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JOINT COMMITTEE ON
GOVERNMENT AND FINANCE

Materials Distributed

December 15, 2010

(Speaker Thompson presides)

AGENDA
JOINT COMMITTEE ON GOVERNMENT AND FINANCE
December 15, 2010

1:00 - 2:00 p.m.

Senate Finance Room

1. Approval of November 17, 2010, minutes
2. Committee Reports/Requests:
3. Monthly/Quarterly Reports Distribution:
Status Reports on the Lottery Commission, Unemployment Compensation Trust Fund,
and General Revenue Fund
4. Division of Highways: *Marvin Murphy*
5. Workforce WV Unemployment Compensation Trust Fund Distribution: *Russell Fry, Acting Executive Director*
6. Monthly/Quarterly Reports Distribution: *Robert Ferguson, Jr., Secretary, Dept. of Administration*

PELA
BRIM
CHIP
Real Estate Report
7. Monthly/Quarterly Report Distribution from Department of Health and Human Resources: *John Law*

Medicaid Report
8. Investment Management Board: *Craig Slaughter, Executive Director*
9. Workers' Compensation: *Jane Cline, Insurance Commissioner*
10. Board of Treasury Report Distribution
11. WV Higher Education Policy Commission Distribution
12. Other Business
13. Scheduled Interim Dates: January 9-11 (Sunday, Monday and Tuesday)
14. Adjournment

November 17, 2010

2:00 - 3:00 p.m.

Joint Committee on Government and Finance

Senate

Tomblin, Chair (absent)
Chafin
Helmick
Kessler
Plymale
Deem
Hall (absent)

House

Thompson, Chair
Boggs
Caputo
Miley
White (absent)
Armstead
Border

Speaker Thompson, Cochair, presided.

1. Approval of Minutes

Upon motion by Delegate Boggs, properly adopted, the minutes of the October 13, 2010, meeting were approved.

2. Committee Reports/Requests:

Parks, Recreation and Natural Resources Subcommittee - John Homburg

Upon motion by Delegate Boggs, properly adopted, the expense reimbursement for members for site visitations to North Bend Resort State Park, North Bend Rail Trail and Blennerhassett Island Historical State Park on December 6, 7 and 8, 2010, is approved.

Joint Committee on Economic Development - John Homburg

Upon motion by Delegate Boggs, properly adopted, the expense reimbursement for travel expenses to the Toyota Plant in Buffalo, WV, is approved.

3. Lottery, General Revenue Reports and Unemployment Compensation Trust Fund

Distributed to members of the Committee were the following: Lottery Commission reports for the month ended September 30, 2010; General Revenue Fund report for the month ended October 31, 2010; and the Unemployment Compensation Trust Fund report as of September 30, 2010. Distributed with each of the reports were an analysis and a summary of the reports.

4. **Consolidated Public Retirement Board**

Harry Mandel, Board Actuary, WV Consolidated Public Retirement Board said summary for TERS will be out in mid January.

5. **Workforce WV - Unemployment Compensation Trust Fund**

A report of the Workforce WV - Unemployment Compensation Trust Fund was distributed. Russell Fry, Acting Executive Director said Trust Fund will run out of funds in March 2011 under the current projections.

6. **PEIA, BRIM and CHIP Reports**

The following BRIM reports were distributed: An unaudited balance sheet and unaudited income statement for the period ending September 30, 2010.

The following reports from CHIP were distributed: A report of enrollment for October 31, 2010 and financial statements for period ending September 30, 2010. Secretary Ferguson said the enrollment is 2% lower than last year.

The following monthly PEIA reports were distributed: Monthly Management Report and Prescription Drug Report for September 2010. Secretary Ferguson said prescription claims are up about 10% this year.

7. **Real Estate Report, Department of Administration**

A real estate report for October 1, 2010 through October 31, 2010, was distributed.

8. **Departments of Health and Human Resources (DHHR) Monthly Reports**

A Medicaid report for August 2010 data was distributed. Nancy Adkins, Commissioner of Medicaid, was requested by the Committee to provide at the next meeting in December, the steps that are being taken to prevent a cut in the budget for Higher Education.

9. **Investment Management Board**

An Investment Management Board report dated September 30, 2010, was distributed.

10. **Workers' Compensation**

A Workers' Compensation report dated November 10, 2010, was distributed.

11. **Board of Treasury Investments Report Distribution**

A Board of Treasury Investments Report dated September 30, 2010 was distributed.

12. **Water Development Authority Distribution**

A Water Development Authority proposal for new construction on office building was distributed.

13. **Division of Highways Distribution**

A Division of Highways Audited Financial Statement report was distributed. The Committee requested for the Department of Transportation to give an update at the December meeting on the status of the roads and where we are on the next paving cycle .

14. **Other Business**

Upon motion by Senator Helmick, properly adopted, the Joint Committee on Government and Finance was authorized to contract with Buck Consultants to run actuarial estimates on the OPEB drop proposal and to pay a fee up to \$31,500.

The meeting was adjourned.

WEST VIRGINIA LEGISLATURE
Office of the Legislative Auditor

Budget Division
Building 1, Room 314-West Wing
1900 Kanawha Blvd. East
Charleston, WV 25305-0590



, 304-347-4870

December 5, 2010

Executive Summary of Lottery, Unemployment, General Revenue and State Road Fund Reports to Joint Committee

Lottery Commission as of October 31, 2010 :

Gross profit for the months of July - October 2010 (FY 2011) was \$ 201 million.

General Revenue Fund as of November 30, 2010:

Revenue collections for the months of July - November 2010 were 108.27% of the estimate. The amount over estimate was \$ 121.6 million.

State Road Fund as of November 30, 2010:

Fund collections were 103.20% of the yearly estimate as of November 30, 2010.

Unemployment Compensation Trust as of October 31, 2010:

Regular benefits paid for July - October of fiscal year 2011 were \$ 47.6 million less than in July - October of fiscal year 2010. Trust fund ending balance on October 31, 2010 was \$85,967,231.67.

Joint Committee on Government and Finance

WEST VIRGINIA LEGISLATURE
Office of the Legislative Auditor

Budget Division
Building 1, Room 314-West Wing
1900 Kanawha Blvd. East
Charleston, WV 25305-0590



304-347-4870

MEMORANDUM

To: Honorable Chairmen and Members of the Joint Committee on Government and Finance

From: Ellen Clark, CPA *EC*
Director Budget Division
Legislative Auditor's Office

Date: December 1, 2010

Re: Review of West Virginia Lottery Financial Information
As of October 31, 2010 (FY 2011)

We performed an analysis of the Statement of Revenues, Expenses and Retained Earnings for the months of July - October of the 2010-2011 fiscal year from monthly unaudited financial reports furnished to our office by the West Virginia Lottery Commission. The results are as follows:

Lottery Revenues:

Gross lottery revenues are receipts from on-line games, instant games, table games and video lottery. These gross receipts totaled \$ 472,344,000.00 for July - October of fiscal year 2011. Table games accounted for \$20 million of this total. Historic Resort Hotel video lottery and table games accounted for \$2 million of total gross receipts. These gross receipts were \$473,505,000.00 for July - September of the preceding fiscal year, 2009-2010. Gross lottery revenue is down by less than 1 percent (0.25) from the preceding fiscal year. This number does not include commission and prize deductions. Gross profit (Gross revenues minus commissions and prize costs) for July - October

Lottery

Joint Committee on Government and Finance

Lottery continued

2010 was \$201,642,000.00; for July - October of last fiscal year it was \$202,427,000.00. Expressed as a percentage, gross profit is less than 1% (0.39) lower for fiscal year 2011 than for fiscal year 2010.

Operating Income:

Operating income was \$ 193,742,000.00 for July - October 2010. For the preceding July - October it was \$ 195,149,000.00. This was a decrease of less than 1% (0.72%). After additions and subtractions of non-operating income and expenses, distributions to the state were \$191,007,000.00 for July - October 2010 (FY 2011).

Operating Transfers to the State of West Virginia:

A total of \$ 191,007,000.00 has been accrued to the state of West Virginia for fiscal year 2010-2011. This is on an accrual basis and may not correspond to the actual cash transfers made during the same time period. (Amounts owed to the different accounts according to the Lottery Act are calculated monthly and accrued to the state; actual cash transfers are often made based upon actual cash flow needs of the day-to-day operation of the lottery.)

A schedule of cash transfers follows:

Bureau of Senior Services	\$ 43,931,000.00
Community and Technical College	\$2,000,000.00
Department of Education	\$ 20,869,000.00
Library Commission	\$ 7,394,000.00
Higher Education-Central Office	\$ 7,660,000.00
Tourism	\$ 5,013,000.00
Department of Natural Resources	\$ 2,287,000.00

Lottery

Lottery continued

Division of Culture and History	\$ 3,860,000.00
Department of Education and Arts	\$ 749,000.00
State Building Commission	\$ 4,000,000.00
School Building Authority	\$ 7,200,000.00
<u>SUBTOTAL BUDGETARY TRANSFERS</u>	\$104,963,000.00

Excess Lottery Fund

General Purpose Fund	\$ 65,000,000.00
Economic Development Fund	\$ 7,600,000.00
Excess Lottery Surplus	\$ 0.00
Education Improvement Fund	\$ 4,000,000.00
WV Infrastructure Council Fund	\$ 19,470,000.00
Higher Education Improvement Fund	\$ 29,000,000.00
Refundable Credit	\$ 737,000.00
State Park Improvement Fund	2,434,000.00
School Building Authority	7,600,000.00
TOTAL EXCESS LOTTERY FUND	\$135,841,000.00

Historic Resort Hotel Distributions:

State General Revenue Fund	473,000.00
State Debt Reduction Fund	141,000.00
Tourism Promotion Fund	22,000.00
Total Historic Hotel	636,000.00

Lottery

Lottery continued

Veterans Instant Ticket Fund 277,000.00
 Table Games State Debt Reduction Fund 8,120,000.00

RACETRACK VIDEO LOTTERY TRANSFERS:	
Tourism Promotion Fund 1.375%	\$3,323,000.00
Development Office Promo Fund	\$905,000.00
Research Challenge Fund .5%	\$1,208,000.00
Capitol Renovation and Improvement Fund .6875%	\$1,662,000.00
Parking Garage Fund .0625%	\$151,000.00
Parking Garage Fund 1%	\$500,000.00
Cultural Facilities and Cap. Resources Fund .5%	\$930,000.00
Capitol Dome & Cap. Improvements Fund .5%	\$987,000.00
Workers Compensation Debt Reduction Fund 7%	\$11,000,000.00
SUBTOTAL VIDEO LOTTERY TRANSFERS:	\$20,666,000.00
TOTAL TRANSFERS	*\$270,503,000.00

* CASH BASIS

Total Accrued last FY 2010: 241,039,000.00
 Total Cash Distributions FY 2011: 270,503,000.00
 Applied to FY 2010: 241,039,000.00
 Total Applied to FY 2011 29,464,000.00
 Total Accrued for FY 2010 0
 Accrued for FY 2011 as of October 31: 161,543,000.00

Lottery

P.O. BOX 2067
CHARLESTON, WV 25327

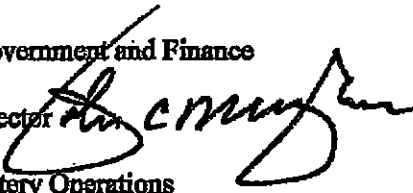


PHONE: 304-558-0500
FAX: 304-558-3321

John C. Musgrave
Director

MEMORANDUM

TO: Joint Committee on Government and Finance

FROM: John C. Musgrave, Director 

RE: Monthly Report on Lottery Operations
Month Ending October 31, 2010

DATE: November 19, 2010

This report of the Lottery operations is provided pursuant to the State Lottery Act.

Financial statements of the Lottery for the month ending October 31, 2010 are attached. Lottery revenue, which includes on-line, instant, video lottery sales, table games, and historic resort, was \$117,997,943 for the month of October.

Transfers of lottery revenue totaling \$40,758,616 made for the month of October to the designated state agencies per Senate Bill 213, Veterans Instant Ticket Fund, Racetrack Video Lottery Act (§29-22A-10), and the Racetrack Table Games Act (§29-22C-27). The amount transferred to each agency is shown in Note 10 on pages 18 and 19 of the attached financial statements.

The number of traditional and limited retailers active as of October 31, 2010 was 1,595 and 1,580 respectively.

A listing of the names and amounts of prize winners has been provided to the Clerk of the Senate, the Clerk of the House and Legislative Services.

If any member of the Committee has questions concerning the Lottery, please call me. Also if any members of the Legislature wish to visit the Lottery offices, I would be pleased to show them our facilities and discuss the Lottery with them.

JCM/rd
Attachment

pc: Honorable Earl Ray Tomblin
John Perdue, Treasurer
Glen B. Gainer III, Auditor
Members of the West Virginia Lottery Commission

www.wvlottery.com



WEST VIRGINIA LOTTERY

STATE OF WEST VIRGINIA

**FINANCIAL STATEMENTS
-UNAUDITED-**

October 31, 2010

WEST VIRGINIA LOTTERY

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WEST VIRGINIA LOTTERY
BALANCE SHEETS
(In Thousands)
-Unaudited-

ASSETS	October 31, 2010	June 30, 2010
Current Assets:		
Cash and cash equivalents	\$ 158,124	\$ 256,355
Accounts receivable	36,829	26,986
Inventory	593	683
Other assets	2,190	2,273
Total Current Assets	<u>197,736</u>	<u>286,297</u>
Noncurrent Assets:		
Restricted cash and cash equivalents	8,355	8,355
Capital assets	39,915	39,524
Less accumulated depreciation and amortization	(16,761)	(16,175)
Net Capital Assets	<u>23,154</u>	<u>23,349</u>
Total Noncurrent Assets	<u>31,509</u>	<u>31,704</u>
Total Assets	<u>\$ 229,245</u>	<u>\$ 318,001</u>
LIABILITIES AND NET ASSETS		
Current Liabilities:		
Accrued nonoperating distributions to the State of West Virginia	\$ 161,543	\$ 241,039
Estimated prize claims	12,401	13,128
Accounts payable	2,287	3,050
Other accrued liabilities	16,631	24,401
Total Current Liabilities	<u>192,862</u>	<u>281,618</u>
Total Liabilities	<u>192,862</u>	<u>281,618</u>
Net Assets:		
Invested in capital assets	23,154	23,349
Unrestricted	4,874	4,679
Restricted assets (see note 12)	8,355	8,355
Total Net Assets	<u>36,383</u>	<u>36,383</u>
Total Liabilities and Net Assets	<u>\$ 229,245</u>	<u>\$ 318,001</u>

The accompanying notes are an integral part of these financial statements.

WEST VIRGINIA LOTTERY
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS
FOR THE FOUR MONTH PERIOD ENDED OCTOBER 31, 2010

(In Thousands)

-Unaudited-

	CURRENT MONTH		YEAR TO DATE	
	2010	2009	2010	2009
Lottery revenues				
On-line games	\$ 6,384	\$ 6,836	\$ 24,675	\$ 30,273
Instant games	8,741	7,478	33,184	30,484
Racetrack video lottery	63,212	61,744	261,398	269,558
Limited video lottery	33,764	33,609	130,949	131,945
Table games	5,292	2,694	20,054	11,185
Historic resort	604	60	2,084	60
	<u>117,997</u>	<u>112,421</u>	<u>472,344</u>	<u>473,505</u>
Less commissions				
On-line games	447	479	1,727	2,119
Instant games	612	524	2,323	2,134
Racetrack video lottery	39,221	38,322	153,791	158,993
Limited video lottery	16,544	16,468	64,165	64,653
Table games	2,274	1,059	8,618	4,398
Historic resort	331	25	1,086	25
	<u>59,429</u>	<u>56,877</u>	<u>231,710</u>	<u>232,322</u>
Less on-line prizes	3,140	3,449	13,038	15,055
Less instant prizes	6,043	5,059	22,640	20,598
Less ticket costs	193	125	769	452
Less vendor fees and costs	603	695	2,525	2,651
	<u>9,979</u>	<u>9,328</u>	<u>38,992</u>	<u>38,756</u>
Gross profit	<u>48,589</u>	<u>46,216</u>	<u>201,642</u>	<u>202,427</u>
Administrative expenses				
Advertising and promotions	1,522	751	3,541	2,155
Wages and related benefits	974	880	3,899	3,653
Telecommunications	50	35	204	282
Contractual and professional	442	535	1,448	1,556
Rental	54	59	221	239
Depreciation and amortization	147	174	586	677
Other administrative expenses	149	117	545	381
	<u>3,338</u>	<u>2,551</u>	<u>10,444</u>	<u>8,943</u>
Other Operating Income	<u>182</u>	<u>116</u>	<u>2,544</u>	<u>1,665</u>
Operating Income	<u>45,433</u>	<u>43,781</u>	<u>193,742</u>	<u>195,149</u>
Nonoperating income (expense)				
Investment income	27	20	113	132
Distributions to municipalities and counties	(662)	(659)	(2,567)	(2,586)
Distributions -capital reinvestment	(233)	(204)	(281)	(204)
Distributions to the State of West Virginia	(44,563)	(42,933)	(191,007)	(192,462)
	<u>(45,433)</u>	<u>(43,776)</u>	<u>(193,742)</u>	<u>(195,120)</u>
Net income	<u>-</u>	<u>5</u>	<u>-</u>	<u>29</u>
Net assets, beginning of period	<u>36,383</u>	<u>83,212</u>	<u>36,383</u>	<u>83,188</u>
Net assets, end of period	<u>\$ 36,383</u>	<u>\$ 83,217</u>	<u>\$ 36,383</u>	<u>\$ 83,217</u>

The accompanying notes are an integral part of these financial statements.

WEST VIRGINIA LOTTERY
STATEMENTS OF CASH FLOWS
FOR THE FOUR MONTH PERIOD ENDED OCTOBER 31, 2010
(In Thousands)
- Unaudited -

	2010	2009
Cash flows from operating activities:		
Cash received from customers and other sources	\$ 465,045	\$ 474,901
Cash payments for:		
Personnel costs	(3,473)	(3,653)
Suppliers	(7,710)	(3,874)
Other operating costs	<u>(264,086)</u>	<u>(274,536)</u>
Cash provided by operating activities	<u>189,776</u>	<u>192,838</u>
Cash flows from noncapital financing activities:		
Nonoperating distributions to the State of West Virginia	(270,503)	(188,380)
Distributions to municipalities and counties	(2,530)	(2,561)
Distributions to racetrack from racetrack cap. reinv. fund	<u>(14,696)</u>	<u>(12,004)</u>
Cash used in noncapital financing activities	<u>(287,729)</u>	<u>(202,945)</u>
Cash flows from capital and related financing activities:		
Purchases of capital assets	<u>(391)</u>	<u>(275)</u>
Cash flows from investing activities:		
Investment earnings received	<u>113</u>	<u>132</u>
Increase (decrease) in cash and cash equivalents	(98,231)	(10,250)
Cash and cash equivalents - beginning of period	264,710	295,225
Cash and cash equivalents - end of period	\$ <u>166,479</u>	\$ <u>284,975</u>
Reconciliation of operating income to net cash provided by operating activities:		
Operating income	\$ 193,742	\$ 195,149
Adjustments to reconcile operating income to cash provided by operating activities:		
Depreciation and amortization	586	677
Changes in operating assets and liabilities:		
(Increase) decrease in accounts receivable	(9,843)	(269)
(Increase) decrease in inventory	90	125
(Increase) decrease in other assets	83	76
Increase (decrease) in estimated prize claims	(727)	(615)
Increase (decrease) in accounts payable	(763)	163
Increase (decrease) in other accrued liabilities	<u>6,608</u>	<u>(2,468)</u>
Cash provided by operating activities	<u>\$ 189,776</u>	<u>\$ 192,838</u>

The accompanying notes are an integral part of these financial statements.

WEST VIRGINIA LOTTERY
NOTES TO FINANCIAL STATEMENTS
-Unaudited-

NOTE 1 - LEGISLATIVE ENACTMENT

The West Virginia Lottery (Lottery) was established by the State Lottery Act (Act) passed April 13, 1985, which created a special fund in the State Treasury designated as the "State Lottery Fund." The purpose of the Act was to establish and implement a state-operated lottery under the supervision of a state lottery commission (Commission) and a director. The Commission, consisting of seven members and the Director are appointed by the Governor. Under the Act, the Commission has certain powers and the duty to establish rules for conducting games, to select the type and number of gaming systems or games and to enter into contracts and agreements, and to do all acts necessary or incidental to the performance of its duties and exercise of its power and duty to operate the Lottery in a highly efficient manner. The Act provides that a minimum annual average of 45% of the gross amount received from each lottery shall be allocated for prizes and also provides for certain limitations on expenses necessary for operation and administration of the Lottery. To the extent available, remaining net profits are to be distributed to the State of West Virginia. As the State is able to impose its will over the Lottery, the Lottery is considered a component unit of the State and its financial statements are presented in the comprehensive annual financial report of the State as a blended proprietary fund component unit.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A summary of the significant accounting policies of the Lottery is presented below.

BASIS OF PRESENTATION – The West Virginia Lottery is a component unit of the State of West Virginia, and is accounted for as a proprietary fund special purpose government engaged in business type activities. In accordance with Governmental Accounting Standards Board (GASB) Statement No. 34, "Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments," and with accounting principles generally accepted in the United States of America, the financial statements are prepared on the accrual basis of accounting which requires recognition of revenue when earned and expenses when incurred. As permitted by Governmental Accounting Standards Board (GASB) Statement No. 20, "Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities That Use Proprietary Fund Accounting," the Lottery has elected not to adopt Financial Accounting Standards Board (FASB) statements and interpretations issued after November 30, 1989 unless the GASB specifically adopts such FASB statements or interpretations.

The Lottery is included in the State's basic financial statements as a proprietary fund and business type activity using the accrual basic of accounting. Because of the Lottery's presentation in these financial statements as a special purpose government engaged in business type activities, there may be differences in presentation of amounts reported in these financial statements and the basic financial statements of the State as a result of major fund determination.

USE OF ESTIMATES – The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make certain estimates and develop assumptions that affect the amounts reported in the financial statements and related notes to financial statements. Actual results could differ from management's estimates.

WEST VIRGINIA LOTTERY
NOTES TO FINANCIAL STATEMENTS
-Unaudited-

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

LOTTERY GAME OPERATIONS – The West Virginia Lottery derives its revenues from four basic types of lottery games: instant, on-line, video type games, and table games. The Lottery develops multiple game themes and prize structures to comply with its enabling legislation, including aggregate annual minimum prize provisions. All bonded retailers and agents comprised principally of grocery and convenience stores serve as the primary distribution channel for instant and on-line lottery sales to the general public.

The Lottery has contracted with a private vendor to manufacture, distribute, and provide data processing support for instant and on-line games. Under the terms of the agreements, the Lottery pays a percentage of gross revenues or gross profits for the processing and manufacture of the games.

Revenue from instant games is recognized when game tickets are sold to the retailers, and the related prize expense is recorded based on the specific game prize structure. Instant ticket sales and related prizes do not include the value of free plays issued for the purpose of increasing the odds of winning a prize.

Sales of on-line lottery tickets are made by licensed agents to the public with the use of computerized terminals. On-line games include POWERBALL®, a multi-state “jackpot” game; HOT LOTTO®, a multi-state “lotto” game; Mega Millions®, a multi-state “jackpot” game; Cash25 “lotto” game; Daily 3 and 4 “numbers” games; and Travel, a daily “keno” game. Revenue is recognized when the agent sells the tickets to the public. Prize expense is recognized on the basis of actual drawing results.

Commissions are paid to instant game retailers and on-line agents at the rate of seven percent of gross sales. A portion of the commission not to exceed one and one quarter percent of gross sales may be paid from unclaimed prize moneys. The amount paid from unclaimed prize moneys is credited against prize costs. In addition, retailers and agents are paid limited bonus incentives that include prize shares on winning tickets they sold and a ticket cashing bonus on winning tickets they cash. On a weekly basis, retailers and agents must remit amounts due to the Lottery. Retailers may not be able to order additional instant tickets if payment has not been made for the previous billing period, while an agent’s on-line terminal may be rendered inactive if payment is not received each week. No one retailer or agent accounts for a significant amount of the Lottery’s sales or accounts receivable. Historically credit losses have been nominal and no allowance for doubtful accounts receivable is considered necessary.

Video lottery is a self-activated video version of lottery games which is operated by an authorized licensee. The board-operated games allow a player to place bets for the chance to be awarded credits which can either be redeemed for cash or be replayed as additional bets. The coin operated games allow a player to use coins, currency, or tokens to place bets for the chance to receive coin or token awards which may be redeemed for cash or used for replay in the coin operated games. The video lottery games’ prize structures are designed to award prizes, or credits, at a stipulated rate of total bets played, and prize expense is netted against total video credits played. The Lottery recognizes as video lottery revenue “gross terminal income” equivalent to all wagers, net of related prizes. Amounts required by statute to be paid to the private and local government entities are reported as commissions. WV Lottery statutes have established specific requirements for video lottery and imposed certain restrictions limiting the licensing for operation of video lottery games to horse and dog racetracks in West Virginia (subject to local county elections permitting the same), limited licensed retailer areas restricted for adult amusement, and licensed historic resort hotels as defined by WV Code.

WEST VIRGINIA LOTTERY
NOTES TO FINANCIAL STATEMENTS
-Unaudited-

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

The legislation further stipulates the distribution of revenues from video lottery games, and requires any video lottery licensee to be responsible for acquiring the necessary equipment and bearing the risk associated with the costs of operating and marketing the games.

Table games are lotteries as each game involves consideration, the possibility of a prize, and their outcome is determined predominantly by chance, which the common law of West Virginia has long held are the three essential elements of a lottery. Table games are the exclusive intangible intellectual property of the state of West Virginia. Table games legislation has established specific requirements for table games and imposed certain restrictions limiting the licensing for operation of table games to horse and dog racetracks in West Virginia (subject to local county elections permitting the same), and licensed historic resort hotels as defined by WV Code. Each licensee as an agent of the Lottery Commission to operate West Virginia table games shall have written rules of play for each table game it operates which must be approved by the Commission. All wagers and pay-offs of winning wagers shall be made according to those rules of play. For the privilege of holding a table games license, there is levied a privilege tax of thirty-five percent of each licensee's adjusted gross receipts for the operation of West Virginia Lottery table games. Amounts required by statute to be paid to private and local government entities are reported as commissions. The legislation further stipulates the distribution of revenues from West Virginia table games, and requires any licensee to be responsible for acquiring the necessary equipment and bearing the risk associated with the costs of operating and marketing the games.

CASH AND CASH EQUIVALENTS – Cash and cash equivalents primarily consist of interest-earning deposits in an external investment pool maintained by the West Virginia Board of Treasury Investments (BTI). The BTI pool is a 2a-7 like pool carried at amortized cost which approximates fair value of the underlying securities.

INVENTORY – Inventory consists of instant game tickets available for sale to approved Lottery retailers and is carried at cost as determined by the specific identification method.

OTHER ASSETS – Other assets consist of deposits restricted for payment of certain Multi-State Lottery Association activities and prepaid expenses.

CAPITAL ASSETS – The Lottery has adopted a policy of capitalizing assets with individual amounts exceeding \$25,000. These assets include leasehold improvements and purchased equipment, comprised principally of technology property, office furnishings and equipment necessary to administer lottery games, are carried at cost. Depreciation is computed by the straight-line method using three to ten year lives.

ADVERTISING AND PROMOTIONS – The Lottery expenses the costs of advertising and promotions as they are incurred.

COMPENSATED ABSENCES – The Lottery has accrued \$500,740 and \$467,815 of at June 30, 2010 and 2009, respectively, for estimated obligations that may arise in connection with compensated absences for vacation at the current rate of employee pay. Employees fully vest in all earned but unused vacation. To the extent that accumulated sick leave is expected to be converted to benefits on termination or retirement, the Lottery participates in an other postemployment benefits plan (see Note 16).

WEST VIRGINIA LOTTERY
NOTES TO FINANCIAL STATEMENTS
-Unaudited-

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

NET ASSETS – Net assets are presented as restricted, unrestricted and invested in capital assets which represent the net book value of all property and equipment of the Lottery. When an expense is incurred for purposes for which both restricted and unrestricted net assets are available, restricted resources are applied first.

OPERATING REVENUES AND EXPENSES – Operating revenues and expenses for proprietary funds such as the Lottery are revenues and expenses that result from providing services and producing and delivering goods and/or services. Operating revenues for the Lottery are derived from providing various types of lottery games. Operating expenses include commissions, prize costs, other direct costs of providing lottery games, and administrative expenses. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

NOTE 3 - CASH AND CASH EQUIVALENTS

At October 31, 2010 the carrying amounts of deposits (overdraft) with financial institutions were (\$34) thousand with a bank balance (overdraft) of \$1 thousand. Of this balance \$250 thousand was covered by federal depository insurance with the remaining balance collateralized with securities held by the State of West Virginia's agent in the State's name.

A summary of the amount on deposit with the West Virginia Board of Treasury Investments (BTI) is as follows (in thousands):

	<u>October 31, 2010</u>	<u>June 30, 2010</u>
Deposits with financial institutions	\$ (34)	\$ (60)
Cash on hand at the Treasurer's Office	23,026	40,006
Investments with BTI reported as cash equivalents	<u>143,487</u>	<u>224,764</u>
	<u>\$ 166,479</u>	<u>\$ 264,710</u>

The deposits with the BTI are part of the State of West Virginia's consolidated investment cash liquidity pool. Investment income is pro-rated to the Lottery at rates specified by the BTI based on the balance of the deposits maintained in relation to the total deposits of all state agencies participating in the pool. Such funds are available to the Lottery with overnight notice.

WEST VIRGINIA LOTTERY
NOTES TO FINANCIAL STATEMENTS
- Unaudited -

NOTE 4 – CAPITAL ASSETS

A summary of capital asset activity for the month ended October 31, 2010 is as follows (in thousands):

Capital Assets:

	Historical Cost At June 30, 2010	Additions	Deletions	Historical Cost At October 31, 2010
Construction in Progress	\$ 20,174	\$ 263	\$ -	\$ 20,437
Land	1,434	-	-	1,434
Improvements	1,170	-	-	1,170
Equipment	16,746	128	-	16,874
	<u>\$ 39,524</u>	<u>\$ 391</u>	<u>\$ -</u>	<u>\$ 39,915</u>

Accumulated Depreciation:

	Historical Cost At June 30, 2010	Additions	Deletions	Historical Cost At October 31, 2010
Improvements	\$ 1,131	\$ 4	\$ -	\$ 1,135
Equipment	15,044	582	-	15,626
	<u>\$ 16,175</u>	<u>\$ 586</u>	<u>\$ -</u>	<u>\$ 16,761</u>

NOTE 5 - PARTICIPATION IN THE MULTI-STATE LOTTERY

The Lottery is a member of the Multi-State Lottery (MUSL), which operates the semi-weekly POWERBALL® jackpot lotto game, the HOT LOTTO® game, and the MEGA MILLIONS® jackpot game on behalf of participating state lotteries. MUSL is currently comprised of 33 member state lotteries, including the District of Columbia and the United States Virgin Islands. MUSL is managed by a Board of Directors, which is comprised of the lottery directors or their designee from each of the party states. The Board of Directors' responsibilities to administer the Multi-State Lottery Powerball, Hot Lotto, and Mega Millions games are performed by advisory committees or panels staffed by officers and independent contractors appointed by the board. These officers and consultants serve at the pleasure of the board and the board prescribes their powers, duties and qualifications. The Executive Committee carries out the budgeting and financing of MUSL, while the board contracts the annual independent audit. A copy of the audit may be obtained by writing to the Multi-State Lottery Association, 1701-48th Street, Suite 210, West Des Moines, Iowa 50266-6723.

Each MUSL member sells game tickets through its agents and makes weekly wire transfers to the MUSL in an amount equivalent to the total prize pool less the amount of prizes won in each state. Lesser prizes are paid directly to the winners by each member lottery. The prize pool for POWERBALL®, HOT LOTTO® and MEGA MILLIONS® is 50% of each drawing period's sales, with minimum jackpot levels. The Lottery's revenues and expenses from MUSL games participation for the month ended October 31, 2010 and year-to-date is as follows:

WEST VIRGINIA LOTTERY
NOTES TO FINANCIAL STATEMENTS
-Unaudited-

NOTE 5 - PARTICIPATION IN THE MULTI-STATE LOTTERY (continued)

<u>Revenues</u>	<u>Month</u>	<u>Y-T-D</u>
Powerball	\$ 2,917,045	\$ 11,816,737
Hot Lotto	557,621	1,961,844
Mega Millions	776,308	2,503,617
Total	\$ 4,250,974	\$ 16,282,198
<u>Expenses (Prizes)</u>	<u>Month</u>	<u>Y-T-D</u>
Powerball	\$ 1,475,449	\$ 5,904,410
Hot Lotto	280,546	978,236
Mega Millions	396,153	1,286,740
Total	\$ 2,152,148	\$ 8,169,386

MUSL places a percentage of game sales from each game in separate prize reserve funds that serve as a contingency reserve to protect the respective MUSL Product Groups from unforeseen prize liabilities. These funds can only be used at the discretion of the respective MUSL Product Group. Once the prize reserve funds exceed the designated limit, the excess becomes part of that particular prize pool. Prize reserve fund monies are refundable to MUSL Product Group members if the MUSL disbands or, after one year, if a member leaves the MUSL. The applicable sales percentage contribution as well as the reserve fund limit for the MUSL games is as follows:

	<u>PowerBall</u>	<u>Hot Lotto</u>	<u>Mega Millions</u>
Required Contribution (% of sales)	2%	3%	1%
Reserve Fund Cap	\$125,000,000	\$9,000,000	N/A

At October 31, 2010, the Lotteries share of the prize reserve fund balances were as follows:

<u>Game</u>	<u>Total Prize Reserve</u>	<u>Lottery Share</u>
Powerball	\$ 114,656,441	\$ 2,389,260
Hot Lotto	6,988,732	429,939
Mega Millions	(3,505,636)	(33,766)
Total	\$ 118,139,537	\$ 2,785,433

Lottery prize reserves held by the MUSL are invested according to a Trust agreement the Lottery has with MUSL outlining investment policies. The policies restrict investments to direct obligations of the United States Government, perfected repurchase agreements, and obligations issued or guaranteed as to payment of principal and interest by agencies or instrumentalities of the United States Government, and mutual funds of approved investments. The average portfolio maturity is never more than one year, except that up to one third of the portfolio may have an average maturity of up to two years. The maximum maturity for any one security does not exceed five years.

WEST VIRGINIA LOTTERY
NOTES TO FINANCIAL STATEMENTS
-Unaudited-

NOTE 5 - PARTICIPATION IN THE MULTI-STATE LOTTERY (continued)

The interest earned on prize reserve fund monies is used to pay MUSL operating expenses and any amounts over and above that are credited to an unreserved fund. The Lottery records this as interest when earned. This fund had a balance of \$15,848,900 at October 31, 2010, of which the Lottery's share was \$1,755,415.

NOTE 6 - RACETRACK VIDEO LOTTERY

The Racetrack Video Lottery legislation stipulates the distribution of racetrack video lottery revenues. This legislation has been amended since inception to restate revenue distribution based on revenue benchmarks. Initially, four percent (4%) of gross terminal revenue is allocated for lottery administrative costs. Sixty-six percent (66%) of net terminal revenue (gross less 4%) is allocated in lieu of commissions to: the racetracks (47%); other private entities associated with the racing industry (17%); and the local county and municipal governments (2%). The remaining revenues (34%) of net terminal revenue is allocated for distribution to State as specified in the Racetrack Video Lottery Act or subsequent State budget, as described in the Note 10 titled "Nonoperating Distributions to the State of West Virginia."

The first benchmark occurs when the current year net terminal revenue meets the fiscal year 1999 net terminal revenue. The counties and incorporated municipalities split 50/50 the two percent (2%) net terminal revenue.

The second benchmark occurs when the current year gross terminal revenue meets the fiscal year 2001 gross terminal revenue. The four percent (4%) is no longer allocated for lottery administrative costs; instead the State receives this for distribution as specified by legislation or the State budget.

The final benchmark occurs when the current year net terminal revenue meets the fiscal year 2001 net terminal revenue. At this point a 10% surcharge is applied to net terminal revenue, with 58% of the surcharge allocated for distribution to the State as specified by legislation or the State budget, and 42% of the surcharge allocated to separate capital reinvestment funds for each licensed racetrack.

After deduction of the surcharge, 55% of net terminal revenue is allocated in lieu of commissions to: the racetracks (42%); other private entities associated with the racing industry (11%); and the local county and incorporated municipality governments (2%). The remaining net terminal revenue (45%) is allocated for distribution to the State as specified in the Racetrack Video Lottery Act or subsequent State budget, as described in Note 10. Amounts from the capital reinvestment fund may be distributed to each racetrack if qualifying expenditures are made within the statutory timeframe; otherwise amounts accumulated in the fund revert to the state excess lottery revenue fund.

The WV Lottery, along with the Rhode Island and Delaware lotteries, participate in Multi-Jurisdictional Wide Area Progressive (MWAP) video games. This allows each of the lotteries to offer a higher progressive jackpot than they could generate alone. MUSL manages the progressive games and charges each participant a MWAP contribution fee of 4% of the amount wagered. A summary of racetrack video lottery revenues for the month ended October 31, 2010 and year-to-date follows (in thousands):

WEST VIRGINIA LOTTERY
NOTES TO FINANCIAL STATEMENTS
-Unaudited-

NOTE 6 - RACETRACK VIDEO LOTTERY (continued)

	Current Month		Year-to-Date	
	2011	2010	2011	2010
Total credits played	\$ 690,138	\$ 708,089	\$ 2,853,728	\$ 2,881,767
Credits (prizes) won	(618,932)	(637,821)	(2,563,127)	(2,597,050)
Promotional credits played	(7,756)	(8,114)	(27,952)	(13,732)
MWAP Contributions	(238)	(410)	(1,251)	(1,427)
Gross terminal income	63,212	61,744	261,398	269,558
Administrative costs	(2,151)	(2,101)	(10,079)	(10,413)
Net Terminal Income	61,061	59,643	251,319	259,145
Less distribution to agents	(39,221)	(38,322)	(153,791)	(158,993)
Racetrack video lottery revenues	<u>\$ 21,840</u>	<u>\$ 21,321</u>	<u>\$ 97,528</u>	<u>\$ 100,152</u>

A summary of video lottery revenues paid or accrued for certain state funds to conform with the legislation follows (in thousands):

	October 31, 2010	Year-to-Date
State Lottery Fund	\$ 16,695	\$ 73,773
State Excess Lottery Revenue Fund	2,526	2,526
Capital Reinvestment Fund	211	211
Tourism Promotion Fund 1.375%	827	3,444
Development Office Promotion Fund .375 %	226	939
Research Challenge Fund .5 %	301	1,252
Capitol Renovation & Improvement Fund .6875 %	414	1,722
Parking Garage Fund .0625 %	38	157
Parking Garage Fund 1 %	-	500
Cultural Facilities & Capitol Resources Fund .5 %	301	1,002
Capitol Dome & Capitol Improvements Fund .5 %	301	1,802
Worker's Compensation Debt Reduction Fund 7 %	-	11,000
Total nonoperating distributions	<u>\$ 21,840</u>	<u>\$ 97,528</u>

NOTE 7 - LIMITED VIDEO LOTTERY

Limited video lottery legislation passed in 2001 has established specific requirements imposing certain restrictions limiting the licensing for the operation of limited video lottery games to 9,000 terminals placed in licensed retailers. These licensed retailers must hold a qualifying permit for the sale and consumption on premises of alcohol or non-intoxicating beer. The Lottery has been charged with the administration, monitoring and regulation of these machines. The legislation further stipulates the distribution of revenues from the limited video lottery games, and requires any licensees to comply with all related rules and regulations of the Lottery in order to continue its retailer status. The Limited Video Lottery legislation stipulates that 2% of gross terminal income be deposited into the state lottery fund for administrative costs. Then, the state share percentage of gross profit is to be transferred to the State Excess Lottery Revenue Fund. Such percentage is between 30 and 50 percent and is subject to change on a quarterly basis. Two percent is distributed to counties and incorporated municipalities in the manner prescribed by the statute. The remaining amount of gross profit is paid to retailers and/or operators as prescribed in the Act, and is recorded as limited

WEST VIRGINIA LOTTERY
NOTES TO FINANCIAL STATEMENTS
-Unaudited-

NOTE 7 - LIMITED VIDEO LOTTERY (continued)

video lottery commissions in the financial statements. Municipal and county distributions are accounted for as nonoperating expenses. A summary of limited video lottery revenues for the month ended October 31, 2010 and year-to-date follows (in thousands):

	Current Month		Year-to-Date	
	2011	2010	2011	2010
Total credits played	\$ 400,587	\$ 399,919	\$ 1,543,966	\$ 1,551,528
Credits (prizes) won	(366,823)	(366,310)	(1,413,017)	(1,419,583)
Gross terminal income	\$ 33,764	\$ 33,609	\$ 130,949	\$ 131,945
Administrative costs	(675)	(672)	(2,619)	(2,639)
Gross Profit	33,089	32,937	128,330	129,306
Commissions	(16,544)	(16,468)	(64,165)	(64,653)
Municipalities and Counties	(662)	(659)	(2,567)	(2,580)
Limited video lottery revenues	<u>\$ 15,883</u>	<u>\$ 15,810</u>	<u>\$ 61,598</u>	<u>\$ 62,067</u>

NOTE 8 - TABLE GAMES

Table Games legislation passed in 2007 per House Bill 2718. Table games include blackjack, roulette, craps, and various types of poker. Each racetrack licensee is subject to a privilege tax of thirty five percent (35%) of adjusted gross receipts which will be deposited weekly into the Racetrack Table Games Fund.

