

STATE OF THE TREASURY REPORT

WEST VIRGINIA STATE TREASURER JOHN D. PERDUE



FISCAL YEAR 2011

TABLE OF CONTENTS

2	Office Overview
3	A Message from the State Treasurer
4	Accomplishments
5	State Credit Rating
6	What is a Bond Rating, and What Does it Mean?
7	West Virginia Net Tax Supported Debt Outstanding
9	Flow of State Money
13	Revenue Distribution
17	West Virginia Board of Treasury Investments
19	Unclaimed Property
21	West Virginia Smart529
24	West Virginia Retirement Plus
25	Financial Education
27	Training Center
28	Financial Highlights

OFFICE OVERVIEW

The Office of the West Virginia State Treasurer was established at the Constitutional Convention held in Wheeling in 1863 after the western counties of Virginia split to become West Virginia. The Treasurer's Office is one of six constitutionally mandated offices in West Virginia.

The State Treasurer is the chief financial officer for the state and is responsible for overseeing the state's operating funds, monitoring the state's debt and performing additional banking and accounting duties as prescribed by state law. The Treasurer also serves as a member of the major financial decision-making boards throughout state government.

Over the years, the office has widened its scope of duties beyond basic treasury functions. The State Treasurer now advocates for citizens' rights through several programs mandated by state code and other valuable initiatives. This annual report details many of these accomplishments.



A MESSAGE FROM THE STATE TREASURER



The same old story is a good one for West Virginia. Once again, as states around the nation attempt to piece together solvent budgets, West Virginia remains solidly in the black. The Mountain State ended the 2011 fiscal year with a \$320 million surplus. As I write this, we have more good news to report – West Virginia ranks third nationally in terms of budget health, according to an organization that monitors state government finances and promotes fiscal reform.

As the state's chief financial officer, I take special pride in West Virginia's overall health. I cannot take total credit, of course. Both the Governor's Office and the Legislature have played large roles. Nothing is accomplished without teamwork.

A chief indicator of fiscal health is a state's relative risk in paying back debts. A bond rating gauges that quality. In the last two calendar years, two principal bond rating firms have upgraded the state's rating. Moody's raised the state's rating to Aa1 in 2010 and Fitch's now puts the state at AA+. This is a testament of our reputation to the outside world. We are as good as our word.

For the fourth straight year, Standard & Poor's has rated the Board of Treasury Investments' money market fund AAAm, the highest designation such a plan can receive. The BTI has also earned a Certificate of Achievement for Excellence in Financial Reporting for the fourth consecutive year. Our Debt Management Division is integral in keeping state lawmakers and certain agencies aware of our debt limits.

Being a good steward also requires vision for the future needs of our dedicated public servants. I'm proud to have inherited West Virginia Retirement Plus, the state's 457 supplemental retirement plan in 2006. Since then, we have doubled total assets to \$114 million and increased total participants to more than 11,000 members. In addition, more than 130 political subdivisions offer the plan as a benefit to their employees.

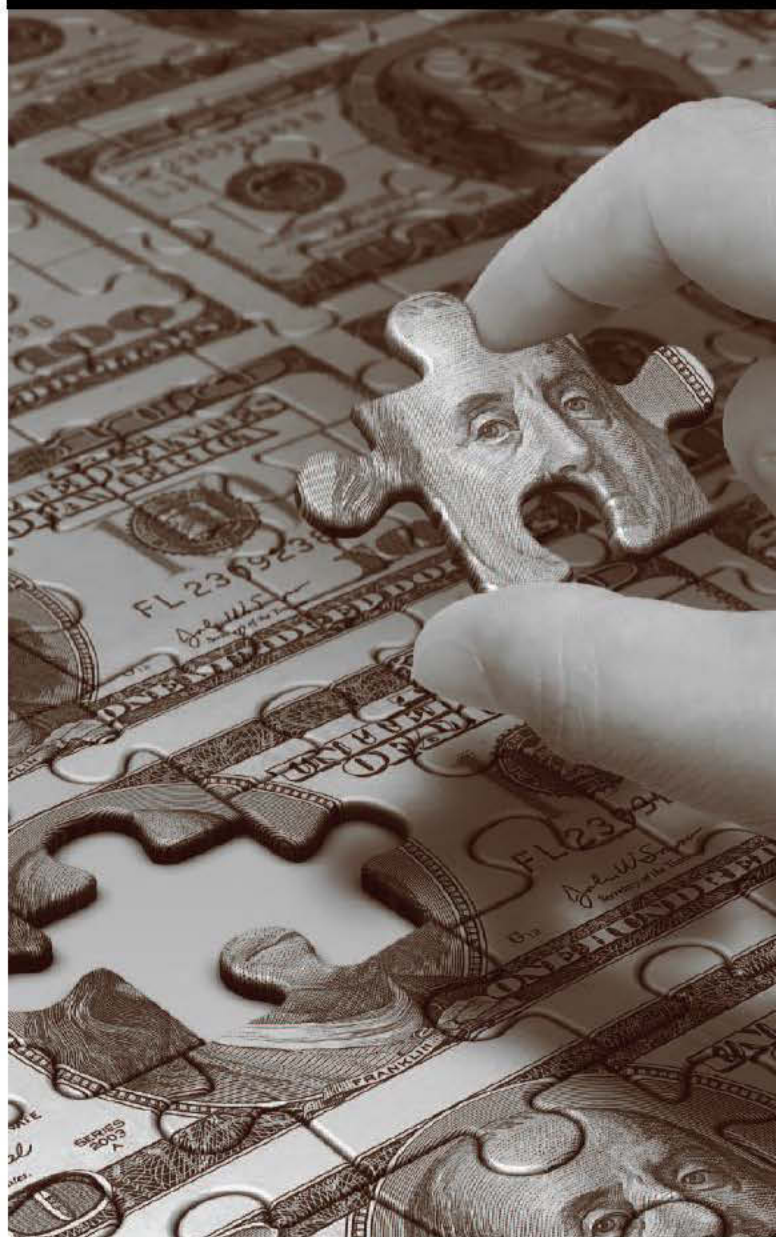
In addition, our office has grown programs that transcend the constitutionally mandated financial mission. College savings, unclaimed property and financial education are three areas in which we excel nationally.

SMART529 is the officially sanctioned state college savings plan. As chairman of the board that oversees SMART529, I'm happy to report our continued excellent ratings and a flurry of successful promotional programs. The SMART529 "When I Grow Up" essay contest provides scholarship cash prizes for regional winners across the state and a grand prize for a random drawing winner.

In the unclaimed property realm, two of our most recent achievements involve electronic imaging of unclaimed property records and a new website, which auctions off safe deposit box contents. As we continue to try to find rightful owners of unclaimed property, we were honored to have a crew from Good Morning America help us hand-deliver an unclaimed property check to a St. Albans woman this year.

LET US RECALL THE
HARD WORK AND STRATEGIES
THAT LED TO PAST SUCCESSES
SO THAT WE MAY REPEAT THEM
IN THE PRESENT.

– State Treasurer John D. Perdue



Financial education is another important mission in this office. The NetWorth financial education program has been recognized for the past two years as a regional finalist for the Council of State Governments Innovations Award. It is also a past winner of the Excellence in Financial Literacy Award from the Institute for Financial Literacy.

The program's signature activity for middle school children called "Get a Life" proved to be a popular learning experience this year. The budget simulation offers students a chance to learn from real-world scenarios.

As we press on into fiscal 2012, we will not rest on the laurels of 2011. It is useful, however, to recall the hard work and strategies that led to past successes so that we may repeat them in the present. After all, our hope is that you will always be proud of the State of the Treasury.

Sincerely,

John D. Perdue, West Virginia State Treasurer

STATE CREDIT RATING



Everyone is familiar with the importance of having “good credit.” Lenders use these credit scores to determine who qualifies for a loan, at what interest rate, and what credit limits. Lenders are not the only ones who examine your credit score. Insurance companies, utility companies, landlords and even potential employers may use a person’s credit score to determine premium rates, security deposits and even trustworthiness and reliability. The most common credit score model in the United States was developed by Fair Isaac Company and is called the FICO score. A lender can look at a FICO score and, in most cases, get an instant indication as to whether or not to proceed with the loan.

A state also needs loans to carry out its purpose of serving its citizens. These loans are needed to build and maintain schools, universities, roads, water and sewer projects, public buildings, economic development projects, etc. One of the most common ways that a state obtains a loan is by issuing municipal bonds. A state, just like an individual, has a credit score, which is commonly referred to as its “credit rating.” So, when a state decides to “take out a loan” by issuing municipal bonds, the lenders (investors) use the credit rating to determine the state’s creditworthiness and reliability.

Ratings also indicate potential risk; therefore, a state with the highest credit rating will be able to issue bonds with the lowest interest rates while a state with a lower credit rating will have to issue its bonds at a higher interest rate. For example, as of October 11, 2011, if a state with the highest credit rating (AAA)

were to issue a 30-year bond, then that state should expect to have an interest rate of approximately 3.73% while a state with the lowest credit rating (BAA) should expect to have an interest rate of approximately 5.53%.

Of course, there are other factors that affect the issuance of the bonds and the interest rates, but it is easy to see why a state’s credit rating is so important. There are three companies which are commonly used in assigning ratings to municipal bonds; they are Moody’s Investor Service, Standard and Poor’s (S&P), and Fitch Ratings.

