highlights from Year End Financial Reports - Fiscal Year 2010:

- ▶ Total Assets at June 30, 2010 were \$1,176,669.80. This represents an increase of \$52,114.89 from June 30, 2009. 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 Executive Committee on February 7, 2010. Investments were diversified in the following way as of June 30, 2010:

Money Market Fund	11%
Preferred Stocks	1%
Corporate Bonds	45%
Corporate Bond Money Market Funds	14%
Certificates of Deposit	29%
	<hr/> 100%

- ▶ Contracts Payable reported as \$22,000 represent the contractual balance due to the State of Colorado for its approved eradication program.
- ▶ Total Revenues amounted to \$51,492.59 of which Income on investments totaled \$43,095.59. The State of Wisconsin joined the Compact and paid the first installment on their state assessment and Louisiana made their second installment payment. No donations were received.
- ▶ Investment income covered all of the administrative and operating costs (\$25,010.19) for the period. There were no fees or expenses associated with the investments.

INTERSTATE PEST CONTROL COMPACT
Statement of Assets, Liabilities, and Net Assets
June 30, 2010

	<u>06/30/10</u>	<u>06/30/09</u>
ASSETS		
CURRENT ASSETS		
Money Fund	128,673.04	60,877.11
Accrued Interest	10,269.91	12,524.73
Preferred Stocks	11,071.25	10,195.75
Corporate Bonds	531,740.00	491,522.00
Corporate Bond MM Funds	165,058.54	60,684.05
Certificates of Deposit	329,857.06	488,751.27
TOTAL ASSETS	<u><u>1,176,669.80</u></u>	<u><u>1,124,554.91</u></u>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts Payable	774.10	-
Contracts Payable	<u>22,000.00</u>	<u>44,000.00</u>
Total Liabilities	22,774.10	44,000.00
NET ASSETS		
Net Assets - Unrestricted	<u>1,153,895.70</u>	<u>1,080,554.91</u>
TOTAL LIABILITIES AND NET ASSETS	<u><u>1,176,669.80</u></u>	<u><u>1,124,554.91</u></u>

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

For the Fiscal Year Ended June 30, 2010

Revenues

Interest Earned - Money Fund	2,662.31	
Dividends and Interest- Stocks & Bonds	40,433.28	
Membership Fees	8,397.00	
Donations	0.00	
Total Revenues		<u><u>51,492.59</u></u>

Expenses

Executive Director Services	17,585.96	
Travel and Registration	3,856.65	
Overhead	3,191.27	
Website Expense	191.25	
Supplies	127.47	
All Other Expense	57.59	
Operating Expenses		25,010.19
Contracts Expense (claims)		0.00
Total Expenses		<u><u>25,010.19</u></u>

Excess Revenues over Expenses	26,482.40	
Unrealized Gains/ (Losses)	46,858.39	
<i>NET ASSETS BEGINNING</i>		<u><u>1,080,554.91</u></u>
<i>NET ASSETS ENDING</i>		<u><u>1,153,895.70</u></u>

**INTERSTATE PEST CONTROL COMPACT
STATEMENT OF CASH FLOWS
For the 12 Month Period Ended June 30, 2010**

<i>Balance on July 1, 2009</i>			<u>\$ 1,080,554.91</u>
 <u>Add - Inflows</u>			
Dividends and Interest Received		43,095.59	
Interest Earned - Money Fund	2,662.31		
Dividends and Interest - Other Investments	40,433.28		
 Membership Fees:		 8,397.00	
Donations:		0.00	
Unrealized Gains/Losses		46,858.39	
 TOTAL INFLOWS			 <u>98,350.98</u>
 <u>Deduct-Outflows</u>			
Operating Expenses:		25,010.19	
Executive Director Services	17,585.96		
Travel and Registration	3,856.65		
Overhead	3,191.27		
Website Expense	191.25		
Supplies	127.47		
All Other Expense	57.59		
 Insurance Claims		 0.00	
 TOTAL OUTFLOWS			 <u>25,010.19</u>
 <i>Balance on June 30, 2010</i>			 <u><u>\$ 1,153,895.70</u></u>

**Interstate Pest Control Compact and Pest Control Insurance Fund
Budget VS Actual Report
Fiscal Year Ended June 30, 2010**

<u>Description</u>	<u>FY2009-2010</u>		
	<u>Budget</u>	<u>Actual</u>	<u>Over-Under Budget</u>
Management Services			
Executive Director Services	18,000.00	17,585.96	(414.04)
Travel and Registration	3,800.00	3,856.65	56.65
Bond	100.00	-	(100.00)
Facilities and Administrative Costs			
Overhead	3,300.00	3,191.27	(108.73)
IPCC Website **	200.00	191.25	(8.75)
Supplies	-	127.47	127.47
Postage	300.00	-	(300.00)
Printing	500.00	-	(500.00)
All Other Expense	-	57.59	57.59
Charitable Solicitation Registration	1,000.00	-	(1,000.00)
Special Purpose			
Technical Advisory Committee	500.00	-	(500.00)
Insurance Claims			
Colorado (2 of 3)	22,000.00	22,000.00	-
TOTAL	49,700.00	47,010.19	(2,689.81)

**includes website hosting and domain name registration.

Interstate Pest Control Compact Investments
As of June 30, 2010

Investment	Amount	Date Acquired	Maturity Date	Duration (Years)	Interest	Current Value
Cash Balance	0.00					0.00
Money Fund - Western Asset Money Market	128,673.04				0.040%	128,673.04
Accrued Interest on Bonds/CDs	10,269.91					10,269.91
Preferred Stocks						
General Electric Cap Corp	10,359.38	6/1/2009	8/15/2013	4.21	6.295%	11,071.25
Corporate Bonds						
Citi Group Inc	99,915.00	8/19/2008	8/27/2012	4.02	5.625%	103,052.00
Bank of America Corp Sub Notes	100,185.00	11/26/2007	8/15/2013	5.72	4.750%	102,680.00
Wachovia Corp Sub Notes	99,428.00	2/22/2008	2/15/2014	5.98	4.875%	104,617.00
Berkshire Hathaway Fin Corp	99,277.00	5/9/2007	1/15/2015	7.68	4.850%	109,828.00
Virginia Elec & Pwr	101,511.00	2/19/2008	12/15/2015	7.82	5.250%	111,563.00
subtotal	500,316.00					531,740.00
Corporate Bond Money Market Funds						
Allianz Pimco Corporate Bond FD	77,500.00	6/2/2009			4.711%	84,372.42
Prudential Short Term Corporate Bond FD	77,500.00	6/2/2009			3.670%	80,686.12
subtotal	155,000.00					165,058.54
Certificates of Deposit						
American Express Bank	96,000.00	3/13/2009	9/20/2010	1.52	1.750%	96,266.88
GE Money Bank	96,000.00	12/5/2008	12/13/2010	2.02	3.850%	97,294.08
AMEX Centurion Bank	65,000.00	1/5/2009	1/14/2011	2.03	2.350%	65,577.20
Goldman Sachs Bank	70,000.00	1/5/2009	1/14/2011	2.03	2.600%	70,718.90
subtotal	327,000.00					329,857.06
Total						1,176,669.80