From the gross amounts deposited into the Racetrack Table Games Fund, the Commission, on a monthly basis shall:

Retain 3% of the adjusted gross receipts for administrative expenses of which at least \$100,000 and not more than \$500,000 annually will be transferred to the Compulsive Gambling Treatment Fund. Transfer two and one-half percent of adjusted gross receipts from all thoroughbred racetracks with West Virginia Lottery table games to the special funds established by each thoroughbred racetrack table games licensee for the payment of regular racetrack purses to be divided equally among each licensee and transfer two and one-half percent of adjusted gross receipts from all greyhound racetracks with West Virginia Lottery table games to the special funds established by each greyhound racetrack table games licensee for the payment of regular racetrack purses to be divided equally among each licensee. Transfer two percent of the adjusted gross receipts from all licensed racetracks to the Thoroughbred Development Fund and the Greyhound Breeding Development Fund to be divided pro rata among the development funds. Transfer one percent of the adjusted gross receipts from each licensed racetrack to the county commissions of the counties where racetracks with West Virginia Lottery table games are located to be divided pro rata among the counties. Transfer two percent of the adjusted gross receipts from each licensed racetrack to the governing bodies of municipalities within counties where racetracks with West Virginia Lottery table games are located as prescribed by statute. And transfer one-half of one percent of the adjusted gross receipts to the governing bodies of municipalities in which a racetrack table games licensee is located to be divided equally among the municipalities. The Commission will distribute the remaining amounts, hereinafter referred to as the net amounts in the Racetrack Table Games Funds as follows:

WEST VIRGINIA LOTTERY
NOTES TO FINANCIAL STATEMENTS
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NOTE 8 – TABLE GAMES (continued)

- 1) Transfer four percent into a special fund to be established by the Racing Commission to be used for payment into the pension plan for all employees of each licensed racing association;
- 2) Transfer ten percent, to be divided and paid in equal shares, to each county commission in the state where table games are not located;
- 3) Transfer ten percent, to be divided and paid in equal shares, to the governing bodies of each municipality in the state where table games are not located; and
- 4) Transfer seventy-six percent to the State Debt Reduction Fund.

The cash transferred to the State Debt Reduction Fund in the current month is included in Note 10- Nonoperating Distributions to the State of West Virginia. The table games adjusted gross receipts for the month ended October 31, 2010 and year-to-date were \$15,120,458 and \$57,297,204, respectively. The following table shows the month and year totals of the privilege tax and the accrued distributions (in thousands) to be transferred in the subsequent month:

	Current Month		Year-to-Date	
	2011	2010	2011	2010
Table Games Privilege Tax	\$ 5,292	\$ 2,694	\$ 20,054	\$ 11,185
Interest on Table Games Fund	1	-	2	1
Administrative costs	(605)	(231)	(2,292)	(958)
Total Available for Distribution	4,688	2,463	17,764	10,228
Less Distributions:				
Racetrack Purse Funds	378	192	1,432	799
Thoroughbred & Greyhound Development Funds	302	154	1,146	639
Racing Association Pension Plan	127	74	481	307
Municipalities/ Counties	1,467	639	5,559	2,653
Total Distributions	2,274	1,059	8,618	4,398
State Debt Reduction Fund	\$ 2,414	\$ 1,404	\$ 9,146	\$ 5,830

NOTE 9 – HISTORIC RESORT HOTEL

In 2009, the Legislature passed Senate Bill 575 which permits video lottery and table games at a licensed historic resort hotel which is defined as "a resort hotel registered with the United States Department of the Interior as a national historic landmark in its National Registry of Historic Places having not fewer than five hundred guest rooms under common ownership and having substantial recreational guest amenities in addition to the gaming facility."

Historic Resort Video Lottery

According to Senate Bill 575, thirty six percent (36%) of gross terminal income is allocated to Historic Resort Hotel Fund and seventeen percent (17%) of gross terminal income is allocated to the Human Resource Benefit Fund. The remaining forty-seven percent (47%) of gross terminal income is then subject to a ten percent (10%) surcharge which is allocated to separate capital reinvestment funds for each licensed historic resort hotel. The remaining forty-two and three-tenths percent (42.3%) of gross terminal income is retained by the

WEST VIRGINIA LOTTERY
NOTES TO FINANCIAL STATEMENTS
-Unaudited-

NOTE 9 – HISTORIC RESORT HOTEL (continued)

historic resort hotel. A summary of historic resort hotel video lottery revenues for the month ended October 31, 2010 and year-to-date follows (in thousands):

	Current Month		Year-to-Date	
	2011	2010	2011	2010
Total credits played	\$ 5,281	\$ 258	\$ 17,250	\$ 258
Credits (prizes) won	(4,799)	(231)	(15,728)	(231)
Promotional credits played	(14)	-	(51)	-
Gross terminal income	468	27	1,471	27
Capital reinvestment	(22)	(1)	(69)	(1)
Administrative costs	(25)	(2)	(79)	(2)
Hotel commissions	(198)	(11)	(622)	(11)
Net terminal income	223	13	701	13
Historic Resort Hotel Fund	143	8	450	8
Human Resource Benefit Fund	80	5	251	5

Historic Resort Table Games

Each historic resort hotel licensee is subject to a privilege tax of thirty five percent (35%) of adjusted gross receipts, of which thirty percent (30%) is deposited directly into the Historic Resort Hotel Fund and five percent (5%) is deposited directly into the Human Resource Benefit Fund. The historic resort hotel table games adjusted gross receipts for the month ended October 31, 2010 and year-to-date were \$389,952 and \$1,752,819, respectively.

The following table shows the month and year -to- date totals of the privilege tax and the accrued distributions (in thousands) to be transferred in the subsequent month:

	Current Month		Year-to-Date	
	2011	2010	2011	2010
Table games privilege tax	\$ 136	\$ 33	\$ 613	\$ 33
Administrative Costs	(18)	(4)	(79)	(4)
Total Available for Distribution	118	29	534	29
Historic Resort Hotel Fund	99	24	446	24
Human Resource Benefit Fund	19	5	88	5

Historic Resort Hotel Fund

Of the monies deposited into the Historic Resort Hotel Fund, fifteen percent (15%) is allocated for lottery administrative costs. The remaining Historic Resort Hotel Fund net income (gross deposits less 15%) is distributed as follows:

WEST VIRGINIA LOTTERY
NOTES TO FINANCIAL STATEMENTS
 -Unaudited-

NOTE 9 – HISTORIC RESORT HOTEL (continued)

- 1) Sixty-four percent (64%) is paid to the State of West Virginia General Revenue Fund;
- 2) Nineteen percent (19%) is paid to the State Debt Reduction Fund;
- 3) Three percent (3%) is paid to the State of West Virginia Tourism Promotion Fund;
- 4) Four percent (4%) is paid to the county where the gaming facility is located;
- 5) Two and one-half percent (2.5%) is paid to the municipality where the gaming facility is located as prescribed by statute;
- 6) Two and one-half percent (2.5%) is divided and paid in equal shares to the remaining municipalities in the county where the gaming facility is located;
- 7) Two and one-half percent (2.5%) is divided and paid in equal shares, to each county commission in the state where the gaming facility is not located;
- 8) Two and one-half percent (2.5%) is divided and paid in equal shares, to each municipality in the state not already receiving a distribution as described in item five (5) or item six (6) above.

A summary of Historic Resort Hotel Fund revenues and related distributions is as follows (in thousands):

	<u>Current Month</u>	<u>Year-to-Date</u>
Historic Resort Hotel Video Lottery	\$ 143	\$ 450
Historic Resort Table Games	99	446
Interest on Historic Resort Hotel Fund	-	-
Historic Resort Hotel Fund Net Income	<u>242</u>	<u>896</u>
Municipalities/ Counties	34	126
State General Revenue Fund	155	574
State Debt Reduction Fund	46	170
State Tourism Promotion Fund	7	26
Total Distributions	<u>\$ 242</u>	<u>\$ 896</u>

NOTE 10- NONOPERATING DISTRIBUTIONS TO THE STATE OF WEST VIRGINIA

The Lottery periodically distributes surplus funds, exclusive of amounts incurred and derived from limited video lottery and a portion of racetrack video lottery funds, to the State of West Virginia in accordance with the legislation. For the year ending June 30, 2011 the State Legislature budgeted \$166,119,364 of estimated profits of the Lottery for distributions to designated special revenue accounts of the State of West Virginia. With regard to the State Lottery Fund, legislation stipulates that debt service payments be given a priority over all other transfers in instances where estimated profits are not sufficient to provide for payment of all appropriated distributions. Debt service payments of \$1,800,000, \$1,000,000, and \$500,000 per month for the first ten months of each fiscal year currently have such priority. Transfers made pursuant to the State Excess Lottery Revenue Fund have similar requirements; currently payments are \$4,800,000 per month for the first ten months of each fiscal year. In addition, Legislation provides that, if in any month, there is a shortage of funds in the State Excess Lottery Revenue Fund to make debt service payments, the necessary amount shall be transferred from the State Lottery Fund to cover such shortfall, after the State Lottery Fund debt service payments have been made. Repayments to the State Lottery Fund are required to be made in subsequent months as funds become available. During the month ended October 31, 2010 the Lottery made such distributions and accrued additional distributions of \$39,534,845. The Lottery is a non-appropriated state

WEST VIRGINIA LOTTERY
NOTES TO FINANCIAL STATEMENTS
 -Unaudited-

NOTE 10- NONOPERATING DISTRIBUTIONS TO THE STATE OF WEST VIRGINIA
 (continued)

agency and therefore does not have a budget adopted by the Legislature. Since the enactment of the Racetrack Video Lottery Act, the Lottery is also statutorily required to distribute income from racetrack video lottery operations as described in Note 6. For the month ended October 31, 2010, the Lottery accrued additional distributions relating to racetrack video lottery, table games, and historic resort operations of \$577,934, \$2,413,702, and \$208,696, respectively.

Note 7 describes the Limited Video Lottery Act and the statutory distributions required to be made from limited video lottery operations. Note 8 describes the Table Games Act and the statutory distributions required to be made from table games operations. Note 9 describes the Historic Resort Hotel statutory distributions to be made from historic resort operations.

A summary of the cash distributions made to certain state agencies to conform to the legislation follows (in thousands):

<u>BUDGETARY DISTRIBUTIONS</u>	<u>October 31, 2010</u>	<u>Year-to-Date</u>
<u>State Lottery Fund:</u>		
Community and Technical College	\$ 500	\$ 2,000
Bureau of Senior Services	7,820	43,931
Department of Education	3,715	20,869
Library Commission	1,316	7,394
Higher Education-Policy Commission	1,364	7,660
Tourism	892	5,013
Natural Resources	407	2,287
Division of Culture & History	687	3,860
Department of Education & Arts	133	749
Building Commission	1,000	4,000
School Building Authority	1,800	7,200
Total State Lottery Fund	<u>\$ 19,634</u>	<u>\$ 104,963</u>

WEST VIRGINIA LOTTERY
NOTES TO FINANCIAL STATEMENTS
 -Unaudited-

NOTE 10- NONOPERATING DISTRIBUTIONS TO THE STATE OF WEST VIRGINIA
 (continued)

State Excess Lottery Revenue Fund:

Economic Development Fund	\$ 1,900	\$ 7,600
Higher Education Improvement Fund	1,000	4,000
General Purpose Account	-	65,000
Higher Education Improvement Fund	-	29,000
State Park Improvement Fund	1,212	2,434
School Building Authority	1,900	7,600
Refundable Credit	173	737
Excess Lottery Surplus	-	-
West Va. Infrastructure Council	<u>9,696</u>	<u>19,470</u>
Total State Excess Lottery Revenue Fund	\$ 15,881	\$ 135,841
 Total Budgetary distributions:	 <u>\$ 35,515</u>	 <u>\$ 240,804</u>
 Veterans Instant Ticket Fund	 \$ 33	 \$ 277

Other Racetrack Video Lottery distributions:

Tourism Promotion Fund 1.375%	\$ 908	\$ 3,323
Development Office Promotion Fund .375%	248	905
Research Challenge Fund .5%	331	1,208
Capitol Renovation & Improvement Fund .6875%	454	1,662
Parking Garage Fund .0625 %	41	151
Parking Garage Fund 1 %	-	500
Cultural Facilities & Cap. Resources Fund .5%	331	930
Capitol Doms & Cap. Improvements Fund .5%	331	987
Workers Compensation Debt Reduction Fund 7%	-	11,000
Total	<u>\$ 2,644</u>	<u>\$ 20,666</u>
 Table Games State Debt Reduction Fund	 \$ 2,380	 \$ 8,120

Historic Resort Hotel distributions:

State General Revenue Fund	\$ 139	\$ 473
State Debt Reduction Fund	42	141
Tourism Promotion Fund	<u>6</u>	<u>22</u>
Total	\$ 187	\$ 636

Total nonoperating distributions to the
 State of West Virginia (cash basis)

\$ 40,759 \$ 270,503

Accrued nonoperating distributions, beginning
 Accrued nonoperating distributions, end

(157,737) (241,039)
 161,543 161,543

\$ 44,565 \$ 191,007

WEST VIRGINIA LOTTERY
NOTES TO FINANCIAL STATEMENTS
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NOTE 11 – LEASES

The Lottery leases, under a cancelable operating lease, its office and warehouse facilities. The Lottery also leases various office equipment under agreements considered to be cancelable operating leases. Rental expense for the year-to-date ended October 31, 2010 and October 31, 2009 approximated \$221,209 and \$238,684 respectively.

The Lottery leases office space under the terms of a non-cancellable operating lease to various tenants. Rental revenues for the month ended October 31, 2010 and year-to-date were \$86,197 and \$345,036, respectively. Future rental receipts (in thousands) are as follows:

Year Ended June 30	Rental Receipts
2011	\$ 559
2012	961
2013	963
2014	966
2015	242
Total	\$ 3,691

NOTE 12 – RESTRICTED NET ASSETS

On June 14, 2006, House Bill 106 was enacted by the West Virginia State Legislature to set aside unexpended administrative expenses of the Lottery up to the limits for such expenses established by the enabling legislation of traditional, racetrack video lottery, and limited video lottery games in an amount not to exceed \$20,000,000 beginning in fiscal year 2006 and each year through fiscal year 2012. These assets are to be set aside for the design and construction of a building for the use of the Lottery and certain other State of West Virginia governmental entities. Contributions to the fund for fiscal years ending June 30, 2010 and June 30, 2009 were as follows:

	June 30, 2010	June 30, 2009
Beginning balance	\$ 69,870	\$ 58,487
Additions		
Enabling legislation additions		10,817
Interest earned on restricted net assets	93	566
Deductions		
Asset acquisition	(21,608)	-
Surplus of excess funds	(40,000)	-
Ending balance	\$ 8,355	\$ 69,870

WEST VIRGINIA LOTTERY
NOTES TO FINANCIAL STATEMENTS
-Unaudited-

NOTE 13 – COMMITMENTS

For the year ended June 30, 2010, the Lottery Commission has designated \$3,031,185 of unexpended administrative funds for the acquisition of capital assets. As of June 30, 2010 and 2009, \$5,921,057 and \$12,817,601, respectively, are included in unrestricted net assets and invested in capital assets for this purpose.

NOTE 14 - RETIREMENT BENEFITS

All full-time Lottery employees are eligible to participate in the State of West Virginia Public Employees' Retirement System (PERS), a cost-sharing multiple-employer defined benefit public employee retirement system. The PERS is one of several plans administered by the West Virginia Consolidated Public Retirement (CPRB) under the direction of its Board of Trustees, which consists of the Governor, State Auditor, State Treasurer, Secretary of the Department of Administration, and nine members appointed by the Governor. CPRB prepares separately issued financial statements covering all retirement systems it administers, which can be obtained from Consolidated Public Retirement Board, 4101 MacCorkle Ave. S.E., Charleston, West Virginia 25304-1636.

Employees who retire at or after age sixty with five or more years of contributory service or who retire at or after age fifty-five and have completed twenty-five years of credited service with age and credited service equal to eighty or greater are eligible for retirement benefits as established by State statute. Retirement benefits are payable monthly for life, in the form of a straight-line annuity equal to two percent of the employee's average annual salary from the highest 36 consecutive months within the last 10 years of employment, multiplied by the number of years of the employee's credited service at the time of retirement. Covered employees are required to contribute 4.5% of their salary to the PERS. The Lottery is required to contribute 12.5% of covered employees' salaries to the PERS. The required employee and employer contribution percentages have been established and changed from time to time by action of the State Legislature. The required contributions are not actuarially determined; however, actuarial valuations are performed to assist the Legislature in determining appropriate contributions. The Lottery and employee contributions, for the month ending October 31, 2010 and year-to-date are as follows (in thousands):

	October 31, 2010	Year-to-Date
Lottery contributions	\$ 77	\$ 317
Employee contributions	28	114
Total contributions	\$ 105	\$ 431

NOTE 15 - RISK MANAGEMENT

The Lottery is exposed to various risks of loss related to torts; theft of, or damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Lottery participates in several risk management programs administered by the State of West Virginia. Each of these risk pools has issued separate audited financial reports on their operations. Those reports include the required supplementary information concerning the reconciliation of claims liabilities by type of contract and ten-year claim development information. Complete financial statements of the individual insurance enterprise funds can be obtained directly from their respective administrative offices.

WEST VIRGINIA LOTTERY
NOTES TO FINANCIAL STATEMENTS
-Unaudited-

NOTE 15 - RISK MANAGEMENT (continued)

WORKERS' COMPENSATION INSURANCE

The Lottery carries workers compensation insurance coverage through a privatized business entity, BrickStreet Mutual Insurance Company (BrickStreet), established January 1, 2006, and named the administrator of former state workers' compensation fund activities. BrickStreet is paid a monthly administrative fee and rated premium to provide compensations for injuries sustained in the course of employment. The monthly administrative fee for the Lottery has been set at levels consistent with prior year payments and any rate or premium increases will be established on an experience rated basis.

The Lottery participates in the BrickStreet experience rated pool, which is rate adjusted on a quarterly basis. The BrickStreet risk pool retains all risk related to the compensation of injured employees under the program in exchange for the premiums paid.

PUBLIC EMPLOYEES' INSURANCE AGENCY (PEIA)

The Lottery participates in the Public Employees' Insurance Agency which provides an employee benefit insurance program to employees. PEIA was established by the State of West Virginia for State agencies, institutions of higher education, Boards of Education and component units of the State. In addition, local governmental entities and certain charitable and public service organizations may request to be covered by PEIA. PEIA provides a base employee benefit insurance program which includes hospital, surgical, major medical, prescription drug and basic life and accidental death. Underwriting and rate setting policies are established by PEIA. The cost of all coverage as determined by PEIA shall be paid by the participants. Premiums are established by PEIA and are paid monthly, and are dependent upon, among other things, coverage required, number of dependents, state vs. non state employees and active employees vs. retired employees and level of compensation. Coverage under these programs is limited to \$1 million lifetime for health and \$10,000 of life insurance coverage.

The PEIA risk pool retains all risks for the health and prescription features of its indemnity plan. PEIA has fully transferred the risks of coverage to the Managed Care Organization (MCO) Plan to the plan provider, and has transferred the risks of the life insurance coverage to a third party insurer. PEIA presently charges equivalent premiums for participants in either the indemnity plan or the MCO Plan. Altogether, PEIA insures approximately 205,000 individuals, including participants and dependents.

BOARD OF RISK AND INSURANCE MANAGEMENT (BRIM)

The Lottery participates in the West Virginia Board of Risk and Insurance Management (BRIM), a common risk pool currently operating as a common risk management and insurance program for all State agencies, component units, and other local governmental agencies who wish to participate. The Lottery pays an annual premium to BRIM for its general insurance coverage. Fund underwriting and rate setting policies are established by BRIM. The cost of all coverage as determined by BRIM shall be paid by the participants. The BRIM risk pool retains the risk of the first \$1 million per property event and purchases excess insurance on losses above that level. Excess coverage, through an outside insurer under this program is limited to \$200 million per event, subject to limits on certain property. BRIM has \$1 million per occurrence coverage maximum on all third-party liability claims.

WEST VIRGINIA LOTTERY
NOTES TO FINANCIAL STATEMENTS
-Unaudited-

NOTE 16- OTHER POSTEMPLOYMENT BENEFITS (OPEB)

The Lottery participates in the West Virginia Other Postemployment Benefits Plan (OPEB Plan) of the West Virginia Retiree Health Benefit Trust Fund (Trust), a cost-sharing multiple-employer defined benefit postemployment healthcare plan administered by the West Virginia Public Employee Insurance Agency (WVPEIA). The OPEB Plan provides retiree post-employment health care benefits for participating state and local government employers. The provisions of the Code of West Virginia, 1931, as amended (the Code), assigns the authority to establish and amend benefit provisions to the WVPEIA board of trustees. The WVPEIA issues a publicly available financial report that includes financial statements and required supplementary information for the OPEB Plan. That report may be obtained by writing to Public Employees Insurance Agency, 601 57th Street, South East, Suite 2, Charleston, West Virginia, or by calling 1-888-680-7342.

Funding Policy

The Code requires the OPEB Plan bill the participating employers 100% of the annual required contribution (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) of the plan over a period not to exceed thirty years. State of West Virginia plan employers are billed per active health policy per month.

The ARC rate is \$903 and \$901 per employee per month for the years ending June 30, 2011 and 2010 respectively. Through June 30, 2010 and 2009, the Lottery has paid premiums of \$226,212 and \$185,563. As of June 30, 2010 and 2009, the Lottery has recorded a liability of \$1,484,546 and \$251,867 on its balance sheet for OPEB.

WEST VIRGINIA LEGISLATURE
Office of the Legislative Auditor

Budget Division
Building 1, Room 314-West Wing
1900 Kanawha Blvd. East
Charleston, WV 25305-0590



. 304-347-4870

Memorandum

To: Honorable Chairmen and Members of the Joint Committee on
Government and Finance

From: Ellen Clark, C.P.A. *EC*
Director Budget Division
Legislative Auditor's Office

Date: December 1, 2010

Re: Status of General Revenue Fund and State Road Fund
November 30, 2010

We have reviewed the cash revenue flows of the West Virginia general revenue fund for of fiscal year 2010-2011. The status of the fund collections are as follows:

The net collections were 108.27% of the estimate for the fiscal year as of November 30, 2010.

Total general revenue collections were \$ 121.6 million over the estimate for the fiscal year as of November 30, 2010.

Personal Income Tax collections were \$ 44 million over the estimate for the fiscal year.

Consumer sales and use tax collections were \$17 million over the estimate for the fiscal year.

Joint Committee on Government and Finance

Severance tax collections were \$ 23.4 million over the estimate.

Corporate Income and Business Franchise Tax collections were \$ 25.3 million over the estimate as of November 30, 2010

State Road Fund

The state road fund collections were 103.20% with the estimate for the months of July - November 2010. Privilege tax collections were \$5.9 million higher than the estimate.

Rainy Day and Personal Income Tax Reserve

Revenue Shortfall Reserve Fund A(Rainy Day Fund) had a cash balance of \$ 337,127,806.41 as of November 30, 2010.

Balance July 1, 2010	276,949,590.37
Cash flow loan to General Revenue on July 1, 2010. To be repaid 90 days. This is a normal occurrence in July due to cash flow demands; repaid in September. Repaid September 2010.	- 56,000,000.00 + 56,000,000.00
Revenues (Surplus previous fiscal year)	51,314,324.75
Earnings	8,863,891.29
Balance November 30, 2010	337,127,806.41

Revenue Shortfall Reserve Fund B (Tobacco Settlement Monies) had a cash balance of \$ 300,666,850.96 as of November 30, 2010.

Balance July 1, 2010	279,073,099.52
Earnings	21,593,751.44
Balance November 30, 2010	300,666,850.96

The Special Income Tax Reserve Fund had a cash balance of

\$45,019,319.21 as of November 30, 2010.

Balance July 1, 2010	45,019,319.21
Revenues	-0-
Balance November 30, 2010	45,019,319.21

Monthly Revenue Estimates

as of November 30, 2010 WVFIMS

	MONTH ESTIMATES	NET MONTH COLLECTIONS	UNDER ESTIMATES VS ACTUAL COLLECTIONS	YTD ESTIMATES	NET YTD COLLECTIONS	YEARLY OVER UNDER ESTIMATES VS ACTUAL COLLECTIONS
Personal Income Tax	95,100,000	106,777,268	11,677,268	561,600,000	605,629,122	44,029,122
Consumer Sales Tax & Use Tax	90,100,000	95,197,607	5,097,607	468,200,000	485,465,946	17,265,946
Severance Tax	39,800,000	47,738,457	7,938,457	138,050,000	161,499,928	23,449,928
HB 102 - Lottery Transfers	0	0	0	65,000,000	65,000,000	0
Corp Income /Business Franchise	200,000	1,565,662	1,365,662	58,200,000	83,599,563	25,399,563
Insurance Tax	200,000	949,897	749,897	51,200,000	51,172,987	-27,013
Tobacco Products Tax	9,030,000	8,901,092	-128,908	48,010,000	46,543,173	-1,466,827
Business and Occupation	12,100,000	11,743,944	-356,056	44,800,000	48,581,995	3,781,995
Liquor License Renewal	40,000	70,724	30,724	5,720,000	14,217,959	8,497,959
Interest Income	1,200,000	1,230,159	30,159	5,600,000	6,410,890	810,890
Liquor Profit Transfers	1,000,000	1,020,477	20,477	5,400,000	5,730,958	330,958
Departmental Collections	1,060,000	953,963	-106,037	4,430,000	4,834,030	404,030
Property Transfer Tax	750,000	651,108	-98,892	3,860,000	3,655,080	-204,920
Beer Tax and Licenses	500,000	613,462	113,462	3,440,000	3,488,003	48,003
Property Tax	380,000	364,374	-15,626	3,430,000	3,373,378	-56,622
Miscellaneous Receipts	630,000	272,496	-357,504	2,790,000	1,247,442	-1,542,558
Business Franchise Fees	20,000	57,707	37,707	430,000	686,176	256,176
Miscellaneous Transfers	20,000	0	-20,000	330,000	331,589	1,589
Refundable Credit Reim LTY	0	0	0	300,000	736,776	436,776
Racing Fees	0	0	0	0	20,810	20,810
Charter Tax	0	11,386	11,386	0	77,717	77,717
Telecommunications Tax	0	8,109	8,109	0	-44,510	-44,510
Estate and Inheritance Tax	0	0	0	0	3,193	3,193
Video Lottery Transfers	0	4,459	4,459	0	136,781	136,781
Cash Flow Transfer	0	0	0	0	0	0
TOTALS	252,130,000	278,132,350	26,002,350	1,470,790,000	1,592,398,984	121,608,984
Minus Cash Flow Transfer	0	0	0	0		
Percent of Estimates		110.31%			108.27%	
TOTALS	252,130,000	278,132,350	26,002,350	1,470,790,000	1,592,398,984	121,608,984
Percent of Estimates		110.31%			108.27%	
Collections this day		25,119,916				

Prepared by Legislative Auditor's Office, Budget Division

STATE ROAD FUND FY 2010-2011
 Monthly Revenue Estimates
 as of November 30, 2010 WVFIMS

FINAL

	MONTH ESTIMATES	NET MONTH COLLECTIONS	MONTHLY OVER UNDER ESTIMATES VS ACTUAL COLLECTIONS	YTD ESTIMATES	NET YTD COLLECTIONS	YEARLY OVER UNDER ESTIMATES VS ACTUAL COLLECTIONS
Gasoline & Motor Carrier Rd Tax	42,100,000	45,437,902	3,337,902	157,300,000	160,855,512	3,555,512
Privilege Tax	10,858,000	13,005,048	2,147,048	66,413,000	72,357,945	5,944,945
Licenses & Registration	4,024,000	4,319,668	295,668	33,722,000	32,422,143	-1,299,857
Highway Litter Control	77,000	62,435	-14,565	644,000	705,834	61,834
TOTALS	57,059,000	62,825,054	5,766,054	258,079,000	266,341,434	8,262,434
Percent of Estimates		110.11%			103.20%	
Collections this day		12,641,757				

REVENUE SHORTFALL RESERVE FUND 7005, Part A AS OF November 1, 2010 : \$335,539,504.65

REVENUE SHORTFALL RESERVE FUND 7006, Part B AS OF November 1, 2010 : \$295,622,675.25

PERSONAL INCOME TAX REFUND RESERVE FUND AS OF November 1, 2010: \$45,019,319.21

Prepared by Legislative Auditor's Office, Budget Division


WEST VIRGINIA LEGISLATURE
Office of the Legislative Auditor

Budget Division
Building 1, Room 314-West Wing
1900 Kanawha Blvd. East
Charleston, WV 25305-0590



, 304-347-4870

To: Honorable Chairmen and Members of the Joint Committee on
Government and Finance

From: Ellen Clark, C.P.A. 
Director Budget Division
Legislative Auditor's Office

Date: December 1, 2010

Re: West Virginia Unemployment Compensation Trust Fund

We have reviewed the October 2010 monthly report of the Unemployment Compensation Trust Fund we received from WorkForce West Virginia. October is the fourth month of fiscal year 2011.

For July 1, 2010 to October 31, 2010 of fiscal year 2010-2011, the trust fund cash flow was as follows:

Trust Fund Beginning Cash Balance 7-1-2010	\$95,528,960.38
Receipts July 1, 2010 thru June 30, 2011	\$156,136,494.60
Disbursements July 1, 2010 thru June 30, 2011	\$165,698,223.31
Balance October 31, 2010	\$85,967,231.67

ITEMS OF NOTE:

Regular benefits paid for July - October 2010 were \$47.6 million less than July - October 2009.

Federal emergency benefits totaled \$ 67 million for the July - October 2010; for July - October 2009 federal emergency benefits totaled \$ 44.9 million.

Unemployment *Joint Committee on Government and Finance*

Total disbursements were \$ 24 million less in July - October 2010 than the preceding July - October.

Receipts for July - October 2010 were \$ 4 million more than in July - October 2009. Overall ending trust fund balance was \$ 68 million less on October 31, 2010 than on October 31, 2009.

West Virginia's unemployment rate for the month of October 2010 was 8.5 percent. National unadjusted employment rate was 9.0 percent.

Seasonally adjusted unemployment rates were 9.3 percent for West Virginia and 9.6 percent nationally.

Since October 2009 employment has increased by 5,500. Employment gains were as follows: 1,900 in mining and logging; 1,700 in government; 1,300 in leisure and hospitality; 1,100 in construction; 800 in other services; 800 in manufacturing; 700 in educational and health services; and 500 in professional and business services. Employment declines were as follows: 2,700 in trade, transportation, and utilities; and 600 in financial activities.

Unemployment

FOR THREE MONTHS STARTING AUGUST 2009 AND AUGUST 2010

	AUGUST 09	SEPTEMBER 09	OCTOBER 09	AUGUST 2010	SEPTEMBER 2010	OCTOBER 2010	THREE MONTH TOTAL VARIANCE *
Balance Forward	<u>\$184,720,216.07</u>	<u>\$181,963,574.40</u>	<u>\$168,094,280.32</u>	<u>\$94,869,467.65</u>	<u>\$105,500,318.34</u>	<u>\$93,832,461.16</u>	<u>(\$240,575,833.65)</u>
Add Receipts:							
1. Bond Assessment	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
2. Regular Contributions:	\$30,852,319.96	\$1,033,507.56	\$11,145,336.91	\$32,021,123.12	\$1,187,504.82	\$12,513,530.40	\$2,690,993.91
3. Federal Emergency Benefits (EUC08)	\$10,658,319.00	\$12,432,429.99	\$12,685,450.43	\$24,859,782.34	\$15,331,176.74	\$13,756,096.10	\$18,170,855.76
4. Federal Share Extended Benefits (EB)	\$0.00	\$3,839,413.77	\$3,869,984.43	\$4,044,943.24	\$3,300,647.00	\$3,199,886.52	\$2,836,078.56
5. Temp Federal Additional Comp (FAC)	\$3,922,171.00	\$4,158,152.00	\$3,834,369.00	\$4,181,782.00	\$2,675,575.00	\$2,299,735.00	(\$2,757,600.00)
6. UCFE (Federal Agencies)	\$222,641.69	\$210,489.95	\$207,179.29	\$207,850.42	\$172,011.15	\$193,863.43	(\$86,585.93)
7. Special Administrative Transfer **	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
8. Reed Act Funds	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
9. UC Modernization Incentive	\$0.00	\$11,058,877.00	\$0.00	\$0.00	\$0.00	\$0.00	(\$11,058,877.00)
10. Treasury Interest Credits	\$0.00	\$2,066,520.18	\$0.00	\$0.00	\$991,813.88	\$0.00	(\$1,074,706.30)
11. UCX (Military Agencies)	\$418,172.28	\$320,153.62	\$280,079.22	\$682,450.43	\$491,291.37	\$448,319.52	\$603,656.20
12. WV Insurance Committee-Senate Bill 246	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
13. CMIA Receipts	\$0.00	\$6,493.00	\$0.00	\$0.00	\$1,903.00	\$0.00	(\$4,590.00)
Total Monthly Receipts	<u>\$46,073,623.93</u>	<u>\$35,126,037.07</u>	<u>\$32,022,399.28</u>	<u>\$65,997,931.55</u>	<u>\$24,151,922.96</u>	<u>\$32,411,430.97</u>	<u>\$9,339,225.20</u>
Less Disbursements:							
Debt Bond Repayment	(Retired)	(Retired)	(Retired)	(Retired)	(Retired)	(Retired)	(Retired)
Regular Benefits:							
Federal Emergency Benefits (EUC08)	\$32,848,322.41	\$28,807,284.01	\$24,851,224.51	\$21,480,113.22	\$14,346,580.77	\$17,733,713.60	(\$32,946,423.34)
Federal Share Extended Benefits (EB)	\$11,371,425.00	\$11,784,833.99	\$12,652,896.43	\$24,488,300.27	\$14,969,694.76	\$15,572,816.08	\$19,221,655.69
Emergency Benefits (TEUC)	\$0.00	\$3,938,756.49	\$3,588,753.69	\$4,229,090.47	\$3,108,376.23	\$3,164,346.22	\$2,974,302.74
Temp Federal Additional Comp (FAC)	(\$670.00)	(\$2,150.00)	(\$195.00)	(\$4,819.72)	(\$205.00)	(\$812.21)	(\$2,821.93)
UCFE (Federal Workers) Benefits	\$4,168,549.00	\$3,950,875.00	\$3,798,204.00	\$4,186,132.00	\$2,600,980.00	\$2,546,801.00	(\$2,583,715.00)
UCX (Military Workers) Benefits	\$145,821.37	\$196,165.62	\$251,521.33	\$189,447.02	\$148,842.15	\$202,980.98	(\$52,258.17)
Reed Act Funds	\$286,752.66	\$312,071.64	\$356,152.69	\$637,486.33	\$461,394.71	\$465,998.24	\$609,902.29
Special Administrative Transfer**	\$0.00	\$0.00	\$0.00	\$146,865.80	\$167,138.82	\$578,881.08	\$892,885.70
Special Administrative Transfer**	\$10,065.16	\$7,494.40	\$18,027.56	\$14,455.47	\$16,977.70	\$11,955.47	\$7,801.52
Total Monthly Disbursements	<u>\$48,830,265.60</u>	<u>\$48,995,331.15</u>	<u>\$45,516,585.21</u>	<u>\$55,367,070.86</u>	<u>\$35,819,780.14</u>	<u>\$40,276,660.46</u>	<u>(\$11,878,670.50)</u>
Trust Fund Balance	<u>\$181,963,574.40</u>	<u>168,094,280.32</u>	<u>\$154,600,094.38</u>	<u>\$105,500,318.34</u>	<u>\$93,832,461.16</u>	<u>\$85,987,231.67</u>	<u>(\$219,357,937.95)</u>

* Three month total variance column is the difference between the sum of the previous year's three months data for each category and the current year's three months data. The purpose of the report is to show significant changes in receipts, disbursements, or balances.

**The Assistance for Unemployed Workers and Struggling Families Act, Title II of Division B of Public Law No. 111-5, enacted February 17, 2009, provided a special administrative transfer to states' accounts of \$500 million to be used for certain administrative purposes. On February 27, 2009, the U.S. Treasury distributed West Virginia's amount of \$2,369,759 to the Unemployment Insurance Trust Fund. Attachment IV to the Unemployment Insurance Program Letter No. 14-09 issued by the U.S. Department of Labor on February 26, 2009 specifies the permissible uses of the administrative transfer. The special administrative transfer is not available for the payment of Unemployment Compensation (UC) benefits; therefore the Trust Fund Balance must be reduced by the Special Administrative Transfer on line 7 to obtain the balance available for UC benefits.