The State of West Virginia received an upgrade to its credit rating in 2010 from Moody’s Investor Service from Aa2 to Aa1, which is one “notch” below the highest possible rating of Aaa (triple-A). The upgrade was revealed by Moody’s in a July 9, 2010, rating report in conjunction with the state’s issuance of General Obligation refunding bonds. According to the report, the upgrade was given because of the state’s “. . . ongoing trend to fiscal conservatism and favorable General Fund financial performance. . .”

The report detailed the credit strengths of the state, which included the following:

- A trend of fiscal conservatism evidenced by healthy GAAP balances
- A Budget Reserve Fund of more than 15%, which provides the state with a cushion during periods of weakened revenue
- Strong executive power to make midyear spending adjustments

The report stated that the outlook for West Virginia was stable but warned that the rating could be adversely affected if the state did not continue with its conservative fiscal policy.

The state also received a rating upgrade from Fitch Ratings. On July 8, 2011, Fitch Ratings upgraded the state’s outstanding General Obligation bonds to “AA+” from “AA,” which is only one “notch” below the highest possible rating of AAA (triple-A). The upgrade was revealed by Fitch in a rating report issued in conjunction with the issuance of bonds by the West Virginia Economic Development Authority, Regional Jail & Correctional Facilities Authority. According to the report, the rating reflects, “. . . the state’s consistently positive financial operations, including the expansion of reserves, and an ongoing commitment to reducing long-term liabilities.” The report noted that West Virginia’s economic base had diversified but also warned that the state is still susceptible to the cyclical natural resources industry. It also noted that wealth and other demographic indicators are weak; however, the state had been able to generate budget surpluses despite revenue weakness during the most current recession.

WHAT IS A BOND RATING, AND WHAT DOES IT MEAN?

Bond ratings give potential investors an indication of the creditworthiness of the issuer. *The ratings below are given in the format of Standard & Poor's/Fitch/Moody's.

AAA/AAA/Aaa

Extremely strong capacity to pay interest and repay principal

AA/AA/Aa

Very strong capacity to pay interest and repay principal; differs from highest rated issue to a small degree

A/A/A

Strong capacity to pay interest and repay principal, although somewhat more susceptible than higher rated bonds to adverse effect of changes in circumstances and economic conditions

BBB/BBB/Baa

Adequate capacity to pay interest and repay principal. Although these bonds normally exhibit adequate protection parameters, adverse economic conditions or changing circumstances are more likely to lead to a weakened capacity to pay interest and repay principal for bonds in this category than for higher rated bonds.

*Standard & Poor's and Fitch may add a plus (+) or a minus (-) within the grades to show relative strength. Moody's uses number indicators 1 thru 3, with 1 being the strongest and 3 being the weakest.

State Ratings as of September 23, 2011

STATE	FITCH	MOODY'S	S&P
Alabama	AA+	Aa1	AA
Alaska	AA+	Aaa	AA+
Arizona		Aa3	AA-
Arkansas		Aa1	AA
California	A-	A1	A-
Colorado		Aa1	AA
Connecticut	AA	Aa2	AA
Delaware	AAA	Aaa	AAA
D.C.	AA-	Aa2	A+
Florida	AAA	Aa1	AAA
Georgia	AAA	Aaa	AAA
Hawaii	AA	Aa2	AA
Idaho	AA	Aa1	AA+
Illinois	A	A1	A+
Indiana	AA+	Aaa	AAA
Iowa	AAA	Aaa	AAA
Kansas	AA	Aa1	AA+
Kentucky	AA-	Aa2	AA-
Louisiana	AA	Aa2	AA
Maine	AA+	Aa2	AA
Maryland	AAA	Aaa	AAA
Massachusetts	AA+	Aa1	AA
Michigan	AA-	Aa2	AA-
Minnesota	AA+	Aa1	AA+
Mississippi	AA+	Aa2	AA+
Missouri	AAA	Aaa	AAA
Montana	AA+	Aa1	AA
Nebraska			AAA
Nevada	AA+	Aa2	AA
New Hampshire	AA+	Aa1	AA
New Jersey	AA-	Aa3	AA-
New Mexico		Aaa	AA+
New York	AA	Aa2	AA
North Carolina	AAA	Aaa	AAA
North Dakota		Aa1	AA+
Ohio	AA+	Aa1	AA+
Oklahoma	AA+	Aa2	AA+
Oregon	AA+	Aa1	AA+
Pennsylvania	AA+	Aa1	AA
Rhode Island	AA	Aa2	AA
South Carolina	AAA	Aaa	AA+
South Dakota	AA		AA+
Tennessee	AAA	Aaa	AA+
Texas	AAA	Aaa	AA+
Utah	AAA	Aaa	AAA
Vermont	AAA	Aaa	AA+
Virginia	AAA	Aaa	AAA
Washington	AA+	Aa1	AA+
West Virginia	AA+	Aa1	AA
Wisconsin	AA	Aa2	AA
Wyoming			AAA



WEST VIRGINIA NET TAX SUPPORTED DEBT OUTSTANDING



Type of Debt	Principal Outstanding June 30, 2011
GENERAL OBLIGATION BONDS	
Safe Road Bonds	\$ 305,460,000
Infrastructure Improvement Bonds	221,163,970
Total General Obligation Bonds	\$ 526,623,970
REVENUE BONDS	
School Building Authority Capital Improvement Bonds	173,090,000
Economic Development Authority, Lottery Revenue Bonds	153,705,000
Economic Development Authority, Excess Lottery Revenue Bonds	190,415,000
Higher Education Policy Commission, Excess Lottery Revenue Bonds	243,480,000
Higher Education Policy Commission, Excess Lottery Revenue Bonds (BABs)	50,265,000
School Building Authority, Lottery Revenue Bonds	49,655,000
School Building Authority, Excess Lottery Revenue Bonds	116,590,000
School Building Authority, Excess Lottery Revenue Bonds (QSCBs)	150,480,000
Total Revenue Bonds	1,127,680,000
TOTAL LEASE OBLIGATIONS	417,257,010
GROSS TAX SUPPORTED DEBT	2,071,560,980
DEDUCTIONS FOR ESCROW/SINKING FUND/RESERVE FUNDS	
Economic Development Authority, Lottery Revenue Bonds	(18,990,000)
Infrastructure Improvement Bonds, General Obligation Bonds	(10,810,000)
School Building Authority Capital Improvement Revenue Bonds	(23,020,801)
School Building Authority Lottery Revenue Bonds	(14,180,000)
School Building Authority, Excess Lottery Revenue Bonds (QSCBs)	(12,488,006)
Total Deductions	(79,488,807)
NET TAX SUPPORTED DEBT	\$ 1,992,072,173

(Pictured clockwise)

The Higher Education Policy Commission issued excess lottery revenue bonds for \$10 million of building renovations at the former Dow Chemical Co. Technology Park in South Charleston.

More than \$28 million in revenue bonds issued by the West Virginia Hospital Finance Authority are providing a four-story structure at Highland Hospital.

Since 2002, Fairmont State University has used \$70 million from municipal bond sales to update campus facilities.



FLOW OF STATE MONEY



DEPOSITS TO THE STATE

The State of West Virginia collects its revenue from a variety of sources. The Treasurer's Office has the responsibility of receiving all moneys due to the state.

Federal Government

West Virginia receives over half its funds from the federal government. Funds are received as direct appropriations, grant awards and special program support.

Tax Payments

Individuals, businesses, corporations and other governments make tax payments to the state in various forms. Tax payments are collected by the state and distributed to all entities that are supported by the taxes.

Licensing and Regulations

Business licensing, driver licensing, car licensing and registration, professional licensing and renewal of licensing, hunting and fishing licensing, and many other actions require just about every person in West Virginia to make licensing payments at some point in their lives.

Services

Employment security, child support collections, state medical insurance and retirement systems are some of the services that collect funds from businesses, governments, and individuals.

Lottery Sales

Lottery, video lottery, and table gaming revenues are received from the sales of lottery tickets and the gaming activity by individuals throughout the state.

Investments

Local governments and state agencies that are authorized have the ability to deposit funds in the state's investment pool.

Fees and Fines

Traffic fines, court fees, and many other fines are collected by the state to support various areas of government.

Higher Education

Tuition and fees collected from students support the state's colleges and universities.

ACCEPTING DEPOSITS

Revenues collected by a state agency are deposited with the State Treasurer's Office for credit to the agency's appropriate account. The various methods of accepting deposits are listed below.

Electronic

Direct Deposits/Payments to the state by ACH

The federal government, large dollar taxpayers, and various businesses make payments by sending a direct deposit to the state's bank account. Payees may also make arrangements to have the state initiate a direct payment from their bank over the internet or by special arrangement with the state agency.

Wire Transfers

Large dollar items can be transmitted from bank to bank using wire transfers. This allows the funds to be deposited instantaneously. Wires are used by the federal government, large taxpayers and other entities that need to transfer funds to the state account on an immediate basis.

Credit Card Payments

The state collects credit card payments in person with a point of sale (POS) terminal and over the internet for many of the state agencies and schools.

Checks and Cash

Payees may bring their checks and cash to the state office where they make their payment.

Payees may mail their payments directly to the state agencies, or they may mail the payments with a payment coupon for the Treasurer's Office to process the payment for the state agency.



