

FILE COPY

JOINT COMMITTEE ON
GOVERNMENT AND FINANCE

Materials Distributed

June 15, 2011

May 17, 2011

1:00 - 2:00 p.m.

Joint Committee on Government and Finance

Senate

Kessler, Chair
Palumbo
Plymale (absent)
Prezioso
Unger
Facemyer
Hall

House

Thompson, Chair
Boggs
Caputo
Miley
White
Armstead
Border

Acting President Kessler, Cochair, presided.

1. Approval of Minutes

Upon motion by Speaker Thompson, properly adopted, the minutes of the January 11, 2011, meeting were approved.

2. 2011 Interim Studies

Upon motion by Speaker Thompson, properly adopted, the presiding officers of each house were authorized to establish interim committees as they deem appropriate and to appoint as many members as desired to any committee other than statutory committees.

Upon motion by Speaker Thompson, properly adopted, the committee cochairs were authorized to establish subcommittees with the approval of the presiding officers of each house, study additional issues approved by the presiding officers of each house and assign studies to appropriate subcommittees with approval to the presiding officers of each house.

Upon motion by Speaker Thompson, properly adopted, the following committees were authorized to meet during the 2011 Interim Period:

Statutory Committees:

Commission on Interstate Cooperation
Commission on Special Investigations
Council of Finance and Administration
Employee Suggestion Award Board
Equal Pay Commission
Joint Commission on Economic Development
Joint Committee on Government Operations
Joint Committee on Government and Finance
Joint Legislative Oversight Commission on State Water Resources
Legislative Oversight Commission on Education Accountability
Legislative Oversight Commission on Health and Human Resources Accountability
Legislative Oversight Committee on Regional Jail and Correctional Facility Authority
Legislative Oversight Commission on Workforce Investment for Economic Development
Legislative Rule-Making Review Committee

Forest Management Review Commission
WV Law Institute

Standing Committees:

Joint Standing Committee on Education
Joint Standing Committee on Finance
Joint Standing Committee on Government Organization
Joint Standing Committee on the Judiciary
Joint Standing Committee on Pensions and Retirement

Upon motion by Speaker Thompson, properly adopted, the following committees were created and authorized to meet during the 2011 Interim Period:

Agriculture and Agri-business Committee
Joint Committee on Technology
Joint Select Committee on Health Emergency Preparedness
Legislative Intern Committee
Parks, Recreation and Natural Resources Subcommittee
Post Audits Subcommittee
Select Committee on Children, Juveniles and Other Issues
Select Committee on Health
Select Committee on Infrastructure
Select Committee on Minority Issues
Select Committee on PEIA, Seniors and Long Term Care
Select Committee on Veterans' Issues

Upon motion by Speaker Thompson, properly adopted, the presiding officers of each house were authorized to assign study topics to interim committees as they deem appropriate.

Clerk made correction on page one of the minutes that were previously approved.

Upon motion by Speaker Thompson, properly adopted, all committees, subcommittees and commissions meeting during the interim period for which there are an unequal number of Delegates and Senators, all motions considered must be adopted by a separate majority vote of the committee members from each legislative body.

Upon motion by Speaker Thompson, properly adopted, the following dates were approved for 2011 Interim Meetings:

June 13-15 (Monday, Tuesday and Wednesday)
July 11-13 (Monday, Tuesday and Wednesday)
August 1-3 (Monday, Tuesday and Wednesday)
September 12-14 (Monday, Tuesday and Wednesday)
October 11-13 (Tuesday, Wednesday and Thursday)
November 14-16 (Monday, Tuesday and Wednesday)
December 12-14 (Monday, Tuesday and Wednesday)
January 8-10 (Sunday, Monday and Tuesday)

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 March 31, 2011; General Revenue Fund report for the month ended April 30, 2011; and the Unemployment Compensation Trust Fund report as of March 31, 2011. Distributed with each of the reports were an analysis and a summary of the reports.

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

A report of the Workforce WV - Unemployment Compensation Trust Fund was distributed.

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

The following BRIM reports were distributed: An unaudited balance sheet and unaudited income statement for the period ending March 31, 2011.

The following reports from CHIP were distributed: A report of enrollment for April 2011 and financial statements for period ending March 31, 2011.

The following monthly PEIA reports were distributed: Monthly Management Report and Prescription Drug Report for March 2011.

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

A real estate report for January 1, 2011 through April 30, 2011, was distributed.

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

A Medicaid report dated March 2011 was distributed.

8. **Investment Management Board**

A Investment Management Board report dated March 31, 2011, was distributed.

9. **Workers' Compensation**

A Workers' Compensation report dated May 12, 2011, was distributed.

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

A Board of Treasury Investments Report dated March 31, 2011 was distributed.

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

June 3, 2011

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

Lottery Commission as of April 30, 2011 :

Gross profit for the months of July 2010 - April 2011 (FY 2011) was \$ 509.9 million, which is an increase of 2.41% over the same period in FY 2010.

General Revenue Fund as of May 31, 2011:

Revenue collections for the end of the eleventh month of the fiscal year 2011 were \$273 million over the yearly estimate, with severance tax, personal income tax and corporate net income tax performing well ahead of the estimate.

State Road Fund as of May 31, 2011:

Fund collections were \$32 million over the year to date estimate.

Unemployment Compensation Trust as of April 30, 2011:

Regular benefits paid for fiscal year 2011 were \$ 95 million less than in July - April of fiscal year 2010. Trust fund ending balance on April 30, 2011 was \$49 million.*

* Note: On March 18, 2011, the legislature passed Senate Bill 219, which enables the Governor to make a loan from the Revenue Center Construction Fund to the Unemployment Compensation Trust in an amount not to exceed \$ 20 million whenever the projected balance in the Unemployment Trust will be less than \$ 20 million at any time in the next thirty days. The loan does not bear interest and must be repaid in one hundred and eighty days. This loan provision expires after September 1, 2011.

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 
Director Budget Division
Legislative Auditor's Office

Date: June 7, 2011

Re: Review of West Virginia Lottery Financial Information
As of April 30, 2011

We performed an analysis of the Statement of Revenues, Expenses and Retained Earnings for the months of July - April 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 \$ 1,165,886,000.00 for July - April of fiscal year 2011. Table games accounted for \$55.3 million of this total. Historic Resort Hotel video lottery and table games accounted for \$5.4 million of total gross receipts. These gross receipts were \$1,128,703,000.00 for July - April of the preceding fiscal year, 2009-2010. Gross lottery revenue has increased by 3.29% 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 - April 2011 was

Lottery

Joint Committee on Government and Finance

Lottery continued

\$509,944,000.00; for July - April of last fiscal year it was \$497,927,000.00. Expressed as a percentage, gross profit is 2.41% higher for fiscal year 2011 than for fiscal year 2010.

Operating Income:

Operating income was \$ 488,099,000.00 for July - April 2011. For the preceding July - April it was \$ 481,086,000.00. This was a increase of 1.46%. After additions and subtractions of non-operating income and expenses, distributions to the state were \$473,799,000.00 for July - April 2011 (FY 2011).

Operating Transfers to the State of West Virginia:

A total of \$ 473,799,000.00 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	\$ 63,731,000.00
Community and Technical College	\$5,000,000.00
Department of Education	\$ 30,275,000.00
Library Commission	\$ 10,726,000.00
Higher Education-Central Office	\$ 11,112,000.00
Tourism	\$ 7,273,000.00
Department of Natural Resources	\$ 3,317,000.00

Lottery

Lottery continued

Division of Culture and History	\$ 5,600,000.00
Department of Education and Arts	\$ 1,087,000.00
State Building Commission	\$ 7,998,000.00
School Building Authority	\$ 17,998,000.00
<u>SUBTOTAL BUDGETARY TRANSFERS</u>	\$164,117,000.00

Excess Lottery Fund

General Purpose Fund	\$ 65,000,000.00
Economic Development Fund	\$ 19,000,000.00
Excess Lottery Surplus	\$ 62,900,000.00
Education Improvement Fund	\$ 15,000,000.00
WV Infrastructure Council Fund	\$ 40,000,000.00
Higher Education Improvement Fund	\$ 29,000,000.00
Refundable Credit	\$ 4,880,000.00
State Park Improvement Fund	5,000,000.00
School Building Authority	19,000,000.00
WV Racing Commission	2,000,000.00
Dept of Education	40,150,000.00
TOTAL EXCESS LOTTERY FUND	\$304,859,000.00

Historic Resort Hotel Distributions:

State General Revenue Fund	1,402,000.00
State Debt Reduction Fund	416,000.00
Tourism Promotion Fund	66,000.00
Total Historic Hotel	1,884,000.00

Lottery

Lottery continued

Veterans Instant Ticket Fund 632,000.00

Table Games State Debt Reduction Fund 23,709,000.00

RACETRACK VIDEO LOTTERY TRANSFERS:	
Tourism Promotion Fund 1.375%	\$7,671,000.00
Development Office Promo Fund	\$2,092,000.00
Research Challenge Fund .5%	\$2,790,000.00
Capitol Renovation and Improvement Fund .6875%	\$3,836,000.00
Parking Garage Fund .0625%	\$349,000.00
Parking Garage Fund 1%	\$500,000.00
Cultural Facilities and Cap. Resources Fund .5%	\$1,500,000.00
Capitol Dome & Cap. Improvements Fund .5%	\$3,579,000.00
Workers Compensation Debt Reduction Fund 7%	\$11,000,000.00
SUBTOTAL VIDEO LOTTERY TRANSFERS:	\$33,317,000.00
TOTAL TRANSFERS	*\$528,518,000.00

* CASH BASIS

Total Accrued last FY 2010:	241,039,000.00
Total Cash Distributions FY 2011:	528,518,000.00
Applied to FY 2010:	241,039,000.00
Total Applied to FY 2011	287,479,000.00
Total Accrued for FY 2010	0
Accrued for FY 2011 as of April 30:	186,320,000.00

Lottery



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Earl Ray Tomblin
Governor

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 April 30, 2011

DATE: May 18, 2011

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

Financial statements of the Lottery for the month ending April 30, 2011 are attached. Lottery revenue, which includes on-line, instant, video lottery sales, table games, and historic resort, was \$123,260,000 for the month of April.

Transfers of lottery revenue totaling \$41,498,120 made for the month of April 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 April 30, 2011 was 1,582 and 1,578 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, Governor
Charles O. Lorensen, Cabinet Secretary – Dept. of Revenue
John Perdue, Treasurer
Glen B. Gainer III, Auditor
Members of the West Virginia Lottery Commission

www.wvlottery.com

LOTTERY ATTACHMENT FINANCIALS APRIL 30, 2011



WEST VIRGINIA LOTTERY

STATE OF WEST VIRGINIA

**FINANCIAL STATEMENTS
-UNAUDITED-**

April 30, 2011

LOTTERY ATTACHMENT FINANCIALS APRIL 30, 2011

WEST VIRGINIA LOTTERY

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

ASSETS	April 30, 2011	June 30, 2010
Current Assets:		
Cash and cash equivalents	\$ 208,534	\$ 256,355
Accounts receivable	41,361	26,986
Inventory	842	683
Other assets	2,079	2,273
Total Current Assets	252,816	286,297
Noncurrent Assets:		
Restricted cash and cash equivalents	7,855	8,355
Capital assets	32,649	39,524
Less accumulated depreciation and amortization	(8,761)	(16,175)
Net Capital Assets	23,888	23,349
Total Noncurrent Assets	31,743	31,704
Total Assets	\$ 284,559	\$ 318,001
LIABILITIES AND NET ASSETS		
Current Liabilities:		
Accrued nonoperating distributions to the State of West Virginia	\$ 186,320	\$ 241,039
Deferred LVL permit fees	21,157	-
Estimated prize claims	14,066	13,128
Accounts payable	2,933	3,050
Other accrued liabilities	23,708	24,401
Total Current Liabilities	248,176	281,618
Total Liabilities	248,176	281,618
Net Assets:		
Invested in capital assets	23,888	23,349
Unrestricted	4,695	4,679
Restricted assets (see note 12)	7,800	8,355
Total Net Assets	36,383	36,383
Total Liabilities and Net Assets	\$ 284,559	\$ 318,001

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 TEN MONTH PERIOD ENDED APRIL 30, 2011

(In Thousands)

-Unaudited-

	CURRENT MONTH		YEAR TO DATE	
	2011	2010	2011	2010
Lottery revenues				
On-line games	\$ 6,792	\$ 7,790	\$ 65,725	\$ 69,467
Instant games	10,955	8,546	97,662	80,010
Racetrack video lottery	63,728	63,525	608,213	620,111
Limited video lottery	34,724	34,395	333,506	331,479
Table games	6,429	2,555	55,372	26,383
Historic resort	632	227	5,408	1,253
	<u>123,260</u>	<u>117,038</u>	<u>1,165,886</u>	<u>1,128,703</u>
Less commissions				
On-line games	476	546	4,602	4,863
Instant games	767	598	6,836	5,600
Racetrack video lottery	34,787	33,952	343,802	350,404
Limited video lottery	17,015	16,853	163,418	162,425
Table games	2,763	1,005	23,796	10,373
Historic resort	285	122	2,726	652
	<u>56,093</u>	<u>53,076</u>	<u>544,880</u>	<u>534,317</u>
Less on-line prizes	3,472	3,792	34,316	34,566
Less instant prizes	7,568	5,847	67,870	54,336
Less ticket costs	177	152	1,834	1,229
Less vendor fees and costs	895	509	7,042	6,328
	<u>12,112</u>	<u>10,300</u>	<u>111,062</u>	<u>96,459</u>
Gross profit	<u>55,055</u>	<u>53,662</u>	<u>509,944</u>	<u>497,927</u>
Administrative expenses				
Advertising and promotions	1,406	1,127	8,280	6,277
Wages and related benefits	1,057	980	9,800	9,065
Telecommunications	28	75	537	531
Contractual and professional	365	371	3,672	4,076
Rental	53	59	543	583
Depreciation and amortization	147	143	1,467	1,553
Other administrative expenses	104	126	1,111	898
	<u>3,160</u>	<u>2,881</u>	<u>25,410</u>	<u>23,003</u>
Other Operating Income	<u>186</u>	<u>3,539</u>	<u>3,565</u>	<u>6,162</u>
Operating Income	<u>52,081</u>	<u>54,320</u>	<u>488,099</u>	<u>481,086</u>
Nonoperating income (expense)				
Investment income	26	36	261	308
Distributions to municipalities and counties	(681)	(674)	(6,537)	(6,497)
Distributions -capital reinvestment	(1,439)	(1,611)	(8,024)	(8,059)
Distributions to the State of West Virginia	(49,987)	(52,062)	(473,799)	(466,764)
	<u>(52,081)</u>	<u>(54,311)</u>	<u>(488,099)</u>	<u>(481,012)</u>
Net income	<u>-</u>	<u>9</u>	<u>-</u>	<u>74</u>
Net assets, beginning of period	<u>36,383</u>	<u>83,253</u>	<u>36,383</u>	<u>83,188</u>
Net assets, end of period	<u>\$ 36,383</u>	<u>\$ 83,262</u>	<u>\$ 36,383</u>	<u>\$ 83,262</u>

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

**WEST VIRGINIA LOTTERY
STATEMENTS OF CASH FLOWS
FOR THE TEN MONTH PERIOD ENDED APRIL 30, 2011**

(In Thousands)
-Unaudited-

	2011	2010
Cash flows from operating activities:		
Cash received from customers and other sources	\$ 1,176,233	\$ 1,135,234
Cash payments for:		
Personnel costs	(8,747)	(9,065)
Suppliers	(15,561)	(11,060)
Other operating costs	(648,806)	(636,108)
Cash provided by operating activities	<u>503,119</u>	<u>479,001</u>
Cash flows from noncapital financing activities:		
Nonoperating distributions to the State of West Virginia	(528,518)	(431,592)
Distributions to municipalities and counties	(6,481)	(6,412)
Distributions to racetrack from racetrack cap. reinv. fund	(14,696)	(15,822)
Cash used in noncapital financing activities	<u>(549,695)</u>	<u>(453,826)</u>
Cash flows from capital and related financing activities:		
Purchases of capital assets	<u>(2,006)</u>	<u>(275)</u>
Cash flows from investing activities:		
Investment earnings received	<u>261</u>	<u>308</u>
Cash provided by investing activities	<u>261</u>	<u>308</u>
Increase (decrease) in cash and cash equivalents	(48,321)	25,208
Cash and cash equivalents - beginning of period	<u>264,710</u>	<u>295,225</u>
Cash and cash equivalents - end of period	<u>\$ 216,389</u>	<u>\$ 320,433</u>
Reconciliation of operating income to net cash provided by operating activities:		
Operating income	\$ 488,099	\$ 481,086
Adjustments to reconcile operating income to cash provided by operating activities:		
Depreciation and amortization	1,467	1,553
Changes in operating assets and liabilities:		
(Increase) decrease in accounts receivable	(14,375)	368
(Increase) decrease in inventory	(159)	(116)
(Increase) decrease in other assets	194	224
Increase (decrease) in estimated prize claims	852	(403)
Increase (decrease) in accounts payable	(117)	465
Increase (decrease) in deferred revenue	21,157	-
Increase (decrease) in other accrued liabilities	6,001	(4,176)
Cash provided by operating activities	<u>\$ 503,119</u>	<u>\$ 479,001</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 basis 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)

DEFERRED REVENUES – Deferred revenue consists of limited video lottery permit fees collected in the current year and paid by licensees for the right to be permitted for the 10 year period beginning July 1, 2011.

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 April 30, 2011 the carrying amounts of deposits (overdraft) with financial institutions were \$(30) thousand with a bank balance (overdraft) of \$8 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>April 30, 2011</u>	<u>June 30, 2010</u>
Deposits with financial institutions	\$ (30)	\$ (60)
Cash on hand at the Treasurer's Office	43,157	40,006
Investments with BTI reported as cash equivalents	173,262	224,764
	<u>\$ 216,389</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 April 30, 2011 is as follows (in thousands):

Capital Assets:

	Historical Cost At June 30, 2010	Additions	Deletions	Historical Cost At April 30, 2011
Construction in Progress	\$ -	\$ 1,877	\$ -	\$ 1,877
Buildings	20,174	-	-	20,174
Land	1,434	-	-	1,434
Improvements	1,170	-	-	1,170
Equipment	16,746	129	(8,881)	7,994
	<u>\$ 39,524</u>	<u>\$ 2,006</u>	<u>\$ (8,881)</u>	<u>\$ 32,649</u>
Accumulated Depreciation:				
	Historical Cost At June 30, 2010	Additions	Deletions	Historical Cost At April 30, 2011
Improvements	\$ 1,131	\$ 8	\$ -	\$ 1,139
Equipment	15,044	1,459	(8,881)	7,622
	<u>\$ 16,175</u>	<u>\$ 1,467</u>	<u>\$ (8,881)</u>	<u>\$ 8,761</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 April 30, 2011 and fiscal 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	\$ 3,229,167	\$ 29,839,830
Hot Lotto	516,170	5,047,877
Mega Millions	864,139	9,538,642
Total	\$ 4,609,476	\$ 44,426,349

<u>Expenses (Prizes)</u>	<u>Month</u>	<u>Y-T-D</u>
Powerball	\$ 1,660,403	\$ 14,933,416
Hot Lotto	263,178	2,524,454
Mega Millions	467,856	4,993,084
Total	\$ 2,391,437	\$ 22,450,954

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 April 30, 2011, 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	\$ 120,328,743	\$ 2,386,175
Hot Lotto	7,412,987	486,303
Mega Millions	6,725,213	147,525
Total	<u>\$ 134,466,943</u>	<u>\$ 3,020,003</u>

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 \$14,463,105 at April 30, 2011, of which the Lottery's share was \$1,667,210.

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 April 30, 2011 and fiscal 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	\$ 707,456	\$ 709,876	\$ 6,679,144	\$ 6,768,364
Credits (prizes) won	(634,961)	(639,107)	(5,998,765)	(6,095,400)
Promotional credits played	(8,419)	(6,982)	(69,300)	(49,719)
MWAP Contributions	(348)	(262)	(2,866)	(3,134)
Gross terminal income	63,728	63,525	608,213	620,111
Administrative costs	(1,015)	(828)	(16,246)	(16,560)
Net Terminal Income	62,713	62,697	591,967	603,551
Less distribution to agents	(34,787)	(33,952)	(343,502)	(350,404)
Racetrack video lottery revenues	<u>\$ 27,926</u>	<u>\$ 28,745</u>	<u>\$ 248,465</u>	<u>\$ 253,147</u>

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

	April 30, 2011	Year-to-Date
State Lottery Fund	\$ 8,189	\$ 119,053
State Excess Lottery Revenue Fund	16,002	87,949
Capital Reinvestment Fund	1,423	7,856
Tourism Promotion Fund 1.375%	795	7,771
Development Office Promotion Fund .375 %	217	2,119
Research Challenge Fund .5 %	289	2,826
Capitol Renovation & Improvement Fund .6875 %	397	3,886
Parking Garage Fund .0625 %	36	353
Parking Garage Fund 1 %	-	500
Cultural Facilities & Capitol Resources Fund .5 %	-	1,500
Capitol Dome & Capitol Improvements Fund .5 %	578	3,652
Worker's Compensation Debt Reduction Fund 7 %	-	11,000
Total nonoperating distributions	<u>\$ 27,926</u>	<u>\$ 248,465</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
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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 April 30, 2011 and fiscal year-to-date follows (in thousands):

	Current Month		Year-to-Date	
	2011	2010	2011	2010
Total credits played	\$ 411,345	\$ 406,196	\$ 3,922,758	\$ 3,892,415
Credits (prizes) won	(376,621)	(371,801)	(3,589,252)	(3,560,936)
Gross terminal income	\$ 34,724	\$ 34,395	\$ 333,506	\$ 331,479
Administrative costs	(694)	(688)	(6,670)	(6,629)
Gross Profit	34,030	33,707	326,836	324,850
Commissions	(17,015)	(16,853)	(163,418)	(162,425)
Municipalities and Counties	(681)	(674)	(6,537)	(6,497)
Limited video lottery revenues	<u>\$ 16,334</u>	<u>\$ 16,180</u>	<u>\$ 156,881</u>	<u>\$ 155,928</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 April 30, 2011 and fiscal year-to-date were \$18,368,702 and \$158,206,013, 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	\$ 6,429	\$ 2,555	\$ 55,372	\$ 26,383
Interest on Table Games Fund	1	-	6	2
Administrative costs	(735)	(218)	(6,328)	(2,261)
Total Available for Distribution	5,695	2,337	49,050	24,124
<u>Less Distributions:</u>				
Racetrack Purse Funds	459	183	3,955	1,884
Thoroughbred & Greyhound Development Funds	368	146	3,165	1,508
Racing Association Pension Plan	154	70	1,329	724
Municipalities/ Counties	1,782	606	15,347	6,257
Total Distributions	2,763	1,005	23,796	10,373
State Debt Reduction Fund	\$ 2,932	\$ 1,332	\$ 25,254	\$ 13,751

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 April 30, 2011 and fiscal year-to-date follows (in thousands):

	Current Month		Year-to-Date	
	2011	2010	2011	2010
Total credits played	\$ 4,194	\$ 1,797	\$ 42,454	\$ 8,735
Credits (prizes) won	(3,828)	(1,619)	(38,634)	(7,844)
Promotional credits played	(32)	(8.00)	(234)	(8)
Gross terminal income	334	170	3,586	883
Capital reinvestment	(16)	(8)	(169)	(41)
Administrative costs	(18)	(9)	(194)	(48)
Hotel commissions	(141)	(72)	(1,517)	(374)
Net terminal income	159	81	1,706	420
Historic Resort Hotel Fund	102	52	1,096	270
Human Resource Benefit Fund	57	29	610	150

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 April 30, 2011 and fiscal year-to-date were \$853,504 and \$5,204,483, respectively.

The following table shows the month and fiscal 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	\$ 299	\$ 57	\$ 1,822	\$ 370
Administrative Costs	(38)	(7)	(234)	(47)
Total Available for Distribution	261	50	1,588	323
Historic Resort Hotel Fund	218	42	1,328	270
Human Resource Benefit Fund	43	8	260	53

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	\$ 102	\$ 1,096
Historic Resort Table Games	218	1,328
Interest on Historic Resort Hotel Fund	-	1
Historic Resort Hotel Fund Net Income	<u>320</u>	<u>2,425</u>
Municipalities/ Counties	45	340
State General Revenue Fund	205	1,552
State Debt Reduction Fund	61	461
State Tourism Promotion Fund	9	72
Total Distributions	<u>\$ 320</u>	<u>\$ 2,425</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 \$166,121,854 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 April 30, 2011 the Lottery made such distributions and accrued additional distributions of \$44,468.177. The Lottery is a non-appropriated state

WEST VIRGINIA LOTTERY
NOTES TO FINANCIAL STATEMENTS
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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 April 30, 2011, the Lottery accrued additional distributions relating to racetrack video lottery, table games, and historic resort operations of \$519,241, \$2,932,151, and \$275,026, 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>April 30, 2011</u>	<u>Year-to-Date</u>
<u>State Lottery Fund:</u>		
Community and Technical College	\$ 500	\$ 5,000
Bureau of Senior Services	-	63,731
Department of Education	-	30,275
Library Commission	-	10,726
Higher Education-Policy Commission	-	11,112
Tourism	-	7,273
Natural Resources	-	3,317
Division of Culture & History	-	5,600
Department of Education & Arts	-	1,087
Building Commission	-	7,998
School Building Authority	1,798	17,998
Total State Lottery Fund	<u>\$ 2,298</u>	<u>\$ 164,117</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	\$ 19,000
Higher Education Improvement Fund	1,000	15,000
General Purpose Account	-	65,000
Higher Education Improvement Fund	-	29,000
State Park Improvement Fund	-	5,000
School Building Authority	1,900	19,000
Refundable Credit	2,929	7,809
WV Racing Commission	-	2,000
Department of Education	25,696	40,150
Excess Lottery Surplus	-	62,900
West Va. Infrastructure Council	-	40,000
Total State Excess Lottery Revenue Fund	\$ 33,425	\$ 304,859

Total Budgetary distributions: **\$ 35,723** **\$ 468,976**

Veterans Instant Ticket Fund **\$ 44** **\$ 632**

Other Racetrack Video Lottery distributions:

Tourism Promotion Fund 1.375%	\$ 900	\$ 7,671
Development Office Promotion Fund .375%	246	2,092
Research Challenge Fund .5%	329	2,790
Capitol Renovation & Improvement Fund .6875%	452	3,836
Parking Garage Fund .0625 %	41	349
Parking Garage Fund 1 %	-	500
Cultural Facilities & Cap. Resources Fund .5%	-	1,500
Capitol Dome & Cap. Improvements Fund .5%	656	3,579
Workers Compensation Debt Reduction Fund 7%	-	11,000
Total	\$ 2,624	\$ 33,317

Table Games State Debt Reduction Fund **\$ 2,912** **\$ 23,709**

Historic Resort Hotel distributions:

State General Revenue Fund	\$ 145	\$ 1,402
State Debt Reduction Fund	43	416
Tourism Promotion Fund	7	66
Total	\$ 195	\$ 1,884

Total nonoperating distributions to the State of West Virginia (cash basis) **\$ 41,498** **\$ 528,518**

Accrued nonoperating distributions, beginning **(177,831)** **(241,039)**
Accrued nonoperating distributions, end **186,320** **186,320**
\$ 49,987 **\$ 473,799**

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 fiscal year-to-date ended April 30, 2011 and April 30, 2010 approximated \$543,393 and \$582,877 respectively.

The Lottery leases office space under the terms of a non-cancellable operating lease to various tenants. Rental revenues for the month ended April 30, 2011 and year-to-date were \$88,235 and \$868,492, respectively. Future rental receipts (in thousands) are as follows:

Year Ended June 30	Rental Receipts
2011	\$ 154
2012	939
2013	962
2014	986
2015	248
Total	\$ 3,289

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 April 30, 2011 and fiscal year-to-date are as follows (in thousands):

	April 30, 2011	Year-to-Date
Lottery contributions	\$ 151	\$ 855
Employee contributions	28	281
Total contributions	\$ 179	\$ 1,136

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: June 2, 2011

Re: Status of General Revenue Fund and State Road Fund
May 31, 2011

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

The net collections were ahead of the estimate for the fiscal year as of May 31, 2011. Total collections were \$273 million over the estimate.

Personal Income Tax collections were \$ 76 million over the estimate for the fiscal year.

Consumer sales and use tax collections were \$ 23 million over the estimate for the fiscal year.

Severance tax collections were \$ 76 million over the estimate as of May 31, 2011.

Corporate Income and Business Franchise Tax collections were \$83

Joint Committee on Government and Finance

million over the estimate as of May 31, 2011.

State Road Fund

The state road fund collections were \$ 32 million over the estimate as of May 31, 2011.

Rainy Day and Personal Income Tax Reserve

Revenue Shortfall Reserve Fund A(Rainy Day Fund) had a cash balance of \$ 341,112,598.12 as of May 31, 2011.

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	12,848,683.00
Balance May 31, 2011	341,112,598.12

Revenue Shortfall Reserve Fund B (Tobacco Settlement Monies) had a cash balance of \$ 316,278,813.21 as of May 31, 2011.

Balance July 1, 2010	279,073,099.52
Earnings	35,768,383.69
Statutory Transfer Medical Malpractice Premiums	1,437,330.00
Balance May 31, 2011	316,278,813.21

The Special Income Tax Reserve Fund had a cash balance of \$45,019,319.21 as of May 31, 2011.