Prescription Drug Report October 2010

*West Virginia Legislative Interims
December 2010*

WV PEIA - Monthly Trend

Plan Demographics	Jul-10	Aug-10	Sep-10	Oct-10	2010 - 2011 Fiscal	2009 - 2010 Fiscal	% Change
Total Drug Cost	\$13,776,966	\$15,347,459	\$15,509,982	\$15,685,748	\$60,300,155	\$54,385,614	10.88%
Amount Paid By Plan Sponsor	\$8,652,524	\$11,768,501	\$12,430,077	\$12,815,794	\$45,666,897	\$40,792,883	11.95%
Amount Paid By Members	\$5,124,441	\$3,578,958	\$3,079,905	\$2,869,955	\$14,633,259	\$13,592,730	7.66%
Total Claims	204,601	220,566	226,587	230,842	882,596	854,148	3.33%
Average Eligible Member	168,058	164,968	165,959	167,153	168,535	163,208	2.04%
Average # of Rx's Per Member Per Month	1.22	1.34	1.37	1.38	1.32	1.31	1.27%
Plan Paid Per Member Per Month (PMPM)	\$51.49	\$71.34	\$74.90	\$76.67	\$68.55	\$62.49	9.71%
Average Eligible Enrollees	78,755	78,797	78,909	79,355	78,954	75,057	5.19%
Average # of Rx's Per Enrollee Per Month	2.60	2.80	2.87	2.91	2.79	2.85	-1.77%
Plan Paid Per Enrollee Per Month (PEPM)	\$109.87	\$149.35	\$157.52	\$161.50	\$144.60	\$135.87	6.42%
Rx Cost Share							
Avg. Claim Cost to Plan	\$42.29	\$53.36	\$54.86	\$55.52	\$51.74	\$47.76	8.34%
Avg. Member Cost/Claim	\$25.05	\$16.23	\$13.59	\$12.35	\$15.58	\$15.91	4.19%
Percent member Cost Share	37.2%	23.3%	19.9%	18.2%	24.3%	25.0%	-2.90%
Average Ingredient Costs							
Single Source (no generics available)	\$215.63	\$219.30	\$220.16	\$218.53	\$218.47	\$188.26	16.05%
Multi-Source Brand (generics available)	\$70.37	\$73.19	\$89.42	\$74.14	\$76.78	\$70.05	9.62%
Generic Drugs	\$24.95	\$25.91	\$25.66	\$25.82	\$25.60	\$19.31	32.57%
Brand/Generic Dispensing Rates							
Single-Source (no generics)	21.36%	21.75%	21.13%	21.0%	21.31%	25.13%	-15.19%
Multi-Source Brand % (generics available)	0.96%	0.92%	0.88%	0.9%	0.90%	0.96%	-5.98%
Generic Drug	77.68%	77.34%	78.00%	78.1%	77.79%	73.92%	5.24%
Generics Dispensed when available	98.78%	98.83%	98.89%	98.9%	98.86%	98.72%	0.14%
Percent of Plan Cost for Single Source	79.70%	74.41%	72.42%	71.4%	74.02%	81.13%	-8.78%
Retail Pharmacy Program							
Avg. Day Supply	33.5	34.3	33.6	33.2	33.7	32.8	2.61%
Avg. Plan Cost/Day Supply	\$1.25	\$1.54	\$1.62	\$1.66	\$1.52	\$1.44	5.54%
Avg. Claim Cost to Plan	\$41.91	\$52.82	\$54.33	\$54.99	\$51.25	\$47.32	8.29%
Avg. Member Cost / Claim	\$24.92	\$16.07	\$13.46	\$12.28	\$16.48	\$15.80	4.20%
Percent Member Cost Share	37.28%	23.33%	19.88%	18.2%	24.31%	25.03%	-2.86%
Special Maint Netwk (% of claims filled)	12.08%	13.20%	12.76%	12.4%	12.62%	11.97%	5.43%
Other Maint (% of claims filled)	0.73%	0.75%	0.81%	0.8%	0.77%	0.70%	9.15%
Avg. Days Supply for Maint. Netwks	87.1	87.2	87.3	87.3	87.2	87.3	-0.11%
Total # Claims Fills 1-34 Days Supply	173,696	184,617	190,567	195,179	744,059	726,928	2.08%
Total # Claims Fills 35-60 Day Supply	1,795	2,025	1,948	1,925	7,693	6,760	13.80%
Total # Claims Fills 61-90 Day Supply	28,833	31,391	31,671	31,133	121,028	110,070	9.98%
Total # Claims Fills 91+ Day Supply	58	70	64	69	261	182	43.41%
Mail Service Program							
Avg. Days Supply	72.8	74.0	72.7	73.6	73.4	71.5	2.61%
Avg. Plan Cost/Days Supply	\$1.06	\$1.36	\$1.45	\$1.40	\$1.32	\$1.30	1.87%
Avg. Cost to Plan	\$76.90	\$100.83	\$105.62	\$103.21	\$97.08	\$92.87	4.53%
Avg. Member Cost/Claim	\$36.91	\$29.64	\$24.27	\$20.51	\$27.59	\$28.07	-1.71%
Percent Member Cost Share	32.43%	22.72%	18.68%	16.6%	22.13%	23.21%	-4.65%
Total # Claims Fill 1-34 Days Supply	611	632	650	658	2,551	2,442	4.46%
Total # Claims Fills 35-60 Days Supply	9	8	8	11	36	39	-7.69%
Total # Claims Fills 61-90 Days Supply	1,599	1,823	1,679	1,887	6,968	5,727	21.67%
Total # Claims Fills 91+ Day Supply	0	0	0	0	-	-	-
Formulary Program							
S/S Formulary Drugs (% by claim)	13.93%	14.45%	14.05%	14.2%	14.15%	20.70%	-31.63%
S/S Non-Formulary Drugs (% by claim)	7.45%	7.30%	7.08%	6.8%	7.18%	4.42%	61.77%
M/S Drugs (% by claim)	0.96%	0.92%	0.88%	0.9%	0.90%	0.96%	-5.98%
Generic Drugs (% by Claim)	77.66%	77.34%	78.00%	78.1%	77.79%	73.92%	5.24%
S/S Formulary Drugs (% by \$)	63.95%	58.86%	56.95%	56.0%	58.50%	72.07%	-18.83%
s/s non-Formulary Drugs (% by \$)	15.74%	15.55%	15.48%	15.4%	15.53%	9.05%	71.46%
M/S Drugs (% by \$)	0.80%	0.70%	0.92%	0.7%	0.77%	0.83%	-7.96%
Generic Drugs (% by \$)	19.51%	24.89%	26.65%	28.0%	25.21%	18.04%	39.75%
Specialty Drugs							
Total Drug Cost	\$1,746,489	\$1,895,861	\$1,912,829	\$1,746,173	\$7,301,352	\$6,257,669	16.08%
Amount Paid by Plan Sponsor	\$1,676,319	\$1,850,518	\$1,870,807	\$1,707,074	\$7,104,518	\$6,075,265	15.94%
Amount Paid by Members	\$70,170	\$45,343	\$42,222	\$38,099	\$196,834	\$182,404	7.91%
Total Claims	787	857	828	788	3,200	3,003	6.56%
Avg # of Rx's per Member per Month	0.00	0.01	0.00	0.005	0.005	0.005	8.39%
Plan Paid Per Member Per Month (PMPM)	\$9.97	\$11.22	\$11.27	\$10.21	\$10.67	\$9.31	14.61%
Avg Claim Cost to Plan	\$2,130.01	\$2,159.30	\$2,259.19	\$2,186.34	\$2,179.30	\$2,023.07	7.72%
Avg Claim Cost to Member	\$89.16	\$52.91	\$50.99	\$49.62	\$60.38	\$60.74	-0.60%
Percent of Member Cost Share	4.02%	2.39%	2.24%	2.24%	2.70%	2.91%	-7.51%
Percent of Overall Drug Spend	12.68%	12.35%	12.33%	11.15%	12.11%	11.51%	5.23%



Key Performance Indicators

Comprehensive Indicators

WVA - WV Public Employees Ins

Current Period: 10/2010 - 10/2010

Previous Period: 10/2009 - 10/2009

	Current Period	Previous Period	% Change
Overall Performance			
Plan Cost PMPM	\$76.83	\$72.15	6.5 %
Average Mbrs/Month	167,153	164,742	1.5 %
Average Subs/Month	79,355	75,821	4.7 %
% Utilizing Members	46.6 %	48.9 %	-4.5 %
% Retail Utilizing Members	46.3 %	48.6 %	-4.7 %
% Mail Utilizing Members	0.7 %	0.6 %	12.1 %
Rx Measures			
Rxs PMPM	1.38	1.43	-3.4 %
Retail Rxs PMPM	1.37	1.42	-3.7 %
Mail Rxs PMPM	0.02	0.01	20.6 %
Average Admin Fee/Rx	\$0.00	\$0.01	-97.0 %
Avg Retail Admin Fee/Rx	\$0.00	\$0.01	-97.0 %
Avg Mail Admin Fee/Rx	\$0.00	\$0.00	0.0 %
Average Plan Cost/Rx	\$55.51	\$50.34	10.3 %
Avg Retail Plan Cost/Rx	\$54.99	\$49.94	10.1 %
Avg Mail Plan Cost/Rx	\$103.21	\$96.09	7.4 %
Average Mbr Contrib/Rx	\$12.37	\$12.22	1.2 %
Avg Retail Mbr Contrib/Rx	\$12.28	\$12.15	1.0 %
Avg Mail Mbr Contrib/Rx	\$20.51	\$19.87	3.2 %
Average Ing Cost/Rx	\$66.74	\$61.15	9.1 %
Avg Retail Ing Cost/Rx	\$66.11	\$60.67	9.0 %
Avg Mail Ing Cost/Rx	\$123.72	\$115.96	6.7 %
Average AWP/Rx	\$121.75	\$112.17	8.5 %
Avg Retail AWP/Rx	\$120.38	\$111.20	8.3 %
Avg Mail AWP/Rx	\$245.53	\$222.10	10.6 %
Average Days Supply/Rx	33.7	31.9	5.6 %
Avg Retail Days/Rx	33.2	31.5	5.3 %
Avg Mail Days/Rx	73.8	71.2	3.7 %
Average Plan Cost/Day	\$1.65	\$1.58	4.5 %
Avg Retail Plan Cost/Day	\$1.66	\$1.58	4.6 %
Avg Mail Plan Cost/Day	\$1.40	\$1.35	3.6 %
% Plan Cost	81.8 %	80.5 %	1.6 %
% Member Contribution	18.2 %	19.5 %	-6.7 %
% Retail Plan Cost	81.7 %	80.4 %	1.6 %
% Retail Mbr Contrib	18.3 %	19.6 %	-6.8 %
% Mail Plan Cost	83.4 %	82.9 %	0.7 %
% Mail Member Contrib	16.6 %	17.1 %	-3.3 %



Key Performance Indicators

Comprehensive Indicators

WVA - WV Public Employees Ins

Current Period: 10/2010 - 10/2010

Previous Period: 10/2009 - 10/2009

	Current Period	Previous Period	% Change
Rx Sources			
% Mail Rxs	1.1 %	0.9 %	24.9 %
% Retail Rxs	98.9 %	99.1 %	-0.2 %
% Member Submit Rxs	0.0 %	0.0 %	-79.6 %
Rx Types			
Avg SSB Plan Cost/Rx	\$188.44	\$155.49	21.2 %
Avg Retail SSB Plan Cost/Rx	\$187.00	\$154.52	21.0 %
Avg Mail SSB Plan Cost/Rx	\$302.04	\$255.11	18.4 %
Avg MSB Plan Cost/Rx	\$42.39	\$54.21	-21.8 %
Avg Retail MSB Plan Cost/Rx	\$42.64	\$54.58	-21.9 %
Avg Mail MSB Plan Cost/Rx	\$24.81	\$14.11	75.8 %
Avg GEN Plan Cost/Rx	\$19.86	\$13.61	46.0 %
Avg Retail GEN Plan Cost/Rx	\$19.65	\$13.43	46.3 %
Avg Mail GEN Plan Cost/Rx	\$40.33	\$34.39	17.3 %
% Single-Source Brand Rxs	21.0 %	25.6 %	-17.9 %
% Multi-Source Brand Rxs	0.9 %	0.9 %	-6.6 %
% Generic Rxs	78.1 %	73.4 %	6.3 %
% Retail Single-Source Brand	21.0 %	25.6 %	-18.0 %
% Retail Multi-Source Brand	0.9 %	0.9 %	-6.8 %
% Retail Generic	78.1 %	73.5 %	6.4 %
% Mail Single-Source Brand	24.1 %	28.0 %	-14.1 %
% Mail Multi-Source Brand	1.1 %	1.0 %	14.4 %
% Mail Generic	74.8 %	71.0 %	5.4 %
% Formulary Rxs	91.5 %	94.7 %	-3.4 %
% Retail Formulary Rxs	91.5 %	94.7 %	-3.4 %
% Mail Formulary Rxs	88.8 %	93.3 %	-4.8 %
% DAW Rxs	0.5 %	0.5 %	2.2 %
% Retail DAW Rxs	0.5 %	0.5 %	0.7 %
% Mail DAW Rxs	1.2 %	0.5 %	153.3 %
% Generic Conversion	98.9 %	98.8 %	0.2 %
% Retail GEN Conversion	98.9 %	98.8 %	0.2 %
% Mail GEN Conversion	98.5 %	98.7 %	-0.1 %
Period Totals			
Total Plan Cost	\$12,841,560.02	\$11,886,695.50	8.0 %
Retail Plan Cost	\$12,579,808.07	\$11,687,600.59	7.6 %
Mail Plan Cost	\$261,751.95	\$199,094.91	31.5 %
Total Member Contribution	\$2,860,374.35	\$2,885,309.02	-0.9 %



Key Performance Indicators

Comprehensive Indicators

WVA - WV Public Employees Ins

Current Period: 10/2010 - 10/2010

Previous Period: 10/2009 - 10/2009

	Current Period	Previous Period	
Retail Member Contrib	\$2,808,364.70	\$2,844,133.95	- 1.3 %
Mail Member Contrib	\$52,009.65	\$41,175.07	26.3 %
Total Rx Count	231,317	236,106	-2.0 %
Retail Rx Count	228,764	233,949	-2.2 %
Member Submit Rxs	17	85	-80.0 %
Mail Rx Count	2,536	2,072	22.4 %
Total Admin Fee	\$42.50	\$1,430.00	-97.0 %
Total UC Savings	\$9,916,978.24	\$12,365,044.35	-19.8 %
Total Lost Savings	\$29,065.46	\$27,795.25	4.6 %

Demographics

Average Age	39.1	38.7	1.1 %
% Male Members	46.4 %	46.6 %	-0.5 %
% Female Members	53.6 %	53.4 %	0.4 %

Graphs based on Current Period: 10/2010 - 10/2010

Claim Source by Rx Count



■ Mail □ Mem... ■ Retail

Drug Type by Plan Cost



■ Gen... □ MS... ■ SS...

Formulary Status by Rx Count



■ For... □ Non...

Drug Formulary Status by Plan Cost



■ Bra □ Bra ■ Gen...

Cost Share Distribution by Claim Source



■ Mbr Contr / ... □ Plan Cost / ...

Utilization Report by Population Level

WVA - WV Public Employees Ins

Prescriptions Filled From 10/2010 - 10/2010



Reporting Level 2	Avg Mbr Count	Avg Util Mbr/Mnth	Rx Count	Plan Cost	Member Contr/Rx	Plan Cost/Rx	Mail % Rxs	Gen % Rxs	Form % Rxs	Gen Conv %	PMPM Plan Cost
COBRA (COBRA)	339	192	702	\$59,371	\$14.08	\$84.57	6.0 %	75.2 %	89.7 %	99.1 %	\$175.14
NON STATE AGENCIES (02)	18,876	8,442	24,981	\$1,284,896	\$11.68	\$51.43	1.0 %	79.2 %	91.9 %	98.9 %	\$68.07
NON STATE AGENCIES-HDHP (02C)	49	12	17	\$3,134	\$22.71	\$184.33	0.0 %	82.4 %	100.0 %	100.0 %	\$63.95
NON STATE AGENCIES PLAN B (02B)	3,894	1,597	4,258	\$161,397	\$14.22	\$37.90	1.7 %	82.9 %	92.5 %	99.2 %	\$41.45
NON STATE RETIREES (08)	1,289	850	3,218	\$211,883	\$11.52	\$65.84	2.1 %	77.7 %	92.3 %	99.1 %	\$164.38
NON STATE RETIREES 60 (0860)	11	8	44	\$2,483	\$6.24	\$56.44	0.0 %	79.5 %	93.2 %	97.2 %	\$225.76
STATE AGENCIES (01)	122,247	55,424	160,072	\$8,864,375	\$12.31	\$55.38	1.0 %	78.2 %	91.3 %	98.9 %	\$72.51
STATE AGENCIES (01B)	5,240	1,544	3,395	\$132,133	\$16.70	\$38.92	1.4 %	81.7 %	91.4 %	99.3 %	\$25.22
STATE AGENCIES-HDHP (01C)	255	66	133	\$3,565	\$31.39	\$26.80	5.3 %	77.4 %	88.0 %	99.0 %	\$13.98
STATE RETIREES (07)	14,901	9,775	34,338	\$2,110,485	\$12.49	\$61.46	1.3 %	76.0 %	91.7 %	98.8 %	\$141.63
STATE RETIREES ASST 60 (0760)	52	41	159	\$7,839	\$5.22	\$49.30	0.6 %	84.9 %	98.1 %	99.3 %	\$150.75
Grand Total	167,153		231,317	\$12,841,560	\$12.37	\$55.51	1.1 %	78.1 %	91.5 %	98.9 %	\$76.83



Monthly Management Report
Total Claims
October 2010

West Virginia Legislative Interims
December 2010

WEST VIRGINIA PUBLIC EMPLOYEES INSURANCE AGENCY
MONTHLY MANAGEMENT REPORT - TOTAL CLAIMS
OCTOBER 2010

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Reporting Category	Type of Service	Current Period	Current	12 Months Prior	12 Months Prior	Current Fiscal Yr	Previous Fiscal Yr
		PEIA Payments	Rolling Avg PEIA Payments	PEIA Payments	Rolling Avg PEIA Payments	PEIA Payments	PEIA Payments
INPATIENT HOSPITAL FACILITY	BEHAVIORAL	240,204.53	261,794.43	434,476.99	185,984.69	962,773.79	852,577.57
	MATERNITY	227,895.53	175,398.30	195,974.34	161,862.22	786,092.66	648,539.44
	MEDICAL AND SURGICAL	8,620,864.06	7,023,293.52	7,668,201.47	6,044,599.21	28,761,858.62	23,889,007.20
	NEONATAL COMPLICATIONS	16,699.43	98,201.88	-7,216.52	84,307.93	150,229.69	187,934.31

sum		9,105,663.55	7,558,688.13	8,291,436.28	6,476,754.04	30,660,954.76	25,578,058.52
OUTPATIENT HOSPITAL FACILITY	BEHAVIORAL	65,047.65	48,317.18	62,193.13	43,370.02	222,594.73	182,251.88
	DIALYSIS	135,712.59	133,380.05	156,027.93	127,121.96	563,882.36	528,272.95
	EMERGENCY ROOM	736,481.27	603,127.09	610,088.02	518,168.23	2,547,225.90	1,835,814.62
	MATERNITY	87,316.74	51,587.86	67,008.09	41,745.67	253,286.07	149,256.01
	MEDICAL AND SURGICAL	10,530,094.86	8,853,152.66	9,055,470.70	7,985,692.27	38,632,521.74	29,184,856.82

sum		11,554,653.11	9,689,564.85	9,950,787.87	8,716,098.15	42,219,510.80	31,880,452.28
PHARMACY	PRESCRIPTION DRUGS	11,309,953.51	12,042,180.33	13,068,327.68	10,446,673.00	46,786,612.32	41,684,267.72

sum		11,309,953.51	12,042,180.33	13,068,327.68	10,446,673.00	46,786,612.32	41,684,267.72
PROFESSIONAL SERVICES	ADVANCED IMAGING	439,301.36	404,396.76	457,057.36	477,186.11	1,521,782.98	1,498,318.67
	AMBULANCE	312,168.61	270,932.81	384,266.47	189,330.24	1,158,215.92	847,332.94
	ANESTHESIA	785,437.58	728,366.24	710,968.82	688,320.38	3,131,815.07	2,705,245.07
	BEHAVIORAL	430,889.04	351,714.14	372,090.20	323,016.68	1,281,416.32	1,147,344.73
	CARDIOVASCULAR MEDICINE	378,799.51	315,888.00	320,624.87	348,928.11	1,176,797.63	1,182,277.07
	CERVICAL CANCER SCREENING	16,756.38	17,957.40	23,863.22	17,616.26	71,964.24	82,318.19
	DIALYSIS	18,290.86	16,906.42	15,572.44	9,709.57	68,959.82	53,083.51
	DME	517,314.71	430,856.64	437,134.65	419,974.17	1,709,476.34	1,495,783.78

SOURCE: WELLS FARGO AND EXPRESS SCRIPTS PAID CLAIMS TAPES
NOTE: CLAIMS LISTED ARE ON A PAID BASIS
NOTE: DOES NOT INCLUDE REBATES, PHARMACY ADMINISTRATIVE FEES, OR RECOVERIES

WEST VIRGINIA PUBLIC EMPLOYEES INSURANCE AGENCY
 MONTHLY MANAGEMENT REPORT - TOTAL CLAIMS

OCTOBER 2010

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Reporting Category	Type of Service	Current		12 Months Prior		Current Fiscal Yr PEIA Payments	Previous Fiscal Yr PEIA Payments
		Current Period PEIA Payments	Rolling Avg PEIA Payments	12 Months Prior PEIA Payments	Rolling Avg PEIA Payments		
PROFESSIONAL SERVICES	EVALUATION AND MANAGEMENT	6,455,321.56	5,087,069.08	5,689,557.05	4,693,536.52	21,643,696.87	19,055,586.70
	IMMUNIZATION	541,277.98	307,884.52	521,283.26	309,814.36	1,429,822.51	1,342,143.26
	INJECTION	824,648.10	761,782.44	815,508.07	729,013.21	2,892,797.90	2,443,894.03
	LAB AND PATHOLOGY	771,801.76	762,621.01	814,308.98	714,112.08	2,760,595.83	2,621,737.96
	MAMMOGRAPHY	159,572.78	140,018.90	178,304.58	142,918.67	611,426.18	643,537.49
	OTHER	494,144.03	412,510.81	410,770.21	377,139.81	1,832,445.72	1,474,928.44
	OTHER IMAGING	704,231.43	694,339.72	882,240.15	764,990.15	2,413,544.26	2,796,798.85
	OTHER MEDICINE	739,982.54	681,270.80	553,767.38	708,322.24	2,619,211.76	2,332,530.77
	PHYSICAL MEDICINE	707,506.83	659,712.87	647,752.27	623,230.75	2,513,608.17	2,137,107.24
	PROSTATE CANCER SCREENING	8,393.75	9,940.15	9,481.11	15,290.49	32,758.56	44,311.02
	SURGICAL	2,685,487.61	2,538,953.76	2,707,010.42	2,439,702.84	10,130,083.57	9,472,866.63

sum		16,991,326.42	14,593,122.49	15,951,561.51	13,992,152.64	59,000,419.65	53,377,146.35
sum		48,961,596.59	43,883,555.80	47,262,113.34	39,631,677.83	178,667,497.53	152,519,924.87

SOURCE: WELLS FARGO AND EXPRESS SCRIPTS PAID CLAIMS TAPES

NOTE: CLAIMS LISTED ARE ON A PAID BASIS

NOTE: DOES NOT INCLUDE REBATES, PHARMACY ADMINISTRATIVE FEES, OR RECOVERIES



**Monthly Management Report
Per Capita Claims
October 2010**

*West Virginia Legislative Interims
December 2010*

WEST VIRGINIA PUBLIC EMPLOYEES INSURANCE AGENCY
MONTHLY MANAGEMENT REPORT - PER CAPITA CLAIMS

OCTOBER 2010

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Reporting Category	Type of Service	Current Period	Current	12 Months Prior	12 Months Prior	Current Fiscal Yr	Previous Fiscal Yr
		PEIA Payments	Rolling Avg PEIA Payments	PEIA Payments	Rolling Avg PEIA Payments	PEIA Payments	PEIA Payments
INPATIENT HOSPITAL FACILITY	BEHAVIORAL	1.4592	1.7146	2.7209	1.2588	5.8471	5.3802
	MATERNITY	1.3844	1.1478	1.2273	1.0941	4.7741	4.0926
	MEDICAL AND SURGICAL	52.3702	45.9753	48.0214	40.8859	174.6769	150.7526
	NEONATAL COMPLICATIONS	.1014	.6433	-.0452	.5693	.9124	1.1860
***** sum		55.3152	49.4811	51.9244	43.8080	186.2105	161.4114
OUTPATIENT HOSPITAL FACILITY	BEHAVIORAL	.3952	.3162	.3895	.2933	1.3519	1.1501
	DIALYSIS	.8244	.8723	.9771	.8590	3.4246	3.3337
	EMERGENCY ROOM	4.4740	3.9473	3.8206	3.5053	15.4698	11.5850
	MATERNITY	.5304	.3374	.4196	.2828	1.5383	.9419
MEDICAL AND SURGICAL	63.9684	57.9309	56.7090	54.0104	234.6235	184.1723	
***** sum		70.1924	63.4041	62.3159	58.9509	256.4081	201.1829
PHARMACY	PRESCRIPTION DRUGS	68.7059	78.8404	81.8392	70.6827	284.1450	263.0503
***** sum		68.7059	78.8404	81.8392	70.6827	284.1450	263.0503
PROFESSIONAL SERVICES	ADVANCED IMAGING	2.6687	2.6476	2.8623	3.2320	9.2421	9.4552
	AMBULANCE	1.8964	1.7737	2.4064	1.2813	7.0341	5.3471
	ANESTHESIA	4.7714	4.7659	4.4524	4.6548	19.0202	17.0716
	BEHAVIORAL	2.6176	2.3037	2.3302	2.1861	7.7823	7.2404
	CARDIOVASCULAR MEDICINE	2.3011	2.0686	2.0079	2.3608	7.1469	7.4608
	CERVICAL CANCER SCREENING	.1018	.1175	.1494	.1191	.4371	.5195
	DIALYSIS	.1111	.1107	.0975	.0654	.4188	.3350
	DME	3.1426	2.8203	2.7375	2.8413	10.3820	9.4392

SOURCE: WELLS FARGO AND EXPRESS SCRIPTS PAID CLAIMS TAPES

NOTE: CLAIMS LISTED ARE ON A PAID BASIS

NOTE: DOES NOT INCLUDE REBATES, PHARMACY ADMINISTRATIVE FEES, OR RECOVERIES

WEST VIRGINIA PUBLIC EMPLOYEES INSURANCE AGENCY
 MONTHLY MANAGEMENT REPORT - PER CAPITA CLAIMS
 OCTOBER 2010

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Reporting Category	Type of Service	Current		12 Months Prior		Current Fiscal Yr PEIA Payments	Previous Fiscal Yr PEIA Payments
		Current Period PEIA Payments	Rolling Avg PEIA Payments	12 Months Prior PEIA Payments	Rolling Avg PEIA Payments		
PROFESSIONAL SERVICES	EVALUATION AND MANAGEMENT	39.2149	33.2992	35.6303	31.7435	131.4468	120.2511
	IMMUNIZATION	3.2882	2.0164	3.2645	2.0980	8.6836	8.4697
	INJECTION	5.0096	4.9876	5.1070	4.9375	17.5686	15.4223
	LAB AND PATHOLOGY	4.6886	4.9931	5.0995	4.8299	16.7657	16.5446
	MAMMOGRAPHY	.9694	.9163	1.1166	.9666	3.7133	4.0611
	OTHER	3.0018	2.6988	2.5724	2.5510	11.1288	9.3076
	OTHER IMAGING	4.2781	4.5477	5.5249	5.1748	14.6580	17.6493
	OTHER MEDICINE	4.4953	4.4572	3.4679	4.7942	15.9070	14.7195
	PHYSICAL MEDICINE	4.2980	4.3194	4.0565	4.2169	15.2657	13.4863
	PROSTATE CANCER SCREENING	.0510	.0651	.0594	.1035	.1989	.2796
	SURGICAL	16.3138	16.6180	16.9524	16.4995	61.5222	59.7789
***** sum		103.2192	95.5269	99.8952	94.6562	358.3221	336.8387
sum		297.4328	287.2525	295.9746	268.0978	1,085.0857	962.4834

SOURCE: WELLS FARGO AND EXPRESS SCRIPTS PAID CLAIMS TAPES
 NOTE: CLAIMS LISTED ARE ON A PAID BASIS
 NOTE: DOES NOT INCLUDE REBATES, PHARMACY ADMINISTRATIVE FEES, OR RECOVERIES



**Monthly Management Report
Per Capita Utilization
October 2010**

*West Virginia Legislative Interims
December 2010*

WEST VIRGINIA PUBLIC EMPLOYEES INSURANCE AGENCY
 MONTHLY MANAGEMENT REPORT - PER CAPITA UTILIZATION
 OCTOBER 2010

Page: 1

Reporting Category	Type of Service	Current Period Encounters	12 Months Prior Encounters	Current Fiscal Yr Encounters	Previous Fiscal Yr Encounters
INPATIENT HOSPITAL FACILITY	BEHAVIORAL	.0012	.0011	.0037	.0028
	MATERNITY	.0010	.0010	.0036	.0033
	MEDICAL AND SURGICAL	.0093	.0085	.0342	.0309
	NEONATAL COMPLICATIONS	.0004	.0004	.0014	.0012
	***** sum	.0120	.0110	.0429	.0383
OUTPATIENT HOSPITAL FACILITY	BEHAVIORAL	.0034	.0042	.0118	.0136
	DIALYSIS	.0041	.0040	.0186	.0159
	EMERGENCY ROOM	.0290	.0285	.1008	.0873
	MATERNITY	.0034	.0026	.0099	.0076
	MEDICAL AND SURGICAL	.2394	.2273	.8625	.7733
***** sum	.2793	.2665	1.0036	.8978	
PHARMACY	PRESCRIPTION DRUGS	.9418	1.1388	3.9145	3.8558
***** sum		.9418	1.1388	3.9145	3.8558
PROFESSIONAL SERVICES	ADVANCED IMAGING	.0252	.0265	.0900	.0857
	AMBULANCE	.0049	.0051	.0167	.0145
	ANESTHESIA	.0220	.0227	.0868	.0799
	BEHAVIORAL	.0528	.0467	.1778	.1578
	CARDIOVASCULAR MEDICINE	.0368	.0368	.1250	.1288
	CERVICAL CANCER SCREENING	.0049	.0062	.0188	.0207
	DIALYSIS	.0009	.0006	.0030	.0023
	DME	.0316	.0280	.1036	.0895
	EVALUATION AND MANAGEMENT	.6017	.5807	2.0259	1.9319
	IMMUNIZATION	.0830	.0900	.1410	.1537

SOURCE: WELLS FARGO AND EXPRESS SCRIPTS PAID CLAIMS TAPES
 NOTE: CLAIMS LISTED ARE ON A PAID BASIS

WEST VIRGINIA PUBLIC EMPLOYEES INSURANCE AGENCY
 MONTHLY MANAGEMENT REPORT - PER CAPITA UTILIZATION
 OCTOBER 2010

Page: 2

Reporting Category	Type of Service	Current Period Encounters	12 Months Prior Encounters	Current Fiscal Yr Encounters	Previous Fiscal Yr Encounters
PROFESSIONAL SERVICES	INJECTION	.0360	.0332	.1168	.1066
	LAB AND PATHOLOGY	.1946	.2001	.6840	.6705
	MAMMOGRAPHY	.0180	.0202	.0707	.0761
	OTHER	.0450	.0419	.1244	.1186
	OTHER IMAGING	.1120	.1129	.3842	.3778
	OTHER MEDICINE	.0929	.0872	.3239	.2975
	PHYSICAL MEDICINE	.1110	.0996	.4143	.3951
	PROSTATE CANCER SCREENING	.0051	.0051	.0186	.0206
	SURGICAL	.0943	.0893	.3387	.3183

sum		1.5728	1.5327	5.2643	5.0456
sum		2.8058	2.9491	10.2254	9.8375

SOURCE: WELLS FARGO AND EXPRESS SCRIPTS PAID CLAIMS TAPES
 NOTE: CLAIMS LISTED ARE ON A PAID BASIS

**West Virginia Board of Risk and Insurance Management
UNAUDITED BALANCE SHEET**



	October 31	
	2010	2009
	(in thousands)	
ASSETS		
Short Term Assets		
Cash and Equivalents	\$ 24,773	\$ 25,429
Advance Deposit with Carrier/Trustee	190,834	178,703
Receivables - Net	4,874	4,093
Prepaid Insurance	4,044	3,697
Total Short Term Assets	224,525	211,922
Long Term Assets		
Investments	128,416	115,439
Total Long Term Assets	128,416	115,439
TOTAL ASSETS	352,941	327,361
LIABILITIES		
Short Term Liabilities		
Accounts payable	3,302	1,339
Claims Payable	645	178
OPEB Liability	181	87
Agents Commissions Payable	466	425
Unearned Revenue	9,427	10,465
Current Estimated Claim Reserve	44,765	49,402
Total Short Term Liabilities	58,786	61,896
Long Term Liabilities		
Compensated Absences	66	58
Estimated Noncurrent Claim Reserve	89,745	104,725
Total Long Term Liabilities	89,811	104,783
TOTAL LIABILITIES	148,597	166,679
Prior Year Net Assets	192,207	150,958
Current Year Earnings	12,137	9,724
TOTAL NET ASSETS	204,344	160,682
TOTAL LIABILITIES AND RETAINED EARNINGS	\$ 352,941	\$ 327,361

DRAFT - Unaudited - Management Purposes Only

West Virginia Board of Risk and Insurance Management
UNAUDITED INCOME STATEMENT
For the four months ending

DRAFT

	October 31	
	2010	2009
	(in thousands)	
Operating Revenues		
Premium Revenues	\$ 17,722	\$ 19,520
Less - Excess Insurance	(2,022)	(2,085)
Total Operating Revenues	15,700	17,435
Operating Expenses		
Claims Expense	13,580	17,193
Property & MS Claims Expense	1,559	2,207
Personal Services	467	436
General & Administrative Expense	992	1,141
Total Operating Expenses	16,598	20,977
Operating Income (Loss)	(898)	(3,542)
Nonoperating Revenues		
Court Fees	10	14
Investment Income	13,025	13,252
Total Nonoperating Revenues	13,035	13,266
Net Income	12,137	9,724

DRAFT - Unaudited - Management Purposes Only

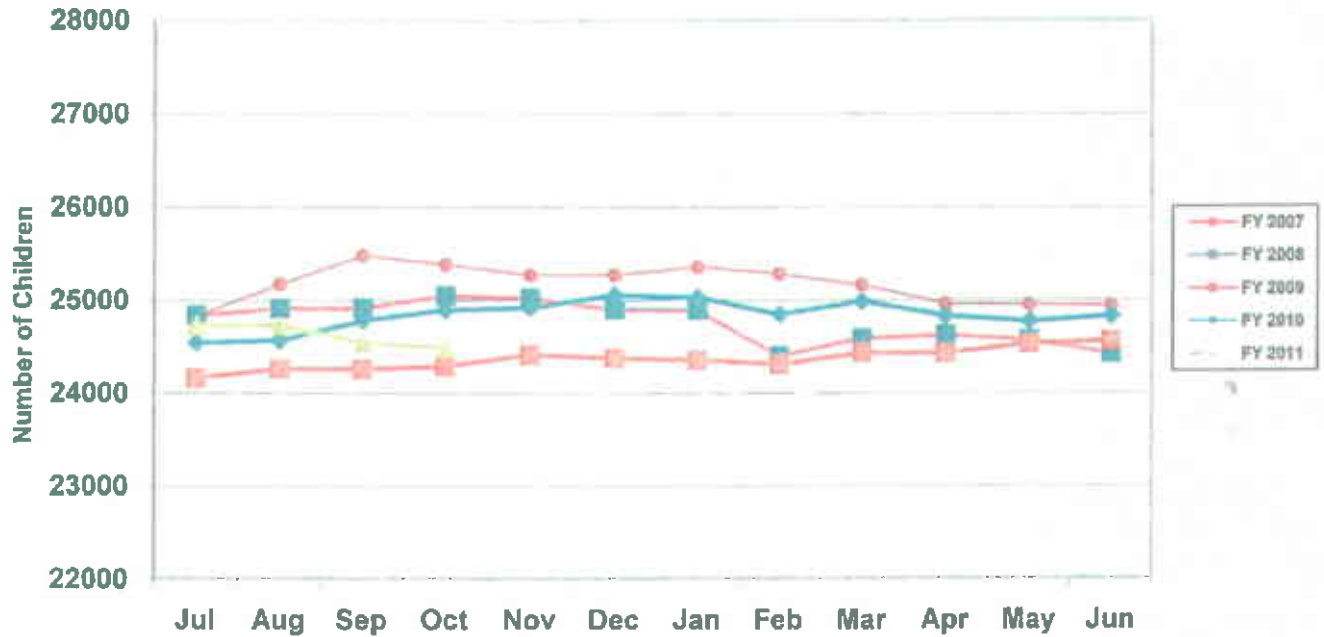


**West Virginia
Children's Health Insurance Program
1018 Kanawha Boulevard East
Suite 209
Charleston, WV 25301
Phone: 304-558-2732
Toll-Free: 1-877-WVA CHIP
Fax: 304-558-2741
www.wvchip.org**

**Joint Committee on
Government and Finance
Report**

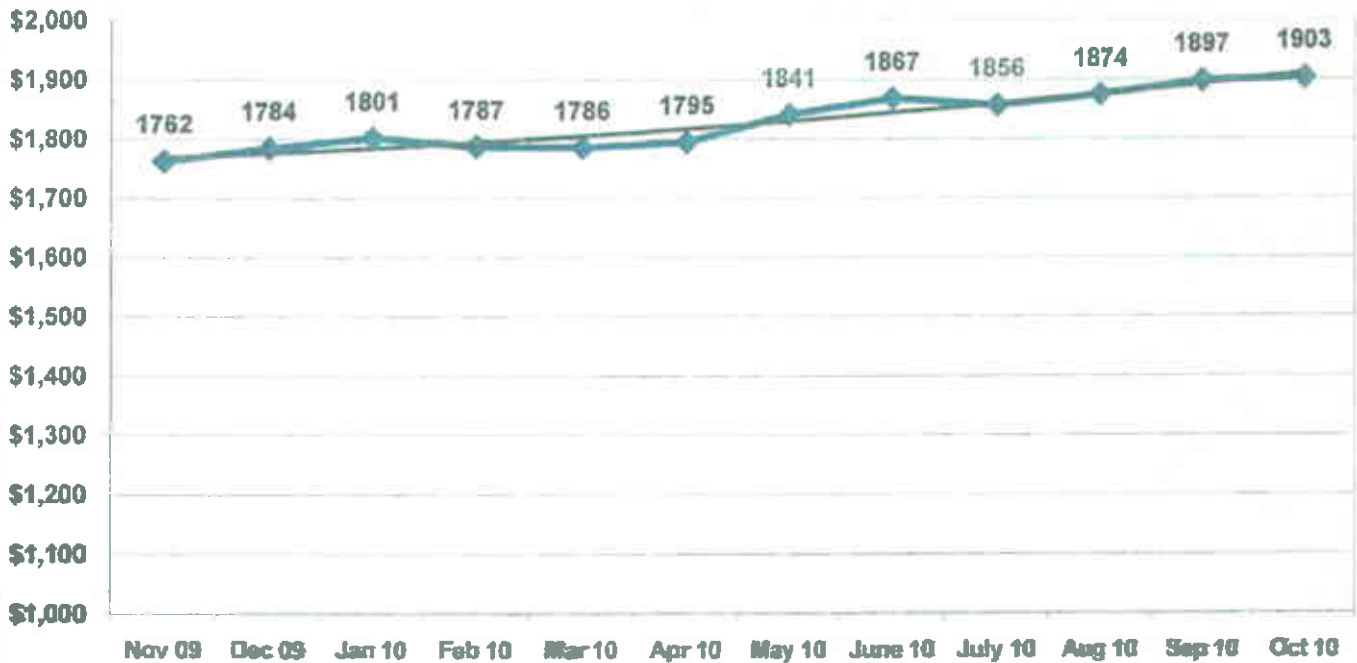
December 2010

WV CHIP Enrollment



November 30th Enrollment 24,397

Annualized Health Care Expenditures (Cost per Child)



West Virginia Children's Health Insurance Program
Comparative Balance Sheet
October 2010 and 2009
(Accrual Basis)

	October 31, 2010	October 31, 2009	Variance	
Assets:				
Cash & Cash Equivalents	\$14,644,430	\$12,906,037	\$1,738,393	13%
Due From Federal Government	\$3,380,032	\$3,074,261	\$305,771	10%
Due From Other Funds	\$778,984	\$682,626	\$96,358	14%
Accrued Interest Receivable	\$28,946	\$916	\$28,030	3060%
Fixed Assets, at Historical Cost	\$68,563	\$71,434	(\$2,871)	-4%
Total Assets	<u>\$18,900,955</u>	<u>\$16,735,274</u>	<u>\$2,165,681</u>	<u>13%</u>
Liabilities:				
Due to Other Funds	\$289,016	\$346,887	(\$57,871)	-17%
Deferred Revenue	\$3,284,024	\$2,900,561	\$383,463	13%
Unpaid Insurance Claims Liability	\$3,870,000	\$3,410,000	\$460,000	13%
Total Liabilities	<u>\$7,443,039</u>	<u>\$6,657,448</u>	<u>\$785,591</u>	<u>12%</u>
Fund Equity	<u>\$11,457,915</u>	<u>\$10,077,826</u>	<u>\$1,380,089</u>	<u>14%</u>
Total Liabilities and Fund Equity	<u>\$18,900,955</u>	<u>\$16,735,274</u>	<u>\$2,165,681</u>	<u>13%</u>

PRELIMINARY FINANCIAL STATEMENTS

Unaudited - For Management Purposes Only - Unaudited

West Virginia Children's Health Insurance Program
Comparative Statement of Revenues, Expenditures and Changes in Fund Balances
For the Four Months Ending October 31, 2010 and October 31, 2009
(Modified Accrual Basis)

	October 31, 2010	October 31, 2009	Variance	
Revenues				
Federal Grants	13,447,669	12,466,517	981,152	8%
State Appropriations	4,378,764	4,608,538	(229,774)	-5%
Premium Revenues	141,802	99,334	42,468	43%
Investment Income:				
Investment Earnings	86,272	5,163	81,109	1571%
Unrealized Gain On Investments*	108,849	0	108,849	100%
Total Investment Income	<u>195,121</u>	<u>5,163</u>	<u>189,958</u>	<u>3679%</u>
Total Revenues	<u>18,163,356</u>	<u>17,179,552</u>	<u>983,804</u>	<u>6%</u>
Expenditures:				
Claims:				
Outpatient Services	3,908,910	3,829,950	78,960	2%
Physicians & Surgical	3,650,461	3,212,178	438,283	14%
Prescribed Drugs	3,190,161	2,959,568	230,593	8%
Dental	1,925,020	1,637,964	287,056	18%
Inpatient Hospital Services	1,176,558	893,385	283,173	32%
Durable & Disposable Med. Equip.	418,897	440,060	(21,163)	-5%
Outpatient Mental Health	415,891	355,007	60,684	17%
Vision	313,232	253,672	59,560	23%
Inpatient Mental Health	296,685	192,065	104,620	54%
Therapy	178,871	151,817	27,054	18%
Medical Transportation	139,129	90,024	49,105	55%
Other Services	34,470	28,748	5,722	20%
Less: Collections**	<u>(181,458)</u>	<u>(226,389)</u>	<u>44,931</u>	<u>-20%</u>
Total Claims	<u>15,466,627</u>	<u>13,818,049</u>	<u>1,648,578</u>	<u>12%</u>
General and Admin Expenses:				
Salaries and Benefits	173,104	170,431	2,673	2%
Program Administration	936,204	1,028,889	(92,685)	-9%
Eligibility	141,273	135,101	6,172	5%
Outreach & Health Promotion	55,864	157,030	(101,166)	-64%
Current	<u>41,874</u>	<u>46,254</u>	<u>(4,380)</u>	<u>-9%</u>
Total Administrative	<u>1,348,319</u>	<u>1,537,705</u>	<u>(189,386)</u>	<u>-12%</u>
Total Expenditures	<u>16,814,946</u>	<u>15,355,754</u>	<u>1,459,192</u>	<u>10%</u>
Excess of Revenues				
Over (Under) Expenditures	1,348,409	1,823,798	(475,389)	-26%
Fund Equity, Beginning	<u>10,109,506</u>	<u>8,254,028</u>	<u>1,855,478</u>	<u>22%</u>
Fund Equity, Ending	<u>11,457,915</u>	<u>10,077,826</u>	<u>1,380,089</u>	<u>14%</u>

* Short Term Bond Fund Investment began in November 2009

** Collections are primarily drug rebates and subrogation

PRELIMINARY FINANCIAL STATEMENTS

Unaudited - For Management Purposes Only - Unaudited

**West Virginia Children's Health Insurance Program
Budget to Actual Statement
State Fiscal Year 2011
For the Four Months Ended October 30, 2010**

	<u>Budgeted for Year</u>	<u>Year to Date Budgeted Amt</u>	<u>Year to Date Actual Amt</u>	<u>Year to Date Variance*</u>		<u>Monthly Budgeted Amt</u>	<u>Actual Amt Oct-10</u>	<u>Actual Amt Sep-10</u>	<u>Actual Amt Aug-10</u>
Projected Cost	\$48,263,300	\$16,087,767	\$15,135,404	\$952,362	6%	\$4,021,942	\$4,690,293	\$3,900,368	\$3,108,694
Premiums	350,000	116,667	141,802	(\$25,135)	22%	\$29,167	36,018	34,563	\$37,003
Subrogation & Rebates	<u>543,140</u>	<u>181,047</u>	<u>181,458</u>	<u>(411)</u>	<u>0%</u>	<u>45,262</u>	<u>0</u>	<u>170,730</u>	<u>4,010</u>
Net Benefit Cost	47,370,160	\$15,790,053	\$14,812,145	\$977,909	6%	\$3,947,513	4,654,275	3,895,075	\$3,067,682
Salaries & Benefits	\$580,500	\$198,400	\$173,104	\$25,296	13%	\$47,675	\$41,409	\$40,858	\$41,038
Program Administration	3,348,959	1,297,653	1,004,141	293,512	23%	252,913	76,924	382,311	50,627
Eligibility	420,000	140,000	129,263	10,737	8%	35,000	10,635	85,576	8,062
Outreach	300,000	100,000	57,639	42,361	42%	25,000	26,696	6,350	22,819
Current Expense	<u>160,000</u>	<u>53,333</u>	<u>50,686</u>	<u>2,647</u>	<u>5%</u>	<u>13,333</u>	<u>10,615</u>	<u>11,695</u>	<u>13,958</u>
Total Admin Cost	\$4,807,459	\$1,789,386	\$1,414,833	\$374,553	21%	\$373,922	\$166,279	\$526,790	\$136,504
Total Program Cost	<u>\$52,177,619</u>	<u>\$17,579,440</u>	<u>\$16,226,978</u>	<u>\$1,352,462</u>	<u>8%</u>	<u>\$4,321,435</u>	<u>\$4,820,554</u>	<u>\$4,221,865</u>	<u>\$3,204,186</u>
Federal Share 81.83%	42,216,962	\$14,361,055	\$13,251,541	1,109,515	8%	3,536,230	3,917,665	3,454,752	2,621,985
State Share 18.17%	<u>9,960,657</u>	<u>\$3,218,384</u>	<u>\$2,975,437</u>	<u>242,947</u>	<u>8%</u>	<u>785,205</u>	<u>902,890</u>	<u>767,113</u>	<u>582,201</u>
Total Program Cost **	<u>\$52,177,619</u>	<u>\$17,579,440</u>	<u>\$16,226,978</u>	<u>\$1,352,462</u>	<u>8%</u>	<u>\$4,321,435</u>	<u>\$4,820,554</u>	<u>\$4,221,865</u>	<u>\$3,204,186</u>

* Positive percentages indicate favorable variances

** Budgeted Year Based on CCRC Actuary 6/30/2010 Report

Unaudited - Cash Basis For Management Purposes Only - Unaudited

Memo for Calculations Above:

Notes:

1/ Total budgeted for Year Program costs are CCRC Actuary's Base Line Scenerio dated 6/30/10 Final worksheet Net Paid Program Costs.