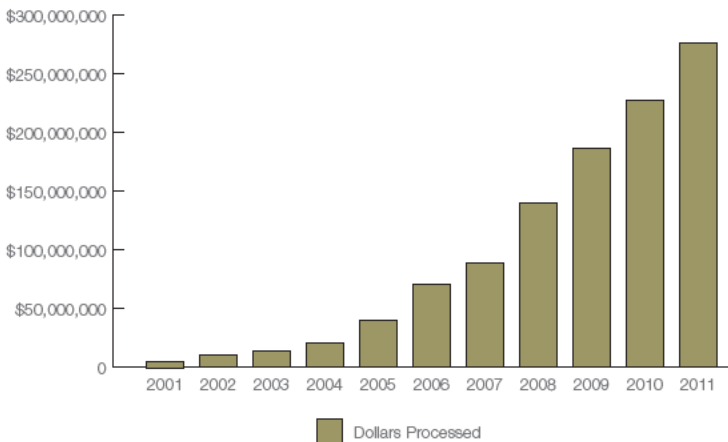
E-GOVERNMENT

The West Virginia e-Government Services Program provides a payment system for state agencies and local governments to utilize and allow the acceptance of credit cards and electronic funds transfers on a secure Internet payment gateway. Numerous revenue sources for state goods and services can be processed electronically in order to deliver a more cost effective and efficient collection method. Additionally, the e-Government program gives the citizens the flexibility needed to use the payment options that are easiest and most convenient for them.

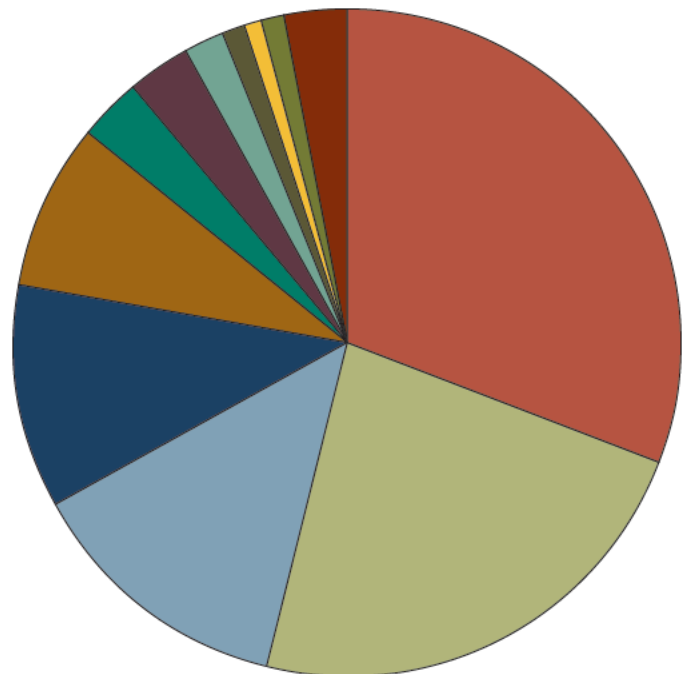
As the demand for payments over the Internet increase dramatically, the Treasurer's Office continues to improve its existing services while striving to expand the program to additional state and local governmental entities. Total dollars processed online have grown significantly from the program's inception. During the past decade, collections increased from \$308,000 to over \$274 million collected in fiscal year 2011.

For fiscal year 2011, there were 86 entities using over 200 active connections accepting payments through our e-Government system. West Virginia state agencies, universities, and boards & commissions are some of our largest users of the State Treasurer's payment system. Of the over \$274 million collected in fiscal year 2011, the following chart summarizes the activity by entity.

e-Government Dollars Processed



Top Performer Activity by Dollar Amounts



- West Virginia University 31%
- Municipal Bond Commission 23%
- Consolidated Public Retirement Board 13%
- PEIA 11%
- Marshall University 8%
- Insurance Commission 3%
- Fairmont State University 3%
- Division of Natural Resources 2%
- Shepherd University 1%
- Secretary of State 1%
- Board of Medicine 1%
- All Others 3%

FLOW OF STATE MONEY

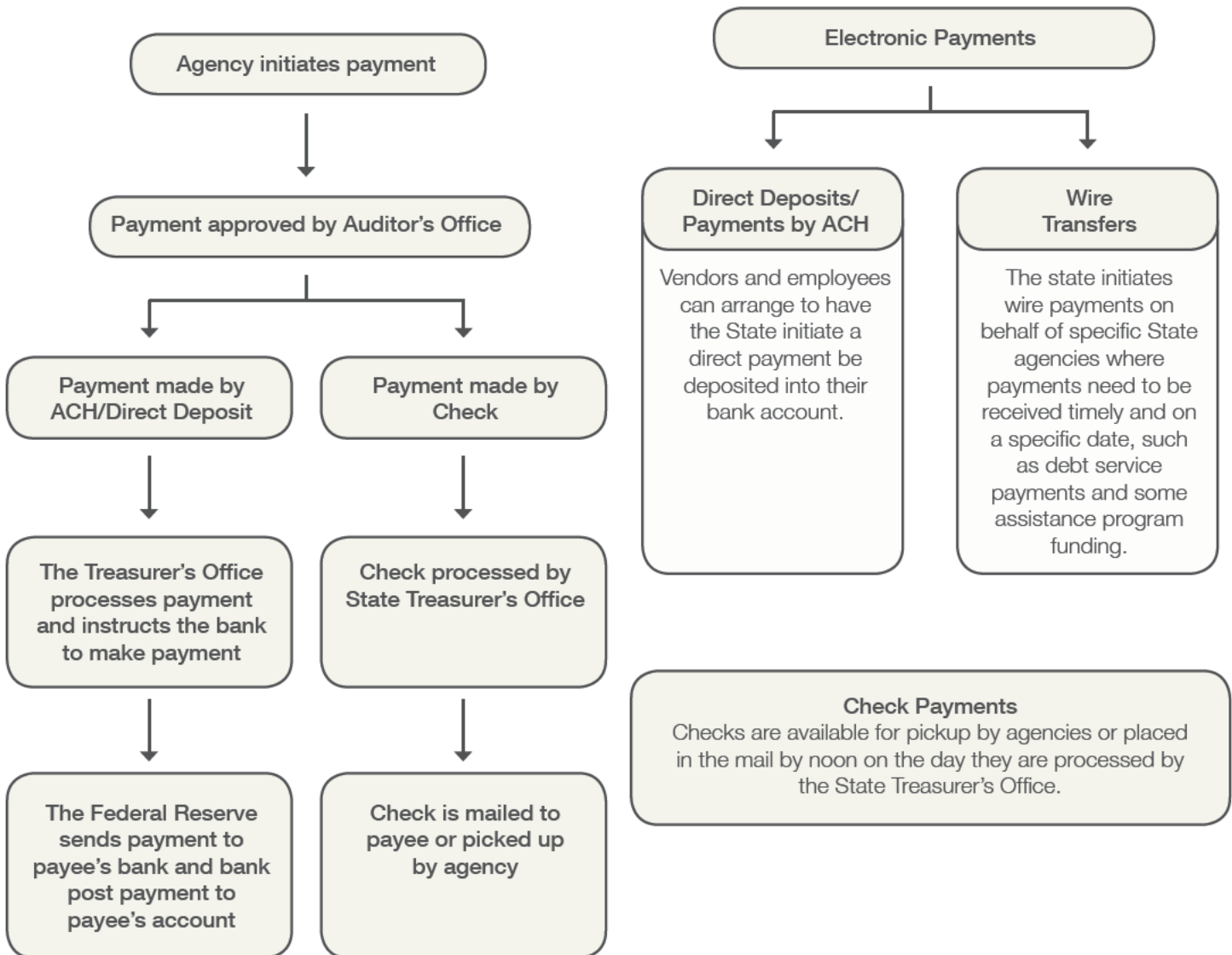


HOW IS THE MONEY DISBURSED?

The Treasurer's Office disburses payments for a variety of reasons, including payments to vendors and other agencies for goods and services, payroll payments for employees, tax refunds, debt service payments and benefit program disbursements. The process of how disbursements are made is described below.

TYPES OF PAYMENTS

The State Treasurer's Office has the responsibility of overseeing and processing all payments due from the State of West Virginia. In cash management, significant efforts have been made to allow for more efficient handling of payments. The various methods of making payments are listed below.



**THE WEST VIRGINIA
E-GOVERNMENT SERVICES
PROGRAM PROVIDES A PAYMENT
SYSTEM FOR STATE AGENCIES
AND LOCAL GOVERNMENTS
TO UTILIZE AND ALLOW THE
ACCEPTANCE OF CREDIT CARDS
AND ELECTRONIC FUNDS
TRANSFERS ON A SECURE
INTERNET PAYMENT GATEWAY.**

WHERE IS MY PAYMENT?

As the “Banker of West Virginia,” State Treasurer John Perdue oversees the majority of the state’s cash management including all payments. To assist with payment questions, Cash Management offers the payment hotline. Some of the questions that the payment hotline can help with are:

- Has my check or direct deposit payment been issued yet?
- When was my check mailed?
- Was this check cashed?
- Why did I receive a direct deposit payment in my bank account?
- How do I change my bank account information for direct deposit or direct debit?

The payment hotline can also assist with questions regarding charges on your credit card, debit card or bank statement. By calling the free payment hotline, you will be connected to knowledgeable staff that will help you find the answers to your questions.

**Call the check hotline at
(866) 243-9010 or (304) 558-3599.**



REVENUE DISTRIBUTION



The State Treasurer’s Office is responsible for disbursing revenue to counties and municipalities throughout the state. Listed below are the areas in which the revenue is generated, as well as how much revenue was distributed from each area in the 2011 fiscal year.