Balance July 1, 2010	45,019,319.21
Revenues	-0-
Balance May 31, 2011	45,019,319.21

Monthly Revenue Estimates

as of May 31, 2011 WV FIMS

	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	129,800,000	132,396,522	2,596,522	1,356,800,000	1,433,008,696	76,208,696
Consumer Sales Tax & Use Tax	97,100,000	102,511,874	5,411,874	1,040,200,000	1,063,512,581	23,312,581
Severance Tax	39,000,000	65,321,260	26,321,260	330,050,000	406,628,307	76,578,307
Corp Income /Business Franchise	1,300,000	8,035,458	6,735,458	164,400,000	248,010,274	83,610,274
HB 102 - Lottery Transfers	32,900,000	0	-32,900,000	127,900,000	127,900,000	0
Business and Occupation	11,400,000	12,361,927	961,927	112,000,000	114,587,513	2,587,513
Insurance Tax	5,000,000	1,195,411	-3,804,589	103,400,000	106,481,496	3,081,496
Tobacco Products Tax	9,160,000	10,031,817	871,817	102,370,000	100,573,394	-1,796,606
Interest Income	1,600,000	1,227,893	-372,107	14,400,000	11,450,209	-2,949,791
Departmental Collections	790,000	946,916	156,916	13,460,000	14,752,298	1,292,298
Liquor Profit Transfers	1,050,000	1,050,000	0	12,000,000	12,395,333	395,333
Miscellaneous Receipts	630,000	324,584	-305,416	9,820,000	11,590,573	1,770,573
Senior Tax Credit Reimbur Lot	1,300,000	1,275,796	-24,204	9,200,000	9,085,084	-114,916
Beer Tax and Licenses	950,000	941,577	-8,423	7,400,000	7,453,196	53,196
Property Transfer Tax	630,000	642,115	12,115	7,290,000	7,463,700	173,700
Property Tax	300,000	223,919	-76,081	6,010,000	5,907,242	-102,758
Liquor License Renewal	40,000	91,778	51,778	5,960,000	14,590,277	8,630,277
Miscellaneous Transfers	100,000	0	-100,000	680,000	331,589	-348,411
Business Franchise Fees	140,000	148,514	8,514	670,000	1,090,024	420,024
Racing Fees	0	0	0	0	20,810	20,810
Charter Tax	0	11,170	11,170	0	141,502	141,502
Telecommunications Tax	0	9,159	9,159	0	14,807	14,807
Estate and Inheritance Tax	0	448	448	0	3,641	3,641
Video Lottery Transfers	0	0	0	0	342,969	342,969
Cash Flow Transfer	0	0	0	0	0	0
TOTALS	333,190,000	338,748,140	5,558,140	3,424,010,000	3,697,335,515	273,325,515
Minus Cash Flow Transfer	0	0	0	0		
Percent of Estimates		101.67%			107.98%	
TOTALS	333,190,000	338,748,140	5,558,140	3,424,010,000	3,697,335,515	273,325,515
Percent of Estimates		101.67%			107.98%	
Collections this day		27,588,997				

Monthly Revenue Estimates
as of May 31, 2011 WVFIMS

	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	41,300,000	49,810,506	8,510,506	348,600,000	364,342,001	15,742,001
Privilege Tax	14,266,000	16,024,225	1,758,225	140,936,000	156,365,362	15,429,362
Licenses & Registration	7,286,000	9,614,454	2,328,454	73,812,000	74,876,205	1,064,205
Highway Litter Control	139,000	202,269	63,269	1,409,000	1,650,092	241,092
TOTALS	62,991,000	75,651,454	12,660,454	564,757,000	597,233,659	32,476,659
Percent of Estimates		120.10%			105.75%	
Collections this day		23,362,984				

REVENUE SHORTFALL RESERVE FUND 7005, Part A AS OF May 2, 2011 : \$336,805,292.71

REVENUE SHORTFALL RESERVE FUND 7006, Part B AS OF May 2, 2011 : \$308,949,470.66

PERSONAL INCOME TAX REFUND RESERVE FUND AS OF May 2, 2011: \$45,019,319.21

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: June 7, 2011 *EC*

Re: West Virginia Unemployment Compensation Trust Fund

We have reviewed the April 30, 2011 monthly report of the Unemployment Compensation Trust Fund we received from WorkForce West Virginia.

For July 1, 2010 to April 30, 2011 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	\$349,571,718.33
Disbursements July 1, 2010 thru June 30, 2011	\$395,994,242.48
Balance April 30, 2011 *	\$49,106,436.23

ITEMS OF NOTE:

Regular benefits paid for July - April 2011 were \$95.5 million less than July - April 2010.

Federal emergency benefits totaled \$ 150.7 million for the July - April 2011; for July - April 2010 federal emergency benefits totaled \$ 164.7 million.

Joint Committee on Government and Finance

Unemployment

Total disbursements were \$ 120.5 million less in July - April 2011 than the preceding July - April 2010.

Receipts for July - April 2011 were \$ 41 million less than in July - April 2010. Overall ending trust fund balance was \$ 18 million less on April 30, 2011 than on April 30, 2010.

West Virginia's unemployment rate for the month of April 2011 was 8.8 percent. National unadjusted employment rate was 8.7 percent.

Seasonally adjusted unemployment rates were 8.8 percent for West Virginia and 9 percent nationally.

Since April 2010 employment has increased by 8,100. Employment gains were as follows: 3,000 in educational and health services; 2,700 in trade, transportation and utilities; 2,600 in professional and business services; 2,100 in mining and logging; 600 in manufacturing; 500 in information; 400 in leisure and hospitality; and 100 in other services. Declines were as follows: 2,000 in construction; 1,700 in government; and 200 in financial activities.

* Note: On March 18, 2011; the legislature passed Senate Bill 219, which enables the Governor to make a loan from the Revenue Center Construction Fund to the Unemployment Compensation Trust in an amount not to exceed \$ 20 million whenever the projected balance in the Unemployment Trust will be less than \$ 20 million at any time in the next thirty days. The loan does not bear interest and must be repaid in one hundred and eighty days. This loan provision expires after September 1, 2011.

**MONTHLY STATUS REPORT FOR THE JOINT COMMITTEE ON GOVERNMENT AND FINANCE
FOR THREE MONTHS STARTING FEBRUARY 2010 AND FEBRUARY 2011**

	FEBRUARY 2010	MARCH 2010	APRIL 2010	FEBRUARY 2011	MARCH 2011	APRIL 2011	THREE MONTH TOTAL VARIANCE *
Balance Forward	<u>\$97,497,175.63</u>	<u>\$86,916,762.90</u>	<u>\$60,906,505.30</u>	<u>\$59,079,991.94</u>	<u>\$55,890,504.42</u>	<u>\$38,898,460.49</u>	<u>(\$90,451,486.99)</u>
Add Receipts:							
1. Bond Assessment	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
2. Regular Contributions:	\$16,276,982.26	\$1,403,368.11	\$28,474,801.89	\$17,550,395.22	\$2,221,106.42	\$27,773,758.71	\$1,390,108.09
3. Federal Emergency Benefits (EUC08)	\$21,057,309.18	\$26,060,716.96	\$20,074,609.12	\$13,956,274.30	\$14,239,098.38	\$12,225,429.86	(\$26,771,832.72)
4. Federal Share Extended Benefits (EB)	\$726,980.38	\$332,375.99	\$136,535.15	\$2,844,970.23	\$3,311,664.08	\$2,315,626.16	\$7,276,368.95
5. Temp Federal Additional Comp (FAC)	\$4,829,018.00	\$5,661,837.00	\$4,047,768.00	\$9,767.59	\$5,671.69	\$5,083.25	(\$14,518,100.47)
6. UCFE (Federal Agencies)	\$230,031.31	\$227,720.89	\$149,390.37	\$340,318.90	\$333,308.44	\$292,739.31	\$359,224.08
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	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
10. Treasury Interest Credits	\$0.00	\$1,055,895.47	\$0.00	\$0.00	\$654,826.97	\$0.00	(\$401,068.50)
11. UCX (Military Agencies)	\$275,783.33	\$372,296.95	\$347,475.60	\$475,124.89	\$457,816.17	\$422,297.10	\$359,662.28
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	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Total Monthly Receipts	<u>\$43,396,104.46</u>	<u>\$35,114,211.37</u>	<u>\$53,230,580.13</u>	<u>\$35,176,851.13</u>	<u>\$21,223,492.15</u>	<u>\$43,034,934.39</u>	<u>(\$32,305,618.29)</u>
Less Disbursements:							
Debt Bond Repayment	(Retired)	(Retired)	(Retired)	(Retired)	(Retired)	(Retired)	(Retired)
Regular Benefits:	\$27,799,021.77	\$30,188,246.04	\$22,299,614.07	\$21,179,124.14	\$21,185,340.03	\$17,361,715.79	(\$20,560,701.92)
Federal Emergency Benefits (EUC08)	\$21,060,285.25	\$23,463,540.84	\$19,847,608.18	\$13,528,772.60	\$13,414,775.08	\$12,189,987.89	(\$25,237,898.70)
Federal Share Extended Benefits (EB)	\$695,477.66	\$326,900.77	\$150,249.15	\$2,936,650.26	\$2,905,088.57	\$2,287,823.01	\$6,956,934.26
Emergency Benefits (TEUC)	(\$315.00)	(\$360.00)	(\$180.00)	(\$1,249.39)	(\$1,228.07)	(\$1,383.45)	(\$3,005.91)
Temp Federal Additional Comp (FAC)	\$4,827,662.00	\$5,154,555.00	\$4,002,170.00	\$9,867.60	\$5,461.69	\$4,920.25	(\$13,964,137.46)
UCFE (Federal Workers) Benefits	\$268,004.47	\$250,157.66	\$152,381.95	\$300,450.11	\$281,050.78	\$246,273.12	\$157,229.93
UCX (Military Workers) Benefits	\$326,381.04	\$406,485.09	\$417,890.26	\$405,969.92	\$387,684.35	\$385,683.93	\$28,581.81
Reed Act Funds	\$0.00	\$328,395.86	\$0.00	\$0.00	\$0.00	\$226,000.00	(\$102,395.86)
Special Administrative Transfer**	\$0.00	\$6,547.71	\$1,409.24	\$6,753.41	\$37,363.65	\$125,938.11	\$162,098.22
Total Monthly Disbursements	<u>\$54,976,517.19</u>	<u>\$60,124,468.97</u>	<u>\$46,871,142.85</u>	<u>\$38,366,338.65</u>	<u>\$38,215,536.08</u>	<u>\$32,826,958.65</u>	<u>(\$52,563,295.63)</u>
Trust Fund Balance	<u>\$85,916,762.90</u>	<u>\$0,906,505.30</u>	<u>\$67,265,942.58</u>	<u>\$55,890,504.42</u>	<u>\$38,898,460.49</u>	<u>\$49,106,436.23</u>	<u>(\$70,193,809.65)</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.



UC TRUST FUND PROJECTIONS - 2011

June 9, 2011

Month	Revenues	Benefits	Trust Fund Balance
Balance 12/31/2009			123,000,000
January	6,034,000	31,578,000	97,456,000
February	16,419,000	28,000,000	85,875,000
March	5,220,000	30,188,000	60,907,000
April	28,659,000	22,300,000	67,266,000
May	64,119,000	22,992,000	108,393,000
June	6,529,000	19,393,000	95,529,000
July	18,050,000	18,710,000	94,869,000
August	32,111,000	21,480,000	105,500,000
September	2,679,000	14,347,000	93,832,000
October	9,869,000	17,734,000	85,967,000
November	22,516,000	15,218,000	93,265,000
December	2,090,000	18,454,000	76,901,000
Totals	214,295,000	260,394,000	76,901,000

2011

January	9,202,000	27,024,000	59,079,000
February	17,990,000	21,179,000	55,890,000
March	4,193,000	21,185,000	38,898,000
April	27,569,000	17,361,000	49,106,000
May	82,117,000	16,413,000	114,810,000
June	7,508,350	15,514,000	106,804,350
July	20,757,000	14,968,000	112,593,350
August	36,927,000	17,184,000	132,336,350
September	3,080,000	11,477,000	123,939,350
October	11,349,000	14,187,000	121,101,350
November	25,893,000	12,174,000	134,820,350
December	2,403,000	14,763,000	122,460,350
Totals - 2011	248,988,350	203,429,000	122,460,350

Executive Division
 112 California Avenue
 Charleston, WV 25305

An agency of the Department of Commerce

An equal opportunity employer/program and auxiliary aids are available upon request to individuals with disabilities.

www.workforcewv.org



Financial Statements

April 2011

West Virginia Legislative Interims
June 2011

**West Virginia Public Employees Insurance Agency
For the Ten Months Ending April 30, 2011**

(Dollars in Thousands)

<u>(\$ 0 0 0 's)</u>			<u>BUDGET VARIANCE PRIOR YR VARIANCE</u>				
<u>ACTUAL</u>	<u>BUDGET</u>	<u>PRIOR YR</u>	<u>\$</u>	<u>%</u>	<u>\$</u>	<u>%</u>	
<u>OPERATING REVENUE</u>							
<u>PREMIUM REVENUE</u>							
\$299,618	\$296,295	\$300,137	Health Insurance - State Gov. - Employers	\$3,323	1%	(\$519)	(0%)
76,588	75,310	74,565	Health Insurance - State Gov. - Employees	1,278	2%	2,023	3%
67,301	60,350	70,117	Health Insurance - Local Gov. - All	6,951	12%	(2,816)	(4%)
4,456	4,904	4,689	Life Insurance	(448)	(9%)	(233)	(5%)
1,367	1,364	1,440	Other Premium Revenue	3	0%	(73)	(5%)
449,330	438,223	450,948	TOTAL PREMIUM REVENUE	11,107	3%	(1,618)	(0%)
<u>PREMIUM REVENUE DEDUCTIONS</u>							
(30,528)	(32,126)	(46,058)	Payments to Managed Care Org.	1,598	(5%)	15,530	(34%)
(4,454)	(4,904)	(4,689)	Life Insurance Expense	450	(9%)	235	(5%)
414,348	401,193	400,201	NET PREMIUM REVENUE	13,155	3%	14,147	4%
3,965	3,899	3,918	Administrative Fees, Net of Refunds	66	2%	47	1%
418,313	405,092	404,119	NET OPERATING REVENUE	13,221	3%	14,194	4%
<u>OPERATING EXPENSES</u>							
289,864	300,060	268,016	Claims Expense - Medical	10,196	3%	(21,848)	(8%)
96,651	97,922	85,375	Claims Expense - Drugs	1,271	1%	(11,276)	(13%)
13,894	14,408	13,937	Administrative Service Fees	514	4%	43	0%
1,344	1,770	1,657	Wellness and Disease Management	426	24%	313	19%
5,334	5,223	6,551	Other Operating Expenses	(111)	(2%)	1,217	19%
407,087	419,383	375,536	TOTAL OPERATING EXPENSES	12,296	3%	(31,551)	(8%)
11,226	(14,291)	28,583	OPERATING SURPLUS	25,517	(179%)	(17,357)	(61%)
<u>NON-OPERATING REVENUES</u>							
2,917	2,917		Direct Transfer		0%	2,917	0%
14,144	11,392	18,157	Interest and Investment Income	2,752	24%	(4,013)	(22%)
17,061	14,309	18,157	TOTAL NON-OPERATING REVENUES	2,752	19%	(1,096)	(6%)
\$28,287	\$18	\$46,740	CHANGE IN NET ASSETS	\$28,269	157,050%	(\$18,453)	(39%)
173,604	173,604	109,232	Total Net Assets, Beginning of Period		0%	64,372	59%
\$201,891	\$173,622	\$155,972	TOTAL NET ASSETS, END OF PERIOD	\$28,269	16%	\$45,919	29%

**STATE OF WV - RETIREE HEALTH BENEFIT TRUST FUND
STATEMENT OF CHANGES IN PLAN NET ASSETS
For the Ten Months Ending April 30, 2011**

ACTUAL	(\$ 000's)			BUDGET VARIANCE		PRIOR YR VARIANCE	
	BUDGET	PRIOR YR		\$	%	\$	%
			ADDITIONS				
			Employer Premiums:				
\$2,799	\$3,004	\$2,632	Health premiums	(\$205)	(7%)	\$167	6%
100,901	100,468	86,875	Pay Go Premiums	433	0%	14,026	16%
1,855	1,432	1,621	Annual required contributions	423	30%	234	14%
105,555	104,904	91,128	Total Employer Premiums	651	1%	14,427	16%
			Member Premiums:				
56,162	56,669	52,184	Health premiums	(507)	(1%)	3,978	8%
20,607	20,511	17,773	Pay Go Premiums	96	0%	2,834	16%
11,751	11,748	9,577	Life Insurance Premiums	3	0%	2,174	23%
88,520	88,928	79,534	Total Member Premiums	(408)	0%	8,986	11%
194,075	193,832	170,662	Total Premium Additions	243	0%	23,413	14%
			Other Additions:				
705	470	655	Retiree Drug Subsidy	235	50%	50	8%
48,194	25,154	28,632	Investment Income	23,040	92%	19,562	68%
242,974	219,456	199,949	TOTAL ADDITIONS	23,518	11%	43,025	22%
			DEDUCTIONS				
36,638	41,195	89,987	Payments to Managed Care Org.	4,557	11%	53,349	59%
11,743	11,784	9,511	Life Insurance Expense	41	0%	(2,232)	(23%)
51,269	51,006	53,069	Medical Claims Expense	(263)	(1%)	1,800	3%
77,165	79,990	20,068	Pharmacy Claims Expense	2,825	4%	(57,097)	(285%)
7,471	7,251	1,782	Administrative Service Fees (External)	(220)	(3%)	(5,689)	(319%)
2,681	2,744	3,329	Other Operating Expenses	63	2%	648	19%
(1,024)	0	0	Bad Debt Expense	1,024	0%	1,024	0%
185,943	193,970	177,746	TOTAL DEDUCTIONS	8,027	4%	(8,197)	(5%)
57,031	25,486	22,203	NET FUND INCREASE	31,545	124%	34,828	157%
			Net Assets Held in Trust for Post Employment Benefits				
422,636	422,636	397,414	Beginning of period	0	0%	25,222	6%
\$479,667	\$448,122	\$419,617	End of period	\$31,545	7%	\$60,050	14%

West Virginia Board of Risk and Insurance Management
UNAUDITED BALANCE SHEET

DRAFT

	April 30	
	2011	2010
	(in thousands)	
ASSETS		
Short Term Assets		
Cash and Equivalents	\$ 17,858	\$ 27,738
Advance Deposit with Carrier/Trustee	195,319	181,924
Receivables - Net	3,283	2,574
Prepaid Insurance	1,052	1,042
Total Short Term Assets	217,512	213,278
Long Term Assets		
Investments	141,284	122,987
Total Long Term Assets	141,284	122,987
TOTAL ASSETS	358,796	336,265
LIABILITIES		
Short Term Liabilities		
Accounts payable	2,389	1,328
Claims Payable	116	157
OPEB Liability	181	-
Agents Commissions Payable	1,081	1,049
Unearned Revenue	9,320	10,277
Current Estimated Claim Reserve	44,898	42,204
Total Short Term Liabilities	57,985	55,015
Long Term Liabilities		
Compensated Absences	66	58
Estimated Noncurrent Claim Reserve	88,949	103,618
Total Long Term Liabilities	89,015	103,676
TOTAL LIABILITIES	147,000	158,691
Prior Year Net Assets	192,207	150,958
Current Year Earnings	19,589	26,616
TOTAL NET ASSETS	211,796	177,574
TOTAL LIABILITIES AND RETAINED EARNINGS	\$ 358,796	\$ 336,265

DRAFT - Unaudited - Management Purposes Only

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

DRAFT

	April 30	
	2011	2010
	(in thousands)	
Operating Revenues		
Premium Revenues	\$ 43,884	\$ 48,454
Less - Excess Insurance	(5,061)	(5,213)
Total Operating Revenues	38,823	43,241
Operating Expenses		
Claims Expense	30,038	30,845
Property & MS Claims Expense	3,589	5,793
Personal Services	1,146	1,065
General & Administrative Expense	2,272	2,119
Total Operating Expenses	37,045	39,822
Operating Income	1,778	3,419
Nonoperating Revenues		
Fees and Assessments	27	27
Investment Income	17,784	23,170
Total Nonoperating Revenues	17,811	23,197
Net Income	19,589	26,616

DRAFT - Unaudited - Management Purposes Only

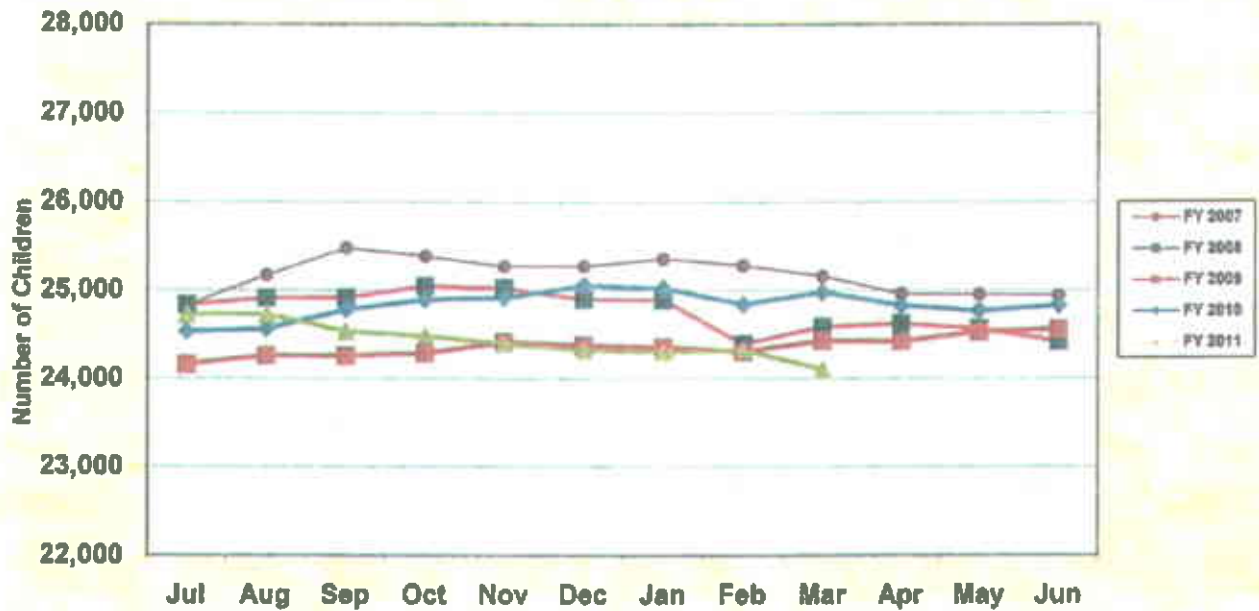


West Virginia Children's Health Insurance Program
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**Joint Committee on
Government and Finance
Report**

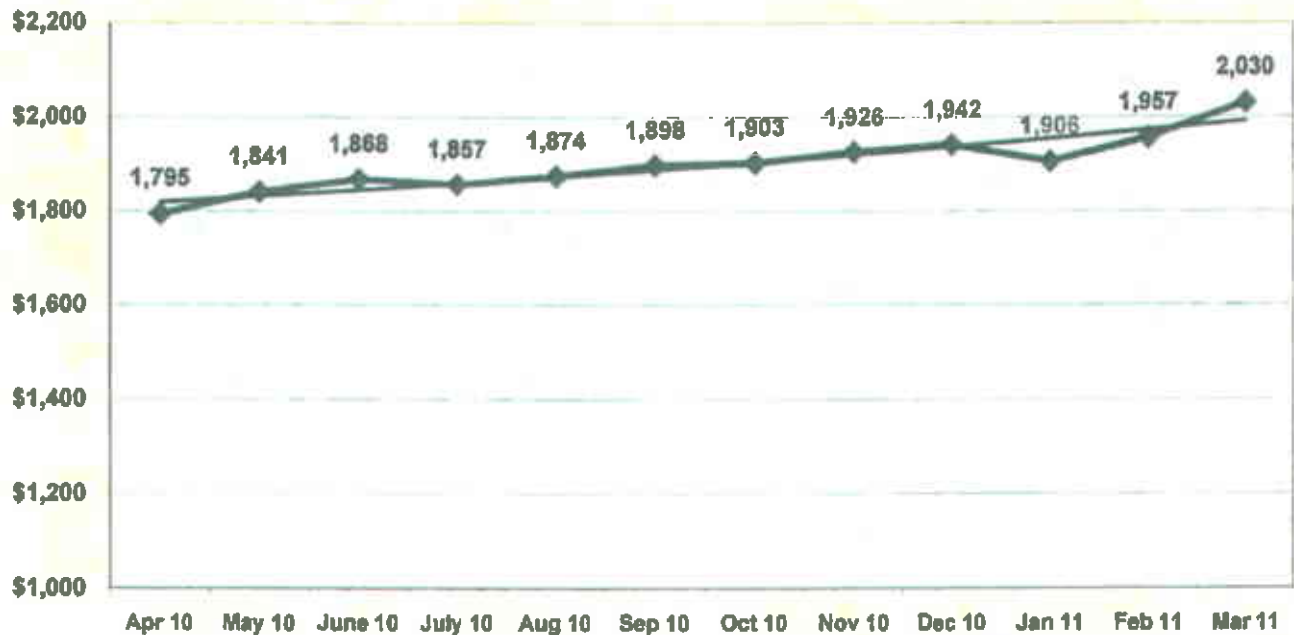
June 2011

WV CHIP Enrollment



March 31st Enrollment 24,100

Annualized Health Care Expenditures (Cost per Child)



**West Virginia Children's Health Insurance Program
Comparative Balance Sheet
March 2011 and 2010
(Accrual Basis)**

	March 31, 2011	March 31, 2010	Variance	
Assets:				
Cash & Cash Equivalents	\$12,048,636	\$11,945,024	\$103,612	1%
Due From Federal Government	\$4,919,439	\$3,153,577	\$1,765,862	56%
Due From Other Funds	\$873,178	\$744,158	\$129,020	17%
Accrued Interest Receivable	\$11,968	\$14,803	(\$2,835)	-19%
Fixed Assets, at Historical Cost	<u>\$64,726</u>	<u>\$69,738</u>	<u>(\$5,012)</u>	<u>-7%</u>
Total Assets	<u>\$17,917,946</u>	<u>\$15,927,300</u>	<u>\$1,990,646</u>	<u>12%</u>
Liabilities:				
Due to Other Funds	\$301,920	\$355,529	(\$53,609)	-15%
Deferred Revenue	\$3,054,459	\$2,573,295	\$481,164	19%
Unpaid Insurance Claims Liability	<u>\$4,360,000</u>	<u>\$3,740,000</u>	<u>\$620,000</u>	<u>17%</u>
Total Liabilities	<u>\$7,716,379</u>	<u>\$6,668,824</u>	<u>\$1,047,555</u>	<u>16%</u>
Fund Equity	<u>\$10,201,567</u>	<u>\$9,258,476</u>	<u>\$943,091</u>	<u>10%</u>
Total Liabilities and Fund Equity	<u>\$17,917,946</u>	<u>\$15,927,300</u>	<u>\$1,990,646</u>	<u>12%</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 Nine Months Ending March 31, 2011 and March 31, 2010
(Modified Accrual Basis)

	March 31, 2011	March 31, 2010	Variance	
Revenues				
Federal Grants	32,177,530	28,866,617	3,310,913	11%
State Appropriations	8,985,171	7,351,715	(366,544)	-5%
Premium Revenues	348,272	249,625	98,647	40%
Investment Income:				
Investment Earnings	211,995	75,234	136,761	182%
Unrealized Gain On Investments*	187,812	48,043	119,769	100%
Total Investment Income	<u>379,807</u>	<u>123,277</u>	<u>256,530</u>	<u>208%</u>
Total Revenues	<u>39,890,780</u>	<u>36,691,234</u>	<u>3,299,546</u>	<u>9%</u>
Expenditures:				
Claims:				
Outpatient Services	9,762,784	8,987,284	775,500	9%
Physicians & Surgical	8,006,984	7,184,298	822,686	11%
Prescribed Drugs	7,355,355	6,535,958	819,399	13%
Dental	4,896,665	3,882,384	1,014,281	26%
Inpatient Hospital Services	3,085,293	2,541,270	544,023	21%
Outpatient Mental Health	1,098,973	908,008	190,965	21%
Durable & Disposable Med. Equip.	921,606	924,027	(2,421)	0%
Inpatient Mental Health	652,358	624,785	27,573	4%
Vision	657,124	533,979	123,145	23%
Therapy	435,062	349,530	85,532	24%
Medical Transportation	309,333	233,030	76,303	33%
Other Services	99,981	56,387	43,594	77%
Less: Collections**	<u>(630,044)</u>	<u>(380,083)</u>	<u>(249,961)</u>	<u>66%</u>
Total Claims	<u>36,651,474</u>	<u>32,380,855</u>	<u>4,270,619</u>	<u>13%</u>
General and Admin Expenses:				
Salaries and Benefits	389,003	372,208	(3,205)	-1%
Program Administration	2,012,165	2,223,467	(211,302)	-10%
Eligibility	290,469	301,478	(11,009)	-4%
Outreach & Health Promotion	363,989	214,986	149,003	69%
Current	111,839	93,812	17,827	19%
Total Administrative	<u>3,147,245</u>	<u>3,205,931</u>	<u>(58,686)</u>	<u>-2%</u>
Total Expenditures	<u>39,798,719</u>	<u>35,586,786</u>	<u>4,211,933</u>	<u>12%</u>
Excess of Revenues				
Over (Under) Expenditures	92,061	1,004,448	(912,387)	-91%
Fund Equity, Beginning	<u>10,108,806</u>	<u>8,254,028</u>	<u>1,855,478</u>	<u>22%</u>
Fund Equity, Ending	<u>10,201,567</u>	<u>9,258,476</u>	<u>943,091</u>	<u>10%</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 Nine Months Ended March 31, 2011**