2/ Federal Share for FFY 2010 is 81.83%. Federal Share for FFY 2011 (10/1/10 - 9/30/11) is set at 81.27%.

WVCHIP Enrollment Report

ATTACHMENT 1

November 2010

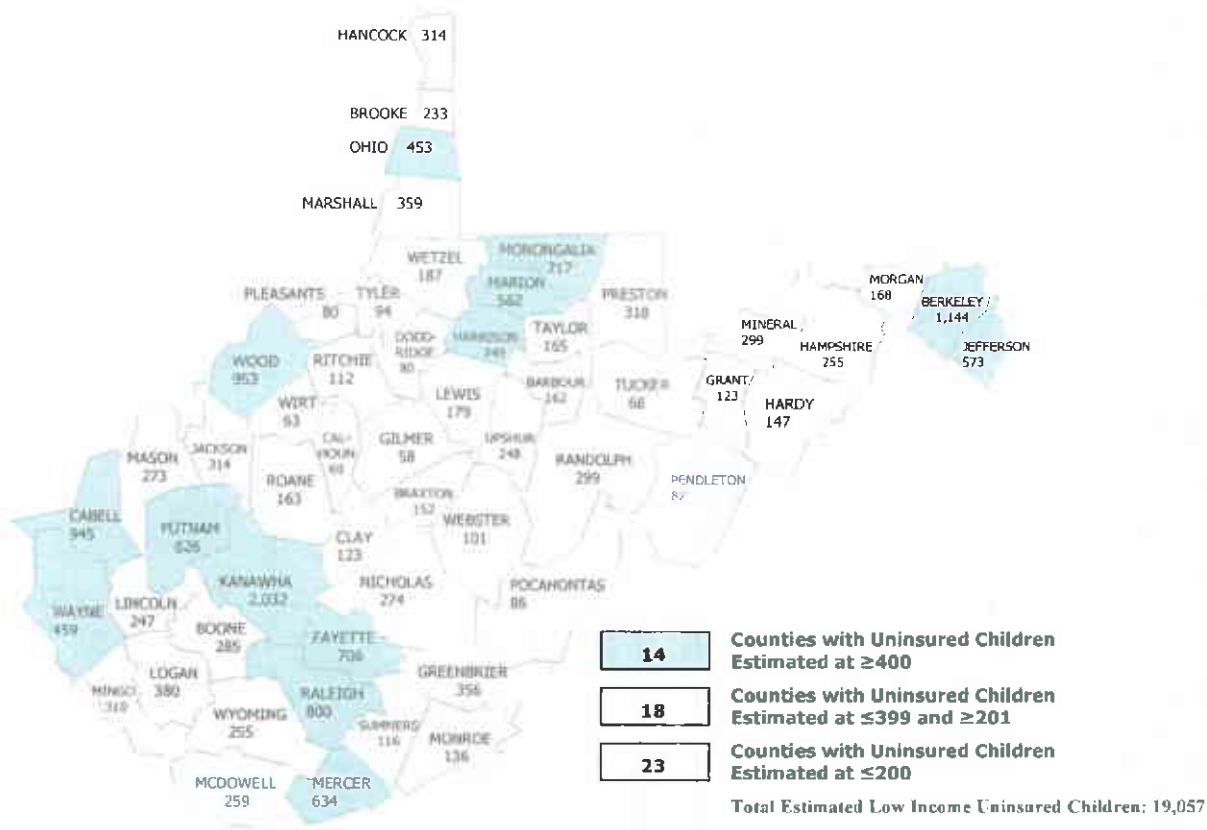
County	County Pop. 2005 Est. (0-18 Yrs)	Total CHIP Enrollment Nov-10	Total Medicaid Enrollment Nov-10	Total CHIP/Medicaid Enrollment	CHIP/Medicaid Enrollment % of Population	2009	2009
						Est. Uninsured 5%	# Children Uninsured Ranking*
Barbour	3,248	260	1,537	1,797	55.3%	162	38
Berkeley	22,882	1,289	7,608	8,897	38.9%	1,144	2
Boone	5,706	292	2,638	2,930	51.3%	285	24
Braxton	3,044	227	1,552	1,779	58.4%	152	39
Brooke	4,658	282	1,522	1,804	38.7%	233	32
Cabell	18,900	1,028	8,318	9,346	49.4%	945	4
Calhoun	1,389	123	883	1,006	72.4%	69	52
Clay	2,454	179	1,441	1,620	66.0%	123	43
Doddridge	1,607	133	716	849	52.8%	80	50
Fayette	9,692	836	4,644	5,480	56.5%	485	12
Gilmer	1,154	95	629	724	62.8%	58	55
Grant	2,463	196	954	1,150	46.7%	123	42
Greenbrier	7,110	594	2,856	3,450	48.5%	356	17
Hampshire	5,110	321	2,168	2,489	48.7%	255	28
Hancock	6,270	364	2,432	2,796	44.6%	314	20
Hardy	2,950	166	1,245	1,411	47.8%	147	40
Harrison	14,973	925	5,847	6,772	45.2%	749	6
Jackson	6,277	390	2,766	3,156	50.3%	314	19
Jefferson	11,465	430	2,916	3,346	29.2%	573	10
Kanawha	40,647	2,289	17,099	19,388	47.7%	2,032	1
Lewis	3,577	286	1,788	2,074	58.0%	179	34
Lincoln	4,945	382	2,726	3,108	62.9%	247	31
Logan	7,610	563	3,879	4,442	58.4%	380	15
Marion	11,245	683	4,424	5,107	45.4%	562	11
Marshall	7,176	333	2,876	3,209	44.7%	359	16
Mason	5,461	273	2,709	2,982	54.6%	273	26
McDowell	5,170	319	3,327	3,646	70.5%	259	27
Mercer	12,687	1,131	6,778	7,909	62.3%	634	8
Mineral	5,973	282	1,994	2,276	38.1%	299	22
Mingo	6,204	348	3,149	3,497	56.4%	310	21
Monongalia	14,346	708	4,249	4,957	34.6%	717	7
Monroe	2,728	220	1,045	1,265	46.4%	136	41
Morgan	3,365	257	1,235	1,492	44.3%	168	35
Nicholas	5,478	396	2,698	3,094	56.5%	274	25
Ohio	9,068	477	3,037	3,514	38.8%	453	14
Pendleton	1,632	105	517	622	38.1%	82	49
Pleasants	1,593	107	546	653	41.0%	80	51
Pocahontas	1,717	134	697	831	48.4%	86	48
Preston	6,354	511	2,430	2,941	46.3%	318	18
Putnam	12,522	691	3,485	4,176	33.3%	626	9
Raleigh	15,992	1,250	7,343	8,593	53.7%	800	5
Randolph	5,971	405	2,635	3,040	50.9%	299	23
Ritchie	2,234	149	908	1,057	47.3%	112	45
Roane	3,266	312	1,668	1,980	60.6%	163	37
Summers	2,322	210	1,182	1,392	59.9%	116	44
Taylor	3,307	225	1,374	1,599	48.4%	165	36
Tucker	1,354	110	508	618	45.6%	68	53
Tyler	1,887	141	765	906	48.0%	94	47

WVCHIP Enrollment Report

ATTACHMENT 1

November 2010

County	County Pop 2005 Est (0-18 Yrs)	Total CHIP Enrollment Nov-10	Total Medicaid Enrollment Nov-10	Total CHIP/Medicaid Enrollment	CHIP/Medicaid Enrollment % of Population	2009 Est. Uninsured 5%	2009 # Children Uninsured Ranking*
Upshur	4,956	388	2,332	2,720	54.9%	248	30
Wayne	9,176	553	4,163	4,716	51.4%	459	13
Webster	2,020	155	1,179	1,334	66.1%	101	46
Wetzel	3,732	213	1,643	1,856	49.7%	187	33
Wirt	1,268	109	581	690	54.4%	63	54
Wood	19,063	1,142	8,476	9,618	50.5%	953	3
Wyoming	5,092	410	2,565	2,975	58.4%	255	29
Totals	382,490	24,397	160,682	185,079	48.4%	19,125	



Note 1: The most recent estimate for all uninsured children statewide from the US Census Current Population Survey is 4.6%. It should be noted that even this five percent extrapolation to the county level could vary significantly from county to county depending on the availability of employee sponsored insurance. However, it remains our best gross estimate of the remaining uninsured children.

Note 2: It has been estimated that 7 of 10 uninsured children qualify or may have qualified for CHIP or Medicaid in the past, WVCHIP uses the 5% uninsured estimate as a target number for outreach.

Legislative Oversight Commission on
Health and Human Resources Accountability

DECEMBER 2010

Department of Administration

State Children's Health Insurance Program
UPDATE



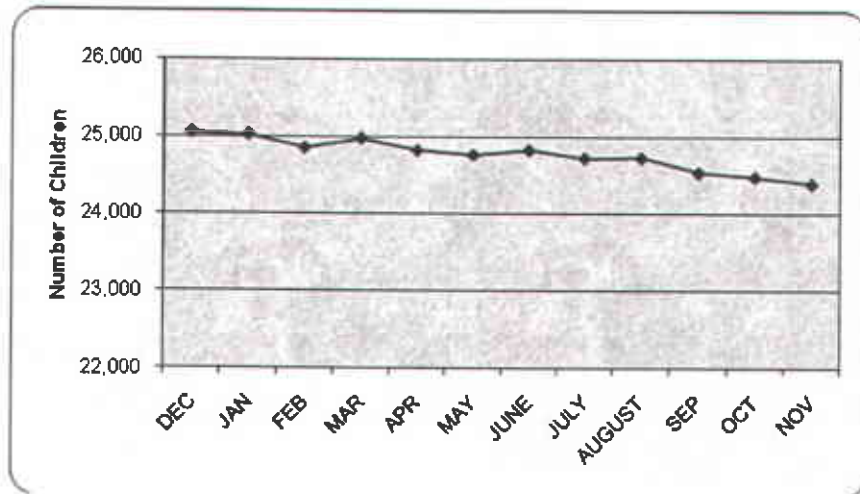
WV CHILDREN'S HEALTH INSURANCE AGENCY

REPORT FOR DECEMBER 2010

I. Enrollment on November 30, 2010: 24,397

See Attachment 1 for enrollment by county.

Current 12-Month Enrollment Period: December 2009 through November 2010



Enrollee Totals: September 2010 to November 2010

Month	Total	1 Year	Total
September	1,830	Average	1,757
October	1,659	High	2,037
November	1,537	Low	1,476

New Enrollee (Never Before on CHIP) Totals: September 2010 to November 2010

Month	Total	1 Year	Total
September	654	Average	673
October	635	High	770
November	586	Low	575

II. Re-enrollment for 3 Month Period: August 2010 to October 2010

Total Forms Mailed		Enrolled within Notice Period		Reopened Cases After Closure		Final Closures	
Month	Total	#	%	#	%	#	%
August	2,112	1,237	59%	153	7%	684	32%
September	1,992	1,176	59%	169	8%	612	31%
October	1,802	1,046	58%	186	10%	538	30%

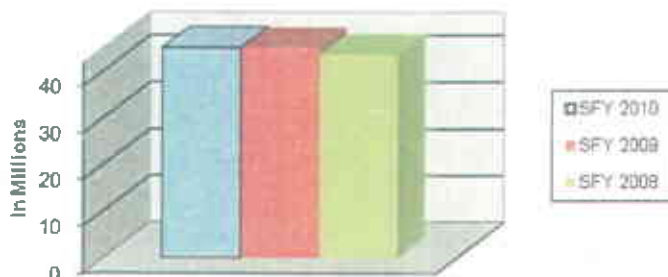
III. Financial Activity

Please see this month's financial statement at Attachment 2.

The average annualized claims cost per child for the month ended October 2010 was \$2,048.

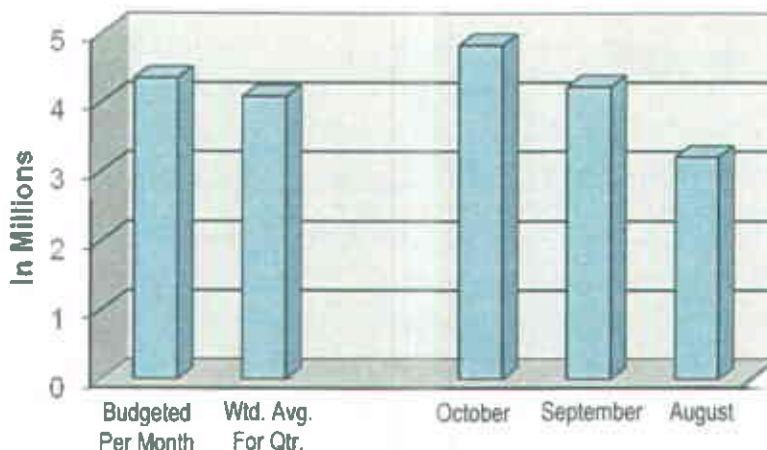
Annual Expenditures for a 3 Year Period: SFY 2008 – SFY 2010

	SFY 2010	FFP% 2010	SFY 2009	FFP% 2009	SFY 2008	FFP% 2008
Federal	38,675,336	81.83	37,550,029	81.61	35,626,232	81.98
State	8,618,874	18.17	8,417,193	18.39	7,947,861	18.02
Total Costs	47,294,210	100.00	45,967,222	100.00	43,574,093	100.00



Monthly Budgeted and Current 3 Month Period: August 2010 – October 2010

	Budgeted Per Month	Wtd. Avg. For Qtr.	Actual		
			October 2010	September 2010	August 2010
Federal	3,518,058	3,331,467	3,917,665	3,454,752	2,621,985
State	830,077	750,735	902,890	767,113	582,201
Total	4,348,135	4,082,202	4,820,555	4,221,865	3,204,186



IV. Other Highlights

- ◆ Starting this month enrollees for CHIP's Premium Plan can go online to make their monthly premium payments directly at www.chip.wv.gov.

WVCHIP Enrollment Report

ATTACHMENT 1

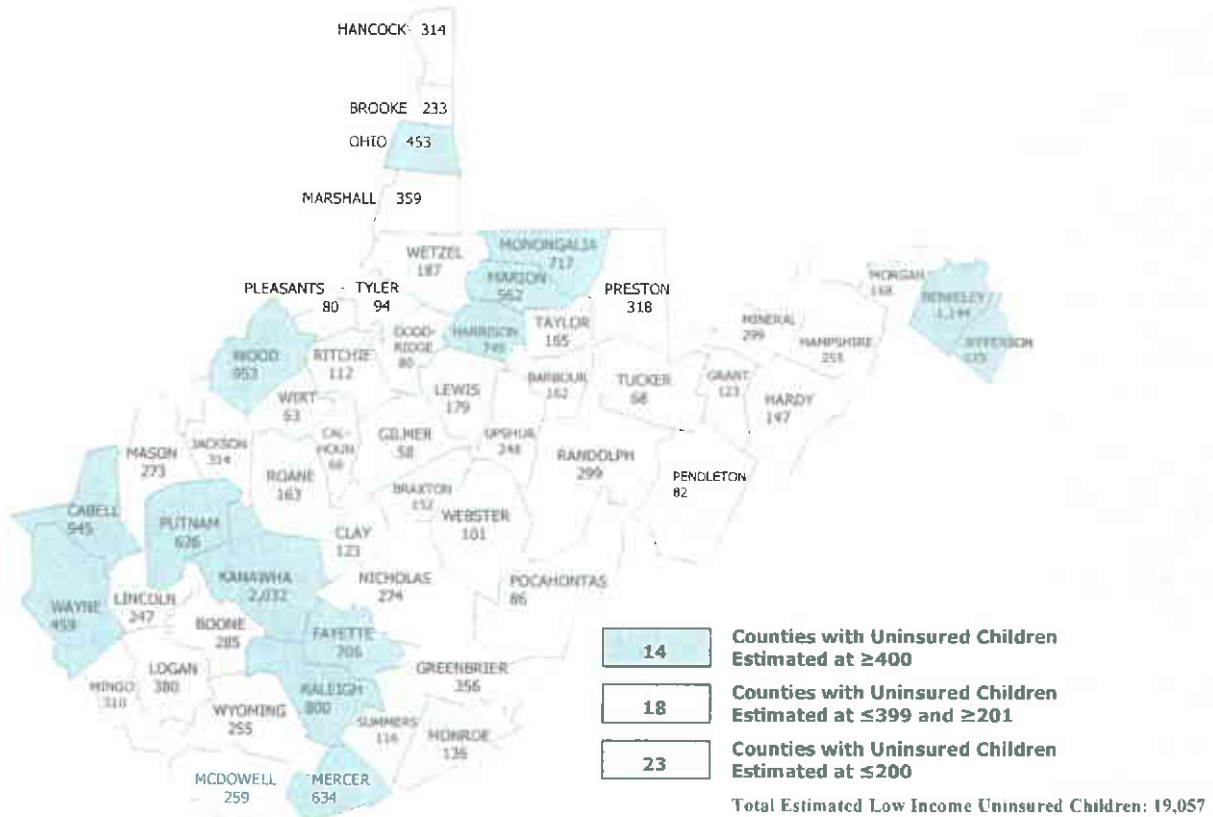
November 2010

County	County Pop.	Total CHIP	Total Medicaid	Total	CHIP/Medicaid	2009	2009
	2005 Est (0-18 Yrs)	Enrollment Nov-10	Enrollment Nov-10	CHIP/Medicaid Enrollment	Enrollment % of Population	Est Uninsured 5%	# Children Uninsured Ranking*
Barbour	3,248	260	1,537	1,797	55.3%	162	38
Berkeley	22,882	1,289	7,608	8,897	38.9%	1,144	2
Boone	5,706	292	2,638	2,930	51.3%	285	24
Braxton	3,044	227	1,552	1,779	58.4%	152	39
Brooke	4,658	282	1,522	1,804	38.7%	233	32
Cabell	18,900	1,028	8,318	9,346	49.4%	945	4
Calhoun	1,389	123	883	1,006	72.4%	69	52
Clay	2,454	179	1,441	1,620	66.0%	123	43
Doddridge	1,607	133	716	849	52.8%	80	50
Fayette	9,692	836	4,644	5,480	56.5%	485	12
Gilmer	1,154	95	629	724	62.8%	58	55
Grant	2,463	196	954	1,150	46.7%	123	42
Greenbrier	7,110	594	2,856	3,450	48.5%	356	17
Hampshire	5,110	321	2,168	2,489	48.7%	255	28
Hancock	6,270	364	2,432	2,796	44.6%	314	20
Hardy	2,950	166	1,245	1,411	47.8%	147	40
Harrison	14,973	925	5,847	6,772	45.2%	749	6
Jackson	6,277	390	2,766	3,156	50.3%	314	19
Jefferson	11,465	430	2,916	3,346	29.2%	573	10
Kanawha	40,647	2,289	17,099	19,388	47.7%	2,032	1
Lewis	3,577	286	1,788	2,074	58.0%	179	34
Lincoln	4,945	382	2,726	3,108	62.9%	247	31
Logan	7,610	563	3,879	4,442	58.4%	380	15
Marion	11,245	683	4,424	5,107	45.4%	562	11
Marshall	7,176	333	2,876	3,209	44.7%	359	16
Mason	5,461	273	2,709	2,982	54.6%	273	26
McDowell	5,170	319	3,327	3,646	70.5%	259	27
Mercer	12,687	1,131	6,778	7,909	62.3%	634	8
Mineral	5,973	282	1,994	2,276	38.1%	299	22
Mingo	6,204	348	3,149	3,497	56.4%	310	21
Monongalia	14,346	708	4,249	4,957	34.6%	717	7
Monroe	2,728	220	1,045	1,265	46.4%	136	41
Morgan	3,365	257	1,235	1,492	44.3%	168	35
Nicholas	5,478	396	2,698	3,094	56.5%	274	25
Ohio	9,068	477	3,037	3,514	38.8%	453	14
Pendleton	1,632	105	517	622	38.1%	82	49
Pleasants	1,593	107	546	653	41.0%	80	51
Pocahontas	1,717	134	697	831	48.4%	86	48
Preston	6,354	511	2,430	2,941	46.3%	318	18
Putnam	12,522	691	3,485	4,176	33.3%	626	9
Raleigh	15,992	1,250	7,343	8,593	53.7%	800	5
Randolph	5,971	405	2,635	3,040	50.9%	299	23
Ritchie	2,234	149	908	1,057	47.3%	112	45
Roane	3,266	312	1,668	1,980	60.6%	163	37
Summers	2,322	210	1,182	1,392	59.9%	116	44
Taylor	3,307	225	1,374	1,599	48.4%	165	36
Tucker	1,354	110	508	618	45.6%	68	53
Tyler	1,887	141	765	906	48.0%	94	47

WVCHIP Enrollment Report

November 2010

County	County Pop 2005 Est (0-18 Yrs)	Total CHIP Enrollment Nov-10	Total Medicaid Enrollment Nov-10	Total CHIP/Medicaid Enrollment	CHIP/Medicaid Enrollment % of Population	2009 Est Uninsured 5%	2009 # Children Uninsured Ranking*
Upshur	4,956	388	2,332	2,720	54.9%	248	30
Wayne	9,176	553	4,163	4,716	51.4%	459	13
Webster	2,020	155	1,179	1,334	66.1%	101	46
Wetzel	3,732	213	1,643	1,856	49.7%	187	33
Wirt	1,268	109	581	690	54.4%	63	54
Wood	19,063	1,142	8,476	9,618	50.5%	953	3
Wyoming	5,092	410	2,565	2,975	58.4%	255	29
Totals	382,490	24,397	160,682	185,079	48.4%	19,125	



Note 1: The most recent estimate for all uninsured children statewide from the US Census Current Population Survey is 4.6%. It should be noted that even this five percent extrapolation to the county level could vary significantly from county to county depending on the availability of employee sponsored insurance. However, it remains our best gross estimate of the remaining uninsured children.

Note 2: It has been estimated that 7 of 10 uninsured children qualify or may have qualified for CHIP or Medicaid in the past, WVCHIP uses the 5% uninsured estimate as a target number for outreach.

West Virginia Children's Health Insurance Program
Comparative Statement of Revenues, Expenditures and Changes in Fund Balances
For the Four Months Ending October 31, 2010 and October 31, 2009
(Modified Accrual Basis)

	October 31, 2010	October 31, 2009	Variance	
Revenues				
Federal Grants	13,447,669	12,466,517	981,152	8%
State Appropriations	4,378,764	4,608,538	(229,774)	-5%
Premium Revenues	141,802	99,334	42,468	43%
Investment Income:				
Investment Earnings	86,272	5,163	81,109	1571%
Unrealized Gain On Investments*	108,849	0	108,849	100%
Total Investment Income	<u>195,121</u>	<u>5,163</u>	<u>189,958</u>	<u>3679%</u>
Total Revenues	<u>18,163,356</u>	<u>17,179,552</u>	<u>983,804</u>	<u>6%</u>
Expenditures:				
Claims:				
Outpatient Services	3,908,910	3,829,950	78,960	2%
Physicians & Surgical	3,650,461	3,212,178	438,283	14%
Prescribed Drugs	3,190,161	2,959,568	230,593	8%
Dental	1,925,020	1,637,964	287,056	18%
Inpatient Hospital Services	1,176,558	893,385	283,173	32%
Durable & Disposable Med. Equip.	418,897	440,060	(21,163)	-5%
Outpatient Mental Health	415,691	355,007	60,684	17%
Vision	313,232	253,672	59,560	23%
Inpatient Mental Health	296,685	192,065	104,620	54%
Therapy	178,871	151,817	27,054	18%
Medical Transportation	139,129	90,024	49,105	55%
Other Services	34,470	28,748	5,722	20%
Less: Collections**	<u>(181,458)</u>	<u>(226,389)</u>	<u>44,931</u>	<u>-20%</u>
Total Claims	<u>15,466,627</u>	<u>13,818,049</u>	<u>1,648,578</u>	<u>12%</u>
General and Admin Expenses:				
Salaries and Benefits	173,104	170,431	2,673	2%
Program Administration	936,204	1,028,889	(92,685)	-9%
Eligibility	141,273	135,101	6,172	5%
Outreach & Health Promotion	55,864	157,030	(101,166)	-64%
Current	41,874	46,254	(4,380)	-9%
Total Administrative	<u>1,348,319</u>	<u>1,537,705</u>	<u>(189,386)</u>	<u>-12%</u>
Total Expenditures	<u>16,814,946</u>	<u>15,355,754</u>	<u>1,459,192</u>	<u>10%</u>
Excess of Revenues				
Over (Under) Expenditures	1,348,409	1,823,798	(475,389)	-26%
Fund Equity, Beginning	<u>10,109,506</u>	<u>8,254,028</u>	<u>1,855,478</u>	<u>22%</u>
Fund Equity, Ending	<u>11,457,915</u>	<u>10,077,826</u>	<u>1,380,089</u>	<u>14%</u>

* Short Term Bond Fund Investment began in November 2009

** Collections are primarily drug rebates and subrogation

PRELIMINARY FINANCIAL STATEMENTS

Unaudited - For Management Purposes Only - Unaudited

**West Virginia Children's Health Insurance Program
Comparative Balance Sheet
October 2010 and 2009
(Accrual Basis)**

	October 31, 2010	October 31, 2009	Variance	
Assets:				
Cash & Cash Equivalents	\$14,644,430	\$12,906,037	\$1,738,393	13%
Due From Federal Government	\$3,380,032	\$3,074,261	\$305,771	10%
Due From Other Funds	\$778,984	\$682,626	\$96,358	14%
Accrued Interest Receivable	\$28,946	\$916	\$28,030	3060%
Fixed Assets, at Historical Cost	<u>\$68,563</u>	<u>\$71,434</u>	<u>(\$2,871)</u>	<u>-4%</u>
Total Assets	<u>\$18,900,955</u>	<u>\$16,735,274</u>	<u>\$2,165,681</u>	<u>13%</u>
Liabilities:				
Due to Other Funds	\$289,016	\$346,887	(\$57,871)	-17%
Deferred Revenue	\$3,284,024	\$2,900,561	\$383,463	13%
Unpaid Insurance Claims Liability	<u>\$3,870,000</u>	<u>\$3,410,000</u>	<u>\$460,000</u>	<u>13%</u>
Total Liabilities	<u>\$7,443,039</u>	<u>\$6,657,448</u>	<u>\$785,591</u>	<u>12%</u>
Fund Equity	<u>\$11,457,915</u>	<u>\$10,077,826</u>	<u>\$1,380,089</u>	<u>14%</u>
Total Liabilities and Fund Equity	<u>\$18,900,955</u>	<u>\$16,735,274</u>	<u>\$2,165,681</u>	<u>13%</u>

PRELIMINARY FINANCIAL STATEMENTS

Unaudited - For Management Purposes Only - Unaudited

**West Virginia Children's Health Insurance Program
WVFIMS Fund 2154
For the Month Ended October 31, 2010
(Accrual Basis)**

Investment Account

Funds Invested	\$13,569,053
Interest Earned	<u>86,272</u>
Total	<u>\$13,655,325</u>

Unaudited - For Management Purposes Only - Unaudited

Department of Administration Real Estate Division Leasing Report
For the period of November 1, 2010 through November 30, 2010

STRAIGHT RENEWAL

DIVISION OF CORRECTIONS

COR-075 Renewal for 3 years consisting of 1,094 square feet of office space at the current annual per square foot rate of \$12.61, annual cost \$13,800.00, full service, in the City of Logan, Logan County, West Virginia.

COAL HERITAGE HIGHWAY

CHH-001 Renewal for 1 year consisting of 1,450 square feet of office space at the current annual per square foot rate of \$6.99, annual cost \$10,140.00, in the City of Beckley, Raleigh County, West Virginia.

CHH-003 Renewal for 1 year consisting of 450 square feet of storage space at the current annual per square foot rate of \$3.00, annual cost \$1,350.00, in the City of Bluefield, Mercer County, West Virginia.

DIVISION OF MOTOR VEHICLES

DMV-016 Renewal for 3 months consisting of 12,181 square feet of office space at the current annual per square foot rate of \$13.75, annual cost \$167,488.80, in the City of Teays Valley, Putnam County, West Virginia.

DIVISION OF VETERANS AFFAIRS

VET-036 Renewal for 1 year consisting of 300 square feet of storage space at the current annual per square foot rate of \$4.80, annual cost \$1,440.00, in the City of Clarksburg, Harrison County, West Virginia.

DEPARTMENT OF AGRICULTURE

AGR-029 Renewal for 2 years consisting of 206 square feet of office space at the current annual per square foot rate of \$12.50, annual cost \$2,574.96, full service, in the City of Morgantown, Monongalia County, West Virginia.

EDUCATIONAL BROADCASTING AUTHORITY

EBA-022 Renewal for 2 years containing 1.6 acre lot for tower/monitoring space at the current monthly rate of \$312.50, annual cost \$3,750.00, increase in 2nd year to monthly rate of \$328.13, annual cost \$3,937.56, in the City of Graysville, Greene County, Pennsylvania.

DEPARTMENT OF HEALTH AND HUMAN RESOURCES

HHR-176 Renewal for 1 year containing 8,000 square feet of office space at the current annual per square foot rate of \$5.40, annual cost \$43,200.00, in the City of Moorefield, Hardy County, West Virginia.

STRAIGHT RENEWAL CONTINUED

DIVISION OF REHABILITATION SERVICES

DRS-027 Renewal for 3 years consisting of 250 square feet of office space at the current annual per square foot rate of \$8.40, annual cost \$2,100.00, full service, in the City of Charleston, Kanawha County, West Virginia.

DRS-094-SUB Renewal for 2 years consisting of 524 square feet of office space at the current annual per square foot rate of \$12.60, annual cost \$6,600.00, full service, in the City of Hurricane, Putnam County, West Virginia.

AUDITOR'S OFFICE

SAO-006 Renewal for 5 years consisting of 14,400 square feet of storage/office space at the current annual per square foot rate of \$3.70, annual cost \$53,280.00, in the City of Rand, Kanawha County, West Virginia.

THE CENTER FOR PROFESSIONAL DEVELOPMENT

CPD-004 Renewal for 3 years consisting of 5,728 square feet of office space at the current annual per square foot rate of \$11.50, annual cost \$65,871.96, full service, in the City of Charleston, Kanawha County, West Virginia.

Office of Economic Opportunity-Governor's Office

GCC-004 Renewal for 3 months consisting of 9,400 square feet of office space at the current annual per square foot rate \$11.00 annual cost \$103,400.04, full service, in the City of Charleston, Kanawha County, West Virginia.

GCC-007 Renewal for 1 year consisting of 300 square feet of office space at the current annual per square foot rate of \$16.00, annual cost \$4,800.00, full service, in the City of New Martinsville, Marshall County, West Virginia.

New River Community and Technical College

NRC-013 Renewal for 3 years consisting of 7,100 square feet of classroom space at the current annual per square foot rate \$6.42, annual cost \$45,582.00, and increasing in the 2nd year to the annual per square foot rate \$6.55, annual cost \$46,505, water and sewer, in the City of Lewisburg, Greenbrier County, West Virginia.

STRAIGHT RENEWAL-DOA OWNED

DEPARTMENT OF MILITARY AFFAIRS AND PUBLIC SAFETY

MAP-002 Renewal for 2 years consisting of 3,476 square feet of office space at the current annual per square foot rate of \$9.50, annual cost \$33,014.16, full service, in the City of Charleston, Kanawha County, West Virginia.

DIVISION OF VETERANS AFFAIRS

VET-015 Renewal for 1 year consisting of 500 square feet of office space at the current annual per square foot rate of \$14.75, annual cost \$7,374.96, full service, in the City of Charleston, Kanawha County, West Virginia.

INCREASE IN RENT

EDUCATION AND STATE EMPLOYEES GRIEVANCE BOARD

EGB-014 Renewal for 2 years consisting of 5,691 square feet of office space with an increase in rent from an annual per square foot rate of \$7.38, annual rate \$41,999.58 to an annual per square foot rate of \$9.49, annual cost \$54,007.59, in the City of Charleston, Kanawha County, West Virginia.

CANCELATION

DEPARTMENT OF AGRICULTURE

AGR-043 Lease cancelation consisting of 66,722 square feet of office and warehouse space at the per square foot rate of \$4.25, annual cost \$283,568.52, in the City of Charleston, Kanawha County, West Virginia.

WV STATE POLICE

PSA-123 Lease cancelation consisting of 225 square feet of office space at the current per square foot rate of \$16.00, annual cost \$3,600.00, in the City of Morgantown, Monongalia County, West Virginia.