Policemen and Firemen Pensions	\$ 16,850,231
Volunteer Fire Departments	\$ 18,565,967
Volunteer Fire Department Audit Accounts.	\$ 633,814
Coal Severance Tax.	\$ 37,742,774
Oil and Gas Severance Tax	\$ 6,093,012
Wine, Liquor, Private Club Tax	\$ 7,784,363
Regional Jail Operations Reimbursement.	\$ 4,019,619
Waste Coal Taxes	\$ 754,463

As one might expect, the largest distributions come from the coal severance tax. Although not all counties produce coal, every county does in fact receive a portion of the revenue produced by the coal severance tax. Naturally, those counties that do produce coal are entitled to a larger portion of the tax. For the 2011 fiscal year, seventy five percent (75%) of the net profits were disbursed to coal producing counties while the remaining twenty five percent (25%) went to the non-coal producing counties of the state. The amount each non-coal producing county obtains is dependent on its population.

During the special legislative session called on August 1, 2011, Senate Bill No. 1002 was passed and will amend the original code beginning July 1, 2012. The amendment will increase the coal producing counties’ disbursement 1% for each of the next five years. Beginning July 1, 2016, the split will remain at eighty percent (80%) of disbursement going to coal-producing counties, and twenty percent (20%) will be distributed to those counties that do not produce coal.

Another change, also taking effect in the 2012 fiscal year, is the disbursement of policemen and firemen pension funds. This revenue will no longer be handled by the Treasurer’s Office; it will now be overseen by the Municipal Pensions Oversight Board.

Shown on the next page are the revenues distributed to police and firemen pension funds for the 2011 fiscal year.

LEGEND

- * For fiscal year Ended 6/30/11 from Letter B on the Required Information Report for the September 2011 Allocation (fiscal year Ending 6/30/12).
- ** For fiscal year Ended 6/30/11 from Letter D on the Required Information Report for the September 2011 Allocation (fiscal year Ending 6/30/12).
- *** Dunbar Police always used to round up/(down) for Eligible Members amount (\$7.75) and Eligible Retirees amount (\$7.23) so total allocation equals available funds.

Allocations provided by the Municipal Pension Oversight Board

ALLOCATION OF MUNICIPAL PENSION AND PROTECTION FUND Pursuant to West Virginia Code 33-3-14d | September 1, 2011

Department	Eligible Members*	Share	Subtotal	Eligible Retirees**	Share	Subtotal	Grand Total
Full-Time Police Departments							
Beckley	47.08	\$ 5,011.36	\$ 235,934.83	48.50	\$ 3,591.66	\$ 174,195.51	\$ 410,130.34
Belle	3.67	5,011.36	18,391.69	5.00	3,591.66	17,958.30	36,349.99
Bluefield	21.08	5,011.36	105,639.47	26.00	3,591.66	93,383.16	199,022.63
Charleston	169.33	5,011.36	848,573.59	210.00	3,591.66	754,248.60	1,602,822.19
Charles Town	0.00	5,011.36	0.00	7.58	3,591.66	27,224.78	27,224.78
Chester	6.00	5,011.36	30,068.16	2.00	3,591.66	7,183.32	37,251.48
Clarksburg	43.58	5,011.36	218,395.07	43.58	3,591.66	156,524.54	374,919.61
Dunbar***	16.08	5,011.36	80,574.92	11.00	3,591.66	39,501.03	120,075.95
Elkins	7.58	5,011.36	37,986.11	9.00	3,591.66	32,324.94	70,311.05
Fairmont	33.25	5,011.36	166,627.72	48.08	3,591.66	172,687.01	339,314.73
Grafton	5.83	5,011.36	29,216.23	5.67	3,591.66	20,364.71	49,580.94
Huntington	105.33	5,011.36	527,846.55	123.42	3,591.66	443,282.68	971,129.23
Logan	6.83	5,011.36	34,227.59	1.00	3,591.66	3,591.66	37,819.25
Martinsburg	48.17	5,011.36	241,397.21	37.58	3,591.66	134,974.58	376,371.79
Morgantown	60.83	5,011.36	304,841.03	56.00	3,591.66	201,132.96	505,973.99
Moundsville	17.42	5,011.36	87,297.89	13.75	3,591.66	49,385.33	136,683.22
Nitro	15.33	5,011.36	76,824.15	10.00	3,591.66	35,916.60	112,740.75
Oak Hill	12.75	5,011.36	63,894.84	4.00	3,591.66	14,366.64	78,261.48
Parkersburg	64.58	5,011.36	323,633.63	71.42	3,591.66	256,516.36	580,149.99
Princeton	18.50	5,011.36	92,710.16	17.50	3,591.66	62,854.05	155,564.21
Point Pleasant	7.00	5,011.36	35,079.52	6.00	3,591.66	21,549.96	56,629.48
Saint Albans	20.67	5,011.36	103,584.81	11.67	3,591.66	41,914.67	145,499.48
South Charleston	38.58	5,011.36	193,338.27	35.00	3,591.66	125,708.10	319,046.37
Star City	3.96	5,011.36	19,844.99	4.00	3,591.66	14,366.64	34,211.63
Vienna	16.83	5,011.36	84,341.19	11.00	3,591.66	39,508.26	123,849.45
Weirton	34.67	5,011.36	173,743.85	46.33	3,591.66	166,401.61	340,145.46
Welch	7.17	5,011.36	35,931.45	2.00	3,591.66	7,183.32	43,114.77
Weston	4.50	5,011.36	22,551.12	4.00	3,591.66	14,366.64	36,917.76
Westover	8.75	5,011.36	43,849.40	2.33	3,591.66	8,368.57	52,217.97
Wheeling	81.00	5,011.36	405,920.16	113.46	3,591.66	407,509.74	813,429.90
Williamson	5.67	\$ 5,011.36	\$ 28,414.41	7.08	\$ 3,591.66	\$ 25,428.95	\$ 53,843.36
Full-Time Fire Departments							
Beckley	39.42	\$ 5,011.36	\$ 197,547.81	52.17	\$ 3,591.66	\$ 187,376.90	\$ 384,924.71
Bluefield	16.25	5,011.36	81,434.60	36.00	3,591.66	129,299.76	210,734.36
Charleston	182.83	5,011.36	916,226.95	224.42	3,591.66	806,040.34	1,722,267.29
Clarksburg	42.17	5,011.36	211,329.05	58.67	3,591.66	210,722.69	422,051.74
Fairmont	40.79	5,011.36	204,413.37	60.08	3,591.66	215,786.93	420,200.30
Huntington	102.25	5,011.36	512,411.56	183.50	3,591.66	659,069.61	1,171,481.17
Martinsburg	36.00	5,011.36	180,408.96	32.00	3,591.66	114,933.12	295,342.08
Morgantown	46.50	5,011.36	233,028.24	53.33	3,591.66	191,543.23	424,571.47
Moundsville	5.00	5,011.36	25,056.80	17.00	3,591.66	61,058.22	86,115.02
Parkersburg	59.58	5,011.36	298,576.83	97.33	3,591.66	349,576.27	648,153.10
South Charleston	39.58	5,011.36	198,349.63	37.33	3,591.66	134,076.67	332,426.30
Wheeling	93.00	\$ 5,011.36	\$ 466,056.48	118.50	\$ 3,591.66	\$ 425,611.71	\$ 891,668.19
Full-Time/Part-Time Fire Departments							
Dunbar	13.75	\$ 5,011.36	\$ 68,906.20	19.92	\$ 3,591.66	\$ 71,545.87	\$ 140,452.07
Elkins	3.00	5,011.36	15,034.08	5.00	3,591.66	17,958.30	32,992.38
Grafton	4.92	5,011.36	24,655.89	4.00	3,591.66	14,366.64	39,022.53
Logan	8.00	5,011.36	40,090.88	2.00	3,591.66	7,183.32	47,274.20
Nitro	11.17	5,011.36	55,976.89	10.00	3,591.66	35,916.60	91,893.49
Princeton	13.00	5,011.36	65,147.68	14.25	3,591.66	51,181.16	116,328.84
Saint Albans	18.92	5,011.36	94,814.93	24.00	3,591.66	86,199.84	181,014.77
Weirton	21.17	5,011.36	106,090.49	16.58	3,591.66	59,549.72	165,640.21
Weston	1.00	5,011.36	5,011.36	4.00	3,591.66	14,366.64	19,378.00
Williamson	7.67	\$ 5,011.36	\$ 38,437.13	12.83	\$ 3,591.66	\$ 46,081.00	\$ 84,518.13
Totals	1,737.99		\$ 8,709,685.82	2,076.86		\$ 7,459,367.76	\$ 16,169,053.58
Total Allocation			\$16,471,102.58				
Less CY2010 Gabriel, Roeder, Smith & Co Actuarial Costs			\$ 292,012.00				
Less CY2010 Municipal Pensions Oversight Board Expenses			\$ 10,037.00				
Allocation to Municipal Police and Fire Pension Funds			\$16,169,053.58				
Allocation			\$16,169,053.58	\$ 16,169,053.58			
Fiscal Year 2010 Allocation			\$ 8,709,685.82				
Fiscal Year 2010 Base Share			\$ 5,011.36				
Fiscal Year 2010 Retiree Allocation			\$ 7,459,367.76				
Fiscal Year 2010 Retiree Base Share			\$ 3,591.66				