	<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>Mar-11</u>	<u>Actual Amt Feb-11</u>	<u>Actual Amt Jan-11</u>
Projected Cost	\$48,263,300	\$36,197,475	\$36,561,072	(\$363,597)	-1%	\$4,021,942	\$5,796,540	\$4,914,881	\$3,470,965
Premiums	350,000	\$282,500	348,272	(\$85,772)	33%	\$29,167	48,273	40,770	43,491
Subrogation & Rebates	543,140	\$407,355	632,610	(225,255)	55%	45,262	235,877	33,195	43,654
Net Benefit Cost	47,370,160	35,527,620	\$35,580,191	(\$52,571)	0%	\$3,947,513	5,512,390	4,840,916	3,383,820
Salaries & Benefits	\$580,500	\$435,375	\$369,003	\$66,372	15%	\$47,675	\$38,355	\$34,944	\$40,275
Program Administration	3,346,959	\$2,510,219	2,079,769	430,460	17%	252,913	302,152	186,156	210,769
Eligibility	420,000	\$315,000	315,459	(459)	0%	35,000	155,825	43	11,529
Outreach	300,000	\$225,000	324,802	(99,802)	-44%	25,000	21,901	2,775	5,906
Current Expense	160,000	\$120,000	111,833	8,167	7%	13,333	22,426	7,131	13,405
Total Admin Cost	\$4,807,459	\$3,605,594	\$3,200,856	\$404,738	11%	\$373,922	\$540,659	\$231,049	\$281,874
Total Program Cost	\$52,177,619	\$39,133,214	\$38,781,047	\$352,166	1%	\$4,321,435	\$6,053,049	\$5,071,965	\$3,665,694
Federal Share 81.27%	42,216,962	\$31,662,721	\$31,581,233	81,489	0%	3,536,230	4,919,313	4,121,986	2,979,109
State Share 18.73%	9,960,657	\$7,470,493	\$7,199,814	270,679	4%	785,205	1,133,736	949,979	686,584
Total Program Cost **	\$52,177,619	\$39,133,214	\$38,781,047	\$352,166	1%	\$4,321,435	\$6,053,049	\$5,071,965	\$3,665,694

* 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 Scenario 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

May 2011

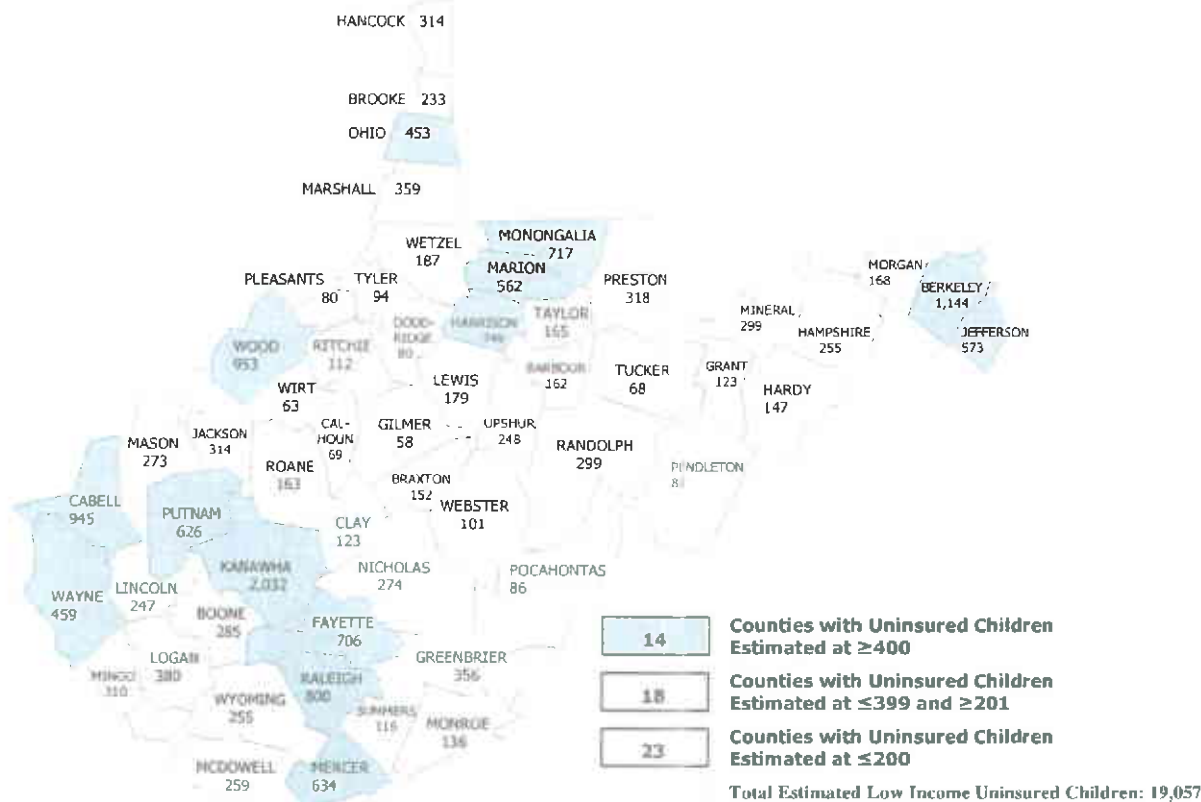
County	County Pop. 2005 Est. (0-18 Yrs)	Total CHIP Enrollment May-11	Total Medicaid Enrollment May-11	Total CHIP/Medicaid Enrollment	CHIP/Medicaid Enrollment % of Population	2009	2009
						Est. Uninsured 5%	# Children Uninsured Ranking*
Barbour	3,248	249	1,572	1,821	56.1%	162	38
Berkeley	22,882	1,253	7,779	9,032	39.5%	1,144	2
Boone	5,706	318	2,626	2,944	51.6%	285	24
Braxton	3,044	216	1,576	1,792	58.9%	152	39
Brooke	4,658	287	1,528	1,815	39.0%	233	32
Cabell	18,900	1,037	8,465	9,502	50.3%	945	4
Calhoun	1,389	118	862	980	70.6%	69	52
Clay	2,454	174	1,412	1,586	64.6%	123	43
Doddridge	1,607	125	694	819	51.0%	80	50
Fayette	9,692	799	4,630	5,429	56.0%	485	12
Gilmer	1,154	81	602	683	59.2%	58	55
Grant	2,463	171	978	1,149	46.7%	123	42
Greenbrier	7,110	558	2,912	3,470	48.8%	356	17
Hampshire	5,110	318	2,219	2,537	49.6%	255	28
Hancock	6,270	360	2,509	2,869	45.8%	314	20
Hardy	2,950	163	1,287	1,450	49.2%	147	40
Harrison	14,973	911	5,776	6,687	44.7%	749	6
Jackson	6,277	448	2,843	3,291	52.4%	314	19
Jefferson	11,465	462	3,041	3,503	30.6%	573	10
Kanawha	40,647	2,286	16,944	19,230	47.3%	2,032	1
Lewis	3,577	277	1,807	2,084	58.3%	179	34
Lincoln	4,945	354	2,729	3,083	62.4%	247	31
Logan	7,610	525	3,856	4,381	57.6%	380	15
Marion	11,245	667	4,422	5,089	45.3%	562	11
Marshall	7,176	333	2,829	3,162	44.1%	359	16
Mason	5,461	268	2,772	3,040	55.7%	273	26
McDowell	5,170	317	3,244	3,561	68.9%	259	27
Mercer	12,687	1,131	6,857	7,988	63.0%	634	8
Mineral	5,973	310	2,023	2,333	39.1%	299	22
Mingo	6,204	345	3,111	3,456	55.7%	310	21
Monongalia	14,346	758	4,320	5,078	35.4%	717	7
Monroe	2,728	231	1,029	1,260	46.2%	136	41
Morgan	3,365	275	1,293	1,568	46.6%	168	35
Nicholas	5,478	381	2,677	3,058	55.8%	274	25
Ohio	9,068	470	3,102	3,572	39.4%	453	14
Pendleton	1,632	122	533	655	40.1%	82	49
Pleasants	1,593	107	563	670	42.1%	80	51
Pocahontas	1,717	162	668	830	48.3%	86	48
Preston	6,354	518	2,357	2,875	45.2%	318	18
Putnam	12,522	705	3,534	4,239	33.9%	626	9
Raleigh	15,992	1,260	7,396	8,656	54.1%	800	5
Randolph	5,971	435	2,589	3,024	50.6%	299	23
Ritchie	2,234	143	883	1,026	45.9%	112	45
Roane	3,266	300	1,688	1,988	60.9%	163	37
Summers	2,322	218	1,197	1,415	60.9%	116	44
Taylor	3,307	217	1,397	1,614	48.8%	165	36
Tucker	1,354	118	509	627	46.3%	68	53
Tyler	1,887	146	731	877	46.5%	94	47

WVCHIP Enrollment Report

ATTACHMENT 1

May 2011

County	County Pop. 2005 Est. (0-18 Yrs)	Total CHIP Enrollment May-11	Total Medicaid Enrollment May-11	Total CHIP/Medicaid Enrollment	CHIP/Medicaid Enrollment % of Population	2009 Est. Uninsured 5%	2009 # Children Uninsured Ranking*
Upshur	4,956	394	2,365	2,759	55.7%	248	30
Wayne	9,176	549	4,126	4,675	50.9%	459	13
Webster	2,020	156	1,186	1,342	66.4%	101	46
Wetzel	3,732	230	1,590	1,820	48.8%	187	33
Wirt	1,268	105	588	693	54.7%	63	54
Wood	19,063	1,151	8,565	9,716	51.0%	953	3
Wyoming	5,092	412	2,551	2,963	58.2%	255	29
Totals	382,490	24,424	161,342	185,766	48.6%	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

JUNE 2011

Department of Administration

State Children's Health Insurance Program
UPDATE



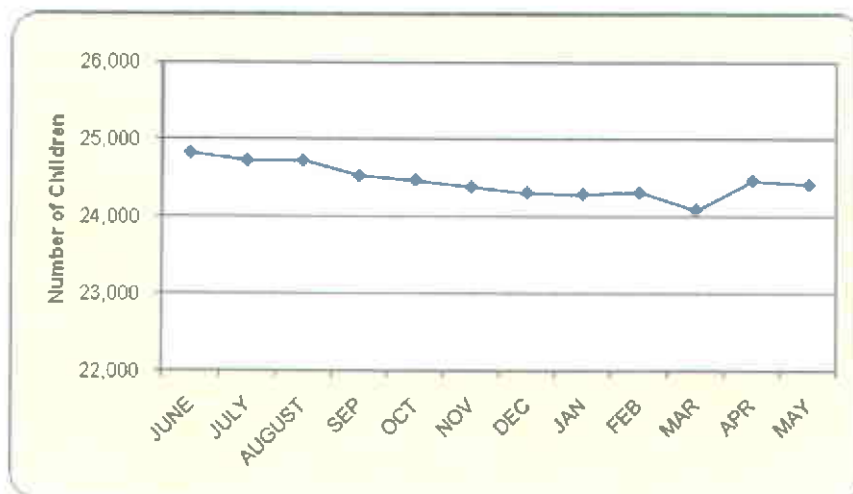
WV CHILDREN'S HEALTH INSURANCE AGENCY

REPORT FOR JUNE 2011

I. Enrollment on May 2011: 24,424

See Attachment 1 for enrollment by county.

Current 12-Month Enrollment Period: June 2010 through May 2011



Enrollee Totals: March 2011 to May 2011

Month	Total	1 Year Average	Total
March	1,890	Average	1,764
April	1,659	High	2,024
May	1,504	Low	1,504

New Enrollee (Never Before on CHIP) Totals: March 2011 to May 2011

Month	Total	1 Year Average	Total
March	649	Average	656
April	604	High	770
May	542	Low	542

II. Re-enrollment for 3 Month Period: February 2011 to April 2011

Total Forms Mailed		Enrolled within Notice Period		Reopened Cases After Closure		Final Closures	
Month	Total	#	%	#	%	#	%
February	1,942	1,179	61%	168	9%	556	29%
March	1,760	1,057	60%	164	9%	504	29%
April	1,721	1,011	59%	149	9%	520	30%

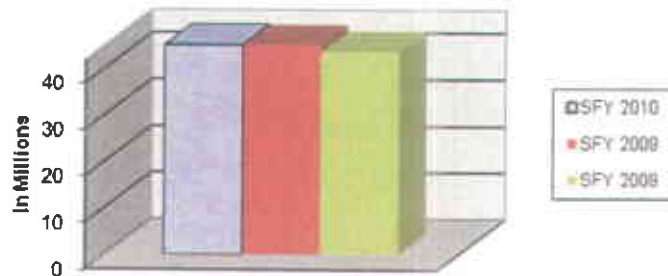
III. Financial Activity

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

The average annualized claims cost per child for the month ended March 2011 was \$1,946.

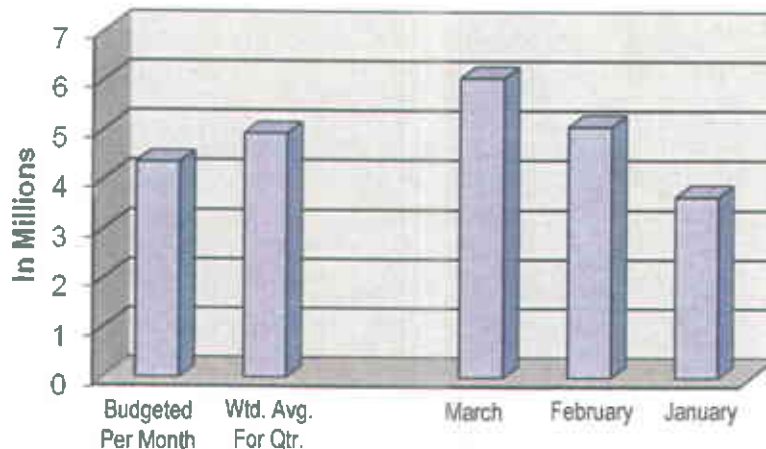
Annual Expenditures for a 3 Year Period: SFY 2008 – SFY 2010

	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: January 2011 – March 2011

	Budgeted Per Month	Wtd. Avg. For Qtr.	Actual		
			March 2011	February 2011	January 2011
Federal	3,518,080	4,034,412	4,953,210	4,150,389	2,999,637
State	830,055	895,824	1,099,839	921,576	666,057
Total	4,348,135	4,930,236	6,053,049	5,071,965	3,665,694



IV. Other Highlights

- ◆ The Children's Health Insurance Board approved expansion of WVCHIP to 300% FPL at its February 24, 2011, meeting. A State Plan Amendment was submitted to the Centers for Medicare and Medicaid Services (CMS) on March 31, 2011, to request approval of expansion to 300% FPL as well as to make certain changes to services necessary for CHIPRA compliance.
- ◆ WVCHIP will be a sponsor for the 2011 West Virginia DanceDanceRevolution Tournament.

WVCHIP Enrollment Report

ATTACHMENT 1

May 2011

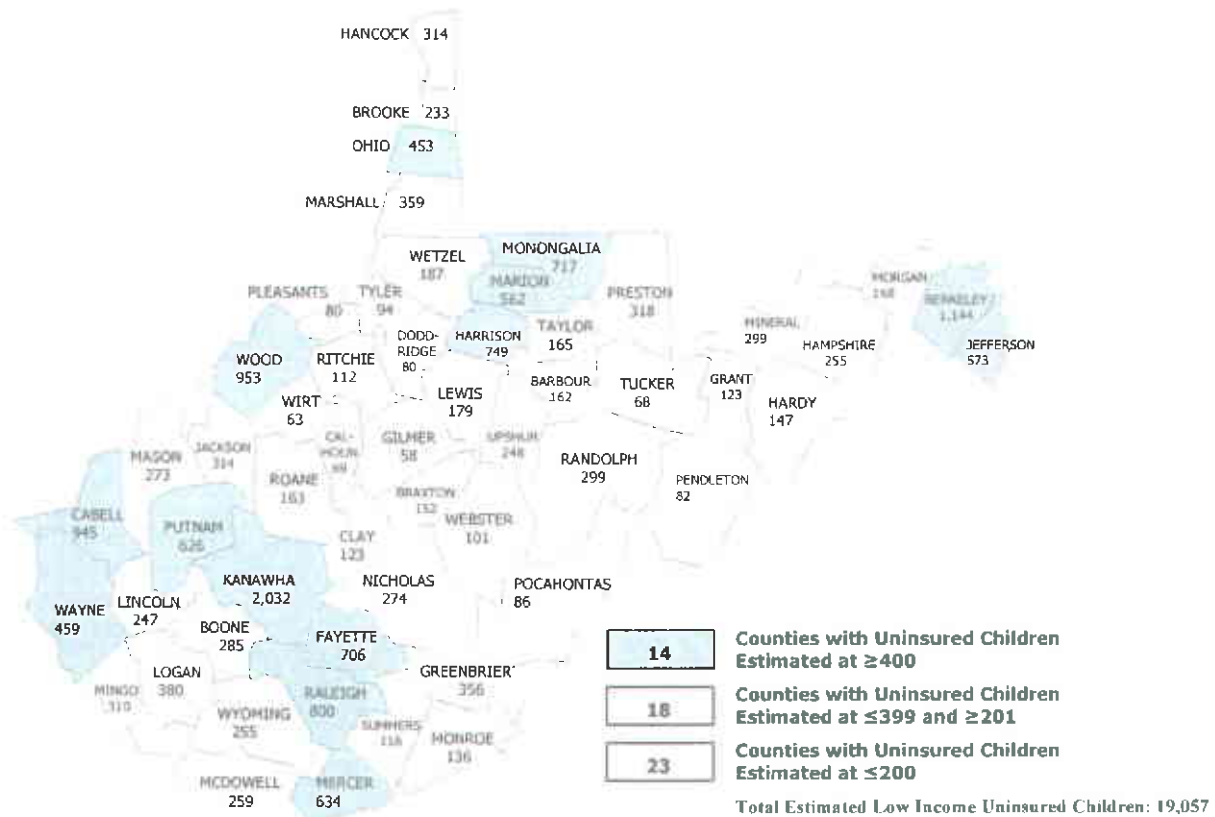
County	County Pop	Total CHIP	Total Medicaid	Total	CHIP/Medicaid	2009	2009
	2005 Est (0-18 Yrs)	Enrollment May-11	Enrollment May-11	CHIP/Medicaid Enrollment	Enrollment % of Population	Est Uninsured 5%	# Children Uninsured Ranking*
Barbour	3,248	249	1,572	1,821	56.1%	162	38
Berkeley	22,882	1,253	7,779	9,032	39.5%	1,144	2
Boone	5,706	318	2,626	2,944	51.6%	285	24
Braxton	3,044	216	1,576	1,792	58.9%	152	39
Brooke	4,658	287	1,528	1,815	39.0%	233	32
Cabell	18,900	1,037	8,465	9,502	50.3%	945	4
Calhoun	1,389	118	862	980	70.6%	69	52
Clay	2,454	174	1,412	1,586	64.6%	123	43
Doddridge	1,607	125	694	819	51.0%	80	50
Fayette	9,692	799	4,630	5,429	56.0%	485	12
Gilmer	1,154	81	602	683	59.2%	58	55
Grant	2,463	171	978	1,149	46.7%	123	42
Greenbrier	7,110	558	2,912	3,470	48.8%	356	17
Hampshire	5,110	318	2,219	2,537	49.6%	255	28
Hancock	6,270	360	2,509	2,869	45.8%	314	20
Hardy	2,950	163	1,287	1,450	49.2%	147	40
Harrison	14,973	911	5,776	6,687	44.7%	749	6
Jackson	6,277	448	2,843	3,291	52.4%	314	19
Jefferson	11,465	462	3,041	3,503	30.6%	573	10
Kanawha	40,647	2,286	16,944	19,230	47.3%	2,032	1
Lewis	3,577	277	1,807	2,084	58.3%	179	34
Lincoln	4,945	354	2,729	3,083	62.4%	247	31
Logan	7,610	525	3,856	4,381	57.6%	380	15
Marion	11,245	667	4,422	5,089	45.3%	562	11
Marshall	7,176	333	2,829	3,162	44.1%	359	16
Mason	5,461	268	2,772	3,040	55.7%	273	26
McDowell	5,170	317	3,244	3,561	68.9%	259	27
Mercer	12,687	1,131	6,857	7,988	63.0%	634	8
Mineral	5,973	310	2,023	2,333	39.1%	299	22
Mingo	6,204	345	3,111	3,456	55.7%	310	21
Monongalia	14,346	758	4,320	5,078	35.4%	717	7
Monroe	2,728	231	1,029	1,260	46.2%	136	41
Morgan	3,365	275	1,293	1,568	46.6%	168	35
Nicholas	5,478	381	2,677	3,058	55.8%	274	25
Ohio	9,068	470	3,102	3,572	39.4%	453	14
Pendleton	1,632	122	533	655	40.1%	82	49
Pleasants	1,593	107	563	670	42.1%	80	51
Pocahontas	1,717	162	668	830	48.3%	86	48
Preston	6,354	518	2,357	2,875	45.2%	318	18
Putnam	12,522	705	3,534	4,239	33.9%	626	9
Raleigh	15,992	1,260	7,396	8,656	54.1%	800	5
Randolph	5,971	435	2,589	3,024	50.6%	299	23
Ritchie	2,234	143	883	1,026	45.9%	112	45
Roane	3,266	300	1,688	1,988	60.9%	163	37
Summers	2,322	218	1,197	1,415	60.9%	116	44
Taylor	3,307	217	1,397	1,614	48.8%	165	36
Tucker	1,354	118	509	627	46.3%	68	53
Tyler	1,887	146	731	877	46.5%	94	47

WVCHIP Enrollment Report

ATTACHMENT 1

May 2011

County	County Pop. 2005 Est. (0-18 Yrs)	Total CHIP Enrollment May-11	Total Medicaid Enrollment May-11	Total CHIP/Medicaid Enrollment	CHIP/Medicaid % of Population	2009 Est. Uninsured 5%	2009 # Children Uninsured Ranking*
Upshur	4,956	394	2,365	2,759	55.7%	248	30
Wayne	9,176	549	4,126	4,675	50.9%	459	13
Webster	2,020	156	1,186	1,342	66.4%	101	46
Wetzel	3,732	230	1,590	1,820	48.8%	187	33
Wirt	1,268	105	588	693	54.7%	63	54
Wood	19,063	1,151	8,565	9,716	51.0%	953	3
Wyoming	5,092	412	2,551	2,963	58.2%	255	29
Totals	382,490	24,424	161,342	185,766	48.6%	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 Balance Sheet
March 2011 and 2010
(Accrual Basis)

	March 31, 2011	March 31, 2010	Variance	
Assets:				
Cash & Cash Equivalents	\$12,048,636	\$11,945,024	\$103,612	1%
Due From Federal Government	\$4,919,439	\$3,153,577	\$1,765,862	56%
Due From Other Funds	\$873,178	\$744,158	\$129,020	17%
Accrued Interest Receivable	\$11,968	\$14,803	(\$2,835)	-19%
Fixed Assets, at Historical Cost	<u>\$64,726</u>	<u>\$69,738</u>	<u>(\$5,012)</u>	<u>-7%</u>
Total Assets	<u>\$17,917,946</u>	<u>\$15,927,300</u>	<u>\$1,990,646</u>	<u>12%</u>
Liabilities:				
Due to Other Funds	\$301,920	\$355,529	(\$53,609)	-15%
Deferred Revenue	\$3,054,459	\$2,573,295	\$481,164	19%
Unpaid Insurance Claims Liability	<u>\$4,360,000</u>	<u>\$3,740,000</u>	<u>\$620,000</u>	<u>17%</u>
Total Liabilities	<u>\$7,716,379</u>	<u>\$6,668,824</u>	<u>\$1,047,555</u>	<u>16%</u>
Fund Equity	<u>\$10,201,567</u>	<u>\$9,258,476</u>	<u>\$943,091</u>	<u>10%</u>
Total Liabilities and Fund Equity	<u>\$17,917,946</u>	<u>\$15,927,300</u>	<u>\$1,990,646</u>	<u>12%</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 Nine Months Ending March 31, 2011 and March 31, 2010
(Modified Accrual Basis)

	March 31, 2011	March 31, 2010	Variance	
Revenues				
Federal Grants	32,177,530	28,868,617	3,310,913	11%
State Appropriations	6,985,171	7,351,715	(366,544)	-5%
Premium Revenues	348,272	249,625	98,647	40%
Investment Income:				
Investment Earnings	211,995	75,234	136,761	182%
Unrealized Gain On Investments*	167,812	48,043	119,769	100%
Total Investment Income	<u>379,807</u>	<u>123,277</u>	<u>256,530</u>	<u>208%</u>
Total Revenues	<u>38,880,780</u>	<u>36,591,234</u>	<u>3,289,546</u>	<u>9%</u>
Expenditures:				
Claims:				
Outpatient Services	9,762,784	8,987,284	775,500	9%
Physicians & Surgical	8,006,984	7,184,298	822,686	11%
Prescribed Drugs	7,355,355	6,636,866	819,399	13%
Dental	4,896,665	3,882,384	1,014,281	26%
Inpatient Hospital Services	3,085,293	2,541,270	544,023	21%
Outpatient Mental Health	1,098,973	808,008	190,965	21%
Durable & Disposable Med. Equip.	921,606	924,027	(2,421)	0%
Inpatient Mental Health	652,358	624,785	27,573	4%
Vision	657,124	533,879	123,145	23%
Therapy	435,062	349,530	85,532	24%
Medical Transportation	309,333	233,030	76,303	33%
Other Services	99,981	56,387	43,594	77%
Less: Collections**	<u>(630,044)</u>	<u>(380,083)</u>	<u>(249,961)</u>	<u>66%</u>
Total Claims	<u>38,651,474</u>	<u>32,380,866</u>	<u>4,270,619</u>	<u>13%</u>
General and Admin Expenses:				
Salaries and Benefits	369,003	372,208	(3,205)	-1%
Program Administration	2,012,165	2,223,467	(211,302)	-10%
Eligibility	290,469	301,478	(11,009)	-4%
Outreach & Health Promotion	363,969	214,966	149,003	69%
Current	<u>111,639</u>	<u>93,812</u>	<u>17,827</u>	<u>18%</u>
Total Administrative	<u>3,147,245</u>	<u>3,205,931</u>	<u>(58,686)</u>	<u>-2%</u>
Total Expenditures	<u>39,798,719</u>	<u>35,586,788</u>	<u>4,211,933</u>	<u>12%</u>
Excess of Revenues				
Over (Under) Expenditures	92,081	1,004,448	(912,387)	-91%
Fund Equity, Beginning	<u>10,109,606</u>	<u>8,254,028</u>	<u>1,855,478</u>	<u>22%</u>
Fund Equity, Ending	<u>10,201,687</u>	<u>9,258,476</u>	<u>943,091</u>	<u>10%</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

Investment Account

Funds Invested	\$11,802,275
Interest Earned	<u>211,995</u>
Total	<u>\$12,014,270</u>

Department of Administration Real Estate Division Leasing Report
For the period of May 1, 2011 through May 31, 2011

NEW CONTRACT OF LEASE

DEPARTMENT OF ENVIRONMENTAL PROTECTION

DEP-184 New Contract of Lease for 5 years consisting of 1,600 square feet of storage space at the annual per square foot rate of \$1.88, annual cost \$3,000.00, electric only, in the City of Wheeling, Ohio County, West Virginia.

DEPARTMENT OF HEALTH AND HUMAN RESOURCES

HHR-203 New Contract of Lease for 1 year consisting of 400 square feet of office space at the annual per square foot rate of \$13.50, annual cost \$5,400.00, full service, in the City of Petersburg, Grant County.

SMALL BUSINESS DEVELOPMENT CENTER

SBD-002 New Contract of Lease for 5 years consisting of 1,114 square feet of office space at the annual per square foot rate of \$16.75, annual cost \$18,660.00, full service, in the City of Charleston, Kanawha County, West Virginia.

VIGILANT TECHNOLOGIES

VTS-001 New Contract of Lease for 5 years with Educational Broadcasting Authority, consisting of tower space at the monthly rate of \$2,000.00, annual cost \$24,000.00, in Grant District, Preston County, West Virginia.

WORKFORCE WEST VIRGINIA

WWV-026 New Contract of Lease for 18 months consisting of 2,480 square feet of office space at the annual per square foot rate of \$16.70, annual cost \$41,415.96, water/sewer only, in the City of Logan, Logan County, West Virginia.

STRAIGHT RENEWAL

DEPARTMENT OF ENVIRONMENTAL PROTECTION

DEP-159 Renewal for 1 year consisting of 150 square feet of storage space at the current annual per square foot rate of \$4.80, annual cost \$720.00 in the City of Mt. Storm, Grant County, West Virginia.