Real Estate Division
 Monthly Summary of Lease Activity
 November 1-30, 2010

n of Transactions	Agency	Lease #	County	Square Feet	Rental Rate	Annual Rent
1	Division of Corrections	COR-075	Logan	1,094	12.61	13,800
2	Coal Heritage Highway	CHH-001	Raleigh	1,450	6.99	10,140
3	Coal Heritage Highway	CHH-003	Mercer	450	3.00	1,350
4	Division of Motor Vehicles	DMV-016	Putnam	12,181	13.75	167,489
5	Division of Veterans Affairs	VET-036	Harrison	300	4.80	1,440
6	Department of Agriculture	AGR-029	Monongalia	206	12.50	2,575
7	Educational Broadcasting Authority (Tower)	EBA-022	Greene			3,750
8	Department of Health and Human Resources	HHR-176	Hardy	8,000	5.40	43,200
9	Division of Rehabilitation Services	DRS-027	Kanawha	250	8.40	2,100
10	Division of Rehabilitation Services	DRS-094	Putnam	524	12.60	6,600
11	Auditor's Office	SAO-006	Kanawha	14,400	3.70	53,280
12	The Center for Professional Development	CPD-004	Kanawha	5,728	11.50	65,872
13	Office of Economic Opportunity - Governor's Office	GCC-004	Kanawha	9,400	11.00	103,400
14	Office of Economic Opportunity - Governor's Office	GCC-007	Marshall	300	16.00	4,800
15	New River Community and Technical College	NRC-013	Greenbrier	7,100	6.42	45,582
16	Department of Military Affairs and Public Safety	MAP-002	Kanawha	3,476	9.50	33,014
17	Division of Veterans Affairs	VET-015	Kanawha	500	14.75	7,375
18	Education and State Employees Grievance Board	EGB-014	Kanawha	5,691	7.38	42,000
19	Department of Agriculture	AGR-043	Kanawha	66,722	4.25	283,569
20	WV State Police	PSA-123	Monongalia	225	16.00	3,600
				Total Rentable Square Feet	137,997	
				Average Annual Rental Rate	9.03	
				Total Annual Rent		894,935

Joint Committee on Government and Finance

December 2010

Department of Health and Human Resources

MEDICAID REPORT

September 2010 Data

WV DEPARTMENT OF HEALTH AND HUMAN RESOURCES
 BUREAU FOR MEDICAL SERVICES
 EXPENDITURES BY PROVIDER TYPE
 SFY2011

	MONTH OF SEPTEMBER 2010		ACTUALS	TOTAL	ACTUALS	ESTIMATED	ACTUALS	PROJECTED
	SFY2010	SFY2011	Current Month 8/31/10	SFY2011	Current Month 8/31/10	Current Month 9/30/10	Year To-Date Thru 9/30/10	10/1/10 Thru 09/30/11
EXPENDITURES:								
Inpatient Hospital - Reg. Payments	204,310,692	166,827,456	8,038,482		9,168,487		37,718,068	129,108,368
Inpatient Hospital - DSH	64,952,982	54,618,400	-		-		13,771,923	41,048,477
Inpatient Hospital - Supplemental Payments	34,034,918	134,060,873	13,481,084		23,901,075		18,782,979	115,277,594
Inpatient Hospital - GME Payments	4,919,343	4,807,200	-		-		1,287,920	3,648,280
Mental Health Facilities	70,573,848	72,945,200	3,954,677		4,148,022		17,830,543	55,408,857
Mental Health Facilities - DSH Adjustment Payments	18,887,048	18,888,800	-		-		4,721,781	14,169,039
Nursing Facility Services - Regular Payments	473,726,322	497,679,818	39,800,944		41,117,817		120,848,577	377,131,041
Nursing Facility Services - Supplemental Payments	-	-	-		-		-	-
Intermediate Care Facilities - Public Providers	-	-	-		-		-	-
Intermediate Care Facilities - Private Providers	63,010,181	69,782,600	5,285,306		5,613,542		16,876,184	63,888,316
Intermediate Care Facilities - Supplemental Payments	-	-	-		-		-	-
Physicians Services - Regular Payments	123,410,078	120,838,363	6,941,319		6,678,329		26,223,303	92,713,060
Physicians Services - Supplemental Payments ***	41,048,683	38,978,500	-		-		6,810,716	32,187,584
Outpatient Hospital Services - Regular Payments	84,162,911	93,716,038	8,834,237		5,164,859		24,066,833	69,659,203
Outpatient Hospital Services - Supplemental Payments	-	-	-		-		-	-
Prescribed Drugs	331,688,990	383,688,332	18,189,830		20,628,396		80,166,089	273,500,230
Drug Rebate Offset - National Agreement	(147,827,204)	(143,274,400)	(8,116,662)		(12,780,363)		(44,131,178)	(96,143,224)
Drug Rebate Offset - State Statute Agreement	(21,789,226)	(25,384,200)	(210)		(2,284,327)		(2,891,752)	(2,692,448)
Dental Services	48,303,517	30,268,031	3,666,274		1,733,236		20,682,077	8,633,984
Other Practitioners Services - Regular Payments	11,888,027	12,806,481	694,098		760,482		2,735,682	10,070,788
Other Practitioners Services - Supplemental Payments ***	-	-	-		-		-	-
Clinic Services	6,282,696	4,380,881	195,372		263,131		695,932	3,394,729
Lab & Radiological Services	13,246,742	11,920,238	1,384,092		663,822		5,031,884	6,888,352
Home Health Services	39,892,721	37,958,821	2,139,216		2,108,629		9,850,805	28,308,016
Hygiene/tonics/Stabilizations	224,685	269,682	8,983		16,081		48,458	224,604
Pregnancy Terminations	-	-	-		-		-	-
EPSDT Services	1,732,388	2,128,698	113,028		121,602		390,384	1,745,201
Rural Health Clinic Services	6,318,048	7,337,074	373,369		406,197		1,559,160	6,777,914
Medicare Health Insurance Payments - Part A Premiums	17,241,148	18,323,600	-		-		4,349,358	13,974,244
Medicare Health Insurance Payments - Part B Premiums	76,342,310	83,414,100	(632,058)		-		20,856,397	82,557,703
120% - 134% Of Poverty	5,258,770	-	832,058		-		1,562,681	(1,562,681)
135% - 178% Of Poverty	-	-	-		-		-	-
Coinurance And Deductibles	7,148,688	8,110,300	414,730		487,902		1,667,001	6,543,289
Medicaid Health Insurance Payments: Managed Care Organizations (MCO)	330,652,408	417,884,801	23,130,894		37,290,421		72,314,111	346,570,680
Medicaid Health Insurance Payments: Prepaid Ambulatory Health Plan	-	-	-		-		-	-
Medicaid Health Insurance Payments: Prepaid Inpatient Health Plan	-	-	-		-		-	-
Medicaid Health Insurance Payments: Group Health Plan Payments	440,070	461,800	33,214		28,626		104,121	357,378
Medicaid Health Insurance Payments: Coinsurance	-	-	-		-		-	-
Medicaid Health Insurance Payments: Other	-	-	-		-		-	-
Home & Community-Based Services (MR/DD)	245,383,151	272,426,167	18,145,214		15,718,837		60,738,336	211,688,831
Home & Community-Based Services (Aged/Disabled)	92,398,537	108,519,267	6,334,606		6,316,421		21,804,480	87,714,827
Home & Community-Based Services (State Plan 1916(j) Only)	-	-	-		-		-	-
Home & Community-Based Services (State Plan 1916(j) Only)	-	-	-		-		-	-
Community Supported Living Services	-	-	-		-		-	-
Programs Of All-Inclusive Care Elderly	-	-	-		-		-	-
Personal Care Services - Regular Payments	41,252,881	43,784,529	3,124,704		2,831,181		10,811,882	32,952,677
Personal Care Services - SDB 1915(j)	-	-	-		-		-	-
Targeted Case Management Services - Com. Case Management	3,849,231	4,298,443	236,328		246,435		637,040	3,261,403
Targeted Case Management Services - State Wide	401,843	543,100	26,888		31,333		81,840	461,660
Primary Care Case Management Services	17,828,513	16,010,008	1,892,406		909,390		6,823,731	10,488,274
Hospice Benefits	169,722	230,700	5,656		13,310		58,907	173,793
Emergency Services Undocumented Aliens	18,187,657	18,548,542	837,689		1,102,872		3,402,870	16,148,972
Federally Qualified Health Center	9,410,142	8,606,898	1,733,008		324,785		5,800,685	(184,069)
Non-Emergency Medical Transportation	1,884,862	1,884,156	104,968		102,685		438,284	1,427,892
Physical Therapy	200,012	187,631	12,149		10,248		48,053	138,578
Occupational Therapy	281,219	300,101	10,879		16,778		82,719	247,382
Services for Speech, Hearing & Language	1,671,774	1,882,499	104,668		105,221		380,014	1,642,485
Prosthetic Devices, Dentures, Eyeglasses	373,901	388,118	42,293		20,288		121,783	244,335
Diagnostic Screening & Preventive Services	338,878	438,690	18,798		24,874		63,489	382,401
Nurse Mid-Wife	9,259,834	8,130,131	72,085		602,020		1,226,836	7,903,696
Emergency Hospital Services	26,282,168	25,626,867	1,446,427		1,406,997		7,071,820	18,654,947
Critical Access Hospitals	-	-	-		-		-	-

WV DEPARTMENT OF HEALTH AND HUMAN RESOURCES
 BUREAU FOR MEDICAL SERVICES
 EXPENDITURES BY PROVIDER TYPE
 SFY2011

MONTH OF SEPTEMBER 2010

	ACTUALS	TOTAL	ACTUALS	ESTIMATED	ACTUALS	PROJECTED
	SFY2010	SFY2011	Current Month 9/30/10	Current Month 9/30/10	Year To-Date Thru 9/30/10	10/1/10 Thru 09/30/11
Nurse Practitioner Services	1,087,368	1,026,679	62,673	66,228	273,468	752,221
School Based Services	81,625,906	49,266,728	1,581,431	2,844,201	18,034,350	31,231,378
Rehabilitative Services (Non-School Based)	74,166,288	73,742,323	3,778,888	3,783,181	16,812,349	59,129,974
Private Duty Nursing	3,291,647	2,003,848	179,528	169,725	871,978	1,831,670
Other Care Services	33,718,524	19,664,624	1,206,634	1,087,810	5,232,179	14,832,445
Less: Recoupments	-	-	(26,691)	-	(262,856)	262,986
NET EXPENDITURES:	2,842,008,600	2,754,227,102	168,669,011	184,621,378	623,825,243	2,130,401,859
Collections: Third Party Liability (line 8A on CMS-64)	(8,100,072)	-	-	-	-	-
Collections: Probate (line 9B on CMS-64)	(160,016)	-	-	-	-	-
Collections: Identified through Fraud & Abuse Effort (line 9C on CMS-64)	(1,584)	-	-	-	-	-
Collections: Other (line 9D on CMS-64)	(3,703,645)	-	-	-	-	-
NET EXPENDITURES and CMS-64 ADJUSTMENTS:	2,830,084,281	2,754,227,102	168,669,011	184,621,378	623,825,243	2,130,401,859
Plus: Medicaid Part D Expenditures	23,838,817	28,863,623	856,262	1,329,420	856,262	25,307,371
Plus: State Only Medicaid Expenditures ***	6,078,436	4,629,803	271,443	264,074	1,313,369	3,318,034
TOTAL MEDICAID EXPENDITURES	2,860,089,534	\$2,787,720,528	\$169,822,706	186,404,873	\$625,994,874	\$2,159,025,264
Plus: Reimbursables ⁽¹⁾	5,678,968	6,129,008	281,877	344,887	1,276,971	4,853,034
TOTAL EXPENDITURES	\$2,865,648,502	\$2,793,849,536	\$169,874,583	186,749,860	\$627,271,845	\$2,163,878,298

(1) This amount will revert to State Only if not reimbursed

***CMS is currently reviewing portions of these payments. Until review is completed these expenses will be classified as state-only on line CMS-64. With all outside reviews, there is a potential for a portion of these costs to remain state-only if any of them are disallowed

WV DEPARTMENT OF HEALTH AND HUMAN RESOURCES
 BUREAU FOR MEDICAL SERVICES
 MEDICAID CASH REPORT
 SFY2011

3 Months Actuals 9 Months Remaining

MONTH OF SEPTEMBER 2010	ACTUALS	ACTUALS	ACTUALS	PROJECTED	TOTAL
	SFY2010	Current Month Ended 9/30/10	Year-To-Date Thru 9/30/10	10/1/2010 Thru 6/30/11	SFY2011
REVENUE SOURCES					
Beg. Bal. (5084/1020 prior mth)	116,583,948	204,834,966	\$213,690,990		\$213,690,990
MATCHING FUNDS					
General Revenue (0403/189)	252,345,204	10,725,704	32,177,114	194,294,298	226,471,412
MRDD Waiver (0403/466)	-	5,850,232	17,550,697	70,202,786	87,753,483
Rural Hospitals Under 150 Beds (0403/940)	2,596,000	0	649,000	1,947,000	2,596,000
Tertiary Funding (0403/547)	6,356,000	0	1,589,000	4,767,000	6,356,000
Title XIX Waiver for Seniors (0403-533)	-	500,000	1,500,000	6,000,000	7,500,000
Lottery Waiver (Less 550,000) (5405/539)	25,772,578	0	8,000,000	23,272,578	31,272,578
Lottery Transfer (5405/871)	8,670,000	0	2,200,000	6,470,000	8,670,000
Trust Fund Appropriation (5185/189)	-	0	0	30,556,594	30,556,594
Provider Tax (5090/189)	162,659,512	3,900,095	30,550,095	122,304,800	152,854,895
Certified Match	13,731,424	667,261	4,218,682	12,253,032	16,471,714
Reimbursables - Amount Reimbursed	5,195,782	369,967	1,006,375	5,122,630	6,129,005
Other Revenue (MWIN, Escheated Warrants, etc.) 5084/4010 & 4015	(446,371)	59,774	172,296	(172,296)	0
CMS - 64 Adjustments	69,986	0	0	0	0
TOTAL MATCHING FUNDS	673,887,546	\$226,907,989	\$313,304,249	\$477,018,422	\$790,322,671
FEDERAL FUNDS	2,108,528,674	\$144,539,621	\$517,558,327	\$1,717,948,766	\$2,235,507,093
TOTAL REVENUE SOURCES	2,782,416,220	\$371,447,620	\$830,862,576	\$2,194,967,188	\$3,025,829,764
TOTAL EXPENDITURES:					
Provider Payments	2,565,649,502	\$167,674,583	\$626,971,035	\$2,163,878,298	2,790,849,333
TOTAL	216,766,718	\$203,773,037	\$203,891,542		\$234,980,431

Note: FMAP (83.05% applicable July - Dec. 2010) (80.05% applicable Jan. 2011 - Mar. 2011) (78.05% applicable Apr. 2011 - Jun. 2011)



West Virginia Investment Management Board

Monthly Performance Report

October 31, 2010

STRATEGIC INVESTMENT SOLUTIONS, INC.

333 Bush Street, Suite 2000
San Francisco, CA 94104
(415) 362-3484

West Virginia Investment Management Board
 Participant Plans Allocation & Performance Net of Fees
 As of October 31, 2010

	6/30/2010		10/31/2010		Performance %						
	Asset (\$000)	%	Asset (\$000)	%	1 Month	3 Month	FYTD	1 Year	3 Year	5 Year	10 Year
WVIMB Fund Assets	10,658,972	100.0	11,877,002	100.0							
Pension Assets	8,456,704	79.4	9,328,369	78.5							
Public Employees' Retirement System	3,682,115	34.5	4,077,298	34.3			11.4	15.1	-0.2	5.2	5.5
Teachers' Retirement System	4,099,339	38.5	4,476,326	37.7	2.5	6.8	11.3	14.7	-1.1	4.7	5.2
Teachers' Employers Cont. Collection A/C	355	0.0	27,999	0.2	0.0	0.0	0.1	0.1	1.2		
EMS Retirement System	23,345	0.2	27,342	0.2	2.5	6.9	11.6	15.1			
Public Safety Retirement System	404,446	3.8	441,137	3.7	2.6	6.9	11.5	15.3	-0.3	5.1	5.6
Judges' Retirement System	102,814	1.0	114,398	1.0	2.5	6.8	11.4	15.1	-0.3	5.2	5.4
State Police Retirement System	52,739	0.5	61,096	0.5	2.5	6.8	11.3	15.1	-0.1	5.2	5.5
Deputy Sheriffs' Retirement System	91,548	0.9	102,757	0.9	2.6	6.8	11.4	15.1	-0.2	5.2	5.5
Municipal Police & Firefighter Retirement System	3	0.0	18	0.0	0.0	0.0	0.0				
Insurance Assets	1,632,789	15.3	1,889,471	16.0							
Workers' Compensation Old Fund	888,780	8.3	903,895	7.6	1.0	3.1	4.8	9.4	1.4		
Workers' Comp. Self-Insured Guaranty Risk Pool	8,066	0.1	8,591	0.1	1.5	1.6	1.6	1.6	1.7		
Workers' Comp. Uninsured Employers Fund	8,852	0.1	8,927	0.1	0.0	0.0	0.0	0.1	1.2		
Pneumoconiosis	244,191	2.3	256,854	2.2	1.6	4.2	6.6	10.8	2.8		
Board of Risk & Insurance Mgmt.	120,331	1.1	128,416	1.1	1.6	4.3	6.7	11.2	4.4	6.1	
Public Employees' Insurance Agency	131,127	1.2	169,251	1.4	1.3	3.4	5.5	10.2	3.5	5.3	
WV Retiree Health Benefit Trust Fund	229,477	2.2	411,327	3.5	2.1	3.7	5.3	11.0			
AccessWV	1,965	0.0	2,210	0.0	2.2	6.9	12.4				
Endowment Assets	569,479	5.3	659,162	5.5							
Wildlife Fund	34,874	0.3	39,020	0.3	2.6	6.8	11.5	15.1	-0.2	5.2	6.5
Prepaid Tuition Trust	77,283	0.7	82,398	0.7	2.4	6.2	10.9	14.4	1.0	5.9	6.0
Revenue Shortfall Reserve Fund	178,632	1.7	237,077	2.0	0.7	2.4	3.6	9.0	-2.6		
Revenue Shortfall Reserve Fund - Part B	278,690	2.6	300,667	2.5	1.7	4.8	7.9	12.1	-2.0		

West Virginia Investment Management Board
Composite Asset Allocation & Performance Net of Fees
As of October 31, 2010

	Asset (\$000)	%	Performance %						
			1 Month	3 Month	FYTD	1 Year	3 Year	5 Year	10 Year
Investment Pools Composite	11,882,708	100.00							
Total Equity Composite	5,509,692	46.38	3.81	9.71	17.83	18.15	-4.45	4.37	4.15
<i>Total Equity Policy Index</i>			<i>3.66</i>	<i>9.50</i>	<i>18.26</i>	<i>15.78</i>	<i>-6.75</i>	<i>3.12</i>	<i>2.95</i>
Excess Return			0.15	0.21	-0.43	2.37	2.30	1.25	1.20
US Equity Composite	2,634,274	22.18	4.00	8.64	16.19	19.24	-5.61	1.99	2.47
<i>Russell 3000 Index</i>			<i>3.91</i>	<i>8.37</i>	<i>15.89</i>	<i>18.34</i>	<i>-5.96</i>	<i>2.08</i>	<i>0.62</i>
Excess Return			0.09	0.27	0.30	0.90	0.35	-0.09	1.85
Large Cap Composite	2,168,030	18.25	3.72	8.17	15.66	17.60	-6.21	1.55	-0.07
<i>S&P 500 Index</i>			<i>3.80</i>	<i>7.96</i>	<i>15.53</i>	<i>16.52</i>	<i>-6.49</i>	<i>1.73</i>	<i>-0.02</i>
Excess Return			-0.08	0.21	0.13	1.08	0.28	-0.18	-0.05
Non-Large Cap Composite	466,244	3.93	5.35	10.73	18.59	27.89	-3.11	3.58	7.22
<i>Russell 2500 Index</i>			<i>3.83</i>	<i>8.86</i>	<i>16.52</i>	<i>27.76</i>	<i>-3.18</i>	<i>3.78</i>	<i>5.80</i>
Excess Return			1.52	1.87	2.07	0.13	0.07	-0.20	1.42
International Equity Composite	2,875,418	24.20	3.63	10.70	19.35	16.86	-3.77	7.97	7.08
<i>MSCI AC World ex US Index</i>			<i>3.42</i>	<i>10.63</i>	<i>20.65</i>	<i>13.08</i>	<i>-7.62</i>	<i>6.21</i>	<i>5.46</i>
Excess Return			0.21	0.07	-1.30	3.78	3.85	1.76	1.62
Fixed Income Composite	3,316,716	27.90	0.66	2.54	3.81	9.73	5.92	5.98	6.93
<i>Fixed Income Policy</i>			<i>0.51</i>	<i>2.09</i>	<i>3.41</i>	<i>8.84</i>	<i>7.48</i>	<i>6.60</i>	<i>6.46</i>
Excess Return			0.15	0.45	0.40	0.89	-1.56	-0.62	0.47
Core Fixed Income	1,089,425	9.17	0.54	2.46	3.58	9.12			
<i>Barclays Capital Aggregate</i>			<i>0.36</i>	<i>1.76</i>	<i>2.84</i>	<i>8.01</i>			
Excess Return			0.18	0.70	0.74	1.11			
Total Return Fixed Income	2,227,291	18.74	0.72	2.50	3.90	10.17	6.51	6.65	7.60
<i>Barclays Capital US Universal</i>			<i>0.51</i>	<i>2.09</i>	<i>3.41</i>	<i>8.84</i>	<i>7.18</i>	<i>6.54</i>	<i>6.59</i>
Excess Return			0.21	0.41	0.49	1.33	-0.67	0.11	1.01
TIPS Composite	542,629	4.57	2.58	4.97	5.10	10.39			
<i>Barclays Capital U S TIPS</i>			<i>2.65</i>	<i>5.05</i>	<i>5.20</i>	<i>10.42</i>			
Excess Return			-0.07	-0.08	-0.10	-0.03			
TRS Annuity	154,706	1.30	0.37	1.12	1.49	4.50			
Cash Composite	219,929	1.85	0.02	0.05	0.07	0.15	1.24	2.78	2.62
<i>Citigroup 90 Day T-Bill + 15 bps</i>			<i>0.03</i>	<i>0.07</i>	<i>0.10</i>	<i>0.27</i>	<i>1.19</i>	<i>2.70</i>	<i>2.64</i>
Excess Return			-0.01	-0.02	-0.03	-0.12	0.05	0.08	-0.02
Private Equity Composite	858,030	7.22	1.31	7.23	10.05	23.13			
Real Estate Composite	145,262	1.22	2.24	4.73	5.18	9.62			
Hedge Funds Composite	1,135,744	9.56	1.25	3.17	3.86	7.70			

West Virginia Investment Management Board

Participant Plans Allocation vs. Targets
As of October 31, 2010

	Domestic Equity		Int'l Equity		Fixed Income		Private Equity		Real Estate		Hedge Funds		Cash	
	Actual %	Target %	Actual %	Target %	Actual %	Target %	Actual %	Target %	Actual %	Target %	Actual %	Target %	Actual %	Target %

Pension Assets

Public Employees' Retirement System	25.4	25.0	28.0	25.0	25.6	24.0	9.2	10.0	1.6	6.0	9.5	10.0	0.7	0.0
Teachers' Retirement System	25.5	25.0	28.0	25.0	25.7	24.0	9.2	10.0	1.8	6.0	9.5	10.0	0.5	0.0
Teachers' Employers Cont. Collection A/C	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	100.0	100.0
EMS Retirement System	25.0	25.0	28.1	25.0	25.5	19.8	9.3	10.0	1.6	6.0	9.2	10.0	1.3	0.0
Public Safety Retirement System	25.8	25.0	28.5	25.0	25.2	24.0	9.4	10.0	1.6	6.0	9.3	10.0	0.2	0.0
Judges' Retirement System	25.3	25.0	28.1	25.0	25.2	24.0	9.3	10.0	1.6	6.0	9.2	10.0	1.3	0.0
State Police Retirement System	25.2	25.0	27.6	25.0	25.4	24.0	9.2	10.0	1.5	6.0	9.2	10.0	1.9	0.0
Deputy Sheriffs' Retirement System	25.5	25.0	28.2	25.0	25.6	24.0	9.4	10.0	1.6	6.0	9.3	10.0	0.4	0.0
Municipal Police & Firefighter Retirement System	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	100.0	100.0

Insurance Assets

Workers' Compensation Old Fund	5.6	5.0	6.1	5.0	73.6	80.0	0.0	0.0	0.0	0.0	5.4	0.0	9.1	10.0
Workers' Comp. Self-Insured Guaranty Risk Pool	10.1	0.0	10.0	0.0	53.7	0.0	0.0	0.0	0.0	0.0	19.6	0.0	6.6	100.0
Workers' Comp. Uninsured Employers Fund	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	100.0	100.0
Pneumoconiosis	10.8	10.0	11.7	10.0	53.1	55.0	0.0	0.0	0.0	0.0	19.6	20.0	4.8	5.0
Board of Risk & Insurance Mgmt.	10.8	10.0	11.7	10.0	52.8	60.0	0.0	0.0	0.0	0.0	19.5	20.0	5.2	0.0
Public Employees' Insurance Agency	5.6	7.5	6.1	7.5	72.9	65.0	0.0	0.0	0.0	0.0	10.0	20.0	5.4	0.0
WV Retiree Health Benefit Trust Fund	17.8	2.5	17.9	2.5	44.2	95.0	0.0	0.0	0.0	0.0	19.7	0.0	0.4	0.0
AccessWV	1.5	25.0	44.4	25.0	53.9	50.0	0.0	0.0	0.0	0.0	0.0	0.0	0.2	0.0

Endowment Assets

Wildlife Fund	25.7	25.0	27.9	25.0	25.8	24.0	9.4	10.0	1.6	6.0	9.3	10.0	0.3	0.0
Prepaid Tuition Trust	37.2	35.8	21.1	19.2	39.9	45.0	0.0	0.0	0.0	0.0	0.0	0.0	1.8	0.0
Revenue Shortfall Reserve Fund	94.4	0.0	0.0	0.0	0.0	100.0	0.0	0.0	0.0	0.0	4.2	0.0	1.4	0.0
Revenue Shortfall Reserve Fund - Part B	16.0	15.0	17.3	15.0	61.3	70.0	0.0	0.0	0.0	0.0	5.1	0.0	0.3	0.0

Statutory Limitations

- Public Equity - 75%
- International Proportions of Equity, Fixed Income, and Real Estate - 30%
- Real Estate - 25%
- Private Equity and Hedge Funds - 20% in aggregate

West Virginia Investment Management Board

Footnotes

As of October 31, 2010

PERS Policy is 30% Russell 3000, 30% MSCI ACW ex USA, and 40% Barclays Capital Universal as of 4/1/08. Prior periods, 42% Russell 3000, 18% MSCI ACW ex USA, and 40% Barclays Capital Aggregate.

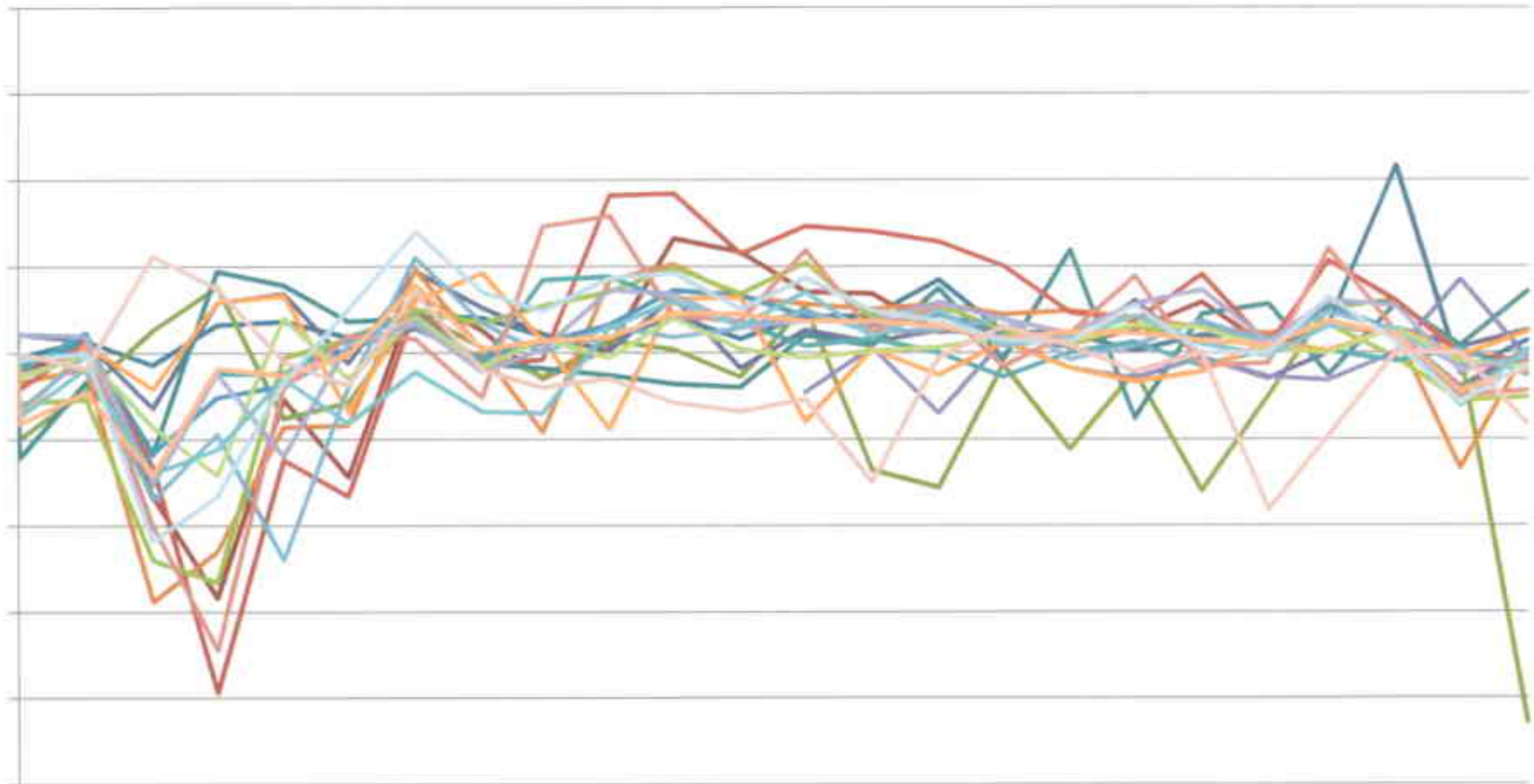
Total Equity Policy is 50% Russell 3000 and 50% MSCI ACW ex USA as of April 2008. Prior periods were 40% S&P 500, 30% Russell 2500, and 30% MSCI ACW ex USA.

Fixed Income Policy is 100% Barclays Capital Universal as of April 2008. Prior periods were the Barclays Capital Aggregate.

Western Policy Index is 100% Barclays Capital Universal as of April 2008. Prior periods were a custom index.


Returns are net of management fees. Returns shorter than one year are unannualized.

Performance – Individual Funds

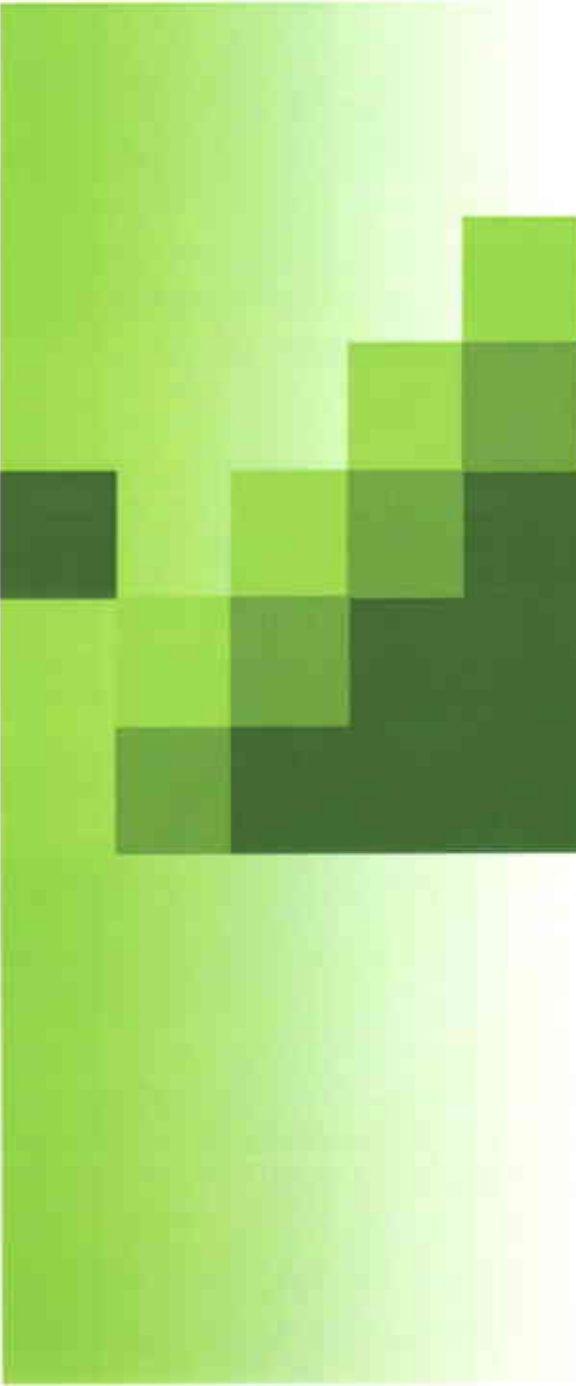



Performance – Total Program





Performance – Total Program



West Virginia Investment Management Board

Monthly Performance Report

June 30, 2010

STRATEGIC INVESTMENT SOLUTIONS, INC.

333 Bush Street, Suite 2000
San Francisco, CA 94104
(415) 362-3484

West Virginia Investment Management Board
 Participant Plans Allocation & Performance Net of Fees
 As of June 30, 2010

	6/30/2009		6/30/2010		Performance %						
	Asset (\$000)	%	Asset (\$000)	%	1 Month	3 Month	FYTD	1 Year	3 Year	5 Year	10 Year
WVIMB Fund Assets	9,178,609	100.0	10,658,972	100.0							
Pension Assets	7,342,235	80.0	8,456,704	79.4							
Public Employees' Retirement System	3,243,754	35.3	3,682,115	34.5	-0.9	-4.2	16.0	16.0	-2.9	3.3	
Teachers' Retirement System	3,513,001	38.3	4,099,339	38.5	-1.0	-4.3	15.2	15.2	-3.7	2.8	4.0
Teachers' Employers Cont. Collection A/C	6	0.0	355	0.0	0.0	0.0	0.1	0.1	1.7		
EMS Retirement System	16,870	0.2	23,345	0.2	-1.0	-4.5	15.7	15.7			
Public Safety Retirement System	362,924	4.0	404,446	3.8	-0.9	-4.2	16.1	16.1	-3.0	3.2	4.4
Judges' Retirement System	88,310	1.0	102,814	1.0	-0.9	-4.2	16.0	16.0	-3.0	3.3	4.3
State Police Retirement System	40,321	0.4	52,739	0.5	-0.9	-4.1	16.0	16.0	-2.8	3.3	4.4
Deputy Sheriffs' Retirement System	77,050	0.8	91,548	0.9	-0.9	-4.1	16.0	16.0	-2.9	3.3	4.4
Municipal Police & Firefighter Retirement System			3	0.0	0.0						
Insurance Assets	1,331,404	14.5	1,632,789	15.3							
Workers' Compensation Old Fund	670,648	7.3	888,780	8.3	0.5	0.4	14.6	14.6	0.8		
Workers' Comp. Self-Insured Guaranty Risk Pool	6,794	0.1	8,066	0.1	0.0	0.0	0.1	0.1	1.8		
Workers' Comp. Uninsured Employers Fund	8,537	0.1	8,852	0.1	0.0		0.1	0.1	1.8		
Pneumoconiosis	224,354	2.4	244,191	2.3	0.1	-1.0	13.4	13.4	1.6		
Board of Risk & Insurance Mgmt.	105,461	1.1	120,331	1.1	0.1	-0.9	14.1	14.1	3.1	4.8	
Public Employees' Insurance Agency	115,072	1.3	131,127	1.2	0.3	-0.2	14.0	14.0	2.7		
WV Retiree Health Benefit Trust Fund	200,538	2.2	229,477	2.2	1.0	1.6	14.4	14.4			
AccessWV			1,965	0.0	-0.4	-5.1					
Endowment Assets	504,970	5.5	569,479	5.3							
Wildlife Fund	30,069	0.3	34,874	0.3	-0.9	-4.2	16.0	16.0	-2.9	3.3	5.6
Prepaid Tuition Trust	73,291	0.8	77,283	0.7	-1.2	-4.2	17.2	17.2	-1.6	4.1	4.9
Revenue Shortfall Reserve Fund	163,763	1.8	178,632	1.7	1.0	1.9	18.5	18.5	-2.8		
Revenue Shortfall Reserve Fund - Part B	237,835	2.6	278,690	2.6	-0.1	-1.9	16.5	16.5	-3.6		

West Virginia Investment Management Board
Composite Asset Allocation & Performance Net of Fees
As of June 30, 2010

	Asset (\$000)	%	Performance %						
			1 Month	3 Month	FYTD	1 Year	3 Year	5 Year	10 Year
Investment Pools Composite	10,663,603	100.00							
Total Equity Composite	4,331,728	40.62	-2.74	-10.17	17.17	17.17	-8.87	1.75	2.16
<i>Total Equity Policy Index</i>			-3.50	-11.75	13.36	13.36	-10.49	0.42	0.87
Excess Return			0.76	1.58	3.81	3.81	1.62	1.33	1.29
US Equity Composite	2,072,375	19.43	-5.39	-10.92	16.02	16.02	-9.85	-0.58	0.91
<i>Russell 3000 Index</i>			-5.75	-11.32	15.72	15.72	-9.47	-0.48	-0.92
Excess Return			0.36	0.40	0.30	0.30	-0.38	-0.10	1.83
Large Cap Composite	1,714,780	16.08	-5.25	-11.05	14.91	14.91	-9.70	-0.90	-1.70
<i>S&P 500 Index</i>			-5.23	-11.43	14.43	14.43	-9.81	-0.79	-1.59
Excess Return			-0.02	0.38	0.48	0.48	0.11	-0.11	-0.11
Non-Large Cap Composite	357,595	3.35	-6.06	-10.26	22.19	22.19	-9.05	0.50	5.66
<i>Russell 2500 Index</i>			-7.14	-9.98	24.03	24.03	-7.99	0.98	4.15
Excess Return			1.08	-0.28	-1.84	-1.84	-1.06	-0.48	1.51
International Equity Composite	2,259,353	21.19	-0.18	-9.53	17.61	17.61	-8.02	5.62	4.19
<i>MSCI AC World ex US Index</i>			-1.26	-12.26	10.88	10.88	-10.27	3.84	2.29
Excess Return			1.08	2.73	6.73	6.73	2.25	1.78	1.90
Fixed Income Composite	3,356,997	31.48	1.16	2.15	15.05	15.05	5.70	4.96	6.92
<i>Fixed Income Policy</i>			1.55	3.14	10.60	10.60	7.60	5.57	6.49
Excess Return			-0.39	-0.99	4.45	4.45	-1.90	-0.61	0.43
Core Fixed Income	1,558,573	14.62	1.49	3.69	10.77	10.77			
<i>Barclays Capital Aggregate</i>			1.57	3.49	9.50	9.50			
Excess Return			-0.08	0.20	1.27	1.27			
Total Return Fixed Income	1,798,424	16.86	0.87	0.83	16.71	16.71	6.23	5.73	7.61
<i>Barclays Capital US Universal</i>			1.55	3.14	10.60	10.60	7.22	5.56	6.59
Excess Return			-0.68	-2.31	6.11	6.11	-0.99	0.17	1.02
TRS Annuity	152,429	1.43	0.36	1.10	4.50	4.50			
Cash Composite	290,439	2.72	0.02	0.04	0.14	0.14	1.80	3.00	2.84
<i>Citigroup 90 Day T-Bill + 15 bps</i>			0.02	0.08	0.31	0.31	1.72	2.92	2.85
Excess Return			0.00	-0.04	-0.17	-0.17	0.08	0.08	-0.01
Private Equity Composite	912,457	8.56	1.04	4.20	18.66	18.66			
Real Estate Composite	495,396	4.65	1.29	3.54	5.67	5.67			
Hedge Funds Composite	1,124,157	10.54	-0.43	-0.49	10.20	10.20			

West Virginia Investment Management Board
Participant Plans Allocation vs. Targets
As of June 30, 2010

	Domestic Equity		Int'l Equity		Fixed Income		Private Equity		Real Estate		Hedge Funds		Cash	
	Actual %	Target %	Actual %	Target %	Actual %	Target %	Actual %	Target %	Actual %	Target %	Actual %	Target %	Actual %	Target %
Pension Assets														
Public Employees' Retirement System	22.8	25.0	25.0	25.0	24.7	24.0	10.9	10.0	5.9	6.0	10.3	10.0	0.4	0.0
Teachers' Retirement System	22.6	25.0	24.6	25.0	22.9	24.0	10.7	10.0	5.8	6.0	10.1	10.0	3.3	0.0
Teachers' Employers Cont. Collection A/C	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	100.0	100.0
EMS Retirement System	23.4	25.0	25.6	25.0	21.4	24.0	10.9	10.0	6.0	6.0	10.5	10.0	2.2	0.0
Public Safety Retirement System	22.3	25.0	24.4	25.0	24.5	24.0	10.4	10.0	5.7	6.0	10.1	10.0	2.6	0.0
Judges' Retirement System	22.8	25.0	25.0	25.0	25.2	24.0	10.6	10.0	5.8	6.0	10.3	10.0	0.3	0.0
State Police Retirement System	22.4	25.0	24.5	25.0	25.2	24.0	10.4	10.0	5.8	6.0	10.1	10.0	1.5	0.0
Deputy Sheriffs' Retirement System	22.7	25.0	24.8	25.0	25.3	24.0	10.6	10.0	5.8	6.0	10.2	10.0	0.6	0.0
Municipal Police & Firefighter Retirement System	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	100.0	100.0

Insurance Assets

Workers' Compensation Old Fund	4.3	5.0	4.8	5.0	68.3	80.0	0.0	0.0	0.0	0.0	11.9	0.0	10.7	10.0
Workers' Comp. Self-Insured Guaranty Risk Pool	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	100.0	100.0
Workers' Comp. Uninsured Employers Fund	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	100.0	100.0
Pneumoconiosis	8.9	10.0	9.7	10.0	56.6	55.0	0.0	0.0	0.0	0.0	20.0	20.0	4.8	5.0
Board of Risk & Insurance Mgmt.	8.8	10.0	9.8	10.0	61.4	60.0	0.0	0.0	0.0	0.0	20.0	20.0	0.0	0.0
Public Employees' Insurance Agency	6.8	7.5	7.2	7.5	66.3	65.0	0.0	0.0	0.0	0.0	19.9	20.0	0.0	0.0
WV Retiree Health Benefit Trust Fund	2.2	2.5	2.4	2.5	95.4	95.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
AccessWV	19.3	25.0	46.7	25.0	34.0	50.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Endowment Assets

Wildlife Fund	22.7	25.0	24.9	25.0	25.6	24.0	10.6	10.0	5.8	6.0	10.2	10.0	0.2	0.0
Prepaid Tuition Trust	32.8	35.6	18.8	19.2	47.1	45.0	0.0	0.0	0.0	0.0	0.0	0.0	1.3	0.0
Revenue Shortfall Reserve Fund	0.0	0.0	0.0	0.0	88.0	100.0	0.0	0.0	0.0	0.0	11.9	0.0	0.1	0.0
Revenue Shortfall Reserve Fund - Part B	13.4	15.0	14.7	15.0	59.1	70.0	0.0	0.0	0.0	0.0	12.3	0.0	0.5	0.0

Statutory Limitations

- Public Equity - 75%
- International Proportions of Equity, Fixed Income, and Real Estate - 30%
- Real Estate - 25%
- Private Equity and Hedge Funds - 20% In aggregate

West Virginia Investment Management Board

Footnotes

As of June 30, 2010

PERS Policy is 30% Russell 3000, 30% MSCI ACW ex USA, and 40% Barclays Capital Universal as of 4/1/08. Prior periods, 42% Russell 3000, 18% MSCI ACW ex USA, and 40% Barclays Capital Aggregate.