REVENUE RECEIVED BY EACH COUNTY DURING THE 2011 FISCAL YEAR

	Coal Severance	Oil & Gas Taxes	Wine, Liquor, Private Club	Regional Jail Revenue	VFD Revenue	TOTALS
Barbour	\$ 349,370.46	\$ 118,516.90	\$ 260.65	\$ 19,802.66	\$ 131,098.65	\$ 619,049.32
Berkeley	341,657.48	71,208.82	199,736.03	269,706.30	195,214.52	1,077,523
Boone	4,786,148.58	185,697.96	290.42	83,799.91	339,357.91	5,395,294.78
Braxton	106,572.69	58,721.38	2,805.66	36,241.40	305,896.85	510,237.98
Brooke	81,465.72	10,092.24	486.27	33,529.14	415,406.57	540,979.94
Cabell	224,192.34	79,096.23	9,881.30	272,234.98	295,719.02	881,123.87
Calhoun	35,645.17	98,072.90	29.47	14,511.24	131,098.65	279,357.43
Clay	287,080.17	71,783.91	402.64	37,039.93	131,098.65	527,405.30
Doddridge	34,471.13	250,738.25	39.92	17,053.70	208,319.92	476,121.66
Fayette	869,611.44	70,078.43	2,606.07	75,984.40	623,144.14	1,641,424.48
Gilmer	29,620.19	142,545.56	42.23	16,842.59	43,699.55	199,750.12
Grant	45,553.39	10,494.79	390.75	30,045.89	174,798.20	261,283.02
Greenbrier	343,215.38	19,326.27	34,114.64	52,978.43	569,788.45	1,019,423.17
Hampshire	96,426.18	17,888.52	1,101.76	46,562.65	305,896.85	467,875.96
Hancock	59,246.18	9,372.46	5,398.23	45,883.44	282,447.67	402,347.98
Hardy	52,469.50	9,215.12	5,160.33	36,906.84	131,098.65	234,850.44
Harrison	291,497.64	310,110.21	3,676.95	164,414.88	645,254.76	1,141,954.44
Jackson	106,794.12	91,076.55	219.38	62,900.42	208,319.92	469,310.39
Jefferson	181,873.64	33,485.17	4,732.75	99,862.33	275,181.38	595,135.27
Kanawha	1,805,696.80	390,307.16	123,552.60	415,162.94	1,002,299.54	3,737,019.04
Lewis	61,393.74	266,193.76	4,976.03	23,620.93	258,037.11	614,221.57
Lincoln	920,713.12	239,253.62	44.96	38,095.46	274,130.09	1,472,237.25
Logan	3,179,956.09	371,168.12	1,124.40	94,529.61	509,348.84	4,156,127.06
Marion	2,613,403.62	94,621.85	6,028.97	115,998.17	536,327.39	3,366,380
Marshall	3,673,218.53	71,161.60	60.1	57,948.60	526,109.03	432,849,786
Mason	112,946.28	27,068.70	95.96	46,181.74	262,197.30	448,489.98
McDowell	1,008,141.82	304,170.46	929.44	99,857.74	556,743.71	1,969,843.17
Mercer	238,320.75	65,081.84	23,581.74	126,737.04	356,068.09	809,769.46
Mineral	110,318.30	16,626.28	11,448.02	70,399.27	480,695.05	689,486.92
Mingo	2,042,958.79	297,330.57	4,948.01	95,158.33	472,116.84	2,912,512.54
Monongalia	1,285,414.46	92,098.08	205,430.85	139,623.69	524,394.60	2,246,961.68
Monroe	65,958.29	9,932.77	650.33	17,723.73	174,798.20	269,063.32
Morgan	73,220.98	13,488.94	5,331.30	50,220.29	174,798.20	317,059.71
Nicholas	1,235,202.74	41,642.00	7,556.33	73,662.23	316,074.68	1,674,137.98
Ohio	80,783.55	8,580.51	49,263.10	72,134.01	282,613.62	493,374.79
Pendleton	36,962.45	7,952.78	892.29	11,468.56	218,497.75	275,773.83
Pleasants	23,118.51	21,495.19	5.81	9,701.70	87,399.10	141,720.31
Pocahontas	37,229.43	5,897.51	13,177.30	25,176.69	262,197.30	343,678.23
Preston	125,305.09	39,025.61	921.99	37,072.05	514,266.77	716,591.51
Putnam	202,638.85	112,810.75	46,351.11	108,448.84	349,596.40	819,845.95
Raleigh	2,548,007.54	130,437.42	64,076.60	224,405.70	514,156.11	3,454,083.37
Randolph	198,666.29	33,015.92	2,505.97	54,153.28	431,117.91	719,459.37
Ritchie	32,569.75	160,694.76	283.45	12,111.06	208,259.26	413,918.28
Roane	64,772.03	93,234.59	3.60	38,517.67	218,558.41	415,086.30
Summers	52,790.35	9,593.95	869.15	23,492.43	305,896.85	392,642.73
Taylor	53,740.07	31,413.36	122.35	23,804.50	122,813.21	231,893.49
Tucker	497,334.21	13,884.05	2,712.08	6,397.43	174,798.20	695,125.97
Tyler	30,794.40	39,647.22	30.78	17,462.14	174,798.20	262,732.74
Upshur	202,540.25	185,701.30	140.27	49,137.22	305,896.85	743,415.89
Wayne	802,748.78	138,574.13	3,154.64	64,020.20	349,596.40	1,358,094.15
Webster	616,909.70	6,844.55	206.45	34,736.12	218,497.75	877,194.57
Wetzel	43,542.33	201,397.51	13.80	30,000.00	480,695.05	755,648.69
Wirt	24,759.54	16,722.09	88.13	5,153.74	43,699.55	90,423.05
Wood	204,666.97	40,764.56	11,909.31	174,598.45	436,995.50	868,934.79
Wyoming	1,021,129.09	309,868.27	63.61	86,971.09	349,596.40	1,767,628.46
TOTAL	\$ 33,650,603.40	\$ 5,565,493.39	\$ 863,926.28	\$ 3,990,183.78	\$ 17,886,925.57	\$ 61,957,132.42

WEST VIRGINIA BOARD OF TREASURY INVESTMENTS



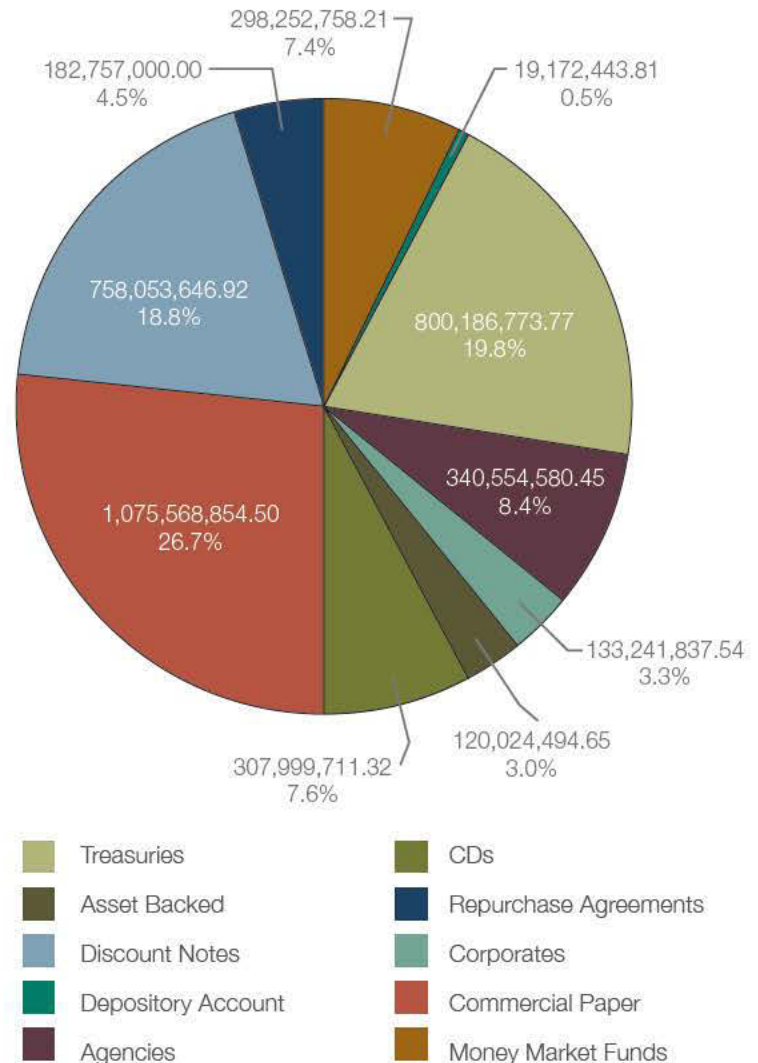
SOLID INVESTMENTS THROUGH TURBULENT TIMES

Fiscal year 2011 was very challenging on the economic front. The financial crisis that hit the markets beginning in 2008 was more severe than any experienced since the Great Depression. The actions to stabilize the financial system were accompanied, both in the United States and abroad, by substantial monetary and fiscal stimulus. Given this strong and concerted effort, damaging effects were still experienced in both the equity and fixed income markets. The freezing of credit, the sharp drops in asset prices, dysfunction in financial markets, and the resulting blows to confidence had profound effects on both short and long-term rates. Most profoundly, Standard & Poor's ("S&P") downgraded the long-term rating on the US to AA+ on August 5, 2011. Despite this downgrade, the short-term funds managed by the WV Board of Treasury Investments were unaffected. For the fourth consecutive year, Standard and Poor's re-affirmed the BTI's AAAM rating on the West Virginia Money Market and West Virginia Government Money Market Pools.

The West Virginia Board of Treasury Investments ("BTI"), a board of which John D. Perdue serves as Chairman, was established to provide prudent fiscal administration, investment, and management for the short-term operating funds of the state. All West Virginia state agencies and political subdivisions are eligible to invest. The underlying investment accounts are maintained by the Treasurer's Office with contributions and withdrawals processed on an electronic, real-time basis.