DEP-087 Renewal for 1 year consisting of 4,000 square feet of office space at the current annual per square foot rate of \$8.32, annual cost \$33,280.08, full service except janitorial, in the City of Welch, McDowell County, West Virginia.

DEP-085 Renewal for 5 years consisting of 2,587 square feet of office space at the current annual per square foot rate of \$ 12.00, annual cost \$31,044.00, full service, in the City of Parkersburg, Wood County, West Virginia.

STRAIGHT RENEWAL CONTINUED

DEPARTMENT OF HEALTH AND HUMAN RESOURCES

HHR-209 Renewal for 3 years consisting of 4,400 square feet of storage space at the current annual per square foot rate of \$10.50, annual cost \$46,200.00, in the City of Charleston, Kanawha County, West Virginia.

HHR-173 Renewal for 2 years consisting of 8,160 square feet of office space at the current annual per square foot rate of \$8.80, annual cost \$71,808.00, in the City of Point Pleasant, Mason County, West Virginia.

DEPARTMENT OF HEALTH AND HUMAN RESOURCES

HHR-159 Renewal for 3 years consisting of 1,298 square feet of office space at the current square foot rate of \$5.55, annual cost \$7,203.96, in the City of Middlebourne, Tyler County, West Virginia.

HHR-152 Renewal for 3 years consisting of 2,878 square feet of office space at the current annual per square foot rate of \$6.50, annual cost \$18,708.00, in the city of Kearneysville, Jefferson County, West Virginia.

DIVISION OF MOTOR VEHICLES

DMV-032 Renewal for 5 years consisting of 2,250 square feet of office space at the current annual per square foot rate of \$9.50, annual cost \$21,375.00, in the City of Fairmont, Marion County, West Virginia.

DMV-015 Renewal for 1 year consisting of 7,167 square feet of office space at the current annual per square foot rate of \$8.35, annual cost \$59,874.60, in the City of Martinsburg, Berkeley County, West Virginia.

DIVISION OF NATURAL RESOURCES

NAT-096 Renewal for 1 year consisting of an embayment at the current monthly rate of \$20.00, annual cost \$240.00, in French Creek, Pleasants County, West Virginia.

DIVISION OF REHABILITATION SERVICES

DRS-090 Renewal for 6 months consisting of 6,820 square feet of office space at the current annual per square foot rate of \$14.45, annual cost \$98,549.00, full service, in the City of Beckley, Raleigh County, West Virginia.

FAIRMONT STATE UNIVERSITY

FSC-026 Renewal for 1 year consisting of 200 square feet of storage space at the current annual per square foot rate of \$3.60, annual cost \$720.00, in the City of Fairmont, Marion County, West Virginia.

HUMAN RIGHTS COMMISSION

HRC-003 Renewal for 5 years consisting of 9,791 square feet of office space at the current annual per square foot rate of \$10.56, annual cost \$103,392.96, full service, in the City of Charleston, Kanawha County, West Virginia.

STRAIGHT RENEWAL CONTINUED

WORKFORCE WEST VIRGINIA

WWV-017-SUB Renewal for 1 year consisting of 324 square feet of office space at the current annual per square foot rate of \$37.04, annual cost \$12,000.00, full service, in the City of Pt. Pleasant, Mason County, West Virginia.

WWV-010 Renewal for 1 year consisting of 2,658 square feet of office space at the current annual per square foot rate of \$10.45, annual cost \$27,776.16, full service, in the City of Fairlea, Greenbrier County, West Virginia.

RENEWAL/INCREASE IN RENT

BOARD OF EXAMINERS OF PSYCHOLOGISTS

PSY-001 Renewal for 1 year consisting of 600 square feet of office space with an increase in the annual per square foot rate from \$7.73 to \$8.04, annual cost \$4,824.00, full service, in the City of Charleston, Kanawha County, West Virginia.

DEPARTMENT OF ENVIRONMENTAL PROTECTION

DEP-105 Renewal for 5 years consisting of 2,500 square feet of office space with an increase in the annual per square foot rate from \$6.36 to \$7.00, annual cost \$17,499.96, in the City of Teays Valley, Putnam County, West Virginia.

DIVISION OF NATURAL RESOURCES

NAT-125 Renewal for 3 years consisting of 200 square feet of storage space with an increase in the annual per square foot rate from \$6.60 to \$7.02, annual cost \$1,404.00, in the City of South Charleston, Kanawha County, West Virginia.

WEST VIRGINIA BOARD OF DENTAL EXAMINERS

DEB-002 Renewal for 5 years consisting of 1,600 square feet of office space with an increase in the annual per square foot rate from \$6.75 to \$9.38, annual cost \$15,000.00, in the City of Crab Orchard, Raleigh County, West Virginia.

WORKFORCE WEST VIRGINIA

WWV-013-SUB Renewal for 6 months consisting of 5,209 square feet of office space with an increase in the annual per square foot rate from \$13.13 to \$14.26, annual cost \$74,280.24, full service, in the City of Beckley, Raleigh County, West Virginia.

ADDITION OF SQUARE FOOTAGE

DEPARTMENT OF ENVIRONMENTAL PROTECTION

DEP-117 Renewal for 5 years with an addition of 676 square feet for a total of 900 square feet for an air monitoring site at the current annual rate of \$1.00, in the City of Vienna, Wood County, West Virginia.

DIVISION OF REHABILITATION SERVICES

DRS-081 Addition of 1,349 square feet for a total of 3,244 square feet of office space at the current annual per square foot rate of \$13.00, annual cost \$42,171.96, full service, in the City of Moorefield, Hardy County, West Virginia.

WORKFORCE WEST VIRGINIA

WWV-028 Addition of 292 square feet for a total of 5,445 square feet of office space at the current annual per square foot rate of \$15.15, annual cost \$82,491.75, full service, in the City of Martinsburg, Berkeley County, West Virginia.

RENEWAL WITH ADDITION OF SQUARE FOOTAGE & INCREASE IN RENT

DIVISION OF REHABILITATION SERVICES

DRS-039 Renewal for 18 months with an addition of 580 square feet for a total of 2,330 square feet of office space with an increase in the annual per square foot rate from \$6.69 to \$8.69, annual cost \$20,247.72. in the City of Logan, Logan County, West Virginia.

CANCELLATION

OFFICE OF ECONOMIC OPPORTUNITY – GOVERNOR'S OFFICE

GCC-006 Lease cancellation consisting of 180 square feet of office space at the current annual per square foot rate of \$13.00, annual cost \$3,600.00, full service in the City of Fairmont, Marion County, West Virginia.

Real Estate Division
 Monthly Summary of Lease Activity
 May 1 - 31, 2011

# of Transactions	Agency	Lease #	County	Square Feet	Rental Rate	Annual Rent
1	Department of Environmental Protection	DEP-184	Ohio	1,600	1.88	3,000
2	Department of Health and Human Resources	HHR-203	Grant	400	13.50	5,400
3	Small Business Development Center	SBD-002	Kanawha	1,114	16.75	18,660
4	Vigilant Technologies	VTS-001	Preston	0	0.00	24,000
5	WORKFORCE West Virginia	WWV-026	Logan	2,480	16.70	41,416
6	Department of Environmental Protection	DEP-159	Grant	150	4.80	720
7	Department of Environmental Protection	DEP-087	McDowell	4,000	8.32	33,280
8	Department of Environmental Protection	DEP-085	Wood	2,587	12.00	31,044
9	Department of Health and Human Resources	HHR-209	Kanawha	4,400	10.50	46,200
10	Department of Health and Human Resources	HHR-173	Mason	8,160	8.80	71,808
11	Department of Health and Human Resources	HHR-159	Tyler	1,298	5.55	7,204
12	Department of Health and Human Resources	HHR-152	Jefferson	2,878	6.50	18,707
13	Division of Motor Vehicles	DMV-032	Marion	2,250	9.50	21,375
14	Division of Motor Vehicles	DMV-015	Berkeley	7,167	8.35	59,875
15	Division of Natural Resources	NAT-096	Pleasants	0	0.00	240
16	Division of Rehabilitation Services	DRS-090	Raleigh	6,820	14.45	98,549
17	Fairmont State University	FSC-026	Marion	200	3.60	720
18	Human Rights Commission	HRC-003	Kanawha	9,791	10.56	103,393
19	WORKFORCE West Virginia	WWV-017	Mason	324	37.04	12,001
20	WORKFORCE West Virginia	WWV-010	Greenbrier	2,658	10.45	27,776
21	Board of Examiners of Psychologists	PSY-001	Kanawha	600	8.04	4,824
22	Department of Environmental Protection	DEP-105	Putnam	2,500	7.00	17,500
23	Division of Natural Resources	NAT-125	Kanawha	200	7.02	1,404
24	West Virginia Board of Dental Examiners	DEB-002	Raleigh	1,600	9.38	15,008
25	WORKFORCE West Virginia	WWV-013	Raleigh	5,209	14.26	74,280
26	Department of Environmental Protection	DEP-117	Wood	676	0.00	1
27	Division of Rehabilitation Services	DRS-081	Hardy	3,244	13.00	42,172
28	WORKFORCE West Virginia	WWV-028	Berkeley	5,445	15.15	82,492

29	Division of Rehabilitation Services	DRS-039	Logan	2,330	8.69	20,248
30	Office of Economic Opportunity - Governor's Office	GCC-006	Marion	180	13.00	3,600

					294.79	
	Total Rentable Square Feet	80,261				
	Average Annual Rental Rate				10.92	
	Total Annual Rent					886,896

Joint Committee on Government and Finance

June 2011

Department of Health and Human Resources

MEDICAID REPORT

April 2011 Data

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

	MONTH OF APRIL 2011					
	ACTUALS SFY2010	TOTAL SFY2011	ACTUALS Current Month 04/30/11	ESTIMATED Current Month 04/30/11	ACTUALS Year To-Date Thru 04/30/11	PROJECTED 05/01/11 Thru 06/30/11
EXPENDITURES:						
Inpatient Hospital - Reg. Payments	204,310,562	166,827,456	12,876,714	12,264,649	136,688,136	31,269,321
Inpatient Hospital - DSH	64,662,962	84,818,400	-	-	40,691,360	13,827,060
Inpatient Hospital - Supplemental Payments	34,034,919	134,060,573	5,301,926	5,301,900	129,160,887	4,899,678
Inpatient Hospital - GME Payments	4,919,343	4,807,200	-	-	3,871,348	936,862
Mental Health Facilities	70,573,848	72,945,200	6,648,888	6,626,696	68,195,020	6,760,180
Mental Health Facilities - DSH Adjustment Payments	18,687,045	18,688,800	-	-	14,150,111	4,738,689
Nursing Facility Services - Regular Payments	473,726,322	487,679,618	47,291,979	41,117,817	414,183,616	63,496,103
Nursing Facility Services - Supplemental Payments	-	-	-	-	-	-
Intermediate Care Facilities - Public Providers	-	-	-	-	-	-
Intermediate Care Facilities - Private Providers	63,010,181	69,762,600	3,903,809	6,813,642	61,249,604	18,612,896
Intermediate Care Facilities - Supplemental Payments	-	-	-	-	-	-
Physicians Services - Regular Payments	123,410,078	120,838,363	10,023,807	8,900,438	100,826,781	20,108,602
Physicians Services - Supplemental Payments ***	41,048,663	38,678,300	7,089,229	9,744,676	28,779,648	10,188,262
Outpatient Hospital Services - Regular Payments	94,162,911	93,718,036	8,620,661	8,873,148	86,237,662	7,478,374
Outpatient Hospital Services - Supplemental Payments	-	-	-	-	-	-
Prescribed Drugs	331,666,990	363,666,332	27,649,063	27,505,862	293,062,764	60,693,668
Drug Rebate Offset - National Agreement	(147,827,304)	(143,274,400)	(37,838,777)	(23,283,830)	(173,676,848)	30,302,148
Drug Rebate Offset - State Sidebar Agreement	(21,789,229)	(25,384,200)	(2,946,660)	(4,126,241)	(17,686,698)	(7,797,602)
Dental Services	46,303,617	30,288,031	4,679,223	2,310,981	66,101,188	(24,816,167)
Other Practitioners Services - Regular Payments	11,666,027	12,806,441	1,068,648	1,000,642	9,167,242	3,639,239
Other Practitioners Services - Supplemental Payments ***	-	-	-	-	-	-
Clinic Services	6,282,696	4,360,661	380,646	337,608	4,087,009	273,652
Lab & Radiological Services	13,249,742	11,920,236	1,909,763	914,029	18,624,651	(6,904,415)
Home Health Services	39,652,721	37,668,821	2,838,238	2,809,239	36,963,654	2,398,267
Hysterectomies/Starizations	224,666	269,862	17,397	20,109	167,612	102,360
Pregnancy Terminations	-	-	-	-	-	-
EPSDT Services	1,732,388	2,126,695	66,643	162,136	1,168,924	938,671
Rural Health Clinic Services	8,319,048	7,337,074	668,069	641,866	6,660,161	746,923
Medicare Health Insurance Payments - Part A Premiums	17,241,148	18,323,600	1,613,201	1,626,967	14,723,288	3,600,304
Medicare Health Insurance Payments - Part B Premiums	76,342,310	83,414,100	7,633,630	6,961,175	71,678,783	11,739,317
120% - 134% Of Poverty	6,268,770	-	601,644	-	6,317,376	(6,317,376)
135% - 175% Of Poverty	-	-	-	-	-	-
Coinsurance And Deductibles	7,148,866	8,110,300	683,866	623,669	6,927,671	2,162,729
Medicaid Health Insurance Payments: Managed Care Organizations (MCO)	330,662,406	417,884,801	27,629,218	37,290,421	272,218,460	146,666,320
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	461,600	37,783	36,600	366,978	104,622
Medicaid Health Insurance Payments: Coinsurance	-	-	-	-	-	-
Medicaid Health Insurance Payments: Other	-	-	-	-	22,935	(22,935)
Home & Community-Based Services (MR/DD)	246,363,181	272,428,167	21,308,604	20,966,763	207,001,410	65,423,757
Home & Community-Based Services (Aged/Disabled)	92,398,637	106,619,267	7,971,681	8,424,661	86,686,483	23,933,604
Home & Community-Based Services (State Plan 1915(j) Only)	-	-	-	-	-	-
Home & Community-Based Services (State Plan 1915(k) Only)	-	-	-	-	-	-
Community Supported Living Services	-	-	-	-	-	-
Programs Of All-Inclusive Care Elderly	-	-	-	-	-	-
Personal Care Services - Regular Payments	41,262,661	43,764,629	3,716,410	3,374,908	36,808,660	7,957,668
Personal Care Services - SDS 1916(j)	-	-	-	-	-	-
Targeted Case Management Services - Com. Case Management	-	-	-	-	-	-
Targeted Case Management Services - State Wide	3,849,231	4,298,443	373,322	327,248	3,066,268	1,233,184
Primary Care Case Management Services	401,643	643,100	24,480	41,777	262,746	280,354

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

	MONTH OF APRIL 2011					
	ACTUALS SFY2010	TOTAL SFY2011	ACTUALS Current Month 04/30/11	ESTIMATED Current Month 04/30/11	ACTUALS Year To-Date Thru 04/30/11	PROJECTED 05/01/11 Thru 06/30/11
Hospice Benefits	17,628,513	18,010,005	1,828,187	1,212,620	18,498,885	(2,489,880)
Emergency Services Undocumented Aliens	169,722	230,700	48,634	17,748	210,020	20,680
Federally Qualified Health Center	18,187,867	19,548,542	1,582,362	1,470,098	14,210,945	5,337,597
Non-Emergency Medical Transportation	9,410,142	5,608,896	1,830,519	433,048	18,636,727	(13,028,831)
Physical Therapy	1,884,062	1,884,168	201,488	138,874	1,865,262	308,894
Occupational Therapy	200,012	187,631	31,427	13,662	198,350	(10,719)
Services for Speech, Hearing & Language	281,219	300,101	33,627	22,368	228,880	70,521
Prosthetic Devices, Dentures, Eyeglasses	1,871,774	1,892,498	110,368	140,286	1,439,778	452,723
Diagnostic Screening & Preventive Services	373,901	368,118	44,066	27,060	414,554	(48,438)
Nurse Mid-Wife	338,878	435,880	17,463	33,168	200,146	238,744
Emergency Hospital Services	9,269,834	9,130,131	1,050	689,360	1,347,268	7,782,843
Critical Access Hospitals	25,262,186	25,628,667	2,697,468	1,876,996	29,847,824	(220,656)
Nurse Practitioner Services	1,087,368	1,028,679	127,980	74,972	1,063,771	(38,092)
School Based Services	51,825,906	49,268,728	5,691,363	3,782,269	48,494,177	2,771,551
Rehabilitative Services (Non-School Based)	74,166,288	75,742,323	6,862,303	8,017,848	81,081,628	14,860,797
Private Duty Nursing	3,281,847	2,803,648	367,317	212,967	4,016,030	(1,112,382)
Other Care Services	33,718,524	19,684,624	1,768,317	1,450,413	17,478,409	2,386,216
Less: Recoupments	-	-	(86,793)	-	(88,793)	86,793
NET EXPENDITURES:	2,542,009,600	2,784,227,102	194,203,323	199,888,317	2,218,733,053	635,494,049
Collections: Third Party Liability (line 9A on CMS-64)	(8,100,072)	-	-	-	(7,877,332)	7,577,332
Collections: Probate (line 9B on CMS-64)	(160,018)	-	-	-	(63,381)	63,381
Collections: Identified through Fraud & Abuse Effort (line 9C on CMS-64)	(1,884)	-	-	-	(398)	398
Collections: Other (line 9D on CMS-64)	(3,703,648)	-	-	-	(8,668,548)	6,668,548
NET EXPENDITURES and CMS-64 ADJUSTMENTS:	2,630,064,281	2,784,227,102	194,203,323	199,888,317	2,204,433,398	649,783,704
Plus: Medicaid Part D Expenditures	23,838,817	25,853,523	2,099,474	1,772,880	13,839,803	12,023,820
Plus: State Only Medicaid Expenditures ***	6,078,438	4,629,603	322,688	398,768	3,907,323	722,280
TOTAL MEDICAID EXPENDITURES	2,660,069,634	\$2,784,720,328	\$196,625,485	201,999,843	\$2,222,180,524	\$562,639,804
Plus: Reimbursables ⁽¹⁾	6,579,869	6,129,005	403,196	469,893	4,321,982	1,807,023
TOTAL EXPENDITURES	\$2,666,649,502	\$2,790,849,333	\$197,028,621	202,469,826	\$2,226,502,506	\$564,346,827

(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 the 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

10 Months Actuals 2 Months Remaining

MONTH OF APRIL 2011	ACTUALS SFY2010	ACTUALS Current Month Ended 4/30/11	ACTUALS Year-To-Date Thru 4/30/11	PROJECTED 5/1/2011 Thru 6/30/11	TOTAL SFY2011
REVENUE SOURCES					
Beg. Bal. (5084/1020 prior mth)	116,583,848	128,270,246	\$213,690,990		\$213,690,990
MATCHING FUNDS					
General Revenue (0403/189)	252,345,204	73,675,811	184,742,085	61,729,317	226,471,412
MRDD Waiver (0403/466)	-	26,106,661	68,447,717	19,305,768	87,753,483
Rural Hospitals Under 150 Beds (0403/940)	2,596,000	649,000	2,596,000	0	2,596,000
Tertiary Funding (0403/547)	6,356,000	1,589,000	6,356,000	0	6,356,000
Title XIX Waiver for Seniors (0403-533)	-	2,231,260	5,850,000	1,650,000	7,500,000
Lottery Waiver (Less 550,000) (5405/539)	25,772,578	7,272,578	23,272,578	8,000,000	31,272,578
Lottery Transfer (5405/871)	8,670,000	2,070,000	16,670,000	-8,000,000	8,670,000
Trust Fund Appropriation (5185/189)	-	-	0	30,556,594	30,556,594
Provider Tax (5090/189)	162,859,512	7,471,561	109,814,378	43,040,517	152,854,895
Certified Match	13,731,424	2,597,072	13,692,021	2,779,693	16,471,714
Reimbursables - Amount Reimbursed	5,195,782	92,256	3,456,379	2,672,628	6,129,005
Other Revenue (MWIN, Escheated Warrants, etc.) 5084/4010 & 4015	(448,371)	63,491	569,772	(569,772)	0
CMS - 84 Adjustments	69,986	-	849,016	-849,016	0
TOTAL MATCHING FUNDS	673,887,546	\$252,088,926	\$630,006,947	\$160,315,724	\$780,322,671
FEDERAL FUNDS	2,108,526,674	156,196,700	1,811,291,568	\$424,215,525	\$2,235,507,093
TOTAL REVENUE SOURCES	2,782,416,220	\$408,285,628	\$2,441,298,514	\$584,531,250	\$3,028,829,764
TOTAL EXPENDITURES:					
Provider Payments	2,585,849,502	\$197,028,621	2,228,502,506	\$564,346,827	\$2,790,849,333
TOTAL	216,766,718	\$211,257,005	\$214,796,009		\$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

April 30, 2011

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 April 30, 2011

	6/30/2010		4/30/2011		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	12,825,681	100.0							
Pension Assets	8,456,704	79.4	10,153,380	79.1							
Public Employees' Retirement System	3,682,115	34.5	4,424,709	34.5	2.9	5.7	22.2	15.4	4.8	5.1	6.5
Teachers' Retirement System	4,099,339	38.5	4,887,322	38.1	2.8	5.6	22.0	15.2	3.9	4.5	6.2
Teachers' Employers Cont. Collection A/C	355	0.0	30,240	0.2	0.0	0.0	0.1	0.1	0.6		
EMS Retirement System	23,345	0.2	31,879	0.3	2.8	5.6	22.3	15.1	4.9		
Public Safety Retirement System	404,446	3.8	468,764	3.6	2.9	5.7	22.3	15.6	4.8	5.0	6.6
Judges' Retirement System	102,814	1.0	126,676	1.0	2.9	5.6	22.2	15.4	4.8	5.0	6.4
State Police Retirement System	52,739	0.5	70,108	0.5	2.8	5.6	22.0	15.2	4.8	5.1	6.4
Deputy Sheriffs' Retirement System	91,548	0.9	113,631	0.9	2.9	5.6	22.2	15.4	4.8	5.1	6.5
Municipal Police & Firefighter Retirement System	3	0.0	51	0.0	0.0	0.0	0.1	0.1			
Insurance Assets	1,632,789	15.3	1,989,198	15.6							
Workers' Compensation Old Fund	888,780	8.3	943,946	7.4	1.7	3.3	9.6	8.8	3.5	4.7	
Workers' Comp. Self-Insured Guaranty Risk Pool	8,066	0.1	9,555	0.1	1.7	3.4	6.8	6.9	2.8	3.7	
Workers' Comp. Uninsured Employers Fund	8,852	0.1	9,597	0.1	1.7	3.4	5.3	5.3	2.3	3.4	
Pneumoconiosis	244,191	2.3	264,840	2.1	1.7	3.4	12.2	9.7	4.8	5.3	
Board of Risk & Insurance Mgmt.	120,331	1.1	141,284	1.1	1.7	3.4	12.3	9.9	6.3	6.3	
Public Employees' Insurance Agency	131,127	1.2	175,206	1.4	1.5	2.9	9.2	7.5	4.7	5.3	
WV Retiree Health Benefit Trust Fund	229,477	2.2	442,524	3.4	2.2	4.5	13.3	13.6	8.7		
AccessWV	1,965	0.0	2,246	0.0	1.7	3.1	14.3	7.2			
Endowment Assets	569,479	5.3	683,103	5.3							
Wildlife Fund	34,874	0.3	41,678	0.3	0.0	5.0	22.0	15.4	4.8	5.1	6.0
Prepaid Tuition Trust	77,283	0.7	85,612	0.7	2.6	5.0	20.9	14.4	5.6	5.7	6.9
Revenue Shortfall Reserve Fund	178,632	1.7	240,972	1.9	1.8	3.2	5.3	5.8	-0.5		
Revenue Shortfall Reserve Fund - Part B	278,690	2.6	314,841	2.4	1.9	3.6	13.0	9.4	1.1		

West Virginia Investment Management Board
 Composite Asset Allocation & Performance Net of Fees
 As of April 30, 2011

	Asset (\$000)	%	Performance %						
			1 Month	3 Month	FYTD	1 Year	3 Year	5 Year	10 Year
Investment Pools Composite	12,830,622	100.00							
Total Equity Composite	5,841,180	45.51	4.07	8.10	37.03	21.61	3.68	4.33	6.25
<i>Total Equity Policy Index</i>			<i>3.97</i>	<i>7.38</i>	<i>36.19</i>	<i>19.38</i>	<i>1.11</i>	<i>2.89</i>	<i>5.35</i>
Excess Return			0.10	0.72	0.84	2.23	2.57	1.44	0.90
US Equity Composite	2,933,890	22.85	3.39	8.78	38.56	21.05	3.09	3.26	4.84
<i>Russell 3000 Index</i>			<i>2.98</i>	<i>7.21</i>	<i>36.34</i>	<i>18.35</i>	<i>2.75</i>	<i>3.33</i>	<i>3.64</i>
Excess Return			0.41	1.57	2.22	2.70	0.34	-0.07	1.20
Large Cap Composite	2,147,451	16.73	3.25	7.39	35.23	18.24	1.86	2.88	2.67
<i>S&P 500 Index</i>			<i>2.96</i>	<i>6.53</i>	<i>34.43</i>	<i>17.22</i>	<i>1.73</i>	<i>2.95</i>	<i>2.82</i>
Excess Return			0.29	0.86	0.80	1.02	0.13	-0.07	-0.15
Non-Large Cap Composite	786,439	6.12	3.80	12.81	51.01	31.39	7.94	5.49	9.15
<i>Russell 2500 Index</i>			<i>2.89</i>	<i>10.36</i>	<i>44.15</i>	<i>23.89</i>	<i>8.02</i>	<i>4.91</i>	<i>8.24</i>
Excess Return			0.91	2.45	6.86	7.50	-0.08	0.58	0.91
International Equity Composite	2,907,290	22.66	4.76	7.41	35.52	22.02	3.85	5.92	8.89
<i>MSCI AC World ex US Index</i>			<i>4.96</i>	<i>7.54</i>	<i>35.91</i>	<i>20.22</i>	<i>-0.76</i>	<i>4.02</i>	<i>7.66</i>
Excess Return			-0.20	-0.13	-0.39	1.80	4.61	1.90	1.23
Fixed Income Composite	3,420,207	26.66	1.08	1.99	5.99	6.77	6.11	6.16	6.48
<i>Fixed Income Policy</i>			<i>1.30</i>	<i>1.74</i>	<i>3.84</i>	<i>5.93</i>	<i>6.09</i>	<i>6.56</i>	<i>5.86</i>
Excess Return			-0.22	0.25	2.15	0.84	0.02	-0.40	0.62
Core Fixed Income	1,159,074	9.03	1.24	1.63	4.18	6.81			
<i>Barclays Capital Aggregate</i>			<i>1.27</i>	<i>1.58</i>	<i>2.86</i>	<i>5.36</i>			
Excess Return			-0.03	0.05	1.32	1.45			
Total Return Fixed Income	2,261,133	17.63	1.00	2.16	6.86	6.03	7.19	6.79	7.26
<i>Barclays Capital US Universal</i>			<i>1.30</i>	<i>1.74</i>	<i>3.84</i>	<i>5.93</i>	<i>6.09</i>	<i>6.42</i>	<i>6.01</i>
Excess Return			-0.30	0.42	3.02	0.10	1.10	0.37	1.25
TIPS Composite	887,296	6.92	2.55	4.47	6.38	7.85			
<i>Barclays Capital U S TIPS</i>			<i>2.51</i>	<i>4.44</i>	<i>6.55</i>	<i>8.06</i>			
Excess Return			0.04	0.03	-0.17	-0.21			
TRS Annuity	158,120	1.23	0.36	1.08	3.73	4.50			
Cash Composite	229,401	1.79	0.01	0.03	0.14	0.17	0.61	2.36	2.32
<i>Citigroup 90 Day T-Bill + 15 bps</i>			<i>0.03</i>	<i>0.10</i>	<i>0.28</i>	<i>0.32</i>	<i>0.64</i>	<i>2.31</i>	<i>2.34</i>
Excess Return			-0.02	-0.07	-0.14	-0.15	-0.03	0.05	-0.02
Private Equity Composite	950,860	7.41	3.41	6.38	14.54	16.13	1.88		
Real Estate Composite	229,091	1.79	2.31	3.98	12.66	13.80	-2.85		
Hedge Funds Composite	1,114,467	8.69	0.64	2.21	9.22	7.23			

West Virginia Investment Management Board
Participant Plans Allocation vs. Targets
As of April 30, 2011

	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	26.2	25.0	25.9	25.0	26.8	27.0	9.4	10.0	2.3	3.0	10.0	10.0	0.3	0.0
Teachers' Retirement System	25.8	25.0	25.7	25.0	26.8	27.0	9.3	10.0	2.3	3.0	9.1	10.0	1.0	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	25.4	25.0	25.2	25.0	27.6	27.0	9.0	10.0	2.2	3.0	9.0	10.0	1.6	0.0
Public Safety Retirement System	25.8	25.0	26.0	25.0	26.5	27.0	9.7	10.0	2.3	3.0	9.7	10.0	0.0	0.0
Judges' Retirement System	25.6	25.0	25.6	25.0	26.1	27.0	9.3	10.0	2.2	3.0	9.4	10.0	1.9	0.0
State Police Retirement System	25.4	25.0	25.3	25.0	27.6	27.0	8.9	10.0	2.2	3.0	9.4	10.0	1.2	0.0
Deputy Sheriffs' Retirement System	25.6	25.0	25.6	25.0	27.3	27.0	9.3	10.0	2.2	3.0	9.7	10.0	0.3	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	10.5	10.0	10.6	10.0	68.0	70.0	0.0	0.0	0.0	0.0	0.0	0.0	6.6	10.0
Workers' Comp. Self-Insured Guaranty Risk Pool	10.3	10.0	10.3	10.0	54.1	55.0	0.0	0.0	0.0	0.0	18.9	20.0	6.4	5.0
Workers' Comp. Uninsured Employers Fund	10.4	10.0	10.3	10.0	54.5	55.0	0.0	0.0	0.0	0.0	19.4	20.0	5.4	5.0
Pneumoconiosis	10.5	10.0	10.5	10.0	54.7	55.0	0.0	0.0	0.0	0.0	19.7	20.0	4.6	5.0
Board of Risk & Insurance Mgmt.	10.4	10.0	10.4	10.0	55.6	55.0	0.0	0.0	0.0	0.0	18.7	20.0	4.9	5.0
Public Employees' Insurance Agency	5.3	5.0	5.2	5.0	74.7	75.0	0.0	0.0	0.0	0.0	9.9	10.0	4.9	5.0
WV Retiree Health Benefit Trust Fund	17.9	17.5	18.6	17.5	44.2	45.0	0.0	0.0	0.0	0.0	19.3	20.0	0.0	0.0
AccessWV	0.0	0.0	0.0	0.0	100.0	100.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Endowment Assets

Wildlife Fund	25.6	25.0	25.5	25.0	27.3	27.0	9.5	10.0	2.2	3.0	9.4	10.0	0.5	0.0
Prepaid Tuition Trust	34.8	35.8	18.7	19.2	45.3	45.0	0.0	0.0	0.0	0.0	0.0	0.0	1.2	0.0
Revenue Shortfall Reserve Fund	0.0	0.0	0.0	0.0	100.0	100.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Revenue Shortfall Reserve Fund - Part B	10.5	10.0	10.4	10.0	79.1	80.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	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 April 30, 2011

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.