Total Endowment Assets at June 30, 2009 included Prepaid Tuition Trust Escrow assets of \$11,518. This account was closed on September 1, 2009.

Total Equity Policy is 50% Russell 3000 and 50% MSCI ACW ex USA as of April 2008. Prior periods were 40% S&P 500, 30% Russell 2500, and 30% MSCI ACW ex USA.

Fixed Income Policy is 100% Barclays Capital Universal as of April 2008. Prior periods were the Barclays Capital Aggregate.

Western Policy Index is 100% Barclays Capital Universal as of April 2008. Prior periods were a custom index.

Returns are net of management fees. Returns shorter than one year are unannualized.



Status Report Workers' Compensation

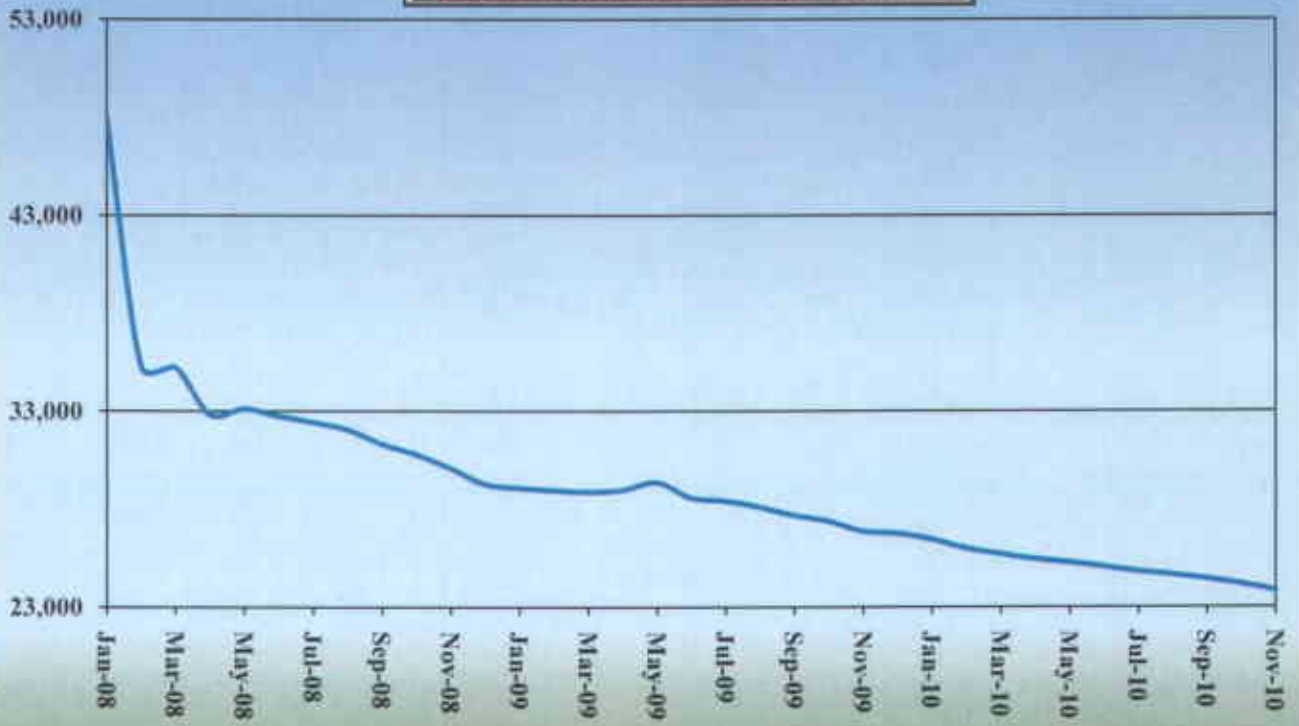
Joint Committee on
Government & Finance

12/09/10

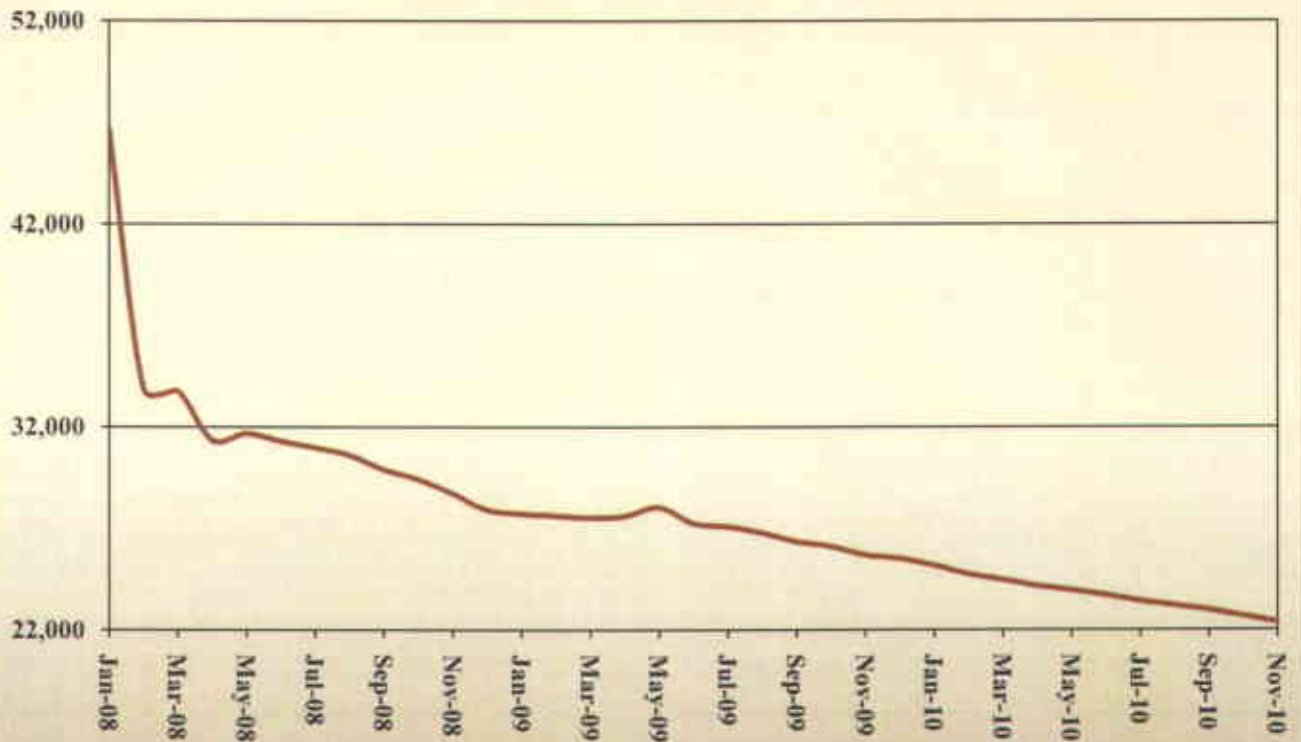
Provided by the West Virginia Offices of the Insurance Commissioner



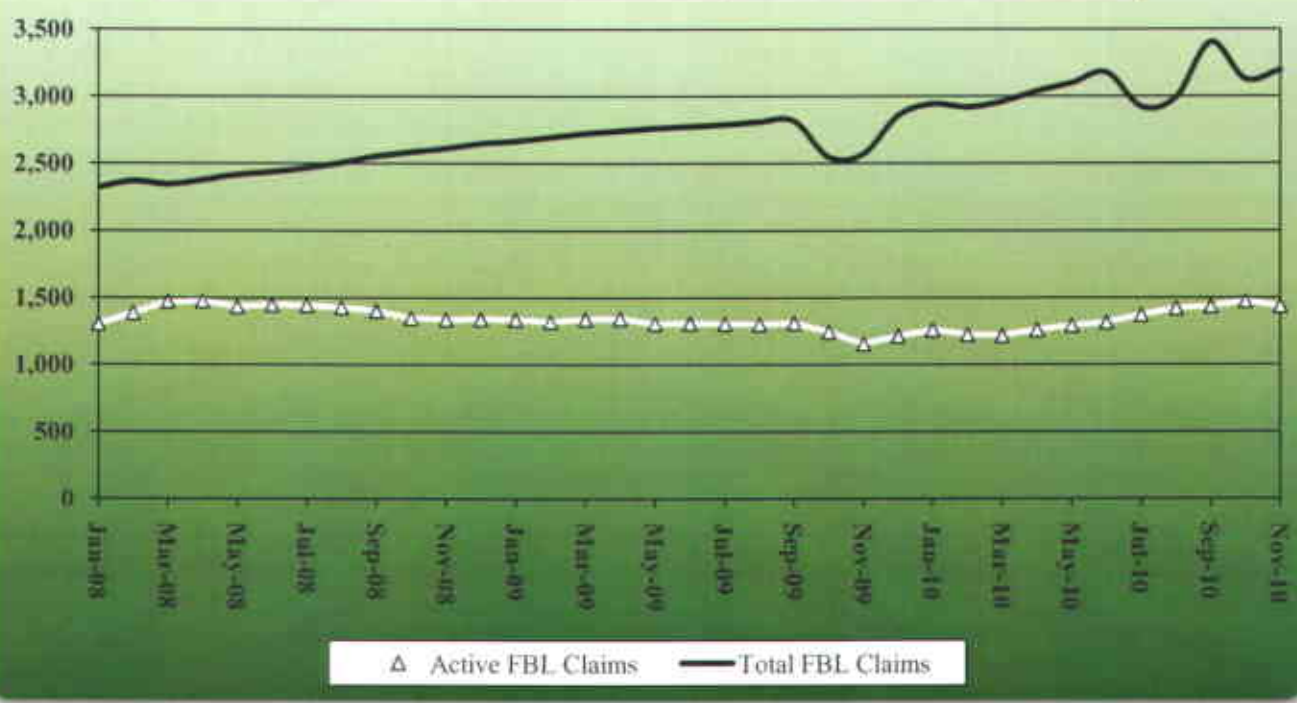
Total Active Claim Counts



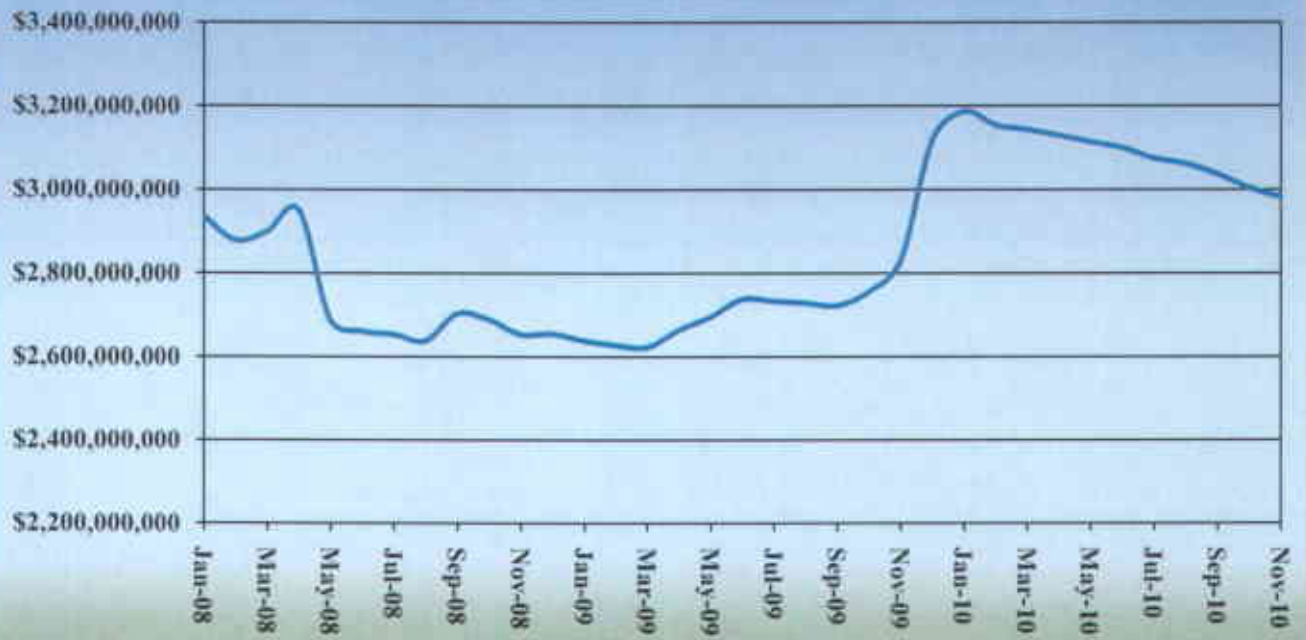
Non-FBL Active Claim Counts



Active and Total (+ inactive) FBL Claim Counts



Total Case Reserves



Non-FBL Case Reserves



FBL Case Reserves



11/30/2010					Prior Month	
	Sedgwick	Wells Fargo	American Mining	Totals	Total	Change
Total Non-FBL Reserves	\$2,417,995,615	\$233,328,390	\$186,175,770	\$2,837,499,774	\$2,862,284,306	-0.9%
Non-FBL Claims						
Med Only						
PTD	1,576	3	310	1,889	1,973	-4.4%
PPD	6,844	564	338	7,746	7,803	-0.7%
TTD	4,463	1,017	600	6,080	6,208	-2.1%
TPD	933	0	26	959	963	-0.4%
TPD	2	0	0	2	0	200.0%
Payment Agreements						
Fatal	0	16	11	27	25	7.4%
Partial Awd	1,590	484	164	2,238	2,246	-0.4%
OP/OD	8	105	0	113	116	-2.7%
OP/OD	3,322	2,072	847	3,322	3,352	-0.9%
Total Non-FBL Claims	18,738	2,189	1,449	22,376	22,686	-1.4%
Total FBL Reserves	\$0	\$31,737,297	\$111,617,214	\$143,354,511	\$141,450,020	1.3%
FBL Claims						
	0	122	1,313	1,435	1,472	2.6%
					FBL	
					Inactive	All Total
					1,759	3,194

WEST VIRGINIA
OFFICES OF THE INSURANCE COMMISSIONER
SCHEDULE OF NET ASSETS
Workers' Compensation Old Fund – Debt Reduction
(In Thousands)
FY2011

	June 30, 2010	November 30, 2010	Change
Assets:			
Cash and Cash Equivalents	892,466	905,306	12,840
Receivables, Net:	20,659	20,659	-
Total Assets	<u>913,125</u>	<u>925,965</u>	<u>12,840</u>
Liabilities:			
Estimated Liability for Unpaid Claims	2,022,700	1,958,782	(63,918)
Other Liabilities	1,453	1,453	-
Total Liabilities	<u>2,024,153</u>	<u>1,960,235</u>	<u>(63,918)</u>
Net Assets:			
Unrestricted	<u>(1,111,028)</u>	<u>(1,034,270)</u>	<u>76,758</u>
Total Net Assets	<u><u>(1,111,028)</u></u>	<u><u>(1,034,270)</u></u>	<u><u>76,758</u></u>

*Debt Reduction estimates are updated on a monthly basis. See note on "Old Fund Liability Estimate" sheet.

Old Fund Liability Estimate

FY2011

October

Undiscounted Beginning Reserve Amount	3,094,234,971
Claim Payments	23,454,307
Undiscounted Ending Reserve Amount	3,070,240,327
Estimated Ending Reserve Amount - Discounted at 5%	1,958,781,590

Note:

The discounted estimate of the Old Fund liabilities is derived using a formula that reduces the reserve amount at the beginning of each month by the amount of claims payments made during the month. Claims payments were \$23,454,307 for November 2010.

The formula makes an adjustment for the time value of money, assuming that claim payments are evenly distributed through the month. This calculation has been prepared in order to provide an interim estimate on the status of the deficit.

**Old Fund / Debt Reduction
FY2011**

	1st Quarter	2nd Quarter	Y-T-D FY2011	Y-T-D FY2010	Change
Revenues					
Personal Income Tax	-	21,200,000	21,200,000	21,200,000	-
Severance Tax	22,025,208	14,460,346	36,485,554	36,804,396	(318,842)
Debt Reduction Surcharge	8,857,456	11,793,959	20,651,415	18,698,213	1,953,202
Self-Insured Debt Reduction Surcharge	1,777,733	1,504,886	3,282,619	3,157,657	124,962
Video Lottery	11,000,000	-	11,000,000	11,000,000	-
Employer Premium	2,399,978	186,814	2,586,792	736,656	1,850,137
Other Income - Return of Unclaimed Property	1,077	14,410	15,487	31,194	(15,707)
Total Revenues	46,061,452	49,160,415	95,221,866	91,628,115	3,593,751
Surplus Note Principal Payments	-	-	-	43,500,000	(43,500,000)
Investment / Interest Earnings (Losses)	23,095,895	23,424,808	46,520,703	72,223,150	(25,702,447)
Expenditures					
Claims Benefits Paid:					
Medical	12,127,841	6,639,828	18,767,669	21,555,605	(2,787,936)
Permanent Total Disability	35,131,918	22,962,370	58,094,288	61,717,902	(3,623,614)
Permanent Partial Disability	763,081	485,548	1,248,629	2,512,751	(1,264,122)
Temporary Disability	117,290	86,200	203,490	744,329	(540,839)
Fatales	7,514,947	5,029,054	12,544,002	13,311,390	(767,389)
104 weeks death benefit	1,527,745	1,065,721	2,593,466	2,507,957	85,509
Settlement Agreements	15,764,770	9,028,894	24,793,664	6,556,627	18,237,037
Loss Adjustment Expenses	1,397,144	730,180	2,127,323	933,945	1,193,379
Total	74,344,735	46,027,795	120,372,530	109,840,506	10,532,024
Less: Claims credits and overpayments	2,134,198	1,204,252	3,338,450	1,292,609	2,045,841
Total Benefits Paid	72,210,537	44,823,542	117,034,080	108,547,897	8,486,183
Administrative Expenses	4,869,605	3,068,412	7,938,017	8,317,489	(379,472)
Total Expenditures	77,080,143	47,891,954	124,972,097	116,865,385	8,106,711
Excess (Deficiency) of Revenues over Expenditures	(7,922,796)	24,693,268	16,770,472	90,485,880	
Cash Beginning Balances	888,535,954	880,613,158	888,535,954		
Cash Ending Balances	880,613,158	905,306,426	905,306,426		

**Old Fund / Debt Reduction
1st Quarter FY2011**

	July 2010	August 2010	September 2010	Quarter-to-Date
Revenues				
Personal Income Tax	-	-	-	-
Severance Tax	5,116,779.70	9,026,745.37	7,881,682.99	22,025,208.06
Debt Reduction Surcharge	8,769,528.72	95,819.00	(7,891.97)	8,857,455.75
Self-Insured Debt Reduction Surcharge	1,401,614.89	70,788.17	305,330.02	1,777,733.08
Video Lottery	3,885,341.88	4,046,095.90	3,068,562.22	11,000,000.00
Employer Premium	113,955.91	92,719.43	2,193,302.56	2,399,977.90
Other Income - Return of Unclaimed Property	-	1,076.78	-	1,076.78
Total Revenues	19,287,221.10	13,333,244.65	13,440,985.82	46,061,451.57
*Investment / Interest Earnings (Losses)	4,527,112.81	14,544,793.42	4,023,988.78	23,095,895.01
Expenditures				
Claims Benefits Paid:				
Medical	4,632,087.97	3,534,601.88	3,961,151.53	12,127,841.38
Permanent Total Disability	11,551,635.68	12,114,184.95	11,466,096.92	35,131,917.55
Permanent Partial Disability	254,935.24	261,275.59	246,869.72	763,080.55
Temporary Disability	23,670.59	43,483.66	50,135.47	117,289.72
Fatafs	2,519,576.31	2,556,640.44	2,438,730.74	7,514,947.49
104 weeks death benefit	528,883.58	505,925.05	492,936.68	1,527,745.31
Settlement Agreements	4,669,443.34	5,872,763.97	5,222,562.36	15,764,769.67
Loss Adjustment Expenses	450,587.51	591,991.44	354,564.79	1,397,143.74
Total	24,630,820.22	25,480,866.98	24,233,048.21	74,344,735.41
Less: Claims credits and overpayments	580,796.53	405,519.49	1,147,882.04	2,134,198.06
Total Benefits Paid	24,050,023.69	25,075,347.49	23,085,166.17	72,210,537.35
Administrative Expenses	1,584,348.85	1,641,948.52	1,643,307.81	4,869,605.18
Total Expenditures	25,634,372.54	26,717,296.01	24,728,473.98	77,080,142.53
Excess (Deficiency) of Revenues over Expenditures	(1,820,038.63)	1,160,742.06	(7,263,499.38)	(7,922,795.95)
Cash Beginning Balance	888,535,953.68	886,715,915.05	887,876,657.11	888,535,953.68
Cash Ending Balances	886,715,915.05	887,876,657.11	880,613,157.73	880,613,157.73

Old Fund / Debt Reduction 2nd Quarter FY2011

		October 2010	November 2010	Quarter-to-Date
Revenues				
Investment Other Incom	Personal Income Tax	10,600,000.00	10,600,000.00	21,200,000.00
	Severance Tax	5,257,237.26	9,203,108.57	14,460,345.83
	Debt Reduction Surcharge	11,575,261.93	218,697.00	11,793,958.93
	Self-Insured Debt Reduction Surcharge	697,594.09	807,291.74	1,504,885.83
	Video Lottery	-	-	-
	Employer Premium	131,814.41	54,999.79	186,814.20
	Other Income - Return of Unclaimed Property	7,146.74	7,263.22	14,409.96
Total Revenues		28,269,054.43	20,891,360.32	49,160,414.75
Payment o Contractua	*Investment / Interest Earnings (Losses)	14,629,093.72	8,795,713.94	23,424,807.66
	Expenditures			
Claims Benefits Paid:				
Exces	Medical	2,774,670.79	3,865,156.97	6,639,827.76
	Permanent Total Disability	11,287,336.33	11,675,033.77	22,962,370.10
	Permanent Partial Disability	212,195.95	273,352.08	485,548.03
	Temporary Disability	71,290.19	14,909.86	86,200.05
	Fatals	2,582,247.99	2,446,806.13	5,029,054.12
	104 weeks death benefit	474,007.71	591,712.96	1,065,720.67
	Settlement Agreements	4,123,973.72	4,904,920.69	9,028,894.41
	Loss Adjustment Expenses	285,391.62	444,788.07	730,179.69
	Total	21,811,114.30	24,216,680.53	46,027,794.83
	Less: Claims credits and overpayments	441,879.05	762,373.32	1,204,252.37
Total Benefits Paid	21,369,235.25	23,454,307.21	44,823,542.46	
Administrative Expenses	1,024,837.36	2,043,574.24	3,068,411.60	
Total Expenditures		22,394,072.61	25,497,881.45	47,891,954.06
Excess (Deficiency) of Revenues over Expenditures		20,504,075.54	4,189,192.81	24,693,268.35
Cash Beginning Balance		880,613,157.73	901,117,233.27	880,613,157.73
Cash Ending Balances		901,117,233.27	905,306,426.08	905,306,426.08

COAL WORKERS PNEUMOCONIOSIS FUND
Quarterly Summary
FY2011

	1st Quarter	2nd Quarter	YTD FY 2011	YTD FY 2010	Change
Revenues					
Investment Earnings (Losses)	5,580,564	10,516,187	16,096,751	22,850,233	(6,753,481)
Other Income - Return of Unclaimed Property	-	-	-	-	-
Total Revenues	5,580,564	10,516,187	16,096,751	22,850,233	(6,753,481)
Expenditures					
Payment of Claims	2,481,727	1,803,036	4,284,763	4,227,279	57,484
Contractual / Professional	13,391	-	13,391	35,046	(21,655)
Total Expenditures	2,495,118	1,803,036	4,298,154	4,262,325	35,829
Excess (Deficiency) of Revenues over Expenditures	3,085,446	8,713,152	11,798,598	18,587,908	(6,789,310)
Cash Beginning Balances	244,074,613	247,160,059	244,074,613		
Cash Ending Balances	247,160,059	255,873,211	255,873,211		

SELF-INSURED GUARANTY FUND
Quarterly Summary
FY 2011

	1st Quarter	2nd Quarter	YTD FY 2011	YTD FY 2010	Change
Revenues					
Guaranty Risk Pool Assessments	331,688	234,306	565,994	708,566	(142,572)
Investment Earnings (Losses)	2,896	130,224	133,120	5,252	127,867
Total Revenues	334,584	364,530	699,114	713,818	(14,704)
Expenditures					
Payment of Claims	11,273	3,641	14,914	8,494	6,421
Contractual / Professional	6,459	1,948	8,407	21,757	(13,349)
Total Expenditures	17,732	5,590	23,321	30,250	(6,929)
Excess (Deficiency) of Revenues over Expenditures	316,852	358,940	675,792	683,568	(7,776)
Cash Beginning Balances	8,112,918	8,429,770	8,112,918		
Cash Ending Balances	8,429,770	8,788,710	8,788,710		

SELF-INSURED SECURITY FUND
Quarterly Summary
FY2011

	1st Quarter	2nd Quarter	YTD FY 2011
Revenues			
Security Risk Pool Assessments	31,272	70,372	101,644
Total Revenues	31,272	70,372	101,644
Expenditures			
Payment of Claims	-	64	64
Claim Payment Reimbursement to Old Fund	73,516	-	73,516
Contractual / Professional	9,255	-	9,255
Total Expenditures	82,771	64	82,835
Excess (Deficiency) of Revenues over Expenditures	(51,499)	70,308	18,809
Cash Beginning Balances	173,041	121,542	173,041
Cash Ending Balances	121,542	191,849	191,849

**UNINSURED FUND
Quarterly Summary
FY2011**

	1st Quarter	2nd Quarter	YTD FY 2011	YTD FY 2010	Change
Revenues					
Fines and Penalties	227,102	134,451	361,553	389,564	(28,011)
Investment Earnings (Losses)	3,149	1,798	4,947	6,426	(1,479)
Total Revenues	230,251	136,249	366,500	395,990	(29,490)
Expenditures					
Payment of Claims	133,213	129,618	262,831	211,153	51,678
Contractual/Professional	1,394	1,279	2,673	8,168	(5,496)
Total Expenditures	134,607	130,897	265,503	219,321	46,182
Excess (Deficiency) of Revenues over Expenditures	95,644	5,352	100,997	176,669	(75,672)
Cash Beginning Balances	8,905,444	9,001,088	8,905,444		
Cash Ending Balances	9,001,088	9,006,441	9,006,441		

OFFICE OF JUDGES' REPORT TO INDUSTRIAL COUNCIL

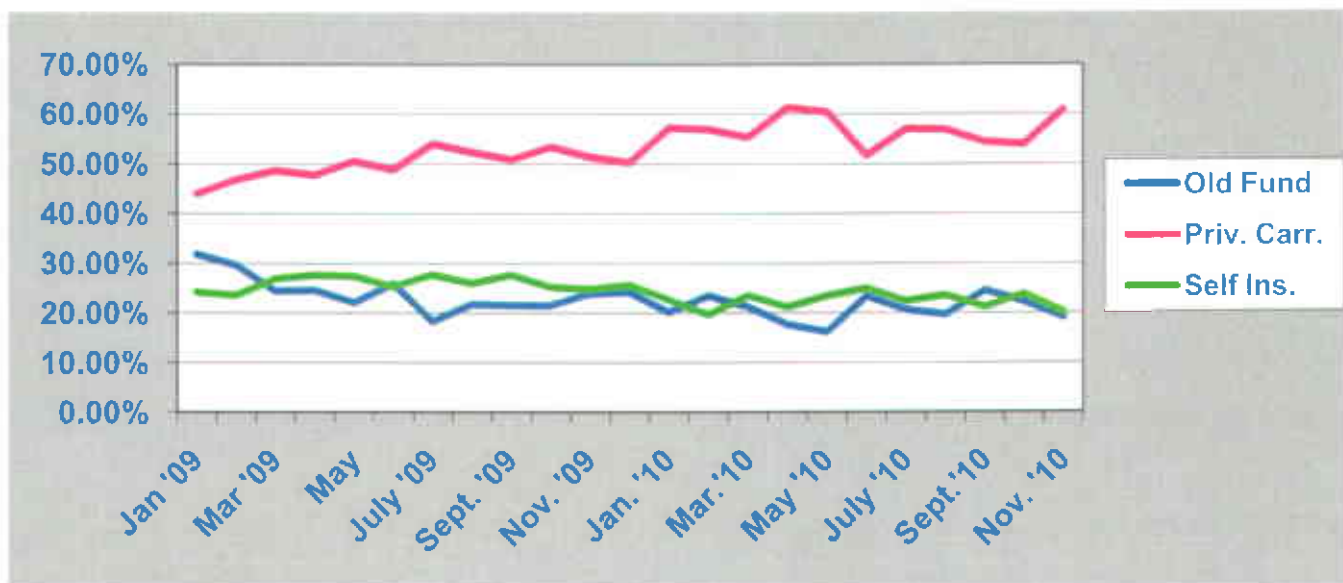
December 3, 2010

I. Statistical Analysis

A. Protests Acknowledged: 2009
6292 Nov.
419 2010
4621

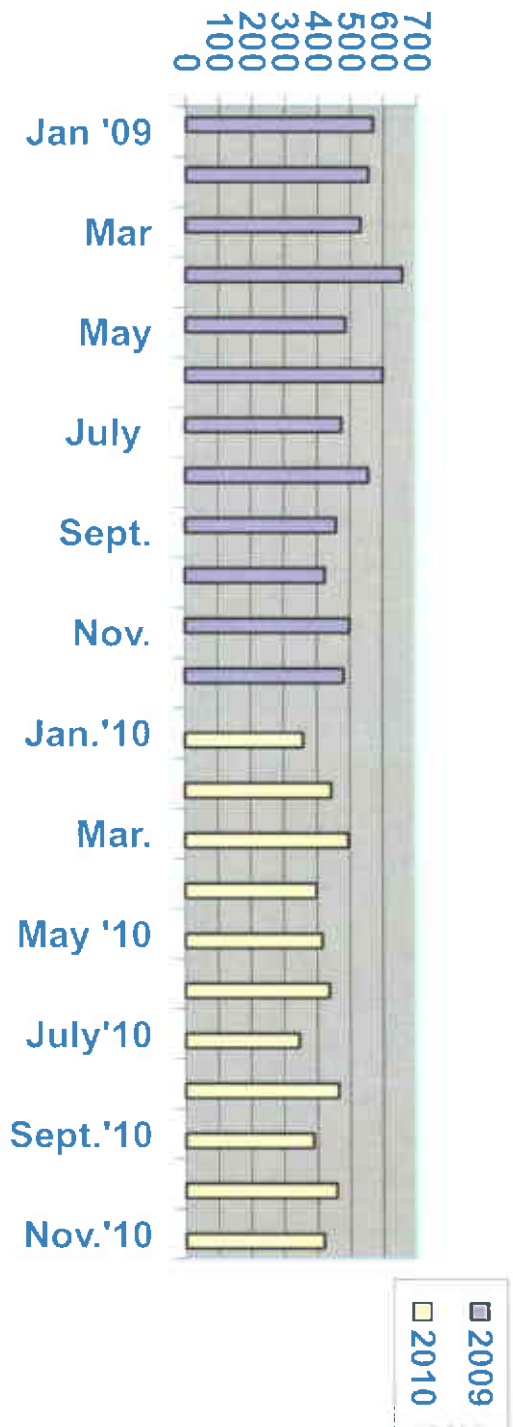
Fund Involved:

FUND	2009	% of protests	Nov. '10	% of protests	2010	% of protests
Old Fund	1277	24.13%	80	19.09%	963	20.84%
Priv. Carrier	2661	50.28%	255	60.86%	2627	56.85%
Self-Insured	1354	25.59%	84	20.05%	1031	22.31%
Subtotal	5292		419			
Temporary	1000		88			
Total	6292		507			





PROTESTS BY MONTH

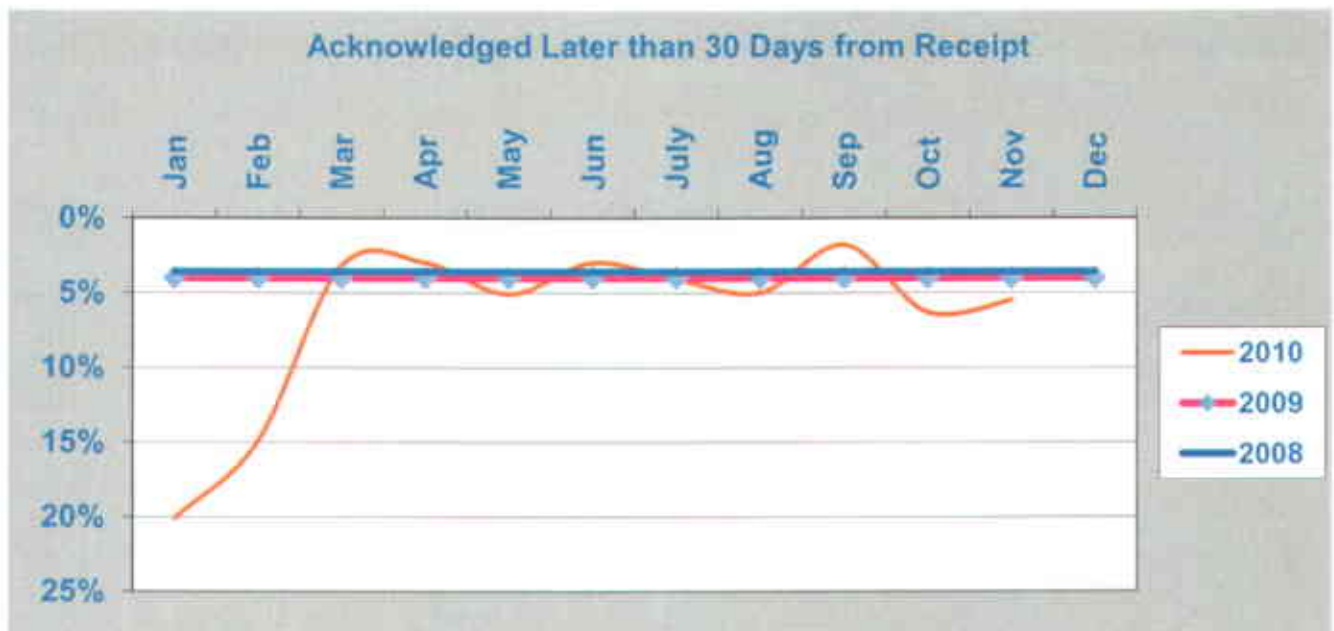


B. Issues Resolved: 2009 Nov. 2010
 5680 387 4956

C. Pending Caseload Report

PENDING END OF Nov. 2010	3608
PENDING 1 MONTH BEFORE	3580
PENDING 2 MONTHS BEFORE	3579
PENDING 3 MONTHS BEFORE	3645
PENDING 6 MONTHS BEFORE	4134
PENDING 12 MONTHS BEFORE	4048

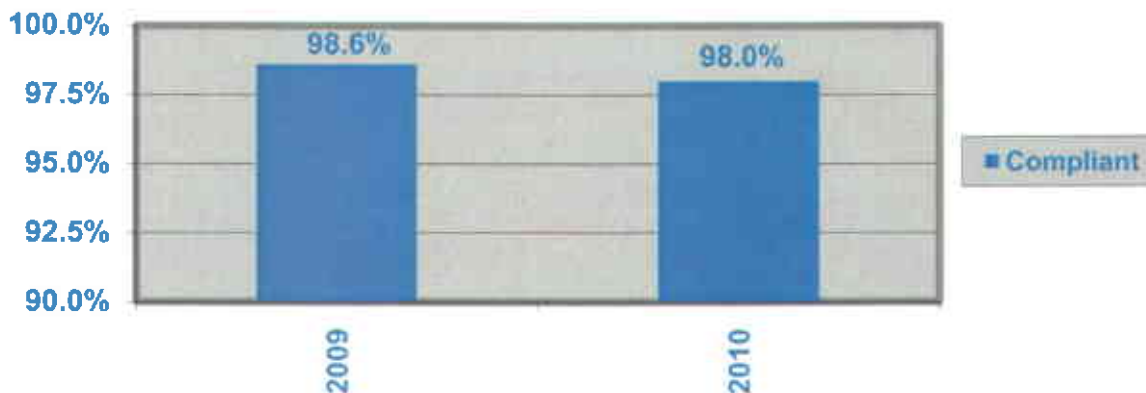
D. Acknowledgment Timeliness: 2009 Nov. YTD
 1. Protest Ackn. >30 days 4.0% 5.5% 6.4%
 2. Protest Ackn. 24-30 days 3.0% 0.5% 1.9%
 3. Protest Ackn. 11-23 days 22.6% 26.0% 21.9%
 4. Protest Ackn. <11 days 70.4% 68.0% 69.8%



		<u>Nov. '10</u>	<u>2010</u>
E.	Protests Resolved:		
	1. Protests decided:	262	3216
	2. Withdrawals:	57	908
	3. "No Evidence" Dismissals:	36	587

		<u>2009</u>	<u>Nov. '10</u>	<u>2010</u>
F.	Final Decision Timeliness			
	1. <30 days:	49.2%	45.6%	45.8%
	2. 30-60 days:	29.3%	39.7%	33.1%
	3. 60-90 days:	20.1%	14.3%	19.1%
	4. +90 days:	1.4%	0.4%	2.0%

Decision Within Rule's Time Limits



		<u>2009</u>	<u>Nov.</u>	<u>2010</u>
G.	Time Standard Compliance	88.9%	89.1%	88.3%

Friday, December 03, 2010

Time Standard Compliance

Report Dates: From 11/1/2010 thru 11/30/2010

Time Standard	Total Closed	Timely		Late	
		Count	Percent	Count	Percent
COMPENSABILITY	20	15	75%	5	25%
OPBD	10	9	90%	1	10%
REOPENING	7	6	85.7%	1	14.3%
SPECIAL CATEGORY	1	1	100%	0	0%
BENEFIT OVERPAYMENT	1	1	100%	0	0%
IEB DETERMINATION	1	1	100%	0	0%
PPD	35	34	97.1%	1	2.9%
REHABILITATION	1	1	100%	0	0%
TRMT/EQUIP CL	35	32	91.4%	3	8.6%
TTD	17	14	82.4%	3	17.6%
Total	128	114	89.1%	14	10.9%

Final Decision Compliance

Report Dates: From 11/1/2010 thru 11/30/2010

Description	Issues Resolved	Days to Decision							
		< 30 Days		30 - 60		61 - 90		> 90	
		Count	%	Count	%	Count	%	Count	%
DEP BEN FATAL	5	0	0.0%	5	100.0%	0	0.0%	0	0.0%
IEB DETERMINATION	2	0	0.0%	1	50.0%	1	50.0%	0	0.0%
OP NON-MED	1	0	0.0%	1	100.0%	0	0.0%	0	0.0%
PPD	48	23	47.9%	18	37.5%	7	14.6%	0	0.0%
SPECIAL CATEGORY	1	1	100.0%	0	0.0%	0	0.0%	0	0.0%
TRMT/EQUIP CL	78	34	43.6%	34	43.6%	10	12.8%	0	0.0%
BENEFIT OVERPAYMENT	1	1	100.0%	0	0.0%	0	0.0%	0	0.0%
COMPENSABILITY	71	32	45.1%	24	33.8%	15	21.1%	0	0.0%

Description	Issues Resolved	Days to Decision							
		< 30 Days		30 - 60		61 - 90		> 90	
		Count	%	Count	%	Count	%	Count	%
OPBD	19	10	52.6%	7	36.8%	1	5.3%	1	5.3%
PTD ENTITLEMENT	1	0	0.0%	0	0.0%	1	100.0%	0	0.0%
REHABILITATION	1	1	100.0%	0	0.0%	0	0.0%	0	0.0%
REOPENING	21	12	57.1%	7	33.3%	2	9.5%	0	0.0%
TTD	23	10	43.5%	11	47.8%	2	8.7%	0	0.0%
Totals	272	124	45.6%	108	39.7%	39	14.3%	1	0.4%

Friday, December 03, 2010

Motion Resolution Compliance

Report Dates: From 11/1/2010 thru 11/30/2010

Time Standard	Total Motions	Timely *		Late **	
		Count	Percent	Count	Percent
APPLICATION THRESHOLD	1	1	100%	0	0%
COMPENSABILITY	195	186	95.4%	9	4.6%
IEB DETERMINATION	4	4	100%	0	0%
REHABILITATION	2	2	100%	0	0%
BENEFIT OVERPAYMENT	2	2	100%	0	0%
BENEFIT RATE	2	2	100%	0	0%
DEP BEN FATAL	21	18	85.7%	3	14.3%
FAILURE TO ACT 15 DAY	1	1	100%	0	0%
OPBD	50	45	90%	5	10%
PPD	156	149	95.5%	7	4.5%
PTD ENTITLEMENT	4	4	100%	0	0%
REOPENING	52	50	96.2%	2	3.8%
TRMT/EQUIP CL	219	209	95.4%	10	4.6%
TTD	85	84	98.8%	1	1.2%
Total	794	757	95.3%	37	4.7%