The AAAM rating, the top distinction for a money market pool, vouches for the safety and soundness of the state's short-term investments. This rating, along with clean external audits, an experienced staff with over 119 years of cash management and public investment experience, and a conservative investment policy have brought the BTI through these turbulent times. The investment policy is written to strive for maximum safety, provide adequate liquidity, and achieve the highest returns consistent with the primary objective of safety and liquidity. The graph below details the conservative, fixed income instruments that the BTI invests:

Consolidated Fund: Asset Composition



Among the many accomplishments of the BTI, the BidWV CD Program has been one of the stable investment vehicles during a volatile market. The program is designed to provide approved state depositories the opportunity to interactively compete for State of West Virginia investment dollars. Through a competitive auction, the BTI invests up to \$20 million in certificates of deposit of West Virginia banks. It is the first system of its kind in the state's history, and its major initiative is to invest the state's money back in the West Virginia economy.

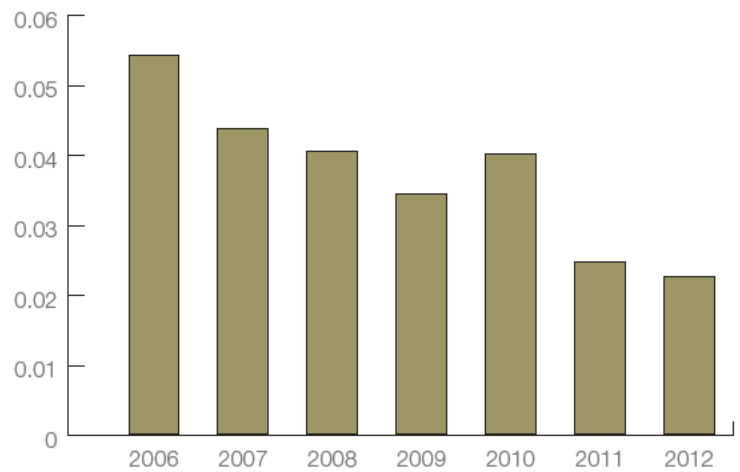
The BidWV CD Program boasts total earnings to date of \$9.2 million and additional earnings over the benchmark of \$1.36 million. The CD program's performance is measured against the Merrill Lynch US-3 Month Treasury Bill Index plus 15 basis points. The pool has led its benchmark index on an annualized basis by six basis points. In addition, the program has outperformed the money market pools over the past year. Below is a chart detailing the West Virginia banks that have been awarded funds since inception.

WV Banks Awarded CD Investments

BANK NAME	AWARD AMOUNT
BB&T	\$ 132,500,000
Wesbanco Bank, Inc	124,800,000
Jefferson Security Bank	66,000,000
Main Street Bank	65,500,000
Fifth Third Bank	56,500,000
Freedom Bank	56,000,000
Huntington National Bank	56,000,000
United Bank	55,500,000
Harrison County Bank	50,200,000
First Community Bank	34,100,000
MVB Bank, Inc.	30,500,000
CNB Bank - Berkeley Springs	24,000,000
JP Morgan Chase Bank	21,000,000
First State Bank	15,500,000
Clear Mountain Bank	6,200,000
First Peoples Bank of Mullens	5,000,000
FNB Bank, Inc	5,000,000
First National Bank of Williamson	4,500,000
Pendleton Community Bank	1,500,000
Citizen's National Elkins	1,000,000
West Union Bank	700,000
Capon Valley Bank	500,000
First Bank of Charleston	200,000
First Neighborhood Bank of Spencer	100,000
Total Awarded	\$ 812,800,000

The economic downturn has resulted in many cuts at the state and local government level due to budget deficits. Hiring freezes, pay freezes, layoffs, and furloughs top the list of ways that local and state governments are cutting costs. Fortunately, the State of West Virginia has practiced sound financial management resulting in a budget surplus over the last several years. In addition, for the sixth consecutive year, the BTI ended fiscal year 2011 with a budget surplus of \$168,137. Operating in surplus territory allows the BTI to pass on savings to participants in the form of reduced administrative fees. The chart below illustrates the reduction of administrative fees since 2006.

Reduction in Administrative Fees
(Annualized)



Although we are experiencing unprecedented economic times, the BTI has strived to provide a solid investment vehicle for the state's operating funds. While it's true that short-term rates have remained low during this volatile market, the fixed income pools serve an important function to help preserve capital, generate income and provide adequate liquidity for the state.

BOARD OF TREASURY INVESTMENTS BOARD MEMBERS

- John D. Perdue, *Board Chairman* | West Virginia State Treasurer
- Earl Ray Tomblin, *Vice Chairman* | West Virginia State Governor
- Glen B. Gainer III, *Director* | West Virginia State Auditor
- Richard C. Donovan, *Secretary*
- Martin J. Glasser, *Director*

UNCLAIMED PROPERTY



A NATIONAL SPOTLIGHT

For years, State Treasurer John D. Perdue has been telling people, "We might have money that belongs to you, and you can get it back cost-free." But getting people to take the time to look up their names in one of our unclaimed property newspaper inserts or do a name search on www.wvtreasury.com usually takes some convincing.

This year some national television coverage helped Treasurer Perdue spread his message to West Virginians and showcase to the world the top-notch unclaimed property program his office has developed.

To kick off "Good Morning America's" wildly successful series called "Show Me the Money," ABC News consumer correspondent Elisabeth Leamy accompanied Treasurer Perdue during one of his unclaimed property check presentations this summer. Treasurer Perdue, Leamy and several State Treasury staff members knocked on the door of Vickie Shaluta and her husband Steve to present her with a check for \$14,876.55. The money originated from an inactive certificate of deposit account owned by Shaluta's late mother, Lenora Adkins. "It's like a gift from Mom. That's exactly how I feel about it," said Shaluta.

GIVING BACK

- Treasurer Perdue returned more than \$14 million in unclaimed property in fiscal year 2011.
- At the end of fiscal year 2011, West Virginia's Unclaimed Property Division held more than 865,000 accounts worth approximately \$162.9 million dollars.
- The balance of unclaimed property available to claim at June 30, 2011 is \$162,908,983.



(Pictured left) ABC's Good Morning America Consumer Correspondent Elisabeth Leamy with Treasurer John D. Perdue.

(Pictured above) The Shalutas are just one of the many heartwarming stories of lost money being reunited with its rightful owner.

UNCLAIMED PROPERTY AUCTION GOES ELECTRONIC

When you think of an auction, the bellowing of an auctioneer might come to mind. However, a person bidding during State Treasurer John Perdue's upcoming unclaimed property auctions will only hear the sound of a computer mouse clicking. That's because West Virginia State Treasurer John D. Perdue unveiled the state's new online auction in June. Dozens of jewelry, watches, coins and other collectible items found in expired safe deposit boxes are now available online for public bid.

"We strive to stay up-to-date with the latest technology while providing people with easy and accessible services," said Treasurer Perdue. "I'm excited to give people the opportunity to bid on these rediscovered treasures."

The property is auctioned off in lots with pictures and detailed descriptions of each item. New items are expected to be available on an ongoing basis.

In the past, physical auctions were held periodically. State law allows the Treasurer to auction off unclaimed property because of limited storage space. However, it's important to note that proceeds from an auction sale are held indefinitely in a trust until a rightful owner is found.

Treasurer Perdue said the original owners or heirs of the items sold may see an added benefit with the online auction process. "Collectors and specialists are better able to gauge the actual value of the items and make more intelligent bids. This ultimately benefits the original property owner when the proceeds are returned," said Treasurer Perdue.

To view items go to www.westvirginiaunclaimedproperty.org. Active bidders must first establish an account with a user name and password.

Safe deposit box items are turned over to the Treasurer five years after no activity is reported. Once an item is deemed unclaimed property, the Treasurer actively tries to find rightful owners. Owners' names are advertised before the items are released to auction.

In addition to safe deposit box items, unclaimed property is any asset that has not been claimed by its owner or has not had any generated activity during a specific time period prescribed by law. Other examples include utility deposits, bank accounts and unredeemed stock dividends.

(Pictured right) 102-year-old Marion County woman, Zelma Fraley receives an unclaimed property check from Treasurer John D. Perdue.

“PEOPLE OFTEN BECOME SEPARATED FROM THEIR MONEY OR PROPERTY THROUGH UNPREDICTABLE CIRCUMSTANCES. ONE OF THE MOST PLEASURABLE TASKS IN OUR OFFICE IS FINDING THE RIGHTFUL OWNERS OF UNCLAIMED PROPERTY AND RETURNING IT TO THEM. WE ENCOURAGE PEOPLE TO USE OUR WEBSITE TO PERFORM A FREE SEARCH.”

– State Treasurer John D. Perdue



WEST VIRGINIA SMART529



WEST VIRGINIA'S COLLEGE SAVINGS PLAN OFFERING NEW WAYS TO BUILD SAVINGS

West Virginia State Treasurer John D. Perdue hosted a "SMART529 Search for Savings" in September 2010 to announce new ways for West Virginia residents to save money for college with the state's college savings plan, SMART529. SMART529, which has been helping families save for their children's higher education since 2002, now offers new features such as Upromise® and Ugift®.

Upromise lets people earn more for college with everyday purchases, like shopping online, dining out and more. It's free to join, and when an individual links their Upromise and SMART529 accounts, all or a portion of those earnings will be automatically transferred on a periodic basis to become college savings.