Status Report Workers' Compensation

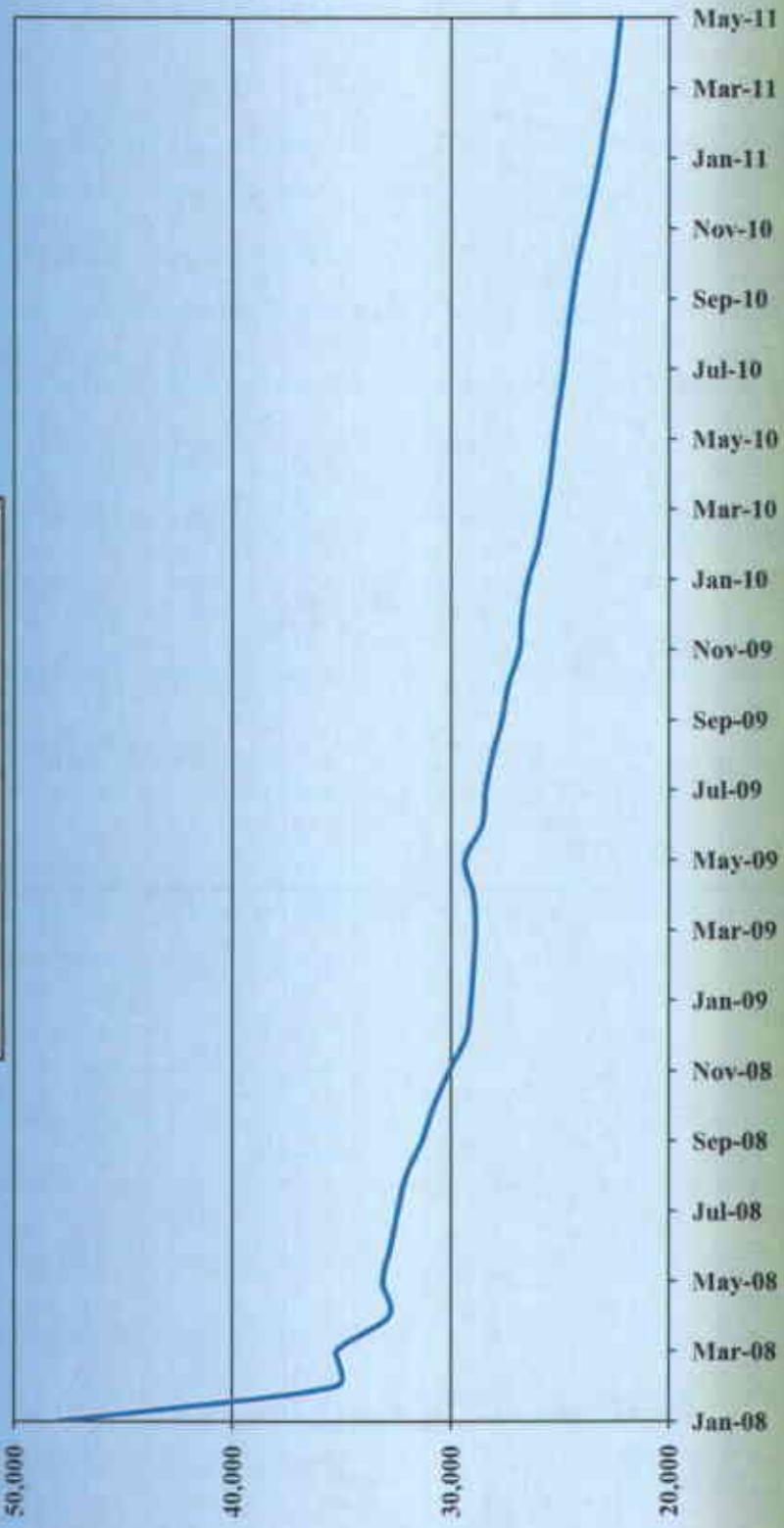
Joint Committee on
Government & Finance

06/15/2011

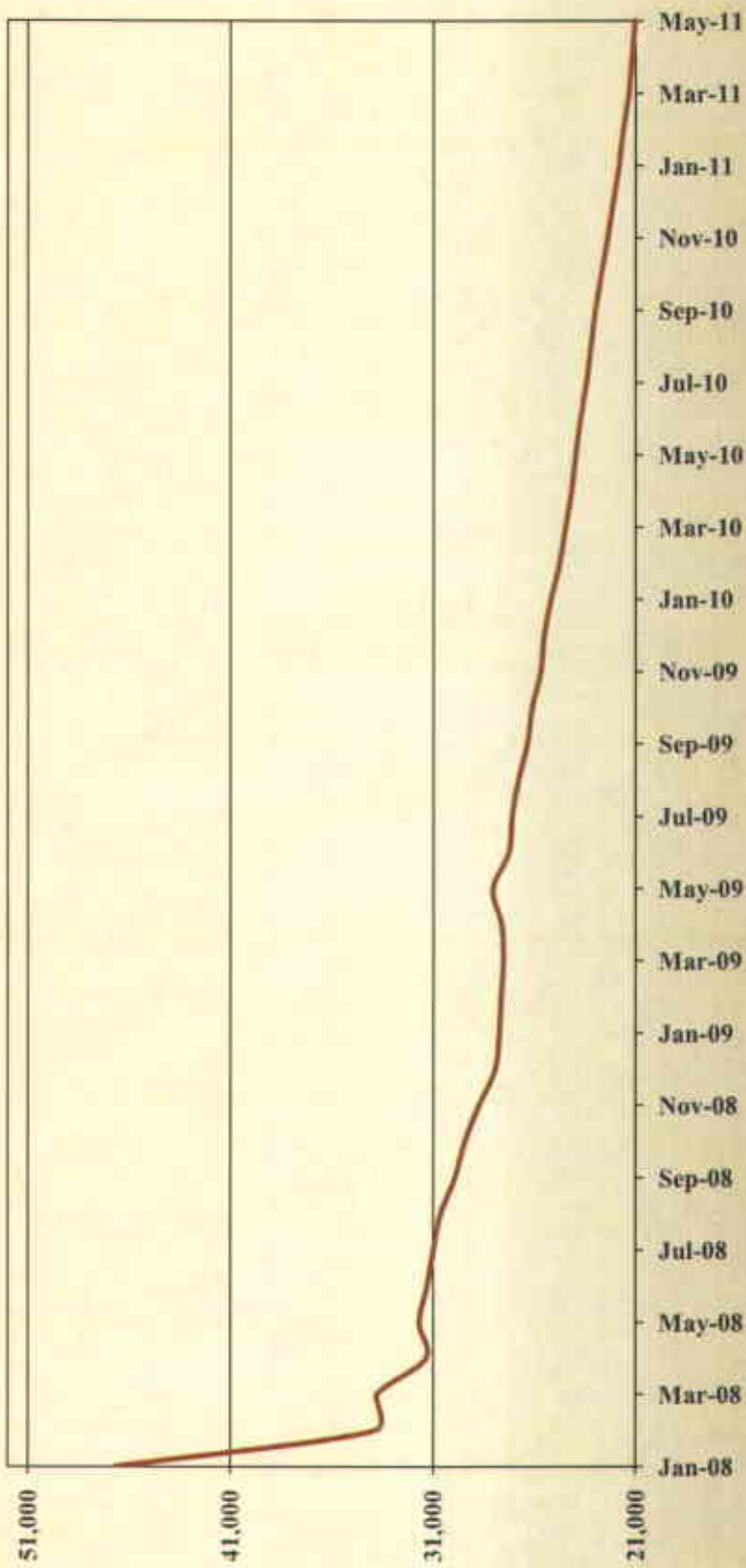
Provided by the West Virginia Offices of the Insurance Commissioner



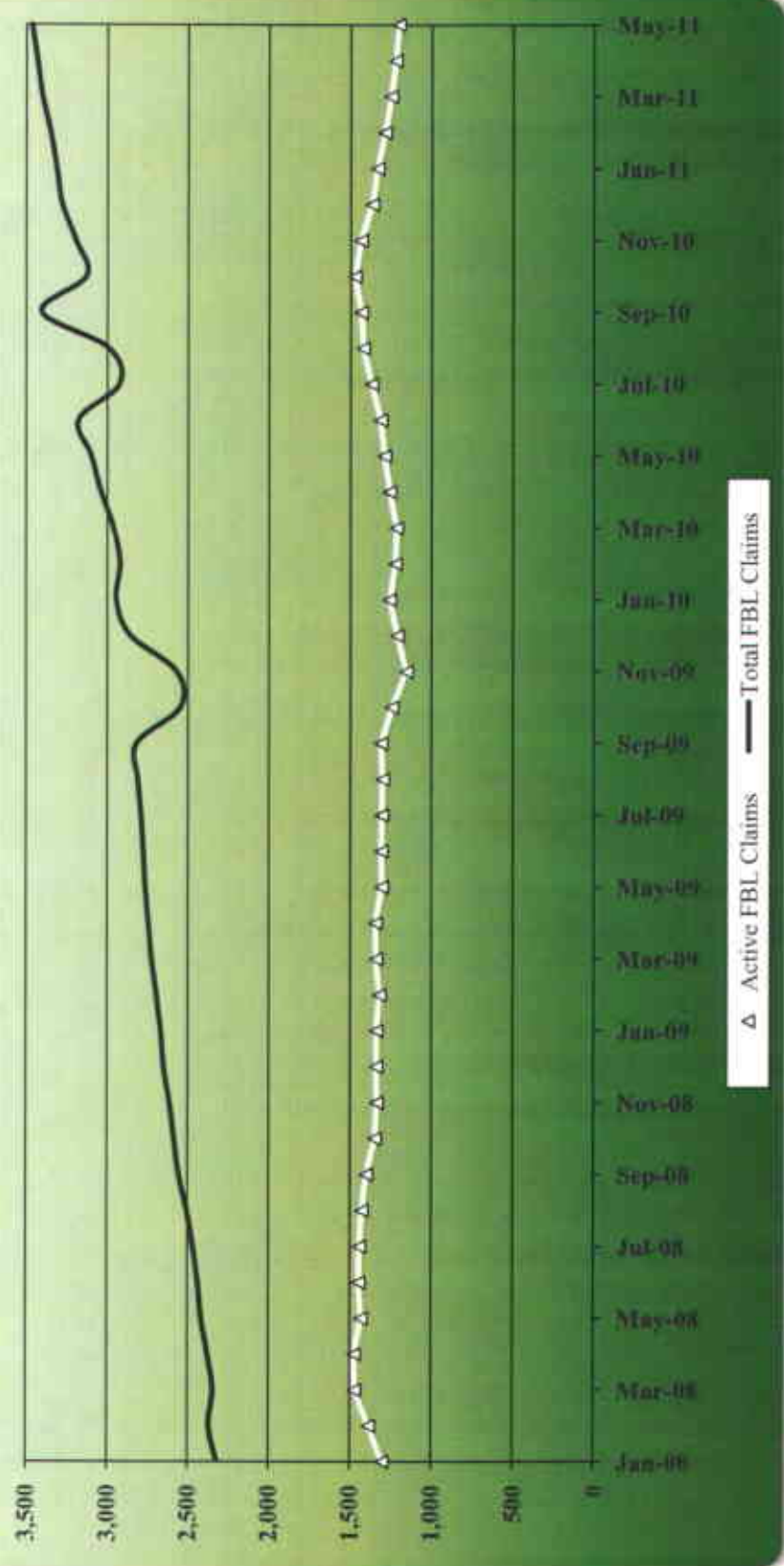
Total Active Claim Counts



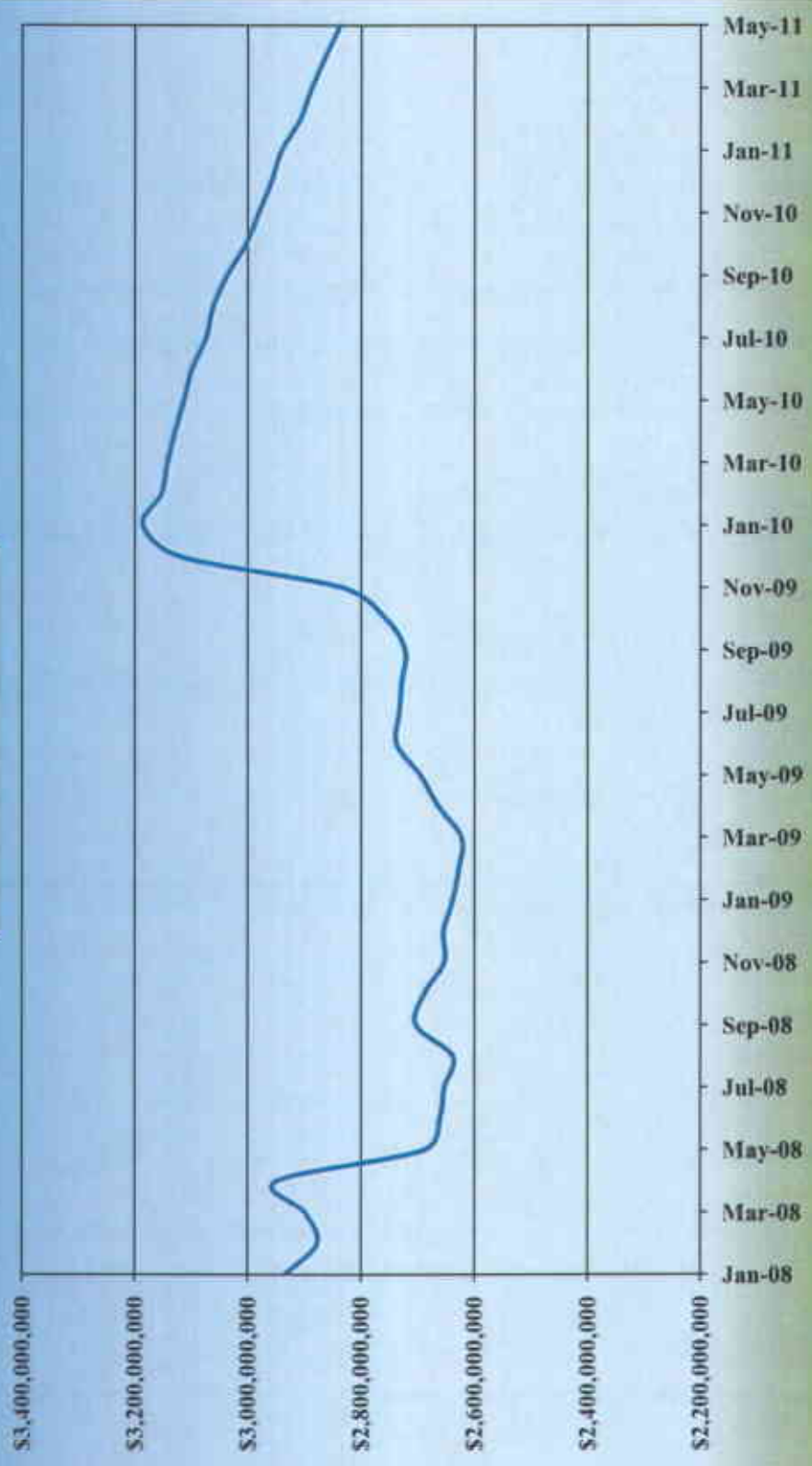
Non-FBL Active Claim Counts



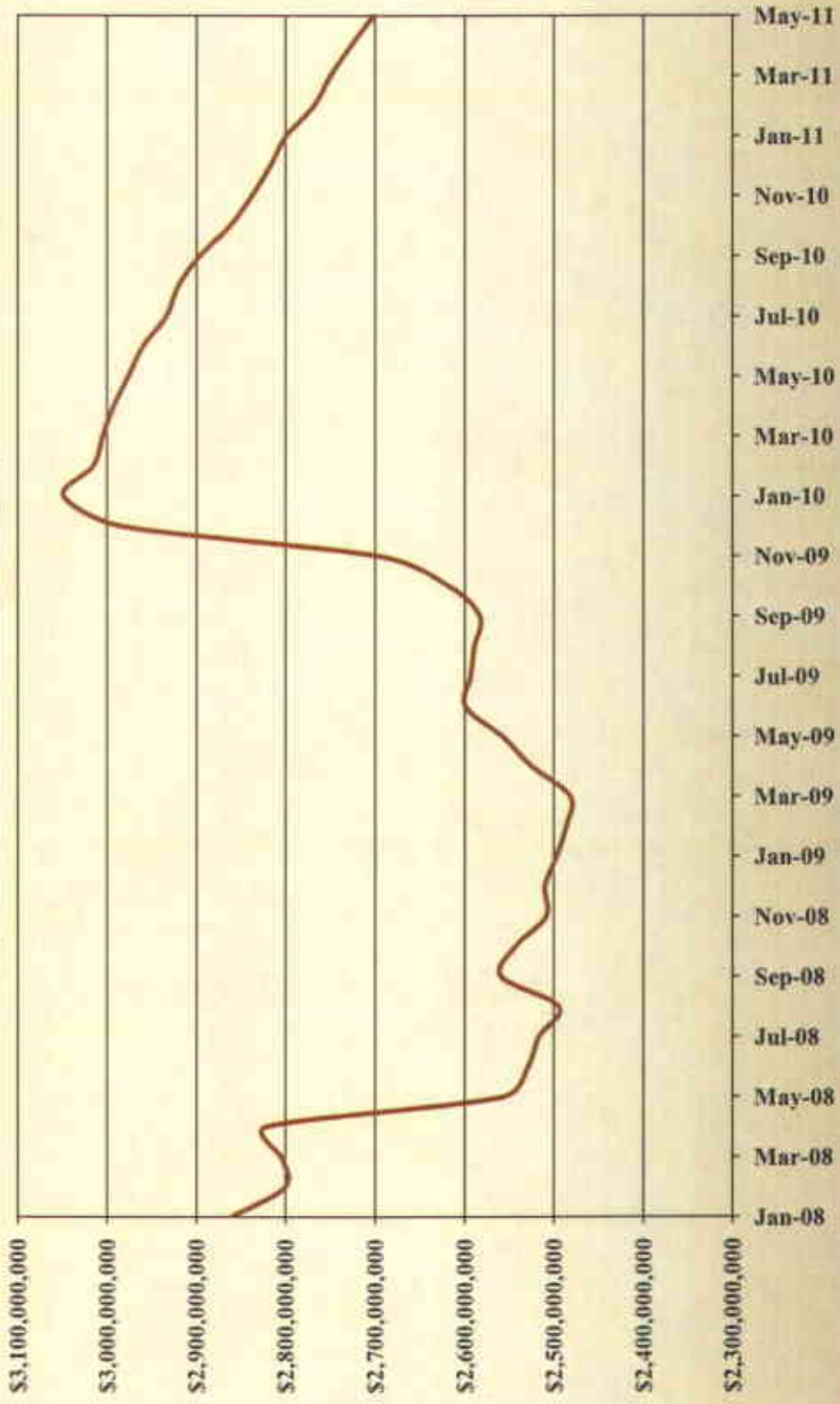
Active and Total (+ inactive) FBL Claim Counts



Total Case Reserves



Non-FBL Case Reserves



FBL Case Reserves



5/31/2011					Prior Month	
	Sedgwick	Wells Fargo	American Mining	Totals	Total	Change
Total Non-FBL Reserves	\$2,289,105,419	\$227,031,535	\$185,239,760	\$2,701,376,714	\$2,726,746,618	-0.9%
Non-FBL Claims						
	Sedgwick	Wells Fargo	American Mining	Totals	Total	Change
Med Only	1,502	1	271	1,774	1,786	-0.7%
PTD	6,637	525	325	7,487	7,516	-0.4%
PPD	4,400	945	552	5,897	5,878	0.3%
TTD	346	0	19	365	458	-25.5%
TPD	1	0	0	1	3	-66.6%
Payment Agreements	0	18	10	28	29	-3.6%
Fatal	1,561	484	169	2,214	2,235	-0.9%
Partial Awd	8	88	0	96	90	6.3%
OP/OD	3,164	1,898	749	3,164	3,182	-0.6%
Total Non-FBL Claims	17,619	2,061	1,346	21,026	21,177	-0.7%
Total FBL Reserves						
	Sedgwick	Wells Fargo	American Mining	Totals	Total	Change
	\$0	\$30,538,433	\$105,291,505	\$135,829,938	\$136,237,762	-0.3%
FBL Claims						
	Sedgwick	Wells Fargo	American Mining	Totals	Prior Month Total	
	0	124	1,079	1,203	1,222	-1.6%
FBL						
					Inactive	All Total
					2,262	3,465

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

	June 30, 2010	May 31, 2011	Change
Assets:			
Cash and Cash Equivalents	892,466	946,268	53,802
Receivables, Net:	20,659	20,659	-
Total Assets	<u>913,125</u>	<u>966,927</u>	<u>53,802</u>
Liabilities:			
Estimated Liability for Unpaid Claims	2,022,700	1,879,124	(143,576)
Other Liabilities	1,453	1,453	-
Total Liabilities	<u>2,024,153</u>	<u>1,880,577</u>	<u>(143,576)</u>
Net Assets:			
Unrestricted	<u>(1,111,028)</u>	<u>(913,650)</u>	<u>197,378</u>
Total Net Assets	<u>(1,111,028)</u>	<u>(913,650)</u>	<u>197,378</u>

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

Old Fund Liability Estimate

FY2011

	May
Undiscounted Beginning Reserve Amount	2,966,320,491
Claim Payments	22,024,123
Undiscounted Ending Reserve Amount	2,944,296,368
Estimated Ending Reserve Amount - Discounted at 5%	1,879,124,191

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 **\$22,024,123** for May 2011.

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	3rd Quarter	4th Quarter	YTD FY2011	YTD FY2010	Change
Revenues							
Personal Income Tax	-	31,800,000	31,800,000	21,200,000	84,800,000	84,800,000	-
Severance Tax	22,025,208	21,155,013	23,444,915	17,918,514	84,543,650	81,750,196	2,793,454
Debt Reduction Surcharge	8,857,456	11,815,510	9,634,132	10,516,332	40,823,430	38,527,124	2,296,306
Self-Insured Debt Reduction Surcharge	1,777,733	2,039,664	2,175,440	1,593,998	7,586,836	6,562,051	1,024,785
Video Lottery	11,000,000	-	-	-	11,000,000	11,000,000	-
Employer Premium	2,399,978	513,011	106,000	80,529	3,099,517	1,709,937	1,389,580
Other Income - Return of Unclaimed Property	1,077	14,410	1,669	173,581	190,737	33,624	157,113
Total Revenues	46,061,452	67,337,607	67,162,156	51,482,954	232,044,170	224,382,931	7,661,238
Surplus Note Principal Payments	-	-	-	-	-	43,500,000	(43,500,000)
Investment / Interest Earnings (Losses)	23,095,895	17,526,185	26,435,441	20,687,921	87,745,443	113,392,005	(25,646,562)
Expenditures							
Claims Benefits Paid:							
Medical	12,127,841	10,142,490	9,632,505	6,230,495	38,133,332	50,410,967	(12,277,635)
Permanent Total Disability	35,131,918	34,255,956	33,633,273	22,897,095	125,918,242	140,508,184	(14,589,942)
Permanent Partial Disability	763,081	691,264	538,730	368,212	2,361,286	4,594,923	(2,233,637)
Temporary Disability	117,290	144,226	68,772	42,054	372,342	1,271,381	(899,039)
Fatals	7,514,947	7,524,300	7,573,034	4,866,638	27,478,920	32,144,136	(4,665,216)
104 weeks death benefit	1,527,745	1,557,300	1,524,359	1,114,965	5,724,369	5,841,785	(117,416)
Settlement Agreements	15,764,770	11,532,935	11,723,076	7,394,546	46,415,326	17,490,354	28,924,972
Loss Adjustment Expenses	1,397,144	1,768,476	663,312	362,878	4,191,810	3,513,587	678,223
Total	74,344,735	67,616,948	65,357,061	43,276,883	250,595,627	255,775,315	(5,179,689)
Less: Claims credits and overpayments	2,134,198	1,463,734	2,581,788	897,531	7,077,251	3,776,677	3,300,574
Total Benefits Paid	72,210,537	66,153,214	62,775,273	42,379,352	243,518,376	251,998,638	(8,480,262)
Administrative Expenses	4,869,605	4,403,832	5,885,142	3,380,957	18,539,535	17,811,874	727,661
Total Expenditures	77,080,143	70,557,046	68,660,414	45,760,309	262,057,911	269,810,512	(7,752,601)
Excess (Deficiency) of Revenues over Expenditures	(7,922,796)	14,306,747	24,937,184	26,410,567	57,731,701	111,464,424	(53,732,723)
Cash Beginning Balances	888,535,954	880,613,158	894,919,905	919,857,088	888,535,954		
Cash Ending Balances	880,613,158	894,919,905	919,857,088	946,267,655	946,267,655		

Old Fund / Debt Reduction 1st Quarter FY2011

	July 2010	August 2010	September 2010	Quarterly Total
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
Fatales	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	December 2010	Quarterly Total
Revenues				
Personal Income Tax	10,600,000.00	10,600,000.00	10,600,000.00	31,800,000.00
Severance Tax	5,257,237.26	9,203,108.57	6,694,667.04	21,155,012.87
Debt Reduction Surcharge	11,575,261.93	218,697.00	21,551.40	11,815,510.33
Self-Insured Debt Reduction Surcharge	697,594.09	807,291.74	534,777.89	2,039,663.72
Video Lottery	-	-	-	-
Employer Premium	131,814.41	54,999.79	326,196.39	513,010.59
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	18,177,192.72	67,337,607.47
Investment / Interest Earnings (Losses)	14,629,093.72	8,795,713.94	(5,898,622.34)	17,526,185.32
Expenditures				
Claims Benefits Paid:				
Medical	2,774,670.79	3,865,156.97	3,502,662.72	10,142,490.48
Permanent Total Disability	11,287,336.33	11,675,033.77	11,293,586.00	34,255,956.10
Permanent Partial Disability	212,195.95	273,352.08	205,715.83	691,263.86
Temporary Disability	71,290.19	14,909.86	58,025.96	144,226.01
Fatals	2,582,247.99	2,446,806.13	2,495,246.14	7,524,300.26
104 weeks death benefit	474,007.71	591,712.96	491,579.63	1,557,300.30
Settlement Agreements	4,123,973.72	4,904,920.69	2,504,040.19	11,532,934.60
Loss Adjustment Expenses	285,391.62	444,788.07	1,038,296.52	1,768,476.21
Total	21,811,114.30	24,216,680.53	21,589,152.99	67,616,947.82
Less: Claims credits and overpayments	441,879.05	762,373.32	259,481.54	1,463,733.91
Total Benefits Paid	21,369,235.25	23,454,307.21	21,329,671.45	66,153,213.91
Administrative Expenses	1,024,837.36	2,043,574.24	1,335,420.13	4,403,831.73
Total Expenditures	22,394,072.61	25,497,881.45	22,665,091.58	70,557,045.64
Excess (Deficiency) of Revenues over Expenditures	20,504,075.54	4,189,192.81	(10,386,521.20)	14,306,747.15
Cash Beginning Balance	880,613,157.73	901,117,233.27	905,306,426.08	880,613,157.73
Cash Ending Balances	901,117,233.27	905,306,426.08	894,919,904.88	894,919,904.88