* Action Date < Motion Date

** Action Date > Motion Date

Friday, December 03, 2010

Acknowledgement Goal

Report Dates: From 11/1/2010 thru 11/30/2010

Description	Protests Acknowledged	Days to Acknowledge Protests							
		> 30		30-24		23-11		< 11	
		Count	Percent	Count	Percent	Count	Percent	Count	Percent
BENEFIT RATE	Total: 1	0	0.0%	0	0.0%	1	100.0%	0	0.0%
CBR - CL PRSTS BEN RATE	1	0	0.0%	0	0.0%	1	100.0%	0	0.0%
COMPENSABILITY	Total: 79	4	5.1%	0	0.0%	25	31.6%	50	63.3%
CCS - CL SEC.CONDITION	11	0	0.0%	0	0.0%	2	18.2%	9	81.8%
CHC - CL COMPENSABILITY	6	1	16.7%	0	0.0%	1	16.7%	4	66.7%
CIM - CL SI COMPENSABLE	1	0	0.0%	0	0.0%	1	100.0%	0	0.0%
CIS - CL SI SEC.CONDITION	5	0	0.0%	0	0.0%	1	20.0%	4	80.0%
CPI - CL SI REJECT CLAIM	8	0	0.0%	0	0.0%	5	62.5%	3	37.5%
CPJ - CL REJECT CLAIM	45	3	6.7%	0	0.0%	14	31.1%	28	62.2%
CRZ - CL REJ OCC DISEASE	3	0	0.0%	0	0.0%	1	33.3%	2	66.7%
DEP BEN FATAL	Total: 1	0	0.0%	0	0.0%	1	100.0%	0	0.0%
EIF - EM SI DY/GNT DTH BEN	1	0	0.0%	0	0.0%	1	100.0%	0	0.0%
FAILURE TO ACT 10 DAY	Total: 7	2	28.6%	0	0.0%	3	42.9%	2	28.6%
C5N - CL FTA NOT COVERED	7	2	28.6%	0	0.0%	3	42.9%	2	28.6%
FAILURE TO ACT 15 DAY	Total: 6	4	66.7%	1	16.7%	1	16.7%	0	0.0%
C01 - CL FTA INJ COMPENSAB	2	1	50.0%	1	50.0%	0	0.0%	0	0.0%
C03 - CL FTA TREATMENT	4	3	75.0%	0	0.0%	1	25.0%	0	0.0%
FAILURE TO ACT 30 DAY	Total: 2	1	50.0%	1	50.0%	0	0.0%	0	0.0%
C6A - CL FTA ACT UPON PPD	2	1	50.0%	1	50.0%	0	0.0%	0	0.0%
OP NON-MED	Total: 1	0	0.0%	0	0.0%	1	100.0%	0	0.0%
CNR - CL NON-MED ORDER	1	0	0.0%	0	0.0%	1	100.0%	0	0.0%

Description	Protests Acknowledged	Days to Acknowledge Protests							
		> 30		30-24		23-11		< 11	
		Count	Percent	Count	Percent	Count	Percent	Count	Percent
OPBD	Total: 21	0	0.0%	0	0.0%	11	52.4%	10	47.6%
CAO - CL ADD BOARD FINDING	7	0	0.0%	0	0.0%	2	28.6%	5	71.4%
CBF - CL % BOARD FINDING	8	0	0.0%	0	0.0%	7	87.5%	1	12.5%
CSF - CL% SI BOARD FINDING	2	0	0.0%	0	0.0%	1	50.0%	1	50.0%
CSO - CL SI AD.BRD FINDING	2	0	0.0%	0	0.0%	0	0.0%	2	100.0%
EAO - EM ADD BOARD FINDING	1	0	0.0%	0	0.0%	1	100.0%	0	0.0%
EBF - EM % BOARD FINDING	1	0	0.0%	0	0.0%	0	0.0%	1	100.0%
PPD	Total: 99	4	4.0%	0	0.0%	25	25.3%	70	70.7%
CAA - CL ADDL % AWARD D/G	15	0	0.0%	0	0.0%	1	6.7%	14	93.3%
CAD - CL % AWARD DENY/GRNT	63	3	4.8%	0	0.0%	19	30.2%	41	65.1%
CIE - CL SI ADD% AWARD D/G	1	0	0.0%	0	0.0%	0	0.0%	1	100.0%
CIG - CL SI %AWARD DNY/GNT	20	1	5.0%	0	0.0%	5	25.0%	14	70.0%
PTD ENTITLEMENT	Total: 5	0	0.0%	0	0.0%	2	40.0%	3	60.0%
CIT - CL SI DENY/GRANT PTD	1	0	0.0%	0	0.0%	1	100.0%	0	0.0%
CKC - CL DENY/GRANT PTD	3	0	0.0%	0	0.0%	0	0.0%	3	100.0%
EIT - EM SI DENY/GRANT PTD	1	0	0.0%	0	0.0%	1	100.0%	0	0.0%
PTD ONSET DATE	Total: 1	0	0.0%	0	0.0%	1	100.0%	0	0.0%
COD - CL ONSET DATE ISSUE	1	0	0.0%	0	0.0%	1	100.0%	0	0.0%
REHABILITATION	Total: 1	0	0.0%	0	0.0%	0	0.0%	1	100.0%

Description	Protests Acknowledged	Days to Acknowledge Protests							
		> 30		30-24		23-11		< 11	
		Count	Percent	Count	Percent	Count	Percent	Count	Percent
CPV - CL DY/GRNT REHAB PLN	1	0	0.0%	0	0.0%	0	0.0%	1	100.0%
REOPENING	Total: 26	0	0.0%	0	0.0%	2	7.7%	24	92.3%
CIQ - CL SI DY/GNT R/O PPD	6	0	0.0%	0	0.0%	1	16.7%	5	83.3%
CIY - CL SI DY/GNT R/O TTD	3	0	0.0%	0	0.0%	0	0.0%	3	100.0%
CJV - CL DNY/GRNT R/O PPD	3	0	0.0%	0	0.0%	0	0.0%	3	100.0%
CRD - CL DENY/GRNT R/O TTD	14	0	0.0%	0	0.0%	1	7.1%	13	92.9%
SPECIAL CATEGORY	Total: 1	0	0.0%	0	0.0%	1	100.0%	0	0.0%
CNW - CL SPL CATEGORY	1	0	0.0%	0	0.0%	1	100.0%	0	0.0%
TRMT/EQUIP CL	Total: 117	5	4.3%	0	0.0%	29	24.8%	83	70.9%
CBX - CL TRMT DENY	83	5	6.0%	0	0.0%	19	22.9%	59	71.1%
CSX - CL SI TRMT DENY	28	0	0.0%	0	0.0%	9	32.1%	19	67.9%
CYY - CL TRMT GRANT	6	0	0.0%	0	0.0%	1	16.7%	5	83.3%
TTD	Total: 51	3	5.9%	0	0.0%	6	11.8%	42	82.4%
CCC - CL CLOSING THE CLAIM	36	3	8.3%	0	0.0%	6	16.7%	27	75.0%
CIC - CL SI CLSING THE CLM	4	0	0.0%	0	0.0%	0	0.0%	4	100.0%
CIJ - CL SI TTD	1	0	0.0%	0	0.0%	0	0.0%	1	100.0%
CJS - CL TTD	8	0	0.0%	0	0.0%	0	0.0%	8	100.0%
CPX - CL INITIAL TTD	2	0	0.0%	0	0.0%	0	0.0%	2	100.0%
Totals: Claims 361	419	23	5.5%	2	0.5%	109	26.0%	285	68.0%

Friday, December 03, 2010

Resolution of Issues

Report Dates: Decision Date from 11/1/2010 thru 11/30/2010

Time Standard Categories	Decisions Issued	Reversed		Affirmed		Affirmed by Rule		Dismissed		Modified		Moot		Other		Remanded	
		Count	%	Count	%	Count	%	Count	%	Count	%	Count	%	Count	%	Count	%
APPLICATION THRESHOLD	1	0	0	0	0	0	0	1	100	0	0	0	0	0	0	0	0
BENEFIT OVERPAYMENT	1	0	0	1	100	0	0	0	0	0	0	0	0	0	0	0	0
DEP BEN FATAL	7	0	0	5	71.4	1	14.3	1	14.3	0	0	0	0	0	0	0	0
PPD	94	16	17	30	31.9	12	12.8	34	36.2	0	0	1	1.1	0	0	0	0
PTD ENTITLEMENT	2	0	0	1	50	0	0	1	50	0	0	0	0	0	0	0	0
REHABILITATION	2	0	0	1	50	0	0	1	50	0	0	0	0	0	0	0	0
COMPENSABILITY	76	29	38.2	31	40.8	2	2.6	11	14.5	3	3.9	0	0	0	0	0	0
IEB DETERMINATION	4	0	0	2	50	1	25	1	25	0	0	0	0	0	0	0	0
OP NON-MED	1	1	100	0	0	0	0	0	0	0	0	0	0	0	0	0	0
OPBD	29	4	13.8	14	48.3	1	3.4	10	34.5	0	0	0	0	0	0	0	0
REOPENING	24	6	25	13	54.2	0	0	3	12.5	1	4.2	1	4.2	0	0	0	0
SPECIAL CATEGORY	1	1	100	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TRMT/EQUIP CL	103	29	28.2	47	45.6	15	14.6	10	9.7	1	1	1	1	0	0	0	0
TTD	42	11	26.2	10	23.8	4	9.5	15	35.7	1	2.4	0	0	1	2.4	0	0
Totals	387	97	25.1	155	40.1	36	9.3	88	22.7	6	1.6	3	0.8	1	0.3	0	0

OOJ – Petition for Attorney Fees for Unreasonable Denial

Petitions received 9/1/2005 through 11/30/10

	52
Petitions denied on face:	16
Petitions denied by ALJ Decision:	20
Petitions granted:	6
Petitions withdrawn through settlement:	2
Petitions currently pending:	8

Failure to Timely Act Process

Petitions filed 9/1/05 through 11/30/10

Filed:	212
Denied/dismissed:	83
Withdrawn:	11
Reports to OIC:	93
Pending	25

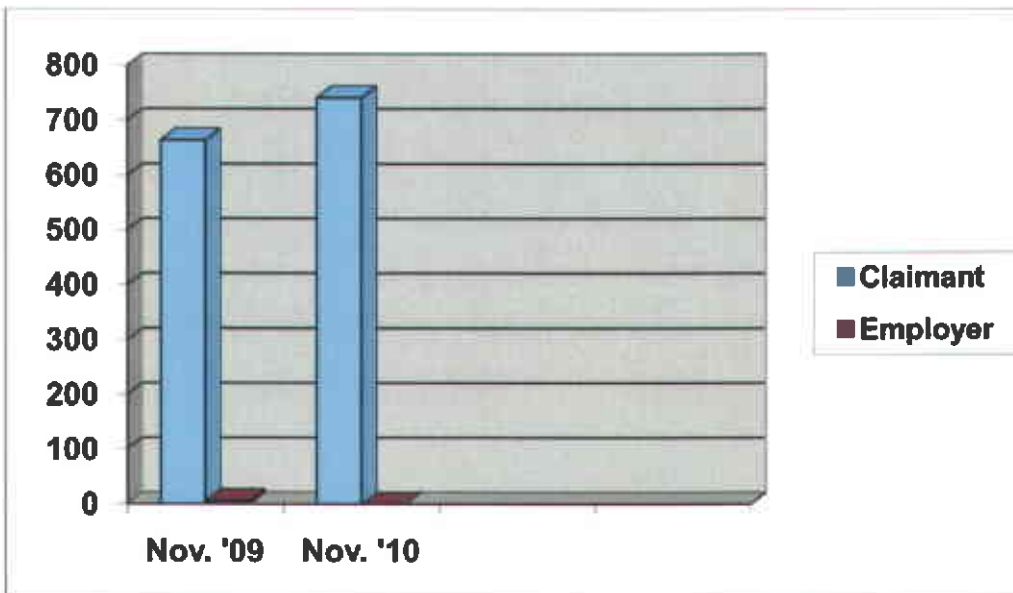
Expedited Hearings Scheduled

	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	TOTAL
2006	7	0	2	1	7	4	8	2	5	7	6	3	52
2007	12	4	5	5	1	12	9	4	5	5	4	2	68
2008	3	2	1	11	1	6	11	8	6	4	8	4	65
2009	5	6	5	4	10	14	10	6	12	4	5	9	90
2010	13	2	6	9	4	7	12	8	11	10	15		97

OOJ – Pending Treatment Issues

Pending Treatment Issues			Comparison to Prior Mo/Year	
Party	Month Nov. '10	% Protests	Month Nov. '09	% Protests
Claimant	741	20.54%	664	16.55%
Employer			6	
Total	741		670	

Pending Treatment Issues



Pro Se Claimant Information

Pending Protests Involving Pro Se Claimants: 549

Pending Claims Involving Pro Se claimants: 506

Earl Ray Tomblin
Governor

W. Jack Stevens
Chairman

James D. Gray
Member

Rita Hedrick-Helmick
Member

Workers' Compensation Board of Review

Offices located at 1207 Quarrier St, Charleston
All communications should be addressed to the Board of Review
at the address shown at the bottom of this page.

MEMORANDUM

To: Jane L. Cline, Commissioner
Bill Dean, Chairman
Kent Hartsog, Vice Chairman
Dan Marshall
Honorable Brooks McCabe
Honorable Nancy Peoples Guthrie
Jim Dissen

From: W. Jack Stevens, Chairman

Date: December 3, 2010

Re: Workers' Compensation Board of Review Monthly Report

Attached, please find the Board of Review's November 2010 monthly report.

A number of changes have been made to the Board's reports. You will find a total of eight reports as opposed to the two reports you previously received. These reports include the following:

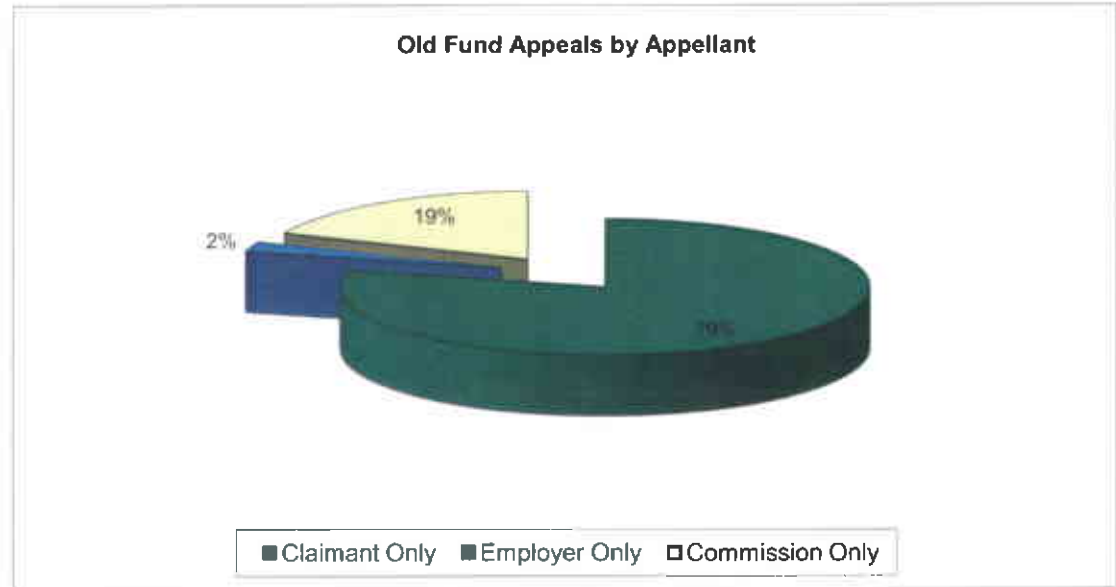
1. Monthly Report of Appeals Received
2. Yearly Report of Appeals Received
3. Monthly Report of Appeals Received by Issue
4. Yearly Report of Appeals Received by Issue
5. Monthly Appeals Received by Issue and Appellant
6. Monthly Summary of Dispositions by Party
7. Monthly Summary of Dispositions by Issue
8. Yearly Summary of Dispositions by Issue

Please do not hesitate to contact me in the event of any questions.

Appeals Received
From November 1, 2010 Thru November 30, 2010

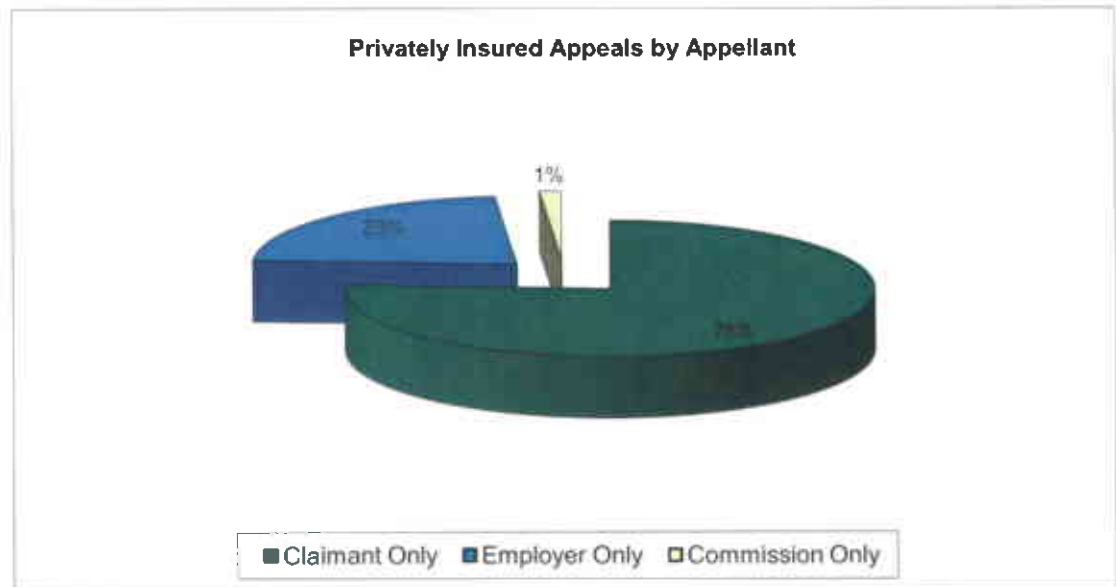
Old Fund Appeals (DOI < Jul-1-2005)

Appellant	Count
Claimant Only	34
Employer Only	1
Commission Only	8
Old Fund Total	43



Privately Insured Appeals (DOI > Jun-30-2005)

Appellant	Count
Claimant Only	57
Employer Only	17
Commission Only	1
Privately Insured Total	75
Total Appeals	118

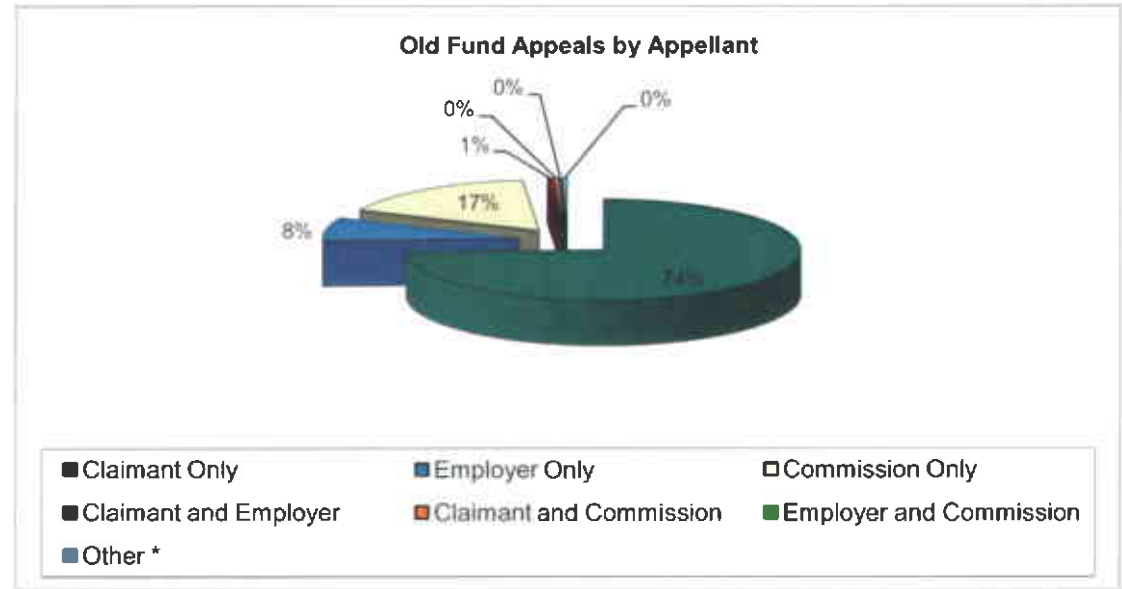


Appeals counted more than once:

Yearly Appeals Received
From January 1, 2010 Thru November 30, 2010

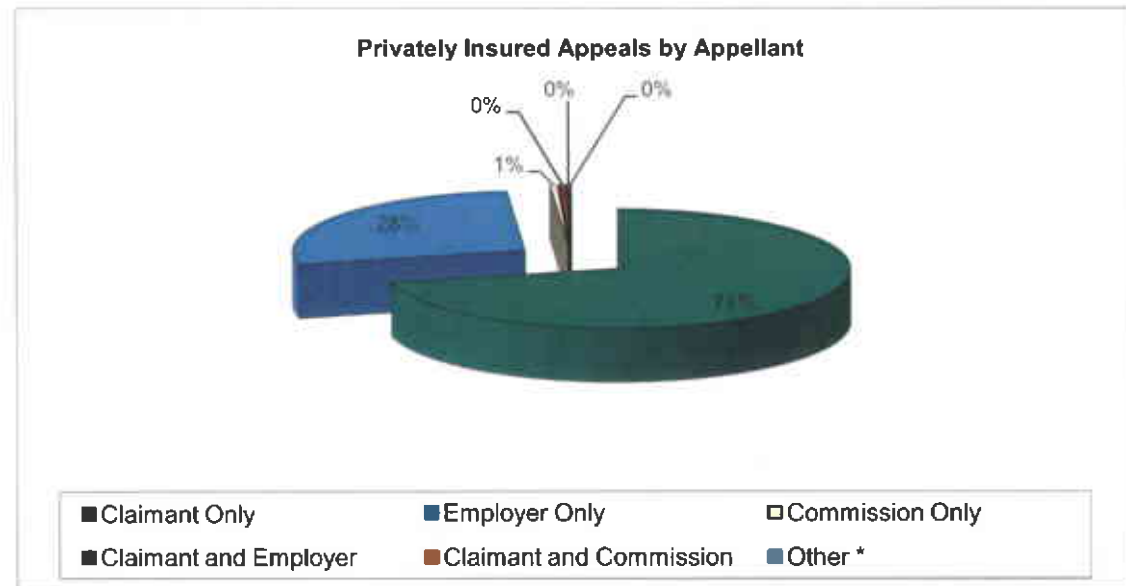
Old Fund Appeals (DOI < Jul-1-2005)

Appellant	Count
Claimant Only	379
Employer Only	38
Commission Only	86
Claimant and Employer	2
Claimant and Commission	2
Employer and Commission	1
Other *	2
Old Fund Total	510



Privately Insured Appeals (DOI > Jun-30-2005)

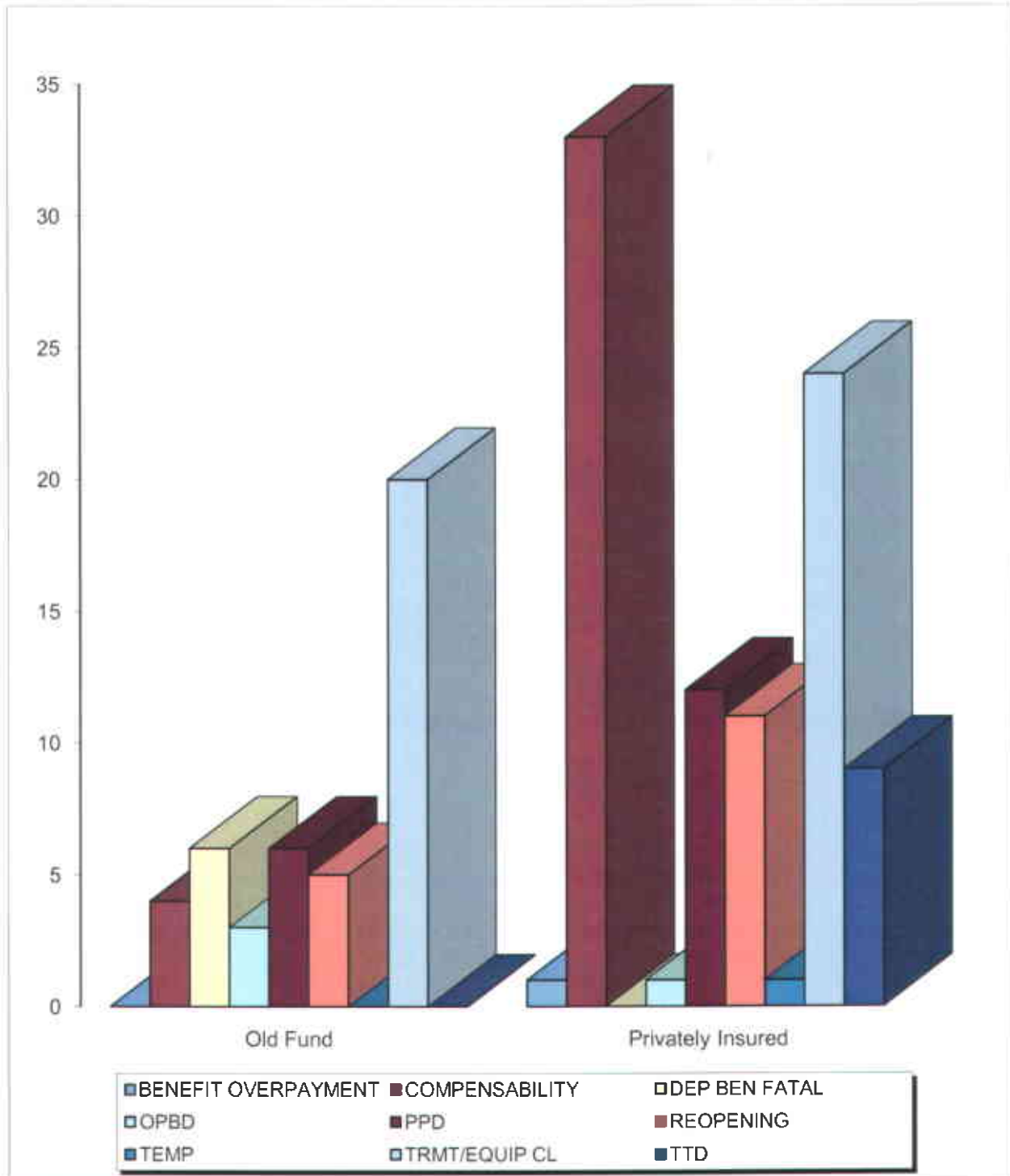
Appellant	Count
Claimant Only	572
Employer Only	221
Commission Only	4
Claimant and Employer	4
Claimant and Commission	1
Other *	1
Privately Insured Total	803
Total Appeals	1313



Appeals Received by Issue
 Old Fund Appeals (DOI < Jul-1-2005) vs Privately Insured Appeals (DOI > June-30-2005)
 From November 1, 2010 thru November 30, 2010

Type of Issue	Total Issues	Old Fund		Privately Insured	
		#	%	#	%
BENEFIT					
OVERPAYMENT	1	0	0.0	1	100.0
COMPENSABILITY	37	4	10.8	33	89.2
DEP BEN FATAL	6	6	100.0	0	0.0
OPBD	4	3	75.0	1	25.0
PPD	18	6	33.3	12	66.7
REOPENING	16	5	31.3	11	68.8
TEMP	1	0	0.0	1	100.0
TRMT/EQUIP CL	44	20	45.5	24	54.5
TTD	9	0	0.0	9	100.0
Totals	136	44	32.4	92	67.6

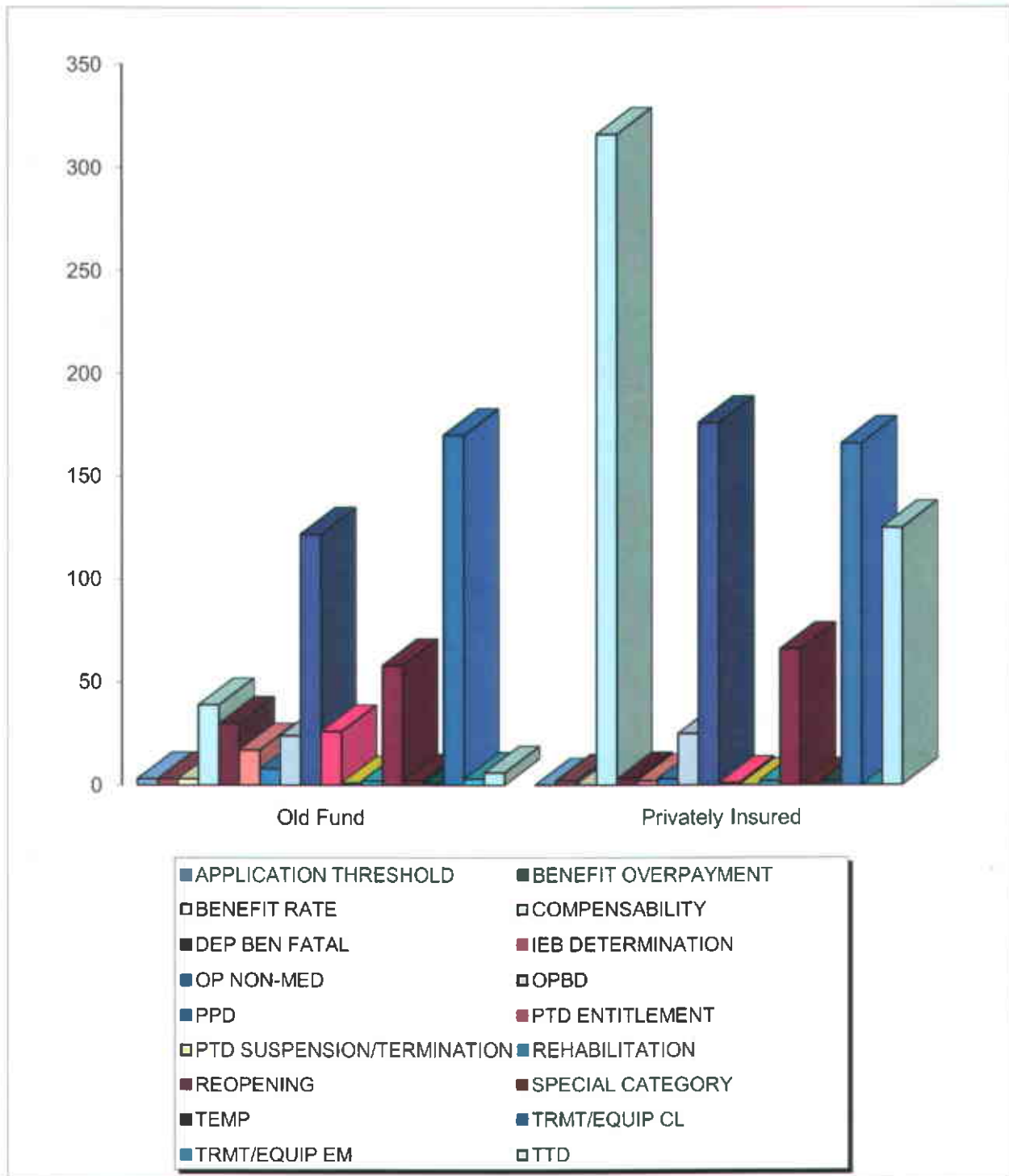
Appeals Received by Issue
 Old Fund Appeals (DOI < Jul-1-2005) vs Privately Insured Appeals (DOI > June-30-2005)
 From November 1, 2010 thru November 30, 2010



Yearly Appeals Received by Issue
 Old Fund Appeals (DOI < Jul-1-2005) vs Privately Insured Appeals (DOI > June-30-2005)
 From January 1, 2010 thru November 30, 2010

Type of Issue	Total Issues	Old Fund		Privately Insured	
		#	%	#	%
APPLICATION THRESHOLD	3	3	100.0	0	0.0
BENEFIT OVERPAYMENT	5	3	60.0	2	40.0
BENEFIT RATE	3	3	100.0	0	0.0
COMPENSABILITY	355	39	11.0	316	89.0
DEP BEN FATAL	33	30	90.9	3	9.1
IEB DETERMINATION	19	17	89.5	2	10.5
OP NON-MED	11	8	72.7	3	27.3
OPBD	49	24	49.0	25	51.0
PPD	298	122	40.9	176	59.1
PTD ENTITLEMENT	27	26	96.3	1	3.7
PTD					
SUSPENSION/TERMINATION	1	1	100.0	0	0.0
REHABILITATION	4	2	50.0	2	50.0
REOPENING	124	58	46.8	66	53.2
SPECIAL CATEGORY	2	2	100.0	0	0.0
TEMP	3	1	33.3	2	66.7
TRMT/EQUIP CL	336	170	50.6	166	49.4
TRMT/EQUIP EM	3	3	100.0	0	0.0
TTD	131	6	4.6	125	95.4
Totals	1407	518	36.8	889	63.2

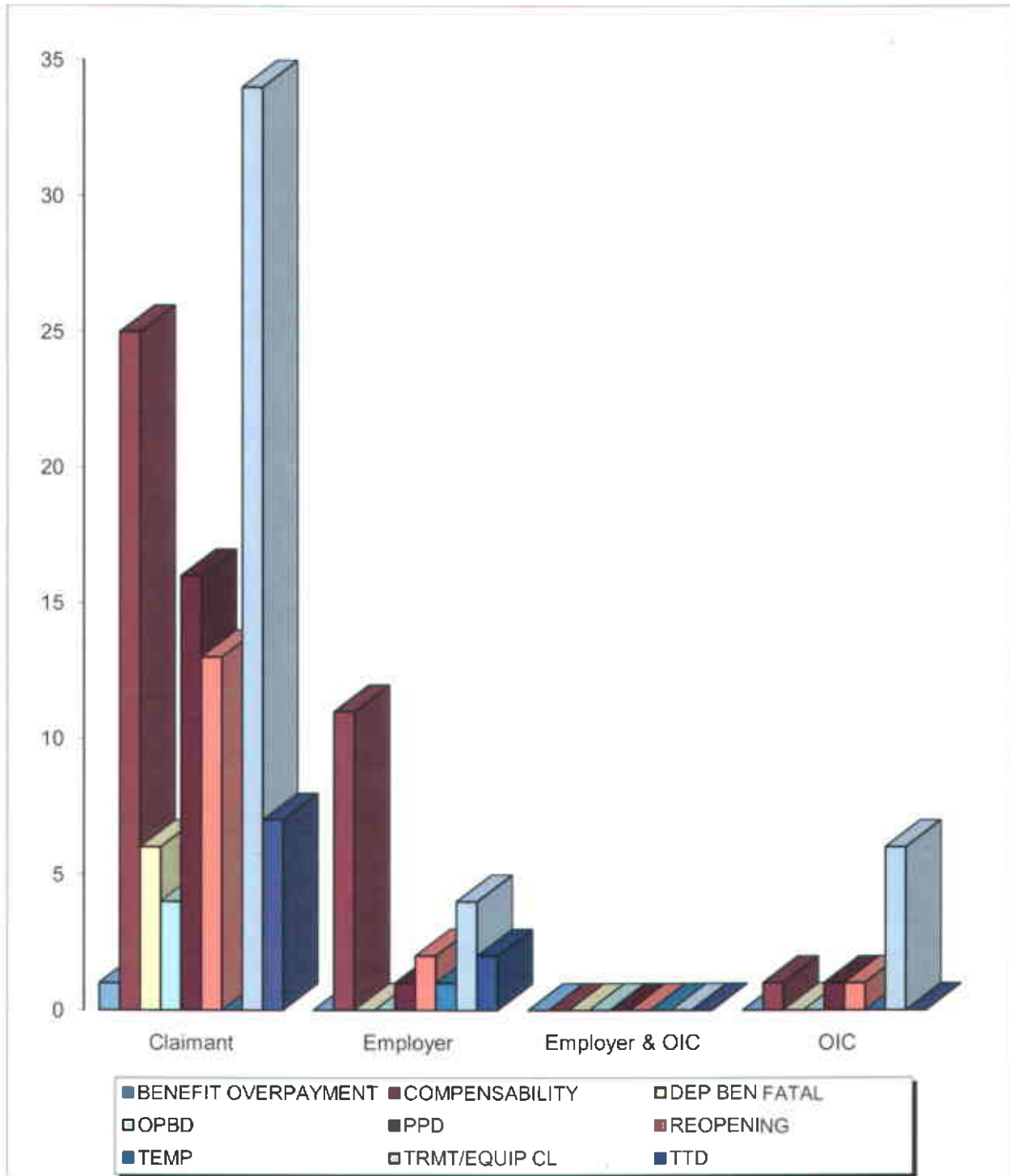
Yearly Appeals Received by Issue
 Old Fund Appeals (DOI < Jul-1-2005) vs Privately Insured Appeals (DOI > June-30-2005)
 From January 1, 2010 thru November 30, 2010



Appeals Received by Issue
From November 1, 2010 Thru November 30, 2010

Type of Issue	Total Issues	Claimant		Employer		OIC		Emp and OIC	
		#	%	#	%	#	%	#	%
BENEFIT									
OVERPAYMENT	1	1	100.0	0	0.0	0	0.0	0	0.0
COMPENSABILITY	37	25	67.6	11	29.7	0	0.0	1	2.7
DEP BEN FATAL	6	6	100.0	0	0.0	0	0.0	0	0.0
OPBD	4	4	100.0	0	0.0	0	0.0	0	0.0
PPD	18	16	88.9	1	5.6	0	0.0	1	5.6
REOPENING	16	13	81.3	2	12.5	0	0.0	1	6.3
TEMP	1	0	0.0	1	100.0	0	0.0	0	0.0
TRMT/EQUIP CL	44	34	77.3	4	9.1	0	0.0	6	13.6
TTD	9	7	77.8	2	22.2	0	0.0	0	0.0
Totals	136	106	77.9	21	15.4	0	0.0	9	6.6

Appeals Received by Issue
 From November 1, 2010 Thru November 30, 2010



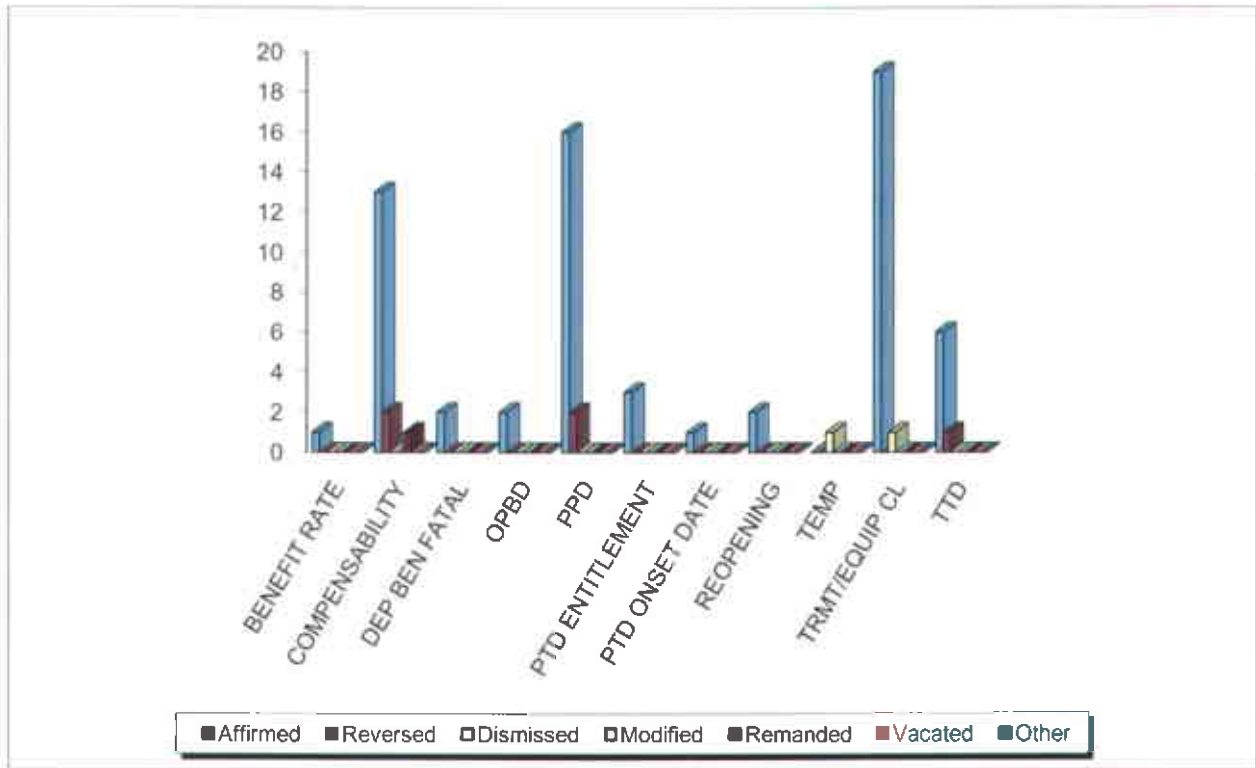
**WORKER COMPENSATION BOARD OF REVIEW
FOR NOVEMBER 2010**

Appealed By	BOR Disposition	Disposition		Year to Date	Year to Date	
		Count	Disp %		Count	Disp %
CLAIMANT	AFFIRMED	49	96.1%	688	92.3%	62.8%
	DISMISSED			1	0.1%	0.1%
	MOOT			4	0.5%	0.4%
	REMAND	1	2.0%	22	3.0%	2.0%
	REVERSE	1	2.0%	29	3.9%	2.6%
	VACATE			1	0.1%	0.1%
	Total Dispositions	51		745		
CLAIMANT/EMPLOYER	AFFIRMED	2	100.0%	5	62.5%	0.5%
	REVERSE			3	37.5%	0.3%
	Total Dispositions	2		8		
EMPLOYER	ABEYANCE			1	0.4%	0.1%
	AFFIRMED	11	84.6%	158	61.5%	14.4%
	DISMISSED			5	1.9%	0.5%
	MOOT			3	1.2%	0.3%
	REMAND			13	5.1%	1.2%
	REVERSE	2	15.4%	76	29.6%	6.9%
	VACATE			1	0.4%	0.1%
	Total Dispositions	13		257		
DIVISION/OIC	AFFIRMED	7	77.8%	48	55.8%	4.4%
	DISMISSED			1	1.2%	0.1%
	REVERSE	2	22.2%	37	43.0%	3.4%
	Total Dispositions	9		86		
	Grand Totals	75		1096		