The Ugift feature lets people invite family and friends to make gift contributions to a SMART529 account.

The "SMART529 Search for Savings" was held at the Kroger grocery store in Beckley, West Virginia. The Treasurer was accompanied by local school children in a hunt for grocery

items that are associated with the Upromise program. Forty children from Maxwell Hill Elementary participated.

"Now, more than any other time in our history, it is important that children go to college," said Treasurer Perdue. "A child who goes to college can earn significantly more over a lifetime than if he or she did not attend college."

SMART529 has enhanced its Automatic Investment Program (AIP), which allows people to make regular contributions to a SMART529 account from a bank account. The enhanced AIP lets account owners specify an annual increase in their AIP contributions to keep pace with their financial goals.

West Virginia employers can also help families by supporting a new feature that gives SMART529 account owners the option of deducting money directly from their paychecks and depositing it automatically into their accounts.

(Pictured above) West Virginia State Treasurer John D. Perdue and school children hunt for grocery items related to the Upromise program.

“WHEN I GROW UP” ESSAY CONTEST DOUBLES PARTICIPATION

In its fourth year, State Treasurer John D. Perdue’s “When I Grow Up” essay contest received its highest number of participants in contest history. In fact, the number of children submitting essays doubled from the previous year.

During the 2010-2011 school year, a total of 2,915 West Virginia children in kindergarten through fifth grade took advantage of the opportunity to win up to \$5,000 invested into a SMART529 college savings account. Also, this is the first year children from all 55 counties in West Virginia entered the contest.

“It’s exciting to see such a large number of participation from all corners of the state,” said Treasurer Perdue. “This means we are reaching every county with the message that going to college is important.”

The statewide contest kicked off on January 19 with an event at Overbrook Elementary School in Charleston. Students were asked to write an essay detailing their dream career. The contest was judged in five regions of the state resulting in three winners from each region. Each of the 15 children received \$500 invested into a SMART529 college savings account and was entered into a drawing to win an additional \$4,500. Each winning student’s respective schools also received \$500 to support school programs.

Taylor Isaly of Wood County, a student at Parkersburg Catholic Elementary, was selected as the grand prize winner at a celebration event May 4 in Charleston.

“The goal is to get children thinking about their future,” said Treasurer Perdue. “We hope this contest helps students realize that higher education will help them achieve their dreams. We also hope their parents recognize the benefits of saving for their child’s education at an early age.”

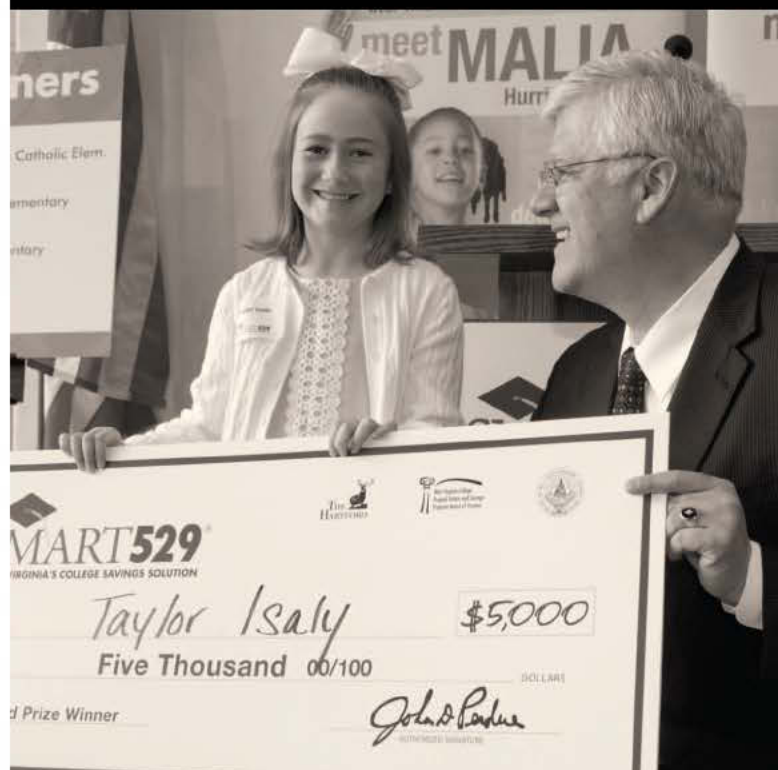
For the first time, SMART529 awarded \$2,500 cash to a West Virginia teacher who wrote an essay about how she planned to use SMART529 lesson plans in her classroom to encourage children to think about going to college.

The “When I Grow Up” essay contest and the Teachers’ Essay Contest are sponsored by the SMART529 College Savings program and the West Virginia State Treasurer’s Office to promote awareness of SMART529 and the need to save for college.

(Pictured right) Taylor Isaly of Wood County was the grand prize winner for the “When I Grow Up” Essay contest.

“HIGHER EDUCATION IS VERY IMPORTANT IN HELPING KIDS PREPARE TO MEET TOMORROW’S CHALLENGES. WEST VIRGINIA’S SMART529 COLLEGE SAVINGS PLANS WERE CREATED TO HELP FAMILIES COVER THE COST OF EDUCATION BEYOND HIGH SCHOOL. HOWEVER, SMART529 IS NOT JUST FOR COLLEGE, BUT CAN ALSO BE USED IN A WIDE RANGE OF TECHNICAL AND VOCATIONAL SCHOOLS.”

– State Treasurer John D. Perdue



WEST VIRGINIA SMART529



WEST VIRGINIA SMART529 COLLEGE SAVINGS PLAN: TOTAL QUALIFIED DISTRIBUTIONS FOR WEST VIRGINIA RESIDENTS

July 1, 2010 – June 30, 2011

Plan Name	Number of W.Va. Beneficiaries	Total Qualified Distributions
SMART529 Select	61	\$ (764,514.72)
SMART529 WV Direct	615	\$ (6,744,395.37)
The Hartford SMART529	808	\$ (6,313,542.72)
*West Virginia Prepaid Tuition	2942	\$ (7,389,194.67)

**As of March 8, 2003, The West Virginia Prepaid Tuition Plan is closed to new enrollments. This does not affect those already enrolled in the plan.*

WEST VIRGINIA COLLEGE PREPAID TUITION AND SAVINGS PROGRAM BOARD OF TRUSTEES

John D. Perdue, *Board Chairman | West Virginia State Treasurer*
 Kay Goodwin, *Trustee | Secretary of Department of Education and the Arts*
 Joe Badgley, *Trustee | W.Va. Higher Education Policy Commission*
 Brian Noland, *Trustee | W.Va. Higher Education Policy Commission*
 andré cummings, *Trustee*
 Steve Davis, *Trustee*
 Martin Gargano, *Trustee*
 Georgette George, *Trustee*
 Donna Kuhn, *Trustee*

(Pictured above) West Virginia State Treasurer John D. Perdue presented Lee Anne Burton, teacher contest winner, with a check.

WEST VIRGINIA RETIREMENT PLUS



WEST VIRGINIA RETIREMENT PLUS 457(B) DEFERRED COMPENSATION PLAN

Retirement Plus Plan Summary

The West Virginia Retirement Plus Plan is a supplemental retirement program for public employees. The Plan is a deferred compensation plan established by Section 457 of IRS code. Similar to a 401(k) plan in structure, employees save via payroll deduction, and contributions lower taxable income. Contributions are limited to IRS maximums for each calendar year.

Mission Statement

The West Virginia Retirement Plus Mission is to provide its participants with a deferred compensation plan that offers attractive, high-performing, low-cost investment options coupled with comprehensive financial education programs needed to help them gain financial security at retirement.

Eligibility

Employees from state agencies, counties, municipalities and other political subdivisions are eligible to participate in the Plan.

Investment Options

Participants can choose from a menu of investment options, including one stable value fund and twenty four mutual funds representing various asset classes.

Partnership

The West Virginia State Treasurer's Office continues to partner with ING Financial Services, our third-party administrator, to transform West Virginia Retirement Plus into one of the premiere 457 retirement plans in the nation.

FISCAL YEAR 2011 HIGHLIGHTS

Contribution Matching Program

This marked the fourth year of our contribution matching program for eligible Plan participants. More than 7,000 participants met the criterion for the matching program with over \$600,000 in matching funds due to those participants.

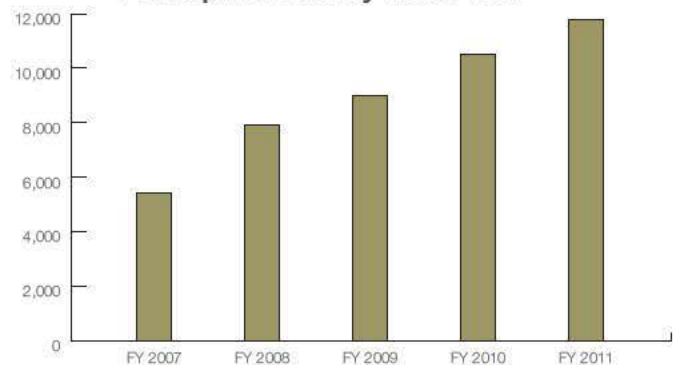
Plan Growth and Outreach

Since the Treasurer's Office became the 457 Plan administrator in July 2006, the total plan assets have grown to \$114 million, and the number of participants have doubled to more than 11,000 members. This growth is largely due to our marketing, educational and outreach efforts.