Old Fund / Debt Reduction 3rd Quarter FY2011

	January 2011	February 2011	March 2011	Quarterly Total
Revenues				
Personal Income Tax	10,600,000.00	10,600,000.00	10,600,000.00	31,800,000.00
Severance Tax	9,625,645.07	7,539,162.01	6,280,108.02	23,444,915.10
Debt Reduction Surcharge	-	6,082,978.00	3,551,154.00	9,634,132.00
Self-Insured Debt Reduction Surcharge	716,917.40	1,239,971.42	218,551.53	2,175,440.35
Video Lottery	-	-	-	-
Employer Premium	21,496.83	33,283.26	51,219.45	105,999.54
Other Income - Return of Unclaimed Property	-	270.17	1,399.17	1,669.34
Total Revenues	20,964,059.30	25,495,664.86	20,702,432.17	67,162,156.33
Investment / Interest Earnings (Losses)	11,280,235.04	5,899,964.54	9,255,241.83	26,435,441.41
Expenditures				
Claims Benefits Paid:				
Medical	2,579,381.99	3,207,895.37	3,845,227.26	9,632,504.62
Permanent Total Disability	11,012,762.70	11,494,753.82	11,125,756.45	33,633,272.97
Permanent Partial Disability	185,924.01	169,757.39	183,048.34	538,729.74
Temporary Disability	14,237.07	16,641.28	37,894.02	68,772.37
Fatals	2,668,111.47	2,467,770.50	2,437,152.12	7,573,034.09
104 weeks death benefit	482,610.39	498,305.38	543,443.29	1,524,359.06
Settlement Agreements	3,433,926.58	4,435,658.25	3,853,491.44	11,723,076.27
Loss Adjustment Expenses	256,359.57	193,585.13	213,367.00	663,311.70
Total	20,633,313.78	22,484,367.12	22,239,379.92	65,357,060.82
Less: Claims credits and overpayments	678,591.27	1,165,849.38	737,347.64	2,581,788.29
Total Benefits Paid	19,954,722.51	21,318,517.74	21,502,032.28	62,775,272.53
Administrative Expenses	1,040,433.57	2,253,336.91	2,591,371.18	5,885,141.66
Total Expenditures	20,995,156.08	23,571,854.65	24,093,403.46	68,660,414.19
Excess (Deficiency) of Revenues over Expenditures	11,249,138.26	7,823,774.75	5,864,270.54	24,937,183.55
Cash Beginning Balance	894,919,904.88	906,169,043.14	913,992,817.89	894,919,904.88
Cash Ending Balances	906,169,043.14	913,992,817.89	919,857,088.43	919,857,088.43

Old Fund / Debt Reduction 4th Quarter FY2011

	April 2011	May 2011	Quarterly Total
Revenues			
Personal Income Tax	10,600,000.00	10,600,000.00	21,200,000.00
Severance Tax	7,531,339.91	10,387,173.74	17,918,513.65
Debt Reduction Surcharge	10,416,543.00	99,789.00	10,516,332.00
Self-Insured Debt Reduction Surcharge	716,096.51	877,901.86	1,593,998.37
Video Lottery	-	-	-
Employer Premium	53,118.48	27,410.83	80,529.31
Other Income - Return of Unclaimed Property	-	173,581.00	173,581.00
Total Revenues	29,317,097.90	22,165,856.43	51,482,954.33
 Investment / Interest Earnings (Losses)	 4,758,803.17	 15,929,117.85	 20,687,921.02
Expenditures			
Claims Benefits Paid:			
Medical	3,007,536.72	3,222,958.34	6,230,495.06
Permanent Total Disability	11,412,770.94	11,484,324.30	22,897,095.24
Permanent Partial Disability	186,167.87	182,043.87	368,211.74
Temporary Disability	20,635.65	21,418.38	42,054.03
Fataals	2,414,215.18	2,452,422.79	4,866,637.97
104 weeks death benefit	524,879.46	590,085.18	1,114,964.64
Settlement Agreements	3,155,409.02	4,239,136.90	7,394,545.92
Loss Adjustment Expenses	224,973.48	137,904.49	362,877.97
Total	20,946,588.32	22,330,294.25	43,276,882.57
Less: Claims credits and overpayments	591,359.50	306,171.01	897,530.51
Total Benefits Paid	20,355,228.82	22,024,123.24	42,379,352.06
Administrative Expenses	1,785,914.89	1,595,041.70	3,380,956.59
Total Expenditures	22,141,143.71	23,619,164.94	45,760,308.65
Excess (Deficiency) of Revenues over Expenditures	11,934,757.36	14,475,809.34	26,410,566.70
Cash Beginning Balance	919,857,088.43	931,791,845.79	919,857,088.43
 Cash Ending Balances	 931,791,845.79	 946,267,655.13	 946,267,655.13

COAL WORKERS PNEUMOCONIOSIS FUND

Quarterly Summary

FY2011

	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	YTD FY 2011	YTD FY 2010	Change
Revenues							
Investment Earnings (Losses)	5,580,564	8,928,033	9,118,790	5,812,112	29,439,500	37,923,534	(8,484,034)
Other Income - Return of Unclaimed Property	-	-	-	-	-	898	(898)
Total Revenues	5,580,564	8,928,033	9,118,790	5,812,112	29,439,500	37,924,432	(8,484,933)
Expenditures							
Payment of Claims	2,481,727	2,672,708	2,737,944	1,716,483	9,608,861	9,229,337	379,525
Contractual / Professional	13,391	3,291	-	-	16,682	35,046	(18,364)
Total Expenditures	2,495,118	2,675,999	2,737,944	1,716,483	9,625,543	9,264,383	361,161
Excess (Deficiency) of Revenues over Expenditures	3,085,446	6,252,035	6,380,847	4,095,629	19,813,956	28,660,050	(8,846,093)
Cash Beginning Balances	244,074,613	247,160,059	253,412,093	259,792,940	244,074,613		
Cash Ending Balances	247,160,059	253,412,093	259,792,940	263,888,569	263,888,569		

SELF-INSURED GUARANTY FUND
Quarterly Summary
FY2011

	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	YTD FY 2011	YTD FY 2010	Change
Revenues							
Guaranty Risk Pool Assessments	331,688	253,473	320,295	180,625	1,086,082	1,429,395	(343,313)
Investment Earnings (Losses)	2,896	77,691	310,379	205,925	596,890	8,401	588,489
Total Revenues	334,584	331,164	630,674	386,550	1,682,972	1,437,796	245,176
Expenditures							
Payment of Claims	11,273	5,603	5,763	3,691	26,329	103,101	(76,772)
Contractual / Professional	6,459	12,364	13,786	18,633	51,241	44,001	7,241
Total Expenditures	17,732	17,967	19,548	22,323	77,571	147,102	(69,531)
Excess (Deficiency) of Revenues over Expenditures	316,852	313,197	611,126	364,227	1,605,401	1,290,694	314,707
Cash Beginning Balances	8,112,918	8,429,770	8,742,967	9,354,093	8,112,918		
Cash Ending Balances	8,429,770	8,742,967	9,354,093	9,718,319	9,718,319		

SELF-INSURED SECURITY FUND
Quarterly Summary
FY2011

	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	YTD FY 2011
Revenues					
Security Risk Pool Assessments	31,272	70,372	13,924	-	115,569
Total Revenues	31,272	70,372	13,924	-	115,569
Expenditures					
Payment of Claims	-	64	-	69	133
Claim Payment Reimbursement to Old Fund	73,516	-	-	-	73,516
Contractual / Professional	9,255	-	-	-	9,255
Total Expenditures	82,771	64	-	69	82,904
Excess (Deficiency) of Revenues over Expenditures	(51,499)	70,308	13,924	(69)	32,664
Cash Beginning Balances	173,041	121,542	191,849	205,774	173,041
Cash Ending Balances	121,542	191,849	205,774	205,705	205,705

**UNINSURED FUND
Quarterly Summary
FY2011**

	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	YTD FY 2011	YTD FY 2010	Change
Revenues							
Fines and Penalties	227,102	194,357	205,533	173,366	800,357	815,535	(15,177)
Investment Earnings (Losses)	3,149	(51,023)	319,533	208,376	480,036	10,001	470,035
Total Revenues	230,251	143,334	525,066	381,742	1,280,393	825,536	454,857
Expenditures							
Payment of Claims	133,213	168,679	104,159	630,462	1,036,512	533,404	503,108
Contractual/Professional	1,394	7,092	-	-	8,486	8,571	(85)
Total Expenditures	134,607	175,771	104,159	630,462	1,044,998	541,975	503,023
Excess (Deficiency) of Revenues over Expenditures	95,644	(32,437)	420,907	(248,720)	235,395	283,561	(48,166)
Cash Beginning Balances	8,905,444	9,001,088	8,968,651	9,389,558	8,905,444		
Cash Ending Balances	9,001,088	8,968,651	9,389,558	9,140,839	9,140,839		

OFFICE OF JUDGES' REPORT TO INDUSTRIAL COUNCIL

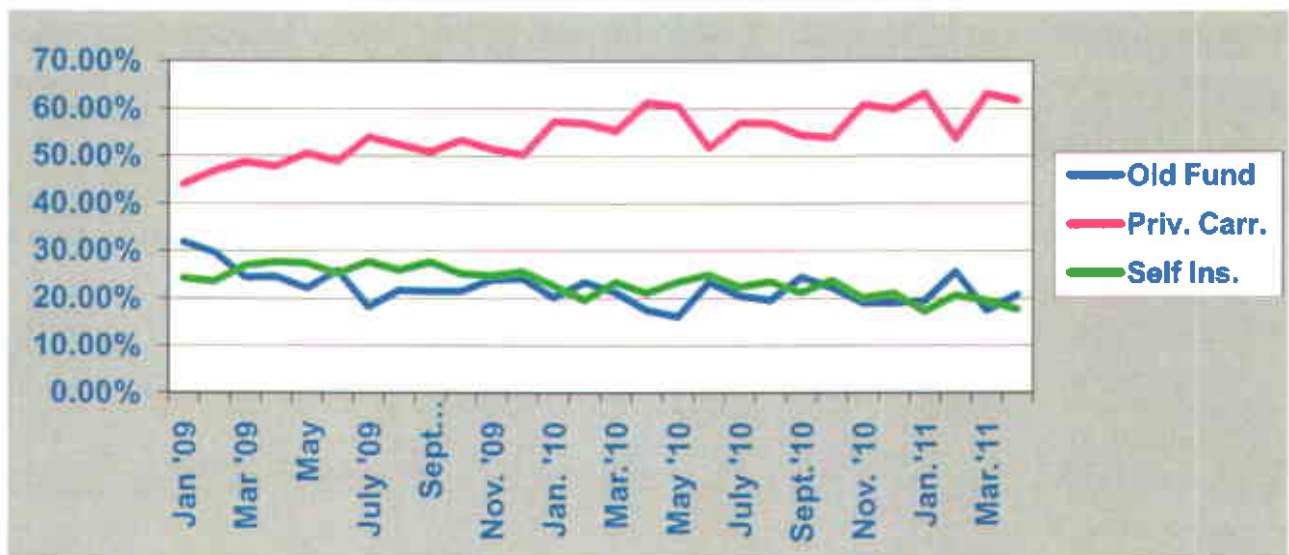
June 2, 2011

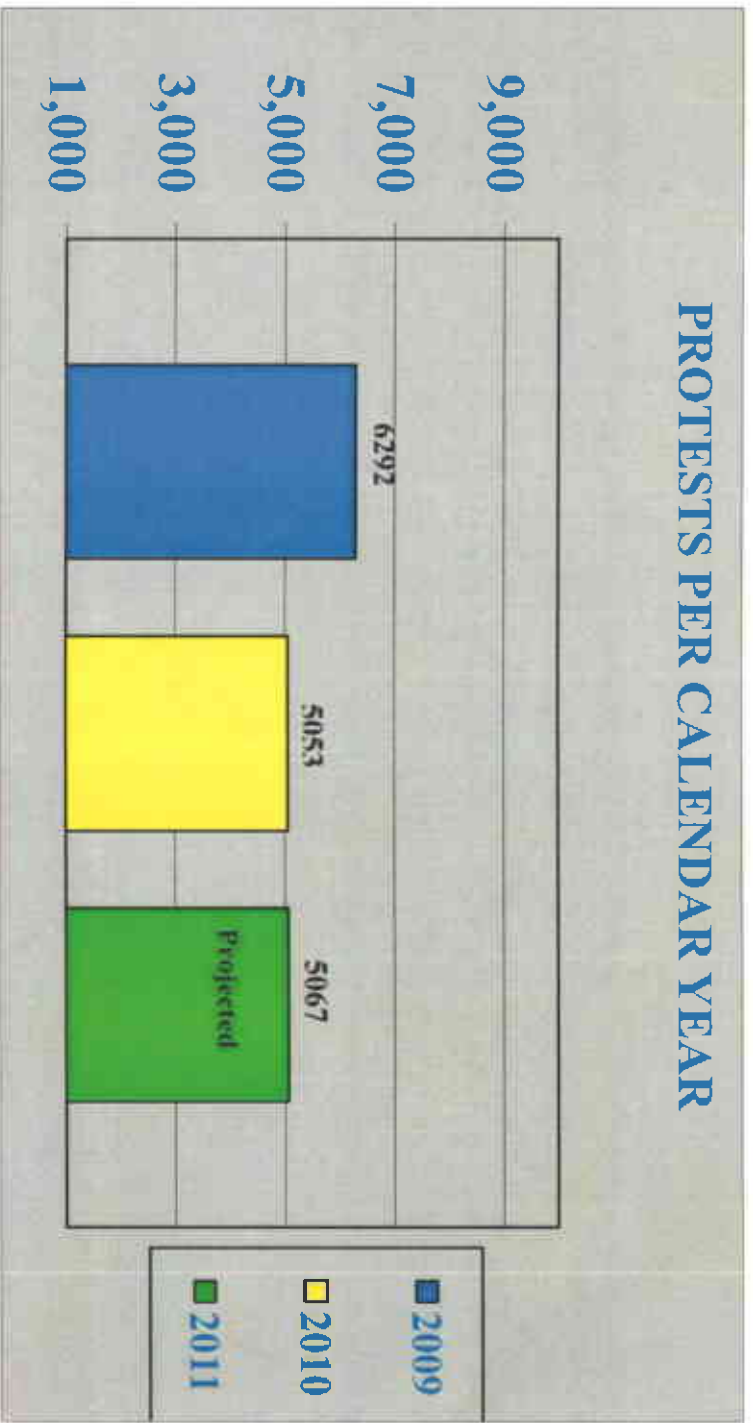
I. Statistical Analysis

A. Protests Acknowledged: 2010 Apr. 2011
5052 427 1689

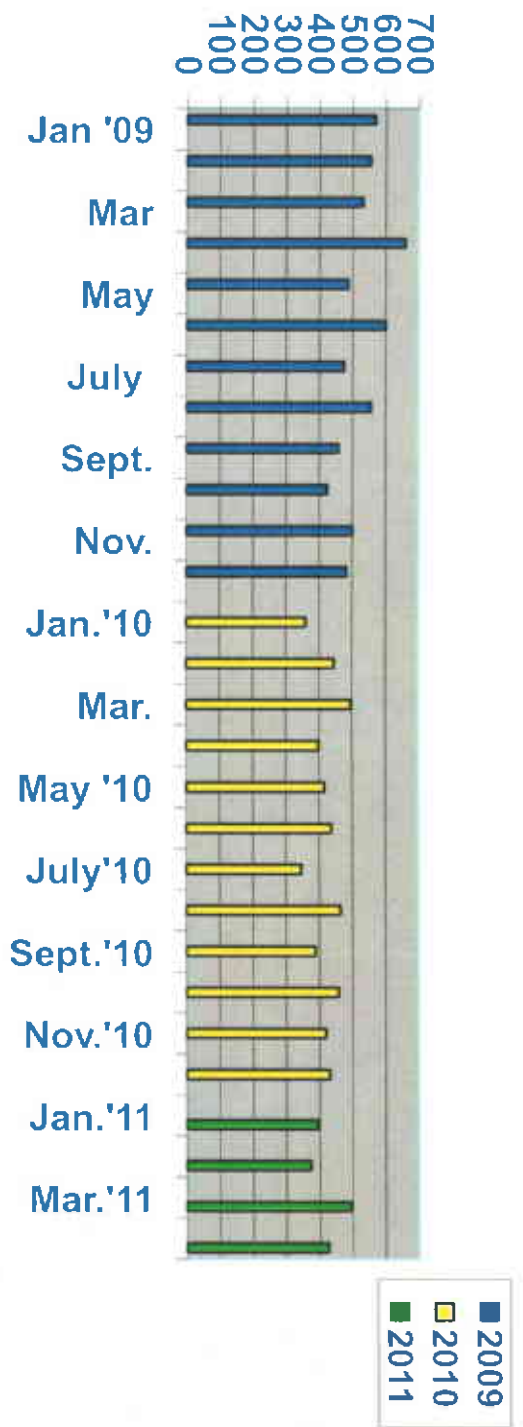
Fund Involved:

FUND	2010	% of protests	Apr. 2011	% of protests	2011	% of protests
Old Fund	1045	20.68%	90	21.08%	349	20.66%
Priv. Carrier	2885	57.11%	280	65.57%	1042	61.69%
Self-Insured	1122	22.21%	57	13.35%	298	17.65%
Subtotal	5052		427		1689	
Temporary	997		106		408	
Total	6049		533		2097	





PROTESTS BY MONTH



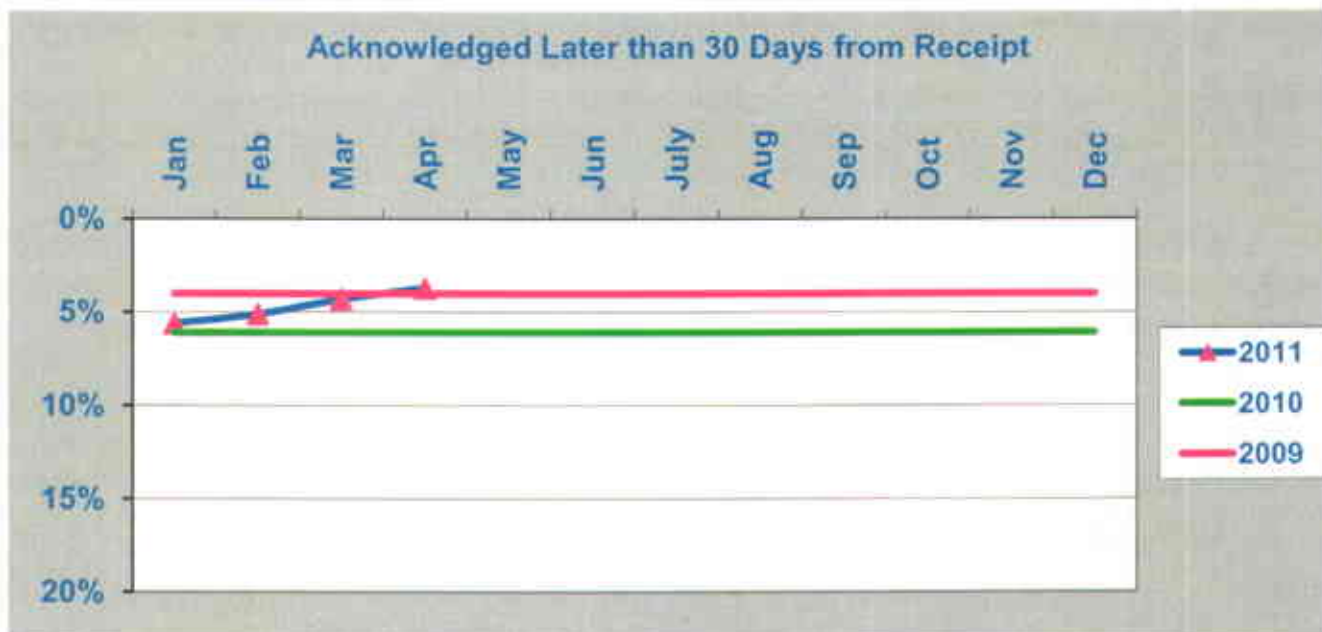
B. Issues Resolved: 2010 Apr. 2011
 5327 412 1702

C. Pending Caseload Report

PENDING END OF Apr. 2011	3593
PENDING 1 MONTH BEFORE	3593
PENDING 2 MONTHS BEFORE	3552
PENDING 3 MONTHS BEFORE	3630
PENDING 6 MONTHS BEFORE	3580
PENDING 12 MONTHS BEFORE	3738

D. Acknowledgment Timeliness: 2010 Apr. YTD

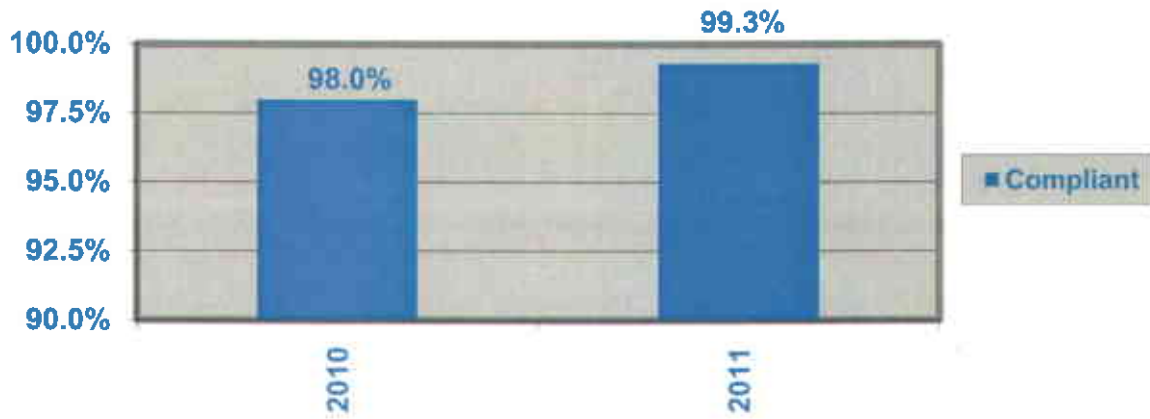
1. Protest Ackn. >30 days	6.1%	3.7%	4.8%
2. Protest Ackn. 24-30 days	1.7%	2.3%	4.1%
3. Protest Ackn. 11-23 days	23.2%	38.4%	33.7%
4. Protest Ackn. <11 days	68.9%	55.5%	57.4%



	<u>Apr.'11</u>	<u>2011</u>
E. Protests Resolved:		
1. Protests decided:	272	1169
2. Withdrawals:	62	286
3. "No Evidence" Dismissals:	56	192

	<u>2010</u>	<u>Apr. '11</u>	<u>2011</u>
F. Final Decision Timeliness			
1. <30 days:	45.4%	46.5%	51.2%
2. 30-60 days:	34.2%	47.6%	41.9%
3. 60-90 days:	18.4%	5.1%	6.2%
4. +90 days:	2.0%	0.7%	0.7%

Decision Within Rule's Time Limits



	<u>2010</u>	<u>Apr.</u>	<u>2011</u>
G. Time Standard Compliance			
	88.2%	94.3%	90.8%

Monday, May 02, 2011

Time Standard Compliance

Report Dates: From 4/1/2011 thru 4/30/2011

Time Standard	Total Closed	Timely		Late	
		Count	Percent	Count	Percent
PPD	45	44	97.8%	1	2.2%
REOPENING	8	8	100%	0	0%
TTD	13	12	92.3%	1	7.7%
COMPENSABILITY	26	25	96.2%	1	3.8%
DEP BEN FATAL	3	2	66.7%	1	33.3%
IEB DETERMINATION	1	1	100%	0	0%
OPBD	14	13	92.9%	1	7.1%
REHABILITATION	1	1	100%	0	0%
TRMT/EQUIP CL	46	42	91.3%	4	8.7%
Total	157	148	94.3%	9	5.7%

Final Decision Compliance

Report Dates: From 4/1/2011 thru 4/30/2011

Description	Issues Resolved		Days to Decision							
			< 30 Days		30 - 60		61 - 90		> 90	
	Count	%	Count	%	Count	%	Count	%		
COMPENSABILITY	62	27	43.5%	27	43.5%	6	9.7%	2	3.2%	
FAILURE TO ACT 30 DAY	4	1	25.0%	3	75.0%	0	0.0%	0	0.0%	
OP NON-MED	1	1	100.0%	0	0.0%	0	0.0%	0	0.0%	
OPBD	10	8	80.0%	2	20.0%	0	0.0%	0	0.0%	
PPD	50	23	46.0%	27	54.0%	0	0.0%	0	0.0%	
DEP BEN FATAL	11	5	45.5%	4	36.4%	2	18.2%	0	0.0%	
FAILURE TO ACT 15 DAY	2	2	100.0%	0	0.0%	0	0.0%	0	0.0%	
IEB DETERMINATION	1	1	100.0%	0	0.0%	0	0.0%	0	0.0%	
REHABILITATION	1	0	0.0%	1	100.0%	0	0.0%	0	0.0%	
REOPENING	15	6	40.0%	9	60.0%	0	0.0%	0	0.0%	
TRMT/EQUIP CL	96	41	42.7%	53	55.2%	2	2.1%	0	0.0%	
TTD	22	13	59.1%	5	22.7%	4	18.2%	0	0.0%	
Totals	275	128	46.5%	131	47.6%	14	5.1%	2	0.7%	

Monday, May 02, 2011

Motion Resolution Compliance

Report Dates: From 4/1/2011 thru 4/30/2011

Time Standard	Total Motions	Timely *		Late **	
		Count	Percent	Count	Percent
DEP BEN FATAL	21	21	100%	0	0%
IEB DETERMINATION	8	8	100%	0	0%
OP NON-MED	3	3	100%	0	0%
PPD	182	178	97.8%	4	2.2%
PTD ENTITLEMENT	7	7	100%	0	0%
TRMT/EQUIP CL	226	223	98.7%	3	1.3%
TTD	95	94	98.9%	1	1.1%
APPLICATION THRESHOLD	2	2	100%	0	0%
BENEFIT OVERPAYMENT	1	1	100%	0	0%
COMPENSABILITY	223	218	97.8%	5	2.2%
OPBD	33	31	93.9%	2	6.1%
REOPENING	40	38	95%	2	5%
Total	841	824	98%	17	2%

* Action Date < Motion Date

** Action Date > Motion Date

Monday, May 02, 2011

Acknowledgement Goal

Report Dates: From 4/1/2011 thru 4/30/2011

Description	Protests Acknowledged	Days to Acknowledge Protests							
		> 30		30-24		23-11		< 11	
		Count	Percent	Count	Percent	Count	Percent	Count	Percent
BENEFIT OVERPAYMENT	Total: 2	0	0.0%	0	0.0%	1	50.0%	1	50.0%
CBO - CL BEN. OVERPAYMENT	2	0	0.0%	0	0.0%	1	50.0%	1	50.0%
COMPENSABILITY	Total: 84	1	1.2%	2	2.4%	45	53.6%	36	42.9%
CCS - CL SEC.CONDITION	20	0	0.0%	0	0.0%	6	30.0%	14	70.0%
CHC - CL COMPENSABILITY	1	0	0.0%	0	0.0%	0	0.0%	1	100.0%
CIS - CL SI SEC.CONDITION	2	0	0.0%	0	0.0%	0	0.0%	2	100.0%
CPI - CL SI REJECT CLAIM	4	0	0.0%	0	0.0%	2	50.0%	2	50.0%
CPJ - CL REJECT CLAIM	52	1	1.9%	2	3.8%	34	65.4%	15	28.8%
CQR - CL SI REJ OCCDISEASE	1	0	0.0%	0	0.0%	1	100.0%	0	0.0%
CRZ - CL REJ OCC DISEASE	4	0	0.0%	0	0.0%	2	50.0%	2	50.0%
DEP BEN FATAL	Total: 4	2	50.0%	0	0.0%	2	50.0%	0	0.0%
CDF - CL DENY/GRNT DTH BEN	2	2	100.0%	0	0.0%	0	0.0%	0	0.0%
CIF - CL SI DY/GNT DTH BEN	1	0	0.0%	0	0.0%	1	100.0%	0	0.0%
EDF - EM DENY/GRNT DTH BEN	1	0	0.0%	0	0.0%	1	100.0%	0	0.0%
FAILURE TO ACT 10 DAY	Total: 1	0	0.0%	1	100.0%	0	0.0%	0	0.0%
C5N - CL FTA NOT COVERED	1	0	0.0%	1	100.0%	0	0.0%	0	0.0%
FAILURE TO ACT 15 DAY	Total: 5	1	20.0%	2	40.0%	2	40.0%	0	0.0%
C01 - CL FTA INJ COMPENSAB	1	1	100.0%	0	0.0%	0	0.0%	0	0.0%
C03 - CL FTA TREATMENT	4	0	0.0%	2	50.0%	2	50.0%	0	0.0%
FAILURE TO ACT 30 DAY	Total: 7	0	0.0%	1	14.3%	3	42.9%	3	42.9%