Dispositions By Issues
BOR Orders Mailed From November 1, 2010 Thru November 30, 2010

Type of Issue	Issues	Affirmed		Reversed		Dismissed		Modified		Remanded		Vacated		Other	
		#	%	#	%	#	%	#	%	#	%	#	%	#	%
BENEFIT RATE	1	1	100.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
COMPENSABILITY	16	13	81.3	2	12.5	0	0.0	0	0.0	1	6.3	0	0.0	0	0.0
DEP BEN FATAL	2	2	100.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
OPBD	2	2	100.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
PPD	18	16	88.9	2	11.1	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
PTD ENTITLEMENT	3	3	100.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
PTD ONSET DATE	1	1	100.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
REOPENING	2	2	100.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
TEMP	1	0	0.0	0	0.0	1	100.0	0	0.0	0	0.0	0	0.0	0	0.0
TRMT/EQUIP CL	20	19	95.0	0	0.0	1	5.0	0	0.0	0	0.0	0	0.0	0	0.0
TTD	7	6	85.7	1	14.3	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Totals	73	65	89.0	5	6.8	2	2.7	0	0.0	1	1.4	0	0.0	0	0.0

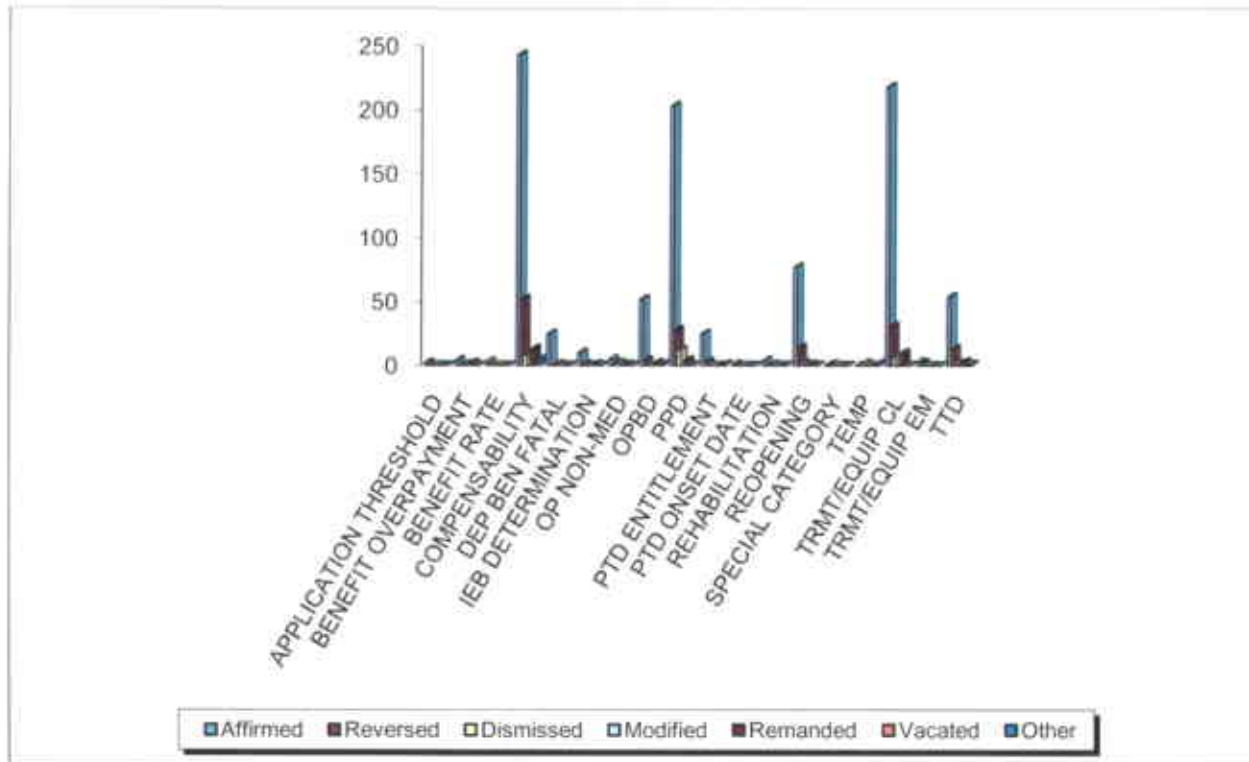
Dispositions By Issues
 BOR Orders Mailed From November 1, 2010 Thru November 30, 2010



Yearly Dispositions By Issues
BOR Orders Mailed From January 1, 2010 Thru November 30, 2010

Type of Issue	Issues	Affirmed		Reversed		Dismissed		Modified		Remanded		Vacated		Other	
		#	%	#	%	#	%	#	%	#	%	#	%	#	%
APPLICATION THRESHOLD	2	2	100.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
BENEFIT OVERPAYMENT	7	4	57.1	0	0.0	1	14.3	0	0.0	2	28.6	0	0.0	0	0.0
BENEFIT RATE	3	3	100.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
COMPENSABILITY	325	243	74.8	52	16.0	8	2.5	0	0.0	13	4.0	1	0.3	5	1.5
DEP BEN FATAL	26	25	96.2	0	0.0	1	3.8	0	0.0	0	0.0	0	0.0	0	0.0
IEB DETERMINATION	12	10	83.3	1	8.3	0	0.0	0	0.0	1	8.3	0	0.0	0	0.0
OP NON-MED	10	5	50.0	2	20.0	2	20.0	0	0.0	1	10.0	0	0.0	0	0.0
OPBD	59	52	88.1	4	6.8	0	0.0	0	0.0	2	3.4	0	0.0	1	1.7
PPD	247	203	82.2	28	11.3	12	4.9	0	0.0	4	1.6	0	0.0	0	0.0
PTD ENTITLEMENT	29	25	86.2	3	10.3	0	0.0	0	0.0	0	0.0	0	0.0	1	3.4
PTD ONSET DATE	1	1	100.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
REHABILITATION	5	4	80.0	0	0.0	1	20.0	0	0.0	0	0.0	0	0.0	0	0.0
REOPENING	94	77	81.9	14	14.9	2	2.1	0	0.0	1	1.1	0	0.0	0	0.0
SPECIAL CATEGORY	1	0	0.0	1	100.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
TEMP	4	0	0.0	0	0.0	2	50.0	0	0.0	0	0.0	0	0.0	2	50.0
TRMT/EQUIP CL	266	218	82.0	31	11.7	7	2.6	0	0.0	10	3.8	0	0.0	0	0.0
TRMT/EQUIP EM	5	3	60.0	2	40.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
TTD	75	54	72.0	13	17.3	2	2.7	0	0.0	3	4.0	1	1.3	1	1.3
Totals	1171	929	79.3	151	12.9	38	3.2	0	0.0	37	3.2	2	0.2	10	0.9

Yearly Dispositions By Issues
 BOR Orders Mailed From January 1, 2010 Thru November 30, 2010



Workers' Compensation Revenue Recovery

Revenue Recovery Activity	October 2010
COLLECTION ACTIVITY	
	\$ 71,294.49
Receipts - Old Fund (Employer out of business)	\$ 60,576.90
Receipts - PC & NU (Private Carrier Cancellation & Rogue Employers)	\$ 16,577.20
Receipts - Payment Agreements	751
# of active accounts uninsured (cumulative)	\$ 2,622,358.67
\$ of active accounts uninsured (cumulative)	1,677
Telephone contacts	10
Walk-ins	
LIENS	
	70
Liens sent to county clerks for recordation	30
Liens sent to county clerks for release	145
Intent to lien letters sent to employer/owner/officer/member	
INJUNCTIONS	
	10
Affidavits for injunction submitted to legal	13
Hearings attended	0
# of injunction complaints filed	2
# of injunctions granted	0
# of agreed orders entered	
PAYMENT AGREEMENTS	
	6
# of repayment agreements applications	6
Agreements set up	98
Total # of agreements on system (cumulative)	7
Intent to void letters mailed	1
Agreements voided	
MISCELLANEOUS	
	62
Terminations Processed	258
Rule 11 Letters Mailed	0
Rule 11 hearings	206
Uninsured Policies Resolved	

BOARD OF TREASURY INVESTMENTS

LEGISLATIVE

CALENDAR NOTES

CD Auction
January 12, 2011

Quarterly Board Meeting
January 27, 2011

OPERATING REPORT DEC - 2

OCTOBER 31, 2010 MANAGER

Board of Treasury Investments

1900 Kanawha Boulevard East
Suite E-122
Charleston WV 25305
(304) 340-1578
www.wvbt.com

Board of Directors

John D. Perdue,
State Treasurer,
Chairman

Joe Manchin III,
Governor

Glen B. Gainer III,
State Auditor

Martin Glasser, Esq.
Attorney
Appointed by the
Governor

Jack Rossi, CPA
Appointed by the
Governor

Executive Staff

Executive Director
Glenda Probst,
CPA, CTP

Chief Financial
Officer

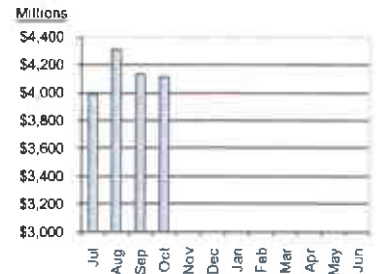
Kara K. Brewer,
CPA, MBA

Total Net Assets Under Management

\$4,111,246,000

Last Month
\$4,131,389,000

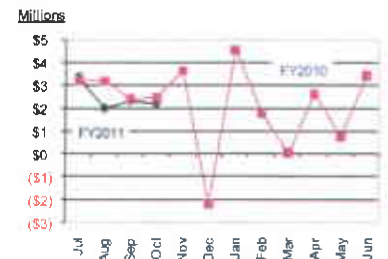
Beginning of Fiscal Year
\$3,925,206,000



4.7% Growth This Fiscal Year

Total Net Income & Gains

Fiscal Year
\$2,207,000



Fiscal Year Comparison

Money Market Pools

As of October 31, 2010

Pool	1-Day Yield *	7-Day Yield *	30-Day Avg. Yield *	W.A.M. **	Net Assets
WV Money Market	.1839%	.1887%	.1980%	51 Days	\$2.9 Billion
WV Gov't Money Market	.1744%	.1682%	.1773%	73 Days	\$258.1 Million

* Yields represent the simple money market yield net of fees.

** W.A.M. is the weighted average maturity.

WEST VIRGINIA BOARD OF TREASURY INVESTMENTS

THE ECONOMIC STATE

OCTOBER 2010

The Tricks of October

While September, historically, has had a nasty reputation for financial markets, October has not been far behind, often reflecting a month of "tricks" that have not been pretty ... need we mention "Black Monday" and the crash of '87? But this October proved to be different. The markets continued their climb which began in September, marking back-to-back solid performances from the equity and fixed income markets both domestically and abroad.

With the pain of 2008-09 still fresh in the minds of investors, many are questioning if this October's run is yet another "trick" soon to come to an abrupt end. After all, September and October have historically rattled the markets and this year they have had a great run-up. What makes this year different? For one reason, there is the anticipation of the election outcome and a change in leadership that when combined with QE2 ("Quantitative Easing Round 2") by the Fed seem to be helping stoke this run. For another reason, adding to the election and stimulus anticipation was the expansion by the manufacturing sector in October that proved to be the fastest rate in five months as the ISM Manufacturing Index climbed to 56.9 from 54.4 the prior month.

The consumer turned more optimistic about things in October, with the Consumer Confidence Index rising to 50.2 from 48.6 in September. While this remains well below the level of 90 that is believed to reflect a stable economy, the trend at least is upward.

As goes sentiment, so goes spending. September's retail sales (released in October) showed an increase of 0.6% overall and 0.4% when automobiles are excluded. This follows upward revisions to the core figure for July of 0.6% compounded. With the consumer accounting for 70% of GDP, it is little wonder the increase in retail sales and related increase of 2.6% in consumer spending during the third-quarter helped lift the third-quarter GDP from 1.7% to 2.0%.

Companies are making money with many reporting better than expected profits. According to Thomson Reuters, approximately half the companies in the S&P 500 have already reported third-quarter results and 81% of them have beaten forecasts.

So the markets are up, the economy is moving along at a slow but steady pace thanks to the consumer, and companies are making money. What are we missing then? It would appear to be the continued lack of jobs. The unemployment rate remains at 9.6% and the four-week moving average of unemployment benefits has remained around 450,000 – 470,000 since the beginning of the year. Compounding this is the additional 1.2 million people who desire work, but have stopped searching for jobs. With the average duration of unemployment and unfilled job vacancies rising, it appears that the problem is structural with workers being mismatched to available jobs in skills, geography or some other factor. A structural rather than cyclical problem makes it more difficult for monetary or fiscal stimulus measures to be effective. In all likelihood, this is both cyclical and structural, so it will take some time to decrease.

The yield curve continued to steepen during October as short rates continued to decline and longer rates continued to climb. While similar to September rate movements, October's were more pronounced.

The Barclays Capital Aggregate index returned 0.36% for the month bringing the year-to-date return to a very respectable 8.33% as most spread sectors outperformed their same duration Treasury securities. The non-Agency MBS sector led the way as higher spread levels led to an increase in demand by money managers and banks. The corporate credit market benefited from earnings announcements that were ahead of expectations while the ABS market experienced another slow month in October, as potential buyers looked elsewhere for higher yields.

The Merrill Lynch 3-Month T-Bill Index returned 0.02% in September trailing the 0.26% return of the Merrill Lynch 1-3 Year Government / Corporate A+ Index. The 3-Month T-Bills returned 0.12% for the year while the 1-3 Year Government / Corporate Index A+ returned 2.94%..

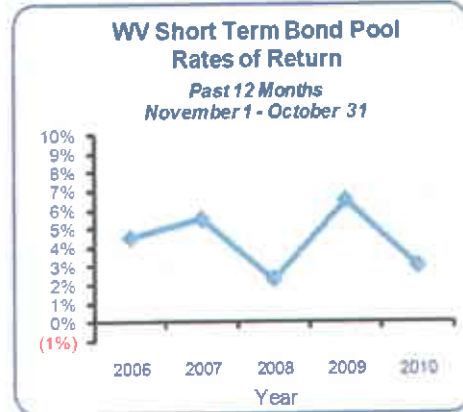
West Virginia Board of Treasury Investments

Financial Highlights as of October 31, 2010

WV Short Term Bond Pool

Rates of Return for the Past 12 Months Net of All Fees

November 1 - October 31	Return	Net Assets At October 31 <i>(In Millions)</i>
2010	3.0%	\$ 462.2
2009	6.5%	\$ 338.2
2008	2.3%	\$ 342.9
2007	5.5%	\$ 235.0
2006	4.5%	\$ 273.3



Prior to July 2007, the WV Short Term Bond Pool was known as the Enhanced Yield Pool

Summary of Value and Earnings *(In Thousands)*

Pool	Net Asset Value	Oct Net Income <i>(Loss)</i>	Fiscal YTD Net Income
WV Money Market	\$ 2,919,672	\$ 499	\$ 2,103
WV Gov't Money Market	258,066	40	162
WV Short Term Bond	462,159	1,403	5,936
WV Bank	99,149	27	94
Loss Amortization	188,212	0	486
Loans	136,782	231	923
Reserve	30,242	10	41
Participant Accounts	16,964	(3)	147
	\$ 4,111,246	\$ 2,207	\$ 9,892

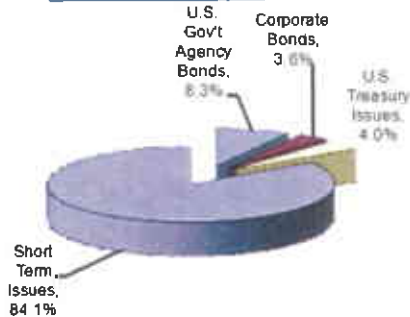
Percent of Total Net Asset Value



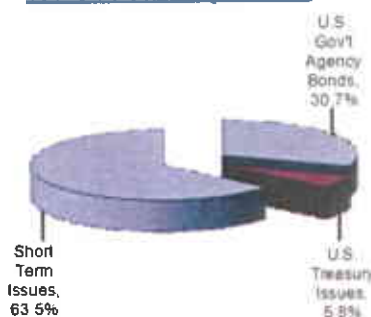
- Participant Accounts, 0.4%
- Reserve, 0.7%
- Loans, 3.3%
- Loss Amortization, 4.6%
- WV Bank, 2.4%
- WV Short Term Bond, 11.3%
- WV Gov't Money Market, 6.3%
- WV Money Market, 71.0%

Securities by Type for Operating Pools *(Percentage of Asset Value)*

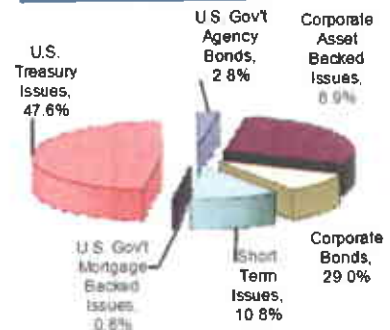
WV Money Market



WV Gov't Money Market



WV Short Term Bond



WEST VIRGINIA BOARD OF TREASURY INVESTMENTS
SCHEDULE OF NET ASSETS, OPERATIONS & CHANGES IN NET ASSETS – UNAUDITED

OCTOBER 31, 2010

(IN THOUSANDS)

	WV Money Market Pool	WV Government Money Market Pool	WV Short Term Bond Pool	WV Bank Pool	Other Pools	Participant Directed Accounts
Assets						
Investments:						
At amortized cost	\$ 2,918,915	\$ 260,484		\$ 99,000	\$ 166,783	\$ 13,730
At fair value	-	-	\$ 515,827	-	188,212	3,068
Cash	-	-	-	-	-	-
Collateral for securities loaned	52,076	-	8,562	-	-	-
Other assets	1,129	118	6,996	151	244	166
Total assets	2,972,120	260,602	531,385	99,151	355,239	16,964
Liabilities						
Payable for securities loaned	52,076	-	8,562	-	-	-
Other liabilities	372	2,536	60,664	2	3	-
Total liabilities	52,448	2,536	69,226	2	3	-
Net Assets	\$ 2,919,672	\$ 258,066	\$ 462,159	\$ 99,149	\$ 355,236	\$ 16,964
Investment income						
Interest and dividends	\$ 447	\$ 59	\$ 1,043	\$ 29	\$ 244	\$ 35
Securities lending income	-	-	-	-	-	-
Provision for securities lending loss	-	-	-	-	-	-
Net accretion (amortization)	200	(4)	(279)	-	615	(13)
Provision for uncollectible loans	-	-	-	-	-	-
Total investment income	647	55	764	29	859	22
Expenses						
Fees	148	15	46	2	3	-
Securities lending borrower rebates	-	-	-	-	-	-
Bad debt expense	-	-	-	-	-	-
Total expenses	148	15	46	2	3	-
Net investment income	499	40	718	27	856	22
Net realized gain (loss) from investments	-	-	611	-	-	-
Net increase (decrease) in fair value of investments	-	-	74	-	(615)	(25)
Net gain (loss) from investments	-	-	685	-	(615)	(25)
Net increase (decrease) in net assets from operations	499	40	1,403	27	241	(3)
Distributions to participants	504	40	1,328	27	241	-
Participant activity						
Purchases, reinvestment of units and contributions	746,356	47,979	1,709	27	1,350	24
Redemptions and withdrawals	745,227	72,152	-	-	237	39
Inter-pool transfers in	-	-	-	19,001	-	-
Inter-pool transfers out	19,001	-	-	-	-	-
Net increase (decrease) in net assets from participant activity	(17,872)	(24,173)	1,709	19,028	1,113	(15)
Increase (decrease) in net assets	(17,877)	(24,173)	1,784	19,028	1,113	(18)
Net assets at beginning of period	2,937,549	282,239	460,375	80,121	354,123	16,982
Net assets at end of period	\$ 2,919,672	\$ 258,066	\$ 462,159	\$ 99,149	\$ 355,236	\$ 16,964

David K. Hendrickson
Chair



Brian Noland
Chancellor

West Virginia Higher Education Policy Commission
1018 Kanawha Boulevard East, Suite 700
Charleston, WV 25301
(304) 558-0281
www.hepc.wvnet.edu

LEGISLATIVE

November 9, 2010

NOV 12 2010

MANAGER

Aaron Allred
Legislative Manager
Joint Committee on Government and Finance
Building 1, Room E132
1900 Kanawha Boulevard, East
Charleston, WV 25305-0610

RE: Purchase of 26.10 Acre Tract, Shady Spring District, Raleigh County, West Virginia

Dear Mr. Allred:

New River Community and Technical College plans to purchase the above referenced property from its current owner, John D. Leslie, whose mailing address is Post Office Box 629, Cowen, West Virginia 26206-0629. The property is the former Excel Home facility just off the Ghent exit of I-77. The building was used for the manufacture of modular homes and contains 98,826 square feet, 85,716 in manufacturing space and 5,110 square feet in finished office space. New River currently leases the building and has partially renovated it to accommodate the technical and workforce development programs currently offered which are listed below. Additional programs are also being planned.

- Weatherization
- Green Building Technology
- Lead Renovation
- Commercial Drivers License
- Heavy Equipment Operation
- Pole Training for Appalachian Power Company

The building and 26.1 acres offered for sale were recently appraised by Toler Appraisal Group, LLC, of Beckley at \$4.1 million. The purchase price negotiated by New River is \$4 million. A Phase I environmental assessment was also performed recently by Terradon Corporation and no hazardous materials or adverse environmental conditions were found in the structure or on the property.

Aaron Allred
November 10, 2010
Page 2

Funding for the purchase is available through a \$3.3 million American Recovery and Reinvestment Act State Fiscal Stabilization Fund Grant awarded to the Council for Community and Technical College Education from the Governor's Office and reserves New River has in its tuition and fees account. New River has also been working with Congressman Rahall to secure a \$600,000 federal grant to help defray the cost of the purchase.

A copy of the Preliminary Title Report dated September 22, 2010, prepared by Lowell Greenwood, Special Assistant Attorney General, is enclosed along with a copy of the unexecuted deed which has been reviewed and approved by Deputy Attorney General Dawn Warfield.

This notice and report is provided to the Joint Committee on Government and Finance pursuant to West Virginia Code §18B-19-13. Please let me know if you have any questions or need additional information regarding this matter.

Sincerely,



Richard B. Donovan
Chief Financial Officer

Enclosures

cc: Mr. James L. Skidmore
Dr. Ted Spring
Mr. Bruce Walker

LOWELL GREENWOOD
Special Assistant Attorney General
PO Box 450, Dryfork, WV 26263
Phone 304 227-4730
e-mail: lowellgreenwood@yahoo.com
September 22, 2010

Mr. Stephen M. Benson
Vice President for Finance and Administration
New River Community and Technical College
221 George St., Suite 1
Beckley, WV 25801

RE: Preliminary Title Report, Surface Estate
John D. Leslie 26.10 acres tract
Shady Spring District, Raleigh County WV
Tax Map 46, Parcel 48

Dear Mr. Benson,

In reference to the captioned real estate, I have examined the records of the Raleigh County Clerk, Sheriff and Assessor for the past sixty (60) years. As of 3:00 pm of the captioned date, the subject records disclose that John D. Leslie, whose mailing address is PO Box 629, Cowen, WV 26206-0629, is vested with title to the surface estate of the captioned real estate. Said title is good and marketable, free of all liens and encumbrances, except for the lien for current 2011 property taxes, which are due but not yet payable.

This report is subject to documents of record in said county offices, errors in the recordation of documents therein and to an accurate survey.

Thank you for this assignment.

Very truly yours,



Lowell Greenwood

LOWELL GREENWOOD
Special Assistant Attorney General
PO Box 450, Dryfork WV 26263
Tel: 304 227-4730
e-mail: lowelldgreenwood@yahoo.com
September 23, 2010

Dawn E. Warfield, Esq.
Deputy Attorney General
WV Attorney General's Office
Rm. E-26
State Capitol Bldg.
Charleston, WV 25305



Dear Dawn,

Here is the New River Community and Technical College deed for your review. Upon your approval, please send it to Stephen Benson, Vice President for Finance and Administration for the college. His mailing address is 221 George St., Suite 1, Beckley, WV 25801.

Thank you for your assistance in this matter.

Very truly yours,


Lowell Greenwood

APPROVED

SEP 27 2010

Attorney General's Office

DEED

THIS DEED, made and entered into 1st day of October, 2010, by and between **JOHN D. LESLIE**, whose mailing address is PO Box 629, Cowen, West Virginia 26206-629, as **GRANTOR**, and the **STATE OF WEST VIRGINIA, BOARD OF GOVERNORS of NEW RIVER COMMUNITY and TECHNICAL COLLEGE**, having an address of 221 George Street, Suite 1, Beckley, West Virginia 25801, as **GRANTEE**.

WITNESSETH: That for and in consideration **FOUR MILLION DOLLARS (\$4,000,000.00)**, in hand paid as evidenced by the duly authorized signature below, **GRANTOR** hereby **GRANTS** and **CONVEYS** unto **GRANTEE**, with covenants of **GENERAL WARRANTY**, free of all liens and encumbrances, subject to exceptions and reservations of record in the Office of the Clerk of the County Commission of Raleigh County, West Virginia, the following described parcel or lot of land, consisting of **TWENTY SIX and 20/100 (26.20)** acres, more or less, excepting and reserving, however, a 0.10 acre parcel, comprising **26.10 acres herein conveyed**, situate in Shady Spring District, Raleigh County, West Virginia, and being more particularly described as follows:

BEGINNING at an iron pin (found,) the northernmost boundary corner of Parcel 7.0, Tax Map 53 (James R. Sweeney and Sandra L. Sweeney, Deed Book 686, page 818,) being a point on the southern right-of-way line of the Shawnee Parkway (County Route 48, State Project No. X341-154-0.1600/Federal Project No. DPS-0100 (109), paved/public right-of-way;) thence following the southern right-of-way line of said Shawnee Parkway the following five (5) bearings and distances: 1) North 52 degrees 15' 02" East, 36.22 feet to an iron pin (found,) 2) South 37 degrees 44' 58" East, 31.94 feet to an iron pin (found,) 3) North 53 degrees 59' 18" East, 22.04 feet to a 1/2 inch diameter iron rebar (placed,) 4) North 34 degrees 19' 06" West, 32.09 feet to a 1/2 inch diameter iron pin (placed,) 5) North 53 degrees 01' 20" East, 272.29 feet to a 1/2 inch diameter iron rebar (placed,) the westernmost boundary corner of Parcel 48.5, Tax Map 46 (Michael F. Mills and Nancy C. Mills, Roll 13, page 2371;) thence leaving the southern right-of-way line of said Shawnee Parkway and following the western boundary line of said Parcel 48.5, South 31 degrees 15' 51" East, 166.50 feet to a 5/8 inch diameter iron rebar (found,) the southernmost boundary corner of said Parcel 48.5; thence following the southern boundary line of said Parcel 48.5 the following two (2) bearings and distances: 1) North 51 degrees 11' 08" East, 14.17 feet to a 5/8 inch diameter iron rebar (found,) 2) North 76 degrees 10' 45" East, 295.77 feet to a 5/8 inch diameter iron rebar (found,) the easternmost boundary corner of said Parcel 48.5, being a point on the western boundary line of Parcel 49.1, Tax Map 46 (Albert Richard Bowling and Sandra Kay Bowling, Deed Book 571, page 43;) thence following the western boundary line of said Parcel 49.1, Parcel 48.2, Tax Map 46 (Richard Bowling and Sandra K. Bowling, Deed Book 661,

page 221.) Parcel 48.4, Tax Map 46 (Traci Lee Ann Bowling, etal., Roll 75, page 944,) and Parcel 48.3 Tax Map 46 (Robert Joseph Bowling and Amy Bowling, Roll 75, page 944,) South 44 degrees 09' 24" East, 772.88 feet to a 1/2 inch diameter iron rebar (placed,) the southernmost boundary corner of said Parcel 48.3, being a point on the western right-of-way line of Interstate 77 (Federal Project No. 1-77-2 (26) 27 C-1, paved/public right-of-way;) thence following the western right-of-way line of said Interstate 77 the following two (2) calls: 1) a curve to the left having a radius of 11,359.19 feet, a chord bearing and distance of South 26 degrees 29' 35" West, 520.39 feet to a point, 2) South 27 degrees 48' 20" West, 562.55 feet to a 1/2 inch diameter iron rebar (placed,) the northernmost boundary corner of Parcel 11, Tax Map 53, (Stanley P. Chernutan, Book 5012, page 6037;) thence the western right-of-way line of said Interstate 77 and following the northern boundary line of said Parcel 11, South 67 degrees 54' 24" West, 169.52 feet to a set stone (found,) the southeastern boundary corner of Parcel 8.3, Tax Map 53 (John F. Distefano and Patricia M. Seitz Distefano, Roll 17, page 1666;) thence following the eastern boundary line of said Parcel 8.3, and Parcel 8.2, Tax Map 53 (Patricia Seitz Distefano, Roll 51, page 2322, North 35 degrees 16' 34" West, passing through a 1/2 inch diameter iron rebar (found) at 165.64 feet, a total distance of 460.02 feet to a set stone (found,) the northeastern boundary corner of said Parcel 8.2, being the southeastern boundary corner of said Parcel 7.0, Tax Map 53; thence following the eastern boundary line of said Parcel 7.0, North 14 degrees 14' 28" West, 1102.54 feet to the point of BEGINNING, containing 26.20 acres more or less as shown on a drawing entitled, "Boundary Survey for: John D. Leslie,," Project Number 098-019, dated July 31, 2009, prepared by Jones & Jordan Engineering, Inc., Beckley, West Virginia.

EXCEPTING AND RESERVING, however, from this conveyance the following described tract or parcel of land comprising One-tenth (0.10) acre, more or less, which was that portion of the property hereinabove described, which was conveyed to the Shady Spring Public Service District by Excel Homes Acquisition LLC in that certain deed dated the 18th day of August, 2005, more particularly described as follows:

BEGINNING at a 5/8" rebar set S 44 degrees 09' 51" E 504.72 feet from a rebar found, passing a rebar in concrete found at a 45.24 feet, and point beginning in the eastern property line of subject property; thence, with said property line, S 44 degrees 09' 51" E 64.11 feet to a 5/8" rebar set in said property line; thence leaving said property line S 40 degrees 26' 02" W 62.17 feet to a 5/8" rebar set; thence N 48 degrees 46' 57" W 64.97 feet to a 5/8" rebar set; thence N 41 degrees 24' 06" E. 67.33 feet to the point of beginning, containing 0.10 acre, more or less., along with the right to ingress and egress over the existing roads and parking lot to access the lot herein conveyed for any and all upkeep, maintenance, and repair of the pump station and the main sewer line easement as previously conveyed by the predecessors in title to Grantor herein.

GRANTOR'S SOURCE OF TITLE

The real estate herein conveyed is the same real estate conveyed unto Grantor herein by EXCEL HOMES, LLC, a Delaware limited liability company, by deed dated August 14, 2009, of record in said Clerk's Office in Deed Book 5036, page 6383.

EXCEPTIONS and RESERVATIONS

This conveyance is made subject to the following:

1. Deed of Easement dated the 22nd day of October, 1984, by and between Gustavus J. Esselen and Charles E. Waggner and Highland Ski Area, LTD of record in Deed Book 691, page 428;
2. Easement and Right of Way Agreement dated the 28th day of May, 2004 by and between the West Virginia Economic Development Authority and the Shady Spring Public Service District, of record in Deed Book 5017, page 9254;
3. Noncontrolled access right of way and temporary construction easement dated the 31st day of August, 2006 by and between Excel Homes LLC and the West Virginia Department of Transportation, Division of Highways, of record in Deed Book 5028, page 9094;
4. Easement dated January 16, 1980 from Lanny Bolen and Jean Bolen to the Chesapeake and Potomac Telephone Company of West Virginia and of record in Deed Book 632, page 372;
5. Easement dated November 20, 1972, from Lanny Bolen and Jean Bolen to the Chesapeake and Potomac Telephone Company of West Virginia and of record in Deed Book 524, page 250.

This conveyance is further made subject to any and all easements, rights-of-way, permissions, encumbrances, out-conveyances and reservations, covenants and restrictions, as may appear in the chain of title to the herein conveyed property, or which would be revealed by a visual inspection of said real estate, any matters which would be disclosed by an accurate survey of the property, and is further made subject to any applicable zoning and building restrictions.

TAX INFORMATION

The real estate hereby transferred is shown on the current Land Books of Shady Spring District, Raleigh County, West Virginia, as follows:

Tax Map 46, Parcel 48
26.31 AC (C) Ghent
Excel Homes Acquisition LLC, c/o John D. Leslie
Assessor Account No. 0628825

DECLARATION OF CONSIDERATION OF VALUE

Under penalties of fine and imprisonment as provided by law, and pursuant to Chapter 11, Article 22, Section 1 of the West Virginia Code, the GRANTOR hereby declares that there are no recording stamps due on this transfer of real property because it is a transfer to the State of West Virginia.

WITNESS the following signature.

GRANTOR:

JOHN D. LESLIE

ACKNOWLEDGMENT

STATE OF WEST VIRGINIA

COUNTY OF _____, To-wit:

I, the undersigned Notary Public in and for the county and state aforesaid, do hereby certify that JOHN D. LESLIE, who signed the deed hereto attached, has this day, before me, acknowledged said writing to be his act and deed.

Given under my hand this ____ day of _____, 2010.

Notary Public

My commission Expires: _____

This Instrument Prepared By
Lowell Greenwood
Special Assistant Attorney General
State of West Virginia
PO Box 450
Dryfork, WV 26263

APPROVED AS TO FORM PRIOR TO
ACKNOWLEDGEMENT THEREOF, THIS

27th day of September, 2010

DARRELL V. McGRAW, JR.
ATTORNEY GENERAL

By: *Dawn E. Warfield*
DEPUTY ATTORNEY GENERAL



WEST VIRGINIA DEPARTMENT OF TRANSPORTATION

Division of Highways

1900 Kanawha Boulevard East • Building Five • Room 110
Charleston, West Virginia 25305-0430 • (304) 558-3505

December 3, 2010

The Honorable Earl Ray Tomblin
Governor of West Virginia
1900 Kanawha Boulevard, East
Charleston, West Virginia 25305

The Honorable Joseph M. Minard
President Pro Tem, West Virginia Senate
1900 Kanawha Boulevard, East
Building 1, Room 227-M
Charleston, West Virginia 25301

The Honorable Richard Thompson
Speaker, West Virginia House of Delegates
1900 Kanawha Boulevard, East
Building 1, Room 234-M
Charleston, West Virginia 25301

Joint Committee on Government and Finance
West Virginia Legislature
1900 Kanawha Boulevard, East
Building 1, Room 465-M
Charleston, West Virginia 25305

Dear Governor Tomblin, President Minard, Speaker Thompson and Committee Members:

In accordance with West Virginia Code §17-28-4(h) of the West Virginia Community Empowerment Transportation Act, the Division of Highways (DOH) is required to provide you with information prior to December 15, 2010, of each year with a report of activities and accomplishments.

As of this date, the DOH has not been the recipient of any inquiries from other government entities for joint sponsorship of a highway project.

Additionally, in this same code citation, the DOH is required to submit an annual report outline alternative road funding models and incentive packages including legislative recommendations such as third party donations, federal credit instruments, secured loans,

LEGISLATIVE

DEC -

**LEGISLATIVE
MANAGER**

DEC - 3

MANAGER

**The Honorable Earl Ray Tomblin
December 3, 2010
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Transportation Infrastructure Finance and Innovation Act funds, state infrastructure banks, private bonds or other funding mechanisms. Additionally, any recommendations for alternative funding for taxing use through motor vehicle fuel taxes, pilot programs for testing technology and methods for the collection of mileage fees.

The DOH has worked with the Senate Committee on Infrastructure to develop legislation for a state infrastructure bank, titled the West Virginia Finance Commission. We have, however, not been successful in passage in large part due to the state of the economy.

The DOH is considering the use of a Deferred Payment to fund major capital investment projects such as four-lane system expansion projects like WV 10 and Corridor H. The Deferred Payment approach has several advantages including the completion of the major capital project in a shorter construction time frame while not requiring the entire funding source to be spent in the construction time frame. This also has the advantage of allowing the DOH to fund other programs such as resurfacing, bridge replacements and rehabilitation and slides at a more consistent and sustainable level.

The DOH will continue utilizing the \$200 million GARVEE bonding capacity as necessary to complete its infrastructure needs including the completion of important corridors such as WV 10, King Coal Highway, Coalfields Expressway, US 340, etc., as well as evaluate its use on other infrastructure programs. As the existing GARVEE Bonds are paid, the bonding capacity will be evaluated with other financing options including tolls, public-private partnerships and deferred payments to allow the DOH to meet its long term goals and objectives.

The West Virginia Legislature enacted the pilot design-build program allowing the DOH to select three pilot projects to utilize the design-build method of project delivery in which the same contractor is responsible for the design and construction of the project. In 2010, the Legislature continued the pilot program allowing the agency to pursue an additional ten pilot projects.

The DOH has been successful in saving approximately \$35 million and will be submitting legislation to create a permanent program.

The West Virginia Legislature also enacted public-private partnerships to provide the DOH with another innovative financing tool that the DOH may use when appropriate and only with the support of the local citizens in the project's location. These partnerships allow for the construction of highways for which DOH does not have sufficient funding. It allows the roadway to be built at today's dollars versus the cost DOH may incur if the project was delayed for a number of years.

**The Honorable Earl Ray Tomblin
December 3, 2010
Page Three**

Unfortunately, the DOH has received inquiries about the legislation; however, all interest is lost when the public entity learns that the comprehensive agreement must go to the WV Legislature and the Governor for final approval. Public entities indicate that the time delay created by the required approvals affects their bonding. They also expressed concern that this requirement opens their financial documents and trade secrets for public review. The DOH submitted legislation in 2010 and will again in 2011 in an attempt to change this requirement.

In the 2010 session, the Legislature also renamed the West Virginia Parkways, Economic Development and Tourism Authority as the West Virginia Parkways Authority (WVPA). The legislation eliminated any future economic development and tourism activities but expanded their authority to work with the DOH to develop parkways around the State.

The DOH and WVPA have been working together since the law was enacted to toll the Mon-Fayette Parkway in Monongalia County and US 35 in Mason and Putnam Counties.

While it appears that the Mon-Fayette will be tolled, the US 35 project, however, has encountered problems. The Mason County Commission originally passed a resolution urging the State to construct a toll facility; however, in a special committee meeting held on November 10th rescinded the resolution for tolling. The WVPA, in conjunction with the DOH, is now reviewing their options as to how and if to proceed with the project.

Should you need further information, please do not hesitate to contact my office.

Sincerely,
Original Signed
By
PAUL A. MATTOX, JR.
Paul A. Mattox, Jr., P. E.
Secretary of Transportation/
Commissioner of Highways

PAM:Mb