An effective outreach strategy is imperative to providing financial education opportunities and adding new participants. In order to improve outreach effectiveness, staff time was dedicated to analyzing public employee data and establishing outreach targets. Outreach strategies were then developed and implemented to reach and educate all Plan stakeholders. The following are some key fiscal year 2011 accomplishments in this area:

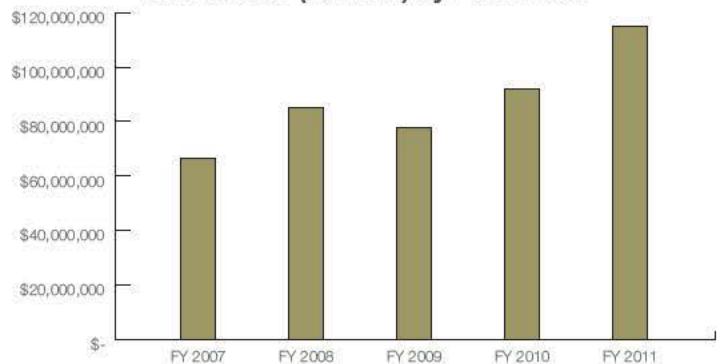
- Increased political subdivision membership to 130 entities with 47 out of 55 counties participating
- Conducted 150 enrollment meetings, financial education classes and booths at public employee venues
- Completed a detailed marketing plan resulting in more than 1,800 new enrollees
- Increased participant base to 11,752 members, an increase in excess of 100 percent since July 2006 (Graph 1 below)

Participant Totals by Fiscal Year



- Total Assets increased to \$114,662,003, representing a \$46 million increase since July 2006 (Graph 2 below)

Total Assets (Millions) by Fiscal Year



FINANCIAL EDUCATION



NETWORTH

NetWorth is a comprehensive financial education initiative designed to teach personal financial management in all of West Virginia's public schools. In 2008, the Treasurer's Office partnered with the State Board of Education to begin implementing the program with the support of several other state and local agencies. The goal is to teach financial education in grades K-12 to produce financially literate high school graduates. The NetWorth program recently completed its third phase of development by implementing county-by-county teacher training. More than 300 classroom teachers participated in the training.

Program Highlights

- Allows teachers to integrate financial learning into already established curriculum
- Used by more than 300 classroom instructors
- Supplemented with financial learning activities including Bank at School programs, Get a Life simulations and *High School Money* conferences
- Includes county-by-county teacher training
- Twice selected as regional finalist for Council of State Government Innovations Award
- Recognized as the 2009 recipient of the national EIFLE (Excellence in Financial Literacy Education) Award

Get a Life

Students from all over West Virginia participated in the Get a Life reality simulation, a hands-on financial learning experience. Get a Life is a component of State Treasurer Perdue's NetWorth initiative.

The budget game focuses on financial education by allowing students to earn a salary, budget their monthly bills and shop for essentials. Local businessmen and businesswomen help complete the learning experience by serving as sales people, insurance agents and doctors in the simulated world.

Treasurer Perdue said he's thrilled to see the program working. "With programs like NetWorth and the Get a Life simulation, I believe students in West Virginia will be better prepared to live and succeed in the real world," said Treasurer Perdue. More than 60 schools have participated in Get a Life events, reaching more than 8,000 students.

(Pictured above) Community volunteers help students at the Get a Life event at John Adams Middle School.

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– State Treasurer John D. Perdue



MONEY CONFERENCES

The West Virginia Women and Money Conference series started in 2002 with an event at the Charleston Civic Center. To date, Treasurer Perdue and the West Virginia Financial Education Foundation have hosted 28 Women and Money conferences at various locations around the state. Nearly 9,000 people have attended these events.

This free financial education opportunity is open to anyone who is interested in advice on better money management. Financial expert Dee Lee offers real-world knowledge about a variety of topics including dealing with everyday budgets, credit issues, investing advice and planning for retirement.

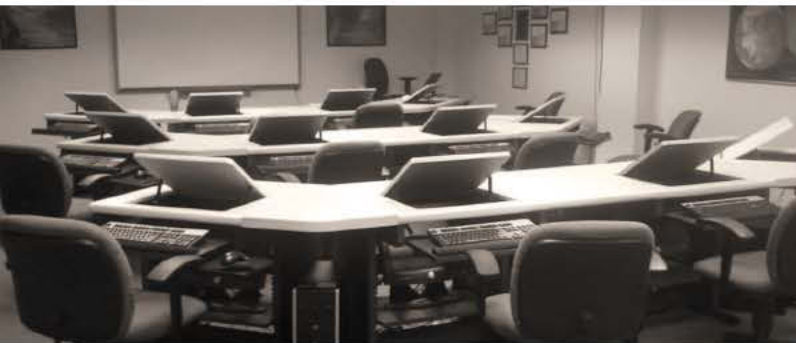
In addition to Women and Money, Treasurer Perdue reaches out to students and other specialized groups to teach financial responsibility.

Those interested should check www.wvtreasury.com for a complete schedule of financial education opportunities.

(Pictured above) Financial expert Dee Lee speaks at The West Virginia Women and Money Conference. (Pictured right) WDTV-TV 5 News Anchor Katelyn Sykes with State Treasurer John Perdue at Bridgeport Women and Money Conference.



TRAINING CENTER



TRAINING CENTER TESTIMONIALS

Kaye L. Maerz

State Law Librarian, WV Supreme Court of Appeals

Kaye Maerz is the State Law Librarian for the West Virginia Supreme Court of Appeals. During her time there, Kaye and her staff have more than taken advantage of the Treasurer's Office Training Center. Since 2003, Kaye has taken all Microsoft Office courses offered. These include Microsoft Word, Excel, Powerpoint, Outlook, and Access. Not only has she taken all the classes available, but she's also taken them at all three levels: beginner, intermediate, and advanced. Kaye's staff has taken all the same classes at the beginner and intermediate levels. Brian Bailey has been the trainer for every class taken by Kaye and her staff. "I've taken hundreds of classes, and Brian is one of the best instructors I've ever had." This is high praise coming from someone who holds seven degrees, including two master's degrees and a law degree. Kaye takes advantage of the classes for several reasons, the first of which being because they're free of charge. Furthermore, she and her staff gain invaluable knowledge used on an everyday basis. Kaye continues to take the classes because, in her words, "all the classes are great. It's not just one fantastic class mixed in with some mediocre ones."

Sonya Flemming

Secretary, WV Department of Environmental Protection

Sonya Flemming is a secretary for the West Virginia Department of Environmental Protection. During her time as a state employee, Sonya has participated in nearly all of the classes offered by the Treasurer's Office Training Center. She has completed all levels of Microsoft Access 2007, Word 2010, Outlook 2010, and the beginner and intermediate levels of Microsoft Powerpoint 2010. To continue advancing her knowledge of the latest Microsoft Office programs, Sonya is scheduled to take all three levels of Excel 2010 as well as Access 2010. Sonya was familiar with some of these programs prior to the classes, but has gained a much deeper understanding of the functions of each program since enrolling in the classes provided. "Not only are the classes educational, but they also hold my attention very well," Sonya said.

In today's business climate, technology advances at an astounding rate. As technology changes, the tools of our offices change. For over a decade, the Treasurer's Office has afforded its employees the opportunity to stay up-to-date with the most recent business tools. We also reach out to all state, county, and local government employees to provide training free of charge. Following through on the Treasurer's commitment to education, we offer the following classes each and every quarter:

- Microsoft Excel 2010
- Microsoft Word 2010
- Microsoft PowerPoint 2010
- Microsoft Access 2010
- Microsoft Outlook 2010

All classes are offered at beginner, intermediate, and advanced levels.

Not only has the State Treasurer's Office (STO) educated thousands of state employees in the last decade, but it has also provided an astonishing amount of savings to the taxpayers of our great state.

The table below displays savings accumulated, hours of class taken, and number of participants for both fiscal year 2011, as well as for the entire timespan the Training Center has been in operation. You can get a full list of courses offered as well as register for all classes at www.wvtreasury.com

	Since 2001	Fiscal Year 2011
STO Savings	\$183,010	\$13,050
Non-STO Savings	\$662,525	\$74,025
Total Gov Savings	\$845,535	\$87,075
STO Hours Delivered	7,420	393
Non-STO Hours Delivered	29,715	2,977
Total Hours Delivered	37,135	3,370
STO participants	1,282	102
Non-STO Participants	4,445	521
Total Participants	5,727	623

FINANCIAL HIGHLIGHTS

Assets Under Management

As of June 30, 2011

These assets include those of the State Treasurer's Office and those of other entities for which the State Treasurer's Office is responsible for managing or overseeing.

Board of Treasury Investments:

State agencies and participants	\$ 1,713,045,000
State funds and accounts under purview of State Treasurer's Office	2,305,786,000
Local governments	143,607,000
Treasurer's Safekeeping Fund (with Board of Treasury Investments)	29,166,000
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Total Board of Treasury Investments	4,191,604,000
West Virginia College Prepaid Tuition and Savings Program	1,663,712,000
Unclaimed Property	162,909,000
Securities held in Safekeeping	86,025,000
Treasurer's Safekeeping Fund (with Investment Management Board)	6,565,000
West Virginia Retirement Plus	114,662,000
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	\$ 6,225,477,000





The financial information in this report includes data extracted from the audited financial statements of the West Virginia Board of Treasury Investments and the West Virginia College Prepaid Tuition and Savings Program. All other financial information has not been audited by an independent certified public accounting firm. The financial data is management's best representation of the activities of the programs, funds and accounts for which the State Treasurer's Office is responsible. The presentation of the data is not intended to conform to accounting principles generally accepted in the United States of America.

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