Description	Protests Acknowledged	Days to Acknowledge Protests							
		> 30		30-24		23-11		< 11	
		Count	Percent	Count	Percent	Count	Percent	Count	Percent
C7A - CL FTA RO TTD/MED	1	0	0.0%	1	100.0%	0	0.0%	0	0.0%
C7B - CL FTA RO PPD	2	0	0.0%	0	0.0%	1	50.0%	1	50.0%
C7E - CL FTA CPLY OJ/BR/SC	4	0	0.0%	0	0.0%	2	50.0%	2	50.0%
IEB DETERMINATION	Total: 7	0	0.0%	0	0.0%	3	42.9%	4	57.1%
CEB - CL IEB DETERMINATION	6	0	0.0%	0	0.0%	3	50.0%	3	50.0%
CZB - CL SI IEB DETRM'TION	1	0	0.0%	0	0.0%	0	0.0%	1	100.0%
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%
OPBD	Total: 13	0	0.0%	0	0.0%	10	76.9%	3	23.1%
CAO - CL ADD BOARD FINDING	2	0	0.0%	0	0.0%	2	100.0%	0	0.0%
CBF - CL % BOARD FINDING	4	0	0.0%	0	0.0%	3	75.0%	1	25.0%
EAO - EM ADD BOARD FINDING	4	0	0.0%	0	0.0%	3	75.0%	1	25.0%
EBF - EM % BOARD FINDING	2	0	0.0%	0	0.0%	1	50.0%	1	50.0%
ESO - EM SI AD.BRD FINDING	1	0	0.0%	0	0.0%	1	100.0%	0	0.0%
PPD	Total: 93	2	2.2%	0	0.0%	39	41.9%	52	55.9%
CAA - CL ADDL % AWARD D/G	9	0	0.0%	0	0.0%	3	33.3%	6	66.7%
CAD - CL % AWARD DENY/GRNT	69	2	2.9%	0	0.0%	31	44.9%	36	52.2%
CIE - CL SI ADD% AWARD D/G	4	0	0.0%	0	0.0%	1	25.0%	3	75.0%
CIG - CL SI %AWARD DNY/GNT	11	0	0.0%	0	0.0%	4	36.4%	7	63.6%
REHABILITATION	Total: 1	0	0.0%	0	0.0%	1	100.0%	0	0.0%
CTP - CL GRNT/DNY TP REHAB	1	0	0.0%	0	0.0%	1	100.0%	0	0.0%
REOPENING	Total: 20	0	0.0%	2	10.0%	2	10.0%	16	80.0%
CIQ - CL SI DY/GNT R/O PPD	2	0	0.0%	1	50.0%	0	0.0%	1	50.0%
CIY - CL SI DY/GNT R/O TTD	1	0	0.0%	0	0.0%	0	0.0%	1	100.0%
CJV - CL DNY/GRNT R/O PPD	8	0	0.0%	1	12.5%	1	12.5%	6	75.0%

Description	Protests Acknowledged	Days to Acknowledge Protests							
		> 30		30-24		23-11		< 11	
		Count	Percent	Count	Percent	Count	Percent	Count	Percent
CLH - CL DNY/GRNT R/O PTD	1	0	0.0%	0	0.0%	0	0.0%	1	100.0%
CRD - CL DENY/GRNT R/O TTD	8	0	0.0%	0	0.0%	1	12.5%	7	87.5%
SPECIAL CATEGORY	Total: 1	1	100.0%	0	0.0%	0	0.0%	0	0.0%
CNW - CL SPL CATEGORY	1	1	100.0%	0	0.0%	0	0.0%	0	0.0%
TRMT/EQUIP CL	Total: 142	7	4.9%	1	0.7%	36	25.4%	98	69.0%
CBX - CL TRMT DENY	110	5	4.5%	1	0.9%	23	20.9%	81	73.6%
CSX - CL SI TRMT DENY	26	1	3.8%	0	0.0%	11	42.3%	14	53.8%
CYY - CL TRMT GRANT	6	1	16.7%	0	0.0%	2	33.3%	3	50.0%
TTD	Total: 46	2	4.3%	1	2.2%	19	41.3%	24	52.2%
CCC - CL CLOSING THE CLAIM	39	1	2.6%	0	0.0%	18	46.2%	20	51.3%
CIC - CL SI CLSING THE CLM	3	0	0.0%	0	0.0%	1	33.3%	2	66.7%
CJS - CL TTD	2	1	50.0%	0	0.0%	0	0.0%	1	50.0%
CPX - CL INITIAL TTD	2	0	0.0%	1	50.0%	0	0.0%	1	50.0%
Totals: Claims 366	427	16	3.7%	10	2.3%	164	38.4%	237	55.5%

Monday, May 02, 2011

Resolution of Issues

Report Dates: Decision Date from 4/1/2011 thru 4/30/2011

Time Standard Categories	Decisions Issued	Reversed		Affirmed		Affirmed by Rule		Dismissed		Modified		Moot		Other		Remanded	
		Count	%	Count	%	Count	%	Count	%	Count	%	Count	%	Count	%	Count	%
DEP BEN FATAL	13	1	7.7	9	69.2	0	0	1	7.7	1	7.7	0	0	1	7.7	0	0
PPD	109	16	14.7	34	31.2	23	21.1	36	33	0	0	0	0	0	0	0	0
REHABILITATION	1	0	0	1	100	0	0	0	0	0	0	0	0	0	0	0	0
REOPENING	21	8	38.1	6	28.6	3	14.3	4	19	0	0	0	0	0	0	0	0
TRMT/EQUIP CL	128	29	22.7	62	48.4	14	10.9	18	14.1	4	3.1	1	0.8	0	0	0	0
COMPENSABILITY	81	23	28.4	36	44.4	5	6.2	14	17.3	3	3.7	0	0	0	0	0	0
IEB DETERMINATION	1	0	0	1	100	0	0	0	0	0	0	0	0	0	0	0	0
OP NON-MED	1	0	0	1	100	0	0	0	0	0	0	0	0	0	0	0	0
OPBD	22	3	13.6	7	31.8	5	22.7	7	31.8	0	0	0	0	0	0	0	0
TTD	35	6	17.1	11	31.4	6	17.1	10	28.6	2	5.7	0	0	0	0	0	0
Totals	412	86	20.9	168	40.8	56	13.6	90	21.8	10	2.4	1	0.2	1	0.2	0	0

OOJ – Petition for Attorney Fees for Unreasonable Denial

Petitions received 9/1/2005 through 4/30/2011

	61
Petitions denied on face:	20
Petitions denied by ALJ Decision:	25
Petitions granted:	7
Petitions withdrawn through settlement:	2
Petitions currently pending:	7

Failure to Timely Act Process

Petitions filed 9/1/05 through 4/30/2011

Filed:	246
Denied/dismissed:	100
Withdrawn:	11
Reports to OIC:	111
Pending	24

Expedited Hearings Scheduled

	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	TOTAL
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	15	112
2011	10	16	11	15									52

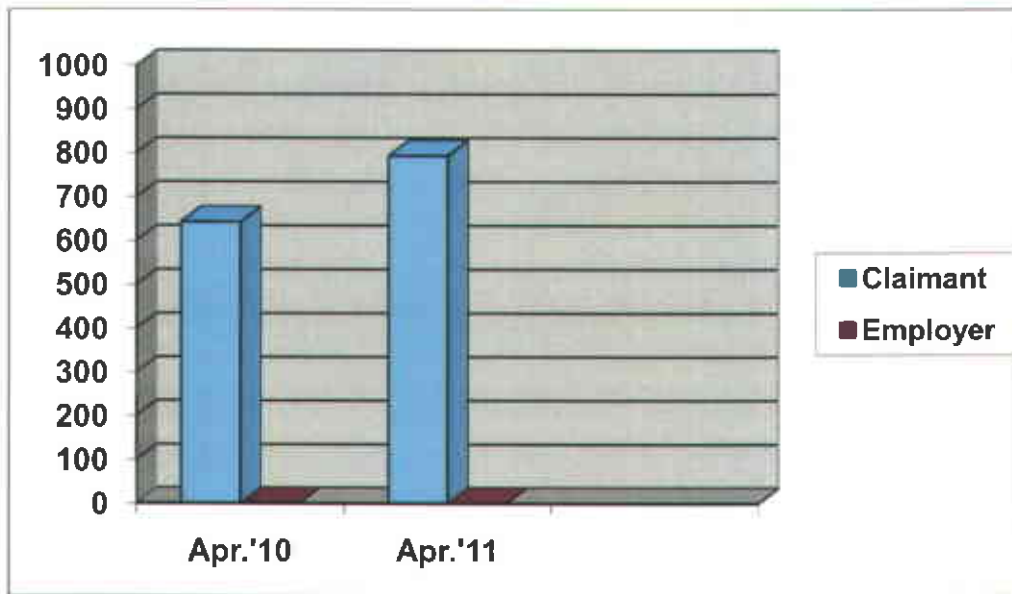
OOJ – Pending Treatment Issues

Pending Treatment Issues

Comparison to Prior Mo/Year

Party	Pending Treatment Issues		Comparison to Prior Mo/Year	
	Month Apr.'11	% Protests	Month Apr.'10	% Protests
Claimant	794	22.10%	643	17.20%
Employer	1	.03%	1	0.03%
Total	795		644	

Pending Treatment Issues



Pro Se Claimant Information

Pending Protests Involving Pro Se Claimants: 572

Pending Claims Involving Pro Se claimants: 50

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.
an equal opportunity/affirmative action employer

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: Rita Hedrick-Helmick, Chairperson

Date: June 2, 2011

Re: Workers' Compensation Board of Review Monthly Report

Attached, please find the Board of Review's May 2011 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:

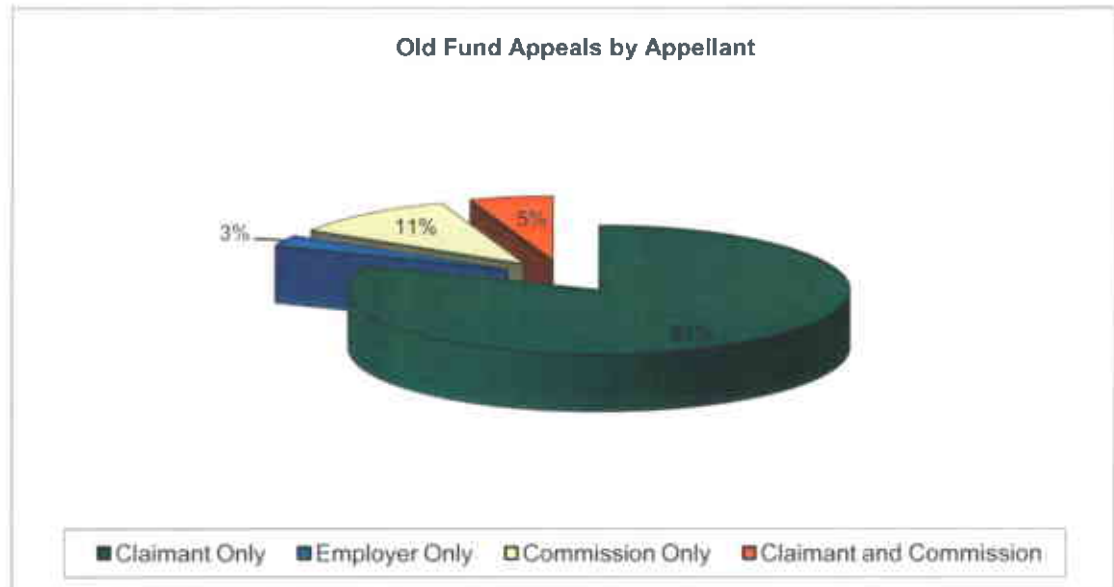
1. Monthly Report of Appeals Received
2. Yearly Report of Appeals Received
3. Monthly Report of Appeals Received by Issue
4. Yearly Report of Appeals Received by Issue
5. Monthly Appeals Received by Issue and Appellant
6. Monthly Summary of Dispositions by Party
7. Monthly Summary of Dispositions by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

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

Appeals Received From May 1, 2011 Thru May 31, 2011

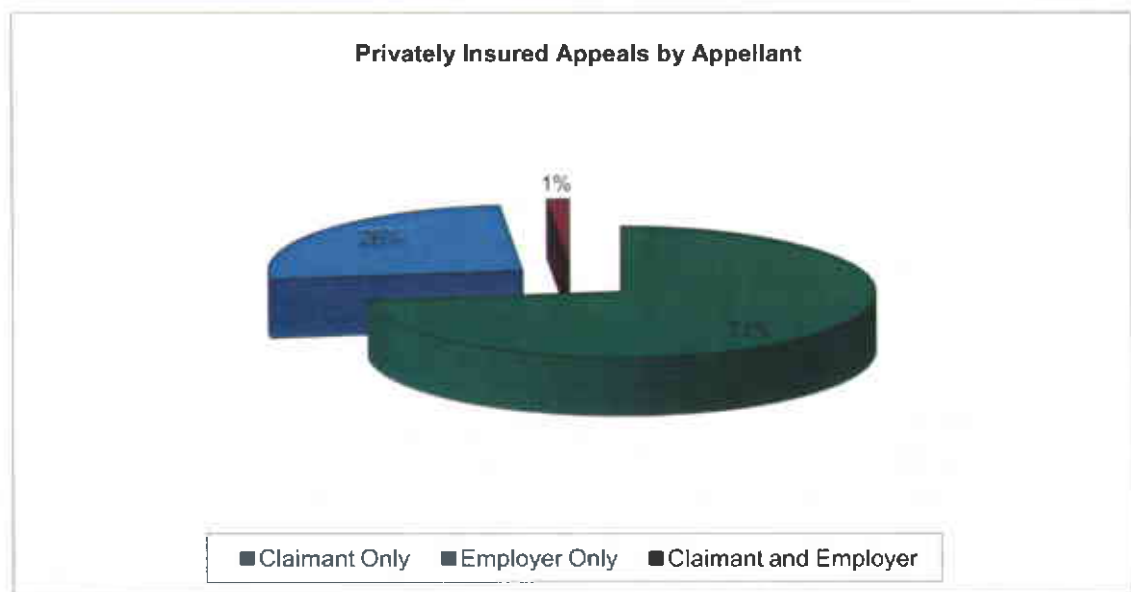
Old Fund Appeals (DOI < Jul-1-2005)

Appellant	Count
Claimant Only	30
Employer Only	1
Commission Only	4
Claimant and Commission	2
Old Fund Total	37



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

Appellant	Count
Claimant Only	51
Employer Only	18
Claimant and Employer	1
Privately Insured Total	70
Total Appeals	107

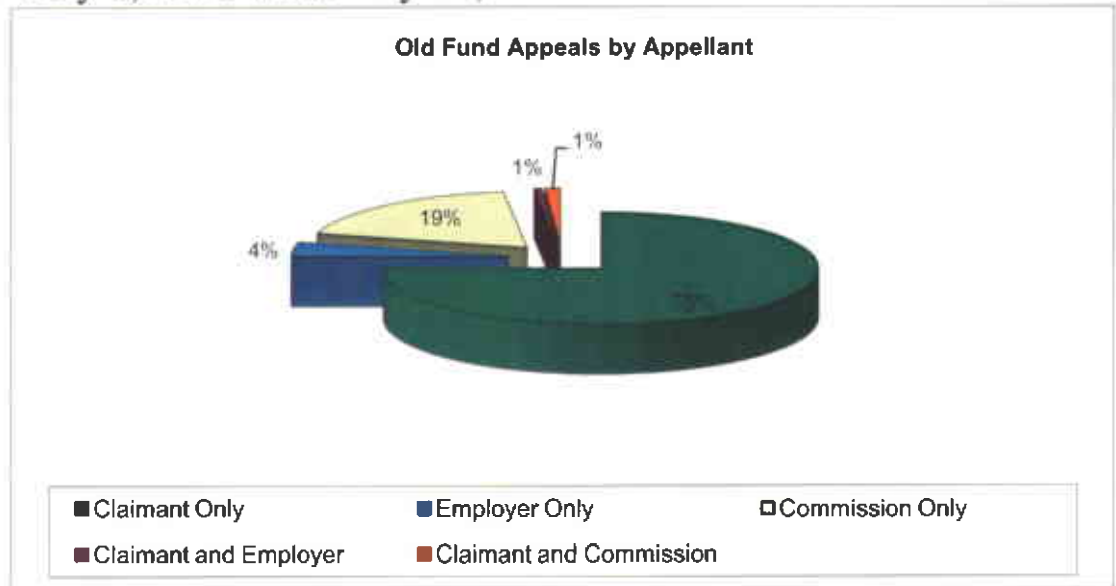


Appeals counted more than once:

Yearly Appeals Received From January 1, 2011 Thru May 31, 2011

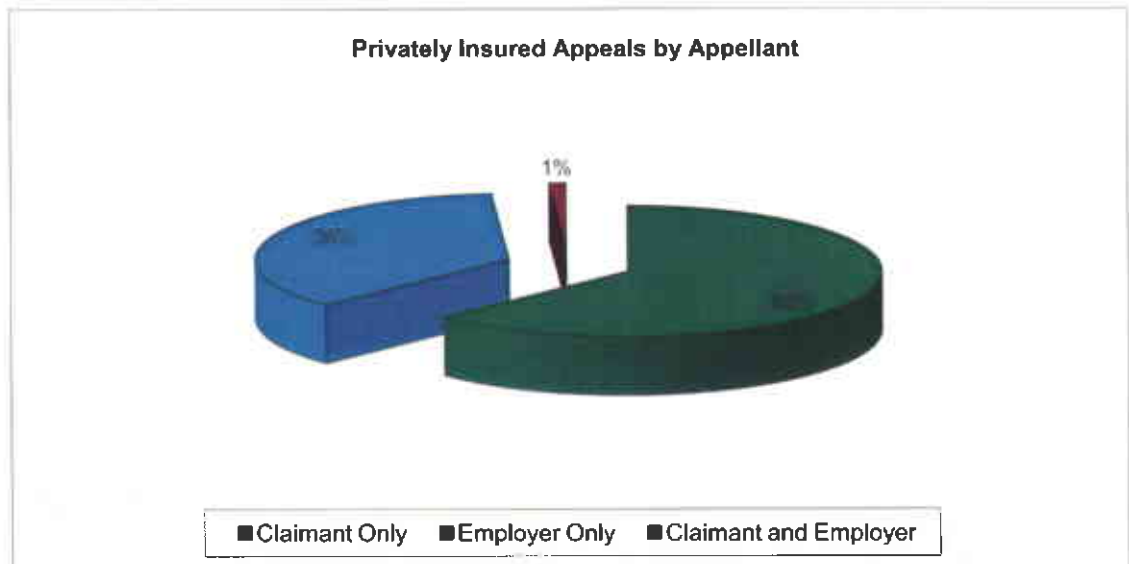
Old Fund Appeals (DOI < Jul-1-2005)

Appellant	Count
Claimant Only	130
Employer Only	7
Commission Only	33
Claimant and Employer	1
Claimant and Commission	2
Old Fund Total	173



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

Appellant	Count
Claimant Only	231
Employer Only	133
Claimant and Employer	4
Privately Insured Total	368
Total Appeals	541

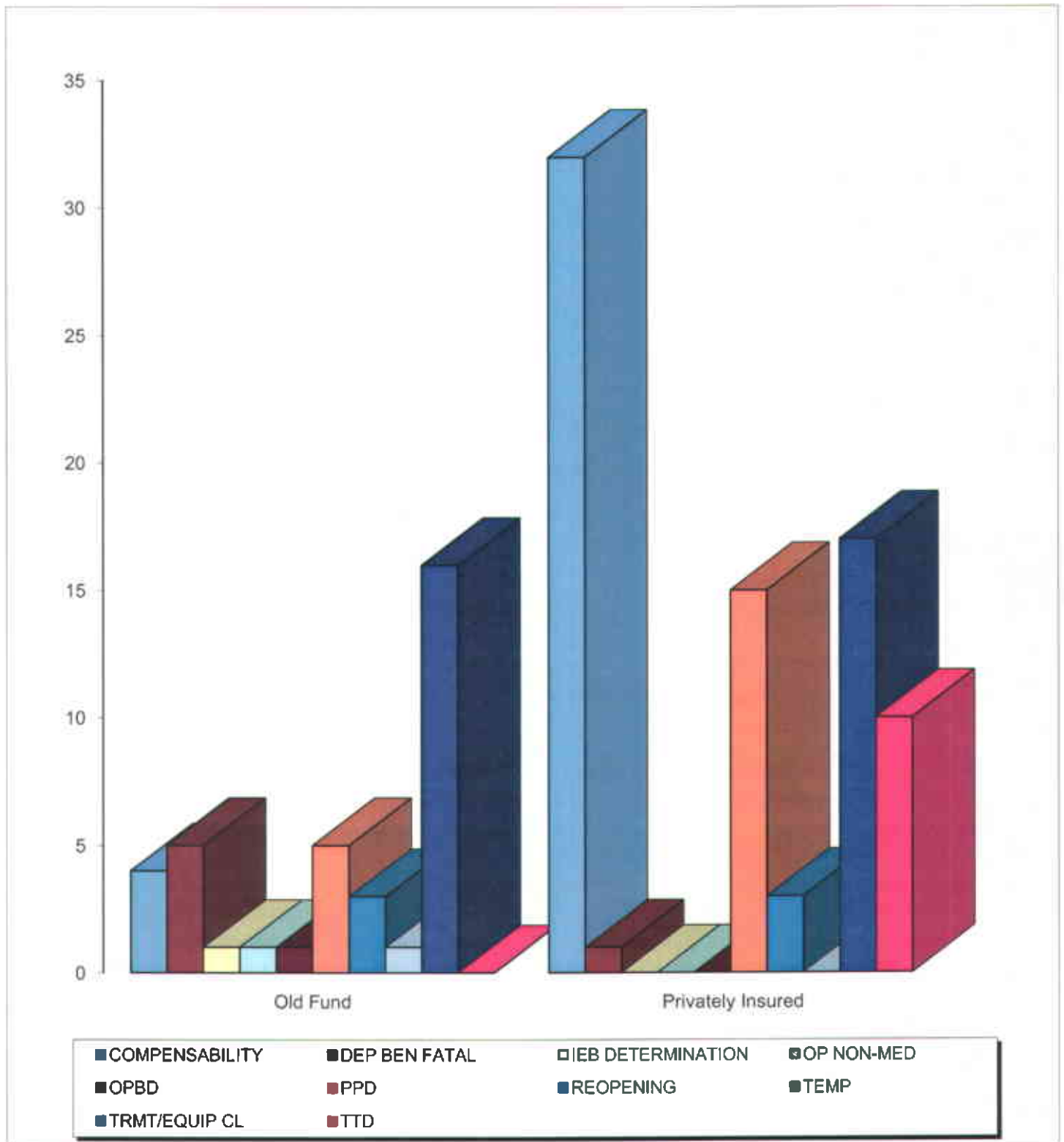


Appeals counted more than once:

Appeals Received by Issue
 Old Fund Appeals (DOI<Jul-1-2005) vs Privately Insured Appeals (DOI>June -30-2005)
 From May 1, 2011 Thru May 31, 2011

Type of Issue	Total Issues	Old Fund		Privately Insured	
		#	%	#	%
COMPENSABILITY	36	4	11.1	32	88.9
DEP BEN FATAL	6	5	83.3	1	16.7
IEB DETERMINATION	1	1	100.0	0	0.0
OP NON-MED	1	1	100.0	0	0.0
OPBD	1	1	100.0	0	0.0
PPD	20	5	25.0	15	75.0
REOPENING	6	3	50.0	3	50.0
TEMP	1	1	100.0	0	0.0
TRMT/EQUIP CL	33	16	48.5	17	51.5
TTD	10	0	0.0	10	100.0
Totals	115	37	32.2	78	67.8

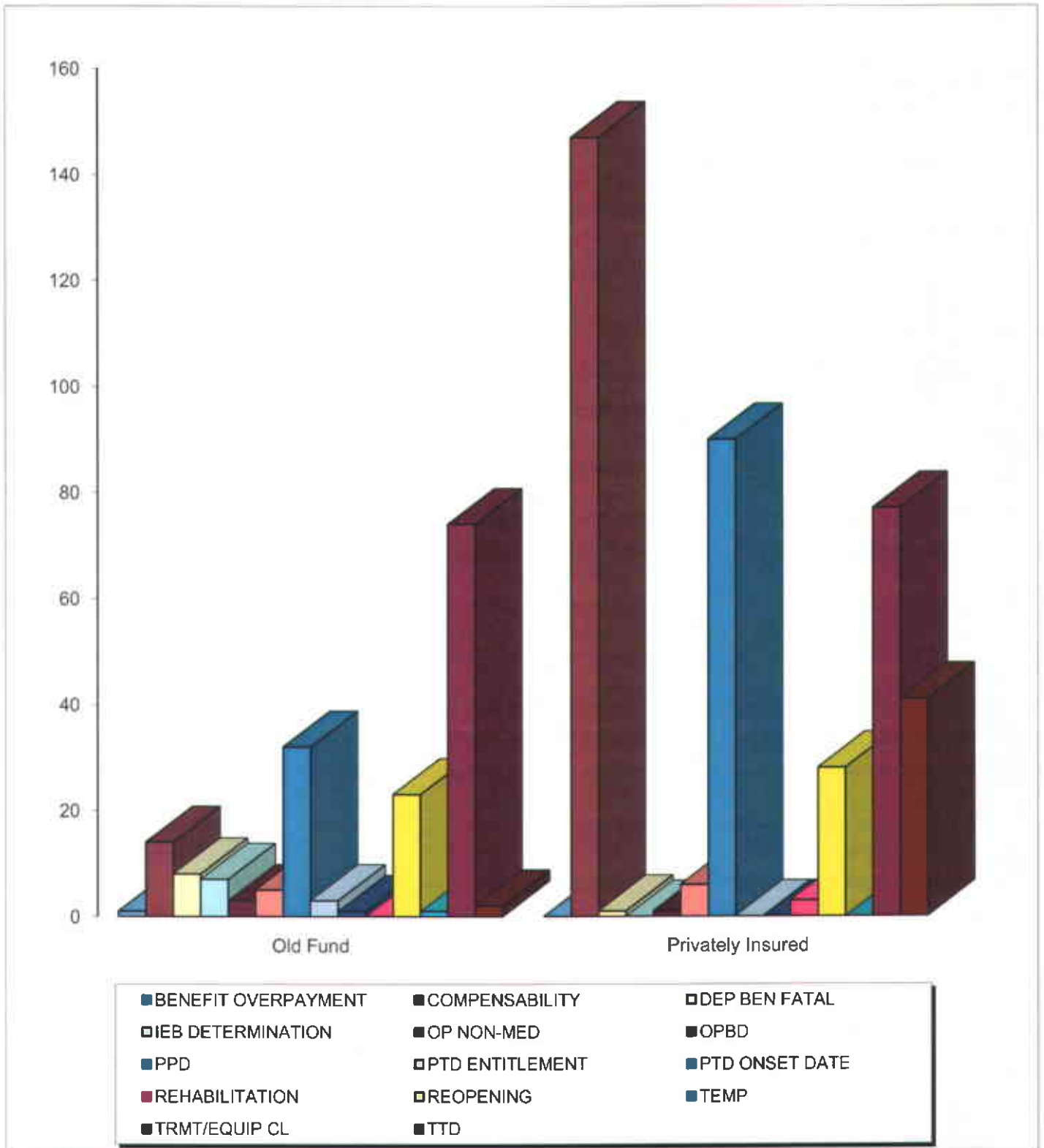
Appeals Received by Issue
Old Fund Appeals (DOI<Jul-1-2005) vs Privately Insured Appeals (DOI>June -30-2005)
From May 1, 2011 Thru May 31, 2011



Yearly Appeals Received By Issue
 Old Fund Appeals (DOI<Jul-1-2005) vs Privately Insured Appeals (DOI>Jun-30-2005)
 From January 1, 2011 Thru May 31, 2011

Type of Issue	Total Issues	Old Fund		Privately Insured	
		#	%	#	%
BENEFIT					
OVERPAYMENT	1	1	100.0	0	0.0
COMPENSABILITY	161	14	8.7	147	91.3
DEP BEN FATAL	9	8	88.9	1	11.1
IEB DETERMINATION	7	7	100.0	0	0.0
OP NON-MED	4	3	75.0	1	25.0
OPBD	11	5	45.5	6	54.5
PPD	122	32	26.2	90	73.8
PTD ENTITLEMENT	3	3	100.0	0	0.0
PTD ONSET DATE	1	1	100.0	0	0.0
REHABILITATION	3	0	0.0	3	100.0
REOPENING	51	23	45.1	28	54.9
TEMP	1	1	100.0	0	0.0
TRMT/EQUIP CL	151	74	49.0	77	51.0
TTD	43	2	4.7	41	95.3
Totals	568	174	30.6	394	69.4

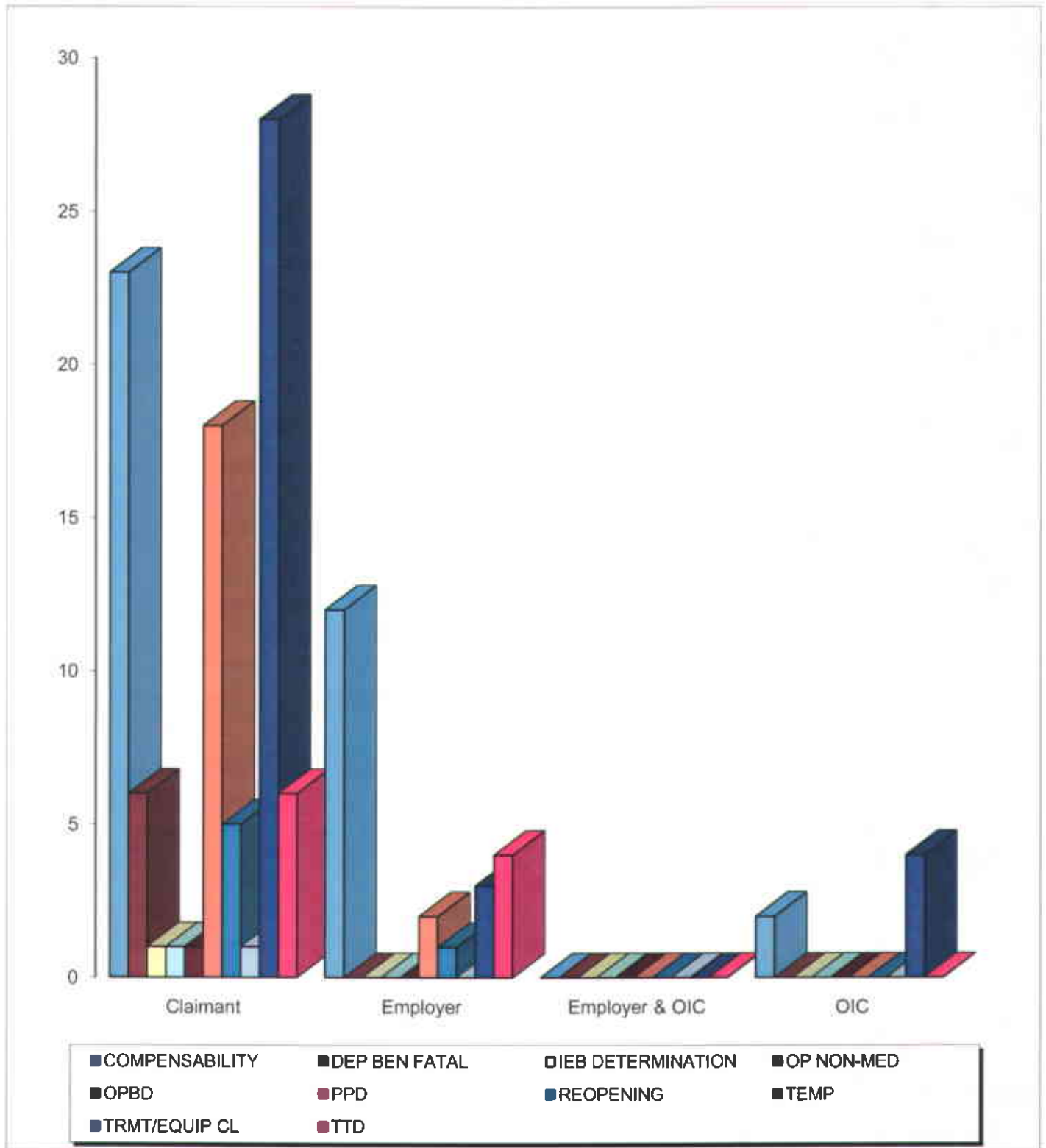
Yearly Appeals Received By Issue
 Old Fund Appeals (DOI<Jul-1-2005) vs Privately Insured Appeals (DOI>Jun-30-2005)
 From January 1, 2011 Thru May 31, 2011



Appeals Received By Issue
From May 1, 2011 Thru May 31, 2011

Type of Issue	Total Issues	Claimant		Employer		OIC		Emp and OIC	
		#	%	#	%	#	%	#	%
COMPENSABILITY	37	23	62.2	12	32.4	0	0.0	2	5.4
DEP BEN FATAL	6	6	100.0	0	0.0	0	0.0	0	0.0
IEB DETERMINATION	1	1	100.0	0	0.0	0	0.0	0	0.0
OP NON-MED	1	1	100.0	0	0.0	0	0.0	0	0.0
OPBD	1	1	100.0	0	0.0	0	0.0	0	0.0
PPD	20	18	90.0	2	10.0	0	0.0	0	0.0
REOPENING	6	5	83.3	1	16.7	0	0.0	0	0.0
TEMP	1	1	100.0	0	0.0	0	0.0	0	0.0
TRMT/EQUIP CL	35	28	80.0	3	8.6	0	0.0	4	11.4
TTD	10	6	60.0	4	40.0	0	0.0	0	0.0
Totals	118	90	76.3	22	18.6	0	0.0	6	5.1

Appeals Received By Issue From May 1, 2011 Thru May 31, 2011

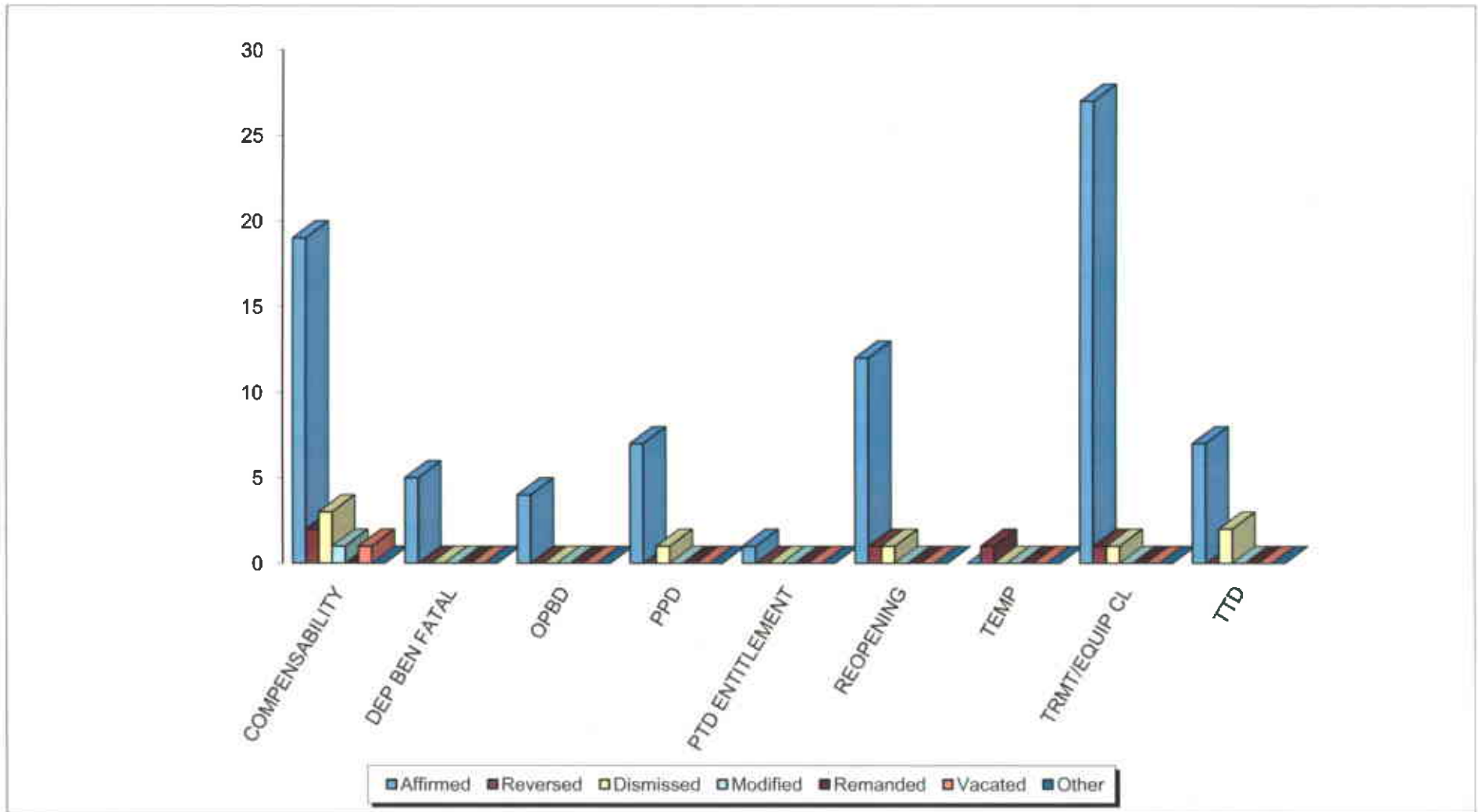


Dispositions By Issues
BOR Orders Mailed From May 1, 2011 Thru May 31, 2011

Type of Issue	Issues	Affirmed		Reversed		Dismissed		Modified		Remanded		Vacated		Other	
		#	%	#	%	#	%	#	%	#	%	#	%	#	%
COMPENSABILITY	26	19	73.1	2	7.7	3	11.5	1	3.8	0	0.0	1	3.8	0	0.0
DEP BEN FATAL	5	5	100.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
OPBD	4	4	100.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
PPD	8	7	87.5	0	0.0	1	12.5	0	0.0	0	0.0	0	0.0	0	0.0
PTD ENTITLEMENT	1	1	100.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
REOPENING	14	12	85.7	1	7.1	1	7.1	0	0.0	0	0.0	0	0.0	0	0.0
TEMP	1	0	0.0	1	100.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
TRMT/EQUIP CL	29	27	93.1	1	3.4	1	3.4	0	0.0	0	0.0	0	0.0	0	0.0
TTD	9	7	77.8	0	0.0	2	22.2	0	0.0	0	0.0	0	0.0	0	0.0
Totals	97	82	84.5	5	5.2	8	8.2	1	1.0	0	0.0	1	1.0	0	0.0

Appeals counted in multiple categories:

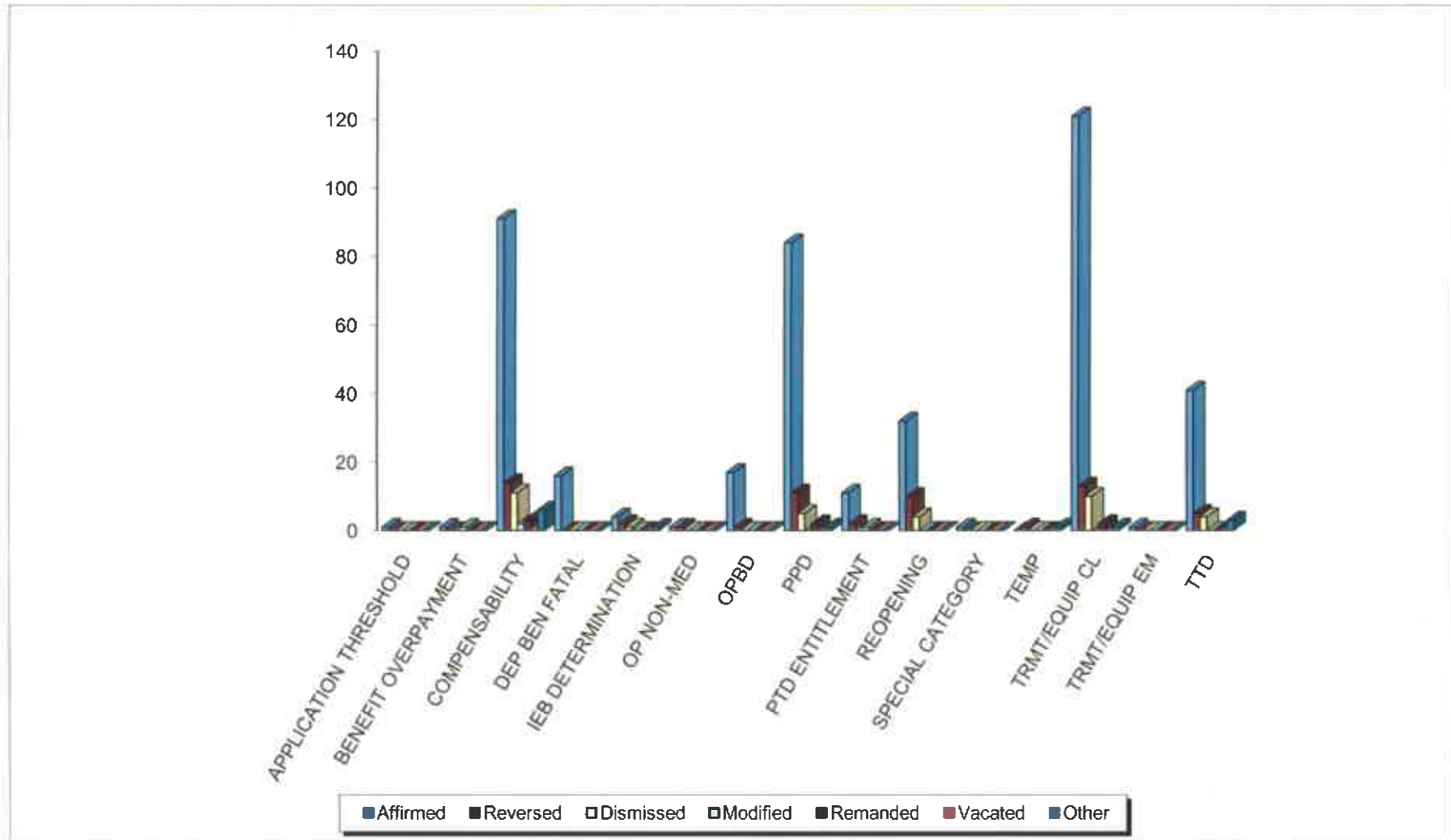
Dispositions By Issues
BOR Orders Mailed From May 1, 2011 Thru May 31, 2011



Yearly Dispositions By Issues
BOR Orders Mailed From January 1, 2011 Thru May 31, 2011

Type of Issue	Issues	Affirmed		Reversed		Dismissed		Modified		Remanded		Vacated		Other	
		#	%	#	%	#	%	#	%	#	%	#	%	#	%
APPLICATION THRESHOLD	1	1	100.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
BENEFIT OVERPAYMENT	2	1	50.0	0	0.0	0	0.0	1	50.0	0	0.0	0	0.0	0	0.0
COMPENSABILITY	128	91	71.1	14	10.9	11	8.6	2	1.6	3	2.3	1	0.8	6	4.7
DEP BEN FATAL	16	16	100.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
IEB DETERMINATION	8	4	50.0	2	25.0	1	12.5	0	0.0	0	0.0	0	0.0	1	12.5
OP NON-MED	2	1	50.0	1	50.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
OPBD	18	17	94.4	1	5.6	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
PPD	103	84	81.6	11	10.7	5	4.9	0	0.0	2	1.9	0	0.0	1	1.0
PTD ENTITLEMENT	14	11	78.6	2	14.3	0	0.0	1	7.1	0	0.0	0	0.0	0	0.0
REOPENING	46	32	69.6	10	21.7	4	8.7	0	0.0	0	0.0	0	0.0	0	0.0
SPECIAL CATEGORY	1	1	100.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
TEMP	2	0	0.0	1	50.0	0	0.0	0	0.0	0	0.0	0	0.0	1	50.0
TRMT/EQUIP CL	147	121	82.3	13	8.8	10	6.8	0	0.0	2	1.4	0	0.0	1	0.7
TRMT/EQUIP EM	1	1	100.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
TTD	53	41	77.4	5	9.4	4	7.5	0	0.0	0	0.0	0	0.0	3	5.7
Totals	542	422	77.9	60	11.1	35	6.5	4	0.7	7	1.3	1	0.2	13	2.4

Yearly Dispositions By Issues
 BOR Orders Mailed From January 1, 2011 Thru May 31, 2011



**WORKER COMPENSATION BOARD OF REVIEW
FOR MAY 2011**

Appealed By	BOR Disposition	Disposition		Year to Date	Year to Date	
		Count	Disp %		Disp %	Total %
CLAIMANT	AFFIRMED	62	96.9%	318	92.2%	68.4%
	DISMISSED			6	1.7%	1.3%
	MODIFY			2	0.6%	0.4%
	REMAND			3	0.9%	0.6%
	REVERSE	1	1.6%	15	4.3%	3.2%
	VACATE	1	1.6%	1	0.3%	0.2%
	Total Dispositions	64		345		
CLAIMANT/EMPLOYER	DISMISSED			1	100.0%	0.2%
	Total Dispositions			1		
EMPLOYER	AFFIRMED	8	72.7%	52	59.8%	11.2%
	DISMISSED			4	4.6%	0.9%
	MODIFY	1	9.1%	2	2.3%	0.4%
	REMAND			3	3.4%	0.6%
	REVERSE	2	18.2%	26	29.9%	5.6%
	Total Dispositions	11		87		
DIVISION/OIC	AFFIRMED	1	100.0%	18	56.3%	3.9%
	REMAND			1	3.1%	0.2%
	REVERSE			13	40.6%	2.8%
	Total Dispositions	1		32		
	Grand Totals	76		465		

WV Offices of the Insurance Commissioner
Workers' Compensation Revenue Recovery

Revenue Recovery Activity	April 2011
COLLECTION ACTIVITY	
Receipts - Old Fund (Employer out of business)	\$ 35,835.69
Receipts - PC & NU (Private Carrier Cancellation & Rogue Employers)	\$ 80,815.18
Receipts - Payment Agreements	\$ 15,674.92
# of active accounts uninsured (cumulative)	743
\$ of active accounts uninsured (cumulative)	\$ 2,625,201.69
Telephone contacts	1,774
Walk-ins	7
LIENS	
Liens sent to county clerks for recordation	116
Liens sent to county clerks for release	41
Intent to lien letters sent to employer/owner/officer/member	98
INJUNCTIONS	
Affidavits for injunction submitted to legal	12
Hearings attended	3
# of injunction complaints filed	6
# of injunctions granted	2
# of agreed orders entered	1
PAYMENT AGREEMENTS	
# of repayment agreements applications	2
Agreements set up	4
Total # of agreements on system (cumulative)	63
Intent to void letters mailed	6
Agreements voided	0
MISCELLANEOUS	
Terminations Processed	63
Rule 11 Letters Mailed	189
Rule 11 hearings	1
Uninsured Policies Resolved	264
All Cash Receipts from WC accounts	\$ 132,325.79

WEST VIRGINIA

BOARD OF TREASURY INVESTMENTS

CALENDAR NOTE

Board Meeting
June 1, 2011

CD Auction
July 13, 2011

OPERATING REPORT

APRIL 30, 2011

Board of Treasury Investments

1900 Kanawha
Boulevard East
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Charleston WV
25305
(304) 340-1578
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Board of Directors

John D. Perdue,
State Treasurer,
Chairman

Earl Ray Tomblin,
Governor

Glen B. Gainer III,
State Auditor

Martin Glasser, Esq.,
Attorney
Appointed by the
Governor

Richard "Chap"
Donovan, CPA
Appointed by the
Governor

Executive Staff

Executive Director
Glenda Probst,
CPA, CTP

Chief Financial
Officer

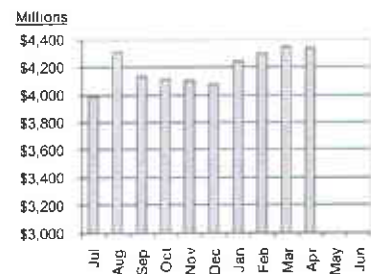
Kara K. Brewer,
CPA, MBA

Total Net Assets Under Management

\$4,335,797,000

Last Month
\$4,348,588,000

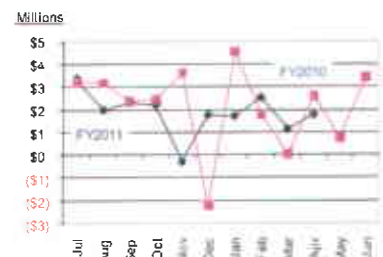
Beginning of Fiscal Year
\$3,925,206,000



10.5% Growth This Fiscal Year

Total Net Income & Gains

Fiscal Year
\$18,325,000



Fiscal Year Comparison

Money Market Pools

As of April 30, 2011

Pool	1-Day Yield *	7-Day Yield *	30-Day Avg. Yield *	W.A.M. **	Net Assets
WV Money Market	.1402%	.1470%	.1599%	49 Days	\$3.1 Billion
WV Gov't Money Market	.1035%	.0937%	.1045%	57 Days	\$301.5 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

APRIL 2011

Economic Recovery Showing Signs of Slowing Down

By many measures, the U.S. economic recovery has slowed in 2011. After increasing 3.1 percent in the fourth quarter of 2010, gross domestic product (GDP) grew only 1.8 percent annualized in the first quarter of this year. Consumer spending and inventory restocking were the largest contributors to growth, but reduced government spending cut more than a percentage point off GDP. In his first formal press conference, Fed Chairman Ben Bernanke blamed the slowdown on temporary factors, such as defense spending, weather, and exports. In the second quarter, reduced spending by individual states and higher oil prices could remain headwinds.

A few signs of inflation have cropped up, particularly in prices paid by producers of goods. This has resulted in a slight slowing of the growth in the manufacturing sector; the April Institute for Supply Management report lost momentum, and some regional manufacturing indices have also shown signs of slowing. Oil prices have put upward pressure on input prices, but the unemployment rate of 8.8 percent and a weak housing market reduce the likelihood of sustained inflation growth in the U.S.

The European Central Bank (ECB) raised interest rates to 1.25 percent in April, following the lead of many emerging markets nations, which have been aggressively raising rates to combat inflation. The ECB's hike leaves the U.S. as one of the few countries actively continuing to ease monetary policy. The European debt situation is still worth monitoring, even though it has had little to no impact on markets recently.

Equity markets

Equity markets rewarded investors in April, reacting positively to earnings reports and shrugging off bad news. Companies not only delivered strong earnings by containing costs, but also showed healthy top-line growth. Corporate earnings and strong balance sheets helped boost investor confidence. The result—a Dow Jones Industrial Average that was up 4 percent in April and up 11.5 percent year-to-date. The S&P 500 Index also performed well, increasing 3 percent during the month and is up 9 percent since January 1.

Investors in international markets also saw positive returns. The MSCI EAFE Index returned 6 percent for the month. Gains for U.S. investors came mostly from currency fluctuations. The dollar declined 4 percent against the euro in April and has fallen nearly 11 percent since the beginning of the year. European-denominated investors in the EAFE index have lost money year-to-date, U.S. investors in the index have gained 9.5 percent—mostly as a result of currency appreciation. The weakening dollar has also benefited U.S. exporters, who experienced gains when overseas profits were translated back into dollars. The MSCI Emerging Markets Free Index returned nearly 3 percent in April and has gained more than 4.5 percent year-to-date.

Bond markets

Fixed income investors also saw gains across multiple sectors, as most major bond indices moved higher over the month. Interest rates fell slightly, and prices rose, as continued buying by the Federal Reserve (the Fed) helped support bonds. As a result, the Barclays Capital Aggregate Bond Index increased 1.3 percent during April and is up 1.7 percent year-to-date. Municipal bonds also have gained, after having been badly beaten down at the end of last year and beginning of this year.

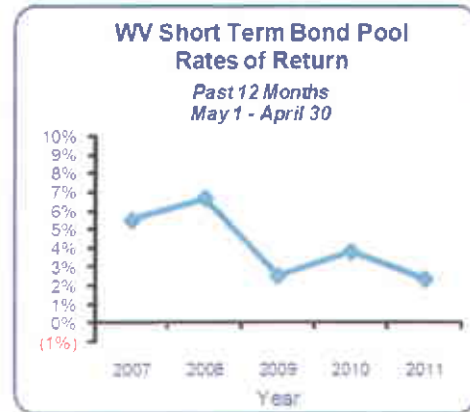
West Virginia Board of Treasury Investments

Financial Highlights as of April 30, 2011

WV Short Term Bond Pool

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

<u>May 1 - April 30</u>	<u>Return</u>	<u>Net Assets At April 30 (In Millions)</u>
2011	2.3%	\$ 478.1
2010	3.8%	\$ 449.9
2009	2.5%	\$ 325.7
2008	6.7%	\$ 379.0
2007	5.5%	\$ 229.5

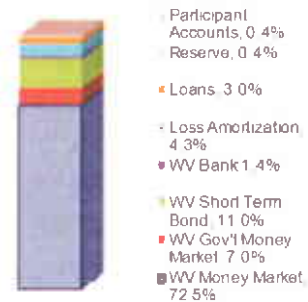


Prior to July 2007, the WV Short Term Bond Pool was known as the Enhanced Yield Pool

Summary of Value and Earnings *(In Thousands)*

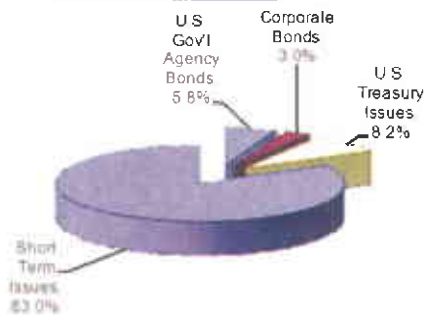
<u>Pool</u>	<u>Net Asset Value</u>	<u>April Net Income</u>	<u>Fiscal YTD Net Income</u>
WV Money Market	\$ 3,141,170	\$ 424	\$ 4,841
WV Gov't Money Market	301,452	29	359
WV Short Term Bond	478,097	981	8,894
WV Bank	60,044	14	236
Loss Amortization	188,506	64	780
Loans	130,566	216	2,973
Reserve	19,158	6	81
Participant Accounts	16,804	43	161
	<u>\$ 4,335,797</u>	<u>\$ 1,777</u>	<u>\$ 18,325</u>

Percent of Total Net Asset Value

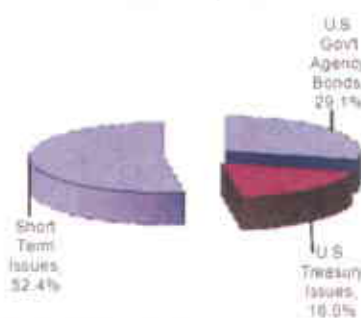


Securities by Type for Operating Pools *(Percentage of Asset Value)*

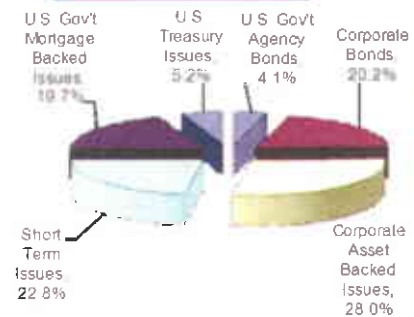
WV Money Market



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

APRIL 30, 2011

(IN THOUSANDS)

	WV					Participant Directed Accounts
	WV Money Market Pool	Government Money Market Pool	WV Short Term Bond Pool	WV Bank Pool	Other Pools	
Assets						
Investments:						
At amortized cost	\$ 3,140,237	\$ 301,154		\$ 60,022	\$ 149,503	\$ 13,512
At fair value	-	-	\$ 485,172	-	188,506	3,126
Cash	-	-	-	-	-	-
Collateral for securities loaned	104,541	-	25,493	-	-	-
Other assets	1,305	338	784	24	224	166
Total assets	<u>3,246,083</u>	<u>301,492</u>	<u>511,449</u>	<u>60,046</u>	<u>338,233</u>	<u>16,804</u>
Liabilities						
Payable for securities loaned	104,541	-	25,493	-	-	-
Other liabilities	372	40	7,859	2	3	-
Total liabilities	<u>104,913</u>	<u>40</u>	<u>33,352</u>	<u>2</u>	<u>3</u>	<u>-</u>
Net Assets	<u>\$ 3,141,170</u>	<u>\$ 301,452</u>	<u>\$ 478,097</u>	<u>\$ 60,044</u>	<u>\$ 338,230</u>	<u>\$ 16,804</u>
Investment income						
Interest and dividends	\$ 618	\$ 154	\$ 675	\$ 16	\$ 225	\$ 36
Securities lending income	-	-	-	-	-	-
Provision for securities lending loss	-	-	-	-	-	-
Net accretion (amortization)	(45)	(108)	(125)	-	646	(14)
Provision for uncollectible loans	-	-	-	-	-	-
Total investment income	<u>573</u>	<u>46</u>	<u>550</u>	<u>16</u>	<u>871</u>	<u>22</u>
Expenses						
Fees	149	18	48	2	3	-
Securities lending borrower rebates	-	-	-	-	-	-
Bad debt expense	-	-	-	-	-	-
Total expenses	<u>149</u>	<u>18</u>	<u>48</u>	<u>2</u>	<u>3</u>	<u>-</u>
Net investment income	<u>424</u>	<u>28</u>	<u>502</u>	<u>14</u>	<u>868</u>	<u>22</u>
Net realized gain (loss) from investments	-	1	3	-	-	-
Net increase (decrease) in fair value of investments	-	-	476	-	(582)	21
Net gain (loss) from investments	<u>-</u>	<u>1</u>	<u>479</u>	<u>-</u>	<u>(582)</u>	<u>21</u>
Net increase (decrease) in net assets from operations	<u>424</u>	<u>29</u>	<u>981</u>	<u>14</u>	<u>286</u>	<u>43</u>
Distributions to participants	<u>424</u>	<u>29</u>	<u>505</u>	<u>14</u>	<u>222</u>	<u>-</u>
Participant activity						
Purchases, reinvestment of units and contributions	741,174	41,767	1,084	14	227	62
Redemptions and withdrawals	703,973	89,806	696	-	3,225	2
Inter-pool transfers in	39,113	-	-	20,000	-	-
Inter-pool transfers out	20,000	-	-	39,113	-	-
Net increase (decrease) in net assets from participant activity	<u>56,314</u>	<u>(48,039)</u>	<u>388</u>	<u>(19,099)</u>	<u>(2,998)</u>	<u>60</u>
Increase (decrease) in net assets	56,314	(48,039)	864	(19,099)	(2,934)	103
Net assets at beginning of period	3,084,856	349,491	477,233	79,143	341,164	16,701
Net assets at end of period	<u>\$ 3,141,170</u>	<u>\$ 301,452</u>	<u>\$ 478,097</u>	<u>\$ 60,044</u>	<u>\$ 338,230</u>	<u>\$ 16,804